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PROCEEDINGS AND DEBATES

OF THE

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Congressional Record.

PROCEEDINGS AND DEBATES OF THE SIXTY-SIXTH CONGRESS
SECOND SESSION.

SENATE.

TUESDAY, *May 4, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we ask for grace that we may see the problems of life from Thy point of view. May not all our measures and weights be material and physical, but may they be spiritual. May we understand the spiritual import of all the facts of life. Amid the drudgery of our daily task, do Thou shed forth Thy light, that we may see the smallest thing in its divine import and understand that Thou, who dost note the fall of a sparrow, dost take note as well of all performance of duty on the part of Thy children. Guide us this day. We ask it for Christ's sake. Amen.

The Reading Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

COMMISSION ON POSTAL FACILITIES.

The VICE PRESIDENT. In accordance with the provisions of section 6 of the Post Office appropriation act approved April 24, 1920, in which a commission is created to be composed of the chairman and four members of the Committee on Post Offices and Post Roads of the Senate, the President of the Senate is required to appoint the chairman and four members of that committee as members on the part of the Senate of the joint commission created thereunder to investigate and report to Congress on the methods and systems of handling, dispatching, transporting, and delivering the mails and facilities therefor. In the discharge of that duty, the Chair appoints the chairman of the Senate Committee on Post Offices and Post Roads, the senior Senator from Michigan [Mr. TOWNSEND], the Senator from South Dakota [Mr. STERLING], the Senator from New Hampshire [Mr. MOSES], the Senator from Nevada [Mr. HENDERSON], and the Senator from Massachusetts [Mr. WALSH]. The Secretary will notify the House of Representatives thereof.

CALLING THE ROLL.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Reading Clerk called the roll, and the following Senators answered to their names:

Ball	Fernald	Knox	Sheppard
Brandegee	Frelinghuysen	Lodge	Simmons
Calder	Gay	McCormick	Smith, Ga.
Capper	Glass	McCumber	Smith, Md.
Chamberlain	Hale	McKellar	Smoot
Colt	Harris	McLean	Sterling
Comer	Harrison	McNary	Sutherland
Culberson	Henderson	Moses	Thomas
Cummins	Jones, N. Mex.	New	Townsend
Curtis	Jones, Wash.	Nugent	Trammell
Dial	Kellogg	Overman	Wadsworth
Dillingham	Kendrick	Phipps	Walsh, Mass.
Edge	Kenyon	Ransdell	Wolcott
Elkins	Keyes	Reed	
Fall	King	Robinson	

Mr. GAY. I wish to announce the absence of the Senator from Rhode Island [Mr. GERRY] on business of the Senate, as a visitor appointed to attend the annual examination of naval cadets at Annapolis. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Fifty-eight Senators have answered to the roll call. There is a quorum present.

TERMINATION OF WAR WITH GERMANY.

Mr. BRANDEGEE. Mr. President, on Friday, April 30, the RECORD shows that the Senator from Massachusetts [Mr. LODGE] stated:

From the Committee on Foreign Relations I report back with certain amendments the joint resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting, on conditions, the resumption of reciprocal trade with Germany, and for other purposes, and I submit a report (No. 568) thereon.

Whereupon the Senator from Pennsylvania [Mr. KNOX] said:

Mr. President, I desire to give notice that on Wednesday next, at the conclusion of the routine morning business, with the consent of the Senate, I shall address myself to the joint resolution just reported by the Senator from Massachusetts.

In view of the notice given by the Senator from Pennsylvania that he would address the Senate to-morrow upon this very important measure, I ask unanimous consent that there may be printed in the RECORD House joint resolution 327 concerning this matter, together with the majority and minority reports of the House Committee on Foreign Affairs thereon, and also the report which the Senator from Massachusetts [Mr. LODGE] submitted on behalf of the Senate Committee on Foreign Relations, Report No. 568, with the substitute proposed by the Senate committee in lieu of the House joint resolution. I make this request in order that Senators and the public may have an opportunity to read the same before the address of the Senator from Pennsylvania.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

House joint resolution 327.

Joint resolution terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States; permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes.

Whereas the President of the United States, in the performance of his constitutional duty to give to the Congress information of the state of the Union, has advised the Congress that the war with the Imperial German Government has ended:

Resolved, etc., That the state of war declared to exist between the Imperial German Government and the United States by the joint resolution of Congress approved April 6, 1917, is hereby declared at an end.

SEC. 2. That in the interpretation of any provision relating to the date of the termination of the present war or of the present or existing emergency in any acts of Congress, joint resolutions, or proclamations of the President containing provisions contingent upon the date of the termination of the war or of the present or existing emergency, the date when this resolution becomes effective shall be construed and treated as the date of the termination of the war or of the present or existing emergency, notwithstanding any provision in any act of Congress or joint resolution providing any other mode of determining the date of the termination of the war or of the present or existing emergency.

SEC. 3. That with a view to secure reciprocal trade with the German Government and its nationals, and for this purpose, it is hereby provided that unless within 45 days from the date when this resolution becomes effective the German Government shall duly notify the President of the United States that it has declared a termination of the war with the United States and that it waives and renounces on behalf of itself and its nationals any claim, demand, right, or benefit against the United States or its nationals that it or they would not have had the right to assert had the United States ratified the treaty of Versailles, the President of the United States shall have the power, and it shall be his duty, to proclaim the fact that the German Government has not given the notification hereinbefore mentioned and thereupon and until the President shall have proclaimed the receipt of such notification, commercial intercourse between the United States and Germany and the making of loans or credits, and the furnishing of financial assistance or supplies to the German Government or the inhabitants of Germany, directly or indirectly, by the Government or the inhabitants of the United States shall, except with the license of the President, be prohibited.

SEC. 4. That whoever shall willfully violate the foregoing prohibition whenever the same shall be in force shall upon conviction be fined not more than $10,000, or, if a natural person, imprisoned for not more than two years, or both; and the officer, director, or agent of any corporation who knowingly participates in such violation shall be punished by a like fine, imprisonment, or both, and any property, funds, securities, papers, or other articles or documents, or any vessel, together with her tackle, apparel, furniture, and equipment, concerned in such violation, shall be forfeited to the United States.

SEC. 5. That nothing herein contained shall be construed as a waiver by the United States of any rights, privileges, indemnities, reparations, or advantages to which the United States has become entitled under the terms of the armistice signed November 11, 1918, or which were acquired by or are in the possession of the United States by reason of its participation in the war, or otherwise; and all fines, forfeitures, penalties, and seizures imposed or made by the United States are hereby ratified, confirmed, and maintained.

[House Report No. 801, Sixty-sixth Congress, second session.]

TERMINATION OF STATE OF WAR WITH GERMANY.

Mr. PORTER, from the Committee on Foreign Affairs, submitted the following report. [To accompany H. J. Res. 327.]

The Committee on Foreign Affairs, to which was referred House joint resolution 327, having carefully considered the same, reports it back to the House with the recommendation that it do pass.

The authorities on international law agree that there are three ways of terminating war between belligerent States: First, by a treaty of peace; second, by the conquest and subjugation of one of the belligerents by the other; third, by the mere cessation of hostilities so long continued that it is evident that there is no intention of resuming them.

War may be terminated in three different ways: Belligerents may (1) abstain from further acts of war and glide into peaceful relations without expressly making peace through a special treaty, or (2) belligerents may formally establish the condition of peace through a special treaty of peace, or (3) a belligerent may end the war through subjugation of his adversary. (Oppenheim, International Law, vol. 2, p. 322.)

There are three ways of terminating hostilities between States, namely, (1) by a mere cessation of hostilities of both sides, without any definite understanding supervening; (2) by the conquest and subjugation of one of the contending parties by the other so that the former is reduced to impotence and submission; (3) by a mutual arrangement embodied in a treaty of peace whether the honors of war be equal or unequal.

Under the first mode the relationship between the parties remain in a condition of uncertainty, and, owing to the numerous difficulties involved, combatant States have very seldom resorted to this method of withdrawing from the war without arriving at some definite and intelligible decision. (Phillipson, Termination of War and Treaties of Peace, p. 3.)

It is certain that a condition of war can be raised without an authoritative declaration of war, and, on the other hand, the situation of peace may be restored by the long suspension of hostilities without a treaty of peace being made. History is full of such occurrences. What period of suspension of war is necessary to justify the presumption of the restoration of peace has never yet been settled, and must in every case be determined with reference to collateral facts and circumstances. (Mr. Seward, Secretary of State, July 22, 1868, Dip. Cor., 1868, vol. 2, pp. 32 to 34, cited Moore's International Law, vol. 7, p. 336.)

The armistice was signed November 11, 1918, nearly 17 months ago, and while a treaty of peace between the Imperial German Government and the United States was signed at Versailles on June 28, 1919, it has not been ratified by the Senate of the United States, but, on the contrary, it has been returned to the President after an adverse vote upon the question of its ratification. The usual and normal method of terminating the war status having thus failed of accomplishment, it becomes the plain duty of Congress to declare the admitted fact that the war is ended.

There has been a complete suspension of hostilities on both sides without any intention of resuming them. Congress is clearly exercising powers which are within its constitutional rights in recognizing and declaring that the condition described by the writers on international law which are above quoted has now arrived, and that the war is at an end. As, by the resolution of April 6, 1917, Congress officially recognized the fact that war had been thrust upon us, so now it becomes the duty of Congress to give official recognition to the fact that the war is ended. Moreover, the general welfare of the United States imperatively demands that all uncertainty upon this subject shall cease, and that the extraordinary war powers of the Government shall be vacated and set aside.

The laws conferring extraordinary powers upon the President for the duration of the war are still in full force and effect and constitutional rights are still suspended. Many of these laws are extremely drastic and could be justified only as war necessities; but since the war has, in fact, long since ceased the justification for these laws no longer exists.

Some of the war laws were to be operative only during the war; some were to continue for certain periods after the war in order to give an opportunity to adjust and wind up business undertaken under war powers and not completed when the war ended; others were to continue in effect for limited periods and various purposes. Each of these laws fixes as the date of the termination of the war the date of the President's proclamation announcing the ratification of the treaty of peace. Section 2 of this resolution proposes in lieu of the date of the President's proclamation the date when this resolution becomes effective as the date of the termination of the war.

The effect of this resolution on all of the war legislation will be precisely the effect that the ratification and proclamation of the treaty would have had. Laws that were to be in force for the period of the war would have ceased with the President's proclamation; under this resolution they will cease with the date of its passage. On the other hand, laws that were to continue in effect for a time after the ratification and proclamation of the treaty of peace will continue in effect for the specified time after the passage of this resolution. The resolution, therefore, has no effect upon existing laws other than the effect that the ratification and proclamation of the treaty would have had.

Section 3 provides for the resumption of reciprocal trade relations between Germany and the United States for a period of 45 days and further provides that such reciprocal trade relations shall be permanently established when the President has ascertained and announced that Germany has declared a termination of the war and has made the waivers and renouncements on behalf of itself and its nationals which are specified in said section. The placing of these conditions on the permanent resumption of trade with Germany is a reasonable exercise of the power vested in Congress by the Constitution "to regulate commerce with foreign nations." In making certain legislation contingent on a fact to be ascertained and announced by the President, this paragraph follows precedents established in previous acts of Congress and especially section 3 of the act of October 1, 1890—the McKinley tariff act—which was sustained by the Supreme Court in the case of Field *v.* Clark (143 U. S., p. 649).

Section 4 provides a penalty for violation of section 3 whenever the prohibition provided by that section shall be in force.

Section 5 maintains the rights to which the United States has become entitled under the terms of the armistice or by reason of its participation in the war or otherwise, and ratifies, confirms, and maintains all fines, forfeitures, penalties, and seizures imposed or made by the United States on account of the war.

[House Report 801, part 2, Sixty-sixth Congress, second session.]

TERMINATION OF STATE OF WAR WITH GERMANY.

Mr. FLOOD, from the Committee on Foreign Affairs, submitted the following minority views to accompany H. J. Res. 327:

1. The purpose of this resolution is to terminate the state of war between the United States and the Imperial German Government; in other words, to declare peace.

2. To fix the date of the termination of the war or the present existing emergency.

3. To make a treaty of peace with the German Government.

4. An attempt to preserve something out of the wreck of American rights which this resolution destroys.

The preamble states that the President of the United States, in the performance of his constitutional duty to give to Congress information of the state of the Union, has advised Congress that the war with the Imperial German Government has ended.

At no time and under no circumstances has the President made any such assertion. It is true that on the signing of the armistice the President, in the course of an address to Congress, used the words, "the war thus comes to an end." But he spoke of actual hostilities, as everyone knew, and not of the technical state of the war. He meant that active hostilities had ceased. It takes a treaty to end a war. (Higo *v.* United States, 149 U. S., 315.) Hostilities had ceased, but the war had not ended, and will not end until it is terminated in a constitutional manner. The drafters of the resolution and the members of the Committee on Foreign Affairs who voted for it knew that this was the case. Indeed, after the President's address on the 11th day of November, 1918, a commission went abroad for the purpose of negotiating a treaty and bringing about a condition of peace. Several months were occupied in negotiation, and the treaty that resulted was, in due and proper course, submitted to the Senate of the United States, and was the subject of discussion there at various times for nine months.

By quoting this statement of the President as the basis for this resolution, the authors of the resolution lay themselves open to the charge of insincerity and sharp practice. The President never declared that the technical state of the war, which this resolution undertakes to declare at an end, had come to an end, and the Supreme Court of the United States has recently declared that what the President had done did not announce the legal determination of the war. (Hamilton *v.* Kentucky Distilleries & Warehouse Companies, U. S. Sup. Ct. Opinion, Dec. 15, 1919.)

The whereas of this resolution is therefore a misrepresentation which will mislead but few.

GENERAL STATEMENT.

This resolution contains some provisions that are within the power of Congress, and others that are not. So far as it seeks to declare peace, and so far as it seeks to direct the President to issue a proclamation to the German Government, it trenches upon the treaty-making powers, and is not within the power of Congress.

So far as it prohibits United States citizens and residents from commercial intercourse with Germany or its nationals and provides penalties for the violation of such restriction, it is valid. So far as it attempts to repeal war legislation it is, of course, within the power of Congress.

SECTION 1.

The first section of the resolution resolves that the state of war declared to exist between the Imperial German Government and the Government and people of the United States by a joint resolution of Congress approved April 6, 1917, is hereby declared at an end. This is a plain attempt to declare peace by a joint resolution. This Congress has not the power to do.

The Constitution vests in Congress the power to declare war. (Const. U. S., Art. I, sec. 8, cl. 11.) There is no suggestion of the power to make peace being vested in Congress.

The power to declare war or to make peace is not a legislative power, and unless otherwise expressed in the constitution of a country, is a branch of the treaty-making power, and a grant of the power to make treaties necessarily gives to the officials so empowered the exclusive right to make peace.

The treaty power, as expressed in the Constitution, is in terms unlimited except by those restraints which are found in that instrument against the action of the Government or of its departments, and those arising from the nature of the government itself and of that of the States. (Geofrey *v.* Riggs, 133 U. S., 258, 267.)

The method of making peace is by treaty. Therefore, when the treaty-making power was conferred on the President and Senate, the power to make peace was conferred on them.

The Supreme Court cites with approval the following:

Within these limits (immaterial here) all questions which may arise between us and foreign powers, be the subject matter what it may, fall within the treaty-making power, and may be adjusted by it. (Trent on Constitution and Government of the United States (Calhoun), 204.) (Howenstein *v.* Lynham, 100 U. S., 483, 490.)

There being no power to make or declare peace expressly vested by the Constitution in Congress, in order to exercise it Congress must show: (1) That it is a legislative power, and by implication arises. (2) That it is not vested in any other department.

1. The making or declaring peace is essentially not a legislative power. Legislation can not operate on a foreign country. It is essentially an executive, diplomatic function.

2. By the grant of the treaty-making power to the President and Senate, it is expressly vested elsewhere, which excludes Congress as its repository.

That this power is not legislative and that Congress has no share in it is demonstrated by the proceedings of the convention framing the Constitution. The first proposals would have placed the power to declare war and make peace with the Senate. (Madison Papers (5 Elliot), 131.)

It was then proposed for the "legislature" to "make war" and the "Senate" "treaties." (Ib., p. 379.)

Mr. Butler moved to give the legislature the power of peace, as they were to have that of war.

Mr. Gerry seconds him, etc.

On the motion for "and peace," after "war," it was unanimously negatived. (Madison Papers (5 Elliot), p. 439.)

When the power to make treaties finally came up, it was vested in the President, with the advice and consent of two-thirds of the Senate. A motion to add "House of Representatives" was defeated. (Ib., 523.)

At first a difference was made between treaties of peace and other treaties, requiring a less vote for a peace treaty. (Ib., 525.)

On reconsideration, this difference was stricken and treaties put on same basis with all treaties. (Ib., 525–527.)

It was finally determined, because of the necessity for flexibility of negotiation, to confer the power on the President, joining the Senate for reasons as stated by the Federalist, as follows:

The qualities elsewhere detailed as indispensable in the management of foreign negotiation point out the Executive as the most fit agent in those transactions, while the vast importance of the trust and the operation of treaties as laws plead strongly for the participation of the whole or a portion of the legislative body in the office of making them. (Federalist, No. 75.)

Vattel, in his Law of Nations, speaking of the power to make peace, while stating that the general rule is that the same power that has the right to make war likewise has the right to make and conclude peace, states:

A nation that has the free disposal of her domestic affairs and of the form of her government may intrust a single person or an assembly with the power of making peace, although she has not given them that of making war.

And cites as an example Sweden, where—

The King can not declare war without the consent of the States assembled in Diet, but he may make peace in conjunction with the Senate. (See Vattel's Law of Nations, pp. 432, 433.)

The works on international law by American authors give the following as the powers of declaring war and making peace under the American Constitution:

The American Constitution vests the power of declaring war in the two Houses of Congress with the assent of the President. By the forms of the Constitution the President has the exclusive power of making treaties of peace, which, when ratified, become the supreme law of the land and have the effect of repealing the declaration of war and all other laws of Congress and of the several States which stand in the way of their stipulations. But Congress may at any time compel the President to make peace by refusing the means of carrying on the war. (Wheaton, International Law, sec. 538.)

The power to make treaties of peace is usually the same as that to make any other treaties. In the United States it is vested in the President, by and with the advice and consent of the Senate. (Maxey on International Law, pp. 521–522.)

The Supreme Court of the United States has recognized that the termination of war and making peace belongs to the treaty-making power, and not to the legislative body.

In a foreign war a treaty of peace would be the evidence of the time when it closed. (United States *v.* Anderson, 9 Wall., 56, 70.)

Speaking of the War with Spain, the court said:

A state of war did not in law cease until the ratification in April, 1899, of the treaty of peace. (Hijo *v.* United States, 194 U. S., 315, 323.)

While it is doubtless true that precedents can be found of where Congress has, the President assenting by approval, undertaken to pass resolutions affecting foreign relations, it is generally recognized that these are but expressions of opinion.

SECTION 2.

Section 2 fixes the date of the termination of the war as the date when this resolution shall become effective in all matters relating to war and emergency legislation.

There is much war and emergency legislation that should be repealed. This section does not repeal this legislation, however, and it gives no relief from the burdens, inconveniences, extravagances, and losses which come from the existence of this legislation. Much of this legislation is burdensome and oppressive in time of peace. Congress has the power to repeal it, and it should address itself to this task instead of frittering away its time in attempting to pass unconstitutional legislation for the purpose of embarrassing the executive department of the Government or for some other political purpose.

A list of this legislation shows that if this resolution became a law, some of this legislation would remain on the statute books for five years. This list demonstrates the importance of Congress getting industriously to work to repeal or modify these measures in an orderly and scientific manner, as the country has been demanding that it do for nearly a year. The following is a list of this legislation:

I. EMERGENCY LEGISLATION NOT LIMITED TO THE PRESENT WAR.

(a) "In time of actual hostilities" (act of May 12, 1917, 40 Stat., 75): Secretary of War authorized to procure printing and binding by contract or open-market purchase.

(b) "In time (or 'case' or 'the event') of actual or threatened hostilities" (act of June 3, 1916, 39 Stat., 172): Secretary of War authorized to enlist additional men in Medical Department. Page 179, section 19: President authorized to organize ammunition batteries, etc. Page 188, section 34: Reenlistment of persons honorably discharged from the Army. Page 190, section 38: President authorized to order officers of Officers' Reserve Corps to temporary duty with Regular Army. Page 191, section 39: Appointment of officers of volunteers authorized. Page 193, section 48: Reserve Officers' Training Corps camps not limited to six weeks a year. Page 196: President authorized to order enlisted Reserve Corps to active service with Regular Army.

Act of May 12, 1917 (40 Stat., 47): Officers eligible to redetail to General Staff Corps without interval of two years' other service.

Act of July 9, 1918 (40 Stat., 893): Use of proceeds of public utilities in connection with engineer operations in the field overseas.

(c) "In time of war." Other expressions: "During war," "when this country is at war," "during such time as the United States may be at war," "when the United States is at war," "during a time when the United States is at war," "until the termination of the war," "until the end of the war," "during the time when the United States is at war," "any nation with which the United States is (or 'may be') at war," "any country, State, or sovereignty with which the United States is at war," "any country engaged in war with a country with which the United States is at war," "for the period of the war unless sooner discharged," or, negatively stated, "in time of peace."

R. S. 1166: Chief of Ordnance to execute orders of commanding officers for ordnance supplies.

R. S. 1209: Brevet commissions of Army officers for distinguished conduct.

R. S. 1229: Dismissal of Army and Navy officers does not require court-martial sentence.

R. S. 1343: Spies subject to death penalty.

R. S. 1365: Selection of rear admirals from officers who have received thanks of Congress for distinguished service.

R. S. 1436: Former chiefs of bureaus of Navy Department not exempt from sea duty.

R. S. 1462: Retired Navy officers may be employed on active duty.

R. S. 1624, article 36: Naval officers may be dismissed by order of the President.

Act of March 2, 1907 (34 Stat., 1228, sec. 2): Citizens not permitted to expatriate themselves.

Act of April 23, 1908 (35 Stat., 69, sec. 9): Appointment of medical officers of volunteers not prohibited.

Act of June 3, 1916 (39 Stat., 166, sec. 2): Unassigned recruits may exceed total authorized enlisted strength of Army by over 7 per cent.

Act of June 3, 1916 (39 Stat., 183, sec. 24): Retired Army officers may be employed on active duty. Page 194, section 53: President may order reserve officers to active duty. Page 202, section 79: Organization of reserve battalions of militia. Page 211, section 111: Active service of National Guard to be "for the period of the war unless sooner discharged." Page 211, section 112: Pension laws applicable to National Guard in service of the United States. Page 211, section 114: Filling of temporary vacancies in Regular Army due to details to National Guard.

Act of August 29, 1916 (39 Stat., 586): Convening of general naval courts-martial by certain officers authorized. Page 600: Navy laws, etc., to govern personnel of Coast Guard operating as part of Navy. Page 601: Secretary of the Navy authorized to man Coast Guard stations, etc.

Act of August 29, 1916 (39 Stat., 645): President authorized to assume control of transportation systems.

Act of March 4, 1917 (39 Stat., 1193): President authorized to use naval emergency fund for ships and war material.

Act of May 7, 1917 (40 Stat., 39): Enlistment in United States by Governments associated with United States in war permitted.

Act of May 22, 1917 (40 Stat., 89, sec. 18): Selections for grades of admiral and vice admiral to be from grades of rear admiral or captain.

Act of June 15, 1917 (40 Stat., 218, sec. 2): Penalty for communicating national defense information, etc. Page 219, section 3, as amended by act of May 16, 1918 (40 Stat., 553): Penalty for attempting to interfere with military operations, etc.

Joint resolution of July 9, 1917 (40 Stat., 242): Status of officers of Public Health Service on Coast Guard vessels, etc.

Act of July 24, 1917 (40 Stat., 244, sec. 6): Rating of military aviator, etc., without examination.

Act of October 6, 1917 (40 Stat., 385–389): Restrictions on manufacture, etc., of explosives.

Act of October 6, 1917 (40 Stat., 394 and 422, sec. 10): Withholding of patents for inventions useful in war, etc.

Act of October 6, 1917 (40 Stat., 411–426), as amended by acts of March 28, 1918 (40 Stat., 460), April 23, 1918 (40 Stat., 537), September 24, 1918 (40 Stat., 966), November 4, 1918 (40 Stat., 1020), and July 11, 1919 (Public, No. 5, 66th Cong., p. 1): Restrictions on trading with enemies, etc.

Act of May 16, 1918 (40 Stat., 554, sec. 2): Return of mail matter addressed to persons using the mails in violation of the espionage act.

Act of May 9, 1918 (40 Stat., 544): Naturalization fees not to be collected from aliens in military service of the United States.—(P. 545): Restrictions on naturalization of alien enemies.

Act of July 1, 1918 (40 Stat., 711): Various provisions relating to members of Naval Reserve Force.

Act of July 9, 1918 (40 Stat., 892, chap. 18): Secretary of the Treasury authorized to extend period for transmission of Army accounts.

(d) "In time of war or threatened war." (Other expressions: "In time of war or when war is imminent," "during time of war or when war is imminent," "in time of actual or threatened war," "in time of war or the imminence thereof.")

Act of June 29, 1906 (34 Stat., 587), as amended by act of August 29, 1916 (39 Stat., 604): Preference to be given by carriers, on demand of the President, to transportation of troops and materials of war.

Acts of May 11, 1908 (35 Stat., 125); March 3, 1909 (35 Stat., 750); and March 23, 1919 (36 Stat., 261): Material for State coast artillery organizations subject to withdrawal by Secretary of War for use in fortifications.

Act of April 24, 1912 (37 Stat., 90): President authorized to accept services of American National Red Cross.

Act of June 19, 1912 (37 Stat., 138, sec. 2): President authorized to waive provisions of eight-hour law as to public contracts. (See also act of Mar. 4, 1917, under subdivision (e), below.)

Act of June 3, 1916 (39 Stat., 204, sec. 86): Requisition of stores, etc., purchased from War Department for use of the National Guard.—(p. 213, sec. 120): President authorized to place obligatory orders with manufacturers.

Act of August 29, 1916 (39 Stat., 614): Marine Corps training camps not limited to six weeks a year.

Act of July 2, 1917 (40 Stat., 241), as amended by acts of April 11, 1918 (40 Stat., 518), and July 9, 1918 (40 Stat., 888): Immediate possession of lands, etc., needed for military purposes.

(e) "In time of war or national emergency." (Other expressions: "In the event of actual or threatened war or similar emergency in which the public safety demands it," "in time of war or when a national emergency exists," "in time of war or during the existence of a national emergency," "in time of war or in case of national emergency," "in time of war or during the existence of an emergency," "in time of war or other national emergency," "in case of national emergency," "throughout the war or until the national emergency ceases to exist," "in cases of emergency," "when a special exigency requires," or, negatively stated, "in time of peace, when no national emergency exists.")

Act of June 3, 1916 (39 Stat., 166, sec. 2): Enlisted force of the line of the Regular Army may exceed 175,000 men.

Act of August 29, 1916 (39 Stat., 581): Furloughed enlisted men of the Navy subject to recall.—(P. 587): Members of the Naval Reserve Force not entitled to discharge on their own request.—(P. 588): Members of Naval Reserve Force may be required to perform active service in the Navy.—(P. 591): Secretary of the Navy authorized to call retired enlisted men into active service.—(p. 591): Members of Naval Auxiliary Reserve may be required to serve only in vessels of the merchant-ship type, except temporarily in emergencies.

Act of March 4, 1917 (39 Stat., 1192): President authorized to suspend provisions of eight-hour law as to public contracts.

Act of June 15, 1917 (40 Stat., 219, sec. 6): President authorized to designate places concerning which information is not to be published.

Act of October 6, 1917 (40 Stat., 393): Officers of naval auxiliary forces authorized to serve on naval courts-martial, etc.

Act of July 1, 1918 (40 Stat., 711): Various provisions relating to members of Naval Reserve Force.

Act of March 1, 1919 (40 Stat., 1231): Employment of special services in Bureau of Engraving and Printing.

Act of March 3, 1919 (40 Stat., 1308, sec. 4): Special methods of operating Government arsenals authorized.

(f) During a period to be determined by the President: Act of January 28, 1915 (38 Stat., 800): Coast Guard to operate as a part of the Navy "in time of war or when the President shall so direct."

Act of June 3, 1916 (39 Stat., 166, sec. 3): President authorized, "in time of actual or threatened hostilities, or when in his opinion the interests of the public service demand it," to organize army corps or armies.

Act of June 3, 1916 (39 Stat., 182, sec. 24): Immediate increase in Army under national-defense act authorized "in the event of actual or threatened war or similar emergency in which the public safety demands it;" organizations to be raised to maximum strength "when, in the judgment of the President war becomes imminent," and "maintained as nearly as possible thereat so long as war, or the imminence of war, shall continue."—(P. 187, sec. 31): Mobilization of Regular Army Reserve in the event of actual or threatened hostilities, to be retained by the President in active service "for such period as he may determine the conditions demand."

Act of August 29, 1916 (39 Stat., 587): President authorized to order members of Naval Reserve Force into active service in the Navy "in time of war or when, in his opinion, a national emergency exists."

Act of May 22, 1917 (40 Stat., 87, sec. 16): President authorized to transfer vessels, personnel, etc., of Coast and Geodetic Survey to War Department or Navy Department "whenever in his judgment a sufficient national emergency exists."

Act of June 15, 1917 (40 Stat., 220): Secretary of the Treasury authorized to prescribe rules governing vessels in territorial waters "whenever the President by proclamation or Executive order declares a national emergency to exist by reason of actual or threatened war, insurrection, or invasion, or disturbance, or threatened disturbance, of the international relations of the United States."

Act of July 15, 1918 (40 Stat., 901, sec. 4): Approval of Shipping Board required for certain transactions "when the United States is at war or during any national emergency, the existence of which is declared by proclamation of the President."

Act of July 11, 1919 (Pub., No. 8, 66th Cong., p. 8): Increase in enlisted strength of Navy by the President authorized "whenever in his judgment a sufficient national emergency exists."

(g) Various other phrases. Act of August 13, 1912 (37 Stat., 303, sec. 2): President authorized to close radio stations "in time of war or public peril or disaster."

Joint resolution of July 1, 1916 (39 Stat., 339–340): Emergency declared to exist demanding use of troops in addition to Regular Army; draft of National Guard authorized "to serve for the period of the emergency, not exceeding three years unless sooner discharged," President to assign command of forces in the field, etc., "in time of war or public danger or during the emergency declared."

Act of August 29, 1916 (39 Stat., 670, art. 119): President to assign command of forces in the field, etc., "in time of war or public danger."

Act of July 1, 1918 (40 Stat., 711): Secretary of the Navy authorized to continue service of members of Naval Reserve Force six months after "war or other national emergency shall cease to exist."

II. EMERGENCY LEGISLATION REFERRING TO THE PRESENT WAR ONLY.[1]

(a) "During the continuance of the present war." (Other expressions: "During the present war," "during such time as the United States may be at war," "for the period of the present war," "during the period of the present war," "for the duration of the war only," "during the war in which the United States is now engaged," "during the war," "during the existence of the present war," "during the continuance of the war with Germany," "until the end of the war," "during the pendency of the existing war," "for and during the period of the present war, but for such period only," "only during the continuation of the existing war," "during the continuance of the state of war now existing," "during the present war," "for the period of the war," "during the pendency of the present war," "during the existing state of war," "until a treaty of peace shall have been definitely concluded between the United States and the Imperial German Government," "the termination of the war between the United States and the Imperial German Government," "the termination of the present war with Germany," "the termination of the present war," "after the existing state of war between the United States and its enemies shall have terminated," "when the existing state of war between the United States and Germany shall have terminated.")

Joint resolution of August 20, 1914 (38 Stat., 777): American Red Cross authorized to charter vessels of foreign registry, to carry the American flag.

Act of April 24, 1917 (40 Stat., 36, sec. 5): Conversion of bonds of first Liberty loan into bonds bearing higher rate of interest.

Act of April 25, 1917 (40 Stat., 38): Secretary of the Navy authorized to detail additional officers to Hydrographic Office.

[1] In the present classification no distinction is made between provisions limited to the duration of the European war in general and those limited to the war between the United States and the German Empire.

Act of May 22, 1917 (40 Stat., 85, sec. 3): Enlistments in Navy and Marine Corps to be for four years, or for the war, or for such shorter period as the President may prescribe.—(P. 86, sec. 6): Computations for Navy promotions to be made semiannually.—(P. 87, sec. 10): Promotion of probationary second lieutenants in Navy.—(P. 87, sec. 15): Coast Guard enlisted men, etc., to have same pay as corresponding grades, etc., in Navy.—(P. 90, sec. 21): Extra rations for Navy enlisted men on deck night watches.

Act of June 15, 1917 (40 Stat., 188): Enlistment of 1,200 cooks as first-class sergeants in Quartermaster Corps.

Act of June 15, 1917 (40 Stat., 225): President authorized to restrict exports.

Act of August 10, 1917 (40 Stat., 272): Penalties imposed for obstruction of railroads, etc.

Act of August 10, 1917 (40 Stat., 283, sec. 24): Food-control act limited to the duration of the war, except as to pending actions, etc.

Act of August 10, 1917 (40 Stat., 284, sec. 25): Regulation of prices of coal and coke.

Act of October 3, 1917 (40 Stat., 328, sec. 1108): Salaries of postmasters of first, second, and third classes not to be increased.

Act of October 6, 1917 (40 Stat., 349): Suspension of restrictions as to use of power and hand presses in Bureau of Engraving and Printing.

Act of October 6, 1917 (40 Stat., 392): Six months' gratuity to dependent relatives of retired officers and men dying while on active duty.

Act of October 6, 1917 (40 Stat., 413, sec. 3): Censorship of communications to foreign countries.—(P. 414): Use of assumed names by enemies, etc., restricted; President authorized to license or prohibit foreign insurance companies from doing business in the United States.—(P. 422, sec. 11): President authorized to restrict imports.—(P. 424, secs. 13, 14): Additional requirements concerning shipping manifests, etc.; report of export of money.—(P. 425, sec. 19): Restrictions on foreign-language newspapers, etc.

Act of December 20, 1917 (40 Stat., 430): Leave of absence to settlers engaged in farm labor.

Act of March 1, 1918 (40 Stat., 439): Construction of houses for shipyard employees, etc.

Act of March 16, 1918 (40 Stat., 450): Furloughs for enlisted men of the Army.

Joint resolution of March 27, 1918 (40 Stat., 459): Civil-service examinations not required to be taken in State of residence.

Act of March 29, 1918 (40 Stat., 500): Payment of gun pointers and gun captains temporarily absent from regular stations.

Act of April 17, 1918 (40 Stat., 531–532): Special provisions governing Reserve Officers' Training Corps.

Act of May 9, 1918 (40 Stat., 542): Special provisions for naturalization of aliens serving in military or naval service of the United States.

Act of May 16, 1918 (40 Stat., 550–553): Construction of houses for Government employees, etc. But amendment of July 19, 1919 (Pub. No. 21, 66th Cong., pp. 68–69), authorizes continuance of Housing Corporation for purpose of disposing of property, etc.

Act of May 22, 1918 (40 Stat., 558): National banks authorized to contribute to American National Red Cross.

Joint resolution of May 31, 1918 (40 Stat., 593–594): Continuation of existing leases in District of Columbia.

Act of July 1, 1918 (40 Stat., 714): President authorized to increase enlisted strength of the Navy by 50,000 men.—(Pp. 731–732): Special provisions for organization of Coast Guard.

Act of July 3, 1918 (40 Stat., 809): Advertisements not required for purchase of minor supplies, etc., for Department of Commerce.—(P. 812): Advertisements not required for purchase of minor supplies, etc., for Department of Labor.

Act of July 9, 1918 (40 Stat., 866): One Assistant Surgeon General appointed for service abroad.—(P. 870): Additional pay in lieu of leave of absence to employees in gun factories and arsenals.—(P. 881, chap. 7): Suspension of restriction of purchases of Army supplies, etc., to officers of Quartermaster Corps.—(P. 894, chap. 20): Enlistment of men outside draft age, etc., for special service.—(P. 895, chap. 24): Condemnation of property for generating electrical energy.

Act of October 1, 1918 (40 Stat., 990): Use of timber from national forests for prosecution of the war.—(P. 1007): Use of proceeds from sale of nitrate of soda under food-control act.

Act of November 4, 1918 (40 Stat., 1019–1020): Special enlistments, etc., in District of Columbia National Guard.

Act of February 24, 1919 (40 Stat., 1066, sec. 213): Exemption from income tax of amounts not over $3,500 received as compensation for active service in military and naval forces during the war.—(P. 1150, sec. 1401): Letters mailed by soldiers, etc., abroad may be mailed free of postage.

Act of March 3, 1919 (40 Stat., 1321): Pay, etc., of members of Nurse Corps, etc., during captivity.

(b) During the continuance of the war and for a definite period thereafter.—

(I) 3 MONTHS.

Act of November 4, 1918 (40 Stat., 1019): Termination of special enlistments in District of Columbia National Guard.

(II) 120 DAYS.

Act of October 6, 1917 (40 Stat., 392): Admission of foreign-built vessels to coasting trade.

(III) 6 MONTHS.

Act of May 22, 1917 (40 Stat., 86, sec. 8), and amendment of July 1, 1918 (40 Stat., 714): Temporary appointments under act providing for increase in Navy and Marine Corps.

Act of June 15, 1917 (40 Stat., 182–183), as amended by acts of April 22, 1918 (40 Stat., 535), and November 4, 1918 (40 Stat., 1022), and act of July 1, 1918 (40 Stat., 720): Requisition of shipyards, etc., by President.

Act of September 24, 1917 (40 Stat., 292, sec. 8): Designation of depositaries for public money in foreign countries.—(P. 293–295, sec. 12): Auditing of military accounts abroad.

Act of October 1, 1917 (40 Stat., 297, sec. 3): Continuance of Aircraft Board.

Act of October 6, 1917 (40 Stat., 347): Continuance of two additional Assistant Secretaries of the Treasury.

Act of March 8, 1918 (40 Stat., 447, sec. 500): Stay of proceedings under tax laws against property of persons in military service.—(P. 449, sec. 603): Continuance of general provisions of soldiers' and sailors' civil relief act.

Act of April 5, 1918 (40 Stat., 514, sec. 206): Continuance of capital issues committee.

Act of May 20, 1918 (40 Stat., 556–557): Coordination of executive bureaus, etc.

Act of July 1, 1918 (40 Stat., 716): Temporary promotions authorized in naval appropriation act.

Act of July 8, 1918 (40 Stat., 836): Increase of pay of certain employees of Government Printing Office.

Act of July 11, 1918 (40 Stat., 898, sec. 3): Insurance under Division of Marine and Seamen's Insurance. (But the division may be continued three years longer for the final adjustment of outstanding claims.)

(IV) 9 MONTHS.

Act of July 18, 1918 (40 Stat., 913, sec. 3): Regulation of freight rates by water, etc.

(V) UNTIL BEGINNING OF NEXT FISCAL YEAR.

Act of August 10, 1917 (40 Stat., 276, sec. 12): Continuance of food-survey act.

(VI) 1 YEAR.

Act of October 3, 1917 (40 Stat., 325, sec. 901): Exemption from tax of decedent estates of persons in military or naval service.

Act of April 4, 1918 (40 Stat., 505, p. 4): Secretary of the Treasury authorized to purchase bonds of Liberty loans.

Act of April 5, 1918 (40 Stat., 512, sec. 21), as amended by act of March 3, 1919 (40 Stat., 1313–1314): Loans by War Finance Corporation.

Act of May 23, 1918 (40 Stat., 560): Postponement of restrictions on alley dwellings in District of Columbia.

Act of July 9, 1918 (40 Stat., 872): Acceptance of foreign medals by persons in military forces of the United States.—(P. 889, sec. 3): Aircraft production corporations to be dissolved "within one year from the signing of a treaty of peace with the Imperial German Government."

Act of August 31, 1918 (40 Stat., 954): Free entry of articles donated by persons abroad to the American National Red Cross to be used for the benefit of the military or naval forces or civilian population of the United States or its allies.

(VII) 15 MONTHS.

Act of December 18, 1919 (Public, No. 102, Sixty-sixth Congress): Extension of copyright protection to authors of works published abroad during the war.

(VIII) 18 MONTHS.

Act of March 3, 1919 (40 Stat., 1312, sec. 7): Loans to allied Governments authorized.

(IX) 1 YEAR AND 9 MONTHS.

Act of March 21, 1918 (40 Stat., 458, sec. 14): Federal control of railroads, etc.

(X) 2 YEARS.

Act of October 6, 1917 (40 Stat., 368): Continuance of certain temporary office buildings of War and Navy Departments.

Act of September 24, 1918 (40 Stat., 965, sec. 1): Exemption of interest on Liberty loan bonds from certain taxes.—(P. 966, sec. 5): Regulation by President of transactions in United States bonds and certificates of indebtedness.

Act of October 5, 1918 (40 Stat., 1009, sec. 2; 1012, sec. 10): Control of mineral supplies.

Joint resolution of October 19, 1918 (40 Stat., 1014): Readmission of aliens serving in military forces of the United States, etc.

(XI) 5 YEARS.

Act of September 7, 1916 (39 Stat., 732, sec. 11): Dissolution of corporations organized by United States Shipping Board.

Act of October 6, 1917 (40 Stat., 410, sec. 404): Conversion of term insurance under war-risk insurance act.

Act of March 3, 1919 (40 Stat., 1310, sec. 2): Liberty loan bonds exempt from certain taxes.

(c) "During the existing emergency." (Other expressions: "During this existing emergency," "during the period of the existing emergency," "for and during the existing emergency," "for the period of the existing emergency," "during the present emergency," "for the period of the existing emergency only.")

Act of May 12, 1917 (40 Stat., 73): Suspension of restriction on details in General Staff Corps in District of Columbia.

Act of June 14, 1917 (40 Stat., 181): Issue of arms, etc., for equipment of home guards.

Act of July 2, 1917 (40 Stat., 241), as amended by act of April 11, 1918 (40 Stat., 518–519): Opinion of Attorney General on validity of title and consent of legislature of State not required for possession of land needed for military purposes.

Act of July 24, 1917 (40 Stat., 243–247): Increase in Signal Corps, etc.

Act of October 6, 1917 (40 Stat., 356): Sale of airplane materials authorized.—(P. 361), also act of July 9, 1918 (40 Stat., 849): Payment of traveling expenses of foreign officers, etc.—(P. 366): Secretary of War authorized to incur additional obligations for ordnance supplies.—(P. 383, sec. 5): Secretary of War and Secretary of the Navy authorized to make advance payments to contractors.

Act of October 6, 1917 (40 Stat., 394): Appointment of Army chaplains at large.

Act of October 6, 1917 (40 Stat., 398): Provisional organization of Cavalry regiments as Field Artillery or Infantry.

Act of October 6, 1917 (40 Stat., 410, sec. 3): Appointment of generals and lieutenant generals.

Act of April 16, 1918 (40 Stat., 530), as amended by joint resolution of December 24, 1919 (Public resolution 26, Sixty-sixth Congress): Quarters to officers, etc., having dependent relatives.

Joint resolution of May 20, 1918 (40 Stat., 557): Registration for military service of male citizens upon reaching age of 21. (See act of May 18, 1917, under subdivision (d) below.)

Act of July 1, 1918 (40 Stat., 711): Secretary of the Navy to prescribe precedence of officers of Naval Reserve Force.

Act of July 9, 1918 (40 Stat., 851): Contracts for rent of quarters for draft boards not required to be in writing.—(P. 852): Secretary of War authorized to organize 20 additional bands.—(P. 853): Allowance, etc., of Army field clerks.—(P. 878, ch. 3): Officers accountable for public moneys authorized to intrust money to other officers.—(P. 878, ch. 5): Payment of Army obligations from available balances.

Act of November 4, 1918 (40 Stat., 1029): Requisition of lands for hospital facilities.

Act of July 11, 1919 (Public, No. 8, Sixty-sixth Congress, p. 25): Credit to Navy disbursing officers for special payments certified by Secretary as incurred under military necessity.

(d) Various other phrases: Act of May 18, 1917 (40 Stat., 76–83), as amended by acts of June 15, 1917 (40 Stat., 217, sec. 4), July 9, 1918 (40 Stat., 894, ch. 21), and August 31, 1918 (40 Stat., 955–957): Service under selective draft, etc., to be "for the period of the war, unless sooner terminated by discharge or otherwise"; compulsory service provisions to terminate four months after the President's peace proclamation "or as soon thereafter as it may be practicable to transport the forces then serving without the United States to their home station."

Joint resolution of July 17, 1917 (40 Stat., 243): Mineral land assessment work not required of a person in military or naval service "during the period of his service or until six months after such owner is mustered out of the service or until six months after his death in the service."

Act of August 7, 1917 (40 Stat., 250): Desert-land improvements not required "during the period said entryman or his successor in interest is engaged in the military service of the United States during the present war with Germany and until six months thereafter."

Act of October 6, 1917 (40 Stat., 391): Any person serving in the "armed forces of the United States" authorized to make public-land affidavits before his commanding officer "during the continuance of the present war with Germany and until his discharge from service."

Act of March 8, 1918 (40 Stat., 440–449): Stay of proceedings against persons in military service, etc., during period of service and from 30 days to 1 year thereafter.

Joint resolution of September 12, 1918 (40 Stat., 958), and act of November 21, 1918 (40 Stat., 1047): Establishment by the President of dry zones around coal mines, munition factories, shipbuilding plants, etc., "whenever in his opinion the creation of such zones is necessary to, or advisable in, the proper prosecution of the war."

Act of November 7, 1918 (40 Stat., 1043, sec. 2): Transfer of control of Southern Branch of National Home for Disabled Volunteer Soldiers to the Medical Department until "the close of the war or as soon thereafter" as its retransfer "may be practicable."

Act of November 21, 1918 (40 Stat., 1046): Restrictions on sale, etc., of intoxicating liquors until "the conclusion of the war and thereafter until the termination of demobilization, the date of which shall be determined and proclaimed by the President."

Act of February 24, 1919 (40 Stat., 1151, sec. 1406): Bonus of $60 on discharge of soldiers, etc., "not later than the termination of the current enlistment or term of service"; in case of officers, within one year after termination of the war.

Act of July 11, 1919 (Public, No. 7, Sixty-sixth Congress, p. 30): Prosecution of claims against the United States by a former officer or employee prohibited "within two years next after his discharge or other separation from the service of the Government."

Act of July 11, 1919 (Pub. No. 8, 66th Cong., pp. 9–10): Various privileges to be granted on discharge, etc., of enlisted men of Navy, etc., who served during the war.

After a war has ended—that is, after hostilities have ceased—intercourse may be resumed with the enemy in a more or less restricted manner or intercourse may be resumed freely and without restriction. But it is obvious that this relation may be a temporary expedient pending the conclusion of an agreement with the enemy, and that it does not in itself settle any of the questions in dispute between the belligerents which caused the war or which arose out of the war. If "peace" is merely the return to normal conditions, as nearly as possible, of trade and intercourse between enemies, then peace can be established by each of the belligerents lifting its war-time restrictions. But such de facto peaceful relations can not be entered into by one belligerent alone taking this step without the concurrent action of the other in taking a similar step. While one country may abolish its restrictions on intercourse, the other country may maintain them. It is, therefore, necessary that some identical or similar action be taken by the two belligerents before peaceful trade relations can be established—in essence, an agreement expressed either by concurrent legislation in both belligerent countries or by a signed instrument. Should, therefore, the Congress of the United States remove from the statute books the emergency legislation which allows the Executive to prevent or restrict trade and all forms of intercourse with the enemy, and should the enemy take action to bring about similar results, de facto peaceful intercourse would be reestablished without the intervention of a treaty of peace.

But the establishment of peaceful intercourse does not settle pending controversies with the enemy, such as indemnity for war losses, and innumerable other matters unsettled by war. It is submitted that such matters can only be settled by agreement negotiated or imposed. This is one of the main functions of a treaty of peace. Although there are no decisions squarely in point, so far as has been found in the short time at our disposal, there are dicta to the effect that a war in which the United States is engaged can only be concluded by a treaty of peace. (Ware *v.* Hilton, 3 Dallas, 236; U. S. *v.* Hicks, 256 Fed., 710; 22 Atty. Gen. Op., 190.) Moreover, it is a fact that every war in which the United States has been engaged has been concluded by a treaty of peace, except the War between the States, which was an internal conflict. The protocol of August 12, 1898, with Spain (sometimes erroneously called a modus vivendi) was held by the Attorney General not to terminate the Spanish-American War. (22 Op. Atty. Gen., 190.) It was really in effect an armistice suspending hostilities pending the negotiation of an agreement upon certain bases laid down.

While, therefore, peaceful trade relations may be reestablished by legislative action concurred in by the enemy power, the disputes of the war could not be settled thereby or until some sort of agreement has been negotiated between this country and Germany.

SECTION 3.

This section, in substance, provides that unless within 45 days from the date when this resolution becomes effective the German Government shall duly notify the President of the United States that it has declared a termination of the war with the United States, and that it waives and renounces on behalf of itself and its nationals any claim, demand, right, or benefit against the United States or its nationals that it or they would not have had the right to assert had the United States ratified the treaty of Versailles, the President of the United States shall have the power, and it shall be his duty, to proclaim the fact that the German Government has not given the notification hereinbefore mentioned, and thereupon and until the President shall have proclaimed the receipt of such notification, commercial intercourse, etc., except with the license of the President, shall be prohibited.

The first thought which comes to one's mind in connection with this section is that it gives to Germany and her nationals all the rights they would have had if the United States had ratified the treaty of Versailles. This we will deal with later.

Another thought is that the resolution not only attempts to declare the war at an end but it attempts to make, in effect, a treaty with Germany, because the section quoted contemplates affirmative action upon the part of Germany in accepting the terms laid down in the resolution. This is an indirect way of attempting to establish contractual relations between the two Governments—an agreement which, taken in connection with the rest of the resolution, amounts to a treaty—and constitutes, therefore, a bold invasion of the treaty-making powers, which are the constitutional prerogative of the President, by and with the advice and consent of the Senate.

He shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur. (U. S. Const., Art. II, sec. 2.)

An examination either of congressional debates, or of executive documents, or of the decisions of the Supreme Court, from the beginning of the Government, will show the great care with which each of these departments has endeavored not to infringe upon the province of the others.

The three branches of the Government have acted upon the theory that if any given power belongs to one branch of the Government, presumptively it does not belong to the other branch.

ACTS CONCERNING FOREIGN RELATIONS, EXECUTIVE IN THEIR NATURE, AS SHOWN BY HISTORY—ENGLISH PRACTICE.

That in Great Britain, the principal constitutional government of Europe when our Constitution was adopted, the making of treaties and all matters affecting her relations with foreign countries were prerogative—that is, executive—appears from Todd (Parl. Gov., vol. 1, p. 369.) Until of late years treaties were not laid before Parliament until after ratification (p. 367), and the initiation of a foreign policy not taking the form of a treaty belongs to the Executive exclusively (p. 369).

It is in the light of this conception of the executive character of foreign negotiations and acts concerning foreign relations that our Constitution gave the President power to send and receive ministers and agents to or from any country he sees fit, and when he sees fit, and not to send or receive any, as he may think best. Also the power to make treaties—that is, to negotiate with or without agents—as he may prefer, when he may prefer, or not at all, if he prefer; to draw up such articles as may suit him, and to ratify the acts of his plenipotentiaries, instructed by him, the only qualification of his power being the advice and consent of the States in the Senate to the treaty he makes.

These grants confirm the executive character of the proceedings and indicate an intent to give all the power to the President which the Federal Government itself was to possess—the general control of foreign relations.

In Great Britain, Parliament can refuse to pass laws to carry out treaties when ratified and binding between the nations. What Parliament can and habitually does do passes into a constitutional precedent. But powers wrested by Parliament from the Crown stand upon a different footing from powers granted in our written Constitution. They partake more of the character of mere might than of functions created to be exercised to given ends. Parliament can do what it has the ability to compel the Crown to submit to; but Congress and the President are not the result of struggles between hostile

forces. While, therefore, Congress can refuse to appropriate to carry a treaty into effect, since no one can compel it to do so, and the President can refuse to carry on a war authorized by Congress, or to execute any law passed by Congress, yet such proceedings are not constitutional and could never become constitutional by habit, for our Constitution is written, and each part of the Government represents the will of the whole Nation in preventing another part from exercising its functions to the fullest extent.

The President, in making a treaty, is the United States, and speaks the whole mind of the United States. For this very reason it was deemed advisable to safeguard what he does by the advice and consent of the special representatives of the sovereign States in the Senate, since treaties are the most important and binding acts concerning foreign relations, except making war. The solemn power of authorizing war is for the same reason made an exception. But not even the Senate is concerned with the matter of negotiating or preparing treaties; and all that great body of international business which may lead up to treaties or even to war, which the refusal to receive a minister might occasion, is given to the Executive by the express grants concerning treaties and ministers.

That this is a great power is true, but it is a power which all great governments should have, and, being executive in the conception of the founders, and even from its very nature incapable of practical exercise by deliberative assemblies, was given to the President.

The judicial branch of the Government has set a proper example of respect for the other branches in declining to inquire into foreign affairs even for the purpose of deciding cases. Congress should follow this example, which is but a recognition of the principle that each branch, in its proper functions, is the ultimate sovereignty of the United States—the sole and final spokesman of the will of the Nation.

Otherwise the principle of mere might will be introduced, and each branch proceed to do or omit whatever the other branches have not means to effectually prevent, which will be the end of government of and by the people and the beginning of an usurped government over the people. Written constitutions being, like all human contrivances, imperfect, will then have been proven impracticable. (Senate document.)

It is clear all through the Constitution, and it has never been disputed, that the intention was to distribute the powers of the Government among its three branches, subject to such checks as the veto of the President or the advice and consent of the Senate, and not to place any given power in two or three branches of the Government concurrently.

Section 3 of the resolution is an attempt to obtain the benefit of the protection of the treaty of Versailles which the Senate did not see fit to ratify, but a careful consideration of the subject will point out the danger that this attempt might lead us into. It is astonishing that the Congress of the United States should seriously consider the proposition that our country should seek the protection of a treaty which it has not the courage to ratify. In this attempt it may cause untold embarrassment and great loss to America.

1. Ships: The treaty and arrangements ancillary thereto deal in a precise and definite way with enemy shipping. Without these provisions, great uncertainty prevails as to the title to and right to use of German ships. The title of the United States to German ships which it seized during the war is very doubtful, as the ships have never been put through a prize court, and these ships now come under the jurisdiction of the reparation commission. Until title is confirmed in the United States, uncertainty, with attendant danger to American interests, must remain.

2. Alien Property Custodian funds: These funds, approximately $500,000,000, can not be dealt with otherwise than by restoration to the owners unless German consent to their application to other purposes is obtained through a treaty. This resolution does not pretend to accomplish this result. International law does not permit the confiscation of private property unless the enemy government consents to the use of such property for the satisfaction of claims against it or like purposes. The Versailles treaty contains Germany's assent to the use of Alien Property Custodian funds to pay claims of the United States and its nationals against Germany and debts of Germany to America. In the interest of justice, as well as of business, it is urgent that these questions be settled. Many of America's *Lusitania* victims and victims of other German outrages have for years been kept waiting for the redress to which they are plainly entitled. The adoption of this resolution would postpone that redress indefinitely.

3. Producers of staples in the United States: This resolution does nothing whereby trade with Germany in wheat, cotton, tobacco, and other farm products can be revived; on the contrary, it proposes under certain conditions to prohibit commercial intercourse with Germany altogether. Under a blanket license we are carrying on trade with Germany, but relatively it is small in amount, and no large transactions can be entered into until credit arrangements are made. This resolution does nothing to aid this situation, but it proposes, if the German Government does not agree to its hard terms, to punish our people by prohibiting them from trading with the German people. In the present situation of the world's trade we will be the sufferers.

Suppose Germany declines the terms proposed. We are at peace with her, under the provisions of section 1, and yet by section 3 we place an embargo on all trade from our nationals with her. The cotton producer, who finds Germany the only great market for low-grade cotton, must sell his cotton to England at sacrifice prices and allow her to resell to Germany at a profit. Our export tobacco would lose the German market. Likewise the machinery manufacturers, the flour millers, the packing houses, and all the great producers and distributors of wealth would be denied the German market by the embargo directed by this resolution except on license from the President. Under what law will he grant license? There is no provision in this resolution for so doing.

4. Again, the United States has an immediate interest in the proceedings of the reparation commission provided for by the treaty, and which is in no way taken care of by this resolution. This commission has control over the payment by Germany of the cost of the armies of occupation, including our own. If we are dependent for our status of peace upon this resolution, we fail to see how we could be able to demand reimbursement for the cost of our armies of occupation.

5. We have called attention to the fact that this resolution gives to Germany and her nationals all of the rights they would have had if the United States had ratified the treaty of Versailles. Under this treaty Germany can become a member of the League of Nations, and having under this resolution all the rights it would have had under the treaty when it became a member of the League of Nations, it would be entitled to assert against the United States the same rights which any other nation would have been entitled to assert against this Government had our country ratified the treaty. We would thus be in the position of being compelled to protect the independence and territorial integrity of Germany against the aggressions of any or all of our former allies. We would be bound to carry out article 10 of the League of Nations with reference to Germany if this rsolution became law and Germany accepted the provisions of it. We would thus be extending to Germany a protection and rights which the leadership of the Senate have so violently proclaimed that we would never extend to any nation on the face of the earth. We have refused to enter into any such obligations with our allies, and yet by this resolution we propose to give the benefits of those obligations to Germany.

SECTION 4.

Section 4 simply provides for a penalty for violations of other provisions of the resolution.

SECTION 5.

This section is an attempt to preserve something out of the wreck of American rights which have been so outrageously surrendered in former sections of the resolution. A disclaimer was introduced that our country does not waive its rights under the armistice, and it further provides a ratification of the previous war acts of our country in the matter of fines, forfeitures, penalties, and seizures imposed or made by the United States.

Manifestly, such a declaration adds no legal force to the statutes already created. Neither section 3 nor section 5 renounces the old Prussian treaty. From whatever angle this resolution is viewed it presents itself as a proposition not only ineffective in achieving its proclaimed purpose, but as a sure method of confusing our foreign relations, injecting new and complicated questions into an already difficult situation, and involving a surrender of American rights and an impairment of American prestige and honor.

This section in no sense preserves the material benefits we would have gained in protection of American interests by representation on the reparation commission. For example, the interests of this country in the final disposition of certain tankers owned by a German corporation, which, however, is controlled by the Standard Oil Co., can be best preserved by

sitting officially on the commission which may decide the matter. The continued participation of the United States in the benefit of certain options contained in the treaty, particularly with regard to dyes and pharmaceuticals, will depend upon the action and consent of the commission. Furthermore, the attributing of German assets and reparation payments to the satisfaction of the expenses of the American army of occupation; the approval of payment by German municipalities to American owners of municipal bonds; the participation of this Government in the distribution of German cables; the proper protection of the assets and business of American life insurance companies in Austria and Germany; the satisfaction of relief credits extended to Austria, and decisions as to what food and raw materials supplied to Germany may be credited against the initial 20,000,000,000 mark payment—all these matters of importance, the satisfactory outcome of which may rest upon whether or not by participation in its functions we will exert an influence on the policies of the commission and make use of our ability to prevent decisions unfavorable to our interest. Clearly our most effective protection against unfavorable decisions lies in official representation and the exercise, should occasion arise, of the veto right exercisable by us under the treaty, on questions involving the power or jurisdiction of the reparation commission. The framers of this resolution seem not to have considered this situation.

This commission, by the terms of the other treaties modeled after the German treaty, will probably extend its powers over the assets of the other enemy countries, including Turkey. The commission is authorized to construe the provisions of the treaty which define its powers and jurisdiction, as has been mentioned above. Recent reports show a desire to extend these powers by broad construction. If, for instance, it is decided, as has been suggested, that the commission, under article 235, has direct or indirect power to affect generally privately owned property in Germany or assets and credits possessed by German nationals in foreign countries, an opportunity would be offered to the Governments dominating the reparation commission indirectly to exercise a controlling influence on private trade with Germany or other enemy countries, perhaps to threaten thereby American commerce. With this possibility in mind we must realize that by the terms of the treaty of Versailles the influence and power of a large part of the world is concentrated behind the decisions of the reparation commission, and what amounts practically to a right of veto exercisable by the United States in matters involving decisions on the powers of the reparation commission can be exercised for our protection only if and when we obtain official representation on the commission under the terms of the treaty.

Hostilities with Germany long ago ceased; trade with Germany is going forward under licenses issued by the Government under presidential proclamation; nothing remains except to make a technical peace; and there is but one way in which this can be accomplished with safety to the interest of this country and its nationals in the circumstances, and that is through the constitutional methods provided by our form of Government.

H. D. FLOOD.
J. CHAS. LINTHICUM.
W. S. GOODWIN.
CHAS. M. STEDMAN.
TOM CONNALLY.
THOS. F. SMITH.

House joint resolution 327.

[Omit the part inclosed in brackets and insert the part in italic.]

Joint resolution terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States; permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes.

[Whereas the President of the United States, in the performance of his constitutional duty to give to the Congress information of the state of the Union, has advised the Congress that the war with the Imperial German Government has ended:]

Resolved, etc., [That the state of war declared to exist between the Imperial German Government and the United States by the joint resolution of Congress approved April 6, 1917, is hereby declared at an end.

[SEC. 2. That in the interpretation of any provision relating to the date of the termination of the present war or of the present or existing emergency in any acts of Congress, joint resolutions, or proclamations of the President containing provisions contingent upon the date of the termination of the war or of the present or existing emergency, the date when this resolution becomes effective shall be construed and treated as the date of the termination of the war or of the present or existing emergency, notwithstanding any provision in any act of Congress or joint resolution providing any other mode of determining the date of the termination of the war or of the present or existing emergency.

[SEC. 3. That with a view to secure reciprocal trade with the German Government and its nationals, and for this purpose, it is hereby provided that unless within 45 days from the date when this resolution becomes effective the German Government shall duly notify the President of the United States that it has declared a termination of the war with the United States, and that it waives and renounces on behalf of itself and its nationals any claim, demand, right, or benefit against the United States or its nationals that it or they would not have had the right to assert had the United States ratified the treaty of Versailles, the President of the United States shall have the power, and it shall be his duty, to proclaim the fact that the German Government has not given the notification hereinbefore mentioned and thereupon and until the President shall have proclaimed the receipt of such notification, commercial intercourse between the United States and Germany and the making of loans or credits, and the furnishing of financial assistance or supplies to the German Government or the inhabitants of Germany, directly or indirectly, by the Government or the inhabitants of the United States shall, except with the license of the President, be prohibited.

[SEC. 4. That whoever shall willfully violate the foregoing prohibition whenever the same shall be in force shall upon conviction be fined not more than $10,000, or, if a natural person, imprisoned for not more than than two years, or both; and the officer, director, or agent of any corporation who knowingly participates in such violation shall be punished by a like fine, imprisonment, or both, and any property, funds, securities, papers, or other articles or documents, or any vessel, together with her tackle, apparel, furniture, and equipment, concerned in such violation, shall be forfeited to the United States.

[SEC. 5. That nothing here contained shall be construed as a waiver by the United States of any rights, privileges, indemnities, reparations, or advantages to which the United States has become entitled under the terms of the armistice signed November 11, 1918, or which were acquired by or are in the possession of the United States by reason of its participation in the war, or otherwise; and all fines, forfeitures, penalties, and seizures imposed or made by the United States are hereby ratified, confirmed, and maintained.]

That the joint resolution of Congress passed April 6, 1917, declaring a state of war to exist between the Imperial German Government and the Government and people of the United States, and making provisions to prosecute the same, be, and the same is hereby, repealed, and said state of war is hereby declared at an end: Provided, however, That all property of the Imperial German Government, or its successor or successors, and of all German nationals which was, on April 6, 1917, in or has since that date come into the possession or under control of the Government of the United States or of any of its officers, agents, or employees, from any source or by any agency whatsoever, shall be retained by the United States and no disposition thereof made, except as shall specifically be hereafter provided by Congress, until such time as the German Government has, by treaty with the United States, ratification whereof is to be made by and with the advice and consent of the Senate, made suitable provisions for the satisfaction of all claims against the German Government of all persons, wheresoever domiciled, who owe permanent allegiance to the United States, whether such persons have suffered, through the acts of the German Government or its agent since July 31, 1914, loss, damage, or injury to their persons or property, directly or indirectly, through the ownership of shares of stock in German, American, or other corporations, or otherwise and until the German Government has given further undertakings and made provisions by treaty, to be ratified by and with the advice and consent of the Senate, for granting to persons owing permanent allegiance to the United States, most favored nation treatment, whether the same be national or otherwise, in all matters affecting residence, business, profession, trade, navigation, commerce, and industrial property rights, and confirming to the United States all fines, forfeitures, penalties, and seizures imposed or made by the United States during the war, whether in respect to the property of the German Government or German nationals, and waiving any pecuniary claims based on events which occurred at any time before the coming into force of such treaty, any existing treaty between the United States and Germany to the contrary notwithstanding. To these ends, and for the purpose of establishing fully friendly relations and commercial intercourse between the

United States and Germany, the President is hereby requested immediately to open negotiations with the Government of Germany.

Sec. 2. That in the interpretation of any provision relating to the date of the termination of the present war or of the present or existing emergency in any acts of Congress, joint resolutions, or proclamations of the President containing provisions contingent upon the date of the termination of the war or of the present or existing emergency, the date when this resolution becomes effective shall be construed and treated as the date of the termination of the war or of the present or existing emergency, notwithstanding any provision in any act of Congress or joint resolution providing any other mode of determining the date of the termination of the war or of the present or existing emergency.

Sec. 3. That until by treaty or act or joint resolution of Congress it shall be determined otherwise, the United States, although it has not ratified the treaty of Versailles, does not waive any of the rights, privileges, indemnities, reparations, or advantages to which it and its nationals have become entitled under the terms of the armistice signed November 11, 1918, or any extensions or modifications thereof or which under the treaty of Versailles have been stipulated for its benefit as one of the principal allied and associated powers and to which it is entitled.

Sec. 4. That the joint resolution of Congress approved December 7, 1917, declaring that a state of war exists between the Imperial and Royal Austro-Hungarian Government and the Government and the people of the United States and making provisions to prosecute the same, be, and the same is hereby, repealed, and said state of war is hereby declared at an end, and the President is hereby requested immediately to open negotiations with the successor or successors of said Government for the purpose of establishing fully friendly relations and commercial intercourse between the United States and the Governments and peoples of Austria and Hungary.

Amend the title so as to read: "Joint resolution repealing the joint resolution of April 6, 1917, declaring that a state of war exists between the United States and Germany, and the joint resolution of December 7, 1917, declaring that a state of war exists between the United States and the Austro-Hungarian Government."

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CALENDAR NO. 515.

[Senate Report No. 568, Sixty-sixth Congress, second session.]

TERMINATING THE STATE OF WAR EXISTING BETWEEN GERMANY AND AUSTRIA-HUNGARY AND THE UNITED STATES.

Mr. LODGE, from the Committee on Foreign Relations, submitted the following report, to accompany House joint resolution 327:

The Committee on Foreign Relations, to whom was referred H. J. Res. 327, terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes, having had the same under consideration report it with the following amendments:

Strike out all after the resolving clause and substitute the following:

[See foregoing matter in italics followed by amended title and preamble stricken out.]

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House agrees to the amendments of the Senate to the bill (H. R. 8314) to provide for the training of officers of the Army in aeronautic engineering and the issue of equipment and materials therefor.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses to the amendments of the Senate to the bill (H. R. 13677) making appropriations to supply a deficiency in the appropriations for the Federal control of transportation systems and to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1920, and for other purposes.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H. R. 9783) to provide a national budget system and an independent audit of Government accounts, and for other purposes, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. GOOD, Mr. CAMPBELL of Kansas, Mr. MADDEN, Mr. BYRNS of Tennessee, and Mr. GARNER managers at the conference on the part of the House.

The message also announced that the House had passed the bill (S. 2789) for the consolidation of forest lands in the Sierra National Forest, Calif., and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 3016) to authorize the disposition of certain grazing lands in the State of Utah, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 2528) to grant certain lands to the city of Pocatello, State of Idaho, for conserving and protecting the source of its water supply and as a municipal park site, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 2792) to enlarge the boundaries of the Oregon National Forest, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6221. An act conferring jurisdiction on the Court of Claims to hear, determine, and render judgment in the Osage civilization-fund claim of the Osage Nation of Indians against the United States;

H. R. 9028. An act to authorize the addition of certain lands to the Nez Perce National Forest, Idaho;

H. R. 9392. An act regulating the disposition of lands formerly embraced in the grants to the Oregon & California Railroad Co. and Coos Bay Wagon Road Co.;

H. R. 9825. An act authorizing certain railroad companies, or their successors in interest, to convey for public-road purposes certain parts of their rights of way;

H. R. 10285. An act to authorize the purchase by the city of Myrtle Point, Oreg., of certain lands formerly embraced in the grant to the Oregon & California Railroad Co. and revested in the United States by the act approved June 9, 1916;

H. R. 10434. An act to add certain lands to the Targhee National Forest;

H. R. 13389. An act to authorize the Secretary of the Interior to dispose of at public sale certain isolated and fractional tracts of lands formerly embraced in the grant to the Oregon & California Railroad Co.;

H. R. 9944. An act authorizing the Secretary of the Treasury to accept on behalf of the United States the donation by Sedgwick Post, No. 10, Grand Army of the Republic, of its memorial hall property in Bedford, Taylor County, Iowa, for Federal building purposes;

H. R. 13576. An act authorizing the Secretary of War to turn over to the Postmaster General, without charge therefor, a certain building, or buildings, now located at Watertown, N. Y.;

H. R. 13590. An act granting the consent of Congress to Sid Smith, of Bonham, Tex., for the construction of a bridge across the Red River between the counties of Fannin, Tex., and Bryan, Okla.; and

H. R. 13724. An act to authorize the construction of a bridge across the Sabine River at or near Orange, Tex.

PETITIONS AND MEMORIALS.

Mr. KENYON presented the memorial of N. G. Coder and sundry other citizens of Letts, Iowa, remonstrating against universal military training, which was ordered to lie on the table.

Mr. TOWNSEND presented a petition of sundry veterans of the Spanish-American War, residents of Grand Rapids, Mich., praying for the enactment of legislation to pension soldiers of the War with Spain, the Philippine insurrection, and the China relief expedition, which was ordered to lie on the table.

Mr. JONES of Washington presented a memorial of Seattle Post, No. 18, American Legion, of Seattle, Wash., remonstrating against the passage of a compensation or bonus bill carrying with it any classification, which was referred to the Committee on Finance.

Mr. CAPPER presented a petition of sundry rural free-delivery carriers of Columbus, Kans., praying for an increase in the salaries of rural letter carriers, which was referred to the Committee on Post Offices and Post Roads.

He also presented petitions of sundry post-office employees of Salina, of the Chamber of Commerce of Winfield, and of sundry post-office employees of Augusta, all in the State of Kansas, praying for an increase in the salaries of postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented a petition of Oberlin Post, No. 70, American Legion, of Oberlin, Kans., and a petition of Walter S. Chears Post, American Legion, of Larned, Kans., praying for

the enactment of legislation providing for adjusted compensation to ex-service men, etc., which were referred to the Committee on Finance.

Mr. ASHURST presented a memorial of sundry citizens of Maricopa County, Ariz., remonstrating against the enactment of legislation placing an exorbitant tax on the sale of all stocks, which was referred to the Committee on Finance.

WOMEN'S BUREAU.

Mr. KENYON. By direction of the Committee on Education and Labor I report back favorably without amendment the bill (H. R. 13229) to establish in the Department of Labor a bureau to be known as the women's bureau, and I submit a report (No. 572) thereon. I ask unanimous consent that this bill may be substituted for Senate bill 4002 on the calendar, which is a similar bill.

Mr. CURTIS. What is the calendar number?

Mr. KENYON. Order of Business 477. It is a similar bill heretofore reported from the Committee on Education and Labor.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The Senate bill will be indefinitely postponed.

REPORTS OF COMMITTEES.

Mr. KENYON, from the Committee on Education and Labor, to which was referred the bill (H. R. 12266) to amend an act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, as amended by the act of July 11, 1919, reported it without amendment and submitted a report (No. 571) thereon.

Mr. LODGE, from the Committee on Foreign Relations, to which was referred Senate resolution 324, declaring it the sense of the Senate that Northern Epirus, the Twelve Islands of the Aegean, and the western coast of Asia Minor should be awarded to Greece, etc., reported it without amendment.

Mr. KELLOGG, from the Committee on the Judiciary, to which was referred the bill (S. 2903) to provide that robbery of a Federal reserve bank or member bank shall constitute a felony, and for other purposes, reported it with amendments and submitted a report (No. 570) thereon.

Mr. McLEAN, from the Committee on Banking and Currency, to which was referred the bill (S. 3897) to amend sections 16 and 26 of the act of Congress approved July 17, 1916, known as the Federal farm loan act, reported it with amendments and submitted a report (No. 574) thereon.

Mr. JONES of Washington, from the Committee on Commerce, to which was referred the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes, reported it with amendments and submitted a report (No. 573) thereon.

VOCATIONAL TRAINING.

Mr. SMITH of Georgia. Mr. President, I desire to bring to the attention of the Senate a letter which I have received from quite a number of injured soldiers who are taking vocational training at the State College of Agriculture in Georgia. It is short and I would be glad to have it read.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The Assistant Secretary read as follows:

ATHENS, GA., *April 30, 1920.*

Senator HOKE SMITH,
Washington, D. C.

DEAR SENATOR: We the undersigned come to you in a personal appeal for what we think is our rights. In regard to the bill that passed Congress recently, allowing the married men taking vocational rehabilitation training a raise of $5 per month and the single men a raise of $20 per month, we feel that we have not had a square deal, so we appeal to you.

In the first place, Senator, we were living on the very least that a people could live on in order that we might get the education that we need so badly. Then, again, the United States Government and its officials fixed the pay and allowances that our dependent families would receive while we were in the Army. And for the single men to get a raise of $20 and the married men a raise of $5, do you think it would be fair? We can't answer for you, but we say no.

Mr. Smith, don't understand us to say that the single men are not in need of the raise; they are, and more than they are getting. So are we married men.

Again, Senator, reason teaches us that one person can live on $100 per month far more comfortably than two can on $120. With this increase bill Congress has just stepped in and taken $15 each month that our wives and children need so much.

Mr. Smith, if we were able-bodied men we would not ask this of you, but we are not. A great many of us are minus of arms and legs, and there is no indication of new ones growing on, so we feel that we have done our part as well as the other fellow and we ask that we be compensated accordingly.

We could go on and tell you a great many more reasons why we should get this raise equalized, but we don't think it necessary, for we feel that you will not let our wives and children suffer when there is no just cause for it.

If you should care to reply to this appeal, address your correspondence to L. J. Highsmith, 174 Hickory Street, Athens, Ga.

With best wishes, we remain,

THE REHABILITATION VOCATIONAL MARRIED MEN'S CLUB
OF THE GEORGIA STATE COLLEGE OF AGRICULTURE,
Athens, Ga.

Mr. SMITH of Georgia. Mr. President, I have been absent from the Senate for two or three weeks, but I hardly think the situation can be such as is stated in the letter which has just been read from the desk. I feel that there must be some mistake about the suggested changes in legislation described in this letter, but I have presented the letter to the Senate, for I do not believe we have given that careful study to the condition of the injured ex-service men which we should have given. I am not particularly troubled about those who came home perfectly sound. I desire that the letter may be referred to the Committee on Military Affairs, which, as I understand, has control of the subject.

Mr. SMOOT. The Finance Committee has the matter under consideration.

Mr. SMITH of Georgia. The Senator from Utah informs me that the Committee on Finance has the matter under consideration, and I should therefore be glad to have the letter referred to that committee.

Mr. JONES of New Mexico. Mr. President——

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from New Mexico?

Mr. SMITH of Georgia. I yield.

Mr. JONES of New Mexico. If the Senator from Georgia will yield to me for just a moment, I think I can make some explanation of the present situation. The Committee on Education and Labor this morning made a report upon House bill 12266, which increases the compensation of both single and married ex-service men by $20 per month. That bill was reported from the Committee on Education and Labor to-day by the chairman [Mr. KENYON], the committee having this morning, by unanimous decision, ordered the bill to be reported.

The VICE PRESIDENT. The Chair will state to the Senator from New Mexico that the bill to which he refers has been reported this morning and is on the calendar.

Mr. JONES of New Mexico. I believe that bill will cover the point made by the letter which has been presented by the Senator from Georgia.

The VICE PRESIDENT. The letter will lie on the table, the bill having been reported to-day.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WATSON:

A bill (S. 4323) to enforce the provisions of the nineteenth amendment to the Constitution of the United States with respect to elective franchise; to the Committee on the Judiciary.

By Mr. THOMAS:

A bill (S. 4324) for the relief of William C. Brown; to the Committee on Military Affairs.

By Mr. BALL:

A bill (S. 4325) granting a pension to Henrietta M. Reeves (with accompanying papers); to the Committee on Pensions.

By Mr. McKELLAR:

A bill (S. 4326) for the relief of George F. Ramsey;

A bill (S. 4327) for the relief of H. B. Banks; and

A bill (S. 4328) for the relief of Roach, Stansell, Lowrance Bros. & Co.; to the Committee on Claims.

By Mr. UNDERWOOD:

A bill (S. 4329) granting an increase of pension to Herbert S. Coheley (with accompanying papers); to the Committee on Pensions.

MARKETS ABROAD FOR AMERICAN COTTON.

Mr. SMITH of South Carolina submitted the following resolution (S. Res. 356), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Secretary of State is hereby requested and directed to instruct our consuls in foreign countries where American cotton is consumed to ascertain as near as possible what quantity of American cotton will be needed during the present year by the countries in which they are located. Also, that they be requested to make suggestions as to means by which markets for American cotton may be enlarged and extended, and that this report be made as soon as practicable.

HOUSE BILLS REFERRED.

The following bills were severally read twice by their titles and referred to the Committee on Public Lands:

H. R. 9028. An act to authorize the addition of certain lands to the Nez Perce National Forest, Idaho;

H. R. 9392. An act regulating the disposition of lands formerly embraced in the grants to the Oregon & California Railroad Co. and Coos Bay Wagon Road Co.;

H. R. 9825. An act authorizing certain railroad companies, or their successors in interest, to convey for public-road purposes certain parts of their rights of way;

H. R. 10285. An act to authorize the purchase by the city of Myrtle Point, Oreg., of certain lands formerly embraced in the grant to the Oregon & California Railroad Co. and revested in the United States by the act approved June 9, 1916;

H. R. 10434. An act to add certain lands to the Targhee National Forest; and

H. R. 13389. An act to authorize the Secretary of the Interior to dispose of at public sale certain isolated and fractional tracts of lands formerly embraced in the grant to the Oregon & California Railroad Co.

The following bills were each read twice by their titles and referred to the Committee on Public Buildings and Grounds:

H. R. 9944. An act authorizing the Secretary of the Treasury to accept on behalf of the United States the donation by Sedgwick Post, No. 10, Grand Army of the Republic, of its memorial hall property in Bedford, Taylor County, Iowa, for Federal building purposes; and

H. R. 13576. An act authorizing the Secretary of War to turn over to the Postmaster General, without charge therefor, a certain building, or buildings, now located at Watertown, N. Y.;

The following bills were each read twice by their titles and referred to the Committee on Commerce:

H. R. 13590. An act granting the consent of Congress to Sid Smith, of Bonham, Tex., for the construction of a bridge across the Red River between the counties of Fannin, Tex., and Bryan, Okla.; and

H. R. 13724. An act to authorize the construction of a bridge across the Sabine River at or near Orange, Tex.

H. R. 6221. An act conferring jurisdiction on the Court of Claims to hear, determine, and render judgment in the Osage civilization-fund claim of the Osage Nation of Indians against the United States, was read twice by its title and referred to the Committee on Indian Affairs.

PENSIONS TO SOLDIERS OF SPANISH-AMERICAN WAR, ETC.

The VICE PRESIDENT (at 12 o'clock and 25 minutes p. m.). Morning business is closed.

Mr. NEW. Mr. President, pursuant to the notice which I gave yesterday, I move that the Senate proceed to the consideration of the bill (H. R. 2) to pension soldiers of the War with Spain, the Philippine insurrection, and the China relief expedition.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Pensions without amendment.

Mr. KING. Mr. President, I should be glad to hear the Senator from Indiana explain this bill.

Mr. NEW. Mr. President, I think the bill explains itself. I have no desire to address the Senate concerning it at this time, although I may do so later in case debate ensues concerning it which appears to develop any real occasion for me to speak.

The bill provides for a system of pensions to the veterans of the Spanish-American War, the Philippine insurrection, and the Boxer expedition. It is 22 years since the Spanish-American War was fought, and this is the first pension legislation that has been proposed for the benefit of the survivors of that war. As I have said, I do not think I care to say anything concerning the merits of the bill at this time.

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. NEW. Certainly.

Mr. KING. This bill, as I understand its provisions, commits the Government of the United States to a policy of pensioning those who have been in the military or naval service, whether or not they receive injuries or incur disabilities.

Mr. NEW. I think, Mr. President, that this bill commits the Government to no policy to which it is not already committed.

Mr. KING. Does the Senator state that it is the policy of the United States to pension every person who has been in the naval or military service of the Government, no matter how brief the period, whether injured or not, whether suffering from any disabilities incurred in the line of service or directly or indirectly traceable to any service in behalf of the Government? I understand that this bill goes that far.

Mr. NEW. This bill does not go that far. The bill says that the persons described in it shall be—

entitled to receive a pension, not exceeding $30 per month and not less than $12 per month, proportioned to the degree of inability to earn a support; and in determining such inability each and every infirmity shall be duly considered and the aggregate of the disabilities shown be rated.

It is practically the same as the general pension law of 1890.

Mr. KING. If the Senator will pardon me, it does provide pensions for all persons who were in the Army or the Navy during the War with Spain, the Philippine insurrection, or the China relief expedition for 90 days or more, whether they were in battle or not, whether they remained in the United States or not, whether they were exposed to any danger or not, and whether they received any injury or not. The bill goes further and grants pensions to all such persons, though they are in perfect health or are rich and prosperous. It also pensions all who may now or hereafter suffer from any disability not the result of their own vicious habits, whether it was caused by such service or not, or whether or not it can be traced directly or remotely to such service. Is that not true?

Mr. NEW. If they are suffering from any mental or physical disability or disabilities of a permanent character not the result of their own vicious habits.

Mr. KING. If the Senator will excuse me, they do not have to prove that the disabilities, mental or physical, from which they are suffering are traceable to their service in the Army.

Mr. NEW. Not any more than they do under the pension law of 1890—in the same way.

Mr. KING. The pension law of 1890 relating to the Civil War veterans?

Mr. NEW. Yes.

Mr. KING. Is the Senator placing those who served in the Spanish-American War on the same basis as those who served in the Civil War?

Mr. NEW. Oh, no, Mr. President; I am not instituting any comparisons whatever between American soldiers of any two wars. The man who has worn the uniform of his country and followed the flag in one war is as much entitled to consideration as the man who has followed it in another. He has gone into the military service of his country without any preknowledge of where that service was to take him, or how extensive it was to be, or anything of the kind. The soldier of the Spanish-American War was a volunteer soldier, and went in to do his duty by his country as he saw it, and he did it, and he did it surprisingly well, too. The soldier of the Spanish-American War has nothing whatever but praise and affection for the soldier of every other war in which the United States has ever engaged, and he is not setting himself up at all to be compared with the soldier of any other period, and nobody is making any extravagant claims for him, and nobody feels that he is called upon to make any apologies for him, either.

Mr. KING. Mr. President, will the Senator permit another interruption?

Mr. NEW. Certainly.

Mr. KING. A moment ago the Senator used the expression that the Spanish-American War veteran was a volunteer soldier. Does this bill limit the pensions to be paid to the volunteers, or does it extend them to all who served in the Regular Army during the Spanish-American War?

Mr. NEW. Mr. President, there are certain facts to be considered in connection with the Spanish-American War which, I think, would be somewhat surprising to all of us if we only stopped to recall them. They are things that are perfectly well known to us, but have probably passed from our recollections in the 22 years that have elapsed since that war was fought.

It is a fact that when war was declared between the United States and Spain the Regular Army of the United States consisted of less than 25,000 men. The soldiers of the Spanish-American War were almost all volunteers in the strict acceptance of the term; and, as the Senator from North Dakota [Mr. McCUMBER] very correctly states, the Regular was a Volunteer soldier, too. They were all volunteers. There was no draft. The Regular Army, as I say, consisted of a few more than 24,000 men, and the call was for 250,000 volunteers. It was responded to with a promptness that does infinite credit to the patriotism of the American youth of that day, just as the response to every other call for volunteers has done credit to the American youth of every other day in which one was ever made. The Senator from Utah asks if I propose to compare the soldiers of the Spanish-American War with the soldiers of the Civil War. I say no; I am not comparing them with the soldiers of any other war. We are simply standing here saying that they were all soldiers, and they are all entitled to equal treatment at the hands of their Government, so far as the treatment of the

soldier is concerned. I want to say to the Senator from Utah——

Mr. KING. Mr. President, will the Senator permit a question?

Mr. NEW. If the Senator will permit me just to conclude this sentence, as a matter of fact the records of The Adjutant General's Office and the Surgeon General's Office show two things that I think will surprise the Senator from Utah a little, if his attention has not already been directed to them. One is that in the first five months of the Spanish-American War there were more volunteers, more men in the service of the Government, than there were in the first five months of the Civil War, and the fatalities of the first five months of the Spanish-American War actually exceeded the fatalities of the first five months of the Civil War. I am not instituting any comparisons, no; but it is not at all amiss to state facts, and those are facts as shown by the official records of those two bureaus of the War Department.

Mr. KING. Mr. President, I did not suggest, nor did I intend to institute a comparison between the Civil War veterans and those who entered the Army at the time of the war with Spain. I merely inquired whether the Senator sought to place those in the service of the United States during the Spanish-American War upon the same basis as those who were in the Civil War.

Mr. NEW. Yes.

Mr. KING. Perhaps I did not express my meaning clearly. What I had in mind was to inquire whether it is the purpose of the bill to employ the same standard as a basis for pensions for all persons who were in the Civil War and the Spanish-American War. Of course, I would not suggest a comparison between the valor of the Civil War veterans and the valor of those who participated in the Spanish-American War. All did their duty, and the American soldier in every war has done his duty, and in any future war he will live up to the high standards established by the heroic conduct of those who have offered themselves in defense of the honor of our country.

If the Senator from Indiana has concluded, I ask that the report be read.

The VICE PRESIDENT. The Secretary will read the report.

The Assistant Secretary read the report submitted by Mr. NEW on April 16, 1920, as follows:

The Committee on Pensions, to whom was referred the bill (H. R. 2) to pension soldiers of the War with Spain, the Philippine insurrection, and the China relief expendition, having considered the same, report favorably thereon within the recommendation that the bill do pass without amendment.

The report of the Committee on Pensions of the House of Representatives hereto appended is adopted, and the passage of the bill is recommended.

[House Report No. 132, Sixty-sixth Congress, first session.]

The Committee on Pensions, having had under consideration the bill (H. R. 2) to pension soldiers of the War with Spain, the Philippine insurrection, and the China relief expedition, beg leave to report the same with the recommendation that it do pass.

This bill follows largely the act of June 27, 1890, which was the first legislation enacted by Congress for the relief of Civil War soldiers suffering from disabilities not contracted in the military service. The provisions of that act are virtually unchanged except as to the rates of pension allowed. The act of 1890 provided a maximum of $12 and a minimum of $6 per month. This bill proposes a maximum of $30 and a minimum of $12. The committee feels warranted in recommending these advances, believing that the largely increased cost of living is sufficient justification for its action. Many of these veterans, who freely volunteered their services in response to their country's call, are living in abject poverty and distress. Lower rates of pension would be inadequate to afford proper relief.

The committee submits herewith a memorandum from the Bureau of Pensions, giving an estimate of its probable cost:

"JULY 16, 1919.

"Probable cost of the bill (H. R. 2) to pension soldiers of the War with Spain, the Philippine insurrection, and the China relief expedition for the first three years, should it become a law, as ascertained by comparison with results of the first three years under the act of June 27, 1890: The bill follows the invalid provision of said act, except that the maximum and minimum rates are $30 and $12 per month as against $12 and $6 per month under the act, which would make the cost of the bill per pensioner somewhat more than double.

"The number of men engaged in the War with Spain, etc., was about one-seventh the number engaged in the Civil War, the estimated numbers being 312,000 and 2,213,365, respectively.

"The results for the first three years under the act of June 27, 1890, in numbers of invalids on the roll at the close of the years and the totals paid each year, are as follows:

	Number of pensioners.	Total paid.
1891	101,112	$7,812,107.65
1892	293,068	43,845,071.02
1893	377,203	54,568,610.16

"Taking one-seventh of the number of pensioners and two-sevenths of the amount paid in each year as approximating the cost of the bill in the first three years after enactment, the results are as follows:

	Number of pensioners.	Total paid.
First year	14,445	$2,232,030.76
Second year	41,867	12,527,163.14
Third year	53,886	15,591,031.48

The burden of providing many of these indigent, disabled veterans with the necessities of life has to a great extent rested upon their former comrades and the Spanish War organizations to which they belong. The committee believes that the existence of such conditions should not longer be permitted, and that it is the duty of a just and generous Government to make suitable provisions for those who have been its defenders in times of stress and danger.

These men served in Cuba, Porto Rico, the Philippines, and in the insanitary camps within our borders. They contracted malaria, fevers, and many of the diseases prevalent in tropical countries. Thousands of them, unable to trace their disabilities to their service, after a lapse of more than 20 years, are receiving no pension, and under existing laws can never be pensioned. They have waited patiently, and now, after a lapse of more than 20 years, have appealed to Congress for a small measure of relief.

The act of June 27, 1890, in its application to Federal soldiers, was by reason of existing conditions largely sectional. But the benefits of this bill would be extended in equitable proportion to Spanish War soldiers in every State of the Union. There was no sectionalism in response to the call of President McKinley in 1898 for volunteers. Each State did its full duty and sent its full quota. The readiness of every section to meet the situation demonstrated that the Nation was reunited in spirit and purpose. The sons of the North and the South alike took up arms in defense of their common country.

The committee feels that discussion of the merits of the pension system is not necessary. The country has been committed to it virtually throughout its history. The care of those who have borne the brunt of the battle has been and is regarded as a sacred obligation of the Republic. To the extension of this just protection to the disabled veterans embraced in this bill the committee is of one mind, and unanimously recommends it to the favorable consideration of the House.

Mr. KING. Mr. President, I realize that nothing which can be said in this body or in the other branch of the National Legislature will prevent the passage of this bill or any other pension bill that may be offered. The country seems to be pension mad, and Congress is similarly affected.

Can it be that the approach of a national election has any relation to the demand for immediate pension legislation?

The political air is full of pension qualities. I am not so sanguine that back among the sober and serious persons, who are the real power in this Nation, there is that insistent demand for pensions and bounties and gratuities that we are led to believe is sweeping over the land. I know, however, that there are those who are urging that the Federal Government grant pensions to all persons over a given age, whether they have been in the military or naval service of the United States or not.

The same schools teach that pensions should be granted by the United States to all persons who are in any way disabled or who are unable to earn a livelihood. These individuals utterly fail to comprehend the nature of the Federal Government or the limitations placed upon it. They point to monarchical Governments of Europe and urge that inasmuch as civil and old-age pensions are paid by some the United States should follow that example. I am not discussing the propriety or impropriety of granting pensions of this character by the various States in the United States. Unless they are restricted by State constitutional limitations they have the right and power to adopt this policy. I am only considering the question from the standpoint of the power of the Federal Government. It is obvious that the States have the power to do many things which the Federal Government could not do.

There is a growing hysteria, which finds an outlet in wild and visionary schemes, calling for governmental control over private affairs; a paternalistic regulation of individuals and States; a submergence of the States in the Federal Government; and an all-persuasive collectivism which is destructive of the virile qualities and Anglo-Saxon characteristics which have made the people of the States of this Union the most progressive and self-reliant people upon the earth and this Republic the most powerful instrument for liberty and freedom that the world has ever produced.

Mr. President, there must be no decadence in the moral qualities which influence and guide the American people. There must be no flabby and flaccid political organism; the strenuous life now more than ever is essential to the development and preservation of the high qualities for which this Nation stands.

We want no anemic virtues. We need rugged and sterling national and individual traits now as never before. I have sometimes thought, when encountering the influences which seek to effeminate the American people and lead them to believe that

they must rely upon the Government for life and health and being, that we needed a strong blast from the bugle of Theodore Roosevelt or Andrew Jackson.

We should be awakened to the fact that all power is in the people, not in the Government; that when the people surrender that power and transfer it to a Government, no matter its name, the freedom of the people will be lost and a tyrannous external authority will be created.

Mr. President, these observations may not be germane to the pending measure, and yet the persistent talk of pensions and governmental aid and control inevitably develop the situation which I have imperfectly glimpsed and suggested.

Mr. President, it would seem from the statements of the Senator from Indiana that the Government has entered upon a policy of "service" pensions. Under this plan, as I understand the Senator, all persons are to be pensioned who at any time entered the military or naval service of the United States.

The Senator, of course, did not state the proposition quite so nakedly as I have put it, but his position logically must lead to that end.

Recently we passed what is known as the Fuller bill, that gave $50 per month to all persons who were in the military or naval service of the United States during the Civil War. In order to obtain this pension the beneficiary need not have seen a battle or been within a thousand miles of a battle field. He need not have been wounded and he need not be in poor health. He may be rich and prosperous, and yet he draws a pension from the Government of $50 per month. It is a service pension.

The pending measure is framed along the same lines.

Moreover, the Fuller bill granted pensions to widows far removed, who may have been married and divorced a score of times. It also extends to parents and alleged dependents whose relationship is not very intimate.

Of course, we will be called upon soon to amend this bill and increase the pensions and extend its provisions to the relatives of those who are provided for in the bill.

Referring to the Fuller bill, it was urged, Mr. President, that because of the high cost of living the Government should increase the pensions which heretofore had been granted to those who were in the military or naval service of the Government during the Civil War; and, pursuant to that representation, notwithstanding a pension bill was passed not long ago upon representations made that no further appeal to Congress would be made, a bill was passed increasing the amount, as stated, to $50 per month. Of course, that bill did not supersede pensions which were granted by specific bills, which aggregated thousands and tens of thousands, and in many instances the pensions provided by special bills exceed the amount provided in the so-called Fuller bill.

It may be, Mr. President, that we are committed to a policy of pensioning everybody who has responded to the call of his country whenever we have been engaged in any wars with other nations. I shall regret if that is the policy of this Republic. I shall regret if we announce it to be the permanent policy of this Government to pension everybody who has enlisted in the Army or in the Navy, and who has served but a few days or a few weeks, and has suffered no disability, has not been wounded, has been in no battle, has participated in no conflict.

I am not able to take the view expressed by the distinguished Senator from Indiana [Mr. NEW], and which apparently seems to be the view of the overwhelming majority of the Senate and of Congress, namely, that everybody must receive a pension if he enlists or is drafted for a few days' service in the Army or in the Navy.

I do believe in liberal pensions for those who served their country upon the deep or upon the field of battle, and who received wounds and injuries or suffered disabilities which impair their health or make it impossible or more difficult for them to engage in the pursuits and avocations of life. The Government should be liberal in caring for the wounded, for the sick, for the disabled, for those who while in the military or naval service of their country were in any manner injured or thereafter suffered from any disability which can be traced to such service. And the widows and orphans of those who gave their lives for their country should be generously provided for.

Mr. President, I believe in liberal and generous pensions for those who have suffered for their country. It is this policy of service pensions that I am criticizing.

Mr. CURTIS. Mr. President——

Mr. KING. I yield to the Senator.

Mr. CURTIS. I wanted to ask the Senator if he did not realize that many men who served in the Spanish-American War are really suffering from injuries incurred in the service which they can not establish as the result of such service? This pension bill gives pensions only to those who are disabled for the performance of manual labor, which disabilities are not the result of their own vicious habits, and it further gives pensions to those who have arrived at the age of 62 years. I think this is a fair and just measure and I hope it may soon be enacted into law.

Mr. KING. Mr. President, the statement of the Senator corroborates what I have been stating, that this is a service pension bill.

Mr. CURTIS. But, Mr. President, it requires that a man should have served 90 days.

Mr. KING. Yes; served 90 days. It is not a bill granting pensions for actual service upon the battle field. If a man enlisted for service in the military branch of the United States and was there 90 days, if he did not leave his own home, if he did not leave the camp to which he went, he would receive a pension under this bill.

Mr. CURTIS. Mr. President, I suppose the Senator knows that they all did leave their home camps.

Mr. KING. My recollection is that many of them did not leave the camps to which they were sent for training. I know that many who enlisted did not go to Cuba or go to the Philippines. There were thonsands who did not leave the United States.

Mr. CURTIS. That is true, Mr. President. I think a majority of those in the Spanish-American War did not leave the United States. But what I meant was that they left their homes. I understood the Senator to say that many of them did not leave their homes.

Mr. KING. I am inclined to think that some of them did not go very far away from their homes; that the camps were so near their homes that, comparatively speaking, they were within a stone's throw of their homes during the period of their enlistment. The Senator knows that a very large portion, perhaps a majority, of those who enlisted in the Spanish-American War did not leave the confines of the United States. I am not saying that at all to their discredit, because they possessed the same spirit possessed by our boys who enlisted or were drafted in the present war. They were resentful because they were retained in the United States. They wanted to get over the seas and do their part in driving back the forces of the Central Empires.

Mr. CURTIS. That was the statement I intended to make, that they were all anxious to go over, and many of them appealed to the President to be sent over, and could not go because the Government did not have the transports, or the troops were not needed overseas.

Mr. KING. Unquestionably. I do not mean to draw any distinction whatever between the patriotism of those who remained in the United States and that of those who went to Cuba or to Porto Rico or to the Philippine Islands. I recall that some of the troops enlisted in my own State for the Spanish-American War were not privileged to go to the Philippine Islands or to go to Cuba. The war ended before they could be sent beyond the United States. However, they were brave and splendid Americans and would have gladly given their lives for their country. It will be remembered by Senators that some of the Utah troops reached the Philippine Islands. There they did heroic and gallant service. The "Utah Battery" achieved fame and brought honor to the State and to our country.

Mr. CURTIS. I will state to the Senator that I made a special trip to Washington to have the Twentieth Kansas sent to the Philippines and the Twenty-third Kansas sent to Cuba.

Mr. KING. But this bill provides, Mr. President, that any person who has reached the age of 62 years shall be placed upon the pension roll, and his pension increases as he advances in years. When he reaches the age of 68 years the monthly pension is increased. When he reaches the age of 72 years his pension is still further increased. When he reaches the age of 75 years the maximum amount provided by this bill is awarded to him. These pensions are not dependent in the slightest degree upon whether or not he was injured or wounded or suffered any disability. His health may be perfect. He may be living in wealth and affluence, and still under the provisions of this bill be would be pensioned.

Mr. SMITH of Georgia. Is there not some provision in the bill which limits it to those who need it?

Mr. KING. No.

Mr. SMITH of Georgia. Are they to be pensioned without regard to their wealth or their earning capacity?

Mr. KING. Absolutely. That is the theory of the bill, if I interpret it aright.

Mr. NEW. Mr. President, will the Senator from Utah yield?

Mr. KING. I should be glad to have the Senator correct me if I am wrong.

Mr. NEW. The language of the bill is, after describing those to whom it shall refer—

who are now or who may hereafter be suffering from any mental or physical disability or disabilities of a permanent character, not the result of their own vicious habits, which so incapacitates them from the performance of manual labor as to render them unable to earn a support.

It seems to me that that is broad enough.

Mr. KING. Does the Senator insist that the provisions found on page 2 are qualified and limited by the words to which the Senator has just called attention?

Mr. NEW. Yes; I do.

Mr. KING. I do not think that the construction of the Senator is correct, if he will pardon me. On page 2 the language is:

Provided, That any such person who has reached the age of 62 years shall, upon making proof of such fact, be placed upon the pension roll.

Mr. NEW. If that is the language to which the Senator refers, I misunderstood him. The age limit is not qualified by the other provision on page 1, of course.

Mr. KING. Then the statement which I made a moment ago is correct, namely, that when a person reaches the age of 62 years he is entitled to a pension regardless of his physical or mental condition?

Mr. NEW. Absolutely. That is exactly what the bill is meant to provide.

Mr. KING. He may be, as I said a moment ago, living in affluence and luxury; he may be receiving $10,000 or $100,000 a year from his efforts, mental or physical; he may not be in need of any aid from the Government, but we propose to pension him anyway. That is the theory of the bill.

Mr. NEW. That is true, but I ask the Senator from Utah if, in his zeal to safeguard the interests of the Treasury, he thinks that any man who had the patriotism to go out and fight for his country, is going to apply for a pension when he is fixed financially as the Senator describes? I think he is safeguarding the Treasury against raids from the wrong individual.

Mr. KING. Will the Senator review the cases which may have come under his own cognizance, cases to which his attention has been invited? I think he will find that persons of high standing, some of them not only earning large sums in their professions, but some of them possessing millions, have been paid pensions from the Treasury of the United States for services during the Civil War? The records of the Pension Office will disclose that those men—and I do not challenge their patriotism at all—did not feel any impropriety in taking the pensions provided by law.

Mr. NEW. Probably not; and I see no impropriety in their doing it, either. They were at least in the Army and served their country.

Mr. KING. I thought that the Senator was making an argument to the effect that no person who was wealthy and who had reached the age of 62 years, or who did not need the pension, would make a demand for it. I thought he challenged the inference that might be deduced from my observation that persons who did not need the pension would not ask it. His contention, I understood, was that they would not take the pension from the Government. Now he admits that they would, and that there would be no impropriety in doing it.

Mr. NEW. I do not think there is the slightest impropriety in their doing it, and I think the United States Government is amply justified in taking that sort of attitude toward the men who wore the uniform in time of war. What I say is that I do not believe there is the slightest danger of the United States Treasury being subjected to any considerable drain as the result of pensions being granted to individuals under the conditions set forth by the Senator from Utah.

Mr. KING. But the Senator, as I understand him now—and I do not mean to be at all offensive, of course; I could not be toward my distinguished friend—has shifted his position. I was insisting that the pension bill provided that we should pension those who did not need it, who were worth millions, who suffered no injury or disability, and who are in perfect health. The Senator interrupted me to say, as I understood him, that we need have no apprehension that those persons would draw their pensions or drain the Treasury of the United States. Of course, they will not drain the Treasury of the United States. It is already drained. It will continue to be drained as long as the policy back of this bill, and other bills which the Republican Party is sponsoring and that some Democrats are aiding in passing, is perpetuated in this body and in the country.

Mr. NEW. I will admit that the Treasury of the United States is being drained, but it is not being drained by the soldiers who fought for the United States.

Mr. KING. Of course $300,000,000 a year, which we will pay for the year 1920 to the survivors of the Civil War and their families, is not much. Three hundred million dollars constituted one-third of the total revenue of the Government a short time prior to our entry into the present war. Three hundred million dollars would have purchased all of the property in some of the States of the Union prior to the war with Germany. Of course, $300,000,000 is not much. I am not complaining about it.

The $300,000,000 which we paid to the survivors of the Civil War last year, and we will pay that much or more this coming year, is only a small fraction of what this Republican Congress is going to appropriate for the coming fiscal year. Notwithstanding the protestations for economy, this Congress will probably appropriate five or six billion dollars for the fiscal year ending June 30, 1921. This bill, of course, swells this tremendous volume and demands additional taxes from the American people, but that question does not seem to address itself to Republican statesmen. We are more interested in spending the money that is not in the Treasury of the United States than we are in pursuing a course of providence and ecenomy and efficiency in the administration of the affairs of the Government.

Mr. President, it would seem that Congress does not know what economy or efficiency is. It has been said that this session of Congress has been engaged in an orgy and saturnalia of extravagance and waste and profligacy in the expenditure of public funds. The war was over on the 11th day of November, 1918. Our expenditures before the war were substantially a billion dollars a year. Our expenditures for the fiscal year ending June 30, 1920, will be more than $6,000,000,000, and our expenditures for the coming year, which will end on the 30th of June, 1921, will be at least that amount, if not more.

If the Republican Party is not rebuked at the next election and a party elected which is pledged to economy, I venture the prediction that it will reach that stupendous sum. In discussing this question, as well as all others, I desire and hope to be fair, and will therefore state that I can not pay any particular compliment to my own party for its effort to check the extravagant appropriations made and enforce economy in the administration of governmental affairs. I shall not defend my own party when I conceive that it has confederated with Republicans in improper appropriations and has transgressed the rules of sound and economical administration.

As I had occasion to say a few days ago, the Democratic Party knows better than to be wasteful and extravagant. It knows that its history from Jefferson's time to Wilson's day is a glorious one; that it has always stood for efficient and honest administration of public affairs. It has a glorious history, and all Democrats should vindicate the principles for which their party stands. If it is guilty of extravagance, it should be more severely condemned than the Republican Party, because that party proverbially has been wasteful and inefficient in the affairs of government and has not professed as high standards of public morality as has the Democratic Party. We have professed economy, and yet we have so far surrendered to this spendthrift spirit that we joined in some of the appropriations that ought not to have been made at a time when the burdens of the Government are so tremendous and when the taxpayers of the country will have great difficulty in finding the means with which to meet the obligations placed upon them.

Mr. CHAMBERLAIN. Mr. President, will the Senator yield to me?

Mr. KING. I yield to the Senator from Oregon.

Mr. CHAMBERLAIN. The Senator has very kindly yielded to me to offer an amendment to the bill. I am called out of the Senate and can not remain longer just now.

I desire to offer an amendment which I proposed to H. R. 9369, known as the Fuller pension bill, which passed some days ago. I offer the same amendment to it, and the President will remember it was suggested that it had better be offered to the bill which is now pending.

I will read the amendment which I propose to offer. I propose as section 3 to the pending bill to insert:

SEC. 3. That from and after the approval of this act all persons whose names are on the pension roll, and who, while in the service of the United States in the Army, Navy, or Marine Corps, and in the line of duty, shall have lost one hand or one foot or been totally disabled in the same, shall receive a pension at the rate of $60 per month; that all persons who, in such service and in like manner, shall have lost an arm at or above the elbow, or a leg at or above the knee, or been totally disabled in the same, shall receive a pension at the rate of $65 per month; that all persons who, in such service and in like manner, shall have lost an arm at the shoulder joint or a leg at

the hip joint, or so near the shoulder or hip joint, or where the same is in such condition as to prevent the use of an artificial limb, shall receive a pension at the rate of $72 per month; and that all persons who, in such service and in like manner, shall have lost one hand and one foot, or been totally disabled in the same, shall receive a pension at the rate of $90 per month.

The amendment which I now propose is in the so-called Fuller bill, and applies to those who served in the Civil War. I had no objection to that provision in the bill, and, in fact, supported it. Now I desire to make the same rule applicable to those who have been permanently disabled in the Spanish-American War and the Army generally.

Mr. OVERMAN. I observe that the Senator proposes to provide for those who lost both legs and both arms. Does he not think he ought to make some provision for a man who lost both eyes and is totally blind?

Mr. CHAMBERLAIN. I think so. I would be glad to have that added.

There is no reason in the world why the men who served their country in the Spanish-American War or who have been serving the country in the Regular Army, which is entirely overlooked in all this pension legislation, and who have been totally disabled, should not receive a pension at the hands of the Government in the way I have suggested in the proposed amendment.

I think my friend, the Senator from Utah [Mr. KING], takes a pessimistic view of all this pension legislation. He is disposed to upbraid not only the Republicans but his Democratic colleagues also who happen to stand with the Republicans in the matter of pension legislation. I am not afraid to stand for it, Mr. President; I am not afraid to stand with my country to do justice to the men who have served the country; and it does not make any difference to me how much it costs, if it is within the bounds of reason, and within the capability and possibility of payment by this rich Government of ours.

My plea is that the Spanish-American War veteran who lost a limb and has become totally disabled, and the soldier who served in the Regular Army and became totally disabled, as provided in this section, shall be treated as the soldier of the Civil War has been treated.

Mr. President, may I say in this connection that there are very few men who will be pensioned under the amendment which I have offered? There are a few men in the Regular Army who while in the service lost an arm or a leg and are not receiving the benefits which the Civil War veterans receive under legislation applicable to them. There are a few men who served in the Spanish-American War who lost limbs who are covered by the amendment which I have offered who are not now receiving pensions. It is to meet those cases, Mr. President, that I propose this amendment.

When I offered the amendment, in the first instance, to the Fuller bill, the distinguished Senator from North Dakota [Mr. MCCUMBER] suggested that he would not oppose it if it were offered to a bill which was intended for the relief of Spanish-American War veterans, and I understood the distinguished Senator from Indiana [Mr. NEW] to say he would not oppose such an amendment. I am, therefore, proposing it now because it is entirely germane to the subject of the bill now pending.

Mr. OVERMAN. Mr. President, I ask the Senator from Oregon if he will not accept the amendment which I will now suggest? At the end of the printed amendment I suggest that there be inserted the following words:

and that all persons who, in such service and in like manner, shall have lost both eyes, or been totally disabled in the same or who, in such service and in like manner, sustained injuries that proved the direct cause of the subsequent total loss of the sight of both eyes, shall receive a pension at the rate of $100 per month.

Such a provision will take care of the totally blind.

Mr. CHAMBERLAIN. I am perfectly willing to perfect my amendment by adding to it the amendment proposed by the Senator from North Carolina. I should like now to have the amendment stated as modified.

The VICE PRESIDENT. The amendment as modified will be stated.

The ASSISTANT SECRETARY. It is proposed to insert as section 3 the following:

SEC. 3. That from and after the approval of this act all persons whose names are on the pension roll, and who, while in the service of the United States in the Army, Navy, or Marine Corps and in the line of duty, shall have lost one hand or one foot or been totally disabled in the same, shall receive a pension at the rate of $60 per month; that all persons who, in such service and in like manner, shall have lost an arm at or above the elbow, or a leg at or above the knee, or been totally disabled in the same, shall receive a pension at the rate of $65 per month; that all persons who, in such service and in like manner, shall have lost an arm at the shoulder joint or a leg at the hip joint, or so near the shoulder or hip joint, or where the same is in such condition as to prevent the use of an artificial limb, shall receive a pension at the rate of $72 per month; and that all persons who, in such service and in like manner, shall have lost one hand and one foot, or been totally disabled in the same, shall receive a pension at the rate of $90 per month; and that all persons who, in such service and in like manner, shall have lost both eyes, or been totally disabled in the same or who, in such service and in like manner, sustained injuries that proved the direct cause of the subsequent total loss of the sight of both eyes, shall receive a pension at the rate of $100 per month.

Mr. NEW rose.

The VICE PRESIDENT. The Senator from Utah [Mr. KING] is entitled to the floor.

Mr. KING. Does the Senator from Indiana desire to interrupt me?

Mr. NEW. I merely desire to make a suggestion to the Senator from Oregon [Mr. CHAMBERLAIN].

Mr. KING. I yield to the Senator from Indiana.

Mr. NEW. I do not wish now to say that I will not accept the amendment that the Senator from Oregon has offered. I desire an opportunity to read it, which I did not have the other day when he called my attention to it. I also desire an opportunity to obtain some figures for which I have sent before I finally pass judgment on the amendment.

Mr. SMITH of Georgia. Mr. President——

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from Utah yield to the Senator from Georgia?

Mr. KING. I yield to the Senator from Georgia.

Mr. SMITH of Georgia. Before the Senator from Indiana takes his seat I desire to suggest it is evident that the pending bill can not be finished this morning before 2 o'clock. There is on the calendar a short bill for the benefit of injured soldiers who are now taking rehabilitation training, which has been unanimously reported from the committee this morning. It has passed the other House. It contains a provision for a small increase of $20 per month for a certain class of ex-service men who are taking rehabilitation training. It is very important to them that they get the benefit of the proposed legislation at once. I do not believe the bill will take any time or that there will be any opposition to it. If the Senator from Indiana can not finish his bill to-day, if he would allow us 10 minutes to consider the bill to which I refer and to pass it, it will give immediate relief to men who need immediate relief.

Mr. NEW. Mr. President——

Mr. SMITH of Georgia. Just one moment. I brought to the attention of the Senate this morning a letter from some 30 men who have lost arms or legs and others who have been seriously injured, suggesting that the bill only carried $5 increase to single men and $20 increase to married men. The bill reported to-day carries an increase of $20 to both, and it is conceded on all sides that it is essential to enable them to pay their expenses and to continue their rehabilitation studies. Many of them are really suffering now by reason of their condition. I believe the Senator from Indiana will lose no time on his bill by yielding to my request, because he can not finish his bill by 2 o'clock to-day, when the unfinished business will come up. If he will now let us have a few minutes' time for the consideration of the bill to which I refer, I think the Senator from Utah [Mr. KING] will yield for that purpose.

Mr. NEW. Mr. President, if the Senator from Georgia will give me his cooperation in pressing the pending bill, I think we can complete it well within the morning hour. Then I shall be glad to join him in trying to get his bill through in what remains of the morning hour. I am very sorry that I can not yield to oblige the Senator, for I always like to oblige a colleague wherever it is possible. However, it not possible now.

Mr. KING. Mr. President, the Senator from Oregon [Mr. CHAMBERLAIN] has just reiterated the views which he has so eloquently expressed upon other occasions. It is a pleasant task to stand here and eulogize the American boy who has served his country. There is very great pleasure in praising the heroism and the valor and the manly and chivalrous conduct and qualities of the American soldier. But that pleasant task is often the prelude to demands for huge appropriations.

I presume the popular thing, Mr. President, is to favor appropriations. I know that the severest condemnation which I have received since I have been in the Senate, aside from that which came from certain radicals, has resulted from my opposition to appropriations. Men want appropriations out of the Federal Treasury. The Federal Government is, under the modern view, a huge dispenser of bounties, gifts, bonuses, and largesses; it is to be used as a sort of sponge to suck taxes out of the people, and then to be squeezed in order that the accumulations shall be distributed to the people. It is forgotten that in the process of absorbing and dispensing taxes that there is an immense portion of them expended in salaries, in overhead expenses, in

waste, and in inefficiency, so that the amount finally paid to the people is materially less in quantity than that collected from them.

If I wanted to do the popular thing I would enthusiastically support this bill. I have no doubt the Senator from Indiana will receive hundreds of letters and telegrams congratulating him upon his splendid and patriotic course in championing this bill. Of course, I do not mean to say that such expressions would influence the Senator in the slightest degree in what he conceives to be his duty, because all who know the distinguished Senator appreciate that he is actuated by the highest spirit of patriotism and devotion to duty. It is a fact, however, that many of the American people are deeply interested in securing appropriations from the Federal Treasury and opposition to their wishes does not meet with their approval. Appeals are made, as the Senator knows, for Federal appropriations for subjects that are purely local in their nature or come within the activities and duties and responsibilities of individuals. The Federal Government is constantly appealed to by individuals, communities, and States for appropriations to aid them in matters that are clearly local or individual or pertain only to the States.

That spirit, Mr. President, and the feeling that the Federal Government is a dispenser of gifts and bounties have so strongly taken possession of many of the American people that they seek to repudiate responsibilities which rest upon them; the States are shirking their duties and responsibilities and abdicating power and authority which under our form of government rest upon them. There seems to be a mad rush for Federal aid and Federal interposition in respect of matters that are purely local or individual or State in character.

The latest manifestation of this spirit is found in the persistent appeals for pension bills—not pensions for those who have been hurt, who have been wounded, or who have suffered disability in the service of their country; as I have stated, bills of that character we should gladly support—but appeals are made for appropriations and gifts and bounties for individuals, organizations, and enterprises that should not receive cognizance from the Federal Government.

My good friend from Oregon has just alluded to an amendment which he suggested to the Fuller bill, and has called attention to the fact that he intends to offer that amendment, with some modification, to the pending bill. No one, Mr. President, can object to pensions being paid to those who received injuries while in the military or naval service of our country. I will join with the Senators from Oregon and Indiana, and with any other Senator, in providing liberal and just pensions for all soldiers and sailors who suffered disabilities in the service of their country, but I am opposed to mere service pensions—to giving men pensions merely because they were nominally in the military or naval service but a few days, and who never saw a battle field, never participated in any clash of arms, never heard the roar of cannon, or suffered any disability whatever.

As I have stated, this bill does not even limit its provisions to those who need pensions or those who are suffering from any physical or mental disability. The command is for all whose names appear upon the military or naval rolls of the United States during the period of the Spanish-American War to come forward and receive pensions from the Government.

Mr. NEW. Mr. President, will the Senator from Utah pardon me?

Mr. KING. I promised to yield first to the Senator from Georgia. As soon as I have yielded to him I shall be glad to yield to the Senator from Indiana.

Mr. SMITH of Georgia. Mr. President, I wanted to add to what I said a few minutes ago a word further upon the importance of immediate action on this bill, H. R. 12266. It is only a bill to increase $20 a month the allowance for soldiers who were injured in the recent war who are now taking rehabilitation training, and it is the opinion of all that this increase is essential to enable them to pay their expenses. It is a measure that we can not well delay, and it stands upon a substantially different footing from the bill now before the Senate. That is a bill looking toward permanent compensation to these Spanish-American veterans, and its consideration will not be finished to-day. It can come up to-morrow. It started with the right of way this morning. I will vote to-morrow morning to take it up as soon as we finish the consideration of the other bill to which I refer.

Mr. NEW. Mr. President, the Senator from Georgia introduces the personal element into this matter somewhat. If the Senator from Utah will yield to me for a moment——

Mr. KING. I yield to my friend from Indiana.

Mr. NEW. I should like to say that I, too, have personal reasons for wanting to get through with the consideration of this bill at the earliest possible moment. I have made arrangements to leave Washington to-morrow evening, and the Senator from Pennsylvania [Mr. KNOX] has given notice that he proposes to address the Senate to-morrow on a subject of very great importance, and I very earnestly hope that opportunity will be given for consideration and a vote on this bill without the interposition of other measures, which, however pressing they may be, are no more pressing than this. Notice was duly given yesterday that this bill would be brought up at this time, and it is up pursuant to that motion, and, as I said awhile ago, if the Senator from Georgia will cooperate in bringing about a vote on this bill, I think we can get it out of the way in time to permit the consideration of the bill to which he refers.

Mr. SMITH of Georgia. I do not think the bill now before the Senate can be disposed of by 2 o'clock. Substantial amendments have been offered to it. It involves a very large sum of money. It involves questions of great importance, involving the policy of the United States, and I do not believe it will be disposed of by 2 o'clock to-day. It is for that reason, in part, that I suggest the substitution of House bill 12266, and, Mr. President, I move that the Senate proceed to the consideration of House bill 12266.

Mr. NEW. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Indiana suggests the absence of a quorum. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Fernald	Knox	Smith, Ga.
Ball	France	Lodge	Smith, Md.
Brandegee	Frelinghuysen	McKellar	Smith, S. C.
Calder	Gay	Nelson	Smoot
Capper	Glass	New	Sutherland
Chamberlain	Gronna	Nugent	Swanson
Colt	Hale	Overman	Thomas
Comer	Harris	Phipps	Trammell
Culberson	Harrison	Pittman	Underwood
Curtis	Henderson	Pomerene	Wadsworth
Dial	Jones, Wash.	Ransdell	Walsh, Mass.
Dillingham	Kenyon	Sheppard	Warren
Edge	Keyes	Simmons	Williams
Elkins	King	Smith, Ariz.	Wolcott

Mr. GRONNA. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is necessarily absent, due to illness. I ask that this announcement may stand for the day.

The PRESIDING OFFICER. Fifty-six Senators having answered to their names, a quorum of the Senate is present.

Mr. SMITH of Georgia. Mr. President——

Mr. KING. I yield to the Senator from Georgia.

Mr. SMITH of Georgia. Since I made the motion to proceed to the consideration of House bill 12266, the bill reported this morning from the Committee on Education and Labor, the chairman of the Committee on Education and Labor has come into the Chamber, and I have had a conference with him; I yield to his view that it is not advisable to press the motion at this time. I know he will seek to bring it up at the next morning hour when an opportunity is presented, and for that reason I think it best not to press the motion. It is therefore my purpose to withdraw the motion, with the consent of the Senate.

I am very deeply interested in the measure. I consider it of immediate importance, and I believe I explained before that evidently the information received by the wounded soldiers, contained in the letter which I presented to the Senate earlier in the day, was inaccurate. I do not know upon what they predicated it, but this bill meets the very criticism that they suggested. It adds $20 a month to the amount received by married men as well as single men, and does not discriminate between the two.

Mr. KING. Mr. President, will the Senator permit me to ask him a question in that connection. I have received a number of communications, not exactly of the character referred to by the Senator, but the inquiries were with respect to the relief to be granted those who were injured in the recent war, and what provision the Government actually had made to care for them and to educate them, vocationally or otherwise.

Mr. SMITH of Georgia. I am reasonably familiar with the provisions with reference to vocational rehabilitation. There is a provision, and many are now taking advantage of it, by which those injured in the service, where the injuries interfere with their capacity to perform the callings which they have pursued before their injury, can be sent to schools and colleges to receive general and technical training with the view of fitting them to resume activities in life. The difficulty recently has been that on account of the increased expenses incident to their studies and work they were unable to get along on the

amount they were receiving. This bill from the House increases by $20 a month the amount received by both the single and the married men, carrying the payments to the single men up to $100 a month, and the payments to the married men up to $120 a month. It has been unanimously reported out by the Committee on Education and Labor, and I feel sure that it will pass the Senate without resistance.

Mr. KENYON. I would like to ask the Senator a question.

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. KING. I yield.

Mr. KENYON. The vocational training bill is not before the Senate?

Mr. SMITH of Georgia. No. I rose and asked permission to withdraw my motion to have the bill taken up, mentioning the fact that the Senator from Iowa had come into the Chamber, and that he really has charge of it, and I stated that it is his purpose to call it up at the earliest possible moment. Then the Senator from Utah [Mr. KING] asked me a further question, and I was trying to answer it.

Mr. KING. Before the Senator from Georgia takes his seat I would like to have him explain the justification of these criticisms of the Vocational Board.

Mr. SMITH of Georgia. That would take so long a time that I could not undertake to go into it now. There are a great many of them which are entirely unjust. Necessarily there are occasional failures to connect meritorious cases with proper training, but, as a whole, my advices from the men who are receiving the training are very commendatory.

Mr. KING. If the Senator will pardon me, a number of letters which I have received would seem to lead to the belief that the board has ceased to function.

Mr. SMITH of Georgia. I feel sure such a view does injustice to the board.

Mr. NEW. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Indiana?

Mr. KING. I yield to the Senator.

Mr. NEW. If what is going on between the Senator from Utah [Mr. KING] and the Senator from Georgia [Mr. SMITH] is not strictly confidential, we would like to hear it in this part of the Chamber.

Mr. SMITH of Georgia. I have insisted upon sitting down.

Mr. KING. I can assure the Senator from Indiana that it was not confidential; it will appear in the RECORD. I was interested in knowing whether the charges which were made against the Vocational Board have any justification. The Senator from Georgia had referred to the provision which the Government had made to care for those who were injured in the recent war.

That leads me back to the subject which is under discussion, and from which I was diverted a moment ago by the Senator from Georgia, and by his motion to supplant the pending bill by the measure recently reported from the Committee on Education and Labor, which deals with the rehabilitation of those who have suffered injuries in the recent war.

The Senator from Oregon [Mr. CHAMBERLAIN] interrupted me, with my consent, for the purpose of offering an amendment. That amendment, as he explained, provides for additional compensation for those who received serious injuries in the Spanish-American War. I expressed the view that I am entirely in sympathy with any legislation which provides compensation for soldiers and sailors who were injured in the service of their country.

The Senator from Oregon entered upon a discussion of the duties of the Government to care for those who had served it, and expressed the view that he is in entire sympathy with all pension legislation, legislation which gave pensions to men who never saw the smoke of battle, who never heard the roar of the guns, who were never within a thousand miles of any battle field, who never rendered an hour in real military or naval service, but who had their names upon the rolls of some company, but perhaps were there but for a few days, and scarcely left their own homes.

I stated that it seemed to be popular to support legislation calling for huge pensions from the Federal Government; that any measure seemed to be popular which aimed to secure money from the Federal Treasury to be expended for individual or community or purely State purposes. I stated, in substance, that whether the question had any relation whatever to the functions of the Federal Government was regarded as immaterial. We find protagonists in favor of every scheme for Federal action and Federal appropriation. The most fantastic schemes find their advocates, and the visionary phantasms of the impractical and the disordered aberrations of doctrinaires are presented and find earnest apostles in their support.

If there is a neurotic in the United States who has some wild scheme, he or she immediately comes to Congress, and the scheme will be presented, newspapers will advocate it, and there will soon be developed apparently a tremendous sentiment in favor of it. It is wholly immaterial that it has no relation to the general public welfare, or is wholly disconnected from truly national activity or the functions of the National Government.

I have sometimes wondered, Mr. President, if the American people had lost sight of the fact that we have a constitutional form of government, that the Federal Government is one of enumerated and limited powers. There seems to be a growing sentiment that the Federal Government has no limitations upon its powers, that it may do anything that the Kaiser could have done, or that the greatest autocrat might have done in any age of the world. There are some who talk about democracy who are entirely ignorant of its meaning. They appear to believe that democracy merely means the interposition of the United States into the affairs of individuals or the States of the Union and the assumption by the Federal Government of the prerogatives and duties of individuals and States. Anything, in their view, is democratic if the Federal Government is back of it. Under the view of some the majority may sanctify any scheme that its rightfulness is authenticated, if a majority of the people support it. The question of whether it is right or constitutional, or in harmony with the spirit and genius of our institutions is of no consequence.

Mr. President, our Government is founded not only to protect majorities but to protect minorities. It may be that the plan which the majority may desire may receive temporarily their support, yet our Government is a constitutional one, and it has grown up as the result of the experience of the past, which demonstrated that the voice of the people was not always the voice of God; that majorities are not always right; indeed, that they are often wrong.

Our Government is the result of travail and of suffering, of bloodshed and of sorrow; it is an evolution from the archaic conditions, the obsolete forms of the past, and the work of the fathers was to establish a written Constitution which would put hooks into the jaws of those who sought to impose their will, though they might have temporarily a majority of the people behind them, upon the minority.

The Constitution of the United States and our form of government are interested in protecting the minority, in protecting that which has been won by our fathers, and which, as I stated, is the product of evolutionary growth. The Constitution of the United States did not spring, as Minerva, from the brow of Jove. Mr. Gladstone was not quite accurate in his famous characterization of its inception and birth. It was an evolutionary growth. It was the result of the accretions of the past. It was a crystallization into law of the precedents that were justified by the experiences of the past, and a crystallization of the very best thought of preceding generations.

Now, the thought upon the part of many is that we must abolish the restrictions imposed by our organic law. If some wild, visionary scheme is suggested, and some thoughtful person says that it is unconstitutional, immediately the cry is made that the Constitution is reactionary; that it is for the purpose of protecting predatory interests; that it is against the spirit of liberalism and democracy and progress and development. So we find throughout the country various individuals, and some political schools, interested in not only changing some parts of the Constitution, modifying it to suit their views, but they would change it entirely.

As I said a moment ago, we find demands made that the Federal Government should go into the States and take care of their local affairs, that they should assume control of their courts, that the Federal Government should take charge of marriage and divorce as a subject of national concern. Already the Federal Government has taken over a large part of the police powers of the States, surrendered by the States under the eighteenth amendment. It is seeking to take over additional powers of the States, and the people are now surrendering to the Federal Government that indispensable power and prerogative of a sovereign State—the power to determine who the electors shall be. Little by little, Mr. President, the corroding influences are at work to undermine the form of government which has been handed down to us by the fathers, and I protest now, as I have heretofore, against this iconoclastic spirit which is manifesting itself, against this spirit which demands that the Federal Government shall superimpose its power upon the States and assume obligations and responsibilities which, under our form of government, rest

upon the States, and which must rest upon the States and be discharged by the States if this Republic shall live.

Mr. President, local self-government is the key to the perpetuity of this Republic, and whenever the people cease to have regard for local self-government, cease to have pride in local self-government, and are willing that the National Government shall assume functions and powers and responsibilities and duties of the States then this Republic will fall.

This spirit of which I have been speaking manifests itself in a demand that we shall pension practically everybody who has been in any way connected with the Government; pension all civil employees; pension all who were in the Army or in the Navy at any time. Whether they are wounded, whether they are injured, whether they suffered any disabilities, whether they are in need of pensions are questions wholly immaterial, and the bill before us calls for the pensioning of men though they may be as rich as Crœsus and in perfect health.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is House bill 8078.

Mr. CURTIS rose.

Mr. NEW. I hope that the Senator from Kansas will be willing to lay aside temporarily the unfinished business in order that we may proceed with the consideration of the pending bill.

Mr. CURTIS. If there are no other long speeches to be made on the bill and if it is likely to reach a vote in a few moments, I should be very glad to ask that the unfinished business be laid aside temporarily, but that can only be done by unanimous consent.

Mr. KING. Let me say to the Senator that I have not concluded my remarks on the bill.

Mr. CURTIS. I hope, under the circumstances, that the Senator from Indiana will not ask that the unfinished business shall be temporarily laid aside.

Mr. NEW. I, of course, am very much entertained by the remarks of the Senator from Utah [Mr. KING], and I hope the continuity of his speech may not be unnecessarily interrupted. I will renew my request.

Mr. CURTIS. I understand there would be objection by Senators on the other side of the aisle who desire to speak on the unfinished business, and I therefore hope the Senator will not insist upon his request.

Mr. NEW. Very well.

THE DYE INDUSTRY.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8078) to regulate the importation of coal-tar products, to promote the establishment of the manufacture thereof in the United States, and, as incident thereto, to amend the act of September 8, 1916, entitled "An act to increase the revenue, and for other purposes."

Mr. KENYON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	France	Knox	Simmons
Ball	Frelinghuysen	McCormick	Smith, Ariz.
Borah	Gay	McCumber	Smith, Md.
Capper	Hale	McKellar	Smith, S. C.
Chamberlain	Harris	McNary	Smoot
Colt	Harrison	Moses	Sterling
Culberson	Henderson	Nelson	Thomas
Curtis	Jones, N. Mex.	New	Trammell
Dial	Jones, Wash.	Nugent	Underwood
Dillingham	Kellogg	Overman	Wadsworth
Edge	Kendrick	Pittman	Walsh, Mass.
Elkins	Kenyon	Pomerene	Williams
Fall	Keyes	Ransdell	Wolcott
Fernald	King	Sheppard	

The PRESIDING OFFICER. Fifty-five Senators have answered to their names, and a quorum of the Senate is present. The question is on the amendment reported by the Committee on Finance. The Senator from Colorado [Mr. THOMAS] is entitled to the floor.

Mr. THOMAS resumed the speech begun by him yesterday. After having spoken, with interruptions, for an hour and a half,

Mr. KENYON. Mr. President, I think this matter is so important that there should be more Senators present, and I suggest——

Mr. THOMAS. They will not stay; there is no need of asking for a quorum.

Mr. KENYON. They might stay on this profit question.

Mr. THOMAS. Oh, no.

Mr. KENYON. I suggest the absence of a quorum.

Mr. THOMAS. I wish the Senator would not do so.

The PRESIDING OFFICER (Mr. HARRIS in the chair). The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Borah	Jones, Wash.	Nugent	Smith, S. C.
Brandegee	Kenyon	Phipps	Smoot
Calder	King	Pomerene	Sutherland
Capper	Knox	Ransdell	Thomas
Chamberlain	McCormick	Robinson	Trammell
Curtis	Moses	Sheppard	Warren
Dillingham	Nelson	Simmons	Wolcott
Harris	New	Smith, Ariz.	

The PRESIDING OFFICER. Thirty-one Senators having answered to their names, there is not a quorum present. The Secretary will call the roll of the absentees.

The Reading Clerk called the names of the absent Senators, and Mr. MCCUMBER, Mr. OVERMAN, Mr. UNDERWOOD, and Mr. WADSWORTH answered to their names when called.

Mr. MCNARY, Mr. LODGE, Mr. EDGE, Mr. FRELINGHUYSEN, and Mr. KENDRICK entered the Chamber and answered to their names.

The PRESIDING OFFICER. Forty Senators have answered to their names—not a quorum. What is the pleasure of the Senate?

Mr. CURTIS. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will carry out the instructions of the Senate.

Mr. COLT, Mr. REED, Mr. SMITH of Maryland, Mr. WILLIAMS, Mr. FRANCE, Mr. MCKELLAR, Mr. FALL, Mr. GLASS, and Mr. CUMMINS entered the Chamber and answered to their names.

The PRESIDING OFFICER (Mr. OVERMAN in the chair). Forty-nine Senators having answered to their names, a quorum is present.

LANDS AT POCATELLO, IDAHO.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2528) to grant certain lands to the city of Pocatello, State of Idaho, for conserving and protecting the source of its water supply and as a municipal park site, which were, on page 1, line 10, after "State," to insert "containing 2,880 acres"; on page 1, line 13, to strike out "and as a municipal park site"; and to amend the title so as to read: "An act to grant certain lands to the city of Pocatello, State of Idaho, for conserving and protecting the source of its water supply."

Mr. NUGENT. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

NATIONAL BUDGET SYSTEM.

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 9783) to provide a national budget system and an independent audit of Government accounts, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MCCORMICK. I move that the Senate insist upon its amendment and agree to the conference asked for by the House, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. MCCORMICK, Mr. SMOOT, Mr. KEYES, Mr. SIMMONS, and Mr. JONES of New Mexico conferees on the part of the Senate.

LANDS IN UTAH.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 3016) to authorize the disposition of certain grazing lands in the State of Utah, and for other purposes, which were, on page 1, line 4, to strike out "limited" and insert "limits"; on page 1, line 4, after "the," to insert "future"; on page 2, line 4, to strike out all after "discretion" down to and including "or" in line 6.

Mr. SMOOT. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

TOWN OF PETERSBURG, ALASKA.

Mr. NELSON. Will the Senator from Colorado yield to me for a moment?

Mr. THOMAS. For just a moment.

Mr. NELSON. I ask unanimous consent to call up Senate bill 4286 at this time. It will not lead to any debate. It is the last bill on the printed calendar. It is a bill authorizing the incorporated town of Petersburg, Alaska, to issue bonds for the purpose of installing a municipal electric light and power plant and for the construction of a public-school building.

Mr. THOMAS. I will yield for that purpose if it does not lead to discussion.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota?

Mr. CURTIS. With the understanding that it does not interfere with the unfinished business, I shall not object.

Mr. NELSON. Certainly. It will take but a moment to dispose of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 4286) to amend an act entitled "An act to authorize the incorporated town of Petersburg, Alaska, to issue bonds in any sum not exceeding $75,000 for the purpose of constructing and installing a municipal electric light and power plant and for the construction of a public-school building," approved September 29, 1919, and it was read as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to authorize the incorporated town of Petersburg, Alaska, to issue bonds in any sum not exceeding $75,000 for the purpose of constructing and installing a municipal electric light and power plant and for the construction of a public-school building," be, and the same is hereby, amended to read as follows:

"SECTION 1. That the incorporated town of Petersburg, Alaska, is hereby authorized and empowered to issue bonds in any sum not exceeding $150,000 for the purpose of constructing and installing a municipal electric light and power plant and for the construction of a public-school building."

SEC. 2. That section 5 of the act mentioned in the preceding section is hereby amended to read as follows:

"SEC. 5. That no part of the funds arising from the sale of said bonds shall be used for any purpose other than specified in this act. Said bonds shall be sold only in such amounts as the common council shall direct, and the proceeds thereof shall be disbursed for the purposes hereinbefore mentioned and under the order and direction of said common council from time to time as the same may be required for said purposes: *Provided*, That not to exceed $115,000 of the proceeds of the sale of said bonds shall be expended for the construction and installation of the electric light and power plant, and not to exceed $35,000 thereof shall be expended for the construction of the public-school building."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

THE DYE INDUSTRY.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8078) to regulate the importation of coal-tar products, to promote the establishment of the manufacture thereof in the United States, and, as incident thereto, to amend the act of September 8, 1916, entitled "An act to increase the revenue, and for other purposes."

Mr. THOMAS resumed his speech, and after having spoken for about 30 minutes,

Mr. CURTIS. Mr. President——

Mr. THOMAS. I yield to the Senator from Kansas.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes in executive session the doors were reopened, and (at 4 o'clock and 45 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, May 5, 1920, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate May 4, 1920.

INTERSTATE COMMERCE COMMISSION.

Henry Jones Ford, of Princeton, N. J., to be a member of the Interstate Commerce Commission for the term expiring December 31, 1925, vice Harlan, term expired.

James Duncan, of Massachusetts, to be a member of the Interstate Commerce Commission for the term expiring December 31, 1924. (New office, act of Feb. 28, 1920.)

PUBLIC HEALTH SERVICE.

Passed Asst. Surg. Harry J. Warner to be surgeon in the Public Health Service, to rank as such from April 4, 1920.

Passed Asst. Surg. Robert Olesen to be surgeon in the Public Health Service, to rank as such from April 9, 1920.

CIRCUIT JUDGE, HAWAII.

Clement K. Quinn, of Hilo, Hawaii, to be circuit judge, fourth circuit, Territory of Hawaii. A reappointment, his term having expired.

PROMOTIONS IN THE ARMY.

CORPS OF ENGINEERS.

To be colonels.

Lieut. Col. Jay J. Morrow, Corps of Engineers, from April 2, 1920.

Lieut. Col. James B. Cavanaugh, Corps of Engineers, from April 2, 1920.

To be lieutenant colonels.

Maj. John R. Slattery, Corps of Engineers, from April 2, 1920.

Maj. Curtis W. Otwell, Corps of Engineers, from April 2, 1920.

To be majors.

Capt. Albert K. B. Lyman, Corps of Engineers, from April 2, 1920.

Capt. Creswell Garlington, Corps of Engineers, from April 2, 1920.

Capt. Daniel D. Pullen, Corps of Engineers, from April 12, 1920, subject to examination required by law.

To be captains.

First Lieut. Ralph E. Cruse, Corps of Engineers, from November 7, 1919.

First Lieut. Lewis T. Ross, Corps of Engineers, from December 25, 1919.

First Lieut. Charles F. Baish, Corps of Engineers, from January 2, 1920.

First Lieut. Clarence L. Adcock, Corps of Engineers, from January 2, 1920.

First Lieut. Keryn ap Rice, Corps of Engineers, from January 4, 1920.

First Lieut. Charles S. Ward, Corps of Engineers, from January 16, 1920.

First Lieut. Henry M. Underwood, Corps of Engineers, from January 27, 1920, subject to examination required by law.

First Lieut. James B. Newman, jr., Corps of Engineers, from January 31, 1920, subject to examination required by law.

First Lieut. James M. Young, Corps of Engineers, from February 6, 1920.

First Lieut. James C. Marshall, Corps of Engineers, from February 16, 1920.

First Lieut. Walter E. Lorence, Corps of Engineers, from February 27, 1920.

To be first lieutenants.

Second Lieut. John P. Dietrich, Corps of Engineers, from September 24, 1919.

Second Lieut. William A. Callaway, Corps of Engineers, from September 25, 1919.

Second Lieut. Howard V. Canan, Corps of Engineers, from September 26, 1919.

Second Lieut. Vere A. Beers, Corps of Engineers, from September 27, 1919.

Second Lieut. Doswell Gullatt, Corps of Engineers, from September 27, 1919.

Second Lieut. John B. Hughes, Corps of Engineers, from September 28, 1919.

Second Lieut. Eugene L. Vidal, Corps of Engineers, from September 28, 1919.

Second Lieut. L. George Horowitz, Corps of Engineers, from October 1, 1919.

Second Lieut. David A. Newcomer, Corps of Engineers, from October 3, 1919.

Second Lieut. Boyd W. Bartlett, Corps of Engineers, from October 4, 1919.

Second Lieut. Laurence Van D. Harris, Corps of Engineers, from October 16, 1919, subject to examination required by law.

Second Lieut. Herbert B. Loper, Corps of Engineers, from October 16, 1919.

Second Lieut. Ivan C. Lawrence, Corps of Engineers, from October 17, 1919.

Second Lieut. Robert A. Hill, Corps of Engineers, from October 21, 1919.

Second Lieut. Sydney W. Gould, Corps of Engineers, from October 23, 1919.

Second Lieut. Fred W. Marlow, Corps of Engineers, from October 26, 1919.

Second Lieut. William J. Regan, Corps of Engineers, from October 30, 1919.

Second Lieut. Roy Green, Corps of Engineers, from November 7, 1919.

Second Lieut. Lester F. Rhodes, Corps of Engineers, from November 7, 1919.

Second Lieut. Don G. Shingler, Corps of Engineers, from November 11, 1919.

Second Lieut. John R. Hardin, Corps of Engineers, from November 11, 1919.

CHAPLAIN.

Chaplain William R. Arnold, Coast Artillery Corps, to be chaplain, with rank of captain, from April 29, 1920, after seven years' service.

COAST ARTILLERY CORPS.

Maj. James B. Mitchell, Coast Artillery Corps, to be lieutenant colonel from April 24, 1920.

Capt. Edward D. Powers, Coast Artillery Corps, to be major from April 24, 1920.

PROMOTIONS IN THE NAVY.

The following-named lieutenants to be lieutenant commanders in the Navy for temporary service from the dates set opposite their names to correct the dates from which they take rank as previously nominated and confirmed:

Lieut. Joseph R. Redman to be a lieutenant commander in the Navy, for temporary service, from the 26th day of November, 1919.

Lieut. Franklin G. Percival to be a lieutenant commander in the Navy, for temporary service, from the 27th day of November, 1919.

Lieut. Theo. D. Westfall to be a lieutenant commander in the Navy, for temporary service, from the 30th day of November, 1919.

Lieut. Theodore D. Ruddock, jr., to be a lieutenant commander in the Navy, for temporary service, from the 1st day of December, 1919.

Lieut. Zeno W. Wicks to be a lieutenant commander in the Navy, for temporary service, from the 2d day of December, 1919.

Lieut. Andrew H. Addoms to be a lieutenant commander in the Navy, for temporary service, from the 3d day of December, 1919.

Lieut. William H. Porter, jr., to be a lieutenant commander in the Navy, for temporary service, from the 4th day of December, 1919.

Lieut. Sherrod H. Quarles to be a lieutenant commander in the Navy, for temporary service, from the 7th day of December, 1919.

The following-named lieutenants to be lieutenant commanders in the Navy, for temporary service, from the 9th day of December, 1919:

Alfred H. Balsley and
William E. Malloy.

Lieut. Greene W. Dugger, jr., to be a lieutenant commander in the Navy, for temporary service, from the 13th day of December, 1919.

Lieut. John M. Creighton to be a lieutenant commander in the Navy, for temporary service, from the 14th day of December, 1919.

Lieut. Charles D. Swain to be a lieutenant commander in the Navy, for temporary service, from the 16th day of December, 1919.

Lieut. Edmund W. Burrough to be a lieutenant commander in the Navy, for temporary service, from the 24th day of December, 1919.

Lieut. Albert H. Rooks to be a lieutenant commander in the Navy, for temporary service, from the 25th day of December, 1919.

Lieut. George F. Neiley to be a lieutenant commander in the Navy, for temporary service, from the 1st day of January, 1920.

Lieut. Russell E. Perry to be a lieutenant commander in the Navy, for temporary service, from the 2d day of January, 1920.

Lieut. Byron B. Ralston to be a lieutenant commander in the Navy, for temporary service, from the 7th day of January, 1920.

Lieut. Stanley L. Wilson to be a lieutenant commander in the Navy, for temporary service, from the 12th day of January, 1920.

Lieut. Herbert J. Ray to be a lieutenant commander in the Navy, for temporary service, from the 21st day of January, 1920.

Lieut. Charles E. Rosendahl to be a lieutenant commander in the Navy, for temporary service, from the 27th day of January, 1920.

Lieut. John G. Moyer to be a lieutenant commander in the Navy, for temporary service, from the 2d day of February, 1920.

Chief Boatswain William L. Hill, retired, to be a lieutenant on the retired list of the Navy, for temporary service, from the 15th day of May, 1920.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 4, 1920.

AMBASSADOR EXTRAORDINARY AND MINISTER PLENIPOTENTIARY.

Peter Augustus Jay to be envoy extraordinary and minister plenipotentiary of the United States of America to Salvador.

ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE PHILIPPINE ISLANDS.

Ignacio Villamor to be associate justice of the Supreme Court of the Philippine Islands.

COMMISSIONER OF IMMIGRATION.

Bertram N. Stump to be commissioner of immigration, Baltimore, Md.

COLLECTOR OF CUSTOMS.

Estelle V. Collier to be collector of customs for customs collection district No. 48.

ASSISTANT COMMISSIONER OF MEDIATION AND CONCILIATION.

Whitehead Kluttz to be assistant commissioner of mediation and conciliation.

POSTMASTERS.

SOUTH CAROLINA.

Edward D. Grant, Ehrhardt.
Joseph W. Conyers, Timmonsville.

UTAH.

Urvin Gee, Moroni.
Olga Christopherson, Salina.

WYOMING.

William G. Haas, Cheyenne.
Eugene W. Gillespie, Rock River.

WITHDRAWALS.

Executive nominations withdrawn from the Senate May 4, 1920.

PROMOTIONS IN THE NAVY.

Lieut. Robert W. Hayler to be a lieutenant commander.
Lieut. Bert F. Clark to be a lieutenant commander.

HOUSE OF REPRESENTATIVES.

TUESDAY, *May 4, 1920.*

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We bless Thee, our Father in heaven, for the faith sublime, the star of hope, the love divine, the golden links which bind us to Thee and our fellow men, in sunshine or cloud, in victory or defeat, in happiness or sorrow, in life or death.

To doubt is to weaken character. Faith is to strengthen it. To question is to corrode it. Hope keeps it bright and shining. To hate is fatal. To love is life and that more abundantly. In the spirit of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

AERONAUTIC ENGINEERING.

Mr. KAHN. Mr. Speaker, I call from the Speaker's table the bill (H. R. 8314) to provide for the training of officers in the Army in aeronautic engineering, and the issue and equipment of material therefor, with the Senate amendment thereto, and move to agree to the Senate amendment.

The SPEAKER. The gentleman from California calls up the bill H. R. 8314, with Senate amendment thereto. The Clerk will report the Senate amendment.

The Clerk reported the Senate amendment.

Mr. MANN of Illinois. Mr. Speaker, I reserve the point of order on the bill.

Mr. KAHN. Mr. Speaker, the Senate amendment is practically in the language of the House bill, with this exception: The House bill provided that the supplies and equipment required for the use of the schools should also be given by the War Department to the schools. The Senate struck that provision from the bill, so that the tuition of the students and their textbooks and supplies alone shall be furnished by the War Department. The Senate amendment also provides that the money for this purpose shall be taken from the Air Service appropriation of the Army instead of from the general appropriations for the Army.

Mr. MANN of Illinois. Mr. Speaker, I withdraw the point of order, but I would like to ask the gentleman a question. Do these officers, while they are detailed to attend school, get the extra compensation that is provided for aviators?

Mr. KAHN. Oh, no.

Mr. GARNER. Mr. Speaker, will the gentleman yield?

Mr. KAHN. Yes.

Mr. GARNER. Does the gentleman not think that the Senate is to be congratulated on amending the House bill the way it did, so as to protect the funds of the Treasury against expenditure for purposes which were included in the House bill?

Mr. KAHN. The House provision allowed some of the surplus of the equipment that the War Department had on hand to be given over to the schools.

Mr. GARNER. This is the first instance I have noted where there was not a keen competition between the House and Senate Military Affairs Committees as to which could be most liberal in its provisions. I congratulate the Senate on amending this bill.

The SPEAKER. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

FEDERAL CONTROL OF RAILROADS—DEFICIENCY APPROPRIATION—CONFERENCE REPORT.

Mr. GOOD. Mr. Speaker, I call up the conference report upon the bill (H. R. 13677) making appropriations to supply a deficiency in the appropriations for the Federal control of transportation systems and to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1920, and for other purposes.

The SPEAKER. The gentleman from Iowa calls up the conference report, which the Clerk will read.

The Clerk read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13677) making appropriations to supply a deficiency in the appropriations for the Federal control of transportation systems and to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1920, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 1.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, and 6, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "transferred from the appropriation made in paragraph (g) of the said section 204 and"; and the Senate agree to the same.

JAMES W. GOOD,
J. G. CANNON,
JAMES F. BYRNES,
Managers on the part of the House.

F. E. WARREN,
CHARLES CURTIS,
O. W. UNDERWOOD,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13677) making appropriations to supply a deficiency in the appropriations for the Federal control of transportation systems and to supply urgent deficiencies in certain other appropriations for the fiscal year ending June 30, 1920, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report as to each of the said amendments, namely:

On Nos. 1 and 2, relating to the paragraph authorizing deductions from the amount found due from the United States to certain short-line railroads the sums found due by those railroads to the United States: Strikes out the language, inserted by the Senate, requiring the sums found due the United States to be deducted from the amount of the "deficit or decrease" of the operating income of the railway, and inserts the language, proposed by the Senate, making clear that the sums deducted as due the railway administration shall be credited to the proper appropriations for the railway administration.

On No. 3: Inserts the paragraph, proposed by the Senate, authorizing and directing the Auditor for the Navy Department to pay the San Francisco Bridge Co. the sum of $128,260.60 appropriated in the deficiency act approved March 6, 1920.

On Nos. 4, 5, and 6, relating to the Senate: Inserts the appropriation of $7,500 to pay the widow of Hon. John H. Bankhead, late a Senator from the State of Alabama, and inserts the paragraph appropriating $16,990.95 for repairs, improvements, equipment, and supplies for Senate kitchens and restaurants.

JAMES W. GOOD,
J. G. CANNON,
JAMES F. BYRNES,
Managers on the part of the House.

Mr. GOOD. Mr. Speaker, the first amendment of the Senate has to do with the provision providing offset which is authorized in the matter of making settlements with the short-line railroads. The House bill carried a provision and the Senate put on an amendment, No. 1, and no one has been able to tell us just what the Senate amendment means, unless it is to enlarge the Government's obligation under section 204 of the transportation act. This being the case, the Senate receded with regard to that item.

The second amendment made more certain and more definite the manner in which the set-off should be applied.

The third amendment is one that was requested by the auditor of the Navy Department making a settlement under the appropriation for the San Francisco Bridge Co. in the building of the drydock at Honolulu. An appropriation was carried of $128,000, as recommended by the Navy Department, in the last deficiency appropriation bill, but the auditor was unwilling to certify the amount and permit the payment until the bridge company had signed a release of all further claims against the Government growing out of the construction of that drydock. The House conferees saw no objection on the part of the Government to this release, and they were advised that there was no objection on the part of the contractor and so we were perfectly willing to accept the Senate amendment in that respect. It does not carry an appropriation, but provides for a release.

Amendment No. 5 of the Senate provides for payment to Mrs. Bankhead, widow of the late Senator John H. Bankhead, of Alabama, of the regular amount carried in similar cases.

Senate amendment No. 6 calls for an appropriation of $16,990.95 to pay the deficit in the matter of the conduct of Senate restaurant. There was something of a deficit in the last deficiency appropriation bill. We were advised that they had changed their plan of running the restaurant in the Senate, and during last month there was something of a balance left after paying all expenses. We are advised by the Senate that this is to clean up their obligations for conducting the Senate restaurant up to the 1st of April and that there will be no deficit in the future.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. GOOD. Yes.

Mr. LONGWORTH. Mr. Speaker, does this bill represent the total amount that has been appropriated this season for railroads?

Mr. GOOD. The total amount at this session of Congress; yes. Seven hundred and fifty million dollars were appropriated during the first session of this Congress for that purpose.

Mr. LONGWORTH. And this amounts to how much for the railroads?

Mr. GOOD. This appropriation here amounts to $300,000,000, and it also makes available approximately $90,000,000 in cash by authorizing the War Finance Corporation to buy Liberty and Victory bonds held by the Railroad Administration to that amount and to turn over to the Railroad Administration $90,000,000 for those bonds.

So that they will have approximately $390,000,000 in cash as a result of this legislation.

Mr. LONGWORTH. Does the gentleman anticipate any more money will be required in the near future for the railroads?

Mr. GOOD. I hope not.

Mr. LONGWORTH. Could the gentleman state approximately how much the total cost has been so far of Government control of railroads?

Mr. GOOD. The Director General of Railroads estimated that the total amount of the deficit—that is, the actual loss to the Government—in the 26 months of Government operation of the railroads was $904,000,000, in round numbers. Of course, it will be more than that. There are other expenses that will be paid out of the transportation act.

The transportation act carried $200,000,000—and I was in error a moment ago when I said the amount carried in the bill was all this Congress appropriated for the operation of the railroads—the transportation act carried $200,000,000 to pay losses of Government operation. It also carried $300,000,000 of direct appropriations for the making of loans and the paying of judgments that might be rendered on account of Federal control and operation of the railroads. Then it carries, as I recollect, provisions in regard to indefinite appropriations where money may be required and paid out of the Treasury when ascertained under certain conditions by the Interstate Commerce Commission.

Mr. LONGWORTH. So that, in fact, by the passage of this bill at this session of Congress we will have appropriated more than $900,000,000 in various ways?

Mr. GOOD. The transportation act carries two separate appropriations, one for $300,000,000 and one for $200,000,000, or

$500,000,000. The $300,000,000 has to do indirectly with Federal control but directly is not all chargeable to Federal control. It is to make loans to the railroads in the future to pay the judgments growing out of Federal control. Now, the extent to which that $300,000,000 may be chargeable to Federal control I am unable to state. Mr. Hines and Mr. Sherley estimated that the judgments would amount to $30,000,000 or $40,000,000. Now, this bill carries an appropriation of $300,000,000 and provides sales of Government bonds, $90,000,000, or $390,000,000, making $590,000,000 directly chargeable to Federal control and operation. Then, of the $300,000,000 that is appropriated for the purpose of making loans to the railroads in the future and to pay judgments approximately $30,000,000 or $40,000,000 it is estimated will be chargeable to Federal control. So it can be said that this session of Congress has appropriated or made available for losses growing out of Federal control approximately $620,000,000 and $270,000,000 for loans to be made to the railroads in the future.

Mr. BLANTON. Will the gentleman yield?

Mr. GOOD. I will.

Mr. BLANTON. Is it not a fact that the estimated loss of about $904,000,000 on Government control just about covers the amount of extra compensation over and above what the railroad companies had been paying, which were granted by Mr. McAdoo and Mr. Hines?

Mr. GOOD. Compensation to employees?

Mr. BLANTON. Yes.

Mr. GOOD. Oh, no; the extra compensation would amount to around better than a billion dollars a year.

Mr. BLANTON. Let us see about that. Mr. McAdoo allowed $754,000,000 at one time, and Mr. Hines allowed $67.000,000 at one time and then granted other allowances——

Mr. GOOD. That is for one year.

Mr. BLANTON. And did it not approximate just about the loss?

Mr. GOOD. No. This covers a period of 26 months, and the increase of wages would amount to better than a billion dollars a year, which would be considerably over $2,000,000,000 in extra compensation paid out during the 26 months.

Mr. FAIRFIELD. Will the gentleman yield?

Mr. GOOD. For a question.

Mr. FAIRFIELD. What additional compensation for the railroads in the way of increased rates was made to take care of that extra compensation?

Mr. GOOD. Mr. Hines stated at a former hearing that such increases amounted to about 25 per cent, and in his last report to the President he shows that the amount in passenger fares was considerably over 25 per cent and increased rates in freight was more than 30 per cent, and the average is around a little better than 30 per cent all told during the time the roads were operated by the Government.

Mr. FAIRFIELD. Would the total increase of fares and freight rates take care of the increased compensation to the employees?

Mr. GOOD. Oh, not by any means, and that is the reason why it is necessary to appropriate about a billion dollars. Mr. Hines said it would have taken about 14 or 15 per cent on all freight rates in addition to the increase made in order to make up this shortage.

Mr. JUUL. Will the gentleman yield for a question?

Mr. GOOD. I do.

Mr. JUUL. I would like to ask the gentleman if any portion of the shortage coming during the period of the occupancy by the National Government was due to the fact, if such fact exists, that the railroads were carrying soldiers and freight for the Government for a less compensation——

Mr. GOOD. That was all paid for.

Mr. JUUL. The United States has paid for that?

Mr. GOOD. Yes; that was all paid for out of the appropriation for the Army and Navy.

Mr. RHODES. Will the gentleman yield?

Mr. GOOD. I do.

Mr. RHODES. The gentleman referred to $300,000,000 provided for loans to the railroads. Is that sum available now?

Mr. GOOD. Yes. It has been appropriated and the Interstate Commerce Commission has full charge of it.

Mr. RHODES. That hardly covers the point. Has the time come when actual loans are being made from this $300,000,000 appropriation?

Mr. GOOD. Well, I do not know that any loans are being made now.

Mr. RHODES. How soon will those loans be made?

Mr. GOOD. That is up to the Interstate Commerce Commission. They investigate applications for such loans and approve or disapprove them. Applications must be made to the Interstate Commerce Commission, and they pass final judgment under the transportation act.

Mr. TINCHER. Will the gentleman yield?

Mr. GOOD. I do.

Mr. TINCHER. Do I understand from our experience under Government operation of railroads that it is safe to state that it cost this Government around a billion dollars?

Mr. GOOD. It will cost more than that; it will cost nearer a billion and a quarter before we get through paying the losses.

Mr. VARE. That loss does not include the possible damages which will accrue from the depreciation of the roads when they were turned back?

Mr. GOOD. Well, that is a question that there is some controversy about between the director general and the railroad companies and one on which the committee have not expressed a judgment.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

SUNDRY CIVIL APPROPRIATION BILL.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870, the sundry civil appropriation bill.

The SPEAKER. The gentleman from Iowa moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the sundry civil bill. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Minnesota [Mr. ANDERSON] will please take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870, with Mr. ANDERSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870, the sundry civil appropriation bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13870) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes.

The CHAIRMAN. The gentleman from Tennessee [Mr. BYRNS] is recognized.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield one hour to the gentleman from Massachusetts [Mr. GALLIVAN].

The CHAIRMAN. The gentleman from Massachusetts is recognized for one hour.

Mr. GALLIVAN. Mr. Chairman, I dare say that this House has already learned that the great supply bill now under consideration contains but a small appropriation, comparatively speaking, for the enforcement of the so-called Volstead law. Of course, I want the House to know that there were requests made of our committee for vast sums of the people's money, to be expended on prohibition plans, but they have been denied, so far as this bill is concerned, almost in toto.

I have an idea that Congressmen generally do not know what amounts have already been set aside for the departments whose powers and duties have been extraordinarily increased by the national prohibition act. Likewise it is not generally known what sums have been asked for and refused. And so I want to give the House a few figures which will interest you, and they ought to amaze the country when properly digested.

Months ago the Bureau of Internal Revenue received for the fiscal year ending June 30, 1920, $2,000,000 for the enforcement of that act. We gave it another $1,000,000 in the deficiency act approved March 6, 1920, for the employment of guards and payment of other expenses in protecting intoxicating liquors in bonded and other warehouses.

The Department of Justice in the national prohibition act received $100,000 for the prosecution of violations of the act.

These three sums make a total for the fiscal year 1920 of $3,100,000.

For the fiscal year ending June 30, 1921, the Bureau of Internal Revenue has received approximately $4,000,000 for the enforcement of the prohibition act, and the Department of Justice has requested $300,000 for the prosecution of violations of the act.

The Customs Service has requested $2,000,000 for use in connection with the patrol of the Mexican and Canadian borders and additional facilities at the Atlantic, Pacific, and Gulf ports.

These three sums aggregate $6,300,000. The amounts enumerated are items which are specifically considered for the enforcement of prohibition. Do not forget that other services of the Government which receive lump-sum appropriations for performance of the activities intrusted to them are using and will use a portion of such sums in connection with the enforcement of prohibition.

It is impossible to tell what these amounts will be. For instance, the Coast Guard will perform services in connection with the prevention of smuggling intoxicating liquors at the various ports. The Department of Justice will expend considerable sums of the appropriations for the expenses of United States courts, including salaries of district attorneys, marshals, and deputy marshals, and general court expenses.

Now, Mr. Chairman, by the eighteenth amendment and the Volstead Act we have cut off $444,000,000 of revenue from willing taxpayers and already substituted $6,300,000 appropriations for hungry tax eaters who are willing to engage in the work of spying on their fellows to discover violations of the law. The chairman of the Senate Committee on Appropriations, Mr. WARREN, of Wyoming, estimated the cost of enforcing prohibition at $50,000,000 a year by National and State authorities. From the increased activities of the economic experts and the typewriters of the prohibition enforcement office I am inclined to accept Senator WARREN'S estimates of $50,000,000 cost as conservative, for the estimates grow as the applications from good prohibitionists for employment in the Government service increase. But in addition to this Government expenditure, the Anti-Saloon League has appealed to the people for $27,920,300 to enable it to assist the Government in enforcing the Volstead law. Taking these estimates of Senator WARREN and the Anti-Saloon League together, we have an outlay of $88,000,000 by the Federal Government and the people of the United States as the cost of prohibition, in place of an income of $444,000,000 as the revenues from the lack of prohibition, and this at a time, my friends, when the gentleman from Wyoming [Mr. MONDELL], the majority leader, is devoting all his spare hours to figuring up the economies of the present Republican control of Congress.

And yet my friend, Commissioner Roper, before he quit the job as Commissioner of Internal Revenue, expressed the hope that this Volstead law, like the tax laws, would be effective by the "observance of the law by the people of their own volition." I am not surprised at the resignation of Dan Roper after the estimates for prohibition enforcement began to fall upon his desk like the leaves in autumn. He had observed 4,000,000 people in the United States paying $8,000,000,000 taxes, and he did not realize that those 4,000,000 willing observers of the tax laws constituted only 3 per cent of the population, or that they lived in New England, the North Atlantic, or Central States, where great cities and big industries abound; or that New York paid more of those $8,000,000,000 taxes than all the old prohibition States combined. He had not analyzed the close affinity between prohibition and appropriations, or the willingness of prohibitionists to permit "George" to pay the bills.

The commissioner's last report, published a few months ago, has some illuminating figures on the enforcement of prohibition in prohibition States, mark you, even before the saving grace of national prohibition had extended its beneficent influence over our all-American continent. In the year 1918 the internal-revenue agents seized 6,889 illicit stills and 300,000 gallons of liquor, valued at more than $2,000,000 in the pioneer prohibition States. Georgia came first, with 2,006 illicit stills; North Carolina followed, with 1,534 illicit stills and more than 100,000 gallons of moonshine rum; Alabama, 752; South Carolina, 488; Tennessee, 386; Virginia, 546; Kentucky, 121; Florida, 191; Michigan, 40; even the home State of the first apostle of grape juice, Nebraska, 26; West Virginia, 40; and Texas, 41.

And, mark you, in that same report the commissioner complained that the State and local authorities embarrassed his agents in hunting down the moonshiners or he would have had a better report of seizure of illicit liquor.

Mark you, my colleagues, these figures came to us as a result of but State-wide prohibition here and there in this fair land of ours. What will the next report tell us about the growth and progress and popularity of the "still" industry throughout America? Will there be a single one of our 48 States under national prohibition that will be able to show a clean bill of health? Do the daily reports of the newspapers about the activities of the prohibition enforcement officers give any indication that there is a single one of our American communities where the "still" has failed to find warm welcome and cordial entertainment? [Laughter.]

Do you recall the glorious word pictures of conditions soon to be in America when nation-wide prohibition entered into our daily life and activities?

Some few years back I tried to tell the Congress that I feared the eloquent and sanctified pleaders for that law were romancing and now we know, if we know anything, that prohibition has revived in this land the spirit of romance and adventure as no other nation-wide movement ever could have even hoped to revive it.

For instance, what is more romantic to my distinguished colleague on the Committee on Appropriations [Mr. GOOD], our very able chairman, and to the leader of the majority in this House [Mr. MONDELL] than the fantastic estimates for appropriations for the enforcement of prohibition and the Volstead law? Do not forget, my prohibition friends, that this law was to enforce itself by the good people of America accepting its one-half of 1 per cent.

Do you remember the romantic prophecies that crime would vanish from that portion of God's footstool known as the United States of America; that our penitentiaries would soon become deserted wildernesses; and that our county jails and poor farms would almost instanter shut up shop, pull down the shades, and await peacefully the transformation into a new status where the reformed among our American men and women would hie themselves to join in Te Deums to the Lord of Holies for the new and blessed life brought to all of us by national prohibition? Has this happened? What are the facts? I challenge contradiction of my statement that crime, real crime, not arrests for drunkenness, is on the increase in every part of this country.

The Illinois Bankers' Association presents some interesting comparisons as to one class of crime. In the year 1916 there were 15 attacks on banks in that State, with a total loss of $30,321; in 1917 there were 29 attacks on banks, with a total loss of $111,177.08; in 1918, 32 such attacks, with a total loss of $178,669.80; and in 1919 there were 119 attacks on banks, with a total loss of $807,000.

I do not have to tell this House that Illinois was a wet State in 1916, and the 15 attacks on banks were attributed to that condition by the prohibitionists. They said that liquor made men wild and sent them into the banks to take away the treasure of the people. But in 1919 Illinois was dry, and the bank burglaries increased to 119, or eight times as many with a total loss twenty-seven times as great as in 1916.

Mr. RANDALL of California. Will the gentleman yield?

Mr. GALLIVAN. Not now. This is one of the benefits of prohibition. Illinois is now discussing the necessity of a mounted State police to protect the people in the small towns and villages and the rural districts from the crime that has followed prohibition.

Let us consider conditions right here in Washington before our own eyes, where we had prohibition even before its blessings had been felt in other sections of our country. I now quote Mr. F. A. Sebring, clerk of the Police Court of the District of Columbia, explaining to the subcommittee on the District appropriation bill why his court needed more money than ever before to handle the growing volume of its business.

Mr. DAVIS. Has your business increased?
Mr. SEBRING. Yes, sir.
Mr. DAVIS. Except that the increase seems to be greater last year than in previous years.
Mr. SEBRING. Yes, sir.

Then my good friend [Mr. SISSON], a member of the committee, said:

It looks like our prohibition theory has not worked very well.

And everybody knows Mr. SISSON is one of the leading prohibitionists in this House.

Mr. SEBRING. It is a fact that it has not decreased our business. I will say this, that probably we have not had so many charged with drunkenness in the police court, but crime of all kinds has increased, larceny, disorderly conduct, carrying concealed weapons, assault with a dangerous weapon, fornication, and everything else; why I do not know!

I hear some one say that prohibition has decreased the population of the insane asylums in the West. Well, we recently found an escaped lunatic from a western asylum murdering a church warden in the very sanctuary of the church in the city of New York, did we not?

I said a moment ago that the spirit of adventure, too, had come to life again here in America. Do you doubt it? Why, the adventures and hazards of getting a drink nowadays are the most popular literature of the day. [Laughter.] I venture to say that there are men in this Congress who, if they dared, could unfold a tale of their own experience in running the gantlet of the District liquor squad or the search of their automobiles at the District line, of interviews with bootleggers, or of doctors who fear to write prescriptions. You know that blind tigers are now surrounded by romance, if not respectability, and that bootleggers now have a clientele that formerly be-

longed only to the national banks or the trust companies. [Laughter.] Moonshiners are no longer among the outcasts of society, for the practice has become just as common among the cliff dwellers of the big cities as it always has been in the mountains of North Carolina or Tennessee. In the old days in the South men made moonshine, I am told, not because they liked moonshine, but because they were determined to resist the invasion of their homes by Federal agents, who sought to enforce a law the people of the South rebelled against and would not observe. And right here, may I say to you, that the most thrilling tales of adventure are found in the reports of the Commissioner of Internal Revenue, where is detailed the hairbreadth escapes of Federal agents in chasing moonshine; here you can read the story of gun play and deliberate murder, and here you will learn how Uncle Sam's revenue men have often stopped in their work to bury the remains of their dead comrades shot down in the mountainous regions of the Southland while engaged in the performance of their official duties. Oh, I fear that there will be other places thus pictured than those below the Mason and Dixon line when the official story for 1920 is told in writing. Already our Federal prohibition commissioner has advised us how men nowadays have been known to risk their lives to get a drink of liquor, and how his agents always hourly risk their lives in their efforts to prevent the national appetite of man to be appeased from having its play.

Mr. Chairman, although the Great War has ended, you will be interested to know that service in Uncle Sam's Navy is even in these days surrounded by adventure and hazard. Since the Coast Guard has gone back to the Treasury Department and become the patrol of the seas to guard us from smuggled rum, the Navy is compelled to sneak into our ports camouflaged, as in the war, to dodge the German submarines; and only the other day Secretary Daniels complained to Secretary Houston that one of the Navy submarines returning from Guantanamo had been fired upon by a Coast Guard ship on suspicion that the sub was a low-lying pirate craft smuggling Cuban rum into Florida. [Laughter.] Four years ago several German submarines dived under our battleships and popped up out of the water in a New England harbor. I begin to fear lest our grand Navy will have to adopt the German tactics and dive under the vigilant Coast Guard to make its home ports, for whether we build a navy or not we must appropriate for the Coast Guard to enable it to cut off smuggling of rum from Cuba.

The adventures of the Navy will not be more thrilling than those of the Air Service, with rival fleets of airplanes guarding the Texas border, one fleet looking for Mexican bandits coming across to murder our Texas brethren and the other spying on it to prevent the importation of mescal. We may have peace with all the world and continue to have war on the sea and in the air in our own country with prohibition ships and planes fighting warships and planes returning from foreign service for their country. It is a great game and it costs just like war. [Laughter.]

Mr. Chairman, we are about to celebrate the three hundredth anniversary of the landing of the Pilgrims at Plymouth, and I am reminded of Gov. Bradford's confession in that wonderful diary, which is now known as the History of the Plymouth Plantations. The Pilgrims, and later the Puritans, tried to make the people good by statute, and Gov. Bradford confessed that it was like damming a stream where the waters continued to flow and climb until by their weight the dam broke and there was a disastrous flood. So he found his efforts to dam the natural and peaceful inclinations of the people with prohibition statutes. The prohibitionists would endure for a time and then be swept away as the people went to the other extreme in defiance of all law.

We are beginning to see the same effect from the Volstead law, where men of all professions and social standing are defying this drastic prohibition law, and there is a decreasing respect for all law enacted by Congress.

The bigness of the task was illustrated by the commissioner's appeal to the clergy to assist him by reporting violations of the law in their congregations. But the clergy accepted this invitation requesting them to use their positions as religious teachers to spy upon their parishioners as an insult. It was suggesting a new rôle for the ministers of the gospel, even assuming that they were all prohibitionists, which they are not.

The Puritans who once controlled the Commonwealth of Massachusetts were strong on "Thou shalt not," but they did not apply it to ale or beer or even rum; and one of the old Puritan laws provided that tavern keepers should always provide good and wholesome beer for the entertainment of strangers; and another provided that the tavern should be located near to the meeting house, so that the congregation in winter could find something to take the blueness out of their noses after sitting for two hours in a cold meeting house listening to a dull sermon. [Laughter.]

I have here the bill of the pastor of the Old North Church of Boston, the church of Increase and Cotton Mather, in 1722. Let me read it to show you how the Puritans would have repudiated the act of our friend from Minnesota [Mr. VOLSTEAD], or any other law fixing a percentage on their food and drink:

To be sent to Mr. Townsend's (for ministers entertained there), one plum cake, one Cheser cheese, one-half barrell beer, two bread bricks, one-half dozen Canary wine, two pounds fresh butter, one-half barrel ale.

From the cook shops: Three small pattyes, 12 dozen tarts.

To boil: Five hams bacon, 5 leggs porke, 15 meat tongues, 2 dozen fowles.

To rost: Five pieces beefe, five loins of veal, five qurs. lamb.

All sorts of sauce, as anchovies, pickles, greens, sallets, sparrow grass, oysters, onions, cramberrys.

Forty lbs. butter, eggs, one-quarter hund. reasons, one-quarter do. curants, spice of all sorts, 16 pudings.

Lickquer: One bl. beere, 1 bl. cyder, ¼ cask Madeira wine, ¼ hundred powder sugar, 1 loaf refine do., 1 galloon vinegar, ¼ galloon lim juice. Forty bread bricks; pips and tobacco; 1 doz. drinking glasses.

I do not refer to this little matter with any intention of disrespect to men and generations that played big parts in the early life and history of our country. I want you to know about these things, and I pray that you think them over. You will find no reference there to one-half of 1 per cent. I confess I am not a Puritan, or the descendant of Puritans, but I am constrained to defend the Puritan against the fanatical prohibitionists who pride themselves on being Puritans. The old boys never indulged in delusions about a beverage containing less than one-half of 1 per cent. [Laughter.] Although they tried at times to suppress every other form of personal liberty by law, the absurdity and stupidity of dictating what their fellows should drink and not drink seems never to have occurred to them. That brilliant stroke was left for the Anti-Saloon League and its representatives in the Congress of the United States.

Do you know, my colleagues, that among the Anglo-Saxons a man who advocated a new law did so with a rope around his neck, thus signifying his willingness to die should it turn out a failure? [Laughter.] Some students of present legislative tendencies have ironically suggested a revival of this ancient custom, to check one of the greatest evils confronting American civilization—the multiplicity of laws which are clogging the wheels of justice, fostering a contempt for the true spirit of law, and fast reducing the American people to a condition of law-ridden vassalage.

I say to you who supported this law that you have sown to the winds and that you will reap the whirlwinds. This law will, at one time or another, be the subject of controversy in every congressional district, for the American people are not ready to have their daily actions and their appetites regulated by law and the subject of spying. You know I speak the truth now that you have the law, even if you doubted it when you were passing the law. That law contemptuously thrust aside all principles of self-control—it reckons as nothing the influences of education, experience, and moral suasion. You have declared that the individual has no inherent rights which are bound to be respected, and I say to you that therein lies the real danger to our free institutions. Do not forget that coercion never yet made for the upward swing of the race.

Those two great party leaders, Uncle JOE CANNON and CHAMP CLARK, whom we all honor and love [applause], have told us in season and out of season that this is a Government through parties, and always will be while it remains a Government of the people. And yet while we were engaged in the World War against Prussianism, with 2,000,000 of our American boys in France fighting that monster of modern military imperialism, Congress without any commission from the people, without any party platform indorsed by the 20,000,000 Republican and Democratic voters of this country, put over the Volstead law by a bipartisan vote on this floor. The majority behind that act took refuge behind a bipartisan combination, in a political shell hole between the lines, a political maneuver which I have been taught represents political cowardice, if not political trickery.

In 1916, William J. Bryan, the apostle of grape juice, protested against making prohibition an issue in that great presidential campaign. He wished the Democratic Party to confine its declarations to policies of economy and international relations, and he did not want prohibition, either as a moral or political issue, injected into the campaign. Other prohibition leaders agreed with Mr. Bryan and the only party that made any declaration on this question was that which is here repre-

sented by one man, the gentleman from California [Mr. RANDALL], alone in his power. [Laughter.]

Prohibition was not a political issue by the voice of either of the great parties engaged in the contest for the presidency and the control of Congress; but while our boys were in France fighting Prussianism and sending home appeals for more modern guns, more aeroplanes, more ammunition, and more ships to carry more men over the sea to lick the Kaiser, we here in Congress, by a bipartisan vote, submitted to the State legislatures that had already been elected on other issues, the eighteenth amendment to the Constitution—the most Prussian policy of imperial Verboten that ever found lodgment on American soil. We followed that with all sorts of war-time prohibitions "to win the war," as though we were doing the fighting instead of the men in France, where wine and beer were served as rations.

Then, to cap the climax of absurd bipartisan politics, we passed the Volstead Act with its half of one per cent limitation on beverages, prohibition of household recipes that have made America famous as the land of good cooking and good living. You did not forget to place under suspicion and espionage every tea kettle, stew pan, and all other kitchen utensils that might be accused of brewing something containing more than one-half of one per cent of alcohol, which is the product of the sugar in the milk of every mother of the animal kingdom to sustain their young, and every sap that flows in every fruit, vegetable, shrub, or tree that grows.

You have prohibited the products of sugar formed by nature and you have quadrupled the price of the product of the Sugar Trust, permitting that well-known philanthropic corporation to gather into its coffers the billions we were accused of recklessiy wasting on drink. I have often heard that the sugar barrel attracted all kinds of flies, and that the Sugar Trust has followed that example and always appealed to bipartisan combinations in Congress for legislation which it desired for the reform of the world. It has never been partisan in its support of Congressmen or policies and has never been suspected of partisan appeal for legislation; and I wonder how much the Sugar Trust had to do with this bipartisan prohibition legislation to give it a monopoly in administering to the sweet tooth of Uncle Sam.

But, gentlemen, you have not settled this question which you carefully kept out of your platforms and campaigns for election. You have not kept it out of politics by injecting it into national legislation by bipartisan votes. You have injected it into national politics at a time when it may decide the presidential election and the majority of this Congress. And you can not prevent it because you have enacted the most un-American law that was ever put upon the statutes, and the American voters of both sexes will soon exercise their individual responsibility in reviewing your work as their Representatives. The ancient character who tried to sweep back the tides of the ocean was no more a success than you will be in trying to convince the American people that the liquor question has been taken out of politics and is beyond their jurisdiction. Why, it is just beginning, and I pray my friends in Congress that they watch out! [Great applause.]

Mr. DEMPSEY. Mr. Chairman, I ask that I may proceed for 10 minutes on a matter of interest to the farmers.

Mr. GOOD. I yield to the gentleman from New York 10 minutes.

Mr. DEMPSEY. Mr. Chairman, on the 23d ultimo this House passed a resolution which I desire to read:

Resolved, etc., That in order to meet the existing emergency in the shortage of fertilizers the Secretary of War is hereby authorized to sell for cash at the prevailing market price, at the time of the sale thereof, to such distributors or users thereof, in the United States, as shall request the same, and in such quantity to each, not less than 1 ton nor more than 100 tons to any purchaser, as he shall see fit, not to exceed in the aggregate 100,000 tons of nitrate of soda, now held as a reserve supply of the War Department, the proceeds of such sale to be repaid to the proper item of the current appropriations originally made for such purposes: *Provided*, That the Secretary of War shall report to Congress not later than December 6, 1920, the names of all purchasers of said nitrate of soda, together with the prices for which sold.

That was approved on the 23d of April. As soon as it was approved I wrote the Secretary of War urging that disposition be made of this nitrate of soda. That letter was dated the 28th or 29th day of April. I did not go to see the Secretary myself, but Senator CALDER and Representative MOTT of my State had their secretaries go to see the proper person who had charge of the carrying out of this resolution, and I want to relate to you what was said to them in response to their application to have prompt action upon this measure for the relief of the farmers of this Nation.

There never has been brought to my attention such an effort to find ways not to do a thing. In the first place, Mr. Schultz, of the Ordnance Department, who has charge of this matter, informed the two gentlemen who called upon him that the War Department had no power to declare this 100,000 tons of nitrate of soda "surplus," and that therefore they could not make the distribution. Well, nobody contemplated that they should make any such declaration. The resolution in express terms says that this 100,000 tons is part of the quantity which the War Department is holding as a "reserve" supply, so that they were under no obligation to reach such a result through such a mental operation, and all they had to do in the War Department was to read the resolution, which is only about eight lines long, in order to see what it did contain.

Having thus primarily placed themselves on the basis of not wanting to comply with what Congress had ordered them to do, they proceeded to show why they could not do it, and they said first, so far as the State of New York was concerned, which Senator CALDER and Mr. MOTT were speaking for—so far as that great Commonwealth was concerned—they said that there were stored in the depot at Schenectady from 6,000 to 10,000 tons of this material—nitrate of soda—but they said they could not distribute it. Why? What was the first great reason given by the department?

They said they had read the debates in the Senate, and that they had concluded from reading those debates that the Senators contemplated that the distribution should be made from "expensive" warehouses instead of being made from arsenals or depots. There is not any such expression in the resolution. There are no such terms or conditions in the resolution. These gentlemen are bound not by what some man may have said in the freeness and looseness of debate, but they are bound by the resolution itself.

Second, if you want to distribute as they think the talk indicated instead of the resolution by which they are bound, it was easy enough to find out a way to do it. They could distribute primarily from the arsenal or depot and then ship from the "expensive" warehouses where they were paying rent. Next, they say this quantity stored at Watervliet would have to be rebagged because it had eaten holes in the present bags. Of course, that is an objection that will always exist. It does not exist to-day any more than it will to-morrow. It does not exist this year any more than it will next year. It will always exist until they are rebagged.

Next, they said that they had great trouble in determining upon the price. They could not tell at what price they should sell; that they did not know what the price would be in the future; that apparently the resolution meant that they should buy a quantity in the future equal to the quantity they distributed now. Of course, there is no such thing in the resolution. The resolution in express terms says they are to sell at the market price as it is to-day, and all it says about the future is that the sums they realize are to be put to the credit of the original appropriation which was made for the production of this material. And then when they come to the question of distribution, they say that they think the best way to distribute it would be to select the three great importing houses in the country and turn it over to them with the agreement that they would deliver back at any time in the future when they demand it an equal amount to that which they now obtain. Did you ever hear of such a way of carrying out the wishes of Congress?

Here is a product in a natural state, produced only abroad, which must be imported, and these gentlemen who are to carry out the wishes of Congress to relieve the wants of the farmers and give them the product at a moderate price so that the agricultural product of the country may be increased, propose to do what? They propose to place the 100,000 tons of nitrate of soda in the hands of the only competitors of the Government in sales in order that the price may be absolutely controlled by the importers. Then these gentlemen said even this method of distribution was not perfect, because the department might be charged with "favoritism." And well he might entertain that fear, for if there ever was a scheme, if there was a plan to defeat the honest and beneficent wishes of Congress, if there ever was a plan to frustrate a movement to give the farmers a cheap fertilizer, this plan evolved by these men is the cleverest that could by any stretch of the imagination be devised or even conceived.

This gentleman says finally that he is afraid, owing to these various imaginings of his, owing to these troubles that he has built up out of his fertile brain, owing to the bogies which have no existence except as he sees them in his dreams, owing to all these things, the distribution could not be made in time for the farmer for the present year.

Now, gentlemen, it is late, but the season is late also, and with three weeks beyond the usual time, there is time enough

for this distribution to be made for the benefit of the farmers of the country. They never have confronted the difficulties in which they find themselves involved this year—shortage of help, increased prices of everything they use, all sorts of difficulties which meet the farmer. We plan this small measure of relief, easily extended, which can be simply and naturally executed. How can it be done? Find out what the price is and sell it at the market price, just exactly as the resolution declares. How can it be distributed? Get in communication with the agricultural departments of the various States and turn this material over to them or such farmers' organizations as they recommend. It is easily and simply done. There is nothing difficult about it, nothing that requires thought; all it requires is prompt and immediate action in order that this distribution may take place in time. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield to the gentleman from Louisiana [Mr. LAZARO].

Mr. LAZARO. Mr. Chairman, I have listened with a great deal of interest to the many discussions on the high cost of living, both in and out of Congress. I thought I would use the time allotted to me to-day in giving my views on this important subject. In my judgment, the six factors which more than others have brought about in this country the high cost of living are:

First. The urgency of the world's demand for our raw materials and manufactured articles during and since the war.

Second. Lessened production.

Third. Lack of transportation facilities and markets for our perishable crops.

Fourth. Inflation of our currency and credit.

Fifth. Profiteering.

Sixth. Governmental extravagance, private extravagance, and taxation.

First, let us consider the urgency of the world's demand for our raw materials and manufactured articles during and since the war and lessened production. We know that upon the declaration of war millions of men were taken suddenly from farms, factories, mines, and forests, and were put into the military service; and millions more of those at home were compelled to change from normal production to the production of munitions of war and other supplies necessary to the men in the active military service. We know, too, that beginning before the war, during the war, and since the war there has been a world movement from the farms to the already congested centers. I am sure all will admit that these conditions brought about increased demand for our raw materials and manufactured products and lessened production, and that, of course, constitutes the main factors in the high cost of living. Now, what is the remedy for this situation? The remedy is more work and more production.

But, my friends, it is very easy for one to suggest a remedy here, when he says "work and increase production," but there are certain conditions prevailing that must be understood and solved before we can get good and permanent results. To begin with, there must be a better understanding between capital, labor, and the public. All must understand that capital is necessary to develop and operate the industries of the country, and that in order to get capital it must receive a fair return on its legitimate investments, and it must have the protection of the law in its legitimate operations. All must understand that efficient and steady labor is necessary in order to increase production and in order to have efficient and steady labor, labor must receive fair and just wages so as to keep up the American standard of living. We must understand, too, that the unorganized public is entitled to a fair and just treatment at the hands of both organized capital and organized labor. The demagogue and radical agitator who sows discord between organized capital and organized labor, especially during our period of reconstruction when we are readjusting ourselves to new conditions, is an enemy of society and good government and should be dealt with accordingly. His only object is to stir up strife and inflame hatred and widen the distance between employers and employees in the hope of arousing such passion as to precipitate widespread conflict. His desire is not to encourage people to work and produce but to encourage a certain element to loot the stored-up wealth of the country. These radical agitators are committing a crime against the existence of the United States, and they should be punished severely. The interests of organized capital and organized labor are bound up with the interests of the public as a whole, and the interests of all are bound together in the interests of the Nation. It is impossible to separate the interests of any class or any association. Mutual consideration is not only a manifestation of Christian spirit but of good business. We have various industries and undeveloped resources in this country, and we must encourage capital, labor, and genius if we wish to encourage our industries and develop our resources and increase production and make it possible for the people to find employment and be happy and contented and prosperous.

When we take into consideration the facts brought out by the Federal Trade Board recently that food absorbs 38.2 per cent of the average American household's income, it should be evident to every thinking man that the shortage of foodstuffs is one of the most serious problems we have to contend with at this time. Here again let me call your attention to certain conditions existing in our agricultural sections which must be understood and remedied if we really wish to increase production. The farmers always need some financial assistance because of the high prices for seed, labor, and machine power. The Federal Farm Loan Board can do a great deal to relieve this situation, and the system should be perfected as rapidly as possible so as to finally reach the individual that it is intended to relieve, provided of course that his demands are reasonable and safe to the Government. But some of the farmers' needs are sudden, especially during the planting and harvesting season. These short-time needs must be met by a quick mobilization of money. Much new land will be worked if this is done in time, especially in the sections where the crops were short. Then, too, we must encourage the men and women who remain on the farm and who till the soil, and we must give them an opportunity to own it. This is the foundation stone upon which alone can be builded an attractive country life. The small farm owned by the man who works it is the best plant bed on which to grow strong men and women. A landless population will always make a Mexico or a Russia, but the strong citizen standing in the doorway of his own home is himself the builder and advocator of the commonwealth. Oratory has tried to reverse the current from the country to the city, but the cry of "back to the farm" will continue to fall on deaf ears unless something is done to make living in the country more attractive and profitable. Long ago it became evident to the wise statesmen and economists of the leading European countries that the soil worn out by centuries of use and abuse needs reclamation and improvement in order to produce the best results, not only to make agriculture profitable to the individual farmer but especially to enable each rival country to produce the products of the soil at a cost to permit that country to compete with other rivals in the markets of the world. This need led to the birth of the rural credit system in Europe, separate and different from the other banking system. We likewise have discovered the necessity of creating a Federal farm loan system. Let every citizen, whether he lives in the city or in the country, study this system with the view of perfecting it as a means of building up our country, because, after all, we are an agricultural nation. We should bear in mind also that the farmers' work is very hard at times and that their hours of work are long, and that, therefore, they must derive enough profits from the soil to pay taxes, build up comfortable homes, drain their land, build good roads, better schools, and better churches.

Right in this connection let me say a word to my good friends from the East and North who represent congested districts. You often complain about the high prices farmers are receiving for their products and advocate measures to reduce these prices in order to lower the cost of living to your constituents. I say to you that if you wish to be sincere and effective and do something for your people, make it plain to them that the only way that production can be increased is to give the farmers fair prices for what they produce, and see to it that some of your middlemen do not make the excessive profits that they are making at this very time.

Another important need in the country is more liberal appropriations for agricultural colleges and agricultural high schools. If we are to conserve our soil and make it produce more, it is absolutely necessary that our people be taught scientific and practical agriculture, so that a love for agriculture as a science will be created—the same as the love for any other science. Unfortunately we have permitted agriculture to be looked upon as an undignified profession when it should be considered one of the main ones, for it is the foundation for the success of the men engaged in all the other professions, such as law, medicine, and commerce.

Washington, the "Father of his country" and the "Farmer of Mount Vernon," said:

I know of no pursuit in which more real and important service can be rendered to any country than by improving agriculture.

Daniel Webster said:

Farmers are the foundation of civilization and prosperity. A farmer must always be the foundation, but that does not mean that he must be kept beneath the surface.

Why has agriculture been slow in taking its place as a science throughout the country? My observation has been that too many of the teachers lack practical experience and fail to make a success on their little experimental farms as a result of it. That, of course, reflects on scientific agriculture. The cause for this is that they are instructed in agricultural colleges where they have not sufficient facility to teach the practical side of it on experimental farms in connection with the college course. The experimental farm is to the agricultural college what the hospital is to the medical college.

Another matter that deserves consideration in our efforts to better the condition of country life and increase production is sanitation. Did it ever occur to you, gentlemen of the House, how much time and money—not to mention suffering—is lost as a result of diseases that could be prevented by the simple application of the scientific knowledge we already have? We have stamped out, for instance, yellow fever, bubonic plague, smallpox, and cholera. Why not go further and stamp out malaria and typhoid fever, the two most serious diseases we have to contend with all the time? We know the causes of these diseases and how they are transmitted and how to prevent them. It is merely a question of cooperation between local and Federal Governments and working in harmony. The safeguarding of the health of the worker in every kind of work that yields a profit or confers a benefit should be a matter of primary consideration.

I repeat that before we can reverse the current back to the farm or even arrest the current from the farm to the cities and increase production of agricultural products it is necessary that we deal with these conditions that I have just mentioned and improve them. Pause and think how serious the situation is when we consider the fact that in the beginning of our country about 10 per cent of the people lived in the towns and cities, and to-day over 50 per cent of our population have left the farms. No wonder the cry, "A house, a house; my kingdom for a house," is the cry in every city of the United States, and "Help, help; my crop is rotting in the field for the lack of labor," is the cry on every farm in every section of the country.

I now come to the third factor, lack of transportation facilities and markets for our perishable crops.

Anyone who has lived on a farm knows that the delay in hauling and marketing the products of the farm is the cause of heavy loss to the producer, which in time is bound to be reflected in higher prices to the consumer.

When I speak of better transportation facilities I have in mind a comprehensive system of transportation, which includes good roads, railways, and waterways, so that our agricultural products, and especially the perishable products, when ready for market, can be shipped from the producer to the consumer without delay. When these products reach the large centers they should find markets at once. Inefficient and uneconomical wholesale marketing facilities are held by the Federal Trade Commission to be in a large measure responsible for the high cost of living. A recent investigation conducted by the commission in different cities throughout the country convinces the commission that improving marketing facilities at the great consuming centers would prove a long step toward the lowering of present-day living cost. This report relates particularly to wholesaling and contemplates the elimination of waste as well as securing a more direct relation between the producer and the consumer. Careless handling, improperly equipped cars, delays in moving, and exposure while perishable products are in railway transit to markets are stated to be the causes of much and unnecessary losses and expense to dealers and shippers. The report also shows that buildings and other facilities for the marketing of perishable products in a majority of wholesale receiving centers are not adequate and badly located, and markets are not convenient to terminals, storage, and retail, thus necessitating a large amount of cartage. In fact, the whole distributing system is said to be wasteful and inefficient. It is now to be hoped that the Federal Trade Commission will make a thorough inquiry into the retail distribution of foods and see how the wide margins on food prices may be reduced.

We will never have a comprehensive system of transportation in this country until our people realize the importance of connecting the local communities and States by good roads. In the past the impression was that good roads were needed by those who used automobiles only. To-day we know that good roads are absolutely necessary and of great benefit to all the people. The farmers are taking a greater interest in good roads to-day than ever before, because they realize that their success depends on diversification, and that nothing makes diversification more profitable than quick and easy transportation.

With the good roads we are beginning to see that good roads also mean motor trucks. With motor trucks it is easier and cheaper for the producers to ship what they produce to the consumers, and it also makes it easier to secure what they need from the merchants. Then, too, with the congestion in railroad traffic, unrest, and many strikes, we are beginning to realize that the motor trucks are absolutely necessary to the people in the large centers. For instance, in the recent tie-up, when there was almost complete paralysis of railroad transportation, it was the Government and private-owned trucks that saved the situation and prevented suffering and starvation in the large centers.

I never appreciated the real value of good roads until I visited Europe last year. Take, for instance, France. As we all know, the French people are very economical, and long ago they understood the value of good roads and have the most wonderful system of public roads in the world. It is said, and I have no doubt it is true, that it was the good roads of France that saved her in the last crisis, because when the railroad transportation was blocked people and commodities were moved from place to place on their good roads without a particle of trouble.

Then, too, in order to increase production and lower the high cost of living in this country we should adopt a systematic method of improving and using our waterways. While we are building an American merchant marine under the American flag to carry the products of our farms, forests, mines, and factories from our seaboards to the markets of the world we must not neglect to improve our inland shipping. We have the most magnificent system of waterways in the world, and if we adopt a comprehensive and systematic policy of improving our waterways it will not only relieve the congestion of traffic on our railroads but it will give us lower freight rates. The bulky stuff could go by water and the balance of our trade could move by rail. Gen. Frank T. Hines, Chief of the War Department's Transportation Service and Director of Inland Waterways, in an address to New Orleans business representatives a few days ago, said:

> Operation of waterways should not be looked upon by the railroads as competition, but as cooperation. The railroads are unprepared to handle the commerce of the country to-day. They and the commerce and business of the country, upon which they depend, must look to the waterways for help.

In connection with the improvement of our waterways we should build better terminal facilities, so that freight could be handled, going and coming, without damage done to it.

Then, too, our people should take advantage of the existing warehouse law, organize under it, and provide better warehousing facilities for our agricultural products. Take, for instance, cotton and rice as it is now; a good deal of it is left in the open, exposed to the elements and without insurance, the loss, of course, falling on the producer. With warehouses all over the agricultural sections, the farmers could store their cotton and rice where it could be protected against bad weather, weighed, and graded by experts, who are neither buyers nor sellers, and insured at a reasonable rate. Then the farmers, with their cotton and rice receipts, would not only be safe from loss, but they could use these receipts as money in their business transactions.

The fourth factor to which I want to call your attention is the increased volume of money; in other words, inflation.

Of course, we all understand that war made our expenses very heavy. Not only that the Government spent its cash but it borrowed money from the people. For instance, if we read a daily statement of the United States Treasurer which reads as follows: "Outstanding Federal notes, $3,000,000,000," against which there is in gold and lawful money $1,000,000,000, and we subtract one from the other, we will find two billions based upon credit. The more paper money issued in this way the cheaper the money. That, of course, is one of the elements that enters in high prices. The per capita money in the United States has recently increased from $34 to $54, but the purchasing power of the dollar has dropped to about 50 cents. Expanding this credit is like inflating a balloon. It will not expand indefinitely. History teaches us that the nation that has failed to read this warning in the past has suffered for it. We should not forget the panic in 1873, brought about by the Civil War.

There has been some criticism of the Federal reserve bank system in this connection. For instance, Representative KING charged that 75 per cent of the high cost of living was due to the financing of speculators and hoarders by the Federal reserve system. Mr. Marcus Walker, of the Federal reserve bank in New Orleans, says:

> The Federal reserve banks have the unfortunate distinction of being in a position where they get criticism both going and coming—from member banks on the one hand and from the public on the other.

There is no doubt but that the Federal reserve banks are in a position to cut down inflation quickly if they want to do so. All that would be necessary would be a refusal to discount loans from member banks. The member banks would then have to refuse loans to their customers and inflation would most certainly come to a stop. But at the same time the bottom would drop out of business and the Federal reserve bank would be in line for some real criticism then.

Squeezing down on credit, limiting loans to legitimate business needs—that is the sane, orderly way to reduce inflation.

And that is what is being done more and more daily. The Federal reserve banks are scrutinizing their loans closely. The individual member banks are doing the same. And especially since the increase in the Federal reserve banks' discount rate, the merchant also is giving his loans greater thought and is trying more and more to hold them down.

This matter will probably be investigated.

There is no "cure all" which will prove a magic remedy for inflation. The cure rests with us. The individual must work, produce, and save, and the Government must also economize so as to reduce its debts and the running expense of government. This has been emphasized by some of the best-informed students of finance and economics. Secretary of the Treasury Glass, in a recent letter to the president of the Chamber of Commerce of the United States, said:

The process of getting back to normal must necessarily be slow, involving as it does not only the physical restoration of industry and agriculture, but as well the restoration to habits in industry of masses of men, accustomed by the war to unsettlement. We must necessarily, and to a great extent, depend upon and encourage the independent activity and resourcefulness of each person affected to repair his own fortunes, with the assistance of his business connections, and also upon each individual to return to a normal life of industry and economy.

Mr. Paul M. Warburg, former member of the Federal Reserve Board, and one of the highest authorities on finance, said:

We are living in an era where the production of money and credits has increased and the production of goods has decreased. In order to emerge, we must produce less credit and money and produce more goods. In practically all leading countries the people have been urged in the strongest possible manner to produce more and to consume less.

The National Board of Farm Organization, in its recent memorial to Congress, under the title of "Adequate Production," displays a keen appreciation of the situation by saying:

The farmers of the United States are continuing their best efforts to produce abundant foodstuffs, and contending that production in the factories, mines, and mills is second in importance only to that of the farm, they demand of both labor and capital that they, too, shall earnestly and consistently speed up their part of the production so urgently needed.

I could quote you more warnings from deep students of finance and economics, but it is useless to do so because the opinion of all is the same and leads to identically the same conclusions. In the face of earnest admonitions to economize the people are wasteful and extravagant. In response to pleas for thrift, a wave of speculation is sweeping the country, and Liberty bonds are being exchanged for stock in wild-cat schemes. Let us hope that our people will wake up in time, realize the danger ahead, and apply the remedy it has within its own hands. The facts can not be winked at, for they are cold, hard, practical facts of human experience, and they point to perils which can be seen ahead and which must be avoided. I have an abiding faith in the good sense of the American people, and I feel sure that they will awaken in time to avoid disaster and will lead the march of the country back to sanity and reason.

I now come to the fifth factor in the high cost of living—the unscrupulous profiteers, who take advantage of just such a situation as exists to-day, when production is low and the demand great, to ask abnormally large prices from the consumer for products which they have obtained much cheaper.

I am glad to know that the Department of Justice has been given sufficient appropriation and power under the law to deal with the profiteers, and I hope that they will be prosecuted and punished to the full extent of the law. But we might as well realize right now that fines will never curb them, and that the only way to stop them is to give them jail sentences.

As high as the cost of living now is, there is no doubt that it would be higher still if the power of the Government was not being exerted against those who are exploiting the people for their personal gain. At the same time we should follow the advice of Royal Meeker, Commissioner of Labor Statistics, in which he wisely points out the necessity of increasing production and in that way remove the field of temptation for the profiteers.

The sixth factor in the high cost of living, Government extravagance, private extravagance, and taxation, must be considered together.

It is very evident to one who has studied our system of government that we are constantly drifting away from the Jeffersonian idea of government and drifting toward centralization of power at Washington.

Now, any experienced student of economics should understand that the further the Government is removed away from the people the more extravagant it becomes. Individuals far removed from the Treasury are constantly making demands for appropriations, forgetting that every dollar in the Federal Treasury comes out of the pockets of the taxpayers. Then, too, when the Government is far removed from the people, too much of the money appropriated by the Government is wasted before it is finally applied where it is needed.

Of course, in discussing Government and private extravagance we must not forget that there is such a thing as legitimate increase in cost of both Government and private affairs, because of the difference in the standard of living. For instance, a good many years ago, when I began to practice medicine in the country, my patients would send for me by messenger, and I went to see them in a buggy over bad roads. To-day, in the same community, the patient calls the physician by telephone and expects him to answer the call immediately in his machine, which, of course, necessitates a good road. Now, the cost of a telephone system, the machine, and the good road, which were looked upon a few years ago as a luxury, are now regarded as necessities, and therefore a necessary increase in the cost of living. This I will call a legitimate increase. On the other hand, if as a result of lack of interest on the part of the people in the community in their Government $2 is appropriated where $1 would answer the purpose in the building and maintenance of that good road, that, of course, is extravagance and waste and an unnecessary expense to the people.

Now, let us take an example of an individual case in the city. Years ago the housewife would go to the corner grocer with her tin bucket for a pound of butter, which was dished out of the grocer's tub and she carried it home herself. To-day, in order to save time, she phones her grocer for a pound of butter, and the grocer sends it to her by a delivery man, the butter being wrapped in sanitary paper. This, of course, is a legitimate increase in the cost of living, and no one can find fault with it. However, if 2 pounds of butter are ordered and the family can manage on 1 and the balance goes into the garbage can, that is waste and quite a factor in the high cost of living.

I mention these two cases to illustrate the line of demarcation between a legitimate increase and waste, both in the life of the individual and the Government.

If we are to remedy this situation we must begin by pushing aside our loose way of doing business and adopt the budget system. The Government, National, State, county, or municipal, must, like the individual, live within its income, and this can only be accomplished by adopting the budget system, which would eliminate duplication of estimates and unnecessary appropriations and waste of money after it has been appropriated.

The people throughout the country do not object to necessary appropriations for worthy purposes, such as schools, drainage, good roads, agriculture, and so forth, but they do insist that the money raised by taxation for this purpose should be collected in a simpler way, at less expense, and spent more carefully, so that they will get value received when the work is done. A private business could not be run under such a loose system as we have in Government without going into bankruptcy.

Our method of collecting our taxes is too complicated and too costly. I believe it would be wise for the Government to appoint a nonpolitical body of experts to study the various methods of taxation and report to Congress. Then I believe it would be possible for Congress to legislate on this matter in an intelligent way. In England a committee of nonpolitical experts was recently appointed by the Government to study the various kinds of taxation which have been in force during the past five years and to make a report to Parliament, based on such study. Why should we not make an attempt to find a simpler and less extensive system of raising the money necessary to run the Government? It seems to me, too, that there should be a systematic effort on the part of the Government to teach economy. At present we have no governmentally appointed body here charged specifically with this work, such as they have in France. And France has demonstrated that thrift is a national asset of the greatest value.

The people must not be deceived and led to expect a return to normal conditions too quickly. We should discourage demagogues who go about in the land advocating a quick cure for every ill we have and who lead some people to believe that everything can be corrected by the enactment of laws only. It is wrong because it is false, and because it tends to foment a spirit of unrest and dissatisfaction among a certain element of the public and make them ripe for the inculcation of seditious teachings by the radical agents of the soviets. What we need is to get back to fundamental principles and study our problems in the light of reason and common sense, with a view of finding

the causes so that we can apply intelligent and permanent remedies. By working together and in harmony, we can solve these problems in the right way, and we can do it under the system of government left to us by the fathers of our country. I do not believe that there ever was built by man a more magnificent form of government than that wonderful instrument we hear so little about these days—the Constitution of the United States, provided every person under it is willing to do his full duty, and provided he is willing to labor and deserve success. That instrument is the foundation of your liberty, of mine, and the liberty of all the people. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield one hour to the gentleman from Mississippi [Mr. SISSON].

Mr. SISSON. Mr. Chairman, Grecian mythology is filled with beautiful thoughts and teaches great fundamental truths. It gives to the forces of nature a name and a character. It clothes great scientific principles with romance and beauty. Heat and cold, wind and storm, land and sea, sun and moon, planets and stars and all the material world and the physical forces of nature are given a personality and character. Love and hate, strength and weakness, happiness and misery, truth and falsehood and all the virtues of mind and heart, as well as all bodily strength and weakness, are represented by some being, good or bad, constantly warring with each other for the weal or woe of mankind.

We of this practical age can learn many wholesome lessons by a study and understanding of this beautiful system of Grecian philosophy. Of all things, the Greek was a practical philosopher, and as long as his people lived up to this practical philosophy they were a great and a prosperous people. But she got too rich. She was given to great games, not for the prime purpose of making strong their bodies but for the sole purpose of furnishing amusement. Their lives were given over to pleasure and luxury. Above all things, she forgot the fundamental lesson of Antæus.

Antæus was the son of Poseidon and Ge, or better known as "Neptune" and the "Earth," or sea and land. Antæus became a mighty giant and wrestler of Libya. His strength was invincible so long as he remained in contact with his mother, the Earth. She gave him strength and never allowed him to be overcome. All strangers who came to his country were compelled to wrestle with him. The conquered were slain, and out of their skulls he built a temple to Neptune, which became Neptune's home upon the land. Hercules heard of this mighty giant, and through the jealousy of some mythological woman found out the secret of his strength. He went into Antæus's country and, catching him off his guard, lifted him from the earth and crushed him in the air after a terrible struggle. It is from this story that we get the expression "Always keep your feet upon the ground."

This lesson of Antæus I would have Uncle Sam to learn. After learning it I would have him never for a moment to forget and be off his guard, but to always remember and keep his feet upon the ground. If he will do this, his mother earth will always give him strength and power and he will be able to resist his most powerful enemies, come from whatever quarter of the globe they may.

If he forgets the source of his strength and sustenance and neglects to stay close to mother earth, some Hercules of hunger will arise in his midst and, finding Uncle Sam's feet off the earth, will crush him to death, and Columbia, the fairest daughter of all time, will be ravished and torn by this beast Hercules and die a death of shame and degradation.

Mr. Chairman, one great problem, the one to which I would summon the highest endeavor not only of every Member of this Congress but of every American citizen to solve correctly, is the great question of so reconstructing our affairs in America that our strongest, wisest, and best people may find it to be not simply their duty but their pleasure, happiness, and contentment to cultivate the soil. When man was driven from the Garden of Eden, it was decreed that he should earn his daily bread by the sweat of his face. This is the immutable law of nature. The soil, however fertile, will not produce sustenance for man without cultivation. As an academic question, every sane man admits this. As a practicable proposition, the majority of our own people seem to overlook this truth. We are prone to put our thumbs in our vest holes and with assurance say "we are a practical people." Our orators will with great eloquence proclaim, "We are harnessing the forces of nature and requiring them to do our bidding. We are chaining the lightning of heaven and directing its powerful force to turn the wheels of our commerce and convey our messages to all the distant quarters of the globe in the twinkling of an eye. Our cities are marvels of busy commerce and trade. Look at the mighty piles of brick and mortar, towering amid the vaulted heavens, filled with teeming millions of busy people. See our great factories, with their belching smokestacks blackening the sky, and hear the humming of millions of spindles and clicking looms. Contemplate the glare of our furnaces converting the dead, cold rocks into living steel. Hear our locomotives thundering over hills and across our blossoming prairies and through our mountain ranges, eliminating the distance between our oceans," and so forth.

His picture is beautiful and his eloquence receives the applause of a proud and admiring people. All of this is as it should be. But does he in talking so eloquently of all this evidence of power and strength in our great Republic impress upon the minds of his people that there is something more important than all this; that all the power and strength in these institutions are based upon something else? Has he not forgotten the lesson of Antæus? Does he not know and should he not constantly keep in the minds of all the people of all these mighty cities that the very life of all this marvelous manufacturing and commercial enterprise comes from the cultivation of the soil?

Let us never forget as a people this lesson of Grecian mythology. If we do, we will harness in vain the forces of nature. The lightning will turn no more wheels of commerce and convey no more messages. Our cities, now marvels of beauty, will become charnel houses of death, the music of our spindles will no longer charm the ear, and the scream of the locomotives will be heard no more in the land.

Mr. Chairman, the basis not only of our prosperity but of our very life as a nation depends upon the products of the soil. [Applause.] Our future as a nation is in the hands of the American farmer. [Applause.]

The greatest Republic that ever existed, save our own, was the Republic of Rome. It is a most interesting inquiry, and one that should be instructive—why art, literature, science, philosophy, learning, and great political organization did not prevent so mournful an eclipse of human glory as took place upon the fall of the majestic Empire of the Romans. There can be no question that civilization achieved most splendid triumphs and human liberty rose to heights never achieved by any people before them. What grandeur was theirs! Let your eyes be opened in your imagination as a contemporary upon this wonderful age. Your eyes would rest upon the beautiful and cultivated face of nature, on commerce and ships, on military successes and triumphs, on the glories of heroes and generals, on a subdued world, on a complicated mechanism of social life, on the blazing wonders of art, on sculptures and pictures, on temples and monuments which ornament every part of the Empire; and then you would reflect on the bright theories which their philosophy proposed, on the truths which were incorporated with the system of jurisprudence on which their wondrous constitution which the experience of ages had framed, on the genius of poets and historians; yea, on the whole system of social life, adorned with polished manners and the graces of great intellects. When you saw all this and how for centuries each generation had gradually progressed to such heights you would say, "Surely the reign of peace and prosperity will be perpetual."

Why, then, did they fail? Why did not their beautiful philosophy, their arts and sciences, their great statesmen, their great merchants, and their love of liberty save them? The answer is easy and certain.

In the early days of the Roman Republic the most honorable vocation of a Roman citizen was that of the "agricola." The cultivation of the soil was the most revered of all callings by the early Romans. We all know the beautiful story of old Cato. He led the Roman armies to great victories. As soon as the dangers were past he went back to the plow. Brumidi, the great artist who decorated our National Capitol, has two paintings which can be seen in the Post Office and Post Roads Committee rooms. On one side you see Cato being called from the plow to lead the Roman Army; on the other Israel Putnam to lead our Army. The artist here, in marvelous beauty, shows why the Roman Republic was great and why the American Republic is great.

But Rome became rich. She was given over to pleasure, the circus, the arena. In every city in Rome there was entertainment for the people at public expense. The farms were deserted. The sources of moral renovation were poisoned, the very means of culture were perverted, and "the savor unto life became a savor unto death." Only the least intellectual and those least given to enterprise remained in the country and on the farms.

In their primitive state they were brave, trusting, affectionate, enterprising, and given to the cultivation of the soil, and they made great strides in learning and in the sciences and arts. Her armies were invincible. But when they looked upon labor as dishonorable, and farming was no longer looked upon as an

honorable vocation, the Goths and Vandals, the Hercules of the north of Europe, found Rome an easy prey, and she was overcome because she had forgotten the source of her strength and power. She ran the usual course of the nations which preceded her. The sterling virtues of her primitive times produced prosperity and material greatness because she encouraged and honored agriculture. But prosperity produced idleness, pride, and sensuality. The corruption spread. Society was undermined and arts fell with the people, except such as ministered to a corrupt taste, like demoralizing pictures and inflammatory music. Men in their wickedness were indifferent to truth and virtue. Good men had made good laws; bad men perverted them. Land was monopolized by the few, and those who were compelled to cultivate the soil were not permitted to enjoy the fruits of their labor. When the day of trial came, there was nothing that could save the Roman State. Her feet being off of Mother Earth, she had lost all of her power.

I pause here long enough to say that those who have visited Pompeii say that the pictures on the walls, while in every detail perfect, are so foul that even a man alone feels like leaving the horrible scene. This is a living evidence of the immorality among that great people who had built the most marvelous republic which was converted into the most marvelous empire which ever existed on the earth. Think of the countries now great whose territory was at one time all under the dominion of this mighty people. Is there not some lesson that we may learn from the study of this great people, so nearly like ourselves in their idea of liberty and in their ideas of conducting public affairs? You will all remember that when St. Paul was arrested and was about to be taken to the courts of Judea for trial, he exclaimed, "I am a Roman citizen and I appeal to Cæsar." That is all he had to do, and the shackles were stricken from his limbs. Why? Because the Roman people loved liberty so much that under her constitution a citizen of Rome could not be tried for his liberty or his life except by the Roman Senate. It was this appeal of St. Paul that carried the Christian religion to the shores of Europe.

The question of food is just as vital in one age as it is in another. No people can thrive without ample supplies of food. No nation ever long survived in any war unless not only her soldiers but her people had ample food.

Let us now apply this principle to modern nations. What was the cause of the failure of the Southern Confederacy? Was it not because she could not feed her armies and her people at home? Her ports were closed, and her people, being engaged in the production of cotton, suffered from hunger, and this was the principal cause of her failure. No one in the cause of the Union appreciated this more than did Abraham Lincoln. His common sense enabled him to see that by cutting the Confederacy in two by controlling the Mississippi River he would cut the South off from the food supply of the West, and he pursued this policy of surrounding the Confederate capital and the Confederate Army by restricting the territory from which they could obtain food.

In the late World War was not the lack of food the chief cause of the downfall of the great German Empire? No people recognize this fact more than do the Germans themselves. Was not this the cause of the submarine war? Was not this what drew us into that horrible conflict? Germany was making a desperate fight to starve England and France, and does anyone deny that she would have succeeded if she could have destroyed England's shipping, thus depriving England and France of food from America? So in the last analysis it was the American farmer that won this World War. [Applause.]

If I could, I would burn into the mind of every citizen of America that this Republic is no stronger than the American farmer. [Applause.] If he fails, then the Republic fails. If he prospers, then the Republic is prosperous.

Mr. Chairman, this, in my judgment, is the most critical moment in our history. Our whole social, business, and political life is in a state of change and revolution. Unrest and uncertainty are everywhere. New theories of government are being advanced. Many people are talking of overthrowing our Government. War is over and won and yet our problems have multiplied. The future is more uncertain than it ever was.

People are crowding into our cities. The farms are being deserted. Labor is demanding shorter hours, less labor, and more pay. Great fortunes have been made by the few. The breach between capital and labor has been widened. The rich are endeavoring to avoid the payment of taxes and are resisting the graduated income tax and are insisting upon the expenses of government being paid by the masses by placing a consumption tax on all that they use and on all that they need.

Individualism is being threatened with communism. Our nationalism is threatened with internationalism.

The present Congress seems powerless to comprehend and to deal with the situation.

No one can foresee what the result of the coming election will be.

Taxation instead of being reduced is being increased. Not a single war law or war measure has been repealed.

Remedies are being proposed which will only increase our burdens.

Petty party advantage is being sought, and the party in power in Congress seems utterly incapacitated to deal with the situation.

The daily press is filled with a crusade against the high cost of living and abuses Congress for not reducing it.

Now every eye is upon Congress, expecting it to do something because you have invited it, because you have promised more than you can perform. Congress is corrupting the minds of our people in so far as they can by the false idea that if the present Congress is kept in power they, by legislation, will bring prosperity—that is, present it to the people on some legislative platter. This idea has gone so far that every demagogue that runs for office endeavors to convince the people that he will have the Government do more for them if he is given office.

The Constitution is forgotten by these men in their thirst for office. Even men in Congress vote for and advocate measures that they believe are popular, and when asked, "Is it constitutional?" the reply is, "If it is not, the Supreme Court will so hold." They are thus "passing the buck," to use a modern slang expression. This is cowardly and unworthy of men who have taken a solemn oath not to violate but to uphold the Constitution. Is it any wonder that great numbers of our people lose confidence in the sanctity of that sacred instrument? Is it any wonder that we see socialism on the increase in our great cities? Is it any wonder that the radical element is on the increase?

Mr. Chairman, the outlook is gloomy. Every wise and patriotic citizen of the Government wants to know the cause of all this. Before we can find a remedy, we must know the cause. We must first diagnose the case.

The cause, in my judgment, is more easily found than the remedy. You ask, "What is it?" The unrest is due primarily to too much idleness and too little labor. [Applause.] "Satan finds some mischief still for idle hands to do." Busy men are not given to mischief. The man who would prosper without labor is the man who would live by his own wits on the labor of others. This is just as true of the labor agitator as it is of the market manipulator. Both care nothing for the public good. Of course, there are many men who are very rich who have the public good in mind, and many labor leaders who are patriotic and are simply striving to have labor fairly treated. But these are not the men doing the harm.

The majority of our laboring men are patriotic and desire to help the Government and would resist its destruction with as much energy as any other patriotic class. The vast majority of our people are sound and can be trusted if they are given the facts. I believe firmly in the capacity of the people to govern themselves. I believe that they, when the real test comes, will rise to the emergency and uphold the hands of the men who are striving for the right. This is our only hope. If this fails, the Republic is doomed. [Applause.]

Our public men must cease playing cheap politics and rise above the blinding mist and fog of self-interest. They must stand for the right though they lose office. They should follow no leader who does not embody their ideas of righteousness, truth, and justice. The party label should mean something else than who shall hold office. [Applause.] When political parties are struggling with each other for the control of the Government solely for the purpose of controlling the patronage and to serve some particular section, then the country suffers when either party wins. A party victory should mean a victory of great principles. When elected, the highest effort of those elected to office should be to serve the best interest of all the people of all sections. Those holding the office should administer it not for themselves and in their own interest but to see that they serve the best interest of all the people.

Now, Mr. Chairman, what I shall say about the present House shall not be said in any party spirit nor in any spirit of personal criticism, but is intended to be purely impersonal.

What measures are pending that tend to relieve the present alarming situation?

HAMPER-BASKET BILL.

First and foremost on the calendar is offered the hamper-basket bill." Great stress has been placed upon this measure by its proponents. It is a measure of the majority in the House. What a great boon it will be to the ultimate consumer to have a "hamper" that conforms in every particular to the rigid

requirements of the great Government! The farmer is guilty under this bill of a Federal offense if he offers for sale a gallon of beans or any other farm produce in any container other than the one described by law. What evil will it remedy? The farmer and truck grower will find himself in the toils of the criminal law if he offers his beans and potatoes in any but the Government-approved container, even though he can find no other and his customer is hungry.

CIVIL-SERVICE RETIREMENT BILL.

Second is the retirement bill for the Federal employees. This is remedy No. 2 for our national ills. The already overburdened taxpayers will find upon their backs an additional burden. This bill is passed, I suppose, upon the idea that "unto everyone that hath shall be given and he shall have abundance, but from him that hath not shall be taken away even that which he hath."

A man who is favored with a Federal position is only required under this bill to work until he is 65 years of age; then he must retire with a pension. I wonder what Uncle JOE CANNON, Gen. SHERWOOD, Maj. STEDMAN, CHAMP CLARK, and many other Congressmen will say to their constituents when told that they are too old to render good service. Just think of Uncle JOE CANNON being retired on account of age! Look at him there; he is the embodiment of power and strength. Keen of mind, active and strong, capable of holding his own in debate with the strongest—ripe in experience and one of the most useful Members of Congress. [Applause.] Yet under this law he would have been retired nearly 20 years ago and could never have been Speaker of this House. Look at Gen. SHERWOOD, the hero of many battles of the Civil War, a year older than Uncle JOE. Just think of retiring him from Congress because he is too old. What would the people of his district think of a Congress doing such a thing? Why, he is a man full of vigor and fight and capable on the stump and in this House of discussing any public question with anyone however strong intellectually they may be. Why, we Democrats will not listen to such rot as retiring him for he is strong enough to get fifteen or twenty thousand majority in a Republican district. [Applause.] Then look over Maj. STEDMAN. See his erect form, square shoulders, and light step. What say you to applying this rule to him? Why, he was more than five years too old under this law when he was elected to Congress. He is now in his eightieth year, but he is strong in intellect and active on this floor and would be a distinct loss to the House. He is the most perfect specimen of the real gentleman of the Old South. He is the image of his old chieftain, Gen. Robert E. Lee [applause], with whom he served. He is a benediction to us all here—is the most beloved, most respected, most trusted Member of this House. Shame on the man who would even suggest that he is too old and should be retired from this body. [Applause.] Then last, but not least, look at the great Missouri lion, our own beloved CHAMP CLARK [applause], in whose noble soul there is not enough shadow to hide a sinister thought. [Applause.] What say you to applying this law to him? He is now 70 and yet we Democrats make him our leader in this House. What would his people say if you would suggest that he ought to be retired? They would all say: "Yes, retired from the House but advanced to the White House. Till then we will keep him in his present place." [Applause.] Yes, he is strong and vigorous and capable of serving the people of this Nation as a President. Yet under this bill he would have been cast out five years ago. Every member of this House would resist its enforcement if applied to CHAMP CLARK and many other Members of this House over 65. [Applause.] Why, this law would have almost depopulated the Senate a few years ago. [Applause.] What will the thousands of old men who are taxpayers say of this? I see in my mind's eye the stooped forms of thousands of old farmers far past that age going to their toil with the rising of the sun and returning from their labor with tired limbs and aching backs at the going down of the sun. This is the producer of food and the taxpayer.

Now, on the other hand, let us look at the favored class. I see the Government employee getting up at a late hour and going leisurely to his office in the middle of the morning, erect, well clothed, and drawing a salary that would be a princely income to the old farmer. The Government clerk takes his 30 minutes at lunch and in the middle of the afternoon goes on his way with nothing to do until the middle of the next morning. I see him take 30 days' holiday with full pay. If he is sick he gets 30 days' sick leave with pay. He gets pay for every national holiday and does no work. He gets pay for Saturday afternoons during the summer and does no work. He is now told by the Government, "Forget the ant. He is a false philosopher of the past. Look for guidance and example to the gay grasshopper. Spend thy income as thou wilt. Thou needst not save or lay by a store for old age. Thou shalt be cared for by that multitude of toiling masses that thou seest engaged in the low vocation which causes them to earn their bread by the sweat of their faces. They shall not only be compelled to earn enough for themselves, but they shall produce enough to feed you in your old age. If they do not, thou shalt not suffer. I will send my powerful taxgatherers out and take from them what thou needst, and if any shall suffer it shall be that sweating mass who have never been honored by me with an office." Mr. Chairman, I can never give my consent to such legislation. It violates every principle of justice and equality. It establishes a special privilege for a special chosen class. It taxes all the people for the benefit of the few and finds no place in a Republic like ours, that should guarantee to all equal opportunities, equal burdens, and equal benefits.

SOLDIER BONUS.

Measure No. 3, which is pending, is known as the soldier bonus. This is the measure of the Republicans of the House to corrupt the soldier vote in the coming November election. This measure is estimated to cost the American taxpayers from not less than two and a half billions to ten billions of dollars. Where do they propose to raise this vast sum? From the incomes of the rich? No; from the wants of the masses. The principal source of revenue under this proposed bill which has the indorsement of all the Republican leaders is a sales tax—that is to say, on every sale there shall be a tax. Every man who buys a suit of clothes to cover his nakedness or buys a pound of meat to satisfy his hunger will have to pay a tax on the sale. The tax will average about $25 per capita on every man, woman, and child in America to raise this vast sum. The laboring man will pay more than a man of great wealth, because he will eat more. In other words, they propose to tax every man's wants and necessities, and not what he has. They tax hunger and nakedness. Such a tax was never proposed by a civilized government on earth in time of peace.

They claim the soldiers want it. The soldiers never thought of it until the demagogue got busy. What does the demagogue care for the future of the Republic so long as he holds office? He figures that there are four and one-half million voters that he can buy with this Federal money.

This is getting political corruption down to a science when you can tax the masses to pay campaign funds. This is a brazen and shameless bribe offered to our soldiers. When the people are so blind that they can not see the vice and wickedness of such a measure, then the future of our Republic is gone. How can a man who has been honored with the suffrage of the people ever get his consent to thus betray them? Look at the condition of the Treasury to-day. The Government now has outstanding over twenty-six billions of bonds. She owes over three billions, which is being hawked around from bank to bank in the form of certificates. The Victory bonds are now selling at about 86 although they bear 4¼ per cent interest. Our annual budget will amount to five billions of dollars this year. Just stop and think! Five billions in one year in time of peace. More than five times what it was for the year just preceding the war. The people are now staggering under Federal taxation. State, county, and municipal taxes are now higher than ever before, except here in the District of Columbia, where alone they are lower because these favored people of the District have half of their expenses paid out of the Federal Treasury, which, by the way, is a shameless abuse of power by Congress. Yet on top of all this terrible burden this bonus bill is offered and pressed for passage at this time, which will add not less than one billion and a half additional burden upon the people, perhaps even more than this amount for the next year. Do you believe these brave boys who were patriotic enough to offer their lives to save the Republic will now become a party to its destruction?

Mr. Chairman, as bad as this phase of the question is, there is another picture that is worse. It is the effect that it will have upon the boys themselves. This bonus will reduce production. There are in the South alone about 300,000 negro soldiers. This bonus will stop 300,000 plows. How many of our white boys will leave the plow I do not know, but throughout the country many thousands. But this is not the end of it. They will be ruined by this "hand-out," this Government "tip," and will only demand more for the future.

Mr. Chairman, the brave and better class of these soldiers do not want this "bonus." They only ask that their unfortunate comrades be cared for—the lame, halt, blind, and those who by wounds or disease are unable to care for themselves. This all the good people want done, and this the Government will do and is able to do, provided she is not bankrupted by the passage of retirement bills and bonus bills for able-bodied people.

Mr. Chairman, this is a gloomy record for this Republican Congress to go before the people with. They promised to repeal all the war-time legislation, reduce taxes, and reduce the high cost of living. They have taken no steps to do either, unless it is the "hamper-basket bill," and I do not see how the "hamper-basket bill" is going to reduce the cost of living or how the retirement bill will do it, and I am quite unable to see how the bonus bill will increase production or reduce taxes and the cost of living.

Now, gentlemen of the House, let us look at the painful truth and, if possible, find the real cause of the high cost of living and the cause of all this unrest. The prime cause of the high cost of living is underproduction. The cause of underproduction is lack of farm labor. People are leaving the farms because greater opportunities are offered in the cities. They find shorter hours and more pay.

I want some gentleman to rise and say that that is not true. I want any man with any degree of intelligence to say that that is not true. Oh, some men may say that speculators corner the food; but no food corner was ever successful unless there was a scarcity of food. These men who corner food products do not corner them unless the particular class of food is scarce or unless the food is a perishable product, like the fruits of the South, where they may not buy all the fruit, but leave some of it to rot. That is not true of wheat and corn and meat, the basic foods.

And, by the way, this is not demagogy, but it is the truth. You go out on the farm and walk from morning until night behind the plow, and at the end of the year see what you get for your earnings, and you will understand why the boy does not want to stay on the farm. I get tired of these fellows sitting around the lobbies of hotels or in business houses and complaining about the prices that the farmer is getting. Why, bless your soul, if you reduce the price to the farmer of the product which he raises you will reduce the amount that he will raise the next year. No great business man in New York will deny that proposition. If you want more wheat, then give the farmers in the West an assurance that they are going to get a good price for it. If you want more corn, assure the people of the State of Illinois, the great corn State of the Union, that they are going to get a good price for it, and they will plant more corn. Assure the people of Iowa that they are going to get a good price for their meat and they will not slaughter all their stock hogs, but will raise more.

Mr. SMITH of Idaho. Mr. Chairman, will the gentleman please indicate how we can assure the farmers a reasonable price for their products?

Mr. SISSON. I do not think the Government can do that. But we can reduce the Government expenses. I want to take from the back of the farmer every burden that he ought not to bear. This Congress can do. I want to give him some help in respect to his health. This, too, Congress can do. The first appropriation ever given for the specific purpose of rural sanitation I was instrumental in having placed in the sundry civil bill. I got the committee to give $50,000 for this purpose. Then, in the next bill, after a hard fight, I got the committee to give for this service $150,000. The war came on and the money was all used around camps and cantonments to protect the health of the soldiers. Now, if the gentleman wants to help the farmer, I ask him to help me increase the item of $50,000 now in this bill to $150,000. This sum can be spent to assist every farmer in making his premises healthy. Oh, you say we must economize. Yes; we must; but, for God's sake, do not begin with the very people who feed and clothe the Nation. You vote millions on top of millions to care for the health of the Army and Navy and begrudgingly vote only $50,000 for the millions of farmers.

I would also help him by building roads. I would take some of the millions that you spend for other purposes and build good roads. You give many millions now for purposes less important than this. Now, let us act with wisdom and make farm life more attractive and less burdensome than it is now by giving the farmer good roads. Nothing will so quickly develop country life.

I would extend the flood-control law now upon our statute books and straighten out our streams so as to help drain millions of acres of good land now subject to overflow.

These are some of the many practical things we can do for the farmer, so as to give him a share in Government expenditures. The Government has millions invested in road machinery and heavy trucks purchased for war purposes. I would turn these over to our States and counties to be used in building roads and not let them be idle and go to rust.

These things we can do. Will the gentleman join me? His party is now in power, and if they are really interested in the farmer, why not help him now in this way? It will not cost the Government a cent, but will relieve our States and counties of the burden of buying this road machinery.

There is another thing that the great business men of our great cities could do. They could have the great inventive geniuses of this country to devote some of their time to inventions that would improve the means of the cultivation of the soil, develop these, and put them on the market in easy reach of the farmer and at reasonable prices, develop water systems within reach of the farmer in price, so that he can have water works for his home and for his barn. In other words, help thus to make country life attractive. You can not expect the boys to live in the country unless that is done. [Applause.] Not only that, but I want the psychology of this people changed. I want boys and girls to be reared and educated in the fundamental doctrine that a life of real service to mankind is the best life of all; that to so live that you can make the world better by having lived in it is the happiest life. I would teach them that to labor and strive for money alone does not bring happiness; that when this is the chief aim of any life such life is not only a failure but often a real curse to mankind, even though its object is attained and riches are obtained. We are taught in the sacred scriptures that "the love of money is the root of all evil." This one expression has in it so much truth and is so broad and comprehensive that it alone is enough to convince me that the scriptures are inspired. It is the love of money, the desire for riches and wealth, that is causing the people of this country to lose sight of the fundamental principles of truth and virtue, and to strive not for the good of others but to gratify a growing and increasing avarice, and is causing men not to respect and honor the man who actually labors in the field, because here he can not find great riches. Oh, you can not expect to reap any other harvest than that of discontent when the people worship at the shrine of mammon and not at the altar of the living God who teaches us in his sacred word that "the love of money is the root of all evil." You can not as a people long violate God's laws without paying the penalty.

I am going in a moment to show why the boys are leaving the farm.

Mr. SMITH of Idaho. I can tell the gentleman why they are leaving the farm.

Mr. SISSON. Oh, I can not yield for that, because I have my own idea in regard to why it is, and the gentleman can get his own time to make a speech.

Mr. SMITH of Idaho. And I can tell the gentleman how to get them back there.

Mr. SISSON. If the gentleman can tell me how to get them back, I would like to have him do it and give him all my time and the American Government should build him a monument.

Mr. SMITH of Idaho. I can tell the gentlemhn in a very few minutes, if he will give me the time.

Mr. SISSON. Very well. I said I would give you all of my time.

Mr. SMITH of Idaho. You can get them back on the farm by making it possible for them to get title to the land and make it available to them at actual cost.

Mr. SISSON. Oh, I know the single-taxers——

Mr. SMITH of Idaho. But this is not a single-tax proposition.

Mr. SISSON. How are you going to do it? Take it away from the people?

Mr. SMITH of Idaho. Why, no. Take the waste places and develop them and sell the people the land at actual cost of reclamation on long time, at a low rate of interest.

Mr. SISSON. Oh, yes; your waste places! Come down into my State and I will show you great lumber companies who own thousands of acres of cut-over pine land that you could have bought a few years ago for two or three dollars an acre.

Now, you want to go and put these boys on this waste land which will cost them $50 an acre to put in shape for cultivation, and then, bless your soul, they could not raise a fuss on it without years of building up. A young soldier from my district, and by the way, he went with the first contingent across the ocean, said, "All of this congressional rot about buying cut-over pine land and this old land out West that nobody would have is bunk. Why don't you go and say to my father, who owns 2,000 acres of land, 'We will buy some of this for your boy,' and then I will know that I can make a living. What sort of fools do you Congressmen think we are? Do you think a boy with any sense will be put off on this old land that no one would take up all these years because no one could make a living on it? You are not fooling the boys with this." This young soldier said that this propaganda came from the large corporations down South who wanted to unload upon the Government this worthless land. Yes; and it is equally true that

the West got up the same sort of propaganda to get Uncle Sam to spend money out there. They know these soldiers are not going to go on this land even if Uncle Sam did spend money on it.

Oh, no; that nostrum will not get anywhere with intelligent boys, and, bless your hearts, when you get an unintelligent boy out there the Government is going to have to feed him. [Applause.] But I have been diverted. I was not talking about getting soldier boys placed. I was discussing the general proposition that our boys are leaving the farms because they could better their conditions. I mean a boy like I was. I was born out there. I know all about this farm life. I got my fill of it when I was 18 years old. The last day's plowing I ever did in my life was when I was laying by about 3½ acres of corn for my father, and I had a fast mule——

Mr. GOOD. And that is the last of it.

Mr. SISSON. Bless your soul, that is just a small part of it. We had a way then in the South of laying our corn by, laying our crops by, before the 4th of July. If a fellow did not do that, it was thought he was a poor farmer. As I say, the mule was fast, the stumps were thick, the plow handles hammered me in the short ribs, and you could hear me talking to my mule a mile. When I went home and took the gear off the mule, I told my father I had plowed my last day. My old Scotch-Irish Presbyterian father said, "I hope that is true, my son; but I fear you have not." Cotton was then selling for about 4 cents a pound and corn for about 35 cents a bushel, and I made up my mind I would not work for anyone for any such a price for a bale of cotton. Just think, only $20, and you could not make more than two and one-half to three bales of cotton on the land to save your life. That would give your year's work from $40 to $60. That was not a very attractive outlook to me, so I quit. But I do not care to go further with this biography. But I grew up like a bean pole. I was about as tall as I am now, built like a blowgun. I started out looking for a country school. After some time I found one. I quit plowing and went to teaching school at Kenago, saved a little money, and went to the academy and got a scholarship and went to the Southwestern Presbyterian University, where I met my friend the gentleman [Mr. HERSMAN] in front of me now. When I got through I was overwhelmingly in debt for a boy, but by teaching school three years I paid off the debt and had enough money to take a law course, so I know all about the farming business. I am not talking from theory——

Mr. SMITH of Idaho. Will the gentleman yield for a question?

Mr. SISSON. No; I have not time to yield any further.

Mr. SMITH of Idaho. I am afraid the gentleman's experience will probably entice other young men to leave the farm.

Mr. SISSON. I will tell you I would not wish to put the damnation on these boys to stay on the farm under such conditions, but what I want to do is to help the conditions to be better; I want the treatment of these farmer boys to be better; I do not want them to be left in poverty and hunger, as many of them are. You find men now owning several thousand acres of land and doing what they call farming. That is not farming. I am talking about real farming, where you get the clods in your own shoe. I am talking about the real farmer, the man who actually produces the food, who knows the feel of the plow handle in doing a day's work.

Mr. OLIVER. Will the gentleman yield?

Mr. SISSON. I will.

Mr. OLIVER. What inducement does the gentleman think he would have to offer the gentleman from Idaho to go on this waste land?

Mr. SISSON. I have too much respect for my friend's intelligence to believe that you could induce him to go on this waste land, but I can not yield further, as my time is limited, and I have much more that I want to say.

Mr. LANGLEY. Will the gentleman yield for a short question?

Mr. SISSON. Make it very short, indeed.

Mr. LANGLEY. I will. The gentleman is 49 years of age, I believe, although he looks much younger.

Mr. SISSON. Oh, the gentleman flatters me. I am 50.

Mr. LANGLEY. Well, 50 then. If the gentleman was 18 when he quit plowing, because farm products were so low, then the way I figure it out it was under Cleveland's administration when these conditions existed, and when the gentleman says cotton was 4 cents a pound and corn 35 cents a bushel? [Applause and laughter on the Republican side.]

Mr. SISSON. The gentleman does not know what he is talking about. You Republicans brought the country to such a bad state of affairs that Grover Cleveland was elected, and he and the Democrats brought it out, and you inherited all the good from that legislation of Mr. Cleveland, and have been claiming it ever since. [Applause on the Democratic side.] However, gentlemen, I have some other things I would like to talk about for a few minutes.

The farmer to succeed must labor from sun up to sun down in all sorts of weather. He must be up before the dawn and prepare for the day's labor. He must go in mud and rain. His children do not get good schools. His roads are bad. His taxes are high; he can not hide his broad acres from the taxgatherer. At the end of the year he has been able only by rigid economy and self-denial to make ends meet and keep out of debt. Many of them do not even do this. His boys and girls see his heavy labors and poor returns, and they decide that they will not spend their lives on the farm, and at the first opportunity go to town. There they are attracted by the white lights, the moving-picture shows, and good pay.

AUTOMOBILES.

Some of our new industries that have grown in a few years into giants are offering wages which the farmer can not pay. The automobile industry is one of the chief offenders. It is estimated that there are more than a million able-bodied men now engaged in producing pleasure cars alone—cars which add nothing to the production of food and clothing. These men have been taken very largely from the farms. The wages paid are far in excess of what the farmer can pay.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. I will yield the gentleman 15 minutes additional.

Mr. SISSON. I thank the gentleman.

MOVING PICTURES.

The moving picture is another industry which is affecting our industrial life to a greater extent than at first thought might be apparent. In the city of Washington alone there are about 70 moving-picture shows. They are everywhere. Thousands of men are engaged in manufacturing the moving-picture machines. Still other thousands are engaged in producing the films, and other thousands running the shows in every city, town, and village in America. Not one of these so engaged produces anything, but each of them is added to the already large list of consumers. It is estimated that about 37,000,000 people daily attend moving-picture shows in America. Here again you find not only lost energy but millions spent for pleasure of at least doubtful value in many cases.

BASEBALL.

Then again there are thousands of men engaged in the baseball industry. How many thousands, I have no idea. But thousands of men are engaged either in the manufacture and sale of baseball goods, conducting the parks, or engaged in the game as officers, managers, and players. The game is no longer played for pleasure and physical development by our boys, but is now a business and a profession. This business adds thousands to the list of consumers and produces nothing.

I have not time sufficient to call attention to all the varied pleasure producing industries in America, but this is sufficient to convince a contemplative mind that our people are given too much to games and pleasure seeking, all of which adds to the number of consumers and decreases the number of producers. This condition throughout the country is inducing men and boys to leave the farms. This is rapidly taking Uncle Sam's feet off of the ground, and if it is not checked, our boasted institutions will fail, and there will be reenacted another tragedy here on this American soil as great as any tragedy ever enacted on the stage of nations.

Now, I wish I had time to discuss with you at length the remedy for this unrest. My judgment is that a great deal of this unrest is caused by idleness, as I said. I do not believe we work as hard or as much in a day as we used to work. I believe our remedy is more work, which means more production. The sacred book, the Bible, is the surest guide not only for a man's conduct in his private life, but is also the surest guide for the conduct of a great nation, if the fundamental truths stated therein are the basis of the national laws, and if those laws are observed by the people of that nation its safety and prosperity are secure; and this is accepted as true even by those who are not Christians, because all good men believe in the perfection of this Christian philosophy.

The first positive injunction given to man for his government is furnished in the commandment, "Remember the Sabbath day to keep it holy." The preachers talk a good deal about this, but the next clause I have never heard a preacher take as a text, "Six days shalt thou labor." If every man in America would live up to this doctrine, there would be less unrest, there would be plenty, there would be peace. If I had my way about it, I

would have every minister of the gospel in America of whatever faith or persuasion, Protestant or Catholic, thunder from his sacred desk on this text until its truth is accepted and practiced by all of our people.

You have got to get the minds and the hearts of the boys and girls set right on this question; you have got to let them understand the fundamental cause of prosperity and happiness. We must discard the pagan doctrine that prosperity is the chief blessing and accept the Christian doctrine that self-sacrifice and adversity are the chief blessings.

I believe the new dispensation should be the guide and light to man's faith in private and public life. Prosperity, money making, ease, and comfort never made a man or a nation great. It is self-sacrifice and service that are the mysterious benediction of the greatest Teacher that the world ever saw, Christ himself.

Do you know that a rich country never produced great men? It has been adversity that has produced our great men. It has been trial that has developed the human race, and by these trials and by these great efforts on the part of great men, great institutions are founded, and upon the success of these institutions are based the prosperity and happiness of the people.

But the very success of these institutions brought about by the self-sacrifice and labor of great and good men, giving every man equal opportunity under the law, induces people to labor and produce great abundance for all; it also gives the men who are moved by pagan principles opportunity to corrupt the institutions and by securing special privileges under the law, they are enabled, by the exercise of cunning, to amass great wealth, absorbing what others produce, and sapping the very foundations of equality and justice by taking what they have not earned. Thus in a few generations you have a few rich and many poor. This seems to have resulted in every age of the world's history. Can it ever be avoided? I am sure that it can not unless we can make it difficult by law to amass great fortunes.

The man that produces anything of value is entitled to own what he produces. This is a fundamental law of nature. As civilization advances, the kinds of labor increase; some direct and some take directions. Without wise direction, there is lost energy. Without wise direction, men never emerge from a savage state. So he who gives value to others by his brain is just as much a laborer as the man who does the physical toil. But the man with the strong and acquisitive mind should not be permitted to give directions to laws under which he can acquire more than his share. Property is the result of labor Therefore, whatever tends to make it difficult to amass quickly mighty fortunes is, in my judgment, the best legislation.

The government that is so devised and conducted that each man shall enjoy the fruits of his own toil is the best government. I have stated the underlying principles of a democratic government. Since property of all kinds is the product of labor, the more labor the more property there is. Therefore, we must look to labor for the production of food. No amount of "Be it enacted by law" can produce any property. Legislation can not produce food, clothing, building material, or any other kind of property. "Be it enacted by law" by this body or by the State legislatures will never produce a bushel of wheat or corn; it will never raise hogs or cattle. It can not be done that way. But since legislation, however, can control property after it has been produced, it can by special favor give one man more than he is entitled to or give him greater advantages in acquiring what others have earned. This is legislation which I hate.. This is legislation which causes the man who toils to lose confidence in government. The fact that bad laws have been passed to enrich one class at the expense of another has caused all the people to look to the Government for help. This is a dangerous state of public mind. I have endeavored to show that government can not produce; it can only control. Now, what we need in America is to repeal every law that gives one man or set of men any advantage of another so that all men may have equal rights and opportunities under the law. Every good man would then feel like using his very best endeavors, because in this way and in this alone could he succeed. He would know that his Government would protect him in his right to what he earned by the sweat of his own face. There would then be no man too rich, for he would have only what he had earned. The thriftless and idle would be the only ones to suffer. This, then, would be as it should be.

Let us quit this miserable practice of looking to legislation for everything. Let us only ask for a square deal. The wisest legislators in this House, in my judgment, without a single exception, will say that this is the correct theory and that to depart from it tends to dishonor the Republic in the minds of the people.

I can not say all that I would like to say, for my time is drawing to a close. But I do want to say that every young man should be taught that he should always be bigger than his job. If a man wants to succeed in this life and become the manager of the industry in which he labors he must always be bigger than his job. He must be more interested in the success of his work and his labors than he is in the wages which he receives. Those are the men who have succeeded; those are the men who are managing the great industries. Men do not fail except by virtue of their own inherent weakness unless they are providentially interfered with in some way.

I believe, gentlemen, that there never was a time in the history of this Republic when men who wanted to labor could find a job quicker and could get better wages than they can right now.

Mr. Chairman, in conclusion, let me say that Congress can, if it will, do something to relieve the situation. We can by heroic work reduce the taxes. It is going to take hard work to do it, because every man on the pay roll wants to stay and wants more pay. But I pledge myself in the future as in the past to use my best efforts to this end. By reducing taxes we will release many thousand men for employment in productive industries.

Since I have been a Member of Congress this has been impressed upon me as much as any other one thing, and that is that we are spending millions of dollars of the people's money for certain governmental activities for which we are getting nothing of value in return, and the more you extend these governmental activities the more taxes you must have and the more labor you take out of productive pursuits. I have worked diligently, as every Member of this House knows, to cut down expenses, and have thereby saved the taxpayers many millions of dollars.

Governments, like men, can only succeed, when they are overwhelmingly in debt, in two ways: First, by speeding up, and, second, by more rigid economy. If you find a man in debt in private life and find him squandering what he earns and not devoting his time and attention to his business, you at once say, "He is a trifling man, and is bound to fail." When you see a man in debt go to his labor vigorously, working hard, denying himself, not counting the hours, and when you find him economizing every day, the bankers and those who know him say of him, "There is a man you can trust." Why? Because he is honest, untiring, and trying to get out of debt.

You can not deal with a government otherwise than as you deal with individuals. The only difference is you are dealing with millions in one case and dealing with one man in the other. If the Government would succeed in relieving the situation it will be necessary to have the minds and hearts of the people in a condition where they are willing to speed up. The Government is behind. It is in debt and the annual interest is enormous. You must reduce the expenses in order that you may pay the debt, and the people must make some sacrifices in time of peace as they did in time of war. The Government has got two things to do: First, it has to economize, and second, it has to impress upon the people the necessity of speeding up, and that is the only way that Uncle Sam is going to be able to solve this problem, in my judgment. [Applause.]

There are some people now advocating universal military training and increasing the number of officers in the Army for this purpose. In my judgment this does not help but hurts the situation. By that means you would be adding more people to the pay roll of the Government and taking more people out of productive pursuits, because no Army officer ever earned a thing on the face of the earth. By earning I mean producing. In the nature of things he is a consumer, and the founders of this Republic warned us against large standing armies that might be quartered on the people, eating up their substance. We went to war with Germany telling our boys and telling our people that we were determined to destroy militarism in the world. We did not love militarism then but hated it.

Now, we find men going over the country endeavoring to establish in the minds of the people of the Republic a willingness to accept militarism, exactly like that which first existed in Germany, and which finally resulted in the military despotism of Prussianism. This shall never have my approval. I hate compulsory military training now as much as ever. The only thing we need is to have a small corps of well-trained officers who can in time of war do as our officers did in this war, train the boys for a few months. We saw them converted in that time into the best soldiers on earth. Let us rely upon our young men, because our Government is great and good and worthy to be defended, and thousands of strong hands and brave hearts will leap to her defense upon the first sign of

danger. If the Government is not good and not loved by our people, then all the military training on earth can not save it.

Therefore, let us as a people uphold and defend our Constitution, the surest bulwark of our freedom and liberty, with our trust in God and determined to rely upon truth and justice, and our Republic will endure to bless mankind. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. GOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 13870) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes, had come to no resolution thereon.

WINNERS IN NATIONAL ESSAY CONTEST.

The SPEAKER. The Chair thinks the Members of the House would be glad at this time to have him point out to them that there are now in the Speaker's seat in the gallery a boy and two girls who were the winners of the three prizes in the national essay contest, which was participated in by 10,000,000 children of the country, under the auspices of the Secretary of War, on the subject of "The Benefits of an Enlistment in the United States Army." The Come Back, published in the interest of the wounded men of the Walter Reed Army General Hospital, conducted the contest in conjunction with the War Department. The national judges were the Secretary of War, Gen. Pershing, and Gen. March, the Chief of Staff, United States Army. The first prize was won by an Iowa boy, Donald L. Campbell, of Clinton, Iowa [applause]; the second was won by a Missouri girl, Majorie Sheetz, of Chillicothe, Mo. [applause]; and the third was won by a Mississippi girl, Bettie Bowen Eason, of Olive Branch, Miss. [applause].

WATER POWER—CONFERENCE REPORT.

Mr. ESCH. Mr. Speaker, I call up the conference report on the water-power bill, H. R. 3184.

The SPEAKER. The gentleman from Wisconsin calls up the conference report on H. R. 3184, which the Clerk will read.

The Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3184) to create a Federal power commission and to define its powers and duties, to provide for the improvement of navigation, for the development of water power, for the use of lands of the United States in relation thereto, to repeal section 18 of "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, approved August 8, 1917, and for other purposes," and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 17, 22, 28, 29, 31, 44, 46, 59.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, 6, 7, 9, 10, 12, 13, 14, 16, 18, 19, 20, 23, 24, 25, 30, 32, 33, 34, 35, 37, 39, 40, 41, 42, 47, 50, 51, 52, 53, 54, 55, 56, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1 and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"That the commission shall appoint an executive secretary, who shall receive a salary of $5,000 a year, and prescribe his duties, and the commission may request the President of the United States to detail an officer from the United States Engineer Corps to serve the commission as engineer officer, his duties to be prescribed by the commission."

And the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"'Navigable waters' means those parts of streams or other bodies of water over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States, and which either in their natural or improved condition, notwithstanding interruptions between the navigable parts of such streams or waters by falls, shallows, or rapids compelling land carriage, are used or suitable for use for the transportation of persons or property in interstate or foreign commerce, including therein all such interrupting falls, shallows, or rapids; together with such other parts of streams as shall have been authorized by Congress for improvement by the United States or shall have been recommended to Congress for such improvement after investigation under its authority."

And the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following: ", and said classification of investment of the Interstate Commerce Commission shall in so far as applicable be published and promulgated as a part of the rules and regulations of the commission"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"In order to aid the commission in determining the net investment of a licensee in any project, the licensee shall, upon oath, within a reasonable period of time, to be fixed by the commission, after the construction of the original project or any addition thereto or betterment thereof, file with the commission, in such detail as the commission may require, a statement in duplicate showing the actual legitimate cost of construction of such project, addition, or betterment, and the price paid for water rights, rights of way, lands, or interest in lands. The commission shall deposit one of said statements with the Secretary of the Treasury. The licensee shall grant to the commission or to its duly authorized agent or agents, at all reasonable times, free access to such project, addition, or betterment, and to all maps, profiles, contracts, reports of engineers, accounts, books, records, and all other papers and documents relating thereto."

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following: "or by its executive secretary"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following: "if it be satisfied as to the ability of the applicant to carry out such plans"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"The commission is hereby authorized and directed to investigate and, on or before the 1st day of January, 1921, report to Congress the cost and, in detail, the economic value of the power plant outlined in project No. 3, House Document No. 1400, Sixty-second Congress, third session, in view of existing conditions, utilizing such study as may heretofore have been made by any department of the Government; also in connection with such project to submit plans and estimates of cost necessary to secure an increased and adequate water supply for the District of Columbia. For this purpose the sum of $25,000, or so much thereof as may be necessary, is hereby appropriated."

And the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"That the licensee shall pay to the United States reasonable annual charges in an amount to be fixed by the commission for the purpose of reimbursing the United States for the costs of the administration of this act; for recompensing it for the use, occupancy, and enjoyment of its lands or other property; and for the expropriation to the Government of excessive profits until the respective States shall make provision for preventing excessive profits or for the expropriation thereof to themselves, or until the period of amortization as herein provided is reached, and in fixing such charges the commission shall seek to avoid increasing the price to the consumers of power by such charges, and charges for the expropriation of excessive profits may be adjusted from time to time by the commission as conditions may require: *Provided*, That when licenses are issued involving the use of Government dams or other structures owned by the United States or tribal lands embraced within Indian reserva-

tions the commission shall fix a reasonable annual charge for the use thereof, and such charges may be readjusted at the end of 20 years after the beginning of operations and at periods of not less than 10 years thereafter in a manner to be described in each license."

And the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following: "one hundred"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"(i) In issuing licenses for a minor part only of a complete project, or for a complete project of not more than 100-horsepower capacity, the commission may in its discretion waive such conditions, provisions, and requirements of this act, except the license period of 50 years, as it may deem to be to the public interest to waive under the circumstances: *Provided*, That the provisions hereof shall not apply to lands within Indian reservations."

And the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following: "may grant the application with the provision to be expressed in the license that the licensee will install the necessary navigation structures if the Government fails to make provision therefor within a time to be fixed in the license and"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following: "*Provided*, That in the event the United States does not exercise the right to take over or does not issue a license to a new licensee, or issue a new license to the original licensee, upon reasonable terms"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"That all proceeds from any Indian reservation shall be placed to the credit of the Indians of such reservation. All other charges arising from licenses hereunder shall be paid into the Treasury of the United States, subject to the following distribution: Twelve and one-half per cent thereof is hereby appropriated to be paid into the Treasury of the United States and credited to 'Miscellaneous receipts'; 50 per cent of the charges arising from licenses hereunder for the occupancy and use of public lands, national monuments, national forests, and national parks shall be paid into, reserved, and appropriated as a part of the reclamation fund created by the act of Congress known as the reclamation act, approved June 17, 1902; and 37½ per cent of the charges arising from licenses hereunder for the occupancy and use of national forests, national parks, public lands, and national monuments, from development within the boundaries of any State shall be paid by the Secretary of the Treasury to such State; and 50 per cent of the charges arising from all other licenses hereunder is hereby reserved and appropriated as a special fund in the Treasury to be expended under the direction of the Secretary of War in the maintenance and operation of dams and other navigation structures owned by the United States or in the construction, maintenance, or operation of headwater or other improvements of navigable waters of the United States."

And the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment, insert the following: *Provided*, That when application is made for a license under this section for a project already constructed, the fair value of said project or projects, determined as provided in this section, shall for the purposes of this act and of said license be deemed to be the amount to be allowed as the net investment of the applicant in such project or projects as of the date of such license, or as of the date of such determination, if license has not been issued. Such fair value may, in the discretion of the commission, be determined by mutual agreement between the commission and the applicant or, in case they can not agree, jurisdiction is hereby conferred upon the district court of the United States in the district within which such project or projects may be located, upon the application of either party, to hear and determine the amount of such fair value"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"That any person, association, corporation, State, or municipality intending to construct a dam or other project works across, along, over, or in any stream or part thereof, other than those defined herein as navigable waters, and over which Congress has jurisdiction under its authority to regulate commerce between foreign nations and among the several States, may in their discretion file declaration of such intention with the commission, whereupon the commission shall cause immediate investigation of such proposed construction to be made, and if upon investigation it shall find that the interests of interstate or foreign commerce would be affected by such proposed construction, such person, association, corporation, State, or municipality shall not proceed with such construction until it shall have applied for and shall have received a license under the provisions of this act. If the commission shall not so find, and if no public lands or reservations are affected, permission is hereby granted to construct such dam or other project works in such streams upon compliance with State laws."

And the Senate agree to the same.

JOHN J. ESCH,
N. J. SINNOTT,
EDWARD T. TAYLOR,
GORDON LEE,
Managers on the part of the House.

W. L. JONES,
KNUTE NELSON,
REED SMOOT,
H. L. MYERS,
DUNCAN U. FLETCHER,
Managers on the part of the Senate.

Concur in above report except on amendment No. 36.

G. N. HAUGEN.

Mr. ESCH. Mr. Speaker, I ask unanimous consent that the statement of the House conferees may be printed in the RECORD immediately following the Report just read.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent that the statement may be printed in the RECORD. Is there objection?

There was no objection.

The statement of the House conferees is as follows:

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes on the amendments of the Senate to the bill (H. R. 3184) to create a Federal power commission and to define its powers and duties, to provide for the improvement of navigation, for the development of water power, for the use of lands of the United States in relation thereto, to repeal section 18 of "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, approved August 8, 1917, and for other purposes," and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the committee of conference submitted in the accompanying conference report as to each of the said amendments, namely:

On amendment No. 1: In lieu of the provision in the House bill that the commission shall appoint an executive secretary, the Senate provided that the commission shall request the President of the United States to detail an officer from the United States Engineer Corps to serve the commission as executive secretary and engineer officer, his duties to be prescribed by the commission. The conferees restored the House provision requiring the commission to appoint an executive secretary and adopted the Senate provision as to detailing an officer from the United States Engineer Corps to serve as engineer officer, the request for such detail being permissive, instead of mandatory, as in the Senate provision. The Senate provision that the officer should also serve as executive secretary was stricken out.

On amendments Nos. 2, 3, 4, 5, and 6: These amendments are verbal changes perfecting the text.

On amendment No. 7: This amendment recasts the House definition of "reservations."

On amendment No. 8: This amendment recasts the House definition as to the term "navigable waters," the House agreeing to the Senate definition with an amendment inserting after the word "interruptions" the words "between the navigable parts of such streams or waters," thus making it clear that although the navigable parts of such streams may be interrupted by falls, shallows, or rapids, the portions occupied by falls, shallows, or rapids are within the jurisdiction of Congress and that no dams can be constructed at, upon, or across such falls, shallows, or rapids without securing a license as provided in the bill. Under the House definition of "navigable waters" it might be possible to construct dams at the very point where dams would have to be located without securing such license. The Senate definition, moreover, limits the application of the act to those cases where interstate or foreign commerce will be directly affected.

On amendment No. 9: Strikes out certain words not necessary to the definition of "Government dam."

On amendment No. 10: This amendment perfects the text with reference to the definition of "net investment."

On amendment No. 11: This amendment requires as to net investment that the classification of investment of the Interstate Commerce Commission shall, in so far as applicable, be published and promulgated as a part of the rules and regulations of the commission. This is for the purpose of publicity.

On amendments Nos. 12, 13, and 14: These amendments are verbal, perfecting the text.

On amendment No. 15: Amendment No. 15, with the amendment agreed to in conference, is merely an elaboration of the provision already contained in lines 1 to 15, inclusive, on page 12, relating to the examination of books and accounts of licensees, the submission of statements and reports, including full information as to assets and liabilities, capitalization, net investment, etc. The amendment as modified requires the licensee to file with the commission "a statement in duplicate showing the actual legitimate cost of construction of such project, addition, or betterment, and the price paid for water rights, rights of way, lands, or interest in lands."

On amendment No. 16: This is merely a verbal amendment perfecting the text.

On amendment No. 17: This amendment prohibited the issuance of any licenses affecting tribal lands embraced within Indian reservations which were ceded to the Indians by the United States by treaty except by and with the consent of the council of the tribe. The Senate conferees receded from this amendment. The conferees saw no reason why water-power use should be singled out from all other uses of Indian reservation land for special action of the council of the tribe.

On amendment No. 18: This amendment is verbal, perfecting the text.

On amendment No. 19: Amendment No. 19 provides that upon the filing of any application for a license which has not been preceded by a preliminary permit under subsection (e) of section 4, notice shall be given and published as required by the proviso of said subsection.

On amendments Nos. 20 and 21: These amendments are verbal, perfecting the text.

On amendment No. 22: Amendment No. 22, giving authority to the commission to investigate as to the utility of tunnels and to make rules and regulations for their use, has been eliminated from the bill, the Senate conferees having receded. No sufficient reason was presented why the authority to investigate should be limited to one particular type of water conduit rather than to all the major structures of a power project.

On amendments Nos. 23, 24, 25, and 26: These amendments are verbal changes and were considered desirable, as they clarify the text.

On amendment No. 27: This amendment relates to the construction on the Potomac River of a power plant outlined in project No. 3, House Document No. 1400, Sixty-second Congress, third session, generally known as the Great Falls project. The amendment authorized the commission to construct said project under its direct supervision or to enter into contracts for materials and labor for the construction of the same, or any part of the same, as in its judgment may be the most practical and economical, not exceeding a limitation of cost of $25,000,000. In lieu of the amendment the conferees recommended a substitute authorizing and directing the commission—

"To investigate and, on or before the 1st day of January, 1921, report to Congress the cost and, in detail, the economic value of the power plant outlined in project numbered 3, House Document No. 1400, Sixty-second Congress, third session, in view of existing conditions, utilizing such study as may heretofore have been made by any department of the Government; also, in connection with such project to submit plans and estimates of cost necessary to secure an increased and adequate water supply for the District of Columbia. For this purpose the sum of $25,000, or so much thereof as may be necessary, is hereby appropriated."

On amendments Nos. 28, 29, 30, and 31: These amendments of section 8 relating to the involuntary transfer of licenses were not, with the exception of amendment No. 30, relating to judicial sales, adopted by the conferees, the Senate having receded from its amendments.

On amendments Nos. 32, 33, 34, and 35: These amendments are verbal, perfecting the text.

On amendment No. 36: This amendment relates to the charge imposed upon the licensee for water power developed. The House bill, in paragraph (e) of section 10, provided "that the licensee shall pay to the United States reasonable annual charges in an amount to be fixed by the commission." The Senate bill provided that "the licensee shall pay for the license herein granted such reasonable annual charges as may be fixed by the commission, for the purpose of reimbursing the United States for the cost of administration of the act in relation to water powers developed under its jurisdiction." The licensee was also to pay for the use and occupation of any public lands and lands in reservations, except tribal lands embraced within Indian reservations, necessary for the development of the project covered by the license such reasonable annual charges based upon the actual value of the Government lands used as might be fixed by the commission; but in no event should the annual charge for the foregoing exceed 25 cents per developed horsepower. In lieu of both Senate and House provisions as to charges the conferees recommend the following:

"That the licensee shall pay to the United States reasonable annual charges in an amount to be fixed by the commission for the purpose of reimbursing the United States for the costs of the administration of this act; for recompensing it for the use, occupancy, and enjoyment of its lands or other property; and for the expropriation to the Government of excessive profits until the respective States shall make provision for preventing excessive profits or for the expropriation thereof to themselves, or until the period of amortization as herein provided is reached, and in fixing such charges the commission shall seek to avoid increasing the price to the consumers of power by such charges, and charges for the expropriation of excessive profits may be adjusted from time to time by the commission as conditions may require."

On amendment No. 37: This amendment directs that licenses when issued for the development, transmission, or distribution of power by States or municipalities shall be issued and enjoyed without charge when "sold to the public without profit."

On amendment No. 38: This amendment permits the issuance of licenses without charge in projects of not more than 100-horsepower capacity when such power is used for the development, transmission, or distribution of power for domestic, mining, or other beneficial use. The House bill fixed this limit at 50 and the Senate bill at 200 horsepower.

On amendment No. 39: This amendment removes the exemption from charge where the power is developed upon tribal lands within Indian reservations.

On amendment No. 40: This amendment is verbal and perfects the text.

On amendment No. 41: This amendment makes it mandatory upon the licensee to reimburse the owner of a reservoir or other improvement for such part of the annual charges for interest, maintenance, and depreciation thereon as the commission may deem equitable.

On amendments Nos. 42 and 43: These amendments strike from the House bill the provision authorizing the commission, in its discretion, to waive certain conditions, provisions, and requirements of the act in issuing licenses for a part only of a complete project, where the land of the United States required is to be used only for transmission lines, water conduits, or for storage reservoirs, or for a complete project of not more than 50-horsepower capacity. In lieu of the House provision the Senate excepted from such waiver the license period of 50 years and increased the horsepower capacity to 200 horsepower. The House conferees agreed to the Senate substitute with an amendment reducing the horsepower capacity to 100. Under the House provision the commission could allow perpetual grants without conditions for transmission lines, water conduits, and storage reservoirs if the remainder of the project was on private land.

On amendment No. 44: This amendment provides that the licensee shall not directly or indirectly discriminate or permit discrimination in the apportionment, allotment, transmission,

distribution, sale, or lease of power or electrical energy or current in favor of any municipality as against any other or others in respect of service, rates, or the quantity of power or electrical energy or current transmitted or supplied to it or them. The Senate receded from this amendment. Under this Senate amendment, had it been retained, the licensee serving two adjacent cities, if he could not develop a new source of supply, might cancel a part of his contracts in one city and transfer the power to another city. Under such conditions no user of power in either city could get a binding contract and no one would purchase of the licensee if any other source of supply was available. Such a provision would lead to the raiding of one municipality by another, would keep business enterprises away, and would make power development under the act hazardous.

On amendment No. 45: Amendment No. 45, in section 12, as agreed to by the conferees is a substitute for both Senate and House provisions relating to applications for projects involving the construction of a lock or locks, or other navigation structures. The House provision was "the commission may before taking action upon such application cause a report," etc., to be made to Congress. The Senate provision was that the commission "shall take no action," but cause a report, etc. The substitute as recommended by the conferees provides that the commission "may grant the application with the provision to be expressed in the license that the licensee will install the necessary navigation structures if the Government fails to make provision therefor within a time to be fixed in the license and" cause a report to be made to Congress.

On amendment No. 46: This amendment relates to severance damages and provides that such damages "shall not exceed the aggregate actual expenses or loss for maintenance, depreciation, and interest upon such part of the property not taken as is made temporarily idle by the severance therefrom of the property taken; such aggregate expenses to be computed for a period reasonably necessary for providing a substitute source of power and in no case to exceed the value of the works taken." This amendment is a partial statement of the principle adopted by the California Railroad Commission for fixing severance damages in the case of the valuation for purposes of purchase by the city of Los Angeles of certain properties of the Southern California Edison Co. While the rule was an equitable one under the circumstances of that particular case, where the company was left in possession of its main transmission system and its largest generating plants, it might be inequitable in cases where, for example, the generating plants were all taken and the transmission and distributing systems left. The Senate receded from the amendment and it has been eliminated, the conferees believing that the existing provisions of section 14 were sufficient to take care of the matter of severance damages.

On amendment No. 47: This amendment is merely verbal.

On amendment No. 48: This amendment relates to the terms of the license. The House bill provided: "That in the event the United States does not exercise the right to take over and does not issue a new license to the original or a new licensee, then the commission shall issue from year to year an annual license to the then licensee under the terms and conditions of the original license until the property is taken over or a new license is issued as aforesaid." The Senate bill provided: "That in the event the United States does not exercise the right to take over or does not issue a license to a new licensee, or tender a new license to the original licensee, upon the terms and conditions aforesaid which is accepted," then the commission, etc. The conferees agreed to the Senate amendment, amending it, however, so as to read as follows: "*Provided*, That in the event the United States does not exercise the right to take over or does not issue a license to a new licensee, or issue a new license to the original licensee upon reasonable terms," then the commission, etc. The House conferees contended that the retention of the words, "which is accepted," in the Senate amendment would practically result in a perpetual franchise. These words were eliminated and the Senate amendment modified as above set forth was agreed to.

On amendment No. 49: This amendment relates to the disposition of charges arising from licenses. The House bill provided that such charges should be paid into the Treasury of the United States; then 50 per cent of the charge arising from licenses for the occupancy and use of national forests was reserved and appropriated as a special fund in the Treasury for the survey, construction, and maintenance of roads and trails within the national forests. Fifty per cent of the charges arising from licenses for the occupancy and use of national parks was to be reserved and appropriated as a special fund in the Treasury, to be expended in the improvement and development of such parks. Fifty per cent of the charges arising from licenses for the occupancy and use of public lands, and of national monuments and power site or other reserves outside of national forests, was to be paid into the reclamation fund. All proceeds from any Indian reservation were to be placed to the credit of the Indians of such reservation. Fifty per cent of the charges arising from all other licenses were to be placed in a special fund to be expended in the maintenance and operation of dams and other navigation structures owned by the United States, or in the construction, maintenance, or operation of headwater or other improvements of navigable waters of the United States. The Senate bill provided that all charges arising from licenses were to be paid into the Treasury of the United States and to be reserved as a special fund therein. Such part of said fund as Congress might from time to time direct was to be appropriated toward paying the costs of administration of the act and of conducting the investigations authorized thereunder. The remainder, if any, in so far as the same might be derived from dams in navigable streams, was to be expended in the maintenance and operation of dams or other navigation structures owned by the United States or in the construction, maintenance, and operation of headwater or other improvements of streams. In so far as such funds were derived from licenses to occupy portions of the public lands, one half thereof was to be paid into the reclamation fund and the other half was to be paid to the States in which the lands occupied were located in the proportion to each that the amount derived from the lands within its bounds bore to the whole amount derived from the occupancy of all such lands. The proceeds from licenses authorizing the occupancy of any part of any Indian reservation were to be placed to the credit of the Indians of such reservations.

In lieu of both Senate and House provisions as to the disposition of funds derived from charges the conferees agreed to the following substitute:

"That all proceeds from any Indian reservation shall be placed to the credit of the Indians of such reservation. All other charges arising from licenses hereunder shall be paid into the Treasury of the United States, subject to the following distribution: Twelve and one-half per cent thereof is hereby appropriated to be paid into the Treasury of the United States and credited to 'Miscellaneous receipts'; 50 per cent of the charges arising from licenses hereunder for the occupancy and use of public lands, national monuments, national forests, and national parks shall be paid into, reserved, and appropriated as a part of the reclamation fund created by the act of Congress known as the reclamation act, approved June 17, 1902; and 37½ per cent of the charges arising from licenses hereunder for the occupancy and use of national forests, national parks, public lands, and national monuments, from development within the boundaries of any State shall be paid by the Secretary of the Treasury to such State; and 50 per cent of the charges arising from all other licenses hereunder is hereby reserved and appropriated as a special fund in the Treasury to be expended under the direction of the Secretary of War in the maintenance and operation of dams and other navigation structures owned by the United States or in the construction, maintenance, or operation of headwater or other improvements of navigable waters of the United States."

The plan of distributing these funds, as contained in the above substitute, follows, with some change in the percentages, the plan of distribution adopted in the oil leasing act recently passed.

On amendment No. 50: This amendment relates to the regulation of the issuance of securities and provides that securities issued by the licensee shall be subject to such regulations as prescribed by the commission, but they shall be allowed only for the "bona fide purpose of financing and conducting the business of such licensee."

On amendment No. 51: This amendment is a verbal change.

On amendments Nos. 52, 53, and 54: These amendments in section 21 relate to the acquisition by any licensee of dam sites through the exercise of the right of eminent domain. Amendment No. 54 states the conditions under which the right may be exercised.

On amendments Nos. 55 and 56: These amendments are verbal changes.

On amendment No. 57: This amendment provides for the determination of the valuation of projects already constructed when application is made for a licensee to come under the provisions of the act. Without such a provision there would be no means of determining valuation. One of the fundamental elements of the act is the current determination of the "net investment." No project should be brought under license until steps have been taken to determine the property value which is to be recognized throughout the entire duration of the license.

The amendment provides that "fair value" is the most satisfactory basis of determination at the date of the issuance of the license. The House conferees objected to the proviso at the end of amendment No. 57 to the effect—

"That no contract, which shall have been lawfully made prior to the passage of this act, not extending beyond the term of the license, for power, light, heat, or water, or for the service or delivery of the same to be furnished from any project works, and to which such project works, or the person, company, or corporation constructing, owning, or operating the same shall be subject, shall be affected by any license under this act, and no such person, association, or corporation shall be released from any lawful obligation by reason of this act or of any license granted thereunder."

The House conferees believed that the only purpose of this proviso was to prevent review in rate-making proceedings of any contract for power entered into prior to the passage of the act. Presumably this part of the amendment has particular reference to contracts at Niagara Falls. Public utility commissions in general have the right to review and to require the alteration of contracts which are not in the public interest. If contracts are in the public interest it is not to be presumed that the power granted under the act will be employed to annul or alter them, and hence no amendment would be needed in such circumstances. If they are not in the public interest, the latter half of the amendment would prevent their annulment or alteration, at least by any of the agencies provided in the act. This part of the amendment is, therefore, not proposed in the public interest, but for the purpose of protecting contracts which can not otherwise be defended before public rate-making bodies. The Senate conferees receded from this proviso in amendment No. 57 and it was eliminated from the bill.

Amendment No. 58: This amendment seeks to prescribe how a stream of doubtful navigability may be determined as within the provisions of the law, and in substance it provides that the commission shall ascertain whether the interests of commerce are affected; if not, then permission is granted to construct in accordance with the State laws.

Amendment No. 59: This amendment is a revision of section 18 of the rivers and harbors act approved August 8, 1917, creating a Waterways Commission. While in general the provisions of the amendment are identical with the original act, it changes the personnel of the commission and omits paragraphs 3 and 4 of the original act. The first of these paragraphs granted authority to employ expert assistance and made an appropriation of $100,000 for the expenses of the commission. The second paragraph authorized the employment of clerical and other help in the District of Columbia. In view of the fact that many of the duties imposed upon this Waterways Commission will be assigned to the Water Power Commission under the pending bill and other duties have already been assigned to other governmental agencies under the transportation act of 1920, the House conferees opposed this amendment. The Senate conferees receded, and the amendment has been eliminated.

JOHN J. ESCH,
N. J. SINNOTT,
G. N. HAUGEN,
EDWARD T. TAYLOR,
GORDON LEE,
Managers on the part of the House.

Mr. SIMS. Mr. Speaker, will the gentleman from Wisconsin suggest some agreement about the time?

Mr. ESCH. Mr. Speaker, I ask unanimous consent that, notwithstanding the rule governing the debate on a conference report, the time be extended to two hours, one-half to be controlled by the gentleman from Tennessee [Mr. SIMS] and one-half to be controlled by myself, and that at the end of the debate I be recognized to move the previous question.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent that the time for debate be limited to two hours, half to be controlled by himself and half by the gentleman from Tennessee [Mr. SIMS], and that at the end of the two hours he be recognized to move the previous question. Is there objection?

There was no objection.

Mr. ESCH. Mr. Speaker, the last dam act which passed Congress was the act of 1910. Since that time there have been but very few applications filed for the right to construct dams upon navigable streams. In fact, there have been but 140,000 horsepower developed upon navigable streams since the act of 1910 was put upon the statute books. No applications under that act have been made in recent years.

I will not indulge in any preliminaries, but will call attention to some features in connection with the conference report.

There were 59 Senate amendments. As to these the Senate receded from 8, and 14 were agreed to with amendments. I wish to call attention to those agreed to with amendments, they being the ones giving rise to controversy between the Senate and House conferees.

The first amendment, found on page 2 of the bill, relates to the appointment of an executive secretary. As we had it in the House bill we provided—

That the commission shall appoint an executive secretary, who shall receive a salary of $5,000 a year, and prescribe his duties.

The Senate substituted the following:

That the commission shall request the President of the United States to detail an officer from the United States Engineer Corps to serve the commission as executive secretary and engineer officer, his duties to be prescribed by the commission.

The conferees reported the provision restoring the House language with reference to the appointment of an executive secretary and adding the following:

And the commission may request the President of the United States to detail an officer from the United States Engineer Corps to serve the commission as engineer officer, his duties to be prescribed by the commission.

The change made by the conferees was to the effect that the Water Power Commission may request the President to detail an officer of the Engineer Corps to act as engineer officer. We did not make it mandatory. We did not make the engineer officer the sole executive officer of the commission, because we felt that that would practically magnify the importance of the War Department in connection with water-power development; and in view of the fact that the largest water-power development is possible on the public domain and in the forest reserves, we did not believe in giving such a disproportionate power or recognition to the War Department, so that we left it permissive with the commission to request the President to detail an Army officer. If we had left it as the Senate had it, with an Army officer as the engineer officer and executive secretary, such officer would only serve during his detail, and then would have to go back to the line, and there would thus be lost to the office that continuity of service which would make him valuable to the Government.

Of course, the expense of the Army officer would not be material, as he would be paid whether he served with the commission or not.

I next call attention to amendment No. 8 on page 4 of the bill. This deals with the definition of navigable waters. As the water-power bill in the last Congress left the House it did not contain a definition of navigable waters. A definition was inserted in conference, and the conference report was adopted by the House. In this Congress we reinserted the House definition as to navigable waters. The Senate struck out the House definition and inserted a definition of its own, and in conference the Senate definition has been retained with an amendment suggested by the conferees.

The weakness of the House definition of navigable waters lay in the fact that it excluded from the navigable waters over which the commission would have jurisdiction the shoals, shallows, falls, and rapids, which would be the very portions of a navigable stream where the dams would be located. Under the House definition, therefore, we feared that we would not be able to regulate or control the construction of a dam at shoals, shallows, falls, or rapids even in a navigable stream. Hence we concluded that the Senate definition was preferable to the House definition. But in order to make even the Senate definition more clear we inserted the words "between the navigable parts of such streams or waters," so as clearly to indicate that even in a navigable stream, where the navigable portions were separated by falls, shallows, or rapids, the falls, shallows, or rapids should also be considered as navigable waters.

Personally I think they would have been considered such anyhow under the decision of the Supreme Court in the Montello case, recorded in Twentieth Wallace. But to remove any doubt we have accepted the definition of navigable waters with the amendment suggested by the conferees. This amendment No. 8 should be taken into consideration with amendment No. 58 in the latter portion of the bill, where it is sought to aid applicants who desire to build power plants upon streams of doubtful navigability.

Amendment No. 27 provides for the construction of a power plant at or near Great Falls on the Potomac. You will remember that some three years ago a similar proposition was adopted by the Senate at the instance of Senator NORRIS, of Nebraska. It has been inserted by amendment on the floor of the Senate in this water-power bill. It provides that the Water Power Commission shall have the right to construct a dam at Great Falls, either under its own supervision or by contract, with an authorized expenditure not in excess of $25,000,000; that in connection with the power project there should also be considered the matter of securing an additional water supply for the District of Columbia. The conferees, after careful de-

liberation, decided to eliminate this amendment from the bill. We were persuaded so to do not merely because of the very large appropriation authorized, namely, $25,000,000, but because of the fact that no committee of the Senate or House had given thorough, careful consideration to all the details of this very great project. We all conceded the advisability and necessity of a water-power development at Great Falls in the not distant future and that an increased water supply should be secured for the city of Washington. But we did not believe that it would be advisable to do this through an amendment to a general water-power bill; that to do this might establish a precedent which might be urged to force Congress to construct water-power projects in other sections of the country.

While we have eliminated the provision of the bill relating to the Great Falls project, we have recommended a substitute. The substitute in brief provides that the Water Power Commission created by this act shall at once consider the plan as set forth in the Senate amendment based upon the report of Col. Langfitt, made in the Sixty-second Congress, known as House Document 1400; that it could take into consideration other plans and make further surveys, and, at the same time, it should also take into consideration the cost of the additional water supply for the District of Columbia, and for all these purposes we appropriate $25,000, or so much as may be necessary. We also provide that the commission shall file a report by the 1st of January, 1921. We did this in the interest of expedition, so that Congress may have the necessary data and information by the 1st of January to enable it to act.

The next amendment is No. 36, page 22, and relates to the charges for water-power development. The matter of a charge for the development of power has been, from the beginning, one of the leading points of issue between the Senate and the House. The Senate has consistently opposed the making of a charge for power development on the ground that there was no constitutional warrant for the making of such a charge. The House almost as consistently has insisted that it had a right to make such a charge on the theory that where Congress grants a right to obstruct navigation on a navigable stream it has the right to impose such conditions as it sees fit. The House provision with reference to the charge was as follows:

That the licensee shall pay to the United States reasonable annual charges in an amount to be fixed by the commission.

This imposed no limitation whatever upon the power to make a charge on the part of the commission. The Senate, in its amendment, however, provided that "the licensee shall pay for the license herein granted such reasonable charge as may be fixed by the commission for the purpose of reimbursing the United States for the cost of administration"—

of the act in relation to water powers developed under its jurisdiction, in the proportion that the water power developed by the project covered by said license bears to the total water power developed by all projects licensed under the act, and for that purpose such charges may be readjusted from time to time, not oftener than once in two years; the licensee shall also pay for the use and occupation of any public lands and lands in reservations, except tribal lands embraced within Indian reservations, necessary for the development of the project covered by the license such reasonable annual charges based upon the actual value of the Government lands used as may be fixed by the commission; but in no event shall the annual charge for the foregoing exceed 25 cents per developed horsepower.

The conferees did not accept in full either Senate or House provisions as to the making of the charge, but recommended a substitute to the effect that the licensee should pay the necessary reasonable annual charges in an amount to be fixed by the commission for the purpose of reimbursing the United States for the cost of the administration of the act. This constituted one ground for the charge.

Another ground was recompensing the United States for the use, occupancy, and enjoyment of its land or other property; and a third, for the expropriation to the Government of excessive profits until the respective States should make provision for preventing excessive profits, or for the expropriation thereof to themselves, or until the period of amortization as herein provided is reached, and in fixing such charges the commission shall seek to avoid increasing the price to the consumers of power by such charges, and charges for expropriation of excessive profits may be adjusted from time to time by the commission as conditions may require.

Under the provisions of this bill no charge is levied upon a municipality or any other governmental agency or the State itself for the power developed by dams constructed by such State or municipality, and when the power is for public-utility purposes and not sold for profit. The only source of a charge would be upon the agency, private in its character, which furnished power to public utilities or for its own use.

In a case where a private plant builds alongside the dam and uses the power created, there is no State utility commission, there is no Federal authority, to regulate its rates. It is not a public utility in any sense, and there would be no method of reaching the excess profits of an institution of that kind. We decided, therefore, that in view of the fact that such a plant is private in its character and could not be reached by the regulatory body of the State or by the Federal Government under this bill, we could reach its excess profits, if any, by right of expropriation, as provided in this conference substitute. However, we retain in the compromise agreement the provision as to the fixing of the charge for the power developed upon a Government dam, and also allow periods for the adjustment of such charge in terms of 10 years after the first 20 years have elapsed.

Amendment No. 44 relates to discriminations and was offered on the floor of the Senate. Its purpose is to prohibit any company, corporation, or individual selling or leasing or disposing of power, heat, or light to discriminate as between different localities. We did not believe that such an amendment would be workable, and therefore eliminated this amendment from the bill. For instance, here are two communities adjacent to each other supplied by a common power plant. One community grows twice as fast as the other. In order to comply with this amendment, the producer of the power would have to take from the community that was growing less and supply the community that was growing more rapidly, and thus give rise to a charge of discrimination. Moreover, there would follow uncertainty in respect to any contracts that might have been made with the town that grew less rapidly. Under the circumstances we did not feel justified in retaining this amendment in the bill.

Amendment No. 48 has reference to the termination of the 50-year period and to the matter of recapture. The House provision was:

Provided, That in the event the United States does not exercise the right to take over and does not issue a new license to the original or a new licensee, then the commission shall issue from year to year an annual license to the then licensee under the terms and conditions of the original license, etc.

The Senate struck out the House provision and inserted the following:

Provided, That in the event the United States does not exercise the right to take over or does not issue a license to a new licensee, or tender a new license to the original licensee, upon the terms and conditions aforesaid, which is accepted, then the commission shall issue from year to year, etc.

Because of the insistence of the House conferees that the language of the Senate provision did not meet with their approval, the conferees agreed to this modification:

Provided, That in the event the United States does not exercise the right to take over or does not issue a license to a new licensee, or issue a new license to the original licensee, upon reasonable terms, etc.

We believe that the use in the Senate amendment of the words "which is accepted" would result in a perpetual license, because all that the original licensee would have to do would be to say to the Government when it tenders terms, "These terms are not accepted; we will not accept them," and simply stand pat. Then, under the act, the Government would have to tender a license from year to year. We struck out the words "which is accepted" and in lieu thereof inserted the words "upon reasonable terms," so that the Government at the end of 50 years could tender reasonable terms to the original licensee, and if he would not accept those terms, proceedings could be begun against the original licensee and his contract terminated.

Amendment No. 49 provides how the charges which are secured in the previous section are to be distributed. There was difference between the Senate and the House with regard to this matter. We finally resolved upon adopting the plan which was adopted in the oil-leasing bill recently enacted by Congress, changing, however, in some degree the percentages, so that 12½ per cent of the charges derived from water-power development are to be paid into the Treasury of the United States to be used for the purpose of paying costs of administration; 50 per cent derived from national monuments, national-forest reserves, and the public domain, etc., to go into the reclamation fund; 37½ per cent derived from power development upon national forests, national monuments, and the public domain to be paid to the State in which the power is developed; 50 per cent of the charge derived from the construction of dams upon navigable waters to go into the Treasury of the United States, to be expended for construction and maintenance of navigation dams and for the construction of headwater improvements; the balance, 50 per cent, less 12½ per cent cost of administration, to go to the Treasury of the United States. We compromised the conflicting views of the Senate and House on the matter of distribution of the charge in the manner set forth in the conference substitute.

Amendment No. 57 relates to the "fair value" as the basis for net investment where an existing power plant comes under this new law upon its own application. The House did not

have any such provision. We feel that it would be necessary to have some basis of valuation on an existing plant when it comes in under the new law upon its own application, but the latter portion of amendment No. 57 was objected to by the House conferees and was finally eliminated. That latter portion of the amendment has reference to contracts with existing plants, and its purpose was to continue those contracts, not to exceed the license period, even though the power plant which makes the contract goes under this new law. We did not believe that this would be wise. We felt that this would simply make it impossible for the Water Power Commission to change the rates, even though those rates under the existing contracts were not in the public interest.

If these contracts are in the public interest, then the customer has nothing to fear under this law, and if they are not in the public interest there ought to be a regulatory body which could make them in the public interest, and so we say that they should be subjected to the regulatory control of the State authorities where they have such bodies, and if not under the Water Power Commission under the provisions of section 19 of the act.

The last amendment I wish to call attention to is amendment No. 59, and relates to the provisions of the rivers and harbors act of 1917, creating the so-called Newlands Waterways Commission. The amendment was eliminated. The conferees did not believe it was necessary to incorporate that provision in this water-power bill. We believed that we should repeal this provision of the act of 1917 creating the Waterways Commission for these reasons: The President never appointed the commission, notwithstanding the act was passed as far back as 1917. Moreover, many of the powers that were given to the commission we have given to various bodies created in the transportation act of 1920, especially with reference to inland water transportation. Other powers granted in the Newlands Act are contained in this water-power bill. So there was very little left for this commission to do.

Gentlemen, these are in brief the main amendments that have kept the conferees apart for six weeks. This report represents the consummation practically of eight years of contention between the Senate and the House upon water-power legislation. I sincerely trust that the time has come for this law to be put in force, to the end that industry may be promoted and that the prosperity of the country may be advanced. [Applause.]

Mr. SIMS. Mr. Speaker, I want to use as little time as possible, and I therefore asks unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none.

Mr. SIMS. Mr. Speaker and gentlemen of the House, I could not sign this conference report, but I want to say that while there is much good legislation in the bill there are Senate amendments which are absolutely fundamental, in my judgment, that I have never agreed to, that the House has never approved. But if this bill is sent back to conference I have not a particle of doubt that the Senate conferees will yield as to these objectionable amendments. One of them is amendment No. 8, one other is amendment No. 36. Amendment No. 8 will be discussed as to its effect by the gentleman from Maine [Mr. WHITE], to whom I expect to yield time for that purpose. Up to 1918 there had been developed water power in the United States to the extent of 6,000,000 horsepower.

I read as my authority for this statement, in the hearings held by the Water Power Committee of the Sixty-fifth Congress, a letter from Mr. H. J. Pierce, as follows:

THE ARLINGTON,
1025 VERMONT AVENUE,
Washington, D. C., May 8, 1918.

Hon. T. W. SIMS,
Chairman Committee on Water Power,
House of Representatives, Washington, D. C.

DEAR MR. SIMS: In response to your suggestion that you would be glad to know approximately how much of the water power already developed in the United States is under Government control and developed through permission of Government, and how much has been developed by private parties independent of Government control, the following figures I believe to be approximately correct:

	Horsepower.
In the national forest	755,000
In the public domain	173,000
Through reservoir development	72,000
Requiring right of way over public lands	1,000,000
In navigable streams	1,000,000
On nonnavigable streams and involving lands privately owned	3,000,000
Total amount of water horsepower developed in the United States	6,000,000

Very truly, yours,

H. J. PIERCE.

In other words, development up to that time, as shown by the Geological Survey, has been exactly half and half as to developments that would come under the provisions of this bill and that would not. There was 3,000,000 horsepower developed upon public lands and navigable rivers requiring the consent of Congress or the Government. There has been 3,000,000 horsepower developed not requiring an act of Congress or the consent of the Government. The definition of "navigable waters" that we carried in the bill that passed this House twice, that was agreed to in conference by House and Senate in the Sixty-fifth Congress, was as follows:

That the term "navigable waters," as used in this act and as applied to streams, shall be construed to include only such streams or parts of streams as are in their ordinary natural condition used for the transportation of persons or property in interstate or foreign commerce, or which through improvements heretofore or hereafter made have been or shall become usable in such commerce.

A majority of the conferees have agreed on the following instead of that definition of "navigable waters," which is Senate amendment No. 8:

"Navigable waters" means those parts of streams or other bodies of water over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States, and which either in their natural or improved condition, notwithstanding interruptions between the navigable parts of such streams or waters by falls, shallows, or rapids compelling land carriage, are used or suitable for use for the transportation of persons or property in interstate or foreign commerce, including therein all such interrupting falls, shallows, or rapids; together with such other parts of streams as shall have been authorized by Congress for improvement by the United States or shall have been recommended to Congress for such improvement after investigation under its authority.

The definition of navigable waters as carried in the House bill is a natural one, one that is easy to understand, one you know what it means. Here is 3,000,000 horsepower developed up to 1918 by State authority not upon navigable waters as then defined and understood. With the present tendency to extend navigation in very small streams by the use of small motor boats that can carry a hundred pounds of freight, that make regular or irregular trips, such streams can be recommended for improvement by the Government engineers, because they carry that which enters into interstate commerce. Who knows how many millions of this 3,000,000 horsepower development can be put under Government control by simply having the engineers recommend improvements in these small watercourses that never had been used for purposes of navigation?

Mr. RAKER. Will the gentleman yield?

Mr. SIMS. Yes.

Mr. RAKER. I am watching the gentleman's argument in this matter very closely, and I am with him on the committee, and I have heard many of his careful examinations of witnesses. Now, just what is the gentleman's objection to this Senate provision which authorizes the development of streams designated here so that they can be improved and the Government handle them under this bill?

Mr. SIMS. I am trying my best to do that very thing. [Laughter.]

Now, where there is a great interruption like that in the Muscle Shoals on the Tennessee River, with two or three hundred miles of naturally navigable water above the interruption and two or three hundred miles of naturally navigable water below the shoals, of course the law ought to apply to both parts of it. But you can make, by artificial improvement under this definition, a navigable stream out of almost any kind of a watercourse or lake or dam if it can be used in part for interstate commerce.

I want you to remember how the definition in the House bill originally came to be in it. The original definition of a navigable stream as adopted by the House in the Sixty-fifth Congress went to the Senate, and Senator CUMMINS offered an amendment defining what navigable waters were, and it was so logical and so reasonable that for one I contended that the House committee should accept that definition, and it was accepted, and so the definition that was in the House bill, which was stricken out in the Senate, was really a former Senate amendment, proposed and advocated by Senator CUMMINS. Now, as there are many thousands of horsepower already developed in the State of Maine and in other States on streams not naturally navigable, but under the provisions of this bill may be so declared, it seems to me you are playing with fire to change this definition that is natural, that is logical, that is easily understood, and put in this "reworked shoddy" provision of the Senate.

Now, as to Senate amendment 36, that has been the bone of contention in every water-power fight we have ever had on this floor and in the Senate. Heretofore Congress passed certain bills; the charge provisions did not suit the late President Roosevelt, and he vetoed them. The Congress passed other

bills during the administration of President Taft, and on this very identical feature he vetoed them.

The House provision is to my mind very similar to the House definition as to navigable waters. It is natural, it is reasonable, it is clear. It reads as follows:

That the lessee shall pay to the United States reasonable annual charges in an amount to be fixed by the commissioner.

Who was the author of the language of the House provision? The gentleman from Minnesota [Mr. ANDERSON], who was a member of the Special Water Power Committee. That provision was agreed to by the Senate conferees in the Sixty-fifth Congress and was adopted by the House. The licenses to be issued contemplate the use of Government land or permission to develop power on navigable waters. That provision fixed neither a maximum nor a minimum charge. Where a pioneer development is contemplated out in the West, where you want to develop water power for the purpose of attracting settlers, where the demand for power will be small for several years, charge them 1 cent a horsepower for a reasonable time, until the community is built up and the demand increases. But take the great Niagara Falls development, situated practically in the suburbs of Buffalo, where water power is being sold on both sides of the Niagara River—a great stream where no dam had to be built, where no private investment was required, and where power has been sold from that development at Niagara Falls for from $10 per horsepower per annum all the way up to $114 per annum. There stands the great city of Buffalo. Buffalo can not get anything like a fair division of the power produced at Niagara, the power companies having contracted to let the Aluminum Co. have, as I now recall it, 70,000 or 80,000 horsepower per annum and about 40,000 or 50,000 horsepower to other corporations, while Buffalo is given, as I recall it, less than 30,000.

There was an amendment placed on the bill, offered by Senator WADSWORTH, of New York, that required an equitable distribution of power among all those needing power. Why should not a great city like Buffalo, almost on the brink of the Niagara River, obtain its needed power, or at least a fair division of the power produced at its door? These power companies will perhaps apply for new licenses under this law. Why should not the commission have the right to require a just and equitable distribution of power, and give to Buffalo and other cities near enough to utilize it power as cheap as possible, to be used for public utility purposes, instead of giving the Aluminum Co. and other private corporations the bulk of it? Buffalo to-day has the largest steam power plant in the world, about 150,000 horsepower, as I now recall, used to light the city and operate other city utilities, while a great monopolistic private corporation is permitted to utilize at a minimum charge per annum by far the larger volume of the horsepower produced on the American side of the great Niagara Falls. Do you want to vote for a bill that confirms the grip that monopolies already have on these power resources, with no power given to the commission to make these power companies award a certain percentage of this power to Buffalo and other cities or to make among private users an equitable distribution? I want to know why a producer of power at Niagara Falls should not pay a higher charge to the Government than a producer of power at Priest Rapids, in the State of Washington, almost in a desert?

Mr. McKEOWN. Mr. Speaker, will the gentleman yield for a question?

Mr. SIMS. Yes.

Mr. McKEOWN. Is there anything in this bill that will give municipalities or divisions of the Government any prior rights to lease or establish these water powers or license these water powers?

Mr. SIMS. Yes; if they show equal capacity to do it.

Mr. McKEOWN. A prior right?

Mr. SIMS. Yes; a municipality.

Mr. McKEOWN. Do I understand the gentleman to say there is nothing in this bill by which the control of the power by the private corporation can be exercised—that is, that they can not be ordered to furnish the municipality with the power?

Mr. SIMS. No; the commission can not force an equitable division. You heard the chairman discuss that. He was afraid it would bring about practical difficulty.

Now, why should not the commission be permitted to make a just and reasonable charge, as provided in the present House bill and in the bill that passed the House and was agreed to in conference in the Sixty-fifth Congress, and leave it to the commission to determine what should be a just and reasonable charge be made for each project? One cent might be high enough at one project and ten or fifteen dollars might not be unreasonable at another improvement. These projects are not all public utilities serving cities and municipalities. Private corporations will exercise the right to apply for licenses. Every water power in the United States is already known to gentlemen who will file applications on the best sites almost before the ink gets dry on the President's pen, if he should approve the bill. All the best locations are well known to private interests, who will grab while the grabbing is good. The municipalities will not hear of it perhaps until it is too late. Why should we turn over these valuable national assets while we have the power to refuse them a license except upon conditions and terms that will do justice to the public? Why should we turn over to the Steel Trust, to the Aluminum Co., or any other great corporate manufacturer that wants to develop for the purpose of private profit and not for the public benefit? This conference report as it is ought to be defeated. The bill ought to go back to the conferees with instructions to at least adhere to their disagreement on amendments Nos. 8 and 36.

Senate amendment No. 36 reads as follows:

That the licensee shall pay to the United States reasonable annual charges in an amount to be fixed by the commission for the purpose of reimbursing the United States for the costs of the administration of this act; for recompensing it for the use, occupancy, and enjoyment of its lands or other property; and for the expropriation to the Government of excessive profits until the respective States shall make provision for preventing excessive profits or for the expropriation thereof to themselves, or until the period of amortization as herein provided is reached, and in fixing such charges the commission shall seek to avoid increasing the price to the consumers of power by such charges, and charges for the expropriation of excessive profits may be adjusted from time to time by the commission as conditions may require: *Provided*, That when licenses are issued involving the use of Government dams or other structures owned by the United States or tribal lands embraced within Indian reservations the commission shall fix a reasonable annual charge for the use thereof, and such charges may be readjusted at the end of 20 years after the beginning of operations and at periods of not less than 10 years thereafter in a manner to be described in each license.

Mr. Speaker, I would like for any man to tell the House, if we are to prefer the public to private interest, in what way does this Senate amendment better serve the public and better protect the interest of the United States than does the House provision for a just and reasonable charge to be fixed by the commission, to be paid by the licensee for the permission of doing for his individual profit a thing the Government has the right, power, and duty to do, if the public interest is to be served rather than the promotion of private, selfish, profiteering, monopolistic schemes for the amassing of great wealth by exploiting the public.

When a would-be developer gets a permit he will have two or three years to get ready, to make financial arrangements, and to make borings, and one thing and another. If a water-power site is improved at the present time, under the present prices for labor and material, what kind of a project would it have to be in order to pay a desirable return on the investment?

This is a leasing bill only in name, because it does not provide a practical, workable method for the Government to resume control of that which it has leased. To admit that it can lease is to admit that it has the right to lease, and to admit that it has a proprietary interest in the thing so leased, and we provide that the Government may take this property back after 50 years by paying the licensee or assign the net investment in the project. Why, the Government will never take one of them back on these terms unless it is during a war and taken for war purposes. Why? Because if you gentlemen and myself should be living at that time, which in all probability we will not, you would not make an appropriation out of the Public Treasury to pay for any kind of a net investment in any project.

So private capital will hold the property indefinitely, perpetually. The original licensee may not hold it, but some other will hold it, because Congress will not make the required appropriation. Therefore, while we provide for recapture, it is only in name, as no recapture will ever take place under this bill. Mr. Speaker, nothing less than compulsory amortization during the period of the lease will ever get back anything for the Government. Do you know what the amortization charge would have to be in order to pay out absolutely every dollar of the investment in 35 years? Only 1 per cent per annum on the actual investment; yet we are giving licensees 50 years and then paying them for the property. Here is the testimony of Mr. Britton, a very able man, who is general manager of the Pacific Coast Gas & Electric Co., of San Francisco, Calif. His company serves about 2,000,000 people, produces and disposes of 164,000 electric horsepower a year, and not one project of it on a navigable stream, and he says that the price that they get for their power is $68 per horsepower per annum, on the average, and that they pay as taxes 5.6 per cent upon the gross receipts, which means about $3.50 a year per horsepower. One

per cent more, or 6.6 per cent on gross receipts, would amortize every one of these projects, if they were under the provisions of this bill, in 35 years and would require an additional charge of only 68 cents per horsepower per annum. His company is making money. It is one of the most prosperous companies in the United States, paying in taxes six times the amount that it would take to completely amortize the property of these companies in 15 years less time than the licenses have to run in this bill. Suppose the State of California had been the proprietor, like the Government is, of the public lands and had the power on navigable rivers possessed by the Government and had provided for a compulsory amortization charge of 1 per cent per horsepower per annum. In 35 years the State of California would have owned the whole blessed outfit without having to pay one cent for any part of the investment. No such provision is in this bill.

Too-day through this bill we are parting with the last national resource we have over which we have any power of control. Canada has taken care of her timber. The timber on the public lands of Canada can be sold only by permission of the Dominion Government, and then they send a Government agent to mark the trees that may be taken. They are conserving their forests. We have wasted and destroyed our timber in the United States by having no Government supervision of the forests, either State or national.

The coal mines of the country are fast being depleted because the mining is not scientific, but is wasteful and under no control whatever. Here is the competitor of coal. Water power is the competitor of power produced through the agency of coal, which is going to become more expensive all the time. So far as water power is concerned, the power house and the electric generating machinery do not require very much for maintenance. Transmission lines are different. Now, if we are going to lease these water powers, let us provide that after five years of operation, or some other period of time, after they have passed through the pioneer stage, they must charge 1 per cent per annum as an amortization charge in addition to the charges they are authorized to make for other reasons, and that the Federal and State commissions must provide for it, and at the end of 35 years the Government will own the projects absolutely, with no suit to bring or one additional dollar to pay in order to retain these great water-power rights and possibilities, or do we want to give them away? The question is with us to decide now or it will be forever too late.

Mr. Speaker, Senate amendment No. 44 reads as follows:

The licensee hereunder shall not directly or indirectly discriminate or permit discrimination in the apportionment, allotment, transmission, distribution, sale or lease of power or electrical energy or current in favor of any municipality as against any other or others in respect of service, rates, or the quantity of power or electrical energy or current transmitted or supplied to it or them; but the licensee shall fairly and equitably apportion, allot, transmit, and supply power, elecrical energy and current among and to such municipalities as can be efficiently served and supplied directly or indirectly by the licensee in proportion, so far as practicable, to their respective populations, industrial or commercial importance and prospects, needs and requirements, so as best to subserve the public interests. This condition shall be binding upon every person, association, and corporation receiving power or electrical energy or current from the licensee and enaged in developing, transmitting, distributing, selling, or leasing power, electrical energy or current to any municipality or to its inhabitants, and shall inure to the benefit of such inhabitants. Every contract, agreement, or understanding between the licensee and such person, association, or corporation shall be expressly subject to and limited by the provisions of this subsection. This condition may be enforced and regulated by the commissions or other agencies mentioned in, and in the manner and to the extent prescribed by, section 19 of this act.

I was strongly in favor of yielding to the Senate as to this amendment, as was also Mr. HAUGEN, and I shall in my motion to recommit instruct the House conferees to yield and agree to this amendment. It is a just and proper provision to have in the law.

Mr. ESCH. I yield to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, I congratulate the conferees that finally, after these many years of effort, a water-power bill has been reported that both branches seem to have agreed upon. It is of particular interest to my section of Massachusetts that cooperation can be arranged between private owners and the Government for the use of the water power on navigable streams. The subject has been very thoroughly discussed on this floor, and I am sure the report of the conferees will meet with the hearty approval of the people in my section. [Applause.]

I can add nothing to the details of the discussion of the relations between private corporations desiring to generate power and the interest of the Federal Government in increasing the use of navigable streams. Before I was a Member of Congress the Connecticut River above Hartford was the outstanding example of this form of cooperation.

The increased cost of fuel, the lack of power, and the need of additional transportation facilities have greatly augmented the previous strong arguments made in behalf of transportation on this stream. Within a very compact area about Windsor Locks, Conn., are centered industries which would quickly absorb the 40,000 horsepower now running to waste down the Connecticut River.

Navigation to Springfield and Holyoke, Mass., by a limited Federal appropriation would mean material reduction in cost of fuel and raw material. Under the bill the conferees to-day report, private enterprise can combine with Federal appropriation by which the natural resources will be utilized and navigation made possible. May this bill soon become law and thereby end an effort of many years' standing in behalf of navigation on the Connecticut River.

Mr. ESCH. I yield to the gentleman from Georgia [Mr. LEE].

Mr. LEE of Georgia. Mr. Speaker, after nearly 10 years of controversy, during which adverse interests have fought to secure the incorporation of their ideas into legislation, a conference committee of the two Houses of Congress has finally agreed upon and reported out a water-power bill which constitutes one of the best examples of constructive legislation of recent years.

Up to the present time water powers on the navigable rivers have been administered by the War Department, on the national forests by the Department of Agriculture, and on the public lands by the Department of the Interior. Under the provisions of the bill now agreed upon all water powers over which the United States has any jurisdiction will hereafter be administered by a commission composed of the Secretaries of War, Interior, and Agriculture, a measure by which duplication of work may be avoided, a common policy pursued, and the combined efforts of the three departments directed toward a constructive national program of intelligent economical utilization of our water-power resources.

Under the terms of the bill the public retains complete control of water-power rights on the public lands and in the navigable rivers. No development can be made by any agency other than the United States itself, except under the authority of and in accordance with the provisions of a license issued by the commission. Any lands of the United States proposed to be used for power development are to be automatically reserved for such purposes as soon as application is filed, and the title to such lands will be forever reserved to the United States. Existing laws which provide for a different disposition of water-power rights are to be repealed.

The first right to develop any power project rests in the United States, and this right may be exercised at any time for any purpose that Congress may approve and to any extent that it may appropriate funds. The bill provides that if the commission shall find that the power available at any Government dam may be advantageously used by the United States itself, or that any specific project should be developed by the United States, it shall not approve any application by any other agency, but shall report to Congress with recommendations for Government construction. At the expiration of any license the United States retains the right to take over and thereafter to maintain and operate the properties of any licensee upon payment of an amount which shall in no case exceed the original cost of the property and which, on account of the provision for amortizing original cost out of earnings in excess of a specified rate, may in many cases be much less than such cost.

The United States further reserves the right to take over at any time for purposes of operation any plant under license upon the payment of an amount to be determined by condemnation proceedings; and finally, in time of public danger, upon order of the President, the United States may take possession of any project and operate it for any purpose involving the safety of the United States.

In the development of water powers by agencies other than the United States, the bill gives preference to States and municipalities over any other applicant, both in the case of new developments and in case of acquiring properties of another licensee at the end of a license period. Furthermore, no charges are made for licenses issued to these agencies in so far as the power developed is sold to the public without profit or is used for State or municipal purposes.

Whenever licenses are issued for developments by private capital, full public control is retained over the construction, maintenance, and operation of the project. Plans and specifications of all structures and the general scheme of development must be approved by the commission, which has authority to require the best practicable utilization of any site applied for. Construction must be started within two years of issuance of

license and must proceed to completion at a rate prescribed by the commission. Failure to begin or to complete construction within the time specified subjects the license to cancellation.

Licensees must maintain their power plants and other structures in good repair and efficient operating condition, and must set aside annually out of earnings a sum sufficient not only for current maintenance but for replacing any structures or equipment that may become worn out or obsolete. They also must so operate their works as not to interfere with navigation and must, upon request, furnish power for lighting and operation of locks. They must at all times conform to reasonable regulation concerning the maintenance of reservoir levels and the discharge of water through the plant in order to maintain satisfactory conditions of navigation.

Licensees are required to maintain a system of accounting in a form to be prescribed by the commission, to permit examination of their books or records at any time, and to submit such statements concerning their business as the commission may require. This provision of the bill will make it possible to keep a continuous check upon the expenditures of a licensee and will enable the commission to know at all times the amount of money which has been invested in the property.

The bill provides that the regulation of rates, of service, and of issuance of securities shall be exercised by the several States whenever they have established agencies with the necessary authority. If local agencies do not exist, the Federal commission is given jurisdiction to act, upon the request of any State, or of any interested person, or on its own initiative. In rate-fixing proceedings no valuation can be claimed by the licensee in excess of the actual cost of the properties used in the development of power.

Licenses issued to private or corporate applicants will require the payment of annual charges in an amount to be fixed by the commission for the purpose, first, of paying the costs of administration of the act; second, for recompensing the United States for the use or enjoyment of its lands or other property; and, third, of absorbing any excess profits that may be earned by licensees. Charges for this last purpose will be collected only until the several States have made provision for preventing excessive profits or for taking over such profits for themselves or until a provision of the bill which requires that excessive profits shall be used for retiring the cost of the property becomes effective. In fixing annual charges the commission shall avoid naming an amount which would result in increasing prices to consumers. Of the charges collected on account of the use of public lands one-half are to be paid into the reclamation fund, three-eighths to the States, and one-eighth into the United States Treasury. One-half of the charges collected on account of licenses on navigable rivers are to be reserved as a special fund to be spent by the Secretary of War in the maintenance and operation of navigation structures or in the construction of headwater improvements on navigable rivers. The remaining half of charges from this source are to be paid into the Treasury.

The bill provides that whenever any licensee is benefited by the construction by another of a storage reservoir or other headwater improvement the commission shall require the licensee who is thus benefited to reimburse the owner of the reservoir or other improvement for a fair share of the annual charges for interest, maintenance, and depreciation. This provision will be a direct encouragement to the construction of storage reservoirs and will result in the conservation of flood waters, the regulation of river discharge in the interests of navigation, and the prevention of flood damage as well as in the development of water power.

The feature of outstanding public importance is the basing of property values upon cost. Under present conditions whenever public agencies seek to regulate rates for services or to acquire private property for public use, the valuations are likely to include not only the original cost of the properties but appreciation in land values, franchises, "going value," and every other element, tangible or intangible, that the ingenuity of owners or of their attorneys can devise. Every licensee under the new bill will, as a provision of his license, enter into a contract with the Federal Government never to claim anything in excess of actual cost when his properties are valued for purposes of rate making, and even this amount will be reduced to the extent that reserves have been accumulated out of excess earnings for the purpose of retiring a part of the cost. This same method of valuation will be employed in determining the prices to be paid for the property at the end of the license period if it is taken over by the United States or if any State or municipality exercises its preference right to acquire the properties for public use.

It is believed that this legislation will protect the public against excessive charges for power and at the same time is sufficiently liberal to encourage development by the States, municipalities, individuals, and corporations; that within a reasonable time dams will be built and storage reservoirs constructed which will prevent the untold loss of millions of dollars by disastrous floods and give the Nation at a minimum cost cheaper power for lighting our cities and homes and to drive the machinery of our industries.

Mr. ESCH. I yield five minutes to the gentleman from Colorado [Mr. TAYLOR].

Mr. TAYLOR of Colorado. Mr. Speaker, I have been a member of the Public Lands Committee for nearly 12 years, and during nearly all that time we have had a water bill before us. We have spent many, many months of hard and patient work upon it, and it is needless to say that this final act is a great relief to some of us. I feel that this is one of the most important and far-reaching bills and really great pieces of constructive legislation that Congress has enacted in many years. [Applause.] Fortunately there is no politics in the bill. Both political parties are entitled to great and equal credit for enacting it. It has been a most tedious, difficult, and often exasperating task. Even after its special water-power committee was created some two years ago and all these bills referred to it, I know from being on that committee that the work has been long and trying, and I am exceedingly glad to have taken a humble part toward this final adjustment of a policy that will affect this and future generations in this country. I wish we could be endowed with the foresight to see the defects of this bill as our posterity will see them 50 years from now. We can only say to our heirs and descendants that we have earnestly and conscientiously tried, first, to fully and thoroughly protect the Government and the rights of the people against monopoly and extortion, and to provide for good service at fair rates, and, secondly, to draft a law that will encourage and fairly protect investments in water-power development, and it is my earnest hope and prayer that we have accomplished both of these objects. If we have, the committee will for generations to come be entitled to the thanks of the American people. The possibilities of the water-power development of this country are beyond the imagination of any living human being. We already have the richest and greatest Nation the sun has ever shone on, and when all our streams are properly harnessed the power possibilities and industrial development that it will bring about are beyond human calculation at this time.

We need fear no competition so long as we keep a level head. As I listened a few minutes ago to the bitter and impassioned speech of the gentleman from Massachusetts [Mr. GALLIVAN] against the prohibition constitutional amendment, and heard his reference to other countries, I thought to myself, "Let other nations revel in drink and scoff at us if they want to; but history will record that sober America beat a drunken world." We will not only compete with but distance every nation on earth and the more liquor they consume the easier it will be to outstrip them. The marvelous resources of our country, handled by educated, intelligent, sober, energetic, ambitious, and patriotic Americans, will make our country exceed all others in a geometrical proportion in the coming years, and this bill, together with the hundreds of other splendid constructive measures that have been enacted by Congress during the past few years, will very greatly aid in that future development and glory of our beloved and glorious country. [Applause.]

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 1661. An act for the relief of Maj. Ellis B. Miller;

S. 2554. An act for the relief of J. B. Waterman;

S. 2274. An act for the relief of the owners of the schooner *Charlotte W. Miller;*

S. 1003. An act for the relief of Jesse L. Clay;

S. 557. An act for the relief of Oscar C. Guessaz;

S. 3995. An act providing for the relinquishment of certain described property by the United States to the city and county of San Francisco, State of California;

S. 3421. An act for the relief of Mabel L. Noble;

S. 4205. An act to amend section 4, chapter 1, of Title I of "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900, as heretofore amended by section 2 of an act entitled "An act to amend section 86 of an act to provide a government for the Territory of Hawaii, to provide for additional judges, and for other

judicial purposes," approved March 3, 1909, and for other purposes;

S. 1521. An act authorizing the Cowlitz Tribe of Indians, residing in the State of Washington, to submit claims to the Court of Claims;

S. 3716. An act conferring jurisdiction on the Court of Claims to determine and report upon the interest, title, ownership, and right of possession of the Yankton Tribe of Indians, South Dakota, to the Red Pipestone Quarries, Minnesota.

S. 3307. An act authorizing the Ottawa and Chippewa Tribes of Indians of Michigan to submit claims to the Court of Claims;

S. 4046. An act to cancel an allotment made to Mary Crane, deceased, embracing lands on the Winnebago Reservation, in Nebraska;

S. 4047. An act authorizing and directing the Secretary of the Interior to make an allotment to Pessa, a member of the Comanche Tribe of Indians in Oklahoma;

S. 192. An act authorizing the Crow Tribe of Indians residing in the State of Montana to submit claims to the Court of Claims;

S. 3164. An act authorizing the Northern Arapahoe Tribe and the Northern Cheyenne Tribe of Indians to submit claims to the Court of Claims; and

S. 3774. An act to authorize the coinage of a Roosevelt 2-cent coin.

The message also announced that the Senate had passed with amendments bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 4311. An act to authorize the addition of certain lands in the Caribou National Forest; and

H. R. 9781. An act to amend section 217 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909.

The message also announced that the Senate had insisted upon its amendment to the bill (H. R. 9783) to provide a national budget system and an independent audit of Government accounts and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. McCORMICK, Mr. SMOOT, Mr. KEYES, and Mr. SIMMONS as the conferees on the part of the Senate.

WATER POWER.

Mr. ESCH. Mr. Speaker, I yield three minutes to the gentleman from California [Mr. RAKER].

Mr. RAKER. Mr. Speaker and gentlemen of the House, like my good friend from Colorado [Mr. TAYLOR], who has been on the Committee on Public Lands and the Water Power Committee, that has had this legislation under consideration, I have been on the same committees with him and have seen similar legislation pass the House at three different times in prior Congresses. I was on the special water-power committee of the last Congress and attended the committee hearings, which gave great consideration to this bill; also on the same Committee on Water Power which reported this bill. This is a nonpartisan bill. To my mind it gives the best judgment of the Members of the House and the members of the committee and the conferees for the purpose of proper development of the great water powers of the United States, both as to navigable and nonnavigable streams, and properly looks after irrigation; both interests are protected.

I take a good deal of delight in finding in this bill one of the provisions that was uppermost in my mind during the two months of hearings, developed thoroughly and completely, that in addition to the development of water power we should not overlook the utilization of our water resources for irrigation. The conference committee has retained that in the bill after it was placed there by the Senate, so that we may get the highest use for irrigation and for water-power development. I believe the country should be congratulated on the near completion of this vitally important piece of legislation. There is sure to follow this legislation much improvement and development of our water resources. It is not, perhaps, perfect in every part. Some may criticize some particular feature, but I do believe that it protects the Government, that it gives an opportunity for a large and proper development under proper safeguards.

And then it provides for the recapture after 50 years' use, so that we are not yielding or deeding away, if I may use that expression, in perpetuity these valuable rights. [Applause.]

Mr. SIMS. Mr. Speaker, I yield 20 minutes to the gentleman from Maine [Mr. WHITE].

Mr. WHITE of Maine. Mr. Speaker, I have a very keen appreciation that in marshaling judicial opinions and in any effort to discuss the legal phases of legislation pending before the House, there is danger of quickly clearing the Chamber of such few Members as are still here, but because of my conviction that it is useless to talk about this measure in general terms, and because of my hope that out of an attempted analysis of certain portions of the bill some helpful suggestions may come to the House, I propose to make what by courtesy may be called a legal argument.

I must support the promised motion to recommit this conference report. I do so for the particular reason that, in my opinion, the definition of "navigable waters" agreed upon violates settled principles of law and the rights of States and of individuals.

Let me direct attention to my objection to the report. The words "navigable waters" do not appear in the Federal Constitution. Congressional jurisdiction over a stream within a State must rest upon that article of the Constitution which gives Congress the power to "regulate commerce with foreign nations and among the several States." In these words is the sole grant of power and in their fair intendment is the limitation upon our right to exercise control over the rivers and waters of a particular State. Our authority is for the specific purpose named and can be asserted for none other. What constitute "navigable waters" of the United States over which Congress may exercise power in each instance and in the last analysis is for the Supreme Court to determine. Legislative definition therefor is unnecessary. Such definition is justified only if its purpose is to place a restriction upon the full exercise of our rights; it is futile and foolish when the language employed goes beyond the rule and the reason for it, as declared by the final judicial authority. And that is what we here seek to do.

What are "navigable waters" of the United States? What is the rule which must be applied in determining whether a particular stream comes within our jurisdiction? Cases in which the question has been discussed are many, but in them all the principle which must guide is clearly recognized.

In the *Daniel Ball* (10 Wall., 557), the court said:

> Those rivers must be regarded as public navigable rivers in law, which are navigable in fact. And they are navigable in fact when they are used, or are susceptible of being used, in their ordinary condition, as highways of commerce, over which trade and travel are or may be conducted in the customary modes of trade and travel on water.

In the *Montello* (20 Wall., 430), the court accepted navigability of the river in its natural state as the proper test, and said:

> If it (the river) be capable in its natural state of being used for purposes of commerce, * * * it is navigable in fact and becomes in law a public river or highway.

And again it lays down the proposition that—

> The vital and essential point is whether the natural navigation of the river is such that it affords a channel for useful commerce.

The case quotes with approval the language by Chief Justice Shaw, of Massachusetts (21 Pickering, 344), in which he asserts that it is not—

> Every small creek in which a fishing skiff or gunning canoe can be made to float at high water which is deemed navigable, but in order to give it the character of a navigable stream it must be generally and commonly useful to some purpose of trade or agriculture.

And through the years the principle laid down in these early cases has been followed. The measure is the use or the susceptibility of use of the stream in its natural condition for useful commerce.

In United States *v.* Rio Grande Dam & Irrigation Co. (174 U. S., 690), the court limited the definition in this language:

> The mere fact that logs, poles, and rafts are floated down a stream occasionally and in times of high water does not make it a navigable river.

This case emphasizes the requirement that we must look to the ordinary and natural condition of the stream and to its natural availability for substantial commerce.

The case of United States *v.* Brewer-Elliott Oil & Gas Co. (249 Fed. Rep., 615), states the essentials of the rule with unusual clarity. I quote from the opinion:

> The issue of navigability is one of fact. * * * A river is not navigable unless so in fact. It will be deemed navigable when used or susceptible of use in its ordinary condition as a highway of trade and travel in the customary modes on water. * * * The exceptional use of a stream for purposes of transportation in times of temporary high water or "the mere fact that logs, poles, and rafts are floated down the stream occasionally * * * in * * * high water does not make it a navigable river." To meet the test * * * a watercourse should be susceptible of use for purposes of commerce or possess a capacity for valuable floatage in the transportation to market of the products of this country through which it runs. It should be a practical usefulness to the public as a public highway in its natural state and without the aid of artificial means. A theoretical or potential navigability, or one that is temporary, precarious, and unprofitable, is not sufficient.

In Donnelly *v.* United States (228 U. S., 262), we find the rule expressed thus:

> The question of the navigability in fact of nontidal streams is sometimes a doubtful one. It has been held in fact that what are navigable waters of the United States within the meaning of the act of Congress

in contradistinction to the navigable waters of the States depends upon whether the stream in its ordinary condition affords a channel for useful commerce.

One of the recent cases on this subject, and the last to which I shall refer in this connection, is United States against Cress, Two hundred and forty-third United States, page 316. I quote:

In Kentucky * * * numerous cases have arisen where it has been necessary to draw the line between public and private right in waters alleged to be navigable, and by an unbroken current of authorities it has become well established that the test of navigability in fact is to be applied to the stream in its natural condition, not as artificially raised by dams or similar structures; that the public right is to be measured by the capacity of the stream for valuable public use in its natural condition; that riparian owners have a right to the enjoyment of the natural flow without burden or hindrance imposed by artificial means, and no public easement beyond the natural one can arise without grant or dedication save by condemnation with appropriate compensation for the private right. * * * We have found no case to the contrary. * * * Many State courts * * * have held, also, that the legislature can not by simple declaration that a stream shall be a public highway if in fact it be not navigable in its natural state, appropriate to public use the private rights therein without compensation. * * * This court has followed the same line of distinction.

The opinion then cites with approval some of the cases hereinbefore mentioned by me and later in the opinion reaches the conclusion—

that the servitude of privately owned lands forming the banks and bed of a stream to navigation is a natural servitude, confined to such streams as in their ordinary and natural condition are navigable in fact and confined to the natural condition of the stream.

I invite the House to test the definition of "navigable waters," which you are asked to approve, by the rule of these cases. This conference definition, which is the Senate definition, in substance, divides into three parts. It first declares "navigable waters" to be—

those parts of streams or other bodies of water over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States—

With this much of the definition no one can quarrel. It then goes on as follows:

and which either in their natural or improved condition, notwithstanding interruptions between the navigable parts of such streams or waters by falls, shallows, or rapids compelling land carriage, are used or suitable for use for the transportation of persons or property in interstate or foreign commerce, including therein all such interrupting falls, shallows, or rapids.

Why this addition to the definition? Is this language used for the purpose of restricting the general terms immediately preceding or is it an effort to extend authority? If the former, if intended to be restrictive, why use the general language at all? Why not omit this comprehensive language and limit our definition in terms to the restricted class of streams? The answer is that this second part of the definition does not restrict. Its effect, if it can be given effect, is to enlarge the definition.

The word "and," connecting the two parts of the definition, does not take from and limit what goes before. A proper construction of this portion of the definition makes navigable those streams which either in their natural or improved condition are used or are suitable for use in interstate or foreign commerce. It is an assertion that the condition of a stream as improved measures its navigability in law. It announces a principle sustained by no court. The references to shallows, to falls, and to rapids compelling land carriage and the inclusion of such obstructions to navigation within so-called navigable waters also condemns the definition. It asserts to be navigable streams which experience, reason, and fact declare are not navigable.

The balance of the definition is manifestly unwarranted. It declares "navigable waters" to mean those parts of streams or other bodies of water over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States—

together with such other parts of streams as shall have been authorized by Congress for improvement by the United States or shall have been recommended to Congress for such improvement after investigation under its authority.

This is a brazen effort to extend our jurisdiction beyond its constitutional limits. It first undertakes to make navigable in law streams for which Congress has appropriated money for improvements and, next, those streams which the Board of Engineers of the Army or the waterways commission, created under this act, may recommend for improvement. Henceforth neither the Constitution nor the decisions of our Supreme Court nor the facts as to navigability are to be the basis for jurisdiction or are to affect the manner or the degree in which we shall exercise our authority. The language does not even require the improvement first to be made. We declare streams to be navigable which we authorize or some one else recommends for improvement without any regard to the present condition of the stream or the existing facts as to navigability.

But it is interesting, even though it may not affect our action, to make brief reference to a few decisions of our courts which bear directly on this proposal. The cases already quoted, in holding that the test of navigability applies to streams in their ordinary and natural condition, by plain implication deny the suggestion of this last part of the Senate definition that the opinion of Congress expressed by an authorization for improvement, or the recommendation of any body that an improvement be made, can change the character of the stream.

But we do not need to rely on inference. Text writers and the courts have expressly held that navigability in law can not be created by artificial means.

Kenney, volume 1, page 570, discussing navigable waters, writes:

A stream which can only be made navigable or floatable by artificial means is not a public highway.

In People *v.* Economy Light & Power Co. (241 Ill., 290), quoted with approval in Two hundred and forty-second Federal Reporter, 560, the rule is thus stated:

To hold that a State can by artificial means make a stream navigable which in a state of nature was not navigable, and thereby deprive riparian owners of their property rights in the bed of the stream, is simply to hold that private property may be taken for public use without compensation.

In United States *v.* Brewer-Elliott Oil & Gas Co. (249 Fed. Rep., 615) the court in discussing what constitutes navigability holds that a watercourse should be susceptible of use for purposes of commerce or possess a capacity for valuable floatage in the transportation to market of the products of the country through which it runs, and further says:

It should be of practical usefulness to the public as a public highway in its natural state and without the aid of artificial means.

And the same principle is sustained in United States *v.* Cress (243 U. S., 316), in these words:

By an unbroken current of authorities it has become well established that the test of navigability in fact is to be applied to the stream in its natural condition, not as artificially raised by dams or similar structures.

This decision further says:

Many State courts, including the Court of Appeals of Kentucky, have held also that the legislature can not by simple declaration that a stream shall be a public highway, if in fact it be not navigable in its natural state, appropriate to public use the private rights therein without compensation. * * * This court has followed the same line of distinction.

This distinction and the principle which these cases point out is founded in sound sense. If we admit that a stream may become navigable in law through such means as are set out in the last four lines of this Senate definition, then we substitute the judgment or the whim of Congress and of engineers for fact and accepted rules of law. I can not admit that Congress by artificial means, by skill of engineers, in expenditure of large sums of money appropriated therefor, can make a nonnavigable stream navigable and thus create jurisdiction which otherwise it would not possess. Admit that Congress may of right do this, and it follows that there is no stream within the whole United States which may not be thus brought under congressional control. I oppose the adoption of this conference report with the Senate definition included and urge its return to the conferees, because I will not support a proposition so clearly without authority in law. I would oppose it if this definition could be sustained in law, for it would then constitute an extension of Federal control in a manner and to a degree which must retard water-power development within our States. No State has done more than Maine in the scientific conservation and utilization of her natural resources. If our State and people may be let alone, we will meet the demands of the future. We do not want our progress impeded by the delays and inefficiencies incident to Federal interference with and control over our nonnavigable streams, our industries thereon, and our people. [Applause.]

I favor this motion to recommit this conference report to the conferees with instructions to them to insist upon the House definition of "navigable waters" for the added reason that by the acceptance of this definition we will minimize a further offense in the legislation. It is true that the bill by its title declares it is for the purpose of creating a commission to provide, among other things, for the improvement of navigation, and there is enough in the body of the bill to justify this reference in the title to the improvement of navigation, but no man who studies this act can resist the conclusion that the improvement of navigation is but incidental to, if at all connected with, the substantial purpose of the act. It is but the haze

behind which is hid the substance. Stripped of its covering, the proposal relates not to commerce between the States or with foreign nations, but it authorizes a commission to issue licenses to corporations and to individuals to build dams and to erect power houses for the generation of electricity for industrial purposes. And in this purpose may be found the explanation of the strained effort to enlarge the definition of "navigable waters" beyond its proper limits. The proponents of this legislation are not concerned with navigation and so with navigable waters in fact. Theirs is a scheme of power development for the demands and the profits of industry under Federal control. They recognize the impracticability of such developments upon streams navigable in fact and in law, except under unusual and exceptional conditions. The natural and customary location of these developments is upon streams broken by rapids and falls, upon streams unused and useless for commerce, and in the recognition of this truth we find the reason for the effort to declare navigable and so within Federal jurisdiction those streams and those parts of streams down which in their ordinary and natural condition trade and commerce have never been carried between the States or with foreign nations. Limit this definition of "navigable waters" as we may and the bill even then will go to the very verge of constitutional inhibition. I know of no authority in our fundamental law for the licensing by Congress of corporations and individuals for the building of dams, the erection of power houses, and the generation of electricity for industrial and commercial purposes. There are those who profess to believe that this may be done upon navigable streams as an incident to the improvement of navigation. Whether this view be sound or not, it is clear in my mind that such powers can not be exercised by the Federal Government within the limits of our States upon streams which are not navigable and over which Congress has no jurisdiction. The excess of zeal on the part of the proponents of this legislation tends to obscure and to jeopardize that which is meritorious in it. The legislation must be regarded as but another manifestation of the growing and alarming tendency of the Government to absorb and to regulate the rights and activities of States and of individuals.

Mr. ESCH. Mr. Speaker, I yield four minutes to the gentleman from New York [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Speaker, the gentleman from Maine in concluding his argument, as a summary and the result of all he has said, made the bald statement that power is developed and can be developed in the United States on streams that are not navigable, and that it is not developed on navigable streams.

That is a broad general statement. Let us test this by facts. The greatest water power in the world is on the Niagara River. Is it navigable in fact or not? As a result of the gentleman's conclusion, we must necessarily find that it is not navigable. Let us examine the facts and see. To-day they are locating on the upper Niagara some of the greatest steel plants in the world, and by deepening the river they are making it possible to carry on plants on the lower part of the upper river that have existed there for 20 years or more. Below Tonawanda, only just above and out of the sound of the thundering cataract, they are paying $5,000 a day to labor in the steel plant, and all of its manufactured products are carried away and all of its raw material is brought to it by the navigation of the Niagara. Therefore, so far as the navigation of the Niagara is concerned, we find that it not only has been navigated for a generation, but we find that its use for navigation is growing day by day, year by year, until there is growing up there to-day a separate and independent region of industry, one of the great regions of industry in all this broad land of ours. Let us take the lower Niagara, let us go below the cataract and see whether that is navigable in fact. From the earliest days, as long as we have had a country, the lower Niagara has been the connecting link between the upper Lakes and the lower Lakes, and even down to the ocean. Boats start there, and while the same boats do not go down to Montreal and the ocean, they connect with these other boats and carry their tonnage all of the way, and there is not a day in the season when you can not go up there and see the boats running back and forth, hour in and hour out. The gentleman from Maine [Mr. WHITE] brought all his argument down to one conclusion, that you could not have water power on a stream and in that same stream have navigability for commercial purposes, and it takes one example only, as I say, of the Niagara, where there is the greatest power in the world, and where you have navigability at both ends of the river, to utterly destroy the basis of his argument. The fallacy of his argument is demonstrated by the very best example that you can use.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SIMS. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. MACGREGOR].

Mr. MACGREGOR. Mr. Speaker, it is very unfortunate that under the procedure of this House one is obliged or required, almost, to swallow a conference report, and it is especially distasteful in a matter of such importance as that which is now before us. Any legislation that is passed by us should have in mind as its end the conservation of the interests of the people of the United States. This bill does not to my mind go to that end. An amendment was introduced in the Senate which required a licensee to distribute the power developed by it among the communities in its vicinity without any discrimination, and that has been stricken out.

I am primarily interested in the great water power at Niagara Falls. We are now developing upon the American side practically 250,000 horsepower. That is developed by one company, because to one company has been given all of the water that is permitted to be diverted from the Niagara River for power purposes. That company uses most of the power that is developed by it upon its own lands. It has several thousand acres of land, and it has established upon that land manufactories to which it sells the power that is developed by it, so that the surrounding community, the other communities along the Niagara River, do not receive any benefit from the Falls of Niagara. In fact the city of Buffalo receives from the Niagara Falls only 27,000 horsepower out of 254,000.

Mr. ESCH. Mr. Speaker, will the gentleman yield?

Mr. MACGREGOR. Yes.

Mr. ESCH. How much does Buffalo get from the Canadian plant?

Mr. MACGREGOR. It does not get any, as I understand it.

Mr. ESCH. I understood that it had 60,000 horsepower from the Canadian side, making a total of 87,000 horsepower that is obtained.

Mr. MACGREGOR. None of it goes into the city of Buffalo; it all goes to the Lackawanna Steel Plant, which is not in the city of Buffalo.

The recent report of Col. Warren, division engineer, which has now come to the river and harbor board, recommends that the treaty which now exists between the United States and Great Britain, with reference to the diversion of water, be amended, and if amended it will probably permit the diversion of 80,000 cubic feet of water development at Niagara Falls, dividing between the United States and Canada 40,000 on each side. The report recommends that a canal be constructed from the river above the Falls on the American side down to the gorge, where there is a drop of 300 feet. That will develop, according to the estimates, one and a half million horsepower on our side of the river. For the effective development of the power the license should be granted to one concern, and there should be thrown around it the safeguard that the company that is given the license can not acquire large tracts of land in the immediate vicinity and rear up a manufacturing community which shall inure to its own benefit to the exclusion of the surrounding communities.

The amount of power that is capable of being developed at Niagara Falls is almost inconceivable to the ordinary individual. Taking both sides of the river together there will be developed 3,000,000 horsepower. The total water-power development of the United States at the present time, as stated by the gentleman from Tennessee [Mr. SIMS], is 6,000,000 horsepower. The requirement of coal for the production of 3,000,000 horsepower would be 18,000,000 tons. The total tonnage capacity of the railroads of the United States is 96,000,000 tons. It would require for transportation 360,000 coal cars. It is estimated by the United States engineers that electric power could be delivered at the switchboard at $19 per horsepower as against $50.70 for steam power. It is not necessary for me to point out what that means to the Niagara frontier, and it should be conserved for the benefit of the people of the Niagara frontier and not simply to enrich a single corporate interest to which this license will be granted.

It is contended that under this act the public-service commission of the State of New York would have power to make regulations. I very much doubt that. In fact, a very great question could be raised about that, because under section 6 it is provided that—

> Each such license shall be conditioned upon acceptance by the licensee of all of the terms and conditions of this act, and such further conditions, if any, as the commission shall prescribe in conformity with this act.

Under section 19 all of the conditions that are prescribed are—

That as a condition of the license, every licensee hereunder which is a public-service corporation or a person, association, or corporation owning or operating any project and developing, transmitting, or distributing power for sale or use in public service, shall abide by such reasonable regulation of the services to be rendered to customers or consumers of power, and of rates and charges of payment therefor—

It does not say a word in the bill with reference to distribution. It does not say that the licensee shall distribute the power among the communities in the vicinity in an equitable manner, and I doubt very much whether in the face of the provisions of this bill any public-service commission could be given the right to make any such regulation.

The industrial development of the Niagara frontier, which is the center of 15,000,000 people, depends upon a proper distribution of the immense quantity of cheap power that can be developed by the falls, and it is to this Congress to see to it that the rights of the citizens in general are protected. The power belongs to the people in general and the people should have the benefit of it. It should not be granted in such a manner that the result will be the enrichment of one individual or corporation. There should be a wide distribution of it, so that there may be a widespread enjoyment of this great gift of nature.

It is true, as the gentleman from Wisconsin [Mr. ESCH] has said, that there is now coming into the United States from Canada some 60,000 horsepower, but very little if any of that goes to the city of Buffalo. Part of it goes to the city of Lackawanna and part of it goes down the State as far as Syracuse, lighting the cities and running the street cars of Syracuse, Rochester, and I think Oswego.

That power is liable to be cut off at any time. The Canadian authorities contend that they have the right to prohibit its export at any time and I think there is considerable logic in their argument. If they do that then the cities of Rochester and Syracuse and various other communities would be deprived of power unless provision is made for distribution from the development on the American side. If the licensee is permitted to make such use of the power developed according to its own desire and should make use of it upon its own property or in the immediate vicinity then the general public would be deprived of a right that they are entitled to. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. ESCH. Mr. Speaker, I yield five minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Speaker, with the adoption of the conference report on the water-power bill this Congress shall have placed in the way of final enactment another great constructive measure. The consideration of this bill carries us back to the days of Roosevelt and Taft, for it was during the administration of those two great Presidents the sentiment crystallized for Federal legislation regulating and controlling in the interest of all the people of the country water-power development and the creation of hydroelectric energy. Many have grown weary in the long-continued effort to secure legislation of this character, and yet perhaps it is just as well that the Congress has not sooner legislated on the subject, for every time measures of this character have been considered they have been improved. Each time the committees of the Congress and the Congress have considered water-power legislation they have improved it. This may not be a perfect bill, but it is a better bill than any of its predecessors. Its enactment will bring a fulfillment of the dreams, desires, and efforts of those who have earnestly labored for constructive progressive legislation of this character. This Congress has much helpful, beneficial legislation to its credit. We have made a wonderful record so far for economy and carefully considered appropriations. We will, we hope, before this session closes bring about the enactment of further constructive legislation, but I think that nothing that the Congress has done and nothing that it will do will reflect greater credit upon it than the passage of the water-power bill. [Applause.] Some of our friends may think only of what they consider its faults. I am sure that no law was ever placed upon the statute books entirely lacking faults, but this measure is remarkably free from faults, and it will aid tremendously in the development of the water-power resources of the country, and in a way that will be of benefit and advantage to all the people. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. ESCH. Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. DEMPSEY] to explain a certain matter.

Mr. DEMPSEY. Mr. Speaker and gentlemen, so far as the development at Niagara is concerned, I was in entire accord with my colleague in respect to the Wadsworth amendment and went to the Senator and suggested that it be placed in the bill. However, as the gentleman from Wyoming [Mr. MONDELL] has said, we are in this position: We have reached a state where we can have a water-power bill. By its provisions there must be an efficient development. At Niagara, instead of 240,000 horsepower, through this bill we will get about 400,000 horsepower at the cataract and by a new development a half million horsepower in the gorge. It will be an enormous advantage to the whole frontier, and the city of Buffalo will stand a much better chance to get the horsepower it needs when there is 750,000, three-quarters of a million, horsepower to distribute than it does now with only a quarter of a million horsepower to divide. On that account, because of the wonderful advantage it will be to the frontier, to Buffalo, as well as the rest of the frontier, and to the whole country, I am for this bill.

If we send the bill back to conference, we can not tell whether we would get a bill at this session or not. Congress has debated, the two Houses have been in dispute, for so long that we can not afford to take the chances of further delay.

All the time we have debated the water has been running to waste, coal has had to be mined and transported to take its place, and the railroads, which ought to have been carrying other things, have been swamped with coal to make power for our factories.

We have considered no greater reconstruction measure than this, none that will conserve our natural resources more, end the congestion on our railroads, and lower the high cost of living. It will be of lasting and of constantly increasing benefit. Not a pound of coal should be used where water power can be had to take its place, and there can and will be no considerable development of water power without the passage of such a measure as this.

The SPEAKER. The time of the gentleman has expired.

Mr. ESCH. I have only one more speech on this side.

Mr. SIMS. Mr. Speaker, I shall offer a motion to recommit the conference report to the conference committee with instructions to further insist on its disagreement to Senate amendments Nos. 8 and 36, and to agree to Senate amendment No. 44.

Senate amendment No. 8 is the amendment put on in the Senate defining "navigable waters," which will be fully discussed both from a legal standpoint and otherwise by the very able gentleman from Maine [Mr. WHITE]. Amendment No. 36 is the charges provision, which in the House bill are to be just and reasonable, with absolute power to make the charge high or low as the circumstances that each project may require, demand, or permit. Then the further instruction to agree to Senate amendment No. 44 is for the benefit of the people of any community, or any industry, which will be discussed by the gentleman from New York [Mr. MACGREGOR]. Mr. Speaker, if the motion to recommit is agreed to, I have not the slightest doubt that if the Senate sees that we are in earnest about it and mean what we say, that the instructions of the House will be agreed to and leave the bill just as good as it was when it passed the House. Now, I beg to say to the gentleman from New York [Mr. DEMPSEY], one of the ablest men in the House and personally well acquainted with the situation at Buffalo, that the adoption of amendment 44 would not prevent the developing of three-quarters of a million horsepower at Niagara Falls. With the Wadsworth amendment in the bill, it will not prevent them from developing to the fullest extent, but it will require an equitable distribution of that three-quarters of a million horsepower so developed. Now, it can not hurt the bill to adopt the Wadsworth amendment. It could not hurt the Niagara Power Co., or whatever company may develop additional power, but it would prevent discrimination in favor of private corporations as against municipalities and public utilities. Why not put it in? What objection has any gentleman of this House got to a proposition of that sort? Senator WADSWORTH, from New York, is also a very able man, and the Senate agreed to his amendment. If we recede from our disagreement to that amendment, it becomes a part of the law.

Now, why does this House want to deny to Buffalo and to those other municipalities within reach of Niagara Falls what is perfectly clear that they ought to have? The responsibility for such denial will not be mine, because all we have to do is to go back and recede from our disagreement on the Wadsworth amendment, No. 44, which will not in the least retard Niagara Falls development. But by so doing we will give the people there what they are entitled to have, equal and just treatment and the opportunity to have an equal pro rata of power that may result from further development. What objection have the Members of the House to it? There can be no reasonable objection to it. There may be some undisclosed possible water-power user that wants to grab more than a just and reasonable proportion and hopes to get it from the company that may

apply and get the license if the Wadsworth amendment is finally defeated. If I had the power, I would make it a part of the license itself, with forfeiture if violated.

Now, we can make that amendment absolutely certain by simply yielding our disagreement to Senate amendment No. 44. By yielding we will give the public a fair, square opportunity to at least have an equal division in the benefits which the Government of the United States authorizes the licensee under this law to do, and without such authority no further development can be made at Niagara Falls.

Mr. Speaker, there was another Senate amendment that I was very anxious to have in the bill in full, just as it passed the Senate, which amendment is No. 27, known as the Norris amendment, as it was offered by Senator NORRIS.

Amendment No. 27 is as follows:

The commission is hereby authorized and directed to construct or cause to be constructed on the Potomac River the power plant outlined in project No. 3, House document No. 1400, Sixty-second Congress, third session, including each and every detail and plan outlined and specified in said document or any of the exhibits, plans, and specifications attached thereto. And for such purpose the commission is hereby authorized to construct said project under its direct supervision or to enter into contracts for materials and labor for the construction of the same or any part of the same as in its judgment may be the most practical and economical, not exceeding a limitation of cost for all the items connected with and mentioned in said project, of the sum of $25,000,000: *Provided*, That the commission may, from time to time, modify or change any of the plans or specifications in said document as it may deem advisable or practicable for the better carrying out of the purposes of this legislation, and if in the judgment of the commission the object to be attained by said project can be better or more economically brought about it is hereby authorized to change the location of said dam or to build two or more dams instead of the one specified in said document.

And the commission is hereby authorized and directed to acquire by purchase, condemnation, or otherwise a suitable site for said dam or dams and for all other real estate necessary to the carrying out in detail of said project, including all real estate that will be overflowed by the formation of the lake mentioned in said project. And whenever in any case the commission is unable to acquire by purchase at a fair value any land, property, or property rights necessary to be acquired in the carrying out of said project, it is hereby authorized and directed, in the name of the United States, to begin and prosecute to final adjudication all necessary suits for the acquisition of such property in any court having jurisdiction.

In the construction of said project a separate account shall be kept of the expenditure necessary on account of the increased water supply for the city of Washington and the expenditure on account of the power development.

Mr. Speaker, there is pressing necessity for an increased water supply for the District of Columbia. Senator NORRIS, as also Senator NELSON, thought that by utilizing the Great Falls in the Potomac River, so near this city that both the need for additional water supply and for much-needed hydroelectric power both for Government and city uses might be combined and result in great economy to both the city and Government. So the Senate adopted the Norris amendment, which I think was a very wise provision. Of course, the Senate conferees had to stand by that amendment. But a majority of the House conferees agreed to the Senate amendment with an amendment as follows:

The commission is hereby authorized and directed to investigate and, on or before the 1st day of January, 1921, report to Congress the cost and, in detail, the economic value of the power plant outlined in project No. 3, House Document No. 1400, Sixty-second Congress, third session, in view of existing conditions, utilizing such study as may heretofore have been made by any department of the Government; also in connection with such project to submit plans and estimates of cost necessary to secure an increased and adequate water supply for the District of Columbia. For this purpose the sum of $25,000, or so much thereof as may be necessary, is hereby appropriated.

I hope that action will be taken immediately upon the approval of this bill as provided in the substitute amendment just read, so that as soon as Congress convenes for the December session this much-needed water and power supply project for the benefit of the Government and the District of Columbia may be authorized and appropriated for at the earliest moment possible.

Mr. Speaker, I had known in a general way that the Washington Railway & Electric Co. had owned, or claimed to own, for a number of years what is known as the Great Falls power site, which it afterwards sold and conveyed to the Potomac Electric Power Co. for $1,000,000 of its stock. I do not know just what property is included in this so-called power site, but I suppose it will be necessary for the Government to secure this property by purchase or condemnation, if the purpose of the Norris amendment is ever carried out. Several years ago Congress passed what is called the public utilities law. Under the provisions of this law a Public Utilities Commission of the District of Columbia was established. Under this law the Public Utilities Commission was authorized to ascertain by methods designated the values of the property of the several public utility companies serving the city of Washington and the District of Columbia; and the said law also provided that any public utility being disssatisfied with the value thus fixed by the commission on its property might by a proceeding in equity in the Supreme Court of the District of Columbia against the commission have any order of the commission thus made modified or vacated, if found unlawful, inadequate, or unreasonable. The Public Utilities Commission under said law proceeded, as provided therein, to fix the value of the property of the said Potomac Electric Power Co. The said power company, as authorized by said act of Congress, did file a bill in the said supreme court to review the findings of the commission. All proper proceedings were had in said equity suit, and the same was finally decided by said court on the 2d day of March, 1920, Justice Ashley M. Gould delivering the opinion of the court. I beg the indulgence of the House to read the following excerpts from the opinion of the court bearing somewhat on the action of the power company in the acquiring of this power-site property, and as to the financing operations of the power company:

The power company also claimed that it had a right to the allowance, as part of the historical cost of its property, of the sum of $1,000,000, representing what it paid in its stock for certain water rights at what is known as the Great Falls power site. It is a significant fact that these rights to this nonproductive property were not only previously acquired by the Washington Railway & Electric Co. and held by it for 12 years before it transferred them to the power company, but that title, up to the time of the hearing in this case, had not been perfected, either in that company or in the power company. It is also worthy of notice that shortly before the public utilities law was enacted the Washington Railway & Electric Co. and the power company, acting through identical boards of directors, consummated a transaction by which these rights were transferred to the power company for $1,000,000 of the stock of the latter company. This power site is located outside the District of Columbia. It has never been used for the purpose of supplying power to those who use electric current in the District of Columbia, nor is there a scintilla of evidence in the record that it ever will be so used by the power company. Its actual value is problematical, and the ability of a private owner of power rights at this site to develop them is further complicated by the larger Federal Government's interest therein. No witness who claimed to have any knowledge on the subject testified as to what the value was. For these reasons there was no justifiable theory upon which the $1,000,000 of stock issued for it by the power company could be treated as an actual value of $1,000,000 upon which the power company would be entitled to collect revenue from its patrons in the District of Columbia. The commission therefore did not err in excluding it, either as an item in the historical cost of the property, or in the reproduction cost, or in its finding of fair value.

The power company also claimed under the head of preliminary and organization expenses and as a part of the historical cost the sum of $550,000, representing that amount of the capital stock of the power company issued to Messrs. Crosby & Lieb for their services on behalf of the company in obtaining loans from the United States Mortgage & Trust Co. amounting to between $400,000 and $700,000, the testimony being somewhat obscure as to the exact amount of the loan, and also for their services in securing a contract for power with the Eckington & Soldiers' Home Railway Co. At the time of these transactions Crosby & Lieb were the owners of practically the entire capital stock of the power company, and voted to themselves this $550,000 of stock as a commission for negotiating the loan and securing the contract. In the issue of the stock they designated that it was for "extraordinary services." It does not appear from the evidence that the contract they secured, whatever may have been its nature, was of any value, and when it is considered that the sum of $109,750 was paid by the power company for discount and commission in securing the loan it is impossible to understand upon what theory this stock issued to Crosby & Lieb can be justified as a proper part of the historical cost of the power company. At the time they were practically the sole owners of the stock of the company and were among its officers and directors, and whatever services they performed were not only not extraordinary but were clearly within the line of their duty as such officers and directors. The principle of law which prevents a person standing in a fiduciary relation from making a profit at the expense of his cestui que trust is too well established to justify me in making citations to support it. Under the evidence as to this transaction the commission was justified in excluding this sum in its ascertainment of the historical cost of the property.

Mr. Speaker, the opinion of Justice Gould is very able and illuminating and one of the most exhaustive discussions of the questions involved and raised in the case referred to, in which he sustained each and every act and decision of the Public Utilities Commission, and I feel justified under the permission given me to extend my remarks to include same in full. It will be most valuable and instructive to all Members of the House in any further legislation that may be had bearing on the Public Utilities Commission of the District of Columbia.

[In the Supreme Court of the District of Columbia. Potomac Electric Power Co. (Inc.), plaintiff, *v.* Public Utilities Commission of the District of Columbia, defendant. In equity, No. 35336.]

OPINION OF THE COURT.

This is a bill in equity, filed by the Potomac Electric Power Co. (Inc.), plaintiff (hereinafter called the power company), against the Public Utilities Commission of the District of Columbia (hereinafter called the commission), for the review of this court of the findings of the commission as to the value of the property of the power company.

The jurisdiction of this court attaches by reason of the provisions of paragraph 64 of the act of Congress approved March 4, 1913, which provide that any public utility being dissatisfied with any order or decision of the commission fixing any valuation, rate or rates, tolls, charges, schedules, joint rate or rates, or regulation, requirement, act, service, or other thing complained of may commence a proceeding in equity in the Supreme Court of the District of Columbia against the commission, as defendants, to vacate, set aside, or modify any such decision or order on the ground that the valuation, rate or rates, tolls, charges, schedules, joint rate or rates, or regulation, requirement, act, service, or other thing complained of fixed in such order is unlawful, inadequate, or unreasonable.

Pursuant to this provision of the law, the company has filed its bill in this court to review the findings of the commission. The law further provides that such proceedings shall be decided and determined as are all equity proceedings in this court.

Paragraph 69 of the act provides that in all trials, actions, and proceedings arising under the provisions of this section or growing out of the exercise of the authority and powers granted therein to the commission, the burden of proof shall be upon the party adverse to such commission or seeking to set aside any determination, requirement, direction, or order of said commission to show by clear and satisfactory evidence that the determination, requirement, direction, or order of the commission complained of is inadequate, unreasonable, or unlawful, as the case may be.

In the instant case, the opinion and findings of the commission in the matter of the valuation of the property of the power company, filed May 2, 1917, contain 105 printed pages, and it is this opinion that the court is called upon to review. The record of oral testimony taken by the commission contains 6,221 pages in nine volumes; the testimony of one expert on the part of the power company (Harold Almert), bound in four volumes, contains 1,234 pages; the findings of other experts are of equal length; and the brief of one of the counsel for the plaintiff contains 557 pages, exclusive of appendices.

No brief of testimony, as required by the equity rule of this court, has been filed by either party. The result has been that this court, at most exacting expense of time and labor, has been compelled to read practically the entire record, as well as the voluminous briefs.

A thorough review of the work done by the commission in this case serves to emphasize the wisdom of applying to its findings the rules laid down by the United States Supreme Court in determining the weight to be given them. In April, 1914, the commission organized a valuation bureau to assist in the task of ascertaining the amount of money expended in the construction and equipment of the plaintiff company; that is to say, what is generally described as the historical cost of the utility, and also the amount of money it would require to replace all of the physical properties belonging to the power company, which measure of value is commonly known as the reproduction cost.

The accounting division of the commission, whose duty it was to ascertain the historical cost, was under the immediate direction of Mr. Andrew Sangster, of Chicago, a certified public accountant, as chief accountant. Mr. Sangster made a report on the historical cost of the power company, which is in evidence, and subsequently testified before the commission, and was cross-examined by the counsel for the power company at great length in regard to the items which made up the historical cost of the property of the plaintiff company.

The ascertainment of the reproduction cost was under the immediate direction of Mr. Charles L. Pillsbury, a consulting engineer, as chief engineer employed by the commission. The work of inventorying the property was begun on June 1, 1914, and was continued throughout 1914 and the first half of 1915. The report of Mr. Pillsbury upon the reproduction cost is also in evidence as an exhibit in this case; he further testified before the commission and was cross-examined at great length by counsel for the power company.

Copies of both of these reports, namely, those of Mr. Sangster and Mr. Pillsbury, were transmitted to the power company on the 18th day of May, 1916, and the company was notified that on the 26th day of May, 1916, the commission would proceed to a valuation of its property in accordance with the law. On the latter day the oral hearings on the valuation commenced.

At the outset the power company objected to the consideration of the reports of the commission as a prima facie ascertainment of the valuation to be placed on its property. Whereupon the commission assumed the initiative and offered for cross-examination the witnesses who had compiled the above-mentioned reports. On July 21, 1916, an adjournment was granted by the commission until September 15. From that date until October 26, 1916, the cross-examination of Mr. Sangster and Mr. Pillsbury continued by the counsel for the power company.

The power company then put upon the stand Mr. Harold Almert, of Chicago, a consulting engineer, who submitted in evidence his report on the cost of reproduction of the company's property. Other witnesses also testified on behalf of the company. The case was finally submitted to the commission for decision on January 21, 1917.

Mr. Almert's report on the cost of reproduction of the company's property, including all claimed intangible elements of value, consists of 1,234 pages of typewritten matter comprised in four volumes.

It will thus be seen that the investigation by the commission on the one side as to the valuation of the property of the company, together with the presentation by the company of its claim as to such value, covered a period of substantially two and one-half years.

It is not unreasonable, therefore, that the court should attach to the findings of the commission in this case all the weight that has been attached to such findings under the decisions of the Supreme Court and the other courts.

It may be added that the power company submitted no complete statement of the historical value of its property; or, in other words, the amount shown by its books to have been invested in the property, although Mr. Ham, an official of the company, discussed at length that value as shown by the books of the company.

At the outset of the consideration of the important questions involved, it is necessary to ascertain with exactness the jurisdiction possessed by this court under the statute. It does not admit of question that any rule laid down by the Supreme Court in similar cases should be followed by this court.

In the case of the Interstate Commerce Commission *v.* Union Pacific Railroad Co. (222 U. S., 541) the Supreme Court of the United States, in deciding whether the Interstate Commerce Commission had exceeded its power in fixing a rate on lumber, said:

"In determining these mixed questions of law and fact the court confines itself to the ultimate question as to whether the commission acted within its power. It will not consider the expediency or wisdom of the order, or whether, on like testimony, it would have made a similar ruling. 'The findings of the commission are made by law prima facie true, and this court has ascribed to them the strength due to the judgments of a tribunal appointed by law and informed by experience.' (Ill. Central Ry. Co. *v.* I. C. C., 206 U. S., 441.) Its conclusion is, of course, subject to review, but when supported by evidence is accepted as final; not that its decision, involving, as it does, so many and such vast public interests, can be supported by a mere scintilla of proof; but the courts will not examine the facts further than to determine whether there was substantial evidence to sustain the order."

So in the case of the Interstate Commerce Commission *v.* Louisville & Nashville Railroad Co. (227 U. S., 88, p. 100), the court said:

"The order of the commission restoring a local rate that had been in force for many years and making a corresponding reduction in the through rate was not arbitrary, but sustained by substantial though conflicting evidence. The courts can not settle the conflict nor put their judgments against that of the rate-making bodies."

Probably no case emphasizes the point involved more emphatically than People ex rel. the New York & Queens County Gas Co. *v.* McCall (219 N. Y., 84). There the company declined to obey the commission's order because the extension of its gas mains and services required of the company by the commission would not yield more than 2½ per cent. The company began a suit in the supreme court of the State to have the order of the commission declared unreasonable. The supreme court decided against the commission, asserting the right to say "whether the extension ordered was a reasonable extension." The court of appeals reversed the appellate division, ruling that this assertion was erroneous, because "the court has no power to substitute its own judgment of what is reasonable in place of the determination of the public commission; it can only annul the order of the commission for the violation of some rule of law."

As to why the judgment of the commission should predominate over that of the court, the court of appeals pointed out that the commission was created to perform important functions in the community with reference to the regulation of the utilities, and that the commissioners were expected to have peculiar capacity for dealing with the complex problems presented by the activities of public-service corporations.

This case was affirmed by the Supreme Court of the United States under the same title in 245 U. S., 337, the court saying:

"This interpretation of the statutes of New York is conclusive, and the definition, thus announced, of the power of the courts of that State to review the decision of the public-service commission, * * * differs but slightly, if at all, from the definition by this court of its own power to review the decisions of similar administrative bodies, arrived at in many cases in which such decisions have been under examination." (Citing cases.)

While the greater number of the cases deciding the question were rate cases, the principle is equally applicable to valuation cases. Perhaps no case ever before the courts involved the same necessity of a clear recognition and application of it to the findings of the commission as the instant case.

The limitation of the court's rights to review the findings of the commission, as determined by the Supreme Court of the United States, renders a detailed discussion of the evidence in the instant case unnecessary, even if it were practicable, and a general analysis of the decision of the commission will be sufficient to indicate the grounds upon which my conclusions are based.

It may be stated, however, quite broadly that if the testimony adduced as to the value of the power company's property by both the witnesses for the latter and for the commission was to be weighed as in an ordinary civil case, I would find not only that the conclusions of the commission as to the historical value of the property were sustained by substantial evidence, but by a preponderance of the evidence. This conclusion does not include certain specific items which the power company claims should have been included in making up the value of its property, and which were excluded by the commission, as to which the evidence is not in substantial dispute, and where the conclusion of the commission might be said to be a matter of law. Such of these items as are important will receive separate consideration hereinafter.

Some question was made in the argument by one of the counsel for the plaintiff, the power company, as to the character of the valuation which the public utilities law directed to be made. There is no doubt in my mind that the valuation contemplated by that law was one for the purpose of determining rates and services. Section 2 of the law provides:

"That every public utility doing business within the District of Columbia is required to furnish service and facilities reasonably safe and adequate and in all respects just and reasonable; the charge made by any such public utility for any facility or service furnished or rendered, or to be furnished or rendered, shall be reasonable, just, and nondiscriminatory. Every unjust, unreasonable, or discriminatory charge for such facility or service is prohibited and is hereby declared unlawful. Every public utility is hereby required to obey the lawful order of the commission created by this section."

It is self-evident that the only method by which the commission could determine whether a charge was reasonable or unreasonable, or whether a service was adequate or inadequate, was by determining the fair value of the property upon which the utility had a right to receive a reasonable return, and this was done by the commission.

It was insisted by counsel for the power company that the Washington Railway & Electric Co., by virtue of its ownership of all of the stock of the plaintiff and of certain contractual relations alleged to exist between it and the power company, and because it had guaranteed certain obligations of the power company, had a right to be made a party defendant in the cause; it also was insisted on behalf of the power company that a proper construction of the act of Congress of June 5, 1900, entitled the Washington Railway & Electric Co., by reason of the ownership of the stock of the power company, to have electric-light rates fixed with reference to deficiencies in the earnings of the Washington Railway & Electric Co. Neither of these contentions can be sustained. The public utilities law in specific terms made it the duty of the power company to furnish its services at a reasonable cost, and that reasonable cost is to be determined, according to repeated decisions of the Supreme Court of the United States, by the return which the power company is entitled to receive upon the fair value of its property, and the amount of this return is not to be affected by the financial needs or difficulties of another corporation, performing a dissimilar service, even if the latter is the owner of the entire capital stock of the power company. In addition to this, the act of Congress of June 5, 1900, specifically prohibits the Washington Railway & Electric Co. from acquiring or owning the whole or any part of the property or franchises of the power company. For these reasons the commission did not err in refusing to permit the Washington Railway & Electric Co. to become a party respondent, nor did it err in holding that the duty of the power company under the law was to furnish its services at a reasonable cost to consumers regardless of its connections through stock ownership or otherwise with any other public utility.

The fair value to be found by the commission under the terms of the public-utility law for rate-making purposes, in my opinion, and I so find, means the actual, necessary, and reasonably true investment in money or its equivalent made by the utility for the purpose of the exercise of the public duty it owes under the public grant which it enjoys. This investment covers the cost of the property used and useful in its operation, the reasonable value of any property dedicated to it by private persons for this public use, and such unearned increment from its property holdings of real estate as may have accrued to it through any general rise in real estate values. It covers and includes every

legitimate expenditure made and properly chargeable to its capital account, provided it has written off all property that has ceased to exist or passed from use from any cause and depreciation has been properly provided for. A public utility is not, and under the law can not be, considered in the nature of a speculative enterprise. The persons, whether as individuals or as partners or in a corporate form, are under no obligation to themselves or to the public to invest their capital in any public utility. Having done so, however, they have under the law and by a principle which was announced by Lord Hale in England centuries ago the right to a fair return upon their actual investment, and to nothing more. If risk and danger be attached to the enterprise at its inception, the law gives them the right to a larger return because of the risk encountered, but not the right to a larger valuation for this reason, and when the period of risk is passed and the enterprise is safely established the law reduces the rate of return to a fair and reasonable percentage upon the fair value of the property, to be ascertained upon a consideration not of the rights of the investor in the utility alone, but upon the rights of the public, whose patronage is the prime factor in the success of the enterprise. In my opinion, there is no other just and reasonable principle upon which a rate base can be determined in the case of a fairly normal utility operating under fairly normal conditions. These conclusions are to be read, in one form or another, in repeated decisions of the United States Supreme Court, beginning with Munn *v.* Illinois (94 U. S., 113), which has well been called a "landmark in the law." In language oft quoted, Chief Justice Waite uses this oft-repeated language:

"Property does become clothed with a public interest when used in a manner to make it of public consequence and affect the community at large. When, therefore, one devotes his property to a use in which the public has an interest, he, in effect, grants to the public an interest in that use and must submit to be controlled by the public for the common good to the extent of the interest he has thus created."

The method of ascertaining fair value depends upon circumstances, and frequently, as in this case, the ascertainment of the historical cost of the property is combined with its reproduction cost, less depreciation, and these are considered in the light of those other elements of value specified in Smyth *v.* Ames (169 U. S., 466) and other decisions of the Supreme Court of the United States.

As previously stated, the commission, through its accountants and engineers, made a prima facie ascertainment of the historical cost and an estimate of the reproduction cost of the physical property of the plaintiff, and used the same as a basis upon which to begin its hearings as to the valuation of the power company's property, and took upon itself the burden of putting in evidence by competent testimony these ascertainments and estimates made by its accountants and engineers. In this procedure there was nothing of which the power company could justly complain. The record discloses not only that the power company in no wise assisted the commission or its officers or assistants in making these ascertainments and estimates, but it indulged in a system of negative obstruction far from commendable; and while it may not have actually concealed the truth in any instance, it certainly put itself to no pains to advise the commission of any facts relative to the extent, location, or cost of its property.

A great deal was said in the argument with reference to certain eliminations, amounting to $144,285.75. This amount is the residue of a considerably larger sum representing the cost of many items of property which, from the evidence, had disappeared from the tangible property of the power company or had become no longer used nor useful. It appears that the commission, after weighing the power company's claims for the restoration of the entire amount originally eliminated by the commission's accountant, did restore the larger portion, leaving the $144,285.75 referred to. These eliminations were justified by substantial evidence, and when it is remembered that the fair value of the property of the plaintiff as found by the commission as of July 1, 1914, is more than $1,300,000 greater than the amount found by its accountants as the undepreciated historical cost of the property, and over $1,000,000 in excess of the commission's finding for the same item, it will be seen that no injustice resulted from this action of the commission.

Another item which the commission refused and properly refused to allow in the historical cost of the power company's property was the sum of $1,977,150.63, being the amount added on the books of the power company to the cost of the property at the time of the absorption of the United States Electric Lighting Co. by the power company.

It appears from the testimony that on the 30th day of September, 1902, the balance sheet of the United States Electric Lighting Co. showed its cost of plant and equipment to be $2,081,959.75, to which was added certain construction expenditures charged to surplus account, in the sum of $279,465.79, making its total plant and equipment cost the sum of $2,361,425.54. This property was transferred to the power company and written on its books as costing $4,338,576.17. The property account was thus inflated in the sum of $1,977,150.63, for which stock was issued. This inflation of the property account of the power company was accomplished by means of a so-called sale of the property of the United States Electric Lighting Co. to the power company. At the time of this transaction, the Washington Railway & Electric Co. was the sole owner not only of all of the stock of the Potomac Electric Power Co., the plaintiff, but of all the stock of the United States Electric Lighting Co., and the boards of directors of the latter companies were identical. Of course, no lawyer would argue for a moment that this transfer amounted either to a valid contract or sale. The common saying that "it takes two to make a bargain" has an absolutely unshakable foundation in law; because it has been held in repeated cases that it takes two parties to make a contract. (Gorham's Admr. *v.* Meacham's Admr., 63 Vt., 231.)

By means of this so-called sale, conceived, conducted, and closed by identical boards of directors, the cost of the United States Electric Lighting Co. to the power company was made to appear on the books of the latter at $1,977,150.63 more than was actually paid. The power company now seeks to capitalize this amount and to exact a return upon it. Regardless of the fact that it is exceedingly doubtful whether the United States Electric Lighting Co. had the legal right to divest itself, without legislative authorization, of the property which it was using in the public service, this attempt to inflate the book value of the property of the United States Electric Lighting Co. above the actual cost to the power company and charge such increase against the public ought not to be permitted from the standpoint either of law or justice. If this excess amount actually represented anything, it represented an attempt to capitalize, as against the public, the privilege or franchise to use the public streets of Washington for a public purpose which had cost the United States Electric Lighting Co. nothing, so far as the evidence in this case shows. The commission, therefore, did not err in refusing to countenance this transaction, and properly disallowed this item.

The power company also claimed that it had a right to the allowance, as part of the historical cost of its property, of the sum of $1,000,000, representing what it paid in its stock for certain water rights at what is known as the Great Falls power site. It is a significant fact that these rights to this nonproductive property were not only previously acquired by the Washington Railway & Electric Co. and held by it for 12 years before it transferred them to the power company, but that title, up to the time of the hearing in this case, had not been perfected, either in that company or in the power company. It is also worthy of notice that shortly before the public utilities law was enacted the Washington Railway & Electric Co. and the power company, acting through identical boards of directors consummated a transaction by which these rights were transferred to the power company for $1,000,000 of the stock of the latter company. This power site is located outside the District of Columbia. It has never been used for the purpose of supplying power to those who use electric current in the District of Columbia, nor is there a scintilla of evidence in the record that it ever will be so used by the power company. Its actual value is problematical, and the ability of a private owner of power rights at this site to develop them is further complicated by the larger Federal Government's interest therein. No witness who claimed to have any knowledge on the subject testified as to what the value was. For these reasons, there was no justifiable theory upon which the $1,000,000 of stock issued for it by the power company could be treated as an actual value of $1,000,000 upon which the power company would be entitled to collect revenue from its patrons in the District of Columbia. The commission, therefore, did not err in excluding it, either as an item in the historical cost of the property, or in the reproduction cost, or in its finding of fair value.

The power company also claimed that it had a right to have included in its property to be valued as a part of its historical cost what is known as Graceland Cemetery, the valuation claim of which was $116,155.80. The evidence in the case discloses that this property had never been used for the purposes of the power company; that it had been acquired for the benefit of the Washington Railway & Electric Co., and was in fact, at the time of the hearing, being used for street railway purposes so far as it was being used for any purpose whatever. The commission excluded this property in its finding of fair value, and in doing so committed no error.

The claim of the power company to have capitalized $201,174.42 representing unamortized debt discount and expense was properly disallowed by the commission. A careful examination of the opinions of experts who have made a study of the accounts of public-service corporations convinces me that this is neither a proper charge to cost of property nor to cost of operation, but that it should be taken care of in the fixing of rates to be charged by the power company in such a manner that it will finally disappear.

The order of the commission shows that it carefully considered, so far as the historical cost is concerned, all amounts expended for engineering and superintendence, general administration, interest during construction, and similar overhead charges shown by the books and records of the power company. The findings of the commission show that as to some of these items more was allowed than its accountants had included in their reports. After weighing the evidence on both sides, which was to an extent conflicting, the commission exercised its judgment as to the proper amounts to be allowed, and as its conclusions were based upon substantial evidence they will not, as already stated, be disturbed.

The power company also claimed under the head of "Preliminary and organization expenses" and as a part of the historical cost, the sum of $550,000, representing that amount of the capital stock of the power company issued to Messrs. Crosby & Lieb for their services on behalf of the company in obtaining loans from the United States Mortgage & Trust Co. amounting to between $400,000 and $700,000, the testimony being somewhat obscure as to the exact amount of the loan, and also for their services in securing a contract for power with the Eckington & Soldiers' Home Railway Co. At the time of these transactions Crosby & Lieb were the owners of practically the entire capital stock of the power company and voted to themselves this $550,000 of stock as a commission for negotiating the loan and securing the contract. In the issue of the stock they designated that it was for "extraordinary services." It does not appear from the evidence that the contract they secured, whatever may have been its nature, was of any value, and when it is considered that the sum of $109,750 was paid by the power company for discount and commission in securing the loan, it is impossible to understand upon what theory this stock issued to Crosby & Lieb can be justified as a proper part of the historical cost of the power company. At the time they were practically the sole owners of the stock of the company and were among its officers and directors, and whatever services they performed were not only not extraordinary but were clearly within the line of their duty as such officers and directors. The principle of law which prevents a person standing in a fiduciary relation from making a profit at the expense of his cestui que trust is too well established to justify me in making citations to support it. Under the evidence as to this transaction the commission was justified in excluding this sum in its ascertainment of the historical cost of the property.

It is unnecessary to go into further details with reference to the commission's findings of historical cost. Many of the claims made by the power company were the result of an apparent attempt to rewrite its books and charge to its capital account items which it had for many years reported to Congress as operating expenses, and others were mere estimates based on some arbitrary percentage assumed on one or two years' operations as what might have been overhead charges included in operating expenses. These claims were unsupported by any direct testimony that such expenditures had actually occurred, and I find no ground upon which the commission's conclusions as to these matters should be disturbed.

It was strenuously contended by counsel for the power company that the commission in making its estimate of reproduction cost as of July 1, 1914, committed error; that the reproduction cost should have been taken as it was by Almert, the expert for the power company, in his report as of July 1, 1916. To this I can not agree. Reproduction cost less depreciation is but one of the elements of value, and in my judgment ordinarily only a negative element, to be considered in the final determination of fair value. Its use is to throw light upon the actual amount invested, and this can only be done where the reproduction cost is determined as of a fairly normal period. It would lose all value if made as of an abnormal period when prices were abnormally low or high. To be of any assistance or real use, it must be made as of a normal time, and the unit cost applied thereto should

extend over a sufficient number of years to show a normal trend of prices. To quote the language of former Justice Charles E. Hughes, acting as referee in the case of Brooklyn Borough Gas Co. v. Public Service Commission (July 24, 1918):

"To base rates upon a plant valuation simply representing a hypothetical cost of reproduction at a time of abnormally high prices due to exceptional conditions would be manifestly unfair to the public, and likewise to base rates upon an estimated cost of reproduction far lower than the actual bona fide and prudent investment because of abnormally low prices, would be unfair to the company. This question of taking the hypothetical reproduction cost under abnormal conditions as a rate base should, of course, not be confused with the necessity of recognizing actual cost of operation, even though abnormal. A public-service corporation is entitled to be reasonably compensated for its service, and the actual cost of its operations must always be taken into consideration in determining whether or not it receives a fair compensation above that cost. But it is a different thing, after cost has been defrayed, and the question is as to the compensation to be allowed in excess of cost, to take as the basis for a compensatory return an asserted plant value, far above the actual investment, which is reached merely by expert estimates of a cost of reproduction under abnormal conditions. This would result in allowing a public-service corporation to take advantage of a public calamity by increasing its rates above what would be a liberal return not only on actual investment, but upon a normal reproduction cost, in the view that unless it could make an essentially exorbitant demand upon the public it would be deprived of its property without due process of law. The enforcement of the constitutional guaranty does not require the application of any artificial formula. It has constantly been pointed out that the rate base must be what is called 'the fair value of the property,' and that as to this there must be a reasonable judgment based on a proper consideration of all relevant facts." (Citing many cases.)

The date adopted by the commission in this case was as near a normal date as it was perhaps possible to get; the unit costs applied to the inventory were determined after a consideration of the trend of prices given by the witnesses and the commission added 5 per cent to the entire reproduction cost of the physical property as found by its engineers. As already indicated by the quotation from the opinion of Judge Hughes, the fact that prices of labor and material on account of the war in Europe advanced to great heights with a rapidity and to an extent never before experienced from about the 1st of January, 1915, to the time of the valuation has no bearing whatsoever upon the cost of reproduction as a factor in a valuation of rate-making purposes. The commission would have committed a grave error, unjust to the public and destructive of the value of the reproduction cost as an element in a valuation case of this character, to have attempted to find normal prices based upon either current prices as of July 1, 1916, or upon normal prices then or thereafter, as claimed by the power company. Such a course would have greatly impaired the reproduction-cost estimate as one of the elements of fair value. The adoption by the commission of the date of July 1, 1914, as to which the inventory was to be made and normal unit prices applied was reasonable and proper, and its action in so doing has the sanction of the highest legal and engineering authorities.

It is unnecessary to analyze the findings of the commission as to the cost of preliminary operation, financing, preorganization expenses, brokerage and commission, and kindred items, so far as reproduction cost is concerned. These hypothetical costs, based upon an hypothetical reconstruction of the property, the commission allowed for in its final finding of fair value in such sums as under the evidence in the case and the exercise of reasonable judgment it thought proper, and I find no error in its conclusions in this respect.

There was a wide disparity between the witnesses for the commission and those for the power company in regard to the amounts to be allowed for interest and taxes during construction. This resulted from the fact that the commission's engineers conceived the erection of this hypothetical plant upon one basis and the engineers of the power company upon another basis, and the time of construction adopted by the engineers of the power company was two years longer than that of the commission's engineers. The determination of the questions involved in this particular was for the good judgment and discretion of the commission, and in its exercise no reversible error appears. The testimony was conflicting as to what allowance should be made for working capital and supplies, and as the finding of the commission was based upon substantial evidence I have neither the right nor the disposition to substitute my judgment for that of the commission.

The power company claimed as an item of reproduction cost the sum of $650,000 for "compensation to conceivers." This claim also is derived from a percentage applied by the power company's engineer, Almert, to his reproduction cost of the physical property. It is a purely hypothetical cost, based upon the hypothetical reconstruction of the property and is asserted upon the theory that some such amount might be required to be paid to some promoters or conceivers as compensation for the suggestion that a plant similar to that of the power company's should be constructed in Washington under the assumption that the existing plant was nonexistent either on the 1st of July, 1914, or on the 1st of July, 1916.

It appears from the evidence that the power company is not the company which established and developed the electric light and power business of the District of Columbia. The United States Electric Lighting Co. developed this business and at the time it was taken over by the power company it was the result of slow evolution from a very small initial concern, and it is exceedingly unlikely that any cost whatsoever in the nature of a conceiver's commission or a promoter's commission attached to the enterprise. The business was developed slowly but successfully for 15 years before its acquisition by the power company, and there is not the slightest evidence in the record that any such cost was ever paid by it. To hold that the public is to be charged with such an amount, which is a pure figment of the imagination, unsupported by any evidence, is without justification either in law or fair dealing, which latter the public utility owes to its patrons. The commission properly disallowed this item.

In the estimate made by Almert, the engineer of the power company, a claim of $2,115,323 was made for what he called development costs, under his reproduction theory. This figure was arrived at by applying an arbitrary percentage to his reproduction cost of the physical property of the power company. The theory upon which such a claim was based seems to be that during a certain period of the power company's existence it must have incurred losses incident to the expansion of its business, either by obsolescence caused by change of construction or advancement of the art or because of securing the patronage which it now has. While it is true that such costs might attach under a purely hypothetical construction, yet when they are claimed as a basis upon which consumers are required to pay, not a hypothetical but an actual return, there should be at least some evidence that they actually did occur in the existing plant. The records of the power company show that the net earnings of the United States Electric Lighting Co. up to the time of its acquisition by the power company and of the combined companies since that time have been more than sufficient to cover any such claim. All costs of attaching the business, so far as they were shown by the books and records of the power company, were allowed, and no actual expenditure appears in the testimony upon which a claim could be granted. The commission in considering the question of development losses took the position that there was no justification for the large claim made by the power company, yet that it was proper to make some allowance for this element of value in its final finding of fair value, and that it made such allowance is evidenced by the fact that in its final finding of fair value as of July 1, 1914, it allowed $1,137,157 more than the cost of reproduction less depreciation found by its engineers.

The power company further claimed that it had a right to include in the present fair value of its property the sum of $2,500,000 for what it designated as its easements in the public streets. Whether the privilege to use the public streets which the power company possesses should be called a franchise, a privilege, or an easement, is of no consequence. The power company claims that its actual occupation and use of the streets under this privilege gives it an easement therein, and gives to this easement a separate and distinct value which it has a right to capitalize as against the public.

To claim that these so-called easements which cost the power company nothing, without which it could not perform its public duty, and which it is allowed to exercise to enable it to do so, can be capitalized against the consumer of its product in any sum whatsoever, is to make the public use destructive of the public right and effect a result which should not be tolerated by any judicial tribunal. Without passing upon the question as to whether or not these so-called easements would be property rights if the property of the power company were to be condemned and taken by public authorities, or if the power company, being thereunto authorized by Congress, should effect a sale of its property to another company, it is sufficient to say that there should be no capitalization of an item of this character in a valuation made for the purpose of determining rates.

Under the decisions of the Supreme Court of the United States and of almost, if not every commission and court which has passed upon the question, it was necessary for the commission to consider the actual depreciation of the property at the time of the valuation. It did so consider it, and although the power company's expert, Almert, testified that percentages and amounts both as to age, life, and residual value of the different parts of the property were approximately fair, yet the commission found that the actual depreciation should be materially less than that found by its engineers.

Fair value for rate-making purposes is necessarily expressed by some amount, and this amount, or fair value, constitutes the rate base. The objection that the commission was finding "a fair amount" and not a "fair value for rate-making purposes" is without force, as the terms as used by the commission are similar in meaning and effect.

The final result of the work of the commission in its finding of fair value as of July 1, 1914, was to fix that value as of that date at an amount $1,300,000 greater than that found by its accountants as the historical cost of the property and $1,137,000 greater than the cost of reproduction less accrued depreciation as found by its engineers. It found the fair value as of July 1, 1914, at $10,250,000 and added thereto at the actual cost thereof all net additions to capital from that time up to the date of the valuation, determining the fair value as of December 31, 1916, to be $11,231,170.43. The commission valued the property as a going concern (as) in successful operation. In my opinion, its procedure was logical, lawful and without prejudice to the power company, and that its conclusions were reached after careful and impartial consideration of all the evidence and data before it, and should be sustained.

I therefore overrule all exceptions taken by the plaintiff to the rulings of the commission during the course of the hearing and all exceptions to the findings which have been insisted upon before this court and direct that a decree be entered dismissing the bill of complaint herein exhibited.

ASHLEY M. GOULD, *Justice.*

Mr. ESCH. Mr. Speaker, I yield the remainder of my time to the gentleman from Oregon [Mr. SINNOTT].

The SPEAKER. The gentleman from Oregon is recognized for 12 minutes.

Mr. SINNOTT. Mr. Speaker, if I were given the right to draft a water-power bill covering navigable streams, the bill that I would write would contain about one paragraph. It would provide that the applicant for a right to a dam or to divert water upon a navigable stream should show to the Secretary of War that his proposed project would in no way interfere with navigation.

The rest of the right and the power I would leave to the States upon the navigable streams, for I am firmly convinced that the people of the several States own the water in the navigable streams. They own all the privileges attached thereto, just the same as they own the fish in the stream, according to the decisions of the Supreme Court, as they own the sand and the rocks in the bed of the stream, as they own the oysters in the bays and ocean within the 3-mile limit, as they own the sponges growing within the 3-mile limit; all of this subject to the paramount right of the Federal Government to control navigation.

The States, or rather the original Colonies, when they separated from England were all sovereign States. They surrendered to the Federal Government only the right to control navigation in the navigable streams and waters under the commerce clause of the Constitution. The rest of the rights in these streams and waters, the water-power rights and the right of fishing, they reserved to themselves.

But I realize that that question has been thrashed out, so far as this House is concerned, and is an academic question, and I am willing to waive that question in order to get legislation to release these vast water powers—60,000,000 horsepower, that the experts tell us may be developed without storing, and 200,000,000 may be developed with storage, each horsepower equal to the annual consumption of 10 tons of coal or 30 barrels of oil. I want to see this horsepower developed, and for that reason I am willing, reluctantly, I may say, to acquiesce in this legislation.

Now, the gentleman from Maine [Mr. WHITE] has given us a valuable treatise upon the legal definitions and the interpretations of the courts concerning navigable streams and what are navigable streams. I compliment him upon his very careful gleaning over of the decisions and the massing them together here to-day. But the decisions which he read were decisions in cases where the courts were determining the vested rights, the rights of individuals along streams, navigable and nonnavigable streams. They have no relation or no bearing upon this bill. The courts determined whether the stream in question was a navigable or a nonnavigable stream in order to ascertain in those cases the rights of the riparian owner, for a riparian owner on a nonnavigable stream has the right of access to the stream, the right to cross the stream, the right to use the stream without molestation, and that right can not be taken away from him without his being compensated for the loss of that right. But the right of the riparian owner upon a navigable stream is an entirely different matter. The access of the riparian owner on the navigable stream can be taken away from him by the Government under the exercise of the Government's right to control navigation, and his wharfage rights may be taken from him. He only owns a qualified fee in the bed of a navigable stream, whereas on a nonnavigable stream he owns the absolute right to the bed of the stream.

Now, this definition in the bill in no way changes that rule of law, and as the gentleman from Maine well said, Congress can not change that rule of law. We can not declare that under certain conditions a stream is a navigable stream and deprive the riparian owner of his rights; and we do not undertake to do that, but merely to say that "for the purposes of this act a stream in a certain condition is a navigable stream," and that is all that we are undertaking to do. Under this bill we respect the rights of the States. In fact, no license can be granted under this bill unless the applicant shows that he has complied with the laws of the individual States.

Let me read to you some of the provisions recognizing the rights of the States. On page 19, subsection (b), it is provided that each applicant must show:

Satisfactory evidence that the applicant has complied with the requirements of the laws of the State or States within which the proposed project is to be located with respect to bed and banks and to the appropriation, diversion, and use of water for power purposes and with respect to the right to engage in the business of developing, transmitting, and distributing power, and in any other business necessary to effect the purposes of a license under this act.

Mr. WHITE of Maine. Mr. Speaker, may I interrupt the gentleman? I do not wish to interrupt him needlessly.

Mr. SINNOTT. I yield to the gentleman.

Mr. WHITE of Maine. I want to ask the gentleman a question about that particular subsection that he was referring to. It says each applicant for a license shall submit to the commission (b) satisfactory evidence that the applicant has complied with the requirements of the laws of the State or States. In the gentleman's interpretation does that carry any contractual agreement to observe the requirements of the law as to the licenses granted?

Mr. SINNOTT. I think it does, especially when you read it in connection with section 27.

Mr. WHITE of Maine. That troubles me, because it says "has complied," and I supposed that meant only up to the time of making the application. I was interested to get the gentleman's opinion that there is carried in that the suggestion that the licensee must conform to the State laws after the license is granted.

Mr. SINNOTT. Both the present and the future requirements. Section 27 provides—

That nothing herein contained shall be construed as affecting or intending to affect or in any way to interfere with the laws of the respective States relating to the control, appropriation, use, or distribution of water used in irrigation or for municipal or other uses, or any vested right acquired therein.

The State may provide that before one can secure the right to appropriate the water the electricity developed from the water must be used in a certain way. All through this bill the right of the State is recognized. The right of the State is recognized to fix the charges, to control the securities, and if the State has no public-utilities commission and no law covering that point, then the commission itself fixes that.

The bill also provides for efficient power production, and that at the end of the 50-year period the property may be taken over by paying the net investment. Now, that net investment does not mean what we commonly refer to as the net investment. It means the legitimate investment, the legitimate expense put into the property, less certain deductions. If at the end of the 50-year period it is found that the licensee has made excessive profits, why then those excessive profits are deducted from the net investment, and to that extent the net investment is reduced. Also to the extent that they are accumulated from earnings in excess of a fair return there is also deducted from the net investment the following:

First. Unappropriated surplus.

Second. Aggregate credit balances of current depreciation accounts.

Third. Aggregate appropriations of surplus or income held in amortization, sinking fund, or similar reserves, or expended for additions or betterments or used for the purposes for which such reserves were created.

The SPEAKER. The time of the gentleman has expired. All time has expired.

Mr. ESCH. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

Mr. SIMS. Mr. Speaker, I move to recommit the bill to the conference committee with instructions.

The SPEAKER. The gentleman from Tennessee offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. SIMS moves to recommit the conference report to the conference committee with instructions to further insist upon its disagreement to Senate amendments numbered 8 and 36 and to agree to Senate amendment numbered 44.

The SPEAKER. The question is upon the motion to recommit.

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. SIMS. I make a point of order that there is no quorum present.

The SPEAKER. The gentleman from Tennessee makes the point of order that there is no quorum present. The Chair thinks there is no quorum present. The Doorkeeper will close the doors, and the Sergeant at Arms will notify absent Members. As many as favor the motion to recommit will, as their names are called, vote yea, those opposed nay, and the Clerk will call the roll.

The question was taken; and there were—yeas 86, nays 209, answered "present" 1, not voting 130, as follows:

YEAS—86.

Almon	Evans, Mont.	Johnson, Miss.	O'Connor
Ashbrook	Evans, Nev.	Keller	Oldfield
Babka	Fisher	King	Oliver
Baer	Flood	Kleczka	Peters
Barbour	Gallagher	Lampert	Rainey, J. W.
Blanton	Gandy	Layton	Schall
Box	Ganly	Linthicum	Sherwood
Briggs	Gard	McDuffie	Sims
Browne	Garner	McGlennon	Sinclair
Burroughs	Garrett	McKeown	Sisson
Byrns, Tenn.	Goldfogle	McKiniry	Smithwick
Carss	Goodall	McLane	Sumners, Tex.
Casey	Goodwin, Ark.	MacCrate	Tillman
Clark, Mo.	Greene, Vt.	MacGregor	Voigt
Classon	Hardy, Tex.	Mapes	Walsh
Coady	Hersey	Mays	Welty
Connally	Holland	Mead	White, Me.
Cullen	Huddleston	Moon	Wilson, Pa.
Dale	Hull, Tenn.	Mooney	Woods, Va.
Davis, Tenn.	Jacoway	Nelson, Mo.	Young, N. Dak.
Dowell	James	Nolan	
Eagan	Johnson, Ky.	O'Connell	

NAYS—209.

Ackerman	Cole	Fuller, Mass.	Igoe
Anderson	Collier	Garland	Ireland
Andrews, Nebr.	Cooper	Glynn	Jefferis
Anthony	Crago	Good	Johnson, Wash.
Aswell	Crisp	Graham, Ill.	Jones, Pa.
Bacharach	Currie, Mich.	Graham, Pa.	Jones, Tex.
Bee	Dallinger	Green, Iowa	Juul
Begg	Davey	Greene, Mass.	Kahn
Benham	Dempsey	Hadley	Kearns
Benson	Dickinson, Mo.	Hamilton	Kendall
Black	Dickinson, Iowa	Hardy, Colo.	Kinkaid
Bland, Mo.	Dominick	Harreld	Knutson
Bland, Va.	Doughton	Hastings	Langley
Boies	Dunbar	Hawley	Larsen
Booher	Dunn	Hays	Lazaro
Brooks, Ill.	Dupré	Hernandez	Lea, Calif.
Brooks, Pa.	Elliott	Hersman	Lee, Ga.
Buchanan	Esch	Hickey	Lehlbach
Burdick	Evans, Nebr.	Hicks	Little
Campbell, Kans.	Fairfield	Hill	Lonergan
Candler	Fess	Hoch	Longworth
Cannon	Focht	Houghton	Luce
Chindblom	Foster	Howard	Luhring
Christopherson	Freeman	Hudspeth	McArthur
Clark, Fla.	French	Hull, Iowa	McClintic
Cleary	Fuller, Ill.	Hutchinson	McFadden

McKenzie	Park	Rucker	Towner
McLaughlin, Nebr.	Parker	Sanders, Ind.	Treadway
Madden	Parrish	Sanders, La.	Upshaw
Magee	Phelan	Sanford	Venable
Major	Porter	Scott	Vestal
Mann, Ill.	Pou	Sells	Vinson
Mann, S. C.	Purnell	Siegel	Volstead
Mansfield	Quin	Sinnott	Walters
Michener	Radcliffe	Slemp	Weaver
Miller	Rainey, Ala.	Smith, Idaho	Webster
Milligan	Rainey, H. T.	Smith, Mich.	Welling
Minahan, N. J.	Raker	Snyder	Whaley
Monahan, Wis.	Ramsey	Stedman	Wheeler
Mondell	Ramseyer	Stephens, Miss.	White, Kans.
Moore, Ohio	Randall, Calif.	Stevenson	Wilson, Ill.
Moore, Va.	Randall, Wis.	Stoll	Wilson, La.
Morgan	Rayburn	Strong, Kans.	Winslow
Mott	Reavis	Sweet	Wise
Mudd	Reed, N. Y.	Swope	Wood, Ind.
Murphy	Rhodes	Taylor, Ark.	Woodyard
Neely	Ricketts	Taylor, Colo.	Wright
Nelson, Wis.	Robsion, Ky.	Taylor, Tenn.	Yates
Newton, Mo.	Rogers	Temple	Young, Tex.
Ogden	Romjue	Thompson	Zihlman
Osborne	Rouse	Tilson	
Overstreet	Rowe	Timberlake	
Paige	Rubey	Tincher	

ANSWERED PRESENT—1.

Rodenberg

NOT VOTING—130.

Andrews, Md.	Doremus	Kennedy, R. I.	Robinson, N. C.
Ayres	Drane	Kettner	Rose
Bankhead	Dyer	Kiess	Rowan
Barkley	Eagle	Kincheloe	Sabath
Bell	Echols	Kitchin	Sanders, N. Y.
Blackmon	Edmonds	Kraus	Scully
Bland, Ind.	Ellsworth	Kreider	Sears
Bowers	Elston	Lanham	Shreve
Brand	Emerson	Lankford	Small
Brinson	Ferris	Lesher	Smith, Ill.
Britten	Fields	Lufkin	Smith, N. Y.
Brumbaugh	Fordney	McAndrews	Snell
Burke	Frear	McCulloch	Steagall
Butler	Gallivan	McKinley	Steele
Byrnes, S. C.	Godwin, N. C.	McLaughlin, Mich.	Steenerson
Caldwell	Goodykoontz	McPherson	Stephens, Ohio
Campbell, Pa.	Gould	Maher	Stiness
Cantrill	Griest	Martin	Strong, Pa.
Caraway	Griffin	Mason	Sullivan
Carew	Hamill	Merritt	Summers, Wash.
Carter	Harrison	Montague	Tague
Copley	Haugen	Moores, Ind.	Thomas
Costello	Hayden	Morin	Tinkham
Cramton	Heflin	Newton, Minn.	Vaile
Crowther	Hoey	Nicholls	Vare
Curry, Calif.	Hulings	Olney	Ward
Darrow	Humphreys	Padgett	Wason
Davis, Minn.	Husted	Pell	Watkins
Denison	Johnson, S. Dak.	Platt	Watson
Dent	Johnston, N. Y.	Reber	Williams
Dewalt	Kelley, Mich.	Reed, W. Va.	Wingo
Donovan	Kelly, Pa.	Riddick	
Dooling	Kennedy, Iowa	Riordan	

So the motion to recommit was rejected.

The following pairs were announced:

Until further notice:

Mr. SUMMERS of Washington with Mr. BANKHEAD.

Mr. DENISON with Mr. STEAGALL.

Mr. CURRY of California with Mr. DRANE.

Mr. SHREVE with Mr. KITCHIN.

Mr. ECHOLS with Mr. LANKFORD.

Mr. KELLEY of Michigan with Mr. OLNEY.

Mr. STEPHENS of Ohio with Mr. SMALL.

Mr. STRONG of Pennsylvania with Mr. HEFLIN.

Mr. DYER with Mr. KETTNER.

Mr. WATSON with Mr. STEELE.

Mr. KENNEDY of Rhode Island with Mr. TAGUE.

Mr. ANDREWS of Maryland with Mr. ROBINSON of North Carolina.

Mr. TINKHAM with Mr. WINGO.

Mr. REED of West Virginia with Mr. AYRES.

Mr. FORDNEY with Mr. DEWALT.

Mr. KRAUS with Mr. GODWIN of North Carolina.

Mr. WILLIAMS with Mr. SEARS.

Mr. SMITH with Mr. WATKINS.

Mr. ROSE with Mr. HUMPHREYS.

Mr. BLAND of Indiana with Mr. THOMAS.

Mr. MASON with Mr. CARTER.

Mr. ELLSWORTH with Mr. CANTRILL.

Mr. MCKINLEY with Mr. MONTAGUE.

Mr. RIDDICK with Mr. EAGLE.

Mr. ELSTON with Mr. BRUMBAUGH.

Mr. BUTLER with Mr. CAMPBELL of Pennsylvania.

Mr. MOORES of Indiana with Mr. SULLIVAN.

Mr. WARD with Mr. ROWAN.

Mr. MCPHERSON with Mr. CAREW.

Mr. DAVIS of Minnesota with Mr. HARRISON.

Mr. EDMONDS with Mr. HAYDEN.

Mr. HUSTED with Mr. SMITH of New York.

Mr. KREIDER with Mr. MAHER.

Mr. BOWERS with Mr. LESHER.

Mr. NEWTON of Minnesota with Mr. CALDWELL.

Mr. GOODYKOONTZ with Mr. FERRIS.

Mr. SNELL with Mr. GALLIVAN.

Mr. COPLEY with Mr. GRIFFIN.

Mr. PLATT with Mr. PELL.

Mr. WASON with Mr. SCULLY.

Mr. MORIN with Mr. NICHOLLS.

Mr. GRIEST with Mr. RIORDAN.

Mr. SANDERS of New York with Mr. HOEY.

Mr. COSTELLO with Mr. BLACKMON.

Mr. KIESS with Mr. BARKLEY.

Mr. FREAR with Mr. PADGETT.

Mr. REBER with Mr. MARTIN.

Mr. VARE with Mr. SABATH.

Mr. STINESS with Mr. HAMILL.

Mr. MERRITT with Mr. LANHAM.

Mr. MCLAUGHLIN of Michigan with Mr. DENT.

Mr. STEENERSON with Mr. BELL.

Mr. CROWTHER with Mr. DOOLING.

Mr. HULINGS with Mr. BRINSON.

Mr. KENNEDY of Iowa with Mr. CARAWAY.

Mr. BRITTEN with Mr. MCANDREWS.

Mr. BURKE with Mr. JOHNSTON of New York.

Mr. DARROW with Mr. BRAND.

Mr. KELLY of Pennsylvania with Mr. BYRNES of South Carolina.

Mr. GOULD with Mr. FIELDS.

Mr. HAUGEN with Mr. DOREMUS.

Mr. MCCULLOCH with Mr. DONOVAN.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

The SPEAKER. The question is on agreeing to the conference report.

Mr. ESCH. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 259, nays 30, not voting 137, as follows:

YEAS—259.

Ackerman	Evans, Nebr.	Kendall	Parker
Almon	Evans, Nev.	Kinkaid	Parrish
Anderson	Fairfield	Kleczka	Phelan
Andrews, Nebr.	Fess	Knutson	Porter
Anthony	Fisher	Langley	Purnell
Ashbrook	Flood	Larsen	Radcliffe
Aswell	Focht	Layton	Rainey, Ala.
Babka	Foster	Lazaro	Rainey, H. T.
Bacharach	Freeman	Lea, Calif.	Rainey, J. W.
Barbour	French	Lee, Ga.	Raker
Bee	Fuller, Ill.	Lehlbach	Ramsey
Begg	Fuller, Mass.	Linthicum	Ramseyer
Benham	Gallagher	Lonergan	Randall, Calif.
Benson	Gandy	Luhring	Randall, Wis.
Black	Ganly	McArthur	Rayburn
Bland, Mo.	Gard	McClintic	Reavis
Bland, Va.	Garland	McDuffie	Reed, N. Y.
Blanton	Garner	McGlennon	Reed, W. Va.
Boies	Garrett	McKenzie	Rhodes
Booher	Glynn	McKinley	Ricketts
Britten	Goldfogle	McLane	Riddick
Brooks, Ill.	Good	McLaughlin, Nebr.	Robsion, Ky.
Brooks, Pa.	Goodwin, Ark.	MacCrate	Rodenberg
Burdick	Graham, Ill.	Madden	Rogers
Butler	Green, Iowa	Magee	Romjue
Byrns, Tenn.	Greene, Mass.	Major	Rouse
Campbell, Kans.	Hadley	Mann, Ill.	Rowe
Candler	Hamilton	Mann, S. C.	Rubey
Cannon	Hardy, Colo.	Mansfield	Sanders, Ind.
Casey	Hardy, Tex.	Mapes	Sanders, La.
Chindblom	Harreld	Mays	Sanford
Christopherson	Hastings	Michener	Scott
Clark, Mo.	Hawley	Miller	Sells
Classon	Hays	Milligan	Sherwood
Cleary	Hernandez	Minahan, N. J.	Siegel
Coady	Hersman	Monahan, Wis.	Sinnott
Cole	Hickey	Mondell	Slemp
Collier	Hicks	Moon	Smith, Idaho
Cooper	Hill	Mooney	Smith, Mich.
Crago	Hoch	Moore, Ohio	Smithwick
Crisp	Holland	Moore, Va.	Snyder
Cullen	Houghton	Morgan	Stedman
Currie, Mich.	Howard	Mott	Steenerson
Dale	Hudspeth	Mudd	Stephens, Miss.
Dallinger	Hull, Iowa	Murphy	Stevenson
Davey	Hull, Tenn.	Neely	Stoll
Davis, Tenn.	Hutchinson	Nelson, Wis.	Strong, Kans.
Dempsey	Igoe	Newton, Mo.	Sumners, Tex.
Dickinson, Mo.	Ireland	Nolan	Sweet
Dickinson, Iowa	Jacoway	O'Connell	Swope
Dominick	Jefferis	O'Connor	Taylor, Ark.
Doughton	Johnson, Ky.	Ogden	Taylor, Colo.
Dunbar	Johnson, Miss.	Oldfield	Taylor, Tenn.
Dunn	Johnson, Wash.	Oliver	Temple
Dupré	Jones, Pa.	Osborne	Thompson
Eagan	Juul	Overstreet	Tilson
Elliott	Kahn	Padgett	Timberlake
Esch	Kearns	Paige	Tincher
Evans, Mont.	Kelley, Mich.	Park	Towner

Treadway	Walters	Wheeler	Wood, Ind.
Upshaw	Weaver	White, Kans.	Woods, Va.
Venable	Webster	Wilson, La.	Wright
Vestal	Welling	Wilson, Pa.	Yates
Vinson	Welty	Winslow	Young, Tex.
Volstead	Whaley	Wise	

NAYS—30.

Baer	Goodall	MacGregor	Tillman
Box	Hersey	Mead	Voigt
Briggs	Huddleston	Peters	Walsh
Browne	Keller	Quin	Wason
Burroughs	Lampert	Schall	White, Me.
Carss	Little	Sims	Young, N. Dak.
Connally	McFadden	Sinclair	
Dowell	McKeown	Sisson	

NOT VOTING—137.

Andrews, Md.	Dyer	Kettner	Rose
Ayres	Eagle	Kiess	Rowan
Bankhead	Echols	Kincheloe	Rucker
Barkley	Edmonds	King	Sabath
Bell	Ellsworth	Kitchin	Sanders, N. Y.
Blackmon	Elston	Kraus	Scully
Bland, Ind.	Emerson	Kreider	Sears
Bowers	Ferris	Lanham	Shreve
Brand	Fields	Lankford	Small
Brinson	Fordney	Lesher	Smith, Ill.
Brumbaugh	Frear	Longworth	Smith, N. Y.
Buchanan	Gallivan	Luce	Snell
Burke	Godwin, N. C.	Lufkin	Steagall
Byrnes, S. C.	Goodykoontz	McAndrews	Steele
Caldwell	Gould	McCulloch	Stephens, Ohio
Campbell, Pa.	Graham, Pa.	McKinley	Stiness
Cantrill	Greene, Vt.	McLaughlin, Mich.	Strong, Pa.
Caraway	Griest	McPherson	Sullivan
Carew	Griffin	Maher	Summers, Wash.
Carter	Hamill	Martin	Tague
Clark, Fla.	Harrison	Mason	Thomas
Copley	Haugen	Merritt	Tinkham
Costello	Hayden	Montague	Vaile
Cramton	Heflin	Moores, Ind.	Vare
Crowther	Hoey	Morin	Ward
Curry, Calif.	Hulings	Nelson, Mo.	Watkins
Darrow	Humphreys	Newton, Minn.	Watson
Davis, Minn.	Husted	Nicholls	Williams
Denison	James	Olney	Wilson, Ill.
Dent	Johnson, S. Dak.	Pell	Wingo
Dewalt	Johnston, N. Y.	Platt	Woodyard
Donovan	Jones, Tex.	Pou	Zihlman
Dooling	Kelly, Pa.	Reber	
Doremus	Kennedy, Iowa	Riordan	
Drane	Kennedy, R. I.	Robinson, N. C.	

So the conference report was agreed to.

The Clerk announced the following additional pairs:

Until further notice:

Mr. LONGWORTH with Mr. POU.

Mr. ZIHLMAN with Mr. NELSON of Missouri.

Mr. WOODYARD with Mr. SCULLY.

Mr. VAILE with Mr. RUCKER.

Mr. LUCE with Mr. OLNEY.

Mr. KING with Mr. MCANDREWS.

Mr. LUFKIN with Mr. JONES of Texas.

Mr. JOHNSON of South Dakota with Mr. EAGLE.

Mr. GREENE of Vermont with Mr. CLARK of Florida.

Mr. GRAHAM of Pennsylvania with Mr. CAMPBELL of Pennsylvania.

Mr. FREAR with Mr. AYRES.

Mr. CRAMTON with Mr. BELL.

Mr. EMERSON with Mr. BUCHANAN.

Mr. BRAND. Mr. Speaker, I would like to vote, though I was not present when my name was called.

The SPEAKER. The gentleman does not bring himself within the rule.

The result of the vote was announced as above recorded.

On motion of Mr. ESCH, a motion to reconsider the vote by which the conference report was agreed to was laid on the table.

SUNDRY CIVIL APPROPRIATION BILL.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of H. R. 13870, the sundry civil appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the sundry civil appropriation bill, with Mr. ANDERSON in the chair.

The Clerk reported the title of the bill.

Mr. GOOD. Mr. Chairman, I yield to the gentleman from New York [Mr. HICKS].

Mr. HICKS. Mr. Chairman, there has been much discussion on the floor of this House and throughout the country in regard to an increase of pay in the Navy, Army, Marine Corps, Coast Guard, and Public Health Service. The conference committee is at present endeavoring to reconcile the bills passed by the House and the Senate in reference to this very important matter. I fully realize the need of economy, of strict economy, in Federal expenditures, and by my vote I have repeatedly expressed my determination to curtail national extravagance, but when reduction creates inefficiency and curtailment causes deterioration, then it is not economy but waste.

I feel that in order to keep our military service up to the standard of efficiency we expect and demand, an increase in pay, both of officers and men, is not merely desirable but imperatively necessary, not kindness but justice.

Personally I prefer a force smaller in numbers and greater in efficiency than one greater in numbers and smaller in effectiveness. If the pay account is to remain as it is, it were better, in my opinion, that the amount be spread over a smaller number of officers and men, which would operate as an increase, thus stimulating enlistments and strengthening the morale of the entire service. With the higher rates of compensation being offered and paid by commercial enterprise, our officers and men are rapidly leaving the service, and discontent on the part of those who remain is the natural and inevitable consequence. Our standards of excellence can not be maintained unless we recognize and meet conditions. We are confronted not by theories but by facts, and while officers and men are imbued with patriotism and love of service the pressure of increased expenses becomes not only a hardship but an obstacle too great for them to surmount on their present rates of pay.

Let me analyze each branch of our military service.

THE ARMY.

While West Point is looked upon as the source of supply for our Army officers, less than half of our Regulars come from this institution. Since the establishment of the Military Academy 118 years ago there have been less than 5,000 graduates, and it is safe to say that of the officers in the Regular Army to-day not 1,000 are graduates of West Point.

At no time since the academy was established have there been so many vacancies, 770 I understand, due, without question, in large part to the unattractiveness of Army life from the financial standpoint. It is but fair to state that these vacancies may also be attributable in a small degree to the desire of our people to return to a peace basis.

Since the signing of the armistice 2,452 officers have resigned from the Regular Army, due primarily to the fact that these officers could not maintain their families on Army pay, and, secondly, because of the larger inducements offered in civilian life.

Reference has been made in this House to the fact that these officers do not need an increase of pay since they received promotion during the war. But it is a fact, according to statistics obtained from the War Department, that while there were in promotions 72 per cent during the war of all officers in the Regular Army, since the armistice was signed they have all been demoted except 25 per cent, and these officers will be demoted by the end of the fiscal year, June 30, 1920.

In regard to enlisted men and noncommissioned officers, the desertions from the Regular Army between March 1, 1919, and April 1, 1920, reached the astounding number of 11,000, the reason being insufficiency of pay and the lack of inducement to remain in the service. This state of affairs is cause for reflection, and should prompt us to action if we are to have an Army worthy of the traditions and the achievements of its splendid past.

THE NAVY.

Not all Regular Navy officers are graduates of the Naval Academy, although the great majority of those of the line of the Regular Navy come from Annapolis. Since the establishment of the Naval Academy 75 years ago there have been 5,693 graduates, and to-day there are about 2,825 in the Regular Navy, as compared with the 6,326 officers who never attended the academy. The graduates of the Naval Academy serve in the line, in the Construction Corps, and, in a very few cases, in the Civil Engineering Corps. The number of vacancies in the Naval Academy is greater than it has been in many years, amounting to 247 for which no nominations have been made.

Of all officers in the Regular Navy, line and staff combined, there have been 2,130 resignations since the armistice, of whom approximately 1,450 were line officers. Of Regular officers who were in the service prior to the war, something over 400 have resigned, line and staff combined.

Reference has repeatedly been made to war promotions. War promotions as applied to the Navy is a misnomer. Congress authorized a permanent number of officers in the United States Navy. During the war the Navy being short of this permanent number, Congress authorized the filling up of these permanent places temporarily. This is the so-called "war promotions" of the Navy. Among officers of over eight years'

service, very few, as a result of this so-called emergency promotion, received an increase of 18 per cent. A comparatively large number received an increase of 15 per cent, and many received an increase of only 11 per cent. Several officers of long service received no increase whatever. Remarks in regard to emergency promotions in the Navy, it is believed, are not applicable.

As to enlisted men, during the last six months of 1919 there were 4,666 desertions from the Regular Navy, of whom 1,057 were petty officers and 60 chief petty officers. The total for February was 765 desertions, of whom 60 were petty officers and 7 were chief petty officers. Prior to the war the desertion of a petty officer was unusual, and the desertion of a chief petty officer almost unheard of. The petty officers and chief petty officers are now our old-time men. They have not deserted because their training has not been good or because they do not realize the seriousness of the offense, but for the simple reason that they are driven to desert in order to care for their families.

In this connection we must not lose sight of the fact that the merchant marine service is offering inducements for seamen far greater than the law permits the Navy to offer them. These men are human, and while desertion must be condemned in the sternest terms, we should not forget that the emoluments of civilian life beckon them to other pursuits.

Such is the condition to-day in the Navy of the United States, a situation that must be remedied and remedied at once if the Navy, in theory and in practice, is to continue as the first line of defense of the Nation and remain true to its mighty history—a history which is the pride and the glory of every American.

THE MARINE CORPS.

Since December, 1918, a total of 114 permanent and probationary officers have resigned from the Marine Corps. They are subdivided according to their grades as follows:

Lieutenant colonels	1
Majors	2
Captains	85
First lieutenants	22
Second lieutenants	4
Permanent	54
Probationary	60
Total	114

Since December, 1918, a total of 889 temporary officers have resigned from the Marine Corps. They are subdivided according to their grades as follows:

Captains	179
First lieutenants	397
Second lieutenants	313
Total	889

The desertions of enlisted men are as follows:

1919.	
March	44
April	41
May	45
June	21
July	43
August	91
September	52
October	59
November	88
December	70
1920.	
January	73
February	82
March	81
April	103
Total	893

Here is a service whose valiant deeds in every war is a record of glory and of brilliant accomplishment. Yet to-day their ranks are depleted because we have failed to recognize the exigencies of the hour.

The necessity for advancing pay to meet advancing costs of living has been recognized and accepted by practically all the great nations in every branch of the service, with the exception of the United States.

In the British Navy the increase of pay for officers over prewar rates reaches as high as 185 per cent, and these increases apply to officers of the Royal Marines. The pay of the enlisted men of both services has been doubled.

In the French Navy the increase of officers' pay reaches from 35 per cent to 129 per cent, while the pay of the men has been advanced in proportion.

In the Italian Navy the increase of officers' pay has been made at the flat rate of 30 per cent, and the pay of the men has been advanced in proportion.

In the Japanese Navy the increase of officers' pay extends from 30 per cent to 50 per cent, with additional compensation to enlisted men.

In the Chinese Navy a flat increase of 20 per cent in the pay of officers has been made, with increases in the pay of sailors.

While I have no figures showing the pay advances in other branches of the service of other nations, I understand the increases have been material.

THE COAST GUARD.

The situation in the Coast Guard as regards personnel is most serious, and is causing the administrative officers very great concern. The service is in serious straits on account of the lack of a sufficient number of men to man its vessels and stations, and because such few men as are obtainable are untrained and much below the standards necessary for the proper performance of the important and hazardous work of the Coast Guard. Men are leaving the service as their terms of enlistment expire, and many whose terms have not expired are clamoring for discharge. It has become practically impossible to secure adequate replacements. The sole reason for this most serious condition lies in the fact that the rates of pay allowed by law in the Coast Guard are too low to meet existing conditions, and are extremely low in comparison with the pay that the same type of men can receive in the merchant marine or in practically any other civil pursuit.

So serious has the situation become that the Coast Guard has actually been compelled to place a number of its cruising cutters out of commission because there are not sufficient men to man them. Only recently it was found necessary to place five of the cruising vessels on the eastern coast out of commission in order to attempt to provide adequate crews for vessels participating in the patrol of the Bering Sea and North Pacific Ocean to enforce the provisions of the convention of July 1, 1911, between the United States, Great Britain, Russia, and Japan for the protection of the fur seal and sea otter and the performance of other important duties in Alaska.

The withdrawal of these vessels from active service on the eastern seaboard is a very serious matter. Commerce upon the Atlantic has greatly increased since the active operations of war have ceased, and it will continue to increase rapidly, carrying with it corresponding liability to accident and casualty. There can be no better evidence of the imperative need of full and adequate equipment and personnel for the Coast Guard than the work that service is now doing. During the past nine months the Coast Guard has rendered assistance to vessels and cargoes whose value amounted to the enormous sum of $55,000,000. There were on board these vessels between 6,000 and 7,000 persons, and more than 2,000 persons have been rescued from positions of actual peril through the instrumentality of the Coast Guard. These most impressive figures do not include the various items of miscellaneous assistance that the crews of vessels and stations of the Coast Guard are constantly rendering.

A similar condition of affairs exists at many of the shore stations, and it is very probable, if something is not done shortly to improve the situation, that a number of stations will have to be placed out of commission and their crews concentrated at points where they can work to the greatest advantage. The Coast Guard stations on the Great Lakes opened for active service on March 1 with greatly reduced complements, some stations actually having no more than three or four regular men—not enough to man a boat.

The number of enlisted men required properly to man the units of the Coast Guard is 5,745, and there are to-day only 3,709 enlisted men in the service, a shortage of 2,036 existing. The number of desertions in this small corps since the armistice amounts to 442, an unprecedented number in the Coast Guard. Since November, 1918, there have been 1,115 court-martial cases, including deck courts, minor courts, and so forth. The depleted state of the enlisted personnel of the Coast Guard would be even worse than it is but for the fact that many of the older men are holding on in the hope that legislation to remedy conditions will be enacted in the near future.

Twenty-two warrant officers have tendered their resignations since the armistice. The warrant officers are the very backbone of the service. Unless pending legislation be enacted, they will, after the proclamation of peace, revert to a base pay, in most grades, of $75 per month. They can not possibly live on this sum and they will be compelled to leave the Coast Guard. If the warrant officers leave the service in any considerable numbers, as they will be compelled to do, the Coast Guard can not operate.

In regard to commissioned officers, the number authorized by law in the Coast Guard is 270. There are to-day only 212 officers. Twenty-two officers have resigned since the signing of the armistice. Much has been said to the effect that commissioned officers are not entitled to an increase in pay because they have been very materially advanced in rank during the

war and because under sundry plans of reorganization of the military services they might hold advanced rank or even be advanced still further. I desire to make this matter clear as regards commissioned officers of the Coast Guard.

Under war-time legislation, of the officers of the Coast Guard holding regular rank corresponding to commander in the Navy just three have been advanced to the next higher rank. Of officers holding the normal rank of lieutenant commander, just 13 out of a total number of 37 have been advanced to the grade of commander. There are officers in the Coast Guard of the rank of lieutenant commander who have had over 25 years' continuous service, some of whom commanded combatant ships of the Coast Guard and of the Navy in the war zone, and who have received no temporary advance whatever. Certain war-time legislation has, indeed, permitted the temporary advancement of the younger officers to the same temporary grade as that attained by officers of the Navy of corresponding length of service, not above the rank of lieutenant commander. All temporary advanced rank in the Coast Guard ceases absolutely not later than six months after peace shall have been proclaimed.

The Coast Guard needs about 70 cadets for training at the Coast Guard Academy at New London to become commissioned officers. An examination has just been held, after being given wide publicity throughout the country. From this examination it is found that not more than six cadets are obtainable. Conditions in the Coast Guard as regards enlisted personnel are fully as bad as those confronting any of the other military services.

It is of decided interest to note that the percentage of total personnel who lost their lives in the World War as a direct result of enemy action is larger in the case of the Coast Guard than in the case of the Army. This speaks for itself. It is not necessary for me to describe the work of the Coast Guard in time of peace. It is a hazardous calling at all times, demanding courage, determination, and ceaseless vigilance by day and by night—a calling in which only the hardy and fearless can endure. Its difficult, dangerous, and extremely valuable services are well understood and gratefully appreciated by everyone interested in the lives and fortunes of those "who go down to the sea in ships and have their business on great waters."

THE PUBLIC HEALTH SERVICE.

In October, 1918, there were in the regular corps of the Public Health Service 217 commissioned officers. Since that time there have been 4 admissions to the corps, 3 deaths, and 21 resignations. Prior to that date the Public Health Service usually obtained by admission 10 to 15 officers per year and lost practically none by resignation.

The reserve of the Public Health Service was established in October, 1918. In order to obtain medical officers for the medical care and treatment of war-risk insurance patients the service commissioned 472 reserve officers who were leaving either the Army or Navy. Of the number recruited in this way 76 have resigned. It is almost impossible to secure new recruits. The importance of this service, especially to those who wore the uniform in the recent war, should appeal to us to enact legislation for relief.

Mr. GOOD. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. FAIRFIELD].

Mr. FAIRFIELD. Mr. Chairman and gentlemen of the committee, I received a letter this morning from a constituent who very pointedly requested me to inform him why his community was compelled to pay six times as much for a pound of sugar as it did 10 years ago. An inquiry like fixing a specific date naturally would carry a man's mind back to the political situation in 1910. I remember that this high cost of living is not at all a new term in political discussion. I remember very well in my own county and district that every little Democratic convention declared it to be its specific purpose to reduce the high cost of living. That campaign began in 1908. It had gained full headway in 1910, and from the results that have been obtained, the Lord only knows how much we shall be able to reduce the high cost of living in the next decade.

In another letter there was a request to know about the condition of the President of the United States—his physical condition—and the suggestion that there is a profound apprehension on the part of the people that the President of the United States is not able to fully function, and that that apprehension does not come out of any want of sympathy for the very unfortunate condition in which the Chief Executive finds himself. Of course, no Member of Congress knows, and there is no way in which any Member of Congress can find out, whether there is now disability under the meaning of the Constitution.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. FAIRFIELD. Yes.

Mr. McKEOWN. Why does not the gentleman introduce a resolution to investigate the subject? You are investigating everything else.

Mr. FAIRFIELD. Would the gentleman vote for a resolution of that kind?

Mr. McKEOWN. I would not.

Mr. FAIRFIELD. It is a strange and unprecedented situation in which we find ourselves. The gentleman from Oklahoma asked me if I would introduce a resolution of that kind. Not at all. It would be ineffective, and, in my judgment, both unwise and unkind. However, it is certainly pertinent on the floor of this House to voice what is in the mind and heart of the people in respect to whether there is a possibility under the Constitution to enact a law that would make it possible when there is such a question in respect to disability for the people to know, and I doubt not that out of the present very tragic circumstances, if actuated only by a feeling of sympathy, there will come ultimately a solution of this problem.

Mr. JOHNSON of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. FAIRFIELD. Yes.

Mr. JOHNSON of Mississippi. For the information of the gentleman I would state that I have just received an afternoon edition of a paper in which it is stated that the President is recovering rapidly, that he is getting all right, that he is able to attend to his business, and is now taking rides and strolling around without the aid of any physician, that he is able to look after his duties. This paper is a Republican paper, and I take it that what it states is true.

Mr. FAIRFIELD. The credulity of the gentleman is remarkable under all the circumstances. I wish to God it were true. I can think of no more unfortunate circumstance that has come to this country than the breaking down of President Wilson, and I wish that he were strong and rugged and able to stand forth in the fight that he is making, as he has stood hitherto. [Applause.]

But I am not willing that that unfortunate circumstance shall be presumptive evidence of the fact that his course is wise and for the best interest of the country. Unfortunately, perhaps his very condition makes it less likely that there will be such careful, full, and drastic analyses of many of the things which he has proposed as would otherwise be true. There has been much discussion in the general debate here on a variety of topics relating either directly or indirectly to the politics of the present year. Do you know as a man sits and listens first to one side and then to the other, if he wants to think honestly, if he wants to conclude in harmony with his thought, if he wants, above all else, to do his duty as a representative of the people, that he often wishes the statements made on both sides as to matters of fact, at least, could be taken without any color as to their absolute truth. But unfortunately most speeches are tempered by the particular effect that they may have upon political fortunes.

Mr. RAKER. Will my distinguished friend from Indiana yield for a question right there?

Mr. FAIRFIELD. Yes, sir.

Mr. RAKER. On the first question that was propounded by this constituent the gentleman did not answer. Would the gentleman tell us what his answer was for the reason of the rise in price on sugar six times to what it was five years ago?

Mr. FAIRFIELD. He undertook to make no answer.

Mr. RAKER. But what is the gentleman's answer?

Mr. FAIRFIELD. He asked me how I would explain to my constituents the fact of that raise and whether I could introduce a law that would reduce it. I have not answered that letter yet. [Laughter.] My own conviction is that in the main the price of sugar has been determined and has risen due to the law of supply and demand until in the very recent months, when my judgment is, although I do not know—I wish I did—that there has been concerted buying and reselling and reselling again and again.

Mr. RAKER. For the purpose of raising it?

Mr. FAIRFIELD. For the purpose of raising it.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. FAIRFIELD. Certainly.

Mr. JOHNSON of Mississippi. When the gentleman writes the letter will he kindly put a copy of that letter in the RECORD? Some of us are getting the same requests and we would like to send such a statement to our constituents.

Mr. FAIRFIELD. I would be very glad to collaborate with the gentleman in framing such a letter [laughter] that would

properly and satisfactorily answer the gentleman. You see, your constituents sometimes, perhaps unwisely, think you have access to sources of knowledge which are denied you. Then I began to wonder why that selling and reselling and mounting, and so on, has been permitted under the law. I remember under the food-control act, when the Lever Act was before us, I thought, and I think Mr. Lever thought, and that the committee which framed the bill thought and the men who voted for the bill thought, that that act gave full power to this country absolutely to control the price of the necessaries of life. If it did not, and it seems from the inaction of the Attorney General that has been his interpretation of it, then the act is a failure. When President Wilson returned from France and came before this Congress, he asked for additional legislation, and on the 22d of August there was an amendment to the Lever Food Act, brought in by the Committee on Agriculture, which expressly provided it to be a criminal offense in any way to increase or to charge excessive prices for the necessities of life.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FAIRFIELD. Just a minute more.

Mr. GOOD. I yield the gentleman five minutes additional.

Mr. FAIRFIELD. That law passed the House, passed the Senate, was agreed to on the 11th day of October, and now we are told that the pyramiding of the price of sugar can not be controlled by the Attorney General. I have little faith in legislation controlling the high cost of living, and certainly when that high cost of living primarily grows out of the law of supply and demand; but shall we say to the people of this country, with a Democratic Congress in power since 1910, for nine years, until the 4th of March, 1919, that they are unable to draft any law that an Attorney General appointed by a Democratic President could enforce against the high cost of living?

Mr. GARNER, Mr. BYRNS of Tennessee, and Mr. GOODWIN of Arkansas rose.

Mr. FAIRFIELD. I have only two or three minutes, and I want to finish, if you please, and I refuse to yield. And then when the Lever food act was passed and the additional act passed, shall we say to all now that with this power we are helpless? I am not a lawyer, men, but it does seem strange to me that after your 10 years of that slogan, "Reduce the high cost of living," and 6 years under absolute control of all the departments of the Government, that the party that started that slogan informs us that in this year of grace 1920 we find ourselves absolutely helpless. It may be so; it may be so; but, oh, what a commentary on the inefficiency or the impossibility of enacting a law to control those matters!

No law can be enacted that will control the high cost of living in so far as it is due to increased cost of production or determined by the law of supply and demand. Every power that Congress can grant by way of law for the control of profiteering is now upon the statute books. The outrageous profiteering in sugar grew out of the failure of the President to permit the Sugar Equalization Board to buy the Cuban crop at 6¾ cents. I am reliably informed that in August of last year this board requested the permission of the President to purchase the crop of 1919 from Cuba. This request was renewed in November of the same year. The President acknowledged the receipt of the letters, but did not delegate to the sugar board the authority to make purchase. There was but one man on the board who opposed the purchase of this crop. For the failure to secure that crop the American people are paying to the profiteers a sum variously estimated at from $800,000,000 to $1,000,000,000. Even that failure does not warrant the excessive prices that are now being exacted. In 1918 the Louisiana sugar producers received 9 cents per pound for their sugar. In 1919 they had half a crop, and the Attorney General of the United States permitted them to charge 18 cents per pound. The price permitted by the Department of Justice began the phenomenal rise in the price of sugar.

Thus the Government undertook to compensate the sugar dealers of Louisiana for their crop failure by permitting them to fix the price at 18 cents when at the same time the Government knew perfectly well that Louisiana produces but a tithe of the sugar used in this country. On the same reasoning, if any State had raised but half its usual crop of wheat the Government might have justified itself in permitting the farmer to charge $4 per bushel for wheat and thus have raised that necessary of life by 100 per cent. The Government has no excuse for the bungling manner in which this sugar situation has been handled. The American people are paying the bill. Even now, if the Department of Justice would act as it is empowered by law to act, the upward movement of sugar could be arrested. The unfortunate long-continued absence of the Chief Executive in Europe, coupled with his unfortunate and most lamentable sickness, has deprived the American people of the service of their Chief Executive in full power and strength for 14 months of the time since December of 1918. In other words, for 14 months out of 17 the Chief Executive of the Nation has been unable because of absence or illness to properly attend to the domestic affairs of a Nation of 110,000,000 people.

Even his chief advisors have been denied the privilege of counseling together concerning the most vital interests of the Nation. This situation is tragic, indeed. Only the wise, tolerant, patient, and forbearing spirit of the American people has made it possible for order and peace to prevail. We shall weather every storm, for in the heart of every true American there is abundant faith in our institutions, hallowed by the suffering and sacrifice of those who have gone before. There is abundant hope in the present and the future because of the richness and fullness of our physical heritage. There is undying love for the beneficent institutions under which we live. There is joy and pride in the consciousness of our strength and the rectitude of our intentions. "With malice toward none and with charity toward all" we shall continue to cleave to those principles of government that have made the Republic the refuge of the oppressed and the hope of every country struggling toward liberty.

Mr. SMITH of Michigan. Mr. Chairman, I make the same request to extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield to the gentleman from Louisiana [Mr. SANDERS].

Mr. SANDERS of Louisiana. Mr. Chairman, I desire to thank the House for the privilege of submitting these remarks on this legislation at this time, because of the far-reaching effects it may have upon the social, agricultural, and industrial system of Continental United States.

In so far as this bill (H. R. 13500) provides for the relief of the Hawaiian race, I am heartily in favor of it, and I believe that it will meet with the general approval of Congress. Our people have usually been in accord upon legislation dealing with dependent races and, with the exception of the slavery issue, party politics have rarely marked the cleavage line in the intercourse of the American white man with other peoples. A benevolent policy has been particularly true of our attitude toward the American Indians and the Hawaiians.

In both cases, those races have been upon our frontiers—either military or naval, and the Federal legislation that has been enacted here usually had its inception in military considerations when we felt it necessary to more firmly establish American authority among them.

But, Mr. Chairman, it will be an evil day whenever we confuse military considerations with our civil policy in dealing with the Hawaiian Islands. In saying this I do not intend the slightest reflection upon the patriotism or the good citizenship of either the native population or the small group of American citizens who have cast their lot among them and who constitute an overwhelming percentage of the professional and commercial classes. My remarks are not uttered in an unkind spirit, but the presence of those Americans must not blind us to the fact that the island population is overwhelmingly Asiatic and that Hawaiian institutions are as un-American as the people who make up the bulk of the population.

In saying this, Mr. Chairman, I am only echoing what has been said in the past by the leaders of both of the great political parties. When the Hawaiian reciprocity treaty was under consideration April 6, 1876, Gen. Garfield, who shortly thereafter was called to the Presidency, said in addressing this House in support of that treaty:

[CONGRESSIONAL RECORD, p. 2273.]

I do not approve of the Hawaiian treaty, because it looks in the direction of securing possession of those islands. * * * We occupy a portion of that great northern zone which girdles the world and which has been the theater of the greatest achievements of civilization, especially in the history of the Anglo-Saxon races; but should we extend our possessions into the tropical belt, we should weaken the powers of our people and Government. Hence I disclaim any purpose or suggestion of annexation of those islands as any part of my reason for supporting the treaty. On the contrary, one of the reasons why I favor the treaty is that it will be a satisfactory substitute for all probable schemes of annexation that may come if this fails. * * * This treaty will completely avoid such a result as that.

That debate shows that as many Democrats as Republicans favored the treaty, because they thought it would forever dispose of the question of bringing these islands, with their un-American institutions, into our political system; but Gen. Randall Lee Gibson, of Louisiana, who followed Gen. Garfield, was opposed to both annexation and the reciprocity treaty. He favored the maintenance of the treaty relations then existing, and in view of subsequent developments his warning to

the American people was prophetic. After exposing the insincerity and the guile of the group of speculators who were exploiting the natives of Hawaii upon the one hand and the American people on the other, he asked:

What is the convention that is proposed to us to-day? It is, in effect, that sugar, which is the chief article of production and every pound of which for exportation, it has already been seen, comes to this country, shall be admitted free of duty. It has been estimated by the Secretary of the Treasury that the amount so remitted for the fiscal year 1873 is about $320,345. But with increased production the subsidy, and consequent loss of revenue, will equal the sum of one, two, and probably three millions. This amount bestowed as a bonus on the 25 or 30 American sugar planters would necessarily enhance their profits and stimulate production. It would be an invitation to those planters to bring hordes of Chinese into the Hawaiian Islands under the contract system which prevails there, and they would extend the area of sugar culture so as to embrace every foot of arable soil.

I ask, gentlemen, if it is desirable, looking at the true welfare of the people of the Sandwich Islands, that we should be a party to a policy that shall convert the islands into one vast and crowded Chinese settlement devoted to the exclusive task of producing sugar.

* * * * * * *

Sir, open these islands to these eastern hordes and you condemn their whole civilization, their institutions, their liberties founded upon law, the benevolent auspices under which these people are being gradually trained and growing up into a well-formed and compact commonwealth; you condemn them to a state worse than that from which you have but recently rescued them, to a moral and intellectual sterility in striking contrast to the gardens these Chinese materialists, debased and debasing, will plant upon all their slopes and planes, their hillsides and valleys.

* * * * * * *

Gentlemen have delighted us with the spectacle of a proud dependency far out in the Pacific Sea, a half-way house for our caravans laden with the rich treasures of the East; our flag flying over Honolulu; our garrisons passing in reviews before some general officer in command of the islands; our heaviest guns crowning their ramparts, and our invincible monitors quietly sleeping in the harbors of Pearl River, but ready at the first tocsin of war with Great Britain to wake the echoes of those silent seas with their loudest thunders and to drive the British fleet from the track of our commerce.

But gentlemen are mistaken. All this fine record, these bright visions, these dreams of extended empire, vanish at the touch of fact. Sober-minded men, charged with the responsibilities of government, will appeal from these fancy sketches to the prosaic terms of the convention itself. And when they shall analyze them, they will at once perceive that there are no flagstaffs, no ramparts, not even Pearl River harbors that were to have been offered to us according to Mr. Nordhoof, no emblems of empire, but only sugar, provided we will admit it free of duty. A serious proposition to buy trade; a matter of mere dollars and cents; a vulgar subsidy in favor of a few men and no reciprocity. Where, then, is your lofty statesmanship?

Mr. Chairman, note how that prophecy has been fulfilled. It is true that a Japanese menace has been substituted for the Chinese, but the menace has nevertheless been successfully introduced into our political system by these Hawaiian interests. The 25 or 30 American sugar planters who were flourishing out there when the reciprocity treaty was passed, have incorporated their properties and are now conducting their operations in brazen defiance of the Federal statutes.

In this connection, Mr. Chairman, I desire to insert in the RECORD an extract from the testimony of Gov. McCarthy of Hawaii, when he was testifying before the Committee on the Territories on February 3, 1920. Chairman Curry asked the governor if under the law a corporation was not limited to holding 1,000 acres of land.

The governor replied in the affirmative, on page 15 of the committee hearings. The record of the hearings before the committee continues, as follows:

The CHAIRMAN. Now, there are plantations of 10,000, 15,000, and 20,000 acres that are organized along these lines, if I am correctly informed. There may be 5, 10, 15, or 20 men organize a corporation. They have a thousand acres of land as one corporation of which John Doe is chairman. There are 5, 10, 15, or 20 men interested in each one of these corporations. Now, there is another corporation of which Richard Roe is chairman and so on down the line, 5, 10, 15, or 20 men, so that the same men are interested in the 5, 10, 15, or 20 lots of land of a thousand acres each, and while one corporation is only supposed to own and work a thousand acres of land, that corporation by this roundabout method of interlocking control and ownership owns 20,000 acres, 10,000 acres, or 5,000 acres. It looks to me as though that system was in violation of law, and that it has a tendency to create large sugar holdings and to discourage and make unprofitable the holdings of 10 or 15, or 20 or 40 acres of land as sugar plantations, for this reason. Sugar cane is only valuable where you can get it to the mill. These large plantations each have a mill. Men with 40 acres can not afford to put up a mill. The large plantations can pay him so little for his sugar cane that it does not make it profitable for him to raise sugar. Does not that condition exist in the islands or have you tried to stop it?

Gov. MCCARTHY. They have got over this section of the law. There is no doubt about it. They form land companies that will take up a thousand acres—buy a thousand acres—and then each land company, each of these individual land companies, makes either leases of plantations, or in one case several of these small corporations have formed a copartnership or corporation. Whether that thing is according to law or not I do not know, but it has been done. I understand that the present United States district attorney is going to take the matter into court to find out if that is a transgression of the United States law. Attorney General Irwin cabled to his office the other day to find out if the case had been entered as yet, and he had an answer that it had not.

Mr. Irwin, the present attorney general of the Territory, who was present, interposed at this juncture to enlighten the committee with the following bit of interesting information:

Mr. IRWIN. I would like to say, Mr. Curry, that in my conversation with you I told you that Mr. Huber, the United States attorney, had told me he had filed a case. After leaving you I began to reflect on that, and I sent a cable there to find out about it. I was incorrect. I have gone over this matter with him several times. I know that he is working on it and that he is about ready to file a case. Neither he nor I are entirely sure of what the results will be.

The CHAIRMAN. Are those land companies acting under any advice of Federal officials?

Mr. IRWIN. I am informed that before they proceeded along those lines they asked the opinion of the then United States District Attorney Breckons, and he advised them that they could proceed along those lines.

The CHAIRMAN. If they have his advice, what do you expect to do with them?

Mr. IRWIN. Mr. Rawlins was Mr. Breckons's assistant at that time and may be able to give you more information.

Mr. RAWLINS. Mr. Breckons never passed on that matter at all.

Mr. IRWIN. That is the impression in Hololulu. Whether it is true or not I do not know.

The CHAIRMAN. If they are acting on the authority of a United States district attorney, even though the advice may be illegal, it is going to be pretty hard work for you to convict them of an illegal act.

Mr. IRWIN. The organic act is very specific. It provides that in case of violations of that provision of the law the land is to escheat to the United States of America. Whether they are acting under legal advice or not, if it is a violation of the law, that would be no defense.

In the brief time that I have it is impossible for me to quote in extenso from the hearings before the Committee on Territories, but the one hundred and ninety-odd pages are replete with matter of the most interesting, not to say the most startling, character.

In the running colloquy from which I have just quoted between the chairman of the committee and the governor and attorney general of the Territory evidence was adduced that the agricultural corporations on those islands were not only defying the land laws of the United States in the most open fashion but it was asserted that this was being done by the consent of the United States district attorney of the Hawaiian Islands.

I do not believe all stories of graft, of malfeasance in public office that has shocked the American people since the Hawaiian reciprocity treaty was up here for consideration nearly 40 years ago, but these committee hearings disclose a condition that undoubtedly calls for your most serious consideration. I have only time to quote a few extracts, but they will give the House an idea of the shameless manner in which the native Hawaiian has been exploited.

Senator Wise, one of the native leaders, and a members of the Territorial General Assembly, in describing to the committee the lands that he asks Congress to restore to his people, testified (p. 142):

STATEMENT OF HON. JOHN H. WISE.

Mr. WISE. The first piece of land is Kamaoa-Puueo, on the island of Hawaii, in the district of Kau, 11,140 acres, leased to the Waiohinu Agricultural and Grazing Co. The lease is for 21 years and expires May 21, 1929. It contains a withdrawal clause.

Gov. MCCARTHY. What is the annual rental?

Mr. WISE. $200.

Mr. MONAHAN. How many head of stock can you carry on that, Senator?

Mr. WISE. I do not know how many head of stock you could run independent of other lands.

The CHAIRMAN. How much have they in that ranch?

Mr. WISE. This ranch, I should say, is running something like 5,000 to 6,000 head, and they have all these lands here. [Indicating.] They have leased other pieces, several other pieces, and own some lands in fee.

The CHAIRMAN. Amounting to how much?

Mr. WISE. There is another piece leased to them of 2,060 acres for 21 years. The lease is for $55. There is another piece of Waiohinu, 15,000 acres, leased to the Hutchinson sugar plantation. The ranch lands are under the sugar plantation. That lease expired in 1914. Portions of that are in ranch and portions in sugar cane. They have a piece in Kona, I think; I am not certain, however.

Gov. MCCARTHY. What is the annual rental?

Mr. WISE. Annual rental is $600 for Waiohinu.

Within the Hutchinson sugar plantation they have another 11,000 acres. The rental is $75 a year.

He testified of many such leases, among them Pauahi, 750 acres at an annual rental of $3.52 to the Parker Ranch.

Gov. McCarthy summarizes the matter in a general way at page 34 of the hearings. He says, speaking of the Crown lands, approximately 1,600,000 acres:

The income from those Crown lands in 1890 was $50,000 a year, and many of the leases were made at a time when the lands were fit only for pasture and had very little value; but after 1876, when the reciprocity treaty went into effect, these pasture lands were then converted into sugar lands, so that the lands had a greatly increased intrinsic value. As an instance, the Crown lands on Kauai, 57,000 acres, were leased to one man at $4,000 a year. The lease expires on the 1st of June this year. The lease was extended a year to enable them to take off the crop, and last year $100,000 income was received from portions of the lands which they sublet, and they had a cattle ranch outside of that.

* * * * * * *

Mr. SHINGLE. I would like to amplify the governor's statement with reference to this piece of land the lease of which expires this year. I would like to put into the record that for this land there has been an upset price of $5,000,000, or a rental price of $250,000 a year. That is an upset rental that would be offered for this land.

Mr. DOWELL. Who gets this, the Government?

Mr. RAWLINS. The Government gets $4,000 and the lessor $100,000.

Mr. DOWELL. This is by lease which the Government made?

Mr. RAWLINS. And which has expired.

Mr. DOWELL. If the Government leases it, it will get what rental?

Gov. MCCARTHY. $250,000 a year.

But, Mr. Chairman, I will not dwell further upon this phase of the subject, because I think that these disclosures have received the careful consideration of the committee, which will recommend a suitable means of dealing with these lands for the best interest of the Hawaiian people.

There is, however, a feature of this matter which concerns every household in the United States, which threatens the standards of American living and American institutions, and I feel it my duty to see that it does not pass unnoticed. The prophecy which the Hon. Randall Lee Gibson, of Louisiana, made upon this floor nearly half a century ago, that the plantation interests would turn these islands into an oriental colony, has been fulfilled. Note what the governor of the Territory has to say upon this subject at page 17 of the hearings:

Gov. MCCARTHY. The last official census was 1910. At that time the total population was 191,909, of which 29,099 were Hawaiians; part Hawaiians, 12,485; Portuguese, 22,294; Chinese, 21,698; Japanese, 79,663; Spanish, 1,962; Porto Ricans, 4,828; other Caucasians, 14,684; Filipinos, 8,196. The estimated population for the period ending June 30, 1919, was 263,666.

He also submitted a census table compiled last year showing how the population for 1919 was divided. It was as follows:

Hawaiians	22,600
Part Hawaiians	16,600
Portuguese	25,000
Chinese	22,800
Japanese	110,000
Spanish	2,400
Porto Ricans	5,400
Filipinos	22,000
All others	5,806
American, British, German, and Russian	31,000
Total	263,666

In this connection I think it well to reproduce an extract from a distinguished Federal judge, which the chairman had incorporated in the hearings:

The CHAIRMAN. In the Constitutional Review for January of this year, Judge William W. Morrow, judge of the United States circuit court of appeals for the district of which Hawaii is a part, has an article on "The Americanism of the Constitution of the United States," and in that article appears the following:

"When I was in Honolulu three years ago," which would be 1917, "it was represented that in 10 years the majority of the voting population of that Territory would be children of Japanese born in the Hawaiian Islands since they became a part of the territory of the United States in the year 1900, and that this voting population would naturally tend to the building up of Japanese political ideals in the Territory unless it is Americanized. I explained to those who brought the matter to my attention that the only remedy, it seemed to me, was to see to it that these Japanese children were thoroughly trained in our form of government and its political institutions; that they ought to be taught the fundamental principles of the Constitution of the United States and be made so familiar with them that they could declare, as aliens are now required to prove in order to become citizens, that they are attached to the principles of the Constitution of the United States and well disposed to the good order and happiness of the same.

"In this connection, I noticed in the public press a few days ago the following in the dispatches from Honolulu: 'Within 14 years Hawaiian-born Japanese will hold the political control in this Territory, according to the Rev. Umataro Okumura, a prominent Japanese clergyman, speaking at a church convention here. To prepare for the inevitable, declared the Rev. Mr. Okumura, it is essential that greater efforts be made to Americanize the younger Japanese who are growing into the franchise.' This was good advice, and that it is a matter of importance is apparent when we find that the estimated population of Hawaii on June 30, 1918, was 256,180," that is two years before your estimate, "an increase of 64,271, or 33.49 per cent, since the census of 1910. The population of the islands is divided as follows: Hawaiian, 22,850; part Hawaiian, 16,100; Portuguese, 24,250; Spanish, 2,270; Porto Ricans, 5,000; other Caucasians, 30,400; Chinese, 22,250; Japanese, 106,800; Filipinos, 20,400; all others, 5,560. The total number of births during the year was 9,204. The total number of pupils attendant on the public schools in the Territory on December 31, 1916, was 39,024. Of this number 14,440 were Japanese, 40,070 were Chinese, 1,795 were Americans, 3,914 were native Hawaiians, and 4,918 were part Hawaiians."

Of course, that may be the situation. If it is, it shows that over half of the population of the Territory of Hawaii are aliens ineligible to citizenship, and at the present time you are having a lot of trouble out there. The Japanese are striking on your sugar plantations and in other industries. The Japanese want more money than the planters and sugar mills want to give them. I understand that there is a proposition that 40,000 Chinamen should be imported into Hawaii to meet the labor situation. Of course, if you imported 40,000 Chinamen there would be simply 40,000 more ineligible to citizenship. I would like to see every Territory in the United States become a State when the time comes that it is eligible and qualified, and while you have the population necessary for a Representative in Congress and a few of the present States have been admitted with as small a population as you have at the present time, at least the population of those States is American, and in your Territory of Hawaii less than half of them are American citizens or eligible to become American citizens. Without the law or the Constitution is changed, prohibiting children of aliens ineligible to citizenship from exercising the franchise—and it does not look as though it would be—in a few years the voting population of Hawaii will be in the hands of the children of aliens who are themselves not eligible to citizenship, and we would have created right in the middle of the Pacific a Japanese State ready made, for the use of the Japanese Government in case of trouble between the two countries. The orientals, having the voting strength in a few years, would naturally hold the offices were Hawaii admitted as a State.

How serious this matter has become, Mr. Chairman, is well illustrated by the remarks of Senator PHELAN, of California, on the floor of the Senate on February 27, 1920, when the naval bill was under discussion. I read from page 3578 of the CONGRESSIONAL RECORD, as follows:

There are now in the city of Washington the governor of the Hawaiian Territory and a delegation from the legislature, and I learn from them in conversation that the conditions in the islands are very critical; that there is a strike among the Japanese, who comprise one-half of the entire population of the islands; that there are 120,000 Japanese in the islands, and they are on a strike, and their consuls, it has been discovered, have agents in every camp who report to them. In order to make the strike effective notice has been sent out by the unions composed of Japanese that in case any Japanese refuses to join in the strike he shall be reported to the burgomaster of his native cantonment, or whatever political subdivision it is, in Japan; and great pressure, which seems almost to be of an official character, is put upon these men to join the strike—against whom? Against the white planters.

These Hawaiians say that the white planters will not yield. Already, they state, 14 cane fires have been started in the different plantations. They are using the method of sabotage and the destruction of property to bring about the accomplishment of their purposes; and I am told that a Japanese warship has just entered the harbor, ostensibly for the purpose of taking off Japanese who are willing to go back.

When the delegation that came here from Hawaii was not engaged in seeking relief from the vicious land system which has deprived the native population of its patrimony they were urging Congress to revise the labor laws in that oriental colony. And what form did their suggestion take; did it provide for Americanizing conditions on the plantations? No. Instead they asked that they be allowed to bring in a flood of Chinese coolies, so that they could play the Chinese against the Japanese. On page 40 of their hearings before the Senate Committee on Immigration they ask for only "a limited number of Chinese to come to Hawaii, not to live permanently but for a period of five or seven years"; but in the bill introduced by the Delegate from that Territory during the last Congress they are more specific. That bill reads as follows:

Whereas since the voluntary annexation by the United States of the Hawaiian Islands more than $30,000,000 has been expended for Army, Navy, and harbor improvements to the end that the strategic key to the Pacific Ocean be made a safe base of military operation; and

Whereas there are now garrisoned in the Territory of Hawaii upward of 10,000 men in the Army, Navy, and Marine Corps branches of the military service; and

Whereas since the discontinuance of Chinese immigration the labor supply of the Territory has diminished to such an extent that large areas of lands, both public and private, suitable for the growing of rice, garden truck, and other edibles are now lying fallow, idle, and unimproved; and

Whereas the question of how to provision the Territory in the event of hostile demonstration against it has been carefully considered by the different commanders of the United States Army of the Department of Hawaii, efforts have been made to reestablish the planting of rice and other products on unemployed lands, but without success, because of the utter lack of suitable or available labor; and

Whereas there is no citizen or European labor available to relieve an acute and actual necessity, and without the improvement and cultivation of unemployed lands the scant food supply of the Territory of Hawaii, in the absence of a strong Pacific Ocean fleet, makes its 240,000 inhabitants early and easy prey to a blockading hostile fleet; and

Whereas the Chinese are the most skilled rice and garden-truck agriculturists now procurable; and

Whereas the condition obtaining in the Territory of climate, diversity of race, lack of skilled employment, complete isolation from the mainland, and noncompetition with either skilled or unskilled labor of the mainland, eliminate from serious consideration the many objections urged against general Chinese immigration; and

Whereas the admission of a limited number of Chinese laborers to the Territory of Hawaii upon such terms and conditions and under such special rules and restrictions as the Department of Labor might deem advisable would enable the Territory of Hawaii to plant and cultivate its unemployed lands in rice, garden truck, and other products, and thereby solve the now perilous food situation: Therefore be it

Resolved, That the Congress of the United States by apt legislation provide for the admission into the Territory of Hawaii from the Republic of China (without right to proceed to any other part of the United States), under such terms and conditions and subject to such rules and restrictions as it deems advisable, 30,000 Chinese laborers.

But Hawaii is not the only oriental dependency over which the American flag flies that is experiencing these troubles. Here is a cablegram that appeared in the New York Sun and Herald of Saturday, April 3:

FIGHT PHILIPPINE SALE TO JAPANESE—RESIDENTS IN RIZAL PROVINCE ENTER PROTEST.

MANILA, P. I., *March 30 (delayed)*.

One thousand residents of Rizal Province, 20 miles from Manila, marched to Gov. Gen. Harrison's office here to-day and presented a protest against the sale of 10,000 acres of sugar-plantation lands to Japanese capitalists. The sale price was reported to be $250,000.

The former owners of the land are in Spain. Tenants have been notified by the new Japanese owners that they must vacate the property. Manuel L. Quezon, president of the Territorial senate, told the protestants that the matter would be considered by the next legislature.

There have also been grave labor troubles on the plantations in Porto Rico, although the oriental question does not enter there. In fact, I am informed that on that island the plantations are almost entirely owned by white men, and that the conditions there somewhat approximate the conditions under which cane is raised in Louisiana. There are large plantations that grind their own cane and make their own sugar, and then there are numerous small holdings where the farmer raises his cane and sells it to the factory by the ton.

The continental sugar industry of America must not be destroyed. The cane crop of my section and the sugar-beet growers of the West constitute the continental sugar supply of these United States. We should never permit this industry to be destroyed, for, no matter what may become of all other sources of supply, this source is ever available to our people.

Sugar to-day is an essential in the life of the Nation. The catastrophe of the Great War practically destroyed the sugar-beet industry of Europe, and the islands surrounding America and ourselves were called upon to make good this deficiency. It is conceivable that a condition will arise under which sugar could not be imported from the islands, and then we would be dependent alone upon the sugar produced upon the continent.

Under normal conditions sugar can be produced much cheaper in the islands than it can upon the mainland. It can be produced, however, without violating the organic law of the land. It can be produced without making an oriental colony of any of these islands, and bringing the product of this coolie labor in direct conflict with the product of the free labor of the States. With this thought in view I introduced on May 19, 1919, H. R. 413, which reads as follows:

A bill (H. R. 413) to regulate the interstate commerce of articles produced in the Territories, Districts, and other subdivisions of the United States in violation of the land laws of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any person, partnership, or corporation organized under the laws of the United States, or of any State thereof, or of any foreign country that has acquired and holds real estate in contravention of the laws of the United States in any Territory, District, or other political subdivision of the United States, shall be prohibited from disposing through interstate commerce of the product of any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment conducted in conjunction with said real estate so unlawfully held.

The purpose of this act being that wherever land is held in these islands contrary to the organic law that the product thereof should not be permitted to enter into interstate commerce. My idea in introducing this act was to call attention to the very condition that has been brought out in the hearings before the Committee on the Territories.

Land in the Hawaiian Islands is being held by these great sugar corporations contrary to the organic law, in defiance of the statute, worked practically with slave labor, and the product is brought into the United States and sold in competition with the product of our free labor here; vast fortunes are being made by the exploiters and these fortunes are being made at the expense of the native Hawaiians and of the people of the United States.

Personally, I have no objection to any man or set of men accumulating money, but I protest when these fortunes are being piled up by the use of Asiatic labor, practically in a state of peonage, the natives being "carpetbagged" upon, and the life of the continental industry being threatened by and through such illegal and lawless acts.

If ever the American Sugar Trust, acting through its subsidiaries in these islands, is able to destroy the continental sugar producer, then, indeed, will they have the American people at their mercy, and they will be able to make them pay whatever they choose for this necessity of life.

The one safety for the American consumer is to see to it that the continental sugar industry is permitted to live. There are millions and millions of acres of land in these United States susceptible of growing sugar cane and sugar beets. These acres ought to be brought under cultivation, and the people owe it to themselves to so legislate in the future as to guarantee for all time to come that the American people will never be at the mercy of the Sugar Trust alone for their supply of sugar.

The Department of Agriculture has officially reported that there is an area of 274,000,000 acres of land that are adapted, both by climatic conditions and the nature of the soil, to the successful production of the sugar beet within our continental borders. Secretary Wilson, in submitting these figures, added that—

Of course, a large part of this area is now occupied by woodlands, permanent pastures, cities and villages, farm homes, roads, rivers, etc., and considerable areas are too rough or too swampy for cultivation. It is neither possible nor necessary in this discussion to determine exactly what part of this area is at present actually improved. It is certain that the percentage of the cultivated ground is large and, moreover, that it is steadily increasing and will continue to increase so long as the density of population increases.

That prophecy of the Secretary has been abundantly fulfilled. He pointed out that at that time the average production of beet sugar per acre was 2,400 pounds, or about 1¼ short tons. In the decade that has followed production per acre has increased to slightly more than 1½ short tons.

The Bureau of Crop Estimates reports that during the year 1919 only 692,455 acres out of the 274,000,000 acres of the soil that is suitable for the production of sugar beets was devoted to that industry.

It has been estimated that last year—1919—the total consumption of sugar in the United States amounted to 4,067,671 tons, and of this amount the beet fields furnished 872,253 tons and the cane fields of Louisiana, where there was the worst crop failure in the history of the industry, furnished, with the addition of the small Texas crop, 154,034 tons, making a total tonnage produced in continental United States of 1,026,287 tons, or approximately one-quarter of our consumption. There was brought in from Porto Rico, the Virgin Islands, Hawaii, and the Philippines 882,501 tons, and the remaining 2,159,883 tons were imported from abroad, principally from Cuba. There is an average of 225,000 acres of land in Louisiana devoted to the cultivation of cane for conversion into sugar, and that represents only a small part of the area that is available and would probably be planted to cane following the inauguration of a policy for the production upon the continent of our necessary supply of sugar.

The records of the Department of Agriculture show that the average of production from cane in this country is slightly in excess of a ton of sugar to the acre, although it may exceed that figure on some of the better managed plantations.

Sugar cane will grow in all parts of Florida, and in the section of that State below the frost line the sucrose content of the cane is equal or superior to that grown in Cuba. It is therefore safe to assume that should a settled policy with respect to the home production of our sugar supply be inaugurated the production of cane in Florida would in a short time equal the Louisiana crop.

It is easy to see, therefore, that there are ample cane and beet lands to supply our people with all the home-grown sugar necessary to meet their wants, and make them immune to the uncertainty of an overseas supply.

If the World's War proved any one fact more than another it was this: That the safety of a nation attacked lies in its ability to produce its food supplies within its own borders. And in no other article of food was this so clearly demonstrated as in the case of sugar. The Central Powers did not want for sugar when their people were suffering for almost every other item of food, because the governments of those powers had for many years preceding the outbreak of hostilities developed the production of sugar to such a point that they had all that was necessary for their people to consume and surplus stocks for export. But early in the war England and her allies began to experience the most acute sufferings because their sugar supplies were cut off, and as the war dragged on through the years that pinch for sugar was even felt severely in this country. The reason for this lay in the fact that nearly all of the supplies of England, France, Italy, and the countries that were allied with them, had to be imported from across the seas, and the German submarines sank many of those cargoes as soon as they entered European waters.

It will be remembered that almost all of the early cargo ships leaving this country that were destroyed either by submarines or by bombs concealed in the cargo were vessels that carried sugar from our own meager stock to England and France. But this was not the only difficulty with respect to obtaining sugar that the Allies had to contend with. While they were suffering acutely from the sugar shortage hundreds of thousands of tons were piled high in the warehouses of Java and other distant fields, but the journey to those places was too long to permit of vessels being sent to convey it to Europe or even to this country.

All available tonnage was required to transport troops, munitions, and necessary supplies to the battle fields, and the world had to witness the tantalizing spectacle of practically all of Christendom being placed on a meager monthly ration of sugar while almost unlimited supplies were available in the distant islands of the seas and in far-away tropical countries, but it was impossible to send the ships to those distant seas in order to secure it.

The cordon that was drawn around England by the German submarines, the daily sinking of cargo ships in the Irish Sea, the English Channel, and the other waters surrounding the

"tight little island" shows how absolutely impossible it is in this day of submarine warfare for any nation to depend upon overseas sources for its supplies of food in time of war. It is therefore, Mr. Chairman, no exaggeration to say that with our extended coast line and with our dependence upon far-away possessions and foreign nations for our supply of sugar, that should, by any unfortunate turn of circumstances, we find ourselves in the position that England and France have so recently occupied, we would, like them, suffer from an acute shortage of sugar just as they did. It is no far stretch of the imagination to anticipate such a situation in the present unsettled condition of world affairs, much as we all hate to think of it. It is therefore the part of wise statesmanship to guard against such a possibility by taking the necessary steps now in time of peace to inaugurate a policy that will enable us to grow, within our own borders a supply of this necessity of life that will be sufficient for our people should we find ourselves again at war. In doing this we will simply be following in the recent footsteps of those who have learned by experience, because as a result of the harrowing experience through which her people have recently gone, Great Britain has at last set about to establish in a serious way a policy of producing a home-grown supply of sugar in the British Isles. French statesmæn and economists are also looking to the rehabilitation and expansion of the sugar industry in that country, and in fact, the leading men of all nations, as a result of the terrible experience through which the world has just passed, are seeking to develop this necessary crop in their lands.

I speak from the standpoint of a consumer and not a producer of sugar. I speak from the standpoint of one whose motives can not be assailed on the grounds of personal interest. I have not a dollar invested in the sugar industry either directly or indirectly.

I speak, however, also from a personal knowledge of the sugar section of my State, as I was born and raised in the largest sugar-producing parish in Louisiana. I know the troubles and the misfortunes of the people engaged in that industry. I know how they have had to fight their battles, not only against the forces of nature, and have had to face not only the normal vicissitudes of all agricultural pursuits, but in addition thereto have had to fight for their very existence against the machinations of the trust that would destroy them for its own purposes, but also they have had to bear the burden of hostile legislation in the past. Knowing this industry as I do, I say without any degree of hesitation that it is one of the great agricultural industries of this country worthy of your most serious consideration.

The future of the continental sugar producing is in your hands, and when the time comes for action on your part be not swayed by statements of temporary benefit, be not swayed by statements emanating from selfish sources, but approach the subject in the broad spirit of Americanism and do that which is best for all the people of America, remembering at all times that a constant supply of sugar is essential to the life of the Nation, and that to destroy the continental source of supply may under circumstances easily imagined deprive the American people of this prime necessity. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield to the gentleman from Ohio [Mr. BABKA].

Mr. BABKA. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none.

Mr. GOOD. Mr. Chairman, I yield 15 minutes to the gentleman from Colorado [Mr. HARDY].

Mr. HARDY of Colorado. Mr. Chairman, we have passed another May Day without a serious outbreak on the part of the reds in this country, although there are many who would like to turn the day into a carnival of crime the world over and start the revolution.

However, the Bolshevist propaganda is getting in its work. You will hear a kind word for the experiment in Russia occasionally in almost any circle of society. You can hear the soviet rule heartily indorsed by some in all walks of life. You can find enthusiastic advocates of Bolshevism in this country if you care to look them up, and you need not leave Washington, D. C., to do it. And you may find some on the pay roll of the Government.

Bolshevist propaganda is being circulated in this country in large quantities and in unsuspecting ways.

The high-toned stuff finds its way to the Congressman's desk and into many offices and homes. It is well printed on good paper and carries the air of respectability. It talks of great business opportunities for capital in Russia. It tells little of bloodshed and revolution, but pictures the beautiful Utopia which Bolshevism has given to the world in the shape of soviet Russia. It boasts of freedom and equality, of a Government that relieves the individual of all initiative and responsibility. It appeals to American manufacturers and capitalists to open up negotiations and reap a harvest, and offers an easy peace with all the world. This class of propaganda gets into our best magazines. An official soviet weekly journal of this high-toned class is circulated in this country—Soviet Russia.

Quite another sort of propaganda is being spread in other circles. It is the anarchistic, revolutionary, red ink stuff. It urges the proletariat to arise and conquer the world, to start the general strike, to end the capitalistic reign, to take over the property that is theirs. This sort of propaganda is circulated in the dark and in underground ways. It breeds discontent, strikes, riots, bloodshed, revolution, war. Such printed matter has been gathered up by the ton by secret service men. But meetings are being held regularly at which Bolshevism is preached openly. Societies are being formed, newspapers and magazines are published in the interest of revolution.

Of course this sort of talk is not new. Communism has been talked for a hundred years. Karl Marx was its leading advocate about 1847. The Marx theories have been advocated by Socialists in all civilized countries for 70 or 80 years. But about as far as this social revolution ever got, until recently, was the murder of some king, prince, or president by a crazy anarchist.

The people have become accustomed to the shrieks of the anarchist and they pay far too little attention to the dangers of the day. Russia is far away and the story of the red revolution reads like a story book—even like a Dickens or a Carlisle on the French revolution of another century. It does not sound like an affair of our day—so the majority of people give it little serious consideration.

I believe that the subject of Soviet Russia and her propaganda, as well as communistic activities in America, should be considered in every club, organization, and gathering in America. Let's look the question straight in the face.

If the majority of our people like the soviet system, it can be had peaceably. If we don't like the "dictatorship of the proletariat" let's combat it at every turn of the road. Let's stamp out red Bolshevism in the United States.

In times past we have had only the wild theories of imaginative writers to consider. We could look only on dream pictures of communistic utopias.

But to-day we have before us a living—or dying—example of the real thing. We can look at and analyze and study a great country ruled by communists-bolsheviki. A practical example of the dictatorship of the proletariat. In his wildest dreams Karl Marx could not have drawn up a system of government more to his liking.

In our study of soviet Russia, fortunately we do not have to depend upon newspaper reports alone for our information. The United States Senate has held several notable investigations which have brought out much reliable information about soviet Russia and Bolshevik propaganda in the United States. Several thousand pages of hearings have been printed and you can read what people have to say of it under oath. Many of those who testified in these hearings have been identified with the Bolshevik government of Russia. You can take their testimony alone and draw a pretty good picture of soviet Russia and the red rule.

A few facts stand out prominently in this Russian Bolshevik experiment.

The Government is what Lenin has tried to make it—a dictatorship of the proletariat. It is run by and in the interest of the propertyless class.

The incidents of the several revolutions leading up to the present dictatorship are history that will be read with increasing interest as the years go by.

The reign of terror which accompanied the establishment of this dictatorship and placed at the head of this great crumbling nation this pair of political pirates, anarchistic fanatics, is more or less known and may be passed over here. The fact that between 50,000 and 100,000 people of the property-holding class were murdered in cold blood and that perhaps 1,000,000 others have been driven from the country is a mere incident in the revolution, and perhaps has been found necessary in the process of making Russia safe for this new form of autocracy.

The interest Germany has shown in aiding Lenin in his work of establishing his new government is of little importance in this discussion.

So we will pass over these disagreeable scenes and take a close-up view of the Russian Social Federal Soviet Republic, as it is officially called, and see how we like it and how the system would work out if adopted in our own country.

The term Bolsheviki is merely the name of the political party which is now in control of affairs in Russia.

Soviet is the name used for council, legislature, congress.

A committee called the soviet controls the affairs of the factory, mine, bank, or store. A body of men called the soviet make and administer the laws for a village, a city, a county, a Province. The All-Russian Congress of Soviets is the national body. This body is composed of about 1,500 men. It meets every 3 months for a session of 10 days or 2 weeks. It passes upon all the decrees and orders and laws made by the executive committee. This national body is too large for working purposes, so from it is selected an executive committee of from 200 to 250. This body assumes the function, more or less, of our own National Congress. The executive committee selects the cabinet, composed of 18 members, each the head of a department. The cabinet has large powers. Lenin and Trotski are members of the cabinet, Lenin being premier and secretary of foreign affairs; Trotski is secretary of war and head of the army.

In our own country it is a well-known fact that every American citizen has a vote for every officer elected, from alderman up to President. But if the United States were being operated under the soviet Russian constitution, your voting privilege would work out about like this:

You as an individual would vote for your town councilman or city alderman, and then you would go back to work and forget about your government. It would take care of itself as it does in this free (?) country of boasted equality—Russia.

Members of the city or town council would select the members of the State legislature. The State legislature would select the Members of the National Congress. The National Congress would select its executive committee of 250. The executive committee would select the Cabinet of 18. The Cabinet would be dominated by the premier, probably, and he would run your Government for you. That is about the way it is worked out in the constitution of soviet Russia.

I believe I said that you would have the pleasure of voting for members of your town or city council or soviet; but let us see if you would if the Russian plan were carried out in our country.

In Russia everybody, men and women, 18 years old and over can vote, EXCEPT—and I quote from the constitution:

"Persons using hired labor for the sake of profit.

"Persons living on unearned increment, such as interest on capital, income from industrial enterprises, and property, etc.

"Private traders, trading and commercial agents.

"Monks and ecclesiastical servants of churches and religious cults.

"Employees and agents of the former police, of the special corps of gendarmes, and of branches of secret police department, and also members of the former reigning house of Russia.

"Persons duly recognized as mentally afflicted or insane, as well as persons placed in charge of guardians.

"Persons sentenced for crimes of speculation and bribery to a term fixed by law or by a judicial sentence."

Examine that closely and see if you could vote. In my district it would cut out a good many of the leading citizens in city, village, and in the farming districts.

In Russia the great majority of the people live in the country on farms. So, to make it absolutely certain that the workingmen of the industrial centers may have a majority of the Congress, representation is based on this apportionment—one member in the rural districts for each 125,000 people and in the cities and industrial cities one member for each 25,000 people. That is, a voting worker in a factory town is as good at the polls as five peasants on the farms.

So much for the form of government. What has this dictatorship of the proletariat done for the people?

It has nationalized the lands.

No one can own any land in Russia. It is all owned by the State. The town houses are divided up among the officeholders and poorer people by the local soviet and the farm lands are parceled out among the farmers by the rural soviet. No man can have more land than he can work himself. He can not employ farm help. He may work his parcel of land so long as the soviet permits him, and when he is too old longer to produce a crop he is removed to the town's poorhouse or given a pension.

It has nationalized railroads, manufacturing plants, banks, insurance companies, newspapers, mines—all industries, in fact.

It has not exactly nationalized women, but its marriage laws are a joke, and it is as easy to get married or get a divorce in Russia as it is to pay a dog tax in our country.

After several weeks of hearings, in which some strong friends of the Bolsheviki testified and defended the system, the Senate committee published a report, in which it set forth briefly and in short paragraphs just what Bolshevism had accomplished in Russia and what it would mean to this country if it got a hold here.

Here are the conclusions of the Senate committee:

WHAT BOLSHEVISM HAS ACCOMPLISHED IN RUSSIA AND WOULD DO TO THE UNITED STATES.

"1. The repudiation of democracy and the establishment of a dictatorship.

"2. The confiscation of all land and the improvements thereon.

"3. The confiscation of all forests and natural resources.

"4. The confiscation of all live stock and all agricultural implements.

"5. The confiscation of all banks and banking institutions and the establishment of a State monopoly of the banking business.

"6. The confiscation of all factories, mills, mines, and industrial institutions and the delivery of the control and operation thereof to the employees therein.

"7. The confiscation of all churches and all church property, real and personal.

"8. The confiscation of all newspapers and periodicals and all mechanical facilities and machinery used in the publication thereof.

"9. The seizure and confiscation of all public meeting places and assembly halls.

"10. The confiscation of all transportation and communication systems.

"11. The confiscation of the entire estate of all decedents.

"12. The monopolizing by the State of all advertisements of every nature, whether in newspapers, periodicals, handbills, or programs.

"13. The repudiation of all debts against the Government and all obligations due the non-Bolshevist elements of the population.

"14. The establishment of universal compulsory military service, regardless of religious scruples and conscientious objections.

"15. The establishment of universal compulsory labor.

"16. The abolition of the Sunday school and all other schools and institutions that teach religion.

"17. The absolute separation of churches and schools.

"18. The establishment, through marriage and divorce laws, of a method for the legalization of prostitution, when the same is engaged in by the consent of the parties.

"19. The refusal to recognize the existence of God in its government and judicial proceedings.

"20. The conferring of the rights of citizenship on aliens without regard to length of residence or intelligence.

"21. The arming of all so-called 'toilers' and the disarming of all persons who had succeeded in acquiring property.

"22. The discrimination in favor of residents of cities and against residents of the rural districts through giving residents of cities five times as much voting power as is accorded to residents of rural districts in such elections as are permitted.

"23. The disfranchisement of all persons employing any other person in connection with their business.

"24. The disfranchisement of all persons receiving rent, interest, or dividends.

"25. The disfranchisement of all merchants, traders, and commercial agents.

"26. The disfranchisement of all priests, clergymen, or employees of churches and religious bodies.

"27. The denial of the existence of any inalienable rights in the individual citizen.

"28. The establishment of a judicial system exercising autocratic power, convicting persons, and imposing penalties in their absence and without opportunity to be heard, and even adopting the death penalty for numerous crimes and misdemeanors.

"29. The inauguration of a reign of fear, terrorism, and violence."

Of course the dictatorship of the proletariat was first established by the sword and bayonet, and is maintained by the red army. Mr. Lenin, the dictator, who has long been a disciple of Karl Marx, had the opportunity of writing the laws for this new communist government without much interference from parliamentary bodies. The constitution and laws are the work of idealists—dreamers.

Russia is to-day as nearly a perfect communist government as its leaders can make it. There she stands in all her misery, that other nations may look upon her and see how they like the sample.

In the past we have had only the glowing pictures of Utopian dreams drawn by imaginative writers to contemplate. But to-day we can look at starving Russia, a country of extensive domain and 180,000,000 people, absolutely governed, controlled, and dominated by communists.

What would the communists, or Bolsheviki, or the I. W. W. do to this country if they ever got control?

Well, there is Russia. You can see what they have done to her. They would undoubtedly endeavor to do as much for us.

I do not think for one single minute that Bolshevism in any form will ever get control in this country.

But the reason that it will not is no fault of its friends. The reason is that the common people of America are wise, intelligent, and are on guard.

However, Bolshevism, now sulking in the dark in America, may show its head some unhappy day. That it has many supporters in America this very day is a well-known fact.

I have heard a United States official who had been in Russia say that there were more real Bolshevists in the United States to-day than there are in Russia. He estimates that there are no more than 300,000 real, sincere Bolshevists in Russia, and that these 300,000 rule that country through the red army and the red terror. He estimates that there are at least 300,000 Bolshevists in the United States.

The Senate hearings brought out some interesting things, showing the close relationship between the Bolshevists of Russia and the United States. Albert R. Williams, a communist back from Russia, stated that there are 100,000 people in Russia who have lived in the United States and at least 5,000 of these are connected with the soviet government. He said that you can go into a soviet meeting anywhere in Russia and ask for some one who can speak English and you will find one or more persons who have been in this country and have returned to Russia. Strange to say, these folks have not carried back to Russia an exalted opinion of our form of government. Mr. Williams says that the soviet form of government, so far as it originated in the mind of one man, was planned by an American, Daniel de Leon.

Others have testified that there are 500,000 Russians in New York City to-day and many of them are Left Wing Socialists and communists. The Federation of Russian Workers in America is made up of various unions and organizations of Russian workers. These people are practically all communists. They are all in hearty sympathy with Bolshevik Russia.

John Reed, well known in Colorado for his radical publicity during the coal strike in 1914, testified before this committee that he had been in Russia several times, had aided the Bolshevik government in its propaganda, and had interpreted into English many of the decrees used at the hearings. This same John Reed was in Chicago as late as August 31, 1919, when he helped to organize the Communist Labor Party of America. Reed has since returned to Russia.

Ludwig C. A. K. Martens, duly appointed "representative in the United States of the Russian Socialist Federal Soviet Republic," has given some interesting testimony before a Senate committee. Since January, 1919, he has maintained official headquarters in New York and Washington. He has an admitted staff of 35 people, most all communists of more or less note. He contends that his chief business in America is to encourage trade with Russia. But he has spoken before many of the most radical societies in New York and elsewhere, has contributed to the radical press, and has been in close touch with many of the radicals in and out of jail in this country.

Couriers pass back and forth between soviet Russia and America carrying money and messages to and reports from Mr. Martens.

Every now and then Lenin issues a broadside to his comrades in America urging them to arise and take possession of the earth—which is theirs.

In Russia the Bolshevik propaganda ran something like this:

To the soldiers: "You want peace; that is simple—shoot your officers and go home."

To the peasant: "You want the land; there it lies—the estates of the landed proprietors and the former Czar. Take the land; it is yours."

To the workmen in factory and mine: "Take possession of the land and its product; operate it to your own profit; it is yours."

These admonitions are not far different from many heard by the radical leaders of disorder in our own land.

Russian Bolshevism, with all its agencies and supporters in America, will make little headway as such.

But we should not shut our eyes to the real danger of serious trouble from the radicals in this country.

The great majority of the members of organized labor in this country are not Bolshevists nor communists and do not believe in abolishing personal-property rights. All labor, organized and unorganized, is anxious, of course, to improve wages and living conditions, which is certainly a recognized right.

I believe that the majority of the leaders of the labor-union movements in the country are loyal to the country and are opposed to communism.

But working within many of the unions are men who are openly seeking to disrupt the unions, openly espousing the cause of the various revolutionary programs, and active in their efforts to start the general strike. Wherever a strike is called that bids fair to amount to anything, you find these men and the evidence of their work. It was so in Winnepeg, in Seattle, in the coal strikes, in the recent steel strike, and most apparent in the present outlaw railroad strike.

Fortunately for them, these men do not all write out their thoughts and plans. But some do, and the hearings before the Senate committee contain many pages of incendiary literature put out by these men and their organizations.

One strike leader, whose name has been much in the papers recently, wrote a book a few years ago, which, I dare say, he now wishes had never been put into print, for it rises up to haunt him wherever he starts out to conduct a modern strike in an orderly (?) way. I refer, of course, to William Z. Foster, who, in conjunction with Earl C. Ford, issued a book on Syndicalism in 1912.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. HARDY of Colorado. Yes.

Mr. BLANTON. The gentleman speaks of "an orderly strike conducted in a modern way." I want to ask him if there is any such thing as "an orderly strike in a modern way"?

Mr. HARDY of Colorado. I will say to the gentleman that I will insert a question mark after the word "orderly" when I revise my remarks for the printer.

Mr. BLANTON. That will be better, then.

Mr. HARDY of Colorado. Mr. Chairman, I would like to read to the committee what Mr. Foster says, but I shall not in order to save time, but I would like to ask unanimous consent to extend my remarks by inserting his statement.

The CHAIRMAN. The gentleman from Colorado asks unanimous consent to extend his remarks. Is there objection?

There was no objection.

Mr. HARDY of Colorado. Mr. Foster was a free lance for a while, but more recently announced the policy of "boring within" the regular unions as the best way to make progress.

There is much in Mr. Foster's little book that would be illuminating to you gentlemen, showing the viewpoint of a bunch of agitators working in the name of labor before the name Bolshevik became a household term. But all I can take time to read you is a part of the chapter on "The general strike."

Mr. Foster says of the purposes and operation of

"THE GENERAL STRIKE.

"By the term 'general strike,' used in a revolutionary sense, is meant the period of more or less general cessation of labor by the workers, during which period the workers by disorganizing the mechanism of capitalist society will expose its weakness and their own strength; whereupon, perceiving themselves possessed of the power to do so they will seize control of the social means of production and proceed to operate them in their own interest instead of in the interest of a handful of parasites, as heretofore. The general strike is the first stage of the revolution proper.

"The everyday tactics of the workers strongly indicate the truth of the conclusion that they will expropriate the capitalists as soon as they learn they have the power to do so. In their daily strikes they pit their strength against that of their employers and wring from them whatever concessions they can. They do not remain long content with these concessions, and as soon as they are able they proceed to win more. They are insatiable, and when the general strike proves their ability to do so they will have no scruples against expropriating the capitalists. This expropriation will seem the more natural to them then, as they will be fortified by the syndicalist conception that the capitalists are thieves and have no 'right' to their property.

"The wealthy capitalists themselves will also need generous guards.

"Syndicalists in every country are already actively preparing this disorganization of the armed forces by carrying on a double educational campaign among the workers. On the one hand they are destroying their illusions about the sacredness of capitalist property and encouraging them to seize this property wherever they have the opportunity. On the other they are teaching working-class soldiers not to shoot their brothers and sisters who are in revolt, but, if need be, to shoot their own officers and to desert the army when the crucial moment arrives. This double propaganda of contempt for capitalist property 'rights' and antimilitarism is inseparable from the propagation of the general strike.

"In all probability the general strike, at least in its incipient stages, will follow the course that any number of modern great strikes have taken. Only a small part of the workers

will be organized. This organized fraction, under some strong stimulus, will provoke a great strike; vast masses of unorganized workers seeing an opportunity to better their conditions and caught in the general contagion of revolt will join the strike, organizing themselves meanwhile. The strike will spread, society will be paralyzed, and the revolutionary workers, perceiving their power, will proceed to put an end to capitalism.

"The success of the general strike does not necessitate the voluntary striking of every worker. Modern industry is so delicately adjusted and the division of labor so complete that if the bulk of the workers in a few of the so-called strategic industries—transportation, coal mining, steel making, etc.—quit work the rest of the workers would be forced to do likewise through lack of materials and markets for their products. No doubt the workers forced to quit thus, who would be mostly unorganized, unskilled, and the oppressed of the oppressed, would readily fall in with the program of the revolutionists once the general strike was well under way."

I could read you pages of modern hair-raising stuff from notorious citizens such as Morris Hillquit, who came near being mayor of New York City, Bill Haywood, Vincent St. John, and John Reed, all three of whom are well known in Colorado, and from the platforms of the Communist and Socialist Parties, the constitution of the I. W. W., from the propaganda of the communist socialist federations, and other radical societies in the big cities to show you that the manifestoes of Lenin and Trotski have nothing on some of our own radicals for sheer anarchy, except that the pronouncements of the two notorious Russians have the effect of law, but the limit on my time forbids.

Out in the country, where the questions of capital and labor are discussed, the term capitalist is wrongly construed as meaning some imaginary individual who has accumulated or inherited millions or billions of dollars. He is far away in the dim distance and the extermination of his race would mean little inconvenience to most of our people.

But the fight of the Bolshevist, the syndicalist, the I. W. W., the communist, the radical, is not directed exclusively against such. It is directed against and would overthrow the system of property ownership, the system by which you have saved up enough money from your work to buy a home which you hope to leave to your son or daughter, by which through thrift, hard work, and enterprise you own your farm, or your store, or your little shop, or stock in the local canning factory, or flour mill, or mine, or oil well, or bank. The new order of things would confiscate your savings-bank deposits, your insurance policy, your investments, your Liberty bonds. It would put the thrifty farmer, the ambitious working man, the successful merchant, on a level with the tramp, the sluggard, the shiftless, the rowdy.

In theory it would do all that.

In the light of practical experience of the recent past, as well as of all ages, the revolution or the general strike would turn government into chaos, in which the dictatorship of brute force would take the place of law and reason.

Never in the history of all the world has civilization risen so high as it has in this country this very year, and never has the opportunity been so great for the boy of lowly birth. Never has the working man of any country in any age been so liberally rewarded, nor has he been able to enjoy so many of the luxuries of life, as he has in America in recent years.

The man who labors and who would have his loved ones about him in his own home, ambitious for their future opportunities and happiness, should consider well before he lets the seed of discontent sowed by the apostles of darkness take lodgment in his heart. [Applause.]

In their own interest union men should purge their unions of the syndicalist, the I. W. W., and the advocates of the general strike, and laboring men of all classes should cling to the liberties guaranteed by the Constitution.

All liberty-loving men and women in America are proud of their country and their Constitution, the greatest document of its kind ever written by man, and should aid in every lawful manner to rid the country of those who preach confiscation and violence and would overthrow the Government by force.

As for Russia, she will in time right herself. Either the people will rise and overthrow the usurpers of authority now in control or the present ruling class will grow conservative and rewrite the laws in an effort to keep possession of the lands and wealth they have stolen from others.

It was ever thus—the easiest way to keep an anarchist from burning down the town is to induce him to buy a home in the town. A Socialist with two pigs does not believe in dividing up the pigs. America's safeguard is in her great body of home-owning people. Our greatest weapon of defense against bolshevism and kindred ills is to keep wide open the doors of opportunity.

At the same time we should close our gates to the aliens who would come here to preach violence, anarchy, and revolution; and the citizen who advocates sabotage, the "general strike," syndicalism, and revolution, individually or in the name of some radical group or organization, is no better than a common criminal and should be treated as such. [Applause.]

Poor Russia! It matters not what circle of society you move in, nor how you earn your daily bread, the more you look into Soviet Russia the more thankful you will be that you live in America, and the more anxious to keep America clean. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 30 minutes to the gentleman from Pennsylvania [Mr. CASEY].

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 30 minutes.

Mr. CASEY. Mr. Chairman, the hour is getting late, and having no desire to intrude upon the time of the House any more than it is necessary, I therefore ask unanimous consent to be permitted to revise and extend my remarks.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. CASEY. Mr. Chairman, we have now under consideration the sundry civil appropriation bill, the last of the great appropriation bills to be considered by the House during this session. I would not take the time of the House at this time were it not for the fact that the very distinguished gentleman from Iowa [Mr. GOOD], chairman of the Committee on Appropriations, recently made two statements with which I can not agree and which I feel should not go unchallenged. First, he stated that because the Committee on Appropriations had refused to appropriate the full amounts estimated by the several departments that the Committee on Appropriations, which is in the control of the Republicans, had thereby saved the taxpayers in round figures about $1,500,000,000. If the reasoning of the gentleman from Iowa [Mr. GOOD] should be followed to its logical conclusion, then the Democrats are entitled to credit for saving to the taxpayers of the country during a recent session of Congress, when they were in control, between five and six billions of dollars, this being the amount they had cut from the estimates of the several departments. The other statement is this—and I quote from the CONGRESSIONAL RECORD of May 1, page 6413. In the discussion of the reduction of expenses Mr. GOOD said:

> In making these reductions the several appropriation committees of Congress have not been unmindful of the needs of the various branches of the Government service. The reductions will not prevent the healthful and vigorous functioning of every needed governmental activity.

For about a quarter of a century the laboring people of the United States had been advocating the creation of a Department of Labor, with a Secretary as a member of the President's Cabinet. The Congress of the United States, believing that this was a proper thing to do, finally enacted a law creating the Department of Labor, and the Hon. W. B. Wilson, a former honored and distinguished Member of this House, was appointed by President Wilson as the first Secretary of Labor.

As I sat here during this Congress I have wondered why the appropriations to the Department of Labor have been cut to the bone by the Committee on Appropriations. I never knew the reason until the chairman of the committee told the House the other day that the Department of Labor was not "a needed governmental activity." Some of us have had our suspicions as to why these appropriations had been cut, but never did any Member of this House on either side of the aisle, nor did any person occupying the high, responsible position of chairman of the Committee on Appropriations intimate, if not directly charge, that the Department of Labor was not "a needed governmental activity."

I received on last Friday afternoon a letter from a man by the name of Williams, a representative of the Machinists' Union, residing in Allentown, Pa., in which he claimed that because of the cut made in the appropriations to the Department of Labor a man by the name of Angelo, unknown to me, was compelled to discontinue his activities as administrator of an award made by the National War Labor Board in a decision rendered by that body in the case of the Bethlehem Steel Co. against their employees, and that because of this fact in all probability the employees, who had honestly earned this money and which rightfully belonged to them, may be deprived of about one million and a half dollars in wages earned during the war.

I went to the Department of Labor on Saturday last to see if the statements contained in that letter were correct. I could hardly believe that such a condition could exist. I talked with the chief of the conciliation division in the department, and he informed me that the statements made by Mr. Williams were

correct. I asked him if it were not possible to find enough money to pay the wages of this man until this award had been administered, and he said he was very sorry to be compelled to say no, that this could not be done.

The importance of this matter may appeal to the Members of the House, even though it does not appeal to the members of the Committee on Appropriations, when you understand that the War Department and the Navy Department have officially accepted this man as an official representative of the National War Labor Board and have agreed to recognize him as a person who has the right to certify to these departments the amount of money due the men working in the Bethlehem Steel plants. Of course, the Machinists' Union could pay this man his salary. Outsiders who want to see justice done those employees could pay his salary. But neither the War Department nor the Navy Department would be justified in accepting a certification made to it for the payment of Government funds by an interested party or by a party whose salary was paid by any other than the Government of the United States.

I asked the man in charge of the Division of Conciliation if it were not possible that some other commissioner of conciliation be assigned to this work. I was informed that this could not be done, because this man had laid out the plans for this investigation; he had already prepared a partial report, as I understand it, and it would be impossible for a new man to go in there and take up this work at this time; and to my great surprise I was further informed that notwithstanding all of the unrest throughout the country, which we hear so much about on this floor day in and day out, that already the department had been compelled to furlough a number of its commissioners through lack of appropriation, and that unless something unforeseen happened the Secretary of Labor would be compelled to lay off every commissioner of conciliation the first week in June and wait until the appropriations for this work are available at the beginning of the next fiscal year on July 1.

It may be, as stated by the chairman of the Committee on Appropriations, that this is not "a needed governmental activity," but I want to say to you, my colleagues, that I know of no department of the United States Government, nor do I know of any branch or division of any of the departments of the United States Government, that are as essential to the welfare and well-being and the stabilizing influences of the country as the Department of Labor and its Division of Conciliation. [Applause.]

Mr. GOOD. Will the gentleman yield?

Mr. CASEY. Yes.

Mr. GOOD. Does the gentleman mean to say there were any estimates in this bill for the commissioners of conciliation in the Department of Labor?

Mr. CASEY. No, I do not; but I do deny the statement of the gentleman from Iowa when he says that in making these reductions the several appropriating committees of the Congress have not been unmindful of the needs of the various activities of the Government service, and that the reductions will not prevent the vigorous functioning of every needed governmental activity.

Mr. GOOD. The gentleman is aware of the fact that the transportation act very largely relieved the commissioners of conciliation of all their activities with regard to disputes in transportation companies?

Mr. CASEY. The gentleman from Pennsylvania is not aware of anything of the kind; neither is the gentleman from Iowa aware of anything of the kind, because it is not so.

Mr. GOOD. Does the gentleman mean to say that the transportation act did not provide for a labor board to adjust those disputes?

Mr. CASEY. I mean to say it does provide for such a board, and I mean to say also that you carry in this very bill now under consideration an item for the Board of Mediation and Conciliation on railroad matters, which is entirely separate and apart from the Division of Conciliation in the Department of Labor.

Mr. GOOD. I will say to the gentleman that the board recently appointed by the President under the provisions of the transportation act have lately applied for an appropriation of $400,000 for next year, claiming that they would take over all the work of the Board of Mediation and Conciliation of the Labor Department so far as disputes in connection with railroad and transportation companies are concerned.

Mr. CASEY. Of course, the gentleman from Iowa, chairman of the committee, knows that the board recently created by the railroad act can not take from the Secretary of Labor the right as provided for in the organic act creating the Department of Labor, which makes the Secretary of Labor a commissioner of mediation and conciliation. The gentleman knows that the only work this new labor board will take over will be the mediation and conciliation work of that particular branch of the Railroad Administration with which the Department of Labor had nothing to do. They had their own mediators and conciliators. The great difficulty about this whole matter is that either those who are charged with the responsibility of making proper appropriation for this work do not understand or they do not want to understand what the proper functions of the Department of Labor are and its proper activities.

I want to say to you frankly that I have no desire to be understood as in any way attempting to make a partisan speech on this matter. I am only interested in seeing that justice is done to this department that represents the wage earners of the land. Money can be appropriated by the millions and hundreds of millions to the Department of Justice and to the War Department to put men in jails and penitentiaries, and to shoot them down if they go on strike, but no money can be appropriated for the legitimate activities of the Department of Labor, whose function and duty it is to prevent those strikes. [Applause.]

There are two schools of thought on this question in this country. One is to put the fear of might into the hearts of the workers, the Prussian system; and I am sorry to say that I am afraid that that line of thought is making too much progress in this land of ours to be advantageous to it.

The other school of thought is that we should by education, mediation, and conciliation prevent those industrial conflicts as far as it is possible to do so, and there is not a governmental activity of the United States that has the right under the law to take up these matters other than the Division of Conciliation in the Department of Labor.

I also hear much said about our immigration officials, about the reversal of some decisions rendered by commissioners of immigration, by the Assistant Secretary of Labor. I know nothing about the merits of these controversies. I do not know whether the Assistant Secretary of Labor is justified in his position or not, but I do know that the laws of the land provide that the commissioners of immigration shall be appointed by the President by and with the advice and consent of the Senate.

I also know that because of a lack of appropriations by this Congress to the Division of Conciliation of the Department of Labor these responsible commissioners of immigration have had to leave their official stations and go out through the land acting as commissioners of conciliation in an effort to try to keep down this industrial unrest that we have so much of throughout the country. I also know that the assistant commissioners of immigration have been compelled to leave their stations and go out and act as commissioners of conciliation, because of a lack of appropriations by this Congress to the Division of Conciliation in the Department of Labor. I do not say that it is a fact, but it is just possible that because of your failure to appropriate properly for the Division of Conciliation in the Department of Labor you have made it necessary for these responsible commissioners of immigration and assistant commissioners of immigration to leave their posts and go out and try to keep down the unrest and to settle these strikes that come up from time to time; it is just possible you have contributed more to this mix-up in the Bureau of Immigration than anybody I know of. But I hear men talk on this floor about labor and about the Department of Labor.

Those labor baiters and labor haters who abuse the high privileges of their responsible position on the floor of the House of Representatives by their actions are creating more socialists, I. W. W.'s, bolshevists, and anarchists than all the propaganda these people could spread throughout the country. [Applause.]

Congress should be legislating in the interest of the people and stop playing politics with this all-important labor question. It may be that men who have never had any training in or dealings with the labor movement of the country are better qualified to speak in its behalf than they are themselves. It may be that the man who is so obsessed with himself and with the opinion that the Congress of the United States should be used to crush and destroy the American labor movement is a better judge of what should be done for these people than they are; but I doubt it.

Woe be the day when those in this Congress and out of it who are seeking to destroy the American labor movement succeed. Once you destroy the militant, well-disciplined organization of wage earners of the United States, you are then inviting conditions similar to those in Russia that we hear so much about on this floor.

We are asked to appropriate millions and hundreds of millions of dollars for the Department of Agriculture, and I am satisfied that they should have every dollar that they can legitimately use.

But there seems to be a difference of opinion in the minds of some gentlemen on the floor of this House as to the advisability of taking care of the children of the land, the men and the women who produce the wealth of the land, and the animals on the farm. I am not going to take up the time of the House by discussing that phase of it, only to say that when you let the men and women who produce the wealth of this land of ours understand that the cattle in the fields are entitled to more consideration than they are, you will then be doing something that, in my judgment, is very dangerous and may come back to plague you.

Who uses this Division of Conciliation that we speak of? Is it a labor-organization institution? Do the employees approve of it? Do the employers approve of it? Do the civic bodies, such as the chambers of commerce and other similar activities, approve of the Division of Conciliation? I am not going to take the time to read the indorsements received from the large employers of the country. But I do want to say to you very frankly that there are large employers who are Members of this House who can testify to the efficiency and good work being done by the commissioners of conciliation of the Department of Labor. I have heard a great deal said by men who knew absolutely nothing about what they were talking, that the Department of Labor is a labor union organization; that the commissioners of conciliation go out and organize the workers into labor unions; and that they sandbag the employers into giving the employees an increase of wages and better conditions. I am not ready to say, because I do not know, whether there ever has been a man connected with the Division of Conciliation in the Department of Labor who has done those things, but if there is such a person in the Division of Conciliation at the present time, no man in this House will do more to remove him from his position than I will, because that is no place for such a person.

Much has been said because some of these men are union men. They must be union men to some extent, because if they were not they could not get into the meetings of the labor organizations, nor would many of the labor organizations have any confidence in them. Many of the commissioners of conciliation are employers, and necessarily so, because many of the employers of the country will not meet with or transact business with a man who is a member of a labor union. The Secretary of Labor in his wisdom has selected as commissioners of conciliation men representing both side of the labor question. The commissioners of conciliation, in my judgment, are doing more to eliminate the industrial strife that we have in this country than any other governmental activity connected with the Government.

We hear much also about the Americanization of American workingmen. We are being called upon to spend hundreds of millions of dollars for a campaign of that character. The American workingman and the American working woman need no Americanization from the people who are preaching that propaganda. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. BYRNS of Tennessee. I yield to the gentleman five minutes more.

Mr. CASEY. Now, Mr. Chairman, in the few moments that I have I want to say to you frankly that in my judgment the best thing that this Congress can do and the succeeding Congresses can do is to recognize that the workers of the land have a right to organize into labor unions if they so desire; that the principle of collective bargaining should be recognized, because just as long as Congress and Members on this floor preach the doctrine that the employers have the right to organize and the right of collective bargaining, and the right to be represented by lawyers and others, and undertake to deny that same right to the workers of the land, you are doing something which, to say the least, will not be advantageous to the country. I have a telegram which I received from Mr. John L. Lewis, president of the United Mine Workers of America, in which he says:

> I am advised that Appropriation Committee in House has reduced appropriation for conciliation division, Department of Labor, to $100,000. I have in mind that the Department of Labor through this division is exercising a stabilizing influence in industry which can be effected in no other way. It is my sincere judgment that $100,000 is insufficient, and that a substantial service to the country can be rendered by increasing it.

It may be that men like Mr. Lewis, who is representing probably five or six hundred thousand miners of the country, do not understand these economic questions, but here is his telegram, and I want to say that the sentiment expressed in that telegram is the sentiment of all of the men at the head of those great labor organizations, and is the opinion of a great many of the manufacturers of the country. It is the opinion of almost every person who has given any thought to this question.

I also want to say that I believe Congress can do no greater service to the country than by seeing to it hereafter that the appropriations for the Department of Labor and the Division of Conciliation are sufficient for them to carry on their work.

Another thing I want to impress upon you is the importance of granting sufficient appropriations to the Bureau of Labor Statistics.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. CASEY. Yes.

Mr. WALSH. Will the gentleman state in what measure or in what particular Congress has established its refusal to recognize the principle of collective bargaining?

Mr. CASEY. I do not say Congress, by action; I said the Members of Congress, preaching on the floor.

Mr. WALSH. So that was not directed at any legislative action?

Mr. CASEY. Oh, no. I clearly stated that—at least I so intended to.

Mr. WALSH. I misunderstood the gentleman.

Mr. CASEY. I had in mind when I made the statement the Clayton Act.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. BYRNS of Tennessee. I yield one minute more to the gentleman.

Mr. CASEY. In conclusion, I want to add that it is important also that sufficient appropriation be given to the Bureau of Labor Statistics, because that is the only bureau of the Government that works out the increase in living costs and the wages and working conditions in industry. It is the only responsible activity of the Government where the workers and the employers alike can go and get an unbiased and authentic statement as to the facts. [Applause.]

Mr. GOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 13870, the sundry civil appropriation bill, and had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. LANKFORD, indefinitely, on account of sickness.

To Mr. WINGO, for to-day, on account of illness in his family.

To Mr. KETTNER, indefinitely, on account of important business.

CALENDAR WEDNESDAY BUSINESS.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent to dispense with business in order on Calendar Wednesday, to-morrow.

The SPEAKER. Is there objection?

Mr. ESCH. Mr. Speaker, I suppose that is with the idea of the day being granted later?

Mr. MONDELL. My hope is that next week we may have disposed of the more pressing business to such an extent that it will make possible an additional day for Calendar Wednesday business.

Mr. ESCH. Possibly Thursday following Wednesday of next week?

Mr. MONDELL. That is my hope, and if not Thursday, a day very soon thereafter.

The SPEAKER. Is there objection?

There was no objection.

HOUR OF MEETING TO-MORROW.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet to-morrow at 11 o'clock a. m., in order to expedite the consideration of the sundry civil appropriation bill.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, I do not quite see how we are going to expedite the consideration of that measure. We have been meeting here for two or three days at 11 o'clock, and we have taken more time on this measure than ordinarily.

Mr. MONDELL. Mr. Speaker, we are approaching the end of the session and gentlemen desire to address the House on a variety of subjects. It is important, I think, that they should be given that opportunity.

Mr. WALSH. I have heard a great many gentlemen say that we agree to meet at 11 o'clock before we adjourn; that they are obliged to be away and do not know anything about it, and come over here at the usual hour.

Mr. MONDELL. I should regret if anybody missed these speeches, but, of course, if one should, he might read them in the RECORD.

Mr. WALSH. I think it is very unwise to establish meeting at 11 o'clock for general debate when debate is not confined to the bill. I dislike very much to run counter to the request of the majority leader and the chairman of the Committee on Appropriations, but unless there can be some more urgent reason given than that, I feel compelled to object.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. WALSH. Yes.

Mr. GOOD. I will say to the gentleman that to-morrow morning, before we go into Committee of the Whole for further consideration of the bill, an agreement will be reached with regard to limiting debate. There are quite a number of Members who want to make some speeches at this time. I hope we will begin to read the bill before 3 o'clock to-morrow afternoon.

Now, there are some gentlemen who prepared speeches for some time, and they feel that this might be the last opportunity, and we have been quite liberal because of that, but the gentlemen should remember that this bill should be expedited as rapidly as possible so as to give the Senate some time for its consideration, and as soon as this bill is out of the way it will be necessary for the deficiency subcommittee to take up some deficiency estimates and hold hearings on them. I hope the gentleman will not interpose an objection at this time.

Mr. BLANTON. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. BLANTON. I do not see why the gentleman from Massachusetts should object at this time, because this same little bunch of 8 or 10 men who are present now have stayed to close the House every evening, and will be here in the morning to open it, headed by the distinguished gentleman from Massachusetts. They have to do it every day, so why should the gentleman object at this time?

Mr. WALSH. Well, Mr. Speaker, I do not believe if we dispense with meeting at 11 o'clock on one day during this general debate we are going to obstruct the passage of this measure, and I feel compelled to object.

The SPEAKER. Objection is made.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 1521. An act authorizing the Cowlitz Tribe of Indians, residing in the State of Washington, to submit claims to the Court of Claims; to the Committee on Indian Affairs.

S. 3164. An act authorizing the Northern Arapahoe Tribe and the Northern Cheyenne Tribe of Indians to submit claims to the Court of Claims; to the Committee on Indian Affairs.

S. 192. An act authorizing the Crow Tribe of Indians, residing in the State of Montana, to submit claims to the Court of Claims; to the Committee on Indian Affairs.

S. 3307. An act authorizing the Ottawa and Chippewa Tribes of Indians, of Michigan, to submit claims to the Court of Claims; to the Committee on Indian Affairs.

S. 4046. An act to cancel an allotment made to Mary Crane, deceased, embracing lands on the Winnebago Reservation, in Nebraska; to the Committee on Indian Affairs.

S. 3716. An act conferring jurisdiction on the Court of Claims to determine and report upon the interest, title, ownership, and right of possession of the Yankton Tribe of Indians, South Dakota, to the red pipestone quarries, Minnesota; to the Committee on Indian Affairs.

S. 3774. An act to authorize the coinage of a Roosevelt 2-cent coin; to the Committee on Coinage, Weights, and Measures.

S. 3421. An act for the relief of Mabel L. Noble; to the Committee on Claims.

S. 3995. An act providing for the relinquishment of certain described property, by the United States, to the city and county of San Francisco, State of California; to the Committee on the Public Lands.

S. 557. An act for the relief of Oscar C. Guessaz; to the Committee on War Claims.

S. 1003. An act for the relief of Jesse L. Clay; to the Committee on Claims.

S. 2274. An act for the relief of the owners of the schooner *Charlotte W. Miller;* to the Committee on Claims.

S. 2554. An act for the relief of J. B. Waterman; to the Committee on Claims.

S. 1661. An act for the relief of Maj. Ellis B. Miller; to the Committee on Naval Affairs.

S. 4047. An act authorizing and directing the Secretary of the Interior to make an allotment to Pessa, a member of the Comanche Tribe of Indians in Oklahoma; to the Committee on Indians Affairs.

S. 4205. An act to amend section 4, chapter 1 of Title I, of an act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900, as heretofore amended by section 2 of an act entitled "An act to amend section 86 of an act to provide a government for the Territory of Hawaii, to provide for additional judges, and for other judicial purposes," approved March 3, 1909, and for other purposes; to the Committee on the Judiciary.

ENROLLED BILL SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 13677. An act making appropriations to supply a deficiency in the appropriations for the Federal control of transportation systems and to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1920, and for other purposes.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 9228. An act to authorize the establishment of a Coast Guard station on the coast of Lake Superior, in Cook County, Minn.; and

H. R. 12869. An act for the construction of a bridge across the Pentwater River or Pentwater Lake, Mich.

SENATE CONCURRENT RESOLUTION REFERRED.

Under clause 2, Rule XXIV, the following concurrent resolution was taken from the Speaker's table and referred to the Committee on Claims:

Senate concurrent resolution 26.

Resolved by the Senate (the House of Representatives concurring), That the Speaker of the House of Representatives be requested to cancel his signature to the enrolled bills:

S. 1005. An act for the relief of the owner of the steamship *Matoa;* and

S. 1222. An act for the relief of the owners of the schooner *Henry O. Barrett.*

That upon the cancellation of such signature the Secretary of the Senate be directed to reenroll said bill, S. 1005, with an amendment as follows: Strike out of section 2 the following words: "That should damages found to be due from the United States to the owner of the said steamship *Matoa,* the amount of the final decree or decrees therefor shall be paid out of any money in the United States Treasury not otherwise appropriated: *Provided,*"

And further, That the Secretary of the Senate be directed to reenroll the said bill, S. 1222, with an amendment as follows: Strike out of section 2 the following words: "That should damages be found to be due from the United States to the owners of said schooner *Henry O. Barrett,* the amount of the final decree or decrees therefor shall be paid out of any money in the United States Treasury not otherwise appropriated: *Provided,*"

ADJOURNMENT.

Mr. GOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 11 minutes p. m.) the House adjourned until to-morrow, Wednesday, May 5, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting deficiency estimate of appropriation required by the Bureau of Internal Revenue to cover "Refunding internal-revenue collections, 1919" (H. Doc. No. 749); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Acting Secretary of the Treasury, transmitting paragraph of legislation authorizing the payment of certain sums from the unexpended balances of the appropriation, "Miscellaneous expenses, Bureau of Fisheries," for the fiscal years 1918 and 1919 (H. Doc. No. 750); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. MAYS, from the Committee on the Public Lands, to which was referred the bill (S. 730) to amend chapter 559 of

the Revised Statutes of the United States, approved March 3, 1891, reported the same without amendment, accompanied by a report (No. 922), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (S. 46) for the protection of the water supply of the town of Sunnyside, Utah, reported the same with an amendment, accompanied by a report (No. 923), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 13695) granting a pension to Hannah B. Kesler, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CARAWAY: A bill (H. R. 13927) authorizing and declaring Little Black River to be nonnavigable from the mouth; to the Committee on Interstate and Foreign Commerce.

By Mr. McKINLEY: A bill (H. R. 13928) creating a commission to assist in the purchase, sale, and distribution of newsprint paper in order to insure a supply to newspapers of limited circulation; to the Committee on Interstate and Foreign Commerce.

By Mr. KAHN: A bill (H. R. 13929) to amend the Army appropriation act approved July 11, 1919, so as to release appropriations for the completion of the acquisition of real estate in certain cases and making additional appropriations therefor; to the Committee on Military Affairs.

By Mr. O'CONNOR: A bill (H. R. 13930) to authorize the establishment of a Coast Guard station on Lake Pontchartrain at New Orleans; to the Committee on Interstate and Foreign Commerce.

By Mr. VOLSTEAD: A bill (H. R. 13931) to authorize association of producers of agricultural products; to the Committee on the Judiciary.

By Mr. TAGUE: Resolution (H. Res. 543) to ascertain certain facts from the United States Shipping Board and Emergency Fleet Corporation regarding the refitting and reconditioning of the U. S. S. *Leviathan;* to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 13932) granting an increase of pension to Dayton P. Harrington; to the Committee on Pensions.

By Mr. BLAND of Missouri: A bill (H. R. 13933) granting an increase of pension to Walter B. Kelley; to the Committee on Pensions.

By Mr. CANDLER: A bill (H. R. 13934) granting an increase of pension to Mary Neal; to the Committee on Invalid Pensions.

By Mr. HULL of Tennessee: A bill (H. R. 13935) granting an increase of pension to James E. Losey; to the Committee on Pensions.

By Mr. KEARNS: A bill (H. R. 13936) granting an increase of pension to Mary C. Parsons; to the Committee on Pensions.

By Mr. KREIDER: A bill (H. R. 13937) granting a pension to Georgianna Curry; to the Committee on Invalid Pensions.

By Mr. MANN of South Carolina: A bill (H. R. 13938) granting a pension to Charles G. Sontag; to the Committee on Pensions.

By Mr. RICKETTS: A bill (H. R. 13939) granting an increase of pension to Martin A. Neff; to the Committee on Pensions.

By Mr. SWOPE: A bill (H. R. 13940) granting an increase of pension to John Ellis; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3424. By Mr. CULLEN: Petition of patients of Walter Reed General Hospital, Washington, D. C., protesting against a cash bonus and asking adjustment of insurance; to the Committee on Ways and Means.

3425. By Mr. DRANE: Petition of sundry citizens favoring the passage of House bill 1112; to the Committee on the Judiciary.

3426. By Mr. JOHNSTON of New York: Petition of the American Legion, College of the City of New York Post, opposing bonus of any form for able-bodied veterans of the World War and favoring properly adjusted compensation for those wounded or disabled; to the Committee on Ways and Means.

3427. Also, petition of executive committee of the One hundred and seventh Infantry Post, American Legion of New York, urging better provisions for disabled soldiers and sailors of the World War; to the Committee on Ways and Means.

3428. By Mr. McCLINTIC: Petition of Custer County Division of the Farmers' Educational and Cooperative Union of America against compulsory military training and in connection with other legislation; to the Committee on Military Affairs.

3429. By Mr. O'CONNELL: Petition of Disabled Men's Bureau of Service and Legislative Relief, Washington, D. C., regarding bonus for disabled men; to the Committee on Ways and Means.

3430. By Mr. RAKER: Petition of Augustus P. Gardner Post, American Legion, protesting against soldier's bonus legislation; to the Committee on Ways and Means.

3431. Also, petition of Philadelphia Trade Association, of Philadelphia, Pa., protesting against the passage of House bill 12320; to the Committee on Immigration and Naturalization.

3432. Also, petition of Commercial Federation of Los Angeles, Calif., protesting against the bill introduced by Senator McNARY requiring the cost mark to be stamped by manufacturers upon manufactured goods; to the Committee on Interstate and Foreign Commerce.

3433. Also, petition of Foreign Trade Club, of San Francisco, Calif., urging the passage of the legislation providing for Federal incorporation of American companies in China; to the Committee on Foreign Affairs.

3434. Also, petition of Belyea Advertising Co., of Auburn, Calif., protesting against House bill 12976; to the Committee on Ways and Means.

3435. Also, petition of Ivan Parker, of Auburn, Calif., protesting against House bill 12976; to the Committee on Ways and Means.

3436. Also, petition of sundry citizens, favoring the passage of House bill 1112; to the Committee on the Judiciary.

3437. Also, petition of United Engineering Societies of the Canal Zone, indorsing and urging the passage of the Jones-Reavis bill; to the Committee on Expenditures in the Interior Department.

3438. By Mr. ROWE: Petition by citizens of the State of New York, in favor of House bill 13334; to the Committee on the Merchant Marine and Fisheries.

3439. By Mr. TAGUE: Petition of International Steel and Copper Plate Printers' Union of North America and Printers' Local, No. 3, of Roxbury, Mass., urging support of amendment to restore appropriation for Bureau of Engraving and Printing; to the Committee on Appropriations.

3440. Also, petition of Scott Linotyping Co., the Atlantic Printing Co., and Henry W. Rowe, all of Boston, Mass., protesting against the passage of House bill 12976, for a tax on advertising; to the Committee on Ways and Means.

3441. By Mr. TINKHAM: Petition of joint board Cloak and Skirt Makers' Union, Boston, Mass., favoring the passage of Senate joint resolution 171 and Senate bill 1233; to the Committee on the Judiciary.

3442. Also, petition of United Cloth Hat and Cap Makers of North America, Boston, Mass., favoring the passage of Senate joint resolution 171 and Senate bill 1233; to the Committee on the Judiciary.

SENATE.

WEDNESDAY, *May 5, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we desire to perform our task in life upon the highest plane we are capable of. We seek to master the physical forces and make them our servants. We seek to enter the realm of truth, to know the relationship of things and power, and we seek above all the realm of the spirit, where we may adjust our lives to God, and complete our task by fulfilling the will of God. Help us to-day to live upon this plane. For Christ's sake. Amen.

The Reading Clerk proceeded to read the Journal of yesterday's proceedings, when on request of Mr. CURTIS, and by unanimous consent, the further reading was dispensed with and the Journal was approved.

NEAR EAST RELIEF.

The VICE PRESIDENT laid before the Senate the annual report of the Near East Relief for the year ended December 31, 1919, which was referred to the Committee on the Judiciary.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3184) to create a Federal power commission and to define its powers and duties, to provide for the improvement of navigation, for the development of water power, for the use of lands of the United States in relation thereto, to repeal section 18 of "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, approved August 8, 1917, and for other purposes," and for other purposes.

The message also announced that the House had passed the bill (S. 795) to provide for the disposition of public lands withdrawn and improved under the provisions of the reclamation laws, and which are no longer needed in connection with said laws, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the Speaker of the House had signed the enrolled bill (H. R. 13677) making appropriations to supply a deficiency in the appropriations for the Federal control of transportation systems and to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1920, and for other purposes, and it was thereupon signed by the Vice President.

PETITIONS AND MEMORIALS.

Mr. BALL. I present a memorial from Augustus P. Gardner Post, No. 18, American Legion, of Washington, D. C., remonstrating against the passage of a compensation or bonus bill carrying with it any classification. I ask that the memorial be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the memorial was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas the District of Columbia commander of the American Legion has sent to the Augustus P. Gardner Post, No. 18, of the District of Columbia, through usual channels, a copy of H. R. 13293, a bill to be known as the national soldiers land settlement, home aid, vocational training, and adjusted compensation act, together with the recommendation of the District of Columbia department legislative officer of the American Legion that all District of Columbia posts and their members urge Senators and Representatives individually to pass that bill at the earliest possible moment and without radical amendment; and

Whereas this is the first occasion upon which the Augustus P. Gardner Post has been called upon to cooperate or even to express its opinion in the matter of this proposed adjusted compensation; and

Whereas this fitting occasion has arisen for the post to take public notice and action on this vital question: Therefore be it

Resolved, That the Augustus P. Gardner Post is opposed to the passage of the national soldiers land settlement, home aid, vocational training, and adjusted compensation (H. R. 13293) act because all of its provisions are based primarily upon a monetary gratuity for past military service. The bonus for past or prospective military service has been a recognized evil throughout our history. The payment of such a bonus would violate the principle of the fundamental obligation of the citizen to render military service to the State in time of war. That obligation has no price.

The bill would impose a financial burden on the country which would be economically disastrous and, in the exercise of their sense of individual obligation to the community, State, and Nation, the members of the Augustus P. Gardner Post can not approve, and do oppose, the imposition of such a burden. The American Legion was not formed to serve such purposes as this. Nor can the veteran justify a demand for a bonus by the misdeeds of the profiteer. He should neither protect nor imitate the wrongdoer; and be it further

Resolved, That the Augustus P. Gardner Post urges the speedy passage of all necessary legislation for the complete relief of injured veterans and the widows and orphans of those who died as the result of service. It believes that support of this bill by the American Legion would be in effect the abandonment by the American Legion of the disabled and the widows and orphans; and be it further

Resolved, That copies of this resolution be transmitted to all Members of Congress in order that they may be informed of the opposition to the bill by the Augustus P. Gardner Post and its reasons therefor, to the national commander of the American Legion, to the commanders of the departments of the American Legion, and to all posts thereof in the District of Columbia in the hope that the reasons expressed against the bonus may influence them to oppose this bill, and to the press in the hope that it may induce due consideration of the reasons against the bonus and influence others to take similar action.

Mr. COLT presented a petition of sundry post-office employees of Pawtucket, R. I., and a petition of the Post Office Supervisors' Association, of Providence, R. I., praying for an immediate report by the Postal Salaries Commission relative to granting increased salaries to postal employees, which were referred to the Committee on Post Offices and Post Roads.

JEFFERSON NATIONAL FOREST.

Mr. MYERS, from the Committee on Public Lands, to which was referred the bill (S. 3210) for the consolidation of lands within the Jefferson National Forest, reported it with an amendment and submitted a report (No. 575) thereon.

ANNIVERSARY OF LANDING OF PILGRIM FATHERS.

Mr. BRANDEGEE. From the Committee on the Library I report back favorably without amendment the joint resolution (H. J. Res. 302) authorizing an appropriation for the participation of the United States in the observance of the three hundredth anniversary of the landing of the Pilgrims at Provincetown and Plymouth, Mass.

The House report is adopted as the report of the Senate committee. I ask unanimous consent for the present consideration of the joint resolution.

Mr. UNDERWOOD. Mr. President, I wish to say in reference to this report that I was on the commission appointed by the two Houses to look into the question of the anniversary celebration of the landing of the Pilgrim Fathers. The commission reported an appropriation to carry out the plans that have been perfected by the State of Massachusetts and the others that are interested in the celebration, and they agreed to apply one dollar of Government money for each dollar that was appropriated by the State of Massachusetts. In fact, I think the State has made a larger appropriation than is carried in this report. However, it is a great event. Congress has always recognized the happening of celebrated events, and I think the proposal of the committee is very proper and the joint resolution should be passed.

There being no objection, the joint resolution was considered as in Committee of the Whole, and it was read, as follows:

Resolved, etc., That there is hereby established a commission to be known as the United States Pilgrim Tercentenary Commission (hereinafter referred to as the commission) and to be composed of 11 commissioners as follows: Three persons to be appointed by the President of the United States; four Senators by the President of the Senate; and four Members of the House of Representatives by the Speaker of the House of Representatives. The commissioners shall serve without compensation and shall select a chairman from among their number.

SEC. 2. (*a*) That there is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated the sum of $400,000, to be expended by the commission in accordance with the provisions of this resolution.

(*b*) One hundred thousand dollars of such appropriation may be expended under the direction of the commission and in cooperation with the Provincetown Tercentenary Commission, the town of Provincetown, Mass., and such other agencies, public or private, as the commission may determine, for the purpose of completing and improving the approaches to and the grounds of the Pilgrim Monument at Provincetown, Mass.; of erecting suitably inscribed tablets or markers in the towns of Provincetown, Truro, Wellfleet, and Eastham, and for other work in connection therewith, in accordance with plans adopted by the Provincetown Tercentenary Commission.

(*c*) Three hundred thousand dollars of such appropriation may be expended under the direction of the commission and in cooperation with the Pilgrim Tercentenary Commission, the town of Plymouth, Mass., and such other agencies, public or private, as the commission may determine, for the purpose of restoring and improving Plymouth Rock and the shore line of the locality adjacent thereto, of protecting and improving the burial grounds upon Coles Hill and Burial Hill in Plymouth, Mass.; of erecting tablets or markers at appropriate places in the Old Colony, and for other work in connection therewith, in accordance with plans adopted by the Pilgrim Tercentenary Commission.

SEC. 3. That no expenditure shall be made or authorized by the commission until the Commonwealth of Massachusetts has, as determined by the commission, expended or contracted to expend the sum of $300,000 for the same purposes for which the commission may under the provisions of this resolution make expenditures. The United States shall not be held liable for any cost, expense, obligation, or indebtedness on account of the maintenance or upkeep of any property in respect to which any expenditure is made by the commission under the provisions of this resolution, nor for any obligation or indebtedness incurred by the Commonwealth of Massachusetts, the Provincetown Tercentenary Commission, the Pilgrim Tercentenary Commission, or any other agency or officer, employee, or agent thereof, for any purpose for which the commission may under the provisions of this resolution make expenditures. All expenditures of the commission shall be allowed and paid upon the presentation of itemized vouchers therefor approved by the chairman of the commission, but no expenditure shall be made or authorized by the commission except with the approval of a majority of the commissioners.

SEC. 4. That the Postmaster General is hereby authorized and directed to issue a special series of postage stamps, in such denominations and of such design as he may determine, commemorative of the three hundredth anniversary of the landing of the Pilgrims at Provincetown and Plymouth, Mass.

SEC. 5. That the provisions of sections 1, 2, and 4 of this resolution shall expire December 31, 1921.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HENDERSON:

A bill (S. 4331) for the relief of Robert F. Caudill; to the Committee on Claims.

By Mr. OVERMAN:

A bill (S. 4332) to exchange the present Federal building and site at Gastonia, N. C., for a new site and building (with accompanying paper); to the Committee on Public Buildings and Grounds.

By Mr. CALDER:

A bill (S. 4333) for the relief of Moore L. Henry; to the Committee on Claims.

By Mr. PHELAN:

A bill (S. 4334) granting an increase of pension to Jesse R. Oastler; to the Committee on Pensions.

SALMON FISHERIES IN ALASKA.

Mr. JONES of Washington. Mr. President, I introduce a bill to prohibit for the purpose of canning and export from Alaska fishing of salmon in the Yukon River, Alaska, its tributaries, and adjacent waters. With the general purpose of the bill and what is to be accomplished by it I am in hearty accord, but I do not know enough about its provisions to say that I am in favor of the bill as it is. I introduce it that there may be an opportunity to be heard before the committee. Such bills I think should properly go to the Committee on Fisheries. This bill relates, however, solely to fisheries in Alaska, to the local situation in Alaska, and I ask that it be referred to the Committee on Territories.

The bill (S. 4330) to prohibit for the purpose of canning and export from Alaska fishing of salmon in the Yukon River, Alaska, its tributaries, and adjacent waters was read twice by title and referred to the Committee on Territories.

AMENDMENT TO THE ARMY APPROPRIATION BILL.

Mr. SHEPPARD submitted an amendment relative to the purchase of 5,000 acres of land for a target range at Leon Springs Military Reservation, Tex., intended to be proposed by him to the Army appropriation bill, which was referred to the Committee on Military Affairs and ordered to be printed.

INTEREST RATES AND LIBERTY BONDS.

Mr. McLEAN. Mr. President, on Friday last the Senator from Oklahoma [Mr. OWEN] had inserted in the RECORD a letter which he had addressed to the Federal Reserve Board urging that it take steps to bring Liberty bonds back to par. I have here a copy of the reply of the board to this letter, signed by its governor, Mr. Harding, and I think it eminently proper that it should have a place in the RECORD. I ask that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 3, 1920.

MY DEAR SENATOR: The Federal Reserve Board has given careful attention to your letter of April 27, in which you ask the board "to consider the injurious effects of raising the interest rates in America in its relation to bearing down the market value of Government bonds."

You refer to the case of an important national bank which has on hand an amount of Liberty bonds entirely out of proportion to its capital and surplus. The board has full knowledge of the specific case to which you refer, and has in its files copies of correspondence dating back for more than a year between the member bank and the Federal reserve bank with which these bonds are pledged as collateral.

You do not appear to have been correctly or fully advised as to the facts. You state that the president of this bank has explained to you that his bank "had bought and underwritten a much larger volume of Government bonds than they would have done normally because of important Government works put up in his city. Thousands of employees who were compelled to buy Government bonds * * * unloaded them on the bank when the war suddenly ended," and that the bank "has been unable to sell these bonds on a falling market, and the market is falling because the reserve board has raised the rate of interest."

The board has no information, nor does it believe that employees at Government works anywhere were ever compelled to buy Liberty bonds, and it does not believe that in this instance the employees who had subscribed for bonds "unloaded" them on the bank. The board's information is that when this particular plant was shut down after the signing of the armistice many employees had subscribed for bonds for which they had not finished paying, and the bank referred to in your letter, through an affiliated institution, assumed these subscriptions for the original subscribers on terms which resulted in a considerable loss to the subscribers and a corresponding potential profit to the bank. The bank in question did not pursue the policy which was adopted by many others of selling at the market Liberty bonds which it could not place with investors, large or small, in its community, but seemed to prefer to hold the bonds.

Although up to May 1, 1919, the discount rate on member banks' notes secured by Liberty bonds was 4 per cent at eight of the Federal reserve banks—Boston, New York, Philadelphia, Cleveland, Atlanta, St. Louis, Minneapolis, and Dallas—and was 4½ per cent at the other Federal reserve banks, the market quotations on Liberty bonds had steadily declined, so that the average price during the month of April, 1919, of the various issues was as follows:

First convertible 4	95.27
First convertible 4¼	95.43
Second 4	93.61
Second convertible 4¼	93.64
Third 4¼	95.43
Fourth 4¼	93.61

Up to November, 1919, these discount rates at the Federal reserve banks remained the same, except that Dallas had advanced its rate on member banks' collateral notes, secured by Liberties, from 4 per cent to 4½ per cent, and it was not until about the middle of November, 1919, that rates on this class of paper at 10 of the banks were advanced to 4½ per cent and at 2—Cleveland and Kansas City—were advanced to 4¾ per cent.

Notwithstanding the fact, however, that for a period of 12 months after the fourth Liberty loan member banks in most of the districts could rediscount paper secured by Liberty bonds at rates lower than the coupon rate, and in the other four or five districts at the coupon rate, the bonds had declined to an average of about 94. This completely disproves your contention that the Liberty bond market fell because the Federal Reserve Board raised the rate of interest.

Reverting to the bank referred to in your letter, although this institution had on hand unsold in April, 1919, Liberty bonds amounting to more than two and a half times its combined capital and surplus, and to more than 25 per cent of its deposits, and although it was indebted to its Federal reserve bank at that time, it more than doubled its holdings of Liberty bonds in April and May, 1919, by purchases in the open market, the admitted object being to average down the cost of bonds already held. This was done in the face of the Victory loan campaign, and it is interesting to note that the bank's subscriptions to Victory notes in May, 1919, amounted to just one-third of its open market purchases of Liberty bonds in April and May, 1919. The Victory notes were bought at par while the open-market purchases of Liberty bonds were made around 94. The bank now has no Victory notes on hand, having sold all it subscribed for.

The Federal reserve bank has not been insisting that this bank sell its bonds at a loss, but has been insisting that it adjust its affairs so as to lean less heavily upon the Federal reserve bank.

A glance at the discount rates of all Federal reserve banks during the year 1919 and a study of market quotations for Liberty bonds during the year ought to convince anyone that the decline in the market price for Liberty bonds and Victory notes has resulted from circumstances entirely beyond the control of the Federal Reserve Board or the Federal reserve banks.

In an address made on Friday last before the Academy of Political Science in New York, Assistant Secretary of the Treasury Leffingwell, in referring to predictions made a year ago that Victory notes would shortly go to a premium and that Liberty bonds would be selling at or near par within a year or two, said:

> Everyone knows why these sanguine expectations have not been realized. With the armistice, and still more after the Victory loan, our people underwent a great reaction. Those who had bought Liberty bonds as a matter of patriotism, but not as investors, began to treat their bonds as so much spending money. Those who had obeyed the injunction to borrow and buy Liberty bonds ignored the complementary injunction to save and pay for them. A $50 bond in the hands of a patriot turned spendthrift was to him a $50 bill to be spent Saturday night; or, to her, a new hat, and if the $50 bill turned out to be a $45 bill, small matter. This was the first and most immediate cause of the depreciation of Liberty bonds, affecting them particularly.

There are about $22,000,000,000 of Liberty bonds and Victory notes outstanding. They can not be brought back to par by artificial methods. Experience has shown that they could not be held at par last year by Federal reserve discount rates below their coupon rate, and it would be very unwise in the present circumstances to establish a discount rate on paper secured by these obligations much below the current rates for money.

There is a world-wide demand for capital, and the demand for bank credit in this country for agricultural, commercial, and industrial purposes is heavier than has ever been known before; investment demands for new construction, for the maintenance and equipment of railroads, and for the financing of our foreign

trade are very great. In the face of all these demands should the Federal reserve banks have continued to offer a low discount rate on paper secured by Government obligations—a rate far below the current rates for money—they would have been overwhelmed with applications for loans on these securities and the volume would probably have been so great as to have far exceeded their utmost lending power.

While the Federal Reserve Board is authorized and empowered by paragraph (c) of section 11 of the Federal reserve act, under certain conditions, to suspend the reserve requirements specified in the act, it believes that this power is granted it for emergency purposes and that it is not the intent of the act that the Federal reserve banks be permitted to operate as a general rule with reserves below the legal minimum. The board therefore has taken and must continue to take such steps as in its judgment may be necessary to enable the Federal reserve banks to function normally with reserves not below the minimum required by section 16 of the Federal reserve act. In view of the provisions in that section for the redemption of Federal reserve notes outstanding, it is important that these reserves be maintained.

Ordinarily in the early months of the year there is liquidation, and discount rates work to a lower basis. There has been no let-up, however, in demands upon banks for credit during the present year; the total of discounted and purchased bills held by all Federal reserve banks on December 26, 1919, amounted to $2,780,090,000; on April 27 the total was $2,888,748,000. While some may argue from this that the advance in discount rates made by the Federal reserve banks on January 23 has not been effective, the board is firmly of the opinion that had these advances not been made the demands upon the Federal reserve banks would have been much heavier than they have been and that the banks would by this time have all been below their legal reserve.

During the year 1919 the board tested the policy of attempting to control the credit situation by admonitions and warnings without raising rates. While convinced that it is necessary for the Federal reserve banks to pay the closest attention to the discount policies of member banks, and particularly to those which are large borrowers, and that it is their duty to impress upon the member banks the necessity for the exercise of a discriminating judgment in granting credits, the board feels that the application of a rate is a vital factor in credit control, and it notes with interest your view as expressed in the course of your remarks in the Senate on Friday, April 30, that "when aggressive borrowing banks ask in excess of their own reserves the Federal reserve bank is justified in imposing a rate that will penalize those banks, thus automatically checking the abuse * * *."

While you do not say so in direct terms, your letter intimates that the Federal Reserve Board should adjust its discount rates with the view of sustaining the market value of Government bonds, but paragraph (d) of section 14 of the Federal reserve act provides that rates of discount to be charged by the Federal reserve banks "shall be fixed with a view of accommodating commerce and business." Were rates reduced with a view of bringing Government bonds back to par, it is the board's belief that the desired result would not be attained, while the demand upon the Federal reserve banks would be so great that they would have left no resources available for the accommodation of commerce and business. As a matter of fact, the policy of the Federal Reserve Board to curb inflation will in the long run result in improving the market value of Liberty bonds and a contrary policy of furnishing credit at cheap rates at a time like this would impair the market. The value of a promise to pay a sum certain at a future date is impaired by the inflation which the board is trying to control.

In the concluding paragraph of your letter you call attention to the "unpardonable and scandalous practice of usurious charges current in New York City" on call loans; "the rates have been running as high as 30 per cent," and enter your protest against this, and call upon the Federal Reserve Board to "put an end to this nefarious practice."

On March 8, 1920, upon your motion, the Senate adopted the following resolution:

Resolved, That the Federal Reserve Board be, and is hereby, directed to advise the Senate what is the cause and justification for the usurious rates of interest on collateral call loans in the financial centers, under what law authorized, and what steps, if any, are required to abate this condition.

On March 27, 1920, the board sent a letter to the Senate giving the information required by the resolution, which was referred to the Committee on Banking and Currency and ordered to be printed. The board infers from the reference you make in your letter to the interest rates on call loans that this reply has not been brought to your attention, and therefore incloses a copy of Senate Document No. 262, which contains the information the board has been able to gather on the subject.

Very truly, yours,

W. P. G. HARDING, *Governor.*

Hon. R. L. OWEN,
United States Senate.

OREGON NATIONAL FOREST.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2792) to enlarge the boundaries of the Oregon National Forest, which was, on page 2, line 4, after "empowered," to insert "in his discretion."

Mr. McNARY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

CALLING THE ROLL.

The VICE PRESIDENT. Is there further morning business?

Mr. KNOX rose.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The roll will be called.

The Reading Clerk called the roll, and the following Senators answered to their names:

Ashurst	Glass	McCormick	Robinson
Ball	Gronna	McKellar	Sheppard
Brandegee	Hale	McLean	Shields
Calder	Harris	McNary	Simmons
Capper	Harrison	Myers	Smith, Ariz.
Chamberlain	Henderson	Nelson	Smith, Ga.
Colt	Hitchcock	New	Smith, Md.
Culberson	Jones, N. Mex.	Norris	Smoot
Curtis	Jones, Wash.	Nugent	Sterling
Dillingham	Kellogg	Overman	Sutherland
Elkins	Kendrick	Page	Swanson
Fernald	Kenyon	Phelan	Thomas
France	Keyes	Phipps	Townsend
Frelinghuysen	King	Pittman	Underwood
Gay	Knox	Ransdell	Wadsworth
Gerry	Lodge	Reed	Warren

Mr. GRONNA. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent, due to illness. I ask that this announcement may stand for the day.

Mr. HARRIS. I have been requested to announce that the Senator from South Carolina [Mr. SMITH] is unavoidably detained from the Senate.

The VICE PRESIDENT. Sixty-four Senators have answered to the roll call. There is a quorum present. The morning business is closed.

TERMINATION OF WAR WITH GERMANY.

Mr. KNOX. Mr. President, for the purpose of condensing my observations to a period of time that I fancy is somewhat more reasonable and usually more acceptable, I ask now, instead of stopping at various points in the presentation of my argument, to have inserted in the RECORD as a part of my remarks a number of authorities which I quote, a number of quotations from the early fathers, and other quotations.

The VICE PRESIDENT. Without objection, it will be so ordered.

Mr. KNOX. I crave the indulgence of my associates in the Senate and ask their permission to present consecutively the observations I have prepared, assuring them that I have endeavored to cover all the points, and that in most cases perhaps they will find that matters which occur to them will be treated of in subsequent portions of my remarks.

Mr. President, our attention is once more turned to measures designed to bring peace to our country. More than 17 months ago the last shot in the Great War was fired. From that time until the present we in this country have been living subject to an unreasoning war-time rule which is unnecessary in practice, unknown in precedent, and anomalous in law.

The welfare and safety of the Nation imperatively demands that we know we have peace. The whole world seethes with revolution. Our own Nation is in ferment and turmoil. Force and strife are rampant and threaten the destruction not only of our property but of our free institutions and even of our very lives. And yet we stand, and have stood for months, as a rudderless ship foundering in the trough of tremendous seas. We must not dare longer to delay a return to the ordered government of peace; we must not hazard a further postponement in turning our undivided deliberations to our home problems. They are great enough, sir, to tax the utmost wisdom which we possess. As a preliminary step, the Execu-

tive must be returned to his peace-time powers and prerogatives. Need, propriety, wisdom, can not question this. The resolution before us is designed to bring us to this.

As I proceed in my remarks I shall be forced to make observations which I wish were not needful, to advert to certain conditions and situations which it were infinitely pleasanter to blink or ignore, for it is an unwelcome task to judge one who has fallen in the public esteem. But the time has come when we must speak plainly of facts as they exist, because this situation which confronts us can not otherwise be understood and met. But I assure you that in such judgments as I shall pass I shall proceed calmly and without bitterness, because I entertain only sympathy for the President in his illness and sympathy for the country which must suffer under him because of it. But, when danger threatens the Nation, it must be met forefronted; and he who ventures to intervene against the safe and wise course must step aside or be crushed. And so, sir, we must proceed now in the rescue of the people from their present unhappy state, leaving the weight of censure and responsibility for past errors and misadventures to fall where it may.

The course of the President ever since he cruised to Europe to participate in the peace conference leaves no chance for doubt that he will continue, hereafter as heretofore, to thwart, so far as he is able, every attempt on the part of the Senate, the Congress, or the people, to take any action immediately or remotely affecting in however slight a degree, through change or modification, the provisions of the treaty of Versailles as it came to us fresh from his signature. He has preferred to keep the country in an alleged state of war for now almost a year rather than abate one jot or tittle of the full measure his isolated will had set for the Nation. Constitutional order, lawful functions, rights and duties of position, oaths of office as affecting the Members of this body, he has noticed only to bring into contempt. He has conjured up every power within the whole vast executive domain in his efforts to compel this Senate to surrender its will and judgment to him, to become mere automatons to register his mandate—to approve this treaty in its last minutiæ of detail as he sent it to us. In saying all this I am not, sir, permitting myself to exaggerate; I am not allowing myself the license of fervid discourse; I am merely recording the simple truth generally admitted by even his friends.

Now, in the face of this situation it will be idle for us to pass any resolution looking to the immediate establishment of peace that does not contemplate the unqualified acceptance of the treaty, if that resolution requires from the President the performance of any act or duty, in order to secure peace, because if we do he will, if the statements of his representatives are accepted, so delay or ignore that act or duty as to defeat the end and purpose of our action, for in his opinion wisdom lies only in following the behests of his will. Therefore, if the resolution is to be effective, it must be self-operative. Nothing necessary to the bringing of peace must be left for his accomplishment. I say this in the belief that what we all seek is an actual recognized peace, a resumption of our peace-time avocations under normal peace-time conditions, and that we are seeking it, not for the mere partisan advantage of certainly shifting the burden of responsibility for any failure to have peace, but because we honestly believe that peace is indispensable to the salvation of this great Government and people. For this reason our proposed resolution must stand so that in all of its essentials looking toward peace it will be operative without any Executive action. This is the first and most fundamental requisite of any resolution which we shall pass.

But in order to determine accurately whether the resolution offered will meet this requirement and will so establish peace-time ordered government in this country we must carefully consider two factors: First, the international situation now existing, together with the rules and principles controlling it; and, second, the present domestic situation and the constitutional principles therein involved.

I shall devote myself, in the first instance, to these two latter matters, in their order, that I may lay a proper basis for the relatively short necessary discussion of the resolution itself.

In this discussion it is necessary, as pointed out in the majority report upon the House resolution, to recall that wars may be terminated in one of three ways: First, through the abstention by both parties from further acts of war, or, as one writer puts it, "War may silently cease and peace be silently renewed" (III Phillimore, 772; II Oppenheim, 323); or, second, war may be ended by the establishment of peace "through a special treaty of peace"; or, third, one of the belligerents may completely subjugate his adversary.

We shall in the present discussion be primarily concerned with the first and second of these.

Among the instances most commonly named by international authorities of the ending of war by the cessation of hostilities are the war between Sweden and Poland, where hostilities terminated in 1716 (III Phillimore, 772), no formal treaty between the two kingdoms being concluded for a period of 10 years (II Oppenheim, 323); the war between Spain and France so ending in 1720; between Russia and Persia, ending in 1801; and between France and Mexico, ending in 1867. To this may be added the war between Spain and the allied South American States in the late sixties. Actual hostilities by the belligerents having ceased in May, 1866, Mr. Seward in 1868 instructed our representative in Spain to say that—

> The technical continuance of the status of war between Spain on the one part, and Peru, Chile, Ecuador, and Bolivia on the other, occasions inconvenience to all neutral States, and especially to this country, which it is desirable should be terminated by a formal armistice. (Foreign Relations, 1868, pt. 1, p. 6.)

Late in the summer Mr. Seward again offered the friendly offices of this Government toward a settlement of the difficulty. In the course of the discussion which followed between the two nations the Spanish minister took the position that "The state of war between the nations exists so long as the belligerent and interested parties do not stipulate for peace." (Foreign Relations, 1868, pt. 2, p. 32.)

In reply to this contention Mr. Seward pointed out—

> That the Peruvian Government on its part insists that the situation of war between herself and allies on the one part and Spain on the other has practically come to an end by the cessation of all hostilities on either side since the 2d day of May, 1866. (Id., p. 33.)

And then set out that Spain and Chile (as Peru alleged)—

> have, in the present year, voluntarily joined themselves together in peaceful and friendly concert and cooperation in waiving objection to the clearance from British ports of ships of war for the respective parties.

Mr. Seward later added:

> It seems to the President that the occasion has not yet arrived when it will be necessary for him to decide the grave question which has been raised before this Government between the ministers of Spain and Peru, namely, the question whether the war which was heretofore waged between those nations has been practically brought to an end or not. Frankness, however, obliges the undersigned to say that unless some unforeseen circumstances shall soon occur, the time for acting upon that question would seem to be near at hand. (Id., p. 33.)
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> It is certain that a condition of war can be raised without an authoritative declaration of war, and, on the other hand, the situation of peace may be restored by the long suspension of hostilities without a treaty of peace being made. History is full of such occurrences. What period of suspension of war is necessary to justify the presumption of the restoration of peace has never yet been settled, and must in every case be determined with reference to collateral facts and circumstances.

Thus our own Government is committed to the principle that war may come to an end by the silent cessation of hostilities.

There is no need to discuss at this point the closing of a war by a formal treaty, this being the normal method of concluding hostilities between nations and so well in the minds of all of us.

As the conditions under which we entered the war are useful to a proper understanding of the international situation as it exists to-day, I shall presume to recall the main events.

What the President finally came to recognize as a "war against all nations" (address to Congress, Apr. 2, 1917) broke by the declaration of war between Austria-Hungary and Serbia on July 28, 1914. Between that date and August 18, 1918, the war had extended to involve Germany, France, Belgium, Great Britain, Russia, and Montenegro (Carnegie peace endowment pamphlet No. 3, 1914. Signatures, etc., Hague conventions).

On August 18, 1914, the President issued his famous neutrality of feeling proclamation, in which he exhorted his fellow countrymen as follows:

> The United States must be neutral in fact as well as in name during these days that are to try men's souls. We must be impartial in thought as well as in action, must put a curb upon our sentiments as well as upon every transaction that might be construed as a preference of one party to the struggle before another.
>
> My thought is of America. I am speaking, I feel sure, the earnest wish and purpose of every thoughtful American that this great country of ours, which is, of course, the first in our thoughts and in our hearts, should show herself in this time of peculiar trial a Nation fit beyond others to exhibit the fine poise of undisturbed judgment, the dignity of self-control, the efficiency of dispassionate action; a Nation that neither sits in judgment upon others nor is disturbed in her own counsels, and which keeps herself fit and free to do what is honest and disinterested and truly serviceable for the peace of the world. (State Department White Book No. 2, p. 71.)

In February of the following year, following the announcement by the German Government that the waters surrounding Great Britain and Ireland were to be considered as within the seat of war, the President, calling attention to the dangers which any such action would have for American commerce, announced that—

> The Government of the United States would be constrained to hold the Imperial German Government to a strict accountability for such acts of their naval authorities and to take any steps it might be neces-

sary to take to safeguard American lives and property and to secure to American citizens the full enjoyment of their acknowledged rights on the high seas. (State Department White Book No. 1, p. 54.)

Less than two months from the dispatch of that appropriate warning a German submarine, after brazen notification of the intention so to do, sank the British steamship *Lusitania* off the coast of Ireland. More than 100 American citizens, including women and children, lost their lives.

Three days later, on May 10, in an address at Independence Hall—of all places in the world—in Philadelphia, the President, addressing a body of naturalized American citizens, after speaking of love and sympathy and justice, "the touch and ideal of America," the consciousness of America—a consciousness which, I may remark in passing, the terrible sinking of the *Lusitania* had unified and solidified far more than the happening of any other single event during the whole war—said:

The example of America must be a special example. The example of America must be the example not merely of peace because it will not fight, but of peace because peace is the healing and elevating influence of the world and strife is not. There is such a thing as a man being too proud to fight. There is such a thing as a nation being so right that it does not need to convince others by force that it is right. (Hart's Selected Wilson Addresses, p. 88.)

Three days later than this, and following a storm of protest that rocked the whole country to its foundations, the President, addressing the German Government regarding the sinking of the *Lusitania*, again bluffed and blustered about "strict accountability," and closed with the observation:

The Imperial German Government will not expect the Government of the United States to omit any word or any act necessary to the performance of its sacred duty of maintaining the rights of the United States and its citizens and of safeguarding their free exercise and enjoyment. (State Department White Book No. 1, p. 77.)

The war dragged on its weary way through the balance of 1915 and the year 1916. Outrage followed outrage in quick succession. We wrote and fumed but took no action. The pen was to be mightier than the sword. In December, 1916, the President made overtures to the belligerent governments looking to the establishment of peace, but nothing came of it. In January, 1917, just before he received confirmatory notice of what apparently Ambassador Gerard had told him of months before, namely, that Germany intended to renew unrestricted submarine warfare—and just after his peace move had failed—the President delivered his famous "peace without victory" speech in which he said that since statesmen on both sides of the controversy declared "it was no part of the purpose they had in mind to crush their antagonists" (V Times History, p. 964) certain implications arose from such assurances. He said:

They imply, first of all, that it must be a peace without victory. It is not pleasant to say this. I beg that I may be permitted to put my own interpretation upon it and that it may be understood that no other interpretation was in my thought. I am seeking only to face realities and to face them without soft concealments. Victory would mean peace forced upon the loser, a victor's terms imposed upon the vanquished. It would be accepted in humiliation, under duress, at an intolerable sacrifice, and would leave a sting, a resentment, a bitter memory upon which terms of peace would rest, not permanently, but only as upon quicksand. Only a peace between equals can last. Only a peace the very principle of which is equality and a common participation in a common benefit. The right state of mind, the right feeling between nations, is as necessary for a lasting peace as is the just settlement of vexed questions of territory or of racial and national allegiance. (Hart's Selected Wilson Addresses, p. 175.)

Two days later Andrew Bonar Law, chancellor of the exchequer, replying to this speech of President Wilson's, made this observation:

Our aims are the same as President Wilson's. What he is longing for we are fighting for, our sons and brothers are risking their lives for, and we mean to secure it. (V Times, 1096.)

A little over two months after we were to have "peace without victory," we having in the meanwhile broken off diplomatic relations with Germany, the President appeared before Congress, which he had convened in extraordinary session. He now, fired with the zeal of a new-dawned idea, declared that—

The present German submarine warfare against commerce is a warfare against mankind.

"It is a war against all nations," and he advised "that the Congress declare the recent course of the Imperial German Government to be in fact nothing less than war against the Government and people of the United States, that it formally accept the status of belligerent which has thus been thrust upon it; and that it take immediate steps not only to put the country in a more thorough state of defense but also to exert all its power and employ all its resources to bring the Government of the German Empire to terms and end the war." (Hart's Addresses, p. 191.)

As he continued his address the President enlarged considerably upon his views of the personality and character of our enemy. While I have already in my remarks of August 29 last called these particularly to the attention of the Senate, I desire now to repeat them because when taken in connection with our declaration of war they have a great and direct bearing upon the existing international status.

The President said:

We have no quarrel with the German people. We have no feeling toward them but one of sympathy and friendship. It was not upon their impulse that their Government acted in entering the war. It was not with their previous knowledge and approval.

Still further on, asserting that Prussian autocracy—

has filled our unsuspecting communities and even our offices of Government with spies and set criminal intrigues everywhere afoot against our national unity of counsel, our peace within and without, our industries, and our commerce—

He said:

We knew that their source lay, not in any hostile feeling or purpose of the German people toward us (who were no doubt as ignorant of them as we ourselves were), but only in the selfish designs of a Government that did what it pleased and told its people nothing.

Again, still later—

We are glad, now that we see the facts with no veil of false pretense about them, to fight thus for the ultimate peace of the world and for the liberation of its peoples, the German peoples included; for the rights of nations great and small and the privilege of men everywhere to choose their way of life and of obedience. The world must be made safe for democracy.

And finally he said:

It will be all the easier for us to conduct ourselves as belligerents in a high spirit of right and fairness because we act without animus, not in enmity toward a people or with desire to bring any injury or disadvantage upon them, but only in armed opposition to an irresponsible Government which has thrown aside all consideration of humanity and of right and is running amuck. We are, let me say again, the sincere friends of the German people, and shall desire nothing so much as the early reestablishment of intimate relations of mutual advantage between us.

Or, to put it shortly, our purposes as stated by the President were threefold: First, the defeat and elimination of the Imperial German Government and Prussian autocracy; next, the liberation from their yoke of despotism of the German people themselves—for whom we had nothing but sympathy and friendship—to the end that they might be masters of their own fates and fortunes; and lastly, the reestablishment, as sincere friends of the German people, of intimate relations of mutual advantage between them and us.

Following that address and after due discussion Congress passed the joint resolution which created a status of war between the United States and Germany. That resolution reads:

Whereas the Imperial German Government has committed repeated acts of war against the Government and the people of the United States of America: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the state of war between the United States and the Imperial German Government which has thus been thrust upon the United States is hereby formally declared; and that the President be, and he is hereby, authorized and directed to employ the entire naval and military forces of the United States and the resources of the Government to carry on war against the Imperial German Government; and to bring the conflict to a successful termination, all of the resources of the country are hereby pledged by the Congress of the United States.

In so far as my information goes, the German Government never declared war against the United States. They merely accepted the status which this declaration recognized and probably created; for it must be remembered that while we interpreted, and rightly so, that German submarine warfare as directed against the United States was illegal, constituting acts of war, the German Government never acquiesced in that view and, on the contrary, maintained the legality of all general measures taken.

Thus by Executive pronouncement, and by formal declaration by Congress, to whom is intrusted the sole right and duty to declare war, the hostilities which were recognized as existing, and the war to prosecute which all our national resources were pledged, was directed against the Imperial German Government, not against Germany nor, in terms, against the German people. It was the Imperial German Government, and not Germany or the German people, which was declared to have "committed repeated acts of war against the Government and the people of the United States."

While, as I stated in my address of August 29 to this body, Congress did not move quite so sure-footedly regarding the noninvolvement of the German people in this war, yet we realized that the real war had to be primarily against the Imperial German Government, which we considered had debauched a great people, many of whose kin were among our best, most stalwart, and freedom-loving patriotic citizens.

Thus we embarked upon the war. It is not necessary for our purpose now to follow the course of the war either as to military operations or as to legislation enacted. But largely as a result of our entry into the war the German forces had by November, 1918, been forced into a position where they faced overwhelming disaster. They opened negotiations with the result that on November 11, 1918, a so-called armistice was signed between the German Government and the allied and associated powers, the latter being represented by Marshal

Foch, the supreme allied commander, who in signing the armistice acted for and in behalf of the President as Commander in Chief of the American forces just as much as he acted for the French or the British or the Italian Governments.

The signing of this armistice was announced to the people of the United States in the following presidential proclamation:

My fellow countrymen, the armistice was signed this morning. Everything for which America fought has been accomplished. It will now be our fortunate duty to assist by example, by sober, friendly counsel, and by material aid in the establishment of just democracy throughout the world. (IX Times Current History, pt. 1, p. 362.)

On the same date the President delivered a message to Congress in which, after reading the full terms of the armistice, he said:

The war thus comes to an end; for, having accepted these terms of armistice, it will be impossible for the German command to renew it. (Id., p. 363.)

A little further he said:

We know only that this tragical war * * * is at an end—

And added—

We know, too, that the object of the war is attained; * * * The arbitrary power of the military caste of Germany, which once could secretly and of its own single choice disturb the peace of the world, is discredited and destroyed.

It is necessary at this point to consider the nature of an armistice, for this matter has an important bearing upon our further discussion and the conclusions we shall reach.

In common international parlance an armistice is practically the same as truce. Indeed, Holland is quoted as saying:

There is no difference of meaning, according to British usage at least, between a "truce," an "armistice," and a "suspension of arms." (2 Oppenheim, p. 290.)

Other writers, however, speak of and distinguish three sorts of armistices, namely, suspension of arms, general armistices, and partial armistices. (Id.)

Our own practice seems to place suspension of arms in one category and truces or armistices in another category, the two latter terms being used seemingly interchangeably. (VII Moore, 723 et seq.)

The Hague conventions, both of 1899 and 1907, speak of "flags of truce," "capitulations," and "armistices." The latter is defined thus:

An armistice suspends military operations by mutual agreement between the belligerent parties. If its duration is not defined, the belligerent parties may resume operations at any time, provided always that the enemy is warned within the time agreed upon in accordance with the terms of the armistice. (Laws and Customs of War on Land.)

Another article provides:

An armistice may be general or local. The first suspends the military operations of the belligerent States everywhere, the second only between certain factions of the belligerent armies and within a fixed radius. (Hague Conventions, Carnegie print, p. 121.)

But in order adequately to appraise the legal value of the so-called armistice which we signed with the enemy, we must have in mind the nature of a capitulation, which is defined by Halleck as follows:

Capitulations are agreements entered into by a commanding officer for the surrender of his army, or by the governor of a town, or a fortress, or particular district of country to surrender it into the hands of the enemy. Capitulations usually contain stipulations with respect to the inhabitants of the place which is surrendered, the security of their religion, property, privileges, and franchises, and also with respect to the troops or garrison, either allowing them to march out with arms and baggage, with the honors of war, or requiring them to lay down their arms and surrender as prisoners of war. (II Baker's Halleck, p. 354.)

In view of these definitions, I submit that an examination of our armistice will show it is an armistice in name only; that in reality it is a surrender, a capitulation by a nation defeated beyond all hope of immediate recuperation. As indicating how fully this is true, I wish briefly to recount to you the terms of this instrument.

In the first place it provided for the complete and absolute cessation of hostilities on land and sea and in the air on all fronts. It provided for the evacuation by German troops of all territory held by them outside the limits of Germany as it existed at the outbreak of the war, the Allies to have free access to all territories evacuated. It provided further for the evacuation of all German territory west of the Rhine, for the occupation thereof by the allied forces, who should also occupy the three great strategic cities on the Rhine, Mayence, Coblenz, and Cologne, together with the bridgeheads at these points. A neutral zone was created 10 kilometers wide along the right bank of the Rhine. The nationals of territories occupied by German forces were to be immediately repatriated. All allied prisoners were to be immediately released without reciprocity. Large quantities of military equipment and materials were to be surrendered, and that you may have an appreciation of what this meant I recall to you that it included 5,000 guns—2,500 heavy and an equal number of field—25,000 machine guns, 3,000 minewerfers, and 1,700 airplanes. Roads and means of communication of every kind, railroads, waterways, main roads, bridges, telegraphs, telephones of the territory evacuated were to remain unimpaired. Material and equipment were to be left in situ as also all military stores of coal and material for the upkeep of permanent ways, signals, and repair shops. The Germans were to give up 5,000 locomotives, 150,000 wagons, all with necessary spare parts and fittings, and 5,000 motor lorries.

The treaties and supplementary treaties of Bucharest and Brest-Litovsk were to be renounced. The great principle of reparation, which forms so conspicuous a feature in the treaty of Versailles, was laid down; Germany was to answer for all damage done; restitution was to be made of properties taken.

In addition to the immediate cessation of naval hostilities Germany was to give and did give definite information as to the location and movements of German ships; to notify neutrals of freedom of navigation in all German territorial waters for the naval and mercantile vessels of the allied and associated powers. All questions of neutrality were to be waived. Naval and mercantile marine prisoners of the allied and associated powers in German hands were to be returned without reciprocity. All submarines with their complete armament and equipment then existing were to surrender in ports specified by the Allies and the United States. Submarines which could not take the sea were to be disarmed and remain under the supervision of the Allies or the United States. Surface warships were to be immediately disarmed and interned in neutral or allied ports, to wit: Six battle cruisers, 10 battleships, 8 light cruisers (including 2 mine layers), 50 destroyers of the most modern type. It was under this provision that the great German fleet which had been held in German ports during practically the whole war was ordered into Scapa Flow. All other surface warships were to be concentrated at the German naval bases and to be completely disarmed. The German Government was to designate all mine fields and obstructions. Freedom of access to and from the Baltic was to be given, and to secure this all German forts, fortifications, batteries, and defense works of all kinds in all the entrances from the Cattegat into the Baltic were to be occupied by the Allies and the United States. The existing blockade conditions were to remain unchanged against Germany, whose merchant ships found at sea were to remain liable to capture. All naval aircraft was to be concentrated and immobilized in German bases. In evacuating the Belgian coast and ports all port and river navigation material, all merchant ships, tugs, lighters, all naval aeronautic apparatus, materials, and supplies, and all arms, apparatus, and supplies of every kind were to be abandoned by Germany. Black Sea ports were to be evacuated. Russian war vessels of all descriptions seized by Germany were to be handed over. Neutral merchant vessels were to be released. Merchant vessels belonging to the allied and associated powers were to be restored. There was to be no destruction of ships or materials before evacuation. Neutral countries, particularly Norway, Sweden, Denmark, and Holland, were to be notified that Germany canceled all restrictions placed on the trading of their vessels with the allied and associated countries, and, finally, no transfer of German merchant shipping of any description to any neutral flag was to take place after the signing of the armistice.

These provisions are among the more important of those that were included in this so-called armistice. Do they, sir, look to a mere truce such as obtains between armies when they wish to bury their dead? Do they look to mere temporary suspension of arms to meet some passing necessity of the belligerents? Or do they constitute a practical capitulation of the enemy through his surrendering his position, his stores, his munitions, and his arms, through his releasing all his prisoners, his surrendering his entire navy with its personnel, his promising reparation for all damage done during the war, by his admitting in every line his defeat, and by his practically guaranteeing under compelling sanctions his intention to cease all hostilities?

It is true this "armistice" was fixed for a period of 30 days and that it might be denounced by one of the parties upon proper notice. But no one can read the document and not understand that this provision as to the resumption of hostilities was inserted with the idea not that Germany could resume hostilities but that in case she unduly delayed or undertook to repudiate any of the terms of this armistice that then the allied armies should be at liberty to resume active hostilities and compel the observance of the terms.

Surely this document was an armistice only by courtesy and in name only; it was as a matter of fact a surrender and an admission of defeat by the German forces and the German Government. It was so understood at the time not only by the allied and associated powers but by the German Government

and the German people. There was no thought in the mind of anyone that Germany could again effectively resume hostilities or would dare to try.

As the President had said to the German Government in his note of October 23, 1918, which immediately preceded the negotiations for the armistice:

The only armistice he would feel justified in submitting for consideration would be one which should leave the United States and the powers associated with her in a position to enforce any arrangements that may be entered into and to make a renewal of hostilities on the part of Germany impossible. (IX Times History, pt. 1, p. 370.)

And Marshal Foch said, replying to an inquiry as to whether the armistice had not been accorded to the German Government too soon:

It was difficult to ask more. Doubtless any general would have preferred to continue the struggle and give battle when battle offered itself so promisingly, but a father of a family could not fail to think of the blood that would be shed. A victory, however easy, costs the lives of men. We held victory in our grasp, without any further sacrifice. We took it as it came. The German high command was not ignorant of the fact that it faced colossal disaster. When it surrendered, everything was prepared for an offensive in which it would infallibly have succumbed. On November 14 we were to attack in Lorraine with 20 French divisions and 6 American divisions. This attack would have been supported by other movements in Flanders and in the center. The Germans were lost. They capitulated. There is the whole story. (IX Times Current History, p. 503.)

No one knows better than Marshal Foch the situation at the time the so-called armistice was signed. No one is better able to characterize the document which was signed and the significance of its signature on the part of the Germans. Marshal Foch says Germany capitulated, and I challenge anyone to read the document and face the facts as they were and as they have since developed and deny that this is the fact. It is true that armies did not by this document become prisoners of war. It is true that they were permitted to retire under arms, but it is equally true, as I have already said, that Germany was brought to her knees, that she knew it, and that the "armistice" actually provided the broad bases upon which the final peace terms were afterwards built.

Thus as a matter of intention and as a matter of fact made good by events since happening this armistice was a capitulation, a surrender of Germany to the allied and associated powers, and in very truth it finally and conclusively ended the actual hostilities between the warring powers.

The President was, therefore, fully justified in the statements which he made that "the war is at an end," "the object of the war is attained," "armed imperialism is at an end," and "the arbitrary power of the military caste of Germany * * * is discredited and destroyed."

That everybody understood, including the entire administration forces, that the war was ended by the signing of the armistice is indicated by a few important facts, to which I direct your attention.

The operations of the selective-service system were immediately stopped where they stood. No more men were taken into the service of the United States. The making of the great contracts for war materials and equipment was discontinued. The shipment of troops and supplies to Europe was curtailed to the point of discontinuance. Certain troop contingents already on the sea were recalled and disembarked. The training camps throughout the country were emptied of the hundreds of thousands of young men who had been concentrated there preparatory to sending them across the ocean. Finally, we began to bring back, seemingly as rapidly as the situation permitted, our troops who had been sent to France. The war was over; everybody felt it, everybody knew it. There was, sir, no excuse whatsoever for greatly prolonging the domestic status of war beyond the signature of the armistice; and the only explanation for so doing is a deliberate aim to retain all those autocratic compulsory powers with which the Executive had been endowed for the prosecution of the war, in order that they might be used for other purposes.

But I pass from the practical ending of the war by armistice to the ending of the war because of the fact that the power against which we declared war no longer existed. Recall at this point the words of the President, when he requested Congress to declare war, that we had no quarrel or fight with the German people and that he wished war declared against the Imperial German Government; recall also that Congress, essentially of the same mind with the President on the fundamentals of this proposal, actually did declare war, not against Germany, not against the German people, not against the constituent German States, but against the Imperial German Government, which was solemnly affirmed to have committed acts of war against us, and that to prosecute this war to a successful termination all of the resources of the country were pledged; recall the whole spirit and feeling of the American people at that time which gave substance to this view of the hostilities into which we were then about to enter, and then with these in mind let us follow succeeding events.

In the President's note of October 23, 1918, the last but one signed by him preceding the opening of negotiations for the armistice, he concluded with the following paragraph:

If it (the Government of the United States) must deal with the military masters and the monarchical autocrats of Germany now, or if it is likely to have to deal with them later in regard to the international obligations of the German Empire, it must demand, not peace negotiations, but surrender. Nothing can be gained by leaving this essential thing unsaid. (IX Times, part 1, 370.)

Revolutionary disturbances and upheavals in Germany immediately followed this statement. (IX Times, pt. 1, 385 et seq. Id., pt. 2, p. 429 et seq.) At first they appeared to have been within the control of the old régime. In fact, on October 28 the Kaiser himself appears to have issued a decree authorizing certain reforms. But the matter rapidly passed beyond his control. The end of the first week in November saw a revolt in the navy; on November 9 Prince Max, to whom the reform decree had been issued, announced that the Kaiser had abdicated, the Crown Prince had renounced his rights to the throne, and had set up a regency with Deputy Ebert as imperial chancellor. (IX Times, pt. 2, p. 438.) The following Sunday saw a revolution in Berlin. By the end of the week following this not only had the Kaiser abdicated but a round dozen other German crowns had fallen. The revolution thus begun worked on. On November 28 the Kaiser, from his haven of refuge in Holland, issued a formal abdication. During the early weeks of 1919, a little more than a month after the formal abdication, elections were held for a proposed national assembly, which was to form a provisional government and adopt a draft constitution. It appears that the radical Bolshevists and the radical pan-Germans were in the minority in this assembly, the great bulk of whom seemed to have been delegates desirous of creating a great German democracy. Premier Ebert delivered the opening speech, which began with these words:

We have done forever with princes and nobles, by the grace of God.

Later he said:

Our enemies declare that they are fighting against militarism, but militarism has been dethroned. (Id., p. 432.)

I shall not follow these proceedings further. They are sufficient to show that as a matter of fact the Imperial German Government ceased to exist with the signing of the armistice itself; that from that time until the present Germany has been governed by some form of democracy, just what form is not clear nor is it important; and that within the last month an effort to rehabilitate imperialism in Germany resulted in quick and dismal failure.

Thus the Imperial German Government, against which we declared war, did cease to exist at the time of the signing of the armistice, leaving us from thence on without any titular enemy against which to wage a war unless we were warring with the German people, and we have clearly estopped ourselves to make such a contention.

Thus from this point of view also the armistice brought us not alone the end of hostilities but actual peace. There remained only the making of arrangements covering the ordinary peace-time intercourse.

That the President had constitutional authority thus to close hostilities I think there can be no question, because as Commander in Chief he can accept the surrender of the enemy on such terms as he sees fit.

From the moment in which hostilities did end there has been no real patriotic purpose served by continuing to consider the United States at war, in so far as her domestic affairs were concerned. Actual fighting over, the condition to meet which the war powers are given and for which Congress had exercised them was terminated. A wise statesmanship, an unselfish estimate of patriotic duty, required the President immediately to place this country domestically upon a basis of peace. Such, however, was not the course followed.

One week after the signing of the armistice it was announced that the President would sail for France immediately after the opening of the regular session of Congress "for the purpose of taking part in the discussion and settlement of the main features of the treaty of peace." (IX Times History, pt. 2, p. 1.) It was said he probably would not remain throughout the session, but that "his presence at the outset is necessary in order to obviate the manifest disadvantages of discussion by cable in determining the greater outlines of the final treaty, about which he must necessarily be consulted."

On December 4 the President left for Europe, where he remained, barring a short visit to the United States in late February and early March of 1919, until the treaty of Versailles was signed, on June 28, 1919.

I pause long enough to note that of all the negotiators of that extraordinary instrument he alone drew around himself the cloak of a truly regal description, "Woodrow Wilson, President of the United States, acting," not as President of the United States by virtue of the powers conferred upon him by the Constitution of the United States, but "acting in his own name and by his own proper authority."

This treaty so negotiated and signed by the President, as I have already had occasion to point out in my speech of August 29, specifically provided for the act which would "terminate the war." I will again call those provisions to your attention.

The last paragraph of the preamble of the treaty reads in this wise:

From the coming into force of the present treaty the state of war will terminate. From that moment, and subject to the provisions of this treaty, official relations with Germany and any of the German States will be resumed by the allied and associated powers.

Two of the final clauses of article 440, the last article of the treaty, read thusly:

A first procès verbal of the deposit of ratification will be drawn up as soon as the treaty has been ratified by Germany, on the one hand, and by three of the principal allied and associated powers, on the other hand.

From the date of this first procès verbal the treaty will come into force between the high contracting parties who have ratified it. For the determination of all periods of time provided for in the present treaty, this date—

That is to say, the date of the first procès verbal of the deposit of ratification—

will be the date of the coming into force of the treaty.

In all other respects the treaty will enter into force for each power at the date of the deposit of its ratifications.

Now, as I pointed out in the remarks to which I have just referred, the treaty negotiators clearly contemplated provision for two conditions: First, that of the termination of hostilities; and, second, that of providing for the future peace-time relations of the two sets of belligerents, both in respect of territory and of indemnity, trade, and commerce. As I have before said, it was imperative that the war should terminate for all parties at the same time, otherwise the great powers whose consent was necessary in order to bring a termination of the war might have found themselves harassed by the military operations of lesser powers who for one petty reason or another desired to continue hostilities. Such a situation would have been undersirable from the standpoint not alone of interference with Germany's ability to resume normal, economic life—an absolute essential for the payment of the vast indemnity contemplated by the treaty—but also because it would have been impossible for any power to carry on war with Germany without using as a base of operations either France or Italy, both of whom are anxious for and are at peace with Germany, or the territory of Russia or the Balkan powers lying to the east whose delicate political equipoise would inevitably have been upset, possibly again involving the whole world in a great conflagration by any military operations on their soil. And I ignore in this connection the legal inhibitions which would have been involved with any such obvious violation of territorial sovereignty as I have indicated.

Accordingly, it was the intention to end this conflict, terminate this war, if and when Germany and three of the principal allied and associated powers should have ratified this treaty.

Finally, this first procès verbal referred to in the treaty was deposited in January last after a delay of a little more than six months from the signing of the treaty.

Thus by the terms of the treaty itself, which treaty is now with our consent and by virtue of our stipulation come, in that respect, into full force and effect, the war has terminated; and in this connection I venture to observe that if, as the minority report on the House resolution contends, the making of peace is an executive function, then the Executive has already acted. If it is not an executive function, then Congress may, as to appropriate matters, act in a manner to bring peace.

It has resulted, furthermore, from the deposit of ratifications as above outlined that Germany and the other powers concerned are observing and carrying out the terms of the treaty in full detail. So far as I am advised, committees and organizations provided for by the treaty have been organized and are functioning. The various measures of Germany's disarmament, demobilization, and evacuation of territory, of the holding of plebiscites, of the surrender of territory, of the adjustment of territorial rights are being carried out to the letter, save as they are modified by the mutual consent of the parties. The privileges and advantages stipulated in the treaty for nationals of the allied and associated powers in respect of trade, commerce, residence, business, and professions are being carried out and enjoyed by the nationals of all of the powers, including our own, save only where our own citizens are being injuriously curbed by the restrictions imposed by our own Government as the result of the contention of the Executive that a state of war continues between ourselves and Germany. There is everywhere, outside of the United States itself, with all of the great powers, including ourselves—save only Russia—peace from the recent conflict. The powers say it; the Germans say it.

Internationally, therefore, we are at peace. Our late allies and associates say we are at peace. Our erstwhile enemies say we are at peace. All are going forward on a peace-time basis under terms and conditions of a treaty negotiated by our associates and us and ratified by them and the enemy. Our National Executive with a stubborn irresponsibility continues to declare we are at war. But as a practical matter the only war which he wages is against American citizens and American industry. With Germany he wages no war. Not a single shot has been fired for more than 18 months. He cooperates in the measures of those who are at peace with Germany and who are conducting relations under a treaty of peace. The situation is so anomalous and so iniquitous, is so fraught with injustice and with possibility of disaster, that one can not reconcile it with the operations of sane statesmanship.

Being thus advised as to the international situation, we shall see more clearly the domestic condition with which we are confronted in respect of this war.

I shall consider this question from the standpoint of broad principle rather than that of judicial decision and dicta in cases where the matter we now consider was not under direct judicial scrutiny, because I feel that if and when the matter comes to the Supreme Court it will be considered from the broad view of judicial statesmanship as affected by fundamental principles and not from the narrow and contracted consideration of chance remarks or mere precedents.

In our consideration of the precise questions involved there are certain matters, helpful and explanatory, which we shall do well to carry in mind. In the first place, it will be useful to have in mind at the outset just what war is and what the founders of the Government understood it to be. One of the best and most logical writers of international law, Westlake, says:

War is the state of condition of governments contending by force. (2 Westlake, p. 1.)

Hall speaks of the matter as follows:

When differences between States reach a point at which both parties resort to force, or one of them does acts of violence which the other chooses to look upon as a breach of the peace, the relation of war is set up, in which the combatants may use regulated violence against each other until one of the two has been brought to accept such terms as his enemy is willing to grant. (Hall, 6th ed., p. 60.)

Oppenheim says:

In any case, it is universally recognized that war is a contention, which means a violent struggle through the application of armed force. For a war to be in existence, two or more States must actually have their armed forces fighting against each other, although the commencement of a war may date back to its declaration or some other unilateral initiative act. (2 Opp., p. 61.)

These are the definitions of war given by authorities on international law. I might continue them indefinitely, but they are practically all to the same purpose.

Without wearying you with long quotations to prove my statement, I will say that the framers of our Constitution regarded the term war as having this same meaning, as is shown by the debates in the Constitutional Convention and by the writings of Hamilton, Madison, and Jay in the Federalist, where, for example, "hostility among nations" is used as equivalent to war among nations, and where the sole thought and provision concerning war had to do with armies and navies, their raising, regulation, support, and their operations. (Federalist, Nos. VI, VII, LXXIV.)

I may pause long enough to remark that it was quite impossible that the men who framed our Government, who wrote our Constitution, should have had any other view than this, for of the 40 signers of that great instrument 20 saw actual service in the Revolutionary War, of whom 5 served, at one time or another, on Washington's staff. Of these same 20 who saw actual service 13 also served in the Continental Congress during portions of the war. Of the 20 signers who did not see actual service in the Army 15 saw service in the Continental Congress during the war. Thus but 5 of the 40 men who signed our fundamental instrument were without experience either in the field or in the legislative halls during a time of actual war, and among those who served in the field and who participated in the drafting of our fundamental instrument were Washington, Hamilton, Mifflin, McHenry, and Charles Cotesworth Pinckney; and among those who served only in the Continental Congress and who were cosigners of the Constitution were Franklin, the two Morrises, Wilson, Dickinson, Rutledge, Sherman, and Charles Pinckney.

The early decisions of the Supreme Court show it also considered that war meant hostilities.

Mr. Justice Washington, in the case of *The Eliza* (1800), said:

> Every contention by force between two nations in external matters, under the authority of their respective governments, is not only war but public war. (4 Dallas, 40.)

Mr. Chief Justice Marshall in *The Amelia* (1801), discussing our possible war status with France, said:

> The whole powers of war, being by the Constitution of the United States vested in Congress, the acts of that body can alone be resorted to as our guides in this inquiry. It is not denied, nor in the course of the argument has it been denied, that Congress may authorize general hostilities, in which case the general laws of war apply to our situation; or partial hostilities, in which case the laws of war, so far as they actually apply to our situation, must be noticed. To determine the real situation of America in regard to France the acts of Congress are to be inspected. (1 Cranch, 28.)

No one knew better than the great Chief Justice what the waging of war meant, nor had anyone sounder ideas as to the seat in which was lodged the power to make war.

Our Federal practice has accorded with this. Francis Lieber, in his code issued during the Civil War as Instructions to Our Armies, which governed our military operations after their issuance, defines war thus:

> Public war is a state of armed hostility between sovereign nations or governments. (VII Moore, p. 154.)

Thus the essence of war, as defined by all the authorities, is armed conflict. There may be cases of the employment of armed force where war does not eventuate, for example, the entry and occupation of China by the armed forces of the powers during the Boxer uprising in China in 1900. But there is no case, I believe, where any war has ever existed except there have been belligerent operations. It is true, as pointed out by Mr. Moore, than whom no international lawyer speaks from a more abundant source of knowledge, ripe experience, and wisdom, that—

> By the term "war" is meant not the mere employment of force, but the existence of the legal condition of things in which rights are or may be prosecuted by force. Thus, if two nations declare war one against the other, war exists, though no force whatever may as yet have been employed. (VII Moore, p. 153.)

But this does not affect the main proposition that I am putting before you, namely, that war is essentially a contest between armed forces of contending States; that war continues so long as the armed forces of these States continue to contend; and that war de facto ceases when the armed contention stops. Precedent, logic, and law speak with one voice to this effect.

I turn now to the war powers conferred by the Constitution. Since, as stated by Chief Justice Marshall in the *Amelia*, "the whole powers of war" are "vested in Congress," it follows that such powers do not reside in any other branch of government; and it will be convenient at this stage of the discussion to have before us all those pertinent portions of the Constitution—they are not long or numerous—by which these powers are conferred and defined.

By Article I, section 8, Congress is given the power—

> To define and punish * * * offenses against the law of nations.
>
> To declare war * * * and make rules concerning captures on land and water.
>
> To raise and support armies. * * *
>
> To provide and maintain a Navy.
>
> To make rules for the government and regulation of the land and naval forces.
>
> To provide for calling forth the militia to execute the laws of the Union, suppress insurrection, and repel invasions.
>
> To provide for organizing, arming, and disciplining the militia, and for governing such part of them as may be employed in the service of the United States, reserving to the States, respectively, the appointment of the officers, and the authority of training the militia according to the discipline prescribed by Congress.
>
> * * * * * * *
>
> To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

These are the powers granted to the Congress.

The restrictions imposed on the States in reference to war are to be found in section 10 of the article, which reads:

> No State shall enter into any treaty, alliance, or confederation.
>
> * * * * * * * *
>
> No State shall, without the consent of Congress, * * * keep troops or ships of war in time of peace, enter into any agreement or compact with another State, or with a foreign power, or engage in war, unless actually invaded or in such imminent danger as will not admit of delay.

The guaranties from the Federal Government to the States, which in fulfilling may involve war, are given in Article IV, section 4, as follows:

> The United States shall guarantee to every State in this Union a republican form of government, and shall protect each of them against invasion. * * *

The powers and duties of the Federal Executive in case of war are to be found in Article II, section 2, where they are set forth as follows:

> The President shall be Commander in Chief of the Army and Navy of the United States and of the militia of the several States when called into the actual service of the United States: * * *
>
> He shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur. * * *

The foregoing are all the direct important constitutional provisions respecting war, and from them must be derived all the war powers of the Federal Government and of its different branches.

Before admitting for your consideration some observations by Hamilton and Madison taken from the Federalist, from which we shall get a fairly clear idea of the character of the war powers granted, their extent and their purpose, I wish to offer a few preliminary observations.

The foregoing war powers, including the power to declare war—and this we must not forget—are to be found in that particular part of the Constitution—Article I, section 8—which specifies the various subjects and matters as to which Congress has the power to legislate. The instrument makes no distinction as between those powers or any of them and any others granted in the same section—indeed, some of the other powers precede and some follow—either by grammatical construction, by arrangement, or by express provision. Congress exercises its power so conveyed, as to one and as to all of the matters covered, by making laws concerning them. There is nothing to show that any law regarding any of them is to be made in a manner different from that followed in making the laws for others of them, or that, having been made, it differs from any other law made thereunder. There is nothing to indicate that as to any of them, a law having been made, it may not be revised or repealed. Indeed, the principle necessarily involved in any such contention—namely, that Congress having legislated as to any subject within its powers has thereby exhausted the power as to that subject so that it may not again or further legislate regarding it—is so obviously contrary to sound constitutional construction—as the instrument has been interpreted from the first—is so foreign to the spirit and genius of all legislation in civilized countries, that I should but make myself ridiculous were I to attempt to argue it. Therefore, whatever law Congress may make it may unmake. Nothing in the Constitution, in law, in practice, or in common sense does or could forbid this.

Nor, as is sometimes suggested, is any distinction to be made in this regard merely because the effect of some legislation is to create a status and of other legislation to enact rules for governing or regulating a status. Unless there is something in the Constitution specifically controlling to the contrary—and there is nothing—a status may with equal facility be made or unmade with appropriate safeguards against retroactivity. Nothing contrary to this can be found in the Constitution, nor in legal principle or practice.

With these preliminary remarks, I shall now read from the Federalist the observations of Hamilton and Madison regarding the character, extent, and purpose of the war powers.

Hamilton said:

> The authorities essential to the care of the common defense are these: To raise armies; to build and equip fleets; to prescribe rules for the government of both; to direct their operations; to provide for their support. These powers ought to exist without limitation, because it is impossible to foresee or to define the extent and variety of national exigencies, and the correspondent extent and variety of the means which may be necessary to satisfy them. The circumstances that endanger the safety of nations are infinite; and for this reason no constitutional shackles can wisely be imposed on the power to which the care of it is committed. This power ought to be coextensive with all the possible combinations of such circumstances, and ought to be under the direction of the same councils which are appointed to preside over the common defense.
>
> This is one of those truths which, to a correct and unprejudiced mind, carries its own evidence along with it, and may be obscured, but can not be made plainer by argument or reasoning. It rests upon axioms as simple as they are universal—the means ought to be proportioned to the end; the persons from whose agency the attainment of any end is expected ought to possess the means by which it is to be attained.
>
> Whether there ought to be a federal government intrusted with the care of the common defense is a question, in the first instance, open to discussion; but the moment it is decided in the affirmative it will follow that that government ought to be clothed with all the powers requisite to the complete execution of its trust. And unless it can be shown that the circumstances which may affect the public safety are reducible within certain determinate limits, unless the contrary of this position can be fairly and rationally disputed, it must be admitted as a necessary consequence that there can be no limitation of that authority, which is to provide for the defense and protection of the community, in any matter essential to its efficacy; that is, in any matter essential to the formation, direction, or support of the national forces. (No. XXIII.)

The idea of restraining the legislative authority, in the means of providing for the national defense, is one of those refinements which owe their origin to a zeal for liberty more ardent than enlightened. (No. XXVI.)

* * * * * * *

Admitting that we ought to try the novel and absurd experiment in politics of tying up the hands of government from offensive war, founded upon reasons of state; yet, certainly, we ought not to disable it from guarding the community against the ambition or enmity of other nations.

* * * * * * *

Let us recollect that peace or war will not always be left to our option; that however moderate or unambitious we may be, we can not count upon the moderation or hope to extinguish the ambition of others.

* * * * * * *

To judge from the history of mankind we shall be compelled to conclude that the fiery and destructive passions of war reign in the human breast with much more powerful sway than the mild and beneficent sentiments of peace; and that to model our political systems upon speculations of lasting tranquillity would be to calculate on the weaker springs of the human character. (No. XXXIV.) (Hamilton's Federalist.)

Madison said:

Security against foreign danger is one of the primitive objects of civil society. It is an avowed and essential object of the American Union. The powers requisite for attaining it must be effectually confided to the Federal councils.

Is the power of declaring war necessary? No man will answer this question in the negative. It would be superfluous, therefore, to enter into a proof of the affirmative. The existing confederation establishes this power in the most ample form.

Is the power of raising armies and equipping fleets necessary? This is involved in the foregoing power. It is involved in the power of self-defense.

But was it necessary to give an indefinite power of raising troops as well as providing fleets, and of maintaining both in peace as well as in war?

The answer to these questions has been too far anticipated in another place to admit an extensive discussion of them in this place. The answer indeed seems to be so obvious and conclusive as scarcely to justify such a discussion in any place. With what color of propriety could the force necessary for defense be limited by those who can not limit the force of offense. If a Federal constitution could chain the ambition or set bounds to the exertions of all other nations, then indeed might it prudently chain the discretion of its own government and set bounds to the exertions for its own safety.

How could a readiness for war in time of peace be safely prohibited, unless we could prohibit in like manner the preparations and establishments of every hostile nation? The means of security can only be regulated by the means and danger of attack. They will, in fact, be ever determined by these rules, and by no others. It is in vain to oppose constitutional barriers to the impulse of self-preservation. It is worse than in vain, because it plants in the Constitution itself necessary usurpations of power, every precedent of which is a germ of unnecessary and multiplied repetitions. (No. XLI.)

Finally I may be excused if I quote from my own remarks made on May 14, 1917, regarding this same general subject. I then said:

"When the fathers said in the Constitution that Congress should have the right to declare war and that it alone should have that power, they did not undertake to define what war is or what constitutes war. They dealt with a status that was well known; and when the Constitution conferred upon Congress the right to declare war it by necessary implication conferred upon Congress the right to do anything that in its judgment was necessary to carry that war to a successful conclusion.

"The war powers of the Constitution, in my opinion, are dormant until a status of war is declared by Congress, and then they may be exercised without limitation or qualification to the extent that the safety of the Nation demands. Of this Congress is the judge, except as the Commander in Chief of the Army and the Navy, in the actual conduct of the war and in a case of great emergency or dire necessity, may be compelled to act. By this construction of the Constitution, Mr. President, the Constitution itself is preserved in its entirety. Indeed the exercise of the war power is the only way in which the Constitution can be preserved.

* * * * * * *

"My position is that the Congress of the United States, after a war has been declared, may pass any law which it believes is necessary for the preservation of the Nation."

This position I still maintain.

From the foregoing definitions of war, both by general writers and by those who participated in building or directing the Government, from the constitutional provisions relating to war, from the opinions of the constitutional fathers as to the character, extent, and purpose of the war powers, we may deduce, having in mind our whole constitutional system, certain elemental principles which mark for us a clear path to safety from our present situation.

We may, to begin with, note the fact that, for the purpose of discussing the war powers, the provisions of our Constitution may be divided into two great classes: First, those which are political—that is, those which deal with the form and branches of our Government and the functions and powers of those branches—and, second, those which deal with the rights and immunities under the Constitution of private individuals as members of our political entity.

I submit that the first of these, the political provisions, are beyond the reach of the war powers. We could not, for example, under any war stress short of the compelling force of another conquering sovereignty, in which event we should cease to be sovereign, provide that the functions of the Executive should be performed by the courts or that the functions of the courts should be performed by the Executive; nor could we provide that the Executive should perform the functions of the Congress. The action of the Continental Congress in bestowing legislative power on the Commander in Chief of the Army (Washington) when the Congress fled would not be possible under our constitutional system. If this fundamental principle of nondelegation of powers did not exist, any administration in power could, under the guise of a war measure enacted pursuant to the war powers, actually destroy the form of government they were sworn to maintain, and to protect which the very war powers they so used are given. A contradiction such as this is, of course, untenable. It follows that the political provisions of the Constitution are beyond the reach of any and all governmental agencies, which have only the powers expressly given to them by the people through the Constitution.

With reference to those provisions relating to the rights and immunities of private individuals the matter lies quite differently, as the following brief discussion will show.

It is fundamental to our system of government that under normal conditions the people shall enjoy the utmost freedom possible. The Government was framed and exists solely "to form a more perfect Union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and posterity"; in other words, the Government exists to make good our independence demand for "life, liberty, and the pursuit of happiness." To this end the minimum of restraint was levied against the individual. In any and all fields of personal action he was given the maximum of freedom. Thus we have complete freedom of the press, freedom of speech, freedom of religion, freedom of contract, freedom for the untrammeled acquisition and retention of property. All of these we normally enjoy fully, uninterrupted by and uncontrolled by any governmental agency. This is our great birthright for which our fathers gave their lives. All other portions of our constitutional system were granted and established for the prime purpose of making these things certain and secure to us.

But the constitutional fathers were experienced veterans in war, as I have already indicated; they had suffered because there was no means of controlling that complete freedom of property which we now enjoy; they knew how nearly our independence failed because of their inability to secure from the abundance of the people a bare sustenance. Military operations were hampered, sometimes failed, because of license in speech. The smug opulence of the British soldiery in Philadelphia; the hunger, the nakedness, the blood-stained snow of Valley Forge, all were poignant evidence of these things. In short, the great blessing to the mass in all these things was almost lost by reason of the unreasonable and utterly selfish freedom of the few.

And so from this rich experience the fathers evolved and incorporated into the plan of government the principle that when in case of war—that is, in case of actual hostilities with an enemy—as our previous discussion has shown, the needs of the mass required, then the rights of the individuals affected must give way in order that the same rights might be ultimately preserved not alone for the few but for all. Freedom of speech, of the press, of religion, freedom of contract and of acquisition and retention of property, of the few must give way when the needs of the nation at war—engaged in hostilities—required it for the good of all. The power by which needed restraints are imposed on these liberties is the war power.

Now, as war powers are bestowed in order that war may be successfully carried on, it necessarily follows, and this is vital, that such powers exist only in time of war; that is, actual hostilities. Moreover, the extent to which the people are to be deprived of their liberties is dependent entirely on the nature and extent of the war exigency. The exclusive right to determine how great the need, to what extent these liberties shall be restrained and which of them shall be touched, is in the Congress; and no other branch of Government, either executive or judicial, has authority either to enlarge or diminish in one iota the determination of Congress in these matters. And I may here observe what indeed is obvious, that in time of war Congress enjoys all its peace-time powers as well as its war-

time powers, and may exercise either or both in its own sound uncontrolled discretion.

Furthermore, as I have just intimated, since war powers are given for the successful conduct of war, and for that purpose only, it necessarily follows that when the war is ended—that is, when actual hostilities cease—the war powers terminate. There is no principle of our constitutional system that is more vital or fundamental than this. Because if this were not the principle, then a mal-minded administration could provoke a war, pass war-power legislation bestowing autocratic power upon executive officers, and then, hostilities having actually ceased, refuse to make formal peace by treaty and so hold the people under an intolerable despotism until revolution would be their only recourse for relief. But reason and principle are against this. From these it follows that when the war is ended by the cessation of actual hostilities the war powers ipso facto and of necessity at that moment cease, wholly irrespective of any action either by the treaty-making power or by the Congress in reference thereto.

And do not understand me to mean by actual hostilities the grappling of armies in combat and that only. I know perfectly that campaigns must be planned and executed, that long and weary marches must be made, that intervals must elapse between battles, and that on occasion long periods must interpose between active operations. I do not refer to these periods of quiescence as war endings. By the ending of a war, the ending of actual hostilities, I mean the end of actual fighting, the time from which it is evident that the real war is over; but I do not include in period of hostilities the longer or shorter period of negotiation for peace which may follow. For even in cases where, contrary to the condition now existing between us and Germany, a state of war continues as between the warring powers after the end of hostilities and until the treaty of peace is signed, yet even then the war powers of Congress under the Constitution as affecting citizens of this Republic at home, those war powers by virtue of which our liberties are taken from us and a quasi despotism imposed upon us, must cease when the hostilities end. This is the only safe and wise principle. If, peradventure, hostilities break out anew in such circumstances, before the treaty is concluded, the war powers immediately revive and resume their dominance over the peace-time liberties. Nor is any new declaration of war necessary to accomplish this, because domestically war powers arise by virtue of the fact of war as well as by virtue of a declaration of war.

Now, if the foregoing are correct principles, and I submit they are and must be, then since the war powers come into force with the beginning of hostilities and become dormant again with the end of hostilities it necessarily follows that even Congress itself can not exercise those powers before hostilities begin nor after they end. And from this it follows that any attempt by Congress so to do is illegal and unconstitutional.

I desire now to make a few observations on the executive functions in time of war.

A little reflection shows that the two functions of Chief Executive and Commander in Chief under the Constitution need not, of necessity, be intrusted to the same person. That so vesting them is wise and convenient I grant at once.

In times of peace, the President acts primarily in all his doings as Chief Executive, charged with administering the laws of the land, but he also acts in a limited way as Commander in Chief, in charge of such standing army as we may possess. But in time of peace he gains no extra powers as Chief Executive merely because he is also Commander in Chief, and any pretense that he did so would be greeted with such resistance as would completely negative the attempt.

The principle is precisely the same in time of war. The President as Chief Executive enforces all legislation passed by Congress to carry on the war. He has, in this work, such powers and such powers only as belong to him because he is Chief Executive; but these powers are not and can not be enlarged because he is also Commander in Chief. It follows from the principles already discussed that if the war powers have lost their dominancy over peace liberties by reason of the ending of hostilities, then statutes conferring war powers have ipso facto ceased to be operative, and the President loses all powers conferred by such statutes.

As Commander in Chief the President's powers are, of course, greatly enlarged in time of war, with or without special legislation to that end, because as Commander in Chief he has charge of the operations of the Army and Navy in the field, and this gives him added powers, in the actual zone of military operations, with respect to civilian contact with the Army personnel, with respect to civilian property in the tract of hostility, and even with reference to the actual control of civilians within and possibly near his lines. If enemy territory be occupied further great powers arise in him. But as to the mass of us who are outside the zone of military operations, he exercises, merely by virtue of his being Commander in Chief, no powers whatever. The matter simplifies itself somewhat if we consider the two offices lodged in two persons.

Hamilton explained the root of the matter when he said:

> The President is to be Commander in Chief of the Army and Navy of the United States. In this respect his authority would be nominally the same with that of the King of Great Britain, but in substance much inferior to it. It would amount to nothing more than the supreme command and direction of the military and naval forces as first general and admiral of the confederacy, while that of the British King extends to the declaring of war, and to the raising and regulating of fleets and armies, all of which, by the constitution under consideration, would appertain to the legislature. (Federalist, No. LXIX.)

That all of the foregoing contentions have not strayed far afield is shown by the observations of Mr. Chief Justice Chase in his concurring opinion in Ex parte Milligan, where, speaking for himself and Justices Wayne, Swayne, and Miller, he said:

> Congress has the power not only to raise and support and govern armies but to declare war. It has, therefore, the power to provide by law for carrying on war. This power necessarily extends to all legislation essential to the prosecution of war with vigor and success, except such as interferes with the command of the forces and the conduct of campaigns. That power and duty belong to the President as Commander in Chief. Both these powers are derived from the Constitution, but neither is defined by that instrument. Their extent must be determined by their nature and by the principles of our institutions.
>
> The power to make the necessary laws is in Congress; the power to execute in the President. Both powers imply many subordinate and auxiliary powers. Each includes all authorities essential to its due exercise. But neither can the President, in war more than in peace, intrude upon the proper authority of Congress, nor Congress upon the proper authority of the President (4 Wall., 139). Both are servants of the people, whose will is expressed in the fundamental law. Congress can not direct the conduct of campaigns, nor can the President or any commander under him, without the sanction of Congress, institute tribunals for the trial and punishment of offenses, either of soldiers or civilians, unless in cases of a controlling necessity which justifies what it compels or, at least, insures acts of indemnity from the justice of the legislature.
>
> We by no means assert that Congress can establish and apply the laws of war where no war has been declared or exists.
>
> Where peace exists the laws of peace must prevail.

Gathering up now the points we have so far made:

First. The war is at an end by virtue of the armistice of November 11, 1918, and of the amendments and renewals thereof, such armistice being in fact a capitulation ending hostilities by the virtual surrender of the enemy.

In this connection I call attention to the fact that while the President read to the Senate the armistice proper, he has never placed before this body the annexes referred to in that instrument.

Moreover, it appears from the treaty text—article 244, section 1, Annex III, paragraph 8—that on January 13, 1919, an armistice agreement was entered into which included provisions regarding payments due in respect of the employment of ships. This armistice has never been transmitted to the Senate, and apparently it has not been printed in this country; at least, I have never seen a copy of it. (IX Times, pt. 2, p. 236.)

It is recited in article 250 of the treaty that an armistice agreement was entered into on January 16, 1919, which provided, among other things, for the handing over of material by Germany. This has not been transmitted to the Senate nor published in this ocuntry, so far as I am aware; at any rate, I have never seen a text of it.

Article 212 of the treaty records the making of a protocol dated April 4, 1919, supplementing the armistice of November 11, 1918. This has never been transmitted to the Senate nor, so far as I know, published in this country; at least, I have never seen a copy of it.

All or a portion of these various armistices and settlements or additions thereto are still seemingly operative in whole or in part, and so form a part of the treaty of peace of Versailles. I have heretofore called attention to the fact that we were unable to pass intelligently on this treaty, indeed, we should not know its contents, unless we had also these armistices.

From reports in the public press it appears that on December 13, 1918, the armistice was extended, in accordance with its article 34, until January 17. This extension has never been submitted, and I am unaware of its terms. (Times, IX, pt. 2, p. 9.)

On December 14, according to press reports, an amendment to the armistice was signed. This may or may not be the same as the reported extension of December 13. However that may be, it is reported to contain an amendment, which has appeared in the press, but it has not been submitted to the Senate. (Id., p. 33.)

On February 16, the press states, a new armistice was signed, which contained a number of new provisions. This never has

been submitted to the Senate, nor has it been printed in its entirety in the press, so far as I am advised, though a summary of it has appeared. (Id., p. 412.)

Each of these has more or less vitally affected the status of the parties with reference to peace. Germany has made through and under them that surrender of her military equipment which practically renders it impossible for her to continue the war. They have brought peace between the belligerents, and yet neither the Senate, in its capacity as part of the treaty-making power, nor the people of the country, who are so vitally interested and affected by them, have ever been advised of their terms.

I pass on to the other points we have made:

Second. The war is at an end by the "silent cessation" of hostilities, which concluded the war in fact.

Third. The war is at an end because the Government against which we specifically declared war has ceased to exist, and the President avowed we had no quarrel with the people behind it. Since our declared enemy is nonexistent, we have no one with whom to fight, hence no war.

Fourth. The war is at an end because we, together with our associates in the hostilities, negotiated with the people whom we had been fighting, now living under a new form of government, a treaty of peace, which provided in terms that the war should terminate and diplomatic relations be resumed when the treaty came into force; and because the treaty, pursuant to its provisions, did come into force in January last, when it was ratified by Germany on the one hand and three of the allied and associated powers on the other hand. By virtue of the treaty and these provisions of it the whole world, including the United States, is at peace in fact and in law.

Thus, so far as our international relations are concerned, we are legally and in fact at peace.

In so far as the domestic situation is concerned, I have shown that—

First. "War is a state or condition of Governments contending by force," "a violent struggle through the application of armed force"—in other words, war is actual hostilities.

Second. That it was so understood by our constitutional fathers, by the great Chief Justice, and by our War Department.

Third. That the power to declare war was exclusively in Congress, which created the status of war by a law which, like any other law, could be amended, modified, or repealed.

Fourth. That the purpose of the war powers of the Constitution was to give to the National Government the legal power and practical ability to conduct a successful war; that is, actual hostilities.

Fifth. That war powers being given to enable the Government successfully to wage actual hostilities, the powers could not be exercised before a war was legally declared or de facto existing, nor after actual hostilities had ceased, and that the very fact of ending hostilities ended the war powers without any action whatever by Congress.

Sixth. That the powers of the President came from two sources, that of the Chief Executive and that of Commander in Chief; that these two capacities were separate and distinct, wholly independent one from the other; that the powers of neither capacity could be invoked to augment the other; that he possessed no extraordinary powers as Chief Executive, save only and to the extent such powers were conferred by statute, which, to authorize action by him, must be duly and legally in operation.

It results from all of the foregoing facts and principles that the war has ended internationally, both as a matter of fact and of law; that domestically the war powers ceased with the end of actual hostilities; and that, therefore, we are already at peace, both internationally and domestically, without any further act by either the executive or legislative branches of the Government.

With the status and legal sufficiency of the acts of the executive branch performed since the termination of hostilities under the terms of the war-time statutes and involving actual war powers we are not now concerned.

The foregoing discussion of facts and principles brings the consideration of the resolution to where it becomes largely a matter of decision regarding its mere wording.

The resolution as proposed reads:

> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the joint resolution of Congress passed April 6, 1917, "declaring a state of war exists between the Imperial German Government and the Government and people of the United States, and making provisions to prosecute the same, be, and the same is hereby, repealed and said state of war is hereby declared at an end, * * * and the President is hereby requested immediately to open negotiations with the Government of Germany with a view to reestablishing fully the friendly relations and commercial intercourse existing between the United States and Germany prior to said war."

The resolution also includes Austria.

This resolution provides for the repeal of the authority for waging war—that is, the declaration of war—thus leaving the Executive without the legal power to wage war, and so putting us domestically on a basis of peace with our peace-time rights and liberties again dominant and fully restored to us.

I have already shown that the repeal of this declaration of war is merely a legislative act, no different in character from the declaring of war, and that sound constitutional theory requires recognition of the elemental principle that Congress may modify or repeal any law which it passed.

As a matter of law and of fact we are, as I have already shown, at peace with Germany, first because of the terms of the armistice of November 11, 1918, its amendments and renewals; second, because of the "silent ceasing" of hostilities; third, because of the disappearance, the extinction, of the Government against which we declared war; and, fourth, because of the negotiation by us and our allies or associates in the war with the people who were lately our enemies, and the ratification by our allies or associates and our enemies, of a treaty of peace which specifically provided both for the termination of hostilities to be followed by a resumption of diplomatic relations, and also for the status that should exist during our future peace-time intercourse; which treaty is now in force and observed everywhere except in the United States, and has in fact and in international law brought peace to the whole world, including ourselves.

Having thus in law and in fact international peace, having nothing left but a domestic status of war created by a legislative declaration of war, with no hostilities heretofore or now existent or possible in the territory over which this paper-war status exists, it is not only legally sound, but economically, morally, and patriotically necessary and indispensable that we at once repeal the declaration of war and so immediately end the despotic war powers with which a power-maddened administration continues to misrule this great people.

Thus peace having come to us in our domestic affairs, there will remain for care only the adjustment of our future peace-time relationships with Germany. It is probable that practically all of the things we would desire from Germany would flow to us from the treaty of Versailles even without our participation as a ratifying power. But grant this to be true, yet wisdom requires the negotiation of a separate treaty between the United States and Germany which should provide reciprocal rights and obligations between us and that country alone.

In presenting the treaty of Versailles to this body for advice and consent to its ratification, the President said:

> And in the settlements of the peace we have sought no special reparation for ourselves, but only the restoration of right and the assurance of liberty everywhere that the effects of the settlement were to be felt. We entered the war as the disinterested champions of right and we interested ourselves in the terms of the peace in no other capacity.

An examination of the treaty terms does not afford a happy justification for this statement, for by the treaty we became, as one of the principal allied and associated powers, with our associates coowners of the following property, rights, and privileges: A part of German territory in Europe and of all of Germany's territorial overseas possessions; of parts of Schleswig in trust for Germany or Denmark; of all the German national property, imperial and state, and the private property of the ex-Emperor and other royal personages, without compensation for that in the colonies, with compensation for that in Nemel; of the public utilities in areas ceded to the principal allied and associated powers; of all German cables, reaching all over the world; of practically all German merchant-marine shipping and of certain portions of her inland shipping; of bonds in the total fixed amount of 100,000,000,000 of gold marks, and of a commitment for an indefinite further issue; of certain amounts of gold specified; of German claims against Austria, Hungary, Bulgaria, and Turkey; of a maximum of 200,000 tons of shipping per year to be built by Germany; and as single owner in our own right of all American securities, certificates, deeds or other documents of title, including shares of stock, debentures, debenture stocks, or other obligations of any company incorporated in accordance with our laws, as also all materials, and so forth, which may have been taken from our citizens during the war.

By this same treaty our citizens became the beneficiaries, fully and completely, with the nationals of other allied and associated powers, of restrictions accepted, grants made, and obligations incurred by Germany with reference to her external

commerce in the matter of duties, charges, and commerce restrictions, reciprocity treaties, customs provisions, shipping, freedom of transit, free zones, the internationalization of her great internal waterways, railway transit, and the Kiel Canal. We are likewise the beneficiaries of the principle accepted by Germany that Germany is responsible for herself and for her allies for all loss and damage to which the allied and associated Governments and their nationals have been subjected as a consequence of the war imposed upon them by the aggression of Germany and her allies, and this includes—under the broad wording of the provision—not alone the loss and damage resulting from the operation of Germany and her allies, but loss suffered as the result by the allied and associated powers.

One stands stupefied with amazed wonderment at what we might have done in the way of getting if we had not taken such a lofty attitude as a philanthropic disinterested champion of right.

While not now waiving our rights to all the foregoing, ultimately we want, sir, only those parts which will provide for the compensation of our citizens for the losses they suffered because of the war, and those parts which will insure them equality of treatment with the nationals of the most favored nation in all matters pertaining to residence, business, profession, trade, navigation, and commerce. It is to secure these, which we have a right to expect and demand, that the proviso of the resolution before us is drafted. This proviso reads:

Provided, however, That all property of the Imperial German Government or its successor or successors, and of all German nationals which was on April 6, 1917, in or has since that date come into the possession or under control of the Government of the United States, or of any of its officers, agents, or employees from any source, or by any agency whatsoever, shall be retained by the United States and no disposition thereof made, except as shall be specifically hereafter provided by Congress, until such time as the German Government has by treaty with the United States, ratification thereof to be made by and with the advice and consent of the Senate, made suitable provisions for the satisfaction of the claims against the German Government, of all persons wheresoever domiciled, who owe permanent allegiance to the United States, whether such persons have suffered through the acts of the German Government or its agents since July 31, 1914, loss, damage, or injury to their persons or property, directly or indirectly, through the ownership of shares of stock in German, American, or other corporations or otherwise, and until the German Government has given further undertakings and made provisions by treaty, to be ratified by and with the advice and consent of the Senate, for granting to persons owing permanent allegiance to the United States most favored nation treatment, whether the same be national or otherwise, in all matters affecting residence, business, profession, trade, navigation, and commerce and industrial property rights, and confirming to the United States all fines, forfeitures, penalties, and seizures imposed or made by the United States during the war, whether in respect to the property of the German Government or German nationals and waiving any pecuniary claim based on events which occurred at any time before the coming into force of such treaty; any existing treaty between the United States and Germany to the contrary notwithstanding.

In determining the damages our citizens have suffered, as contemplated in this proviso, we must proceed in accordance with the established beneficent and enlightened rules and principles of international law as they have heretofore obtained between civilized Christian nations.

To what end has all this juggling with obvious facts and universally recognized principles been maintained? The answer is easy and known to all. The purpose has been to coerce the Senate to approve the treaty of Versailles, a treaty that is almost universally discredited in all its parts. The majority of its negotiators concede this. Its economic terms are impossible; its League of Nations is an aggravated imitation of the worst features of the ill-fated and foolish Holy Alliance of a century ago. It promises little but mischief, unless recast on such radical lines as will entirely obliterate its identity.

It has been said that reservations proposed in the Senate Americanize the league. This, of course, is not true. A more accurate statement of the effect of those reservations is that they tend to make it safer for America to enter the league by refusing to be bound in many important matters by its action. But it is not enough that the league shall be made safe for America; it must be made safe for all who enter it and safe for the world. As I see it nothing could be fraught with more danger than any nation having a specially insured relation to a league where the other members are subject to the dangers against which the immune nation attempts to secure itself. The only justification for a league of nations, and at least the ostensible purpose of the league embodied in the treaty of Versailles, is to secure the peace of the world. The peace of the world is not assured but threatened if 31, say, out of 32 nations so curtail their liberties and sovereignty that a political council may direct them to do what as free men they will not do when the test of allegiance between league and country arises. It is by no means the question that the other nations may consent to such an arrangement. The real question is, Does such a structure rest upon solid foundations? It seems to me not, as the rights and obligations of those who are associated for a common purpose should be reciprocal. If we, by reservations, withdraw ourselves from obligations to our associates in the league it is rather difficult to find what obligations our associates will owe to us, the limited partner.

I have before me Mr. Balfour's views, expressed on November 11, 1919, that—

If one of us begins to make reservations I confess that I think the future of the League of Nations is dark indeed.

From a brilliant article by Mr. Arthur Page—one of the many intelligent Englishmen now realizing that the menace of the league to English sovereignty and freedom far outweighs any material advantages accruing to Great Britain under the League of Nations—entitled "Vienna 1815: Versailles 1919," published in Blackwood's Magazine for March, I quote:

Lord Castlereagh, on the 5th of May, 1820, expressed the opinion that "England must act, not by the laws other powers may think fit to lay down * * * but from those maxims which a system of government, strongly popular and national, has irresistibly imposed upon us." His advice is as true to-day as it was a hundred years ago, and should be followed not only in Great Britain but in each and every one of the King's Dominions. A league of nations and a league of empire are mutually exclusive. It is not possible to owe allegiance to the King and also to the League of Nations any more than a man can at the same time serve God and mammon. The choice must be made, and now is the appointed time. "How long halt ye between two opinions?" God grant that the British Empire will rest true to itself and choose aright! Then, and then only, will it stand foursquare to all the winds that blow, and in saving itself it will also provide the only sure guaranty of peace and bring light and hope into a troubled world.

These observations apply with even more force to the great democracy of the West.

The Parisian peacemakers should have confined their activities to making peace, and then, as soon as world conditions permitted participation therein by all peoples, initiated an international conference to formulate for submisson to the nations of the world with a view to adoption by them an arrangement providing for the codification of international law, the establishment of a court of international justice, and the outlawry of war—this arrangement to be as complete, comprehensive, and compelling as shall be consistent with human rights and human liberty, with the progress of civilization, with the preservation and fostering of free institutions, and with the inherent right of every people to be secure, to enjoy peace, and to work out unhampered its own destiny subject only to like equal rights of all other peoples.

It remains open to us, so long as we are unbound by the proposed discredited covenant, to initiate such an agreement among the nations.

PENSIONS TO SOLDIERS OF SPANISH-AMERICAN WAR, ETC.

Mr. NEW. I move that the Senate proceed to the consideration of House bill No. 2.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ball	Gerry	McCormick	Ransdell
Borah	Gronna	McCumber	Reed
Brandegee	Hale	McKellar	Sheppard
Calder	Harris	McLean	Smith, Ariz.
Capper	Harrison	McNary	Smith, Ga.
Chamberlain	Henderson	Nelson	Smoot
Culberson	Hitchcock	New	Swanson
Cummins	Jones, Wash.	Norris	Townsend
Curtis	Kendrick	Nugent	Trammell
Elkins	Kenyon	Overman	Underwood
Fall	Keyes	Page	Wadsworth
Fernald	King	Phipps	Warren
Frelinghuysen	Knox	Pittman	
Gay	Lodge	Pomerene	

The VICE PRESIDENT. Fifty-four Senators have answered to the roll call. There is a quorum present. The Senator from Indiana [Mr. NEW] moves that the Senate proceed to the consideration of House bill No. 2.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2) to pension soldiers of the War with Spain, the Philippine insurrection, and the China relief expedition.

The VICE PRESIDENT. The pending amendment is that offered by the Senator from Oregon [Mr. CHAMBERLAIN], to add at the end of the bill a new section to be know as section 3.

Mr. NEW. Mr. President, I will accept the amendment offered by the Senator from Oregon.

The VICE PRESIDENT. The Senate will have to do that. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KING. Mr. President, I appreciate the fact that there are Senators who are impatient of any discussion of the pending measure, and I have no doubt that there are beneficiaries of this proposed legislation who are likewise impatient. During the war Congress accepted the recommendations of executive

officials with respect to the imperative necessity of appropriations needed for the prosecution of the war. It was not uncommon for bills carrying hundreds of millions of dollars to be passed through this body with little if any discussion. Of course, the committees reporting the bills gave consideration to the various items embraced therein. However, it must be confessed that there was rather undue haste in the passage of many important measures. Perhaps the habit was formed of enacting legislation in haste and without discussion which it will be difficult to free ourselves from.

During the present session legislation of great importance has been swiftly passed through the Senate. Most of the appropriation bills have received but indifferent attention, and but little if any discussion when they were brought to our attention. Years ago, when the revenues of the country were smaller and expenditures of the Government modest, statesmen of national and, indeed, international reputation scrutinized with the utmost care items found within appropriation bills and, generally speaking, the measures containing general legislation which were presented for action upon the part of the Senate.

One of the vices of American legislative bodies is the haste and lack of consideration attending the passage of important measures. Legislation that changes accepted industrial and political policies is often rushed through Congress and State legislatures without a proper conception of their meaning or consequences. Sufficient proof of this statement is found in the frequent demands made by the people for the repeal of all sorts of laws. A review of the proceedings of the legislative bodies referred to reveals the fact that much of our legislation is fragmentary, incomplete, and often incoherent, and consisting in a large degree of modifications or repeals of prior enactments. And if an examination is made of the decisions of appellate courts of our land it will be discovered that our judicial tribunals are constantly called upon to construe the imperfect and often the unconstitutional enactments of legislative bodies.

The bill under consideration calls for an annual appropriation of millions of dollars. It proposes the establishment and continuation of a policy of granting pensions to persons whose names for a few days appeared upon the rolls of the military and naval branches of the Government, though they performed no actual military service and are in perfect health and in the enjoyment of large incomes. In other words, it establishes or at least reaffirms the policy of granting service pensions. In the remarks which I submitted upon this bill yesterday I called attention to the fact that it was not, properly speaking, a pension measure to provide for those who were wounded or injured or received or incurred disabilities in the line of service. The bill boldly and broadly declares for the pensioning of every one whose name appears upon the records of the Army and Navy during the Spanish-American War. In order to receive the pension it is not necessary or essential that the individual actually rendered military or naval service or was upon the field of battle or in Cuba or the Philippine Islands or where any of the forces of the enemy were. There is no requirement that the person in order to obtain a pension must have been injured while in the service or must be suffering from disability of any character or description resulting from such service. The bill provides that any person who may suffer from any mental or physical disability, no matter how temporary or how unimportant it is, is entitled to a pension if it incapacitates him from the performance of manual labor as to render him unable to earn a support. Such mental or physical disability may have resulted from some accident in private employment, or in connection with activities not related to the Army or Navy. Indeed, it may be traceable to some accident immediately preceding the disability or from some cause wholly independent of his connection with the Army. It also provides if the disability is permanent he may obtain a pension even though the permanent disability is confessedly not traceable to the military or naval service but of some recent cause.

Under this provision any person who enlisted during the Spanish-American War and remained in the Army or Navy for 90 days or more, though no actual military or naval service was rendered, and during the entire period such person was within the United States may be entitled to a pension if after the passage of this bill he is incapacitated from permanent manual labor of such a character as to prevent him from earning support. If such person had never worked or had a fortune, but at any time after the passage of the bill suffered from a disability, even though it arose from an accident or some cause wholly apart from the service in the Army years ago, he would be entitled to a pension under the terms of this bill. And such is the case even though he is the possessor of a large fortune and would not have performed manual labor even if no disability had ever arisen.

The bill further provides, as was admitted yesterday by the Senator from Indiana having the bill in charge, that whenever the age of 62 years was reached by any person who served 90 days or more during the War with Spain or in the Philippine insurrection or the China relief expedition, the pension would be paid him, and that notwithstanding the fact that he was suffering from no disability and was in perfect health and physical condition and the possessor of property of the value of millions.

Mr. President, the view prevailed in the country for many years, and it is the view now, in my opinion, of many people of the United States, that liberal pensions should be paid to all who received injuries while in the military or naval service of the United States or incurred disabilities which in any way incapacitated them from earning a livelihood, but it is the modern view of many people that pensions should be paid merely because a person was connected for a few days with the military or naval service of the United States. In my opinion the majority of the American people, when they understand the policy which is being fastened upon this Nation, will revolt against it. Of course, I appreciate the fact that powerful influences are at work to secure the passage of this bill. It will be regarded as a precedent to aid in securing the passage of bonus measures or other legislation in behalf of those who served in the recent war with Germany.

Let me inquire what difference in principle is there between giving a pension for a few days' service in the Spanish-American War and giving a pension for a few days' service in the great World War? If the policy of bestowing service pensions is to be adopted, then service pensions should be given to all whether their connection with the military or naval branch of the United States was recent or more remote. If a man in perfect health, and possessed of wealth and position, who served for a few days in the Spanish-American War, is entitled to a pension, what reason is there for denying a similar bounty to those who served at a later date in like manner? And certainly if pensions are granted to individuals who were never injured, and whose health is in no way impaired, and who were never upon the battle field or away from some safe camp in the United States, what excuse can be offered for refusing to give pensions to the brave and gallant soldiers who actually fought upon the battle fields of France and Belgium and who gave months of their lives to actual military service under situations which involved constant danger to life and limb?

I have repeatedly said that I shall be glad to join in any rational and just pension bill. I shall be glad to support generous provisions for all who were wounded or injured or who are suffering in any way because of their military or naval services. Indeed, I am willing to go further and support measures that will afford relief to those who have served their country in the hour of danger, and now, because of their advancing years and their physical and mental ailments, are incapable of providing for their support and maintenance and are without adequate means therefor. And, as I have also reiterated, the Government should generously care for the widows and orphans of those who gave their lives for their country.

In my opinion this bill will establish a policy from which the Government can not escape, and which will culminate in the expenditure of not only hundreds of millions of dollars but billions of dollars. Already a propaganda is being conducted in the United States in favor of giving bounties and gratuities to the extent of billions of dollars to those who were in the war through which we have just passed. Will they not find justification for their demands in this character of legislation as well as other measures which have received the sanction of Congress?

I propound the question in no critical spirit, Why should a man receive a pension who enlisted in the War with Spain and went to some camp, and there wore the uniform for a few days, rendered no actual military service, did not go beyond the seas, did not participate in any battles in Cuba, did not go to the Philippines and assist there in overcoming the insurrection and is suffering from no ailments whatever? Why should he, when his health is good, when he is the possessor of wealth, perhaps to the extent of millions of dollars, and receiving an annual income of $10,000 or more, be the beneficiary of a pension at the hands of the Government? There may be adequate reasons and I am trying to have them pointed out.

Mr. President, it seems to me that the object and purpose of the pension system will be prostituted if we go to the extent demanded by some persons in our land.

One provision of the bill is to the effect that any person who has attained the age of 62 years shall be entitled to a pension. If there were any limitation to the effect that the individual

must be suffering from some disability, or is unable to make a livelihood, there might be some justification for the bill, and I ask the Senator having the bill in charge whether he will accept an amendment to the effect that this provision shall apply only to those who are suffering disabilities, or who are incapable of earning a livelihood?

Mr. President, while there would still be objections—valid and strong—to the bill, I would be inclined to vote for it if this suggested amendment were accepted; but if the policy is to pension men, regardless of their wealth, regardless of the condition of their health, and announce baldly and nakedly the purpose to pension all, regardless of their wealth or of their needs, who have attained a certain age, then I must express my disapproval of the same. Will the Senator accept an amendment of the character to which I have just referred?

Mr. NEW. No, Mr. President, the Senator from Indiana does not care to accept such an amendment.

Mr. KING. I had suspected, I will say frankly, that the Senator from Indiana would not accept that amendment. I have no doubt that the Senator from Indiana has sufficient votes—and votes to spare—to pass through the Senate this bill or any other kind of a pension bill. I have no doubt, Mr. President, but what any kind of a pension bill can receive the approval of a majority of the Members of this body. Apparently there is such a powerful body back of this measure——

The PRESIDING OFFICER (Mr. CAPPER in the chair). The Senator from Utah will suspend. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is House bill 8078.

THE DYE INDUSTRY.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8078) to regulate the importation of coal-tar products, to promote the establishment of the manufacture thereof in the United States, and, as incident thereto, to amend the act of September 8, 1916, entitled "An act to increase the revenue, and for other purposes."

Mr. THOMAS rose.

Mr. KENYON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested, and the Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Fall	Keyes	Phelan
Borah	France	King	Sheppard
Brandegee	Frelinghuysen	McCormick	Simmons
Calder	Gay	McCumber	Smoot
Capper	Glass	McKellar	Sterling
Chamberlain	Hale	McLean	Swanson
Colt	Harris	Nelson	Thomas
Culberson	Harrison	New	Townsend
Curtis	Henderson	Norris	
Dillingham	Jones, Wash.	Overman	
Elkins	Kenyon	Page	

The PRESIDING OFFICER. Forty-one Senators have answered to their names. There is not a quorum present. The Secretary will call the roll of absentees.

The Reading Clerk called the names of the absent Senators, and Mr. NUGENT, Mr. RANSDELL, Mr. UNDERWOOD, and Mr. WARREN answered to their names when called.

Mr. BALL, Mr. SUTHERLAND, Mr. PHIPPS, Mr. LODGE, Mr. KELLOGG, Mr. PITTMAN, Mr. HITCHCOCK, Mr. KNOX, Mr. COMER, Mr. HARDING, Mr. SMITH of Arizona, Mr. WADSWORTH, Mr. KENDRICK, Mr. MCNARY, Mr. SHIELDS, Mr. REED, Mr. SMITH of South Carolina, and Mr. POMERENE entered the Chamber and answered to their names.

The PRESIDING OFFICER. Sixty-three Senators have answered to their names. There is a quorum present. The Senator from Colorado will proceed.

[Mr. THOMAS resumed the speech begun by him on Monday. After having spoken for two hours and a half, he yielded the floor for the day.]

LANDS OF CROW TRIBE.

During the delivery of Mr. THOMAS's speech,

The PRESIDING OFFICER (Mr. PHIPPS in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 2890) to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes.

Mr. CURTIS. I move that the Senate disagree to the amendments of the House, request a conference with the House, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. CURTIS, Mr. GRONNA, Mr. SPENCER, Mr. WALSH of Montana, and Mr. KENDRICK conferees on the part of the Senate.

WATER-POWER DEVELOPMENT—CONFERENCE REPORT.

Mr. KING. Mr. President, I should like to ask the Senator from Kansas what is the status of the so-called water-power bill?

Mr. CURTIS. I am not a member of that committee. The Senator from Washington [Mr. JONES] has charge of that bill.

Mr. THOMAS. The RECORD discloses that the conference report was agreed to by the House on yesterday.

Mr. NUGENT. Mr. President, for the information of the Senator from Utah I will say that I discussed the matter a short time ago with the Senator from Washington [Mr. JONES], who advised me that the conference report would not be brought up in the Senate for consideration before next week.

Mr. KING. I thank the Senator from Idaho.

ADJOURNMENT.

After the conclusion of Mr. THOMAS's speech for the day,

Mr. CURTIS. Mr. President, I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 40 minutes p. m.) the Senate adjourned until to-morrow, Thursday, May 6, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *May 5, 1920.*

The House met at 12 o'clock noon.

Chaplain Milton O. Beebe, Walter Reed United States Army General Hospital, offered the following prayer:

Almighty God, may we be wise. May we have understanding of the meaning of things. May we give ourselves to the task of learning Thy law, and having learned, may we fill each day as it brightens with honest endeavor. Thou art forever fulfilling Thy Holy Word. May we be among those who are inspired with a great expectation. May we ask of Thee in perfect confidence that Thou wilt grant our petitions. May we seek with that quiet assurance that Thou wilt fill us with understanding. May we conduct ourselves as men who are looking and ready for Thy coming. Give us a keen insight into the events of to-day. May we seek to enlarge the religious faculty of our lives that everything we do shall speak eloquently of our fellowship with Thee. For those who create our laws and formulate our policies we ask divine guidance and direction, that our Nation may stand in Thy sight and the sight of men as eminently worthy. Amen.

The Journal of the proceedings of yesterday was read and approved.

RELIEF OF OFFICERS, UNITED STATES ARMY.

Mr. CRAGO, from the Committee on Military Affairs, submitted the conference report on the bill (S. 2448) for the relief of certain officers of the United States Army and for other purposes, which was ordered printed under the rule.

RIVER AND HARBOR APPROPRIATIONS.

Mr. DUPRÉ. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DUPRÉ. I desire to ask the status of the river and harbor bill that was passed by the Senate with amendments about a week ago.

The SPEAKER. It is on the Speaker's table.

Mr. DUPRÉ. May I inquire from the majority leader if any steps are contemplated at an early date to send the bill to conference?

Mr. MONDELL. The chairman of the Committee on Rivers and Harbors, the gentleman from Iowa [Mr. KENNEDY], is home. He has been quite ill and is still ill, I understand. We have been very much in hopes that he would speedily recover in order that he might be here and serve as the chairman of the House conferees. He is very familiar with the bill and an exceedingly efficient and effective man, as we all know. We need him very much in connection with this matter. This bill has been doubled in the Senate. The House is not in favor of that increase, and, in my opinion, will not agree to it or any considerable part of it at any time this session, and it is very important that the chairman of the committee be here if possible.

Mr. DUPRÉ. The gentleman is aware that the chairman has notified a certain Member of the House that he can not come?

Mr. MONDELL. If it should prove to be the case that the chairman can not be here, other arrangements must be made.

Mr. DUPRÉ. The gentleman is aware of the fact that the gentleman from Iowa [Mr. KENNEDY], whose speedy recovery I also hope for, has notified a Member of this House that he can not be here for the consideration of this conference report?

Mr. MONDELL. I think he has, and yet the gentleman from Iowa is a devoted public servant, and if he should recover, if he should get better in the near future, he would himself desire to be here, as we desire to have him.

Mr. DUPRÉ. And I should also want his presence. Do I gather from the gentleman as saying that if Mr. KENNEDY of Iowa can not be here at the end of this week or at the early part of next week, which can be ascertained by that time, the gentleman from Wyoming will take steps to send this measure to conference?

Mr. MONDELL. Within a reasonable time the matter will be taken up.

Mr. DUPRÉ. It has been on the Speaker's table——

Mr. MONDELL. Not an unusual length of time.

Mr. DUPRÉ. Not when the gentleman from Wyoming is opposed to the legislation.

Mr. MONDELL. On the contrary, "the gentleman from Wyoming" is in favor, and always has been, of the river and harbor bill. He is one of the few Members in this House who vote for river and harbor bills, and he never has any items in the bill for his district. I will say very frankly that "the gentleman from Wyoming," and, in his opinion, a very great majority of this House, do not believe that the very great increase in the river and harbor bill is necessary in the public interest or in any way justifiable at this time.

Mr. DUPRÉ. The way to adjust that is to send the bill to conference and let the sense of the House be taken on the subject. As long as the bill remains on the Speaker's table we will never get anywhere, which will not be altogether adverse to the views of some of the Members of the House.

Mr. MONDELL. There will be no loss to the Federal Treasury from the bill so long as it is on the Speaker's table.

EXTENSION OF REMARKS.

Mr. HOWARD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the bill H. R. 13890, being a bill to regulate the dealing in, distributing, importing, and manufacturing of sugar, and to include therein extracts of an article in the Christian Science Monitor under the date of May 3.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the RECORD on the sugar question, and to insert therein an article from the Christian Science Monitor. Is there objection?

Mr. GARD. Reserving the right to object, what are the extracts that the gentleman wishes to put in?

Mr. HOWARD. They are from the Christian Science Monitor, under date of May 3, 1920, commenting on the fact that there are too many drones in the sugar hive.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

SUNDRY CIVIL APPROPRIATION BILL.

Mr. GOOD. Mr. Speaker, a parliamentary inquiry. I desire to know how the time stands on the general debate on the sundry civil bill.

The SPEAKER. The gentleman from Iowa [Mr. GOOD] has used 3 hours and 57 minutes and the gentleman from Tennessee [Mr. BYRNS] 5 hours and 21 minutes. The gentleman from Tennessee has used 1 hour and 24 minutes more than the gentleman from Iowa has used.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870; and, pending that, I desire to ask the gentleman from Tennessee [Mr. BYRNS] if we can not agree upon the remainder of the time for general debate?

Mr. BYRNS of Tennessee. I will say to the gentleman that I have additional requests for over two hours.

Mr. GOOD. It seems to me that we must bring this general debate to a close pretty soon. I think we have been very liberal in the debate, as the time will show. I was wondering if the gentleman could get along with one hour of general debate on his side and with two hours on this side, which would give the gentleman considerably more time on his side than on this.

Mr. BYRNS of Tennessee. There has been great liberality in this debate. Of course, we all know this is the last appropriation bill that will be considered in the House during this session, with the exception of the general deficiency bill, upon which there is usually very little time for general debate.

It will probably be the last opportunity that many Members will have for discussing the subjects in which they are interested. I do not see how it is possible, unless you absolutely deny some Member who wants some little time, for me to agree upon an hour to a side. I will say that there are two Members who desire an hour between themselves, and the other time is limited to 15 minutes and 10 minutes. If the gentleman from Iowa will agree upon an hour and three-quarters, or possibly an hour and a half, I might be able to get along with it, although there would be a number that would be either cut down or denied.

Mr. GOOD. I will say to the gentleman from Tennessee that I am advised by the gentleman from Wyoming [Mr. MONDELL] that there will be some bills brought up where time for general debate will be granted, so that, it seems to me, it is not a denial to Members of the right to express themselves upon subjects that they want to discuss.

Mr. Speaker, I ask unanimous consent, therefore, that the time for general debate be limited to three hours and a half, one hour and a half to be controlled by the gentleman from Tennessee [Mr. BYRNS] and two hours by myself.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the time for general debate be limited to three hours and a half, one hour and a half to be controlled by the gentleman from Tennessee and two hours by himself. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Iowa moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the sundry civil appropriation bill. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Minnesota [Mr. ANDERSON] will take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870, the sundry civil appropriation bill, with Mr. ANDERSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13870) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes.

Mr. GOOD. Mr. Chairman, I yield 20 minutes to the gentleman from Iowa [Mr. GREEN].

The CHAIRMAN. The gentleman from Iowa is recognized for 20 minutes.

Mr. GREEN of Iowa. Mr. Chairman, I wish to make a few common-sense remarks on the very important subject of taxation. I understand, of course, that these remarks are not of the style that will travel beyond the doors of this Chamber. Following the usual fate of anything of that kind they will probably be embalmed in the files of the CONGRESSIONAL RECORD, whereas any sensational statement would travel on the wings of the lightning to the four corners of our country.

The subject of taxation has been under discussion much of late. Singularly enough, most of those who have discussed it have thought it was a very simple one. Time was when in this country such was the fact. It was easy to proceed with taxation plans because everything that was proposed had already been tried. No new plans were offered and no new plans were necessary. But the burdens which the Great War has laid upon us have made it necessary that we should propose new kinds of taxation and that all kinds of taxation should be considered. Taxation has become complex and intricate, and of all the intricate problems that I know of in taxation the most intricate is that of taxing the so-called war profiteers. I am aware that this subject is not at all entertaining. I am aware that it is somewhat difficult to follow. For that reason I shall especially appreciate the attention of those who do me the honor of listening to what I have to say upon the subject.

By "war profiteer" is usually understood one who, during the period of the war, made unreasonable and unconscionable profits. To many persons it seemed as if there was nothing easier than to lay a tax that would reduce those profits to the proper amount and to force the concerns who had profiteered to contribute a just amount to the support of the Government. To that end numerous bills have been introduced, most of which were based upon the very simple plan of taking the average profits of a corporation for one, two, or three years previous to the war, and after ascertaining what the average profits of the corporation had been during the war and up to this

time laying a heavy tax upon the difference between the two. Bill after bill of that kind has been introduced, and gentlemen have thought that this method would reach the war profiteer and nobody else. As a matter of fact it would reach only a part of the war profiteers, and in many instances it would fall upon the very people that they did not want to tax.

Let me illustrate this by a simple example that anybody can understand if he wishes. I know of a canning company—and there are many instances of the kind—that up to the time of the war had never made a success of its business. The stockholders that first went into it lost everything they put into it and sold out to another set of stockholders, and the second set of stockholders lost everything that they put into it and sold out to somebody else. Up to the time of the war the concern had never made a dollar, but, on the contrary, had lost large sums. After the war period began this concern succeeded in making a very reasonable profit, as I understand, somewhere around 10 per cent, but not nearly enough to recoup the losses which it sustained in the prewar years.

In cases where a loss was sustained instead of a profit being made before the war the plan of taxing the difference between the prewar income and the income made during the war at the rate of 50 per cent to 80 per cent would in some instances take all the profits made after the war and considerably more. It would absolutely bankrupt many concerns.

That is not all. Even as to those who made large profits, and in many instances as to some of them who made the greatest profits, I will show that a tax levied in that manner will not reach them at all. We had a tax on war profits in the law of 1918 of 80 per cent. Ordinarily that would seem as if it were high enough, and as if that certainly would reach the war profiteer; but, as a matter of fact, we found in the Committee on Ways and Means that it would not reach some of the very men that ought to pay most, and at my suggestion we put into this law an alternative provision that whenever the ordinary excess-profits tax, which ran up to 60 per cent on the higher profits, would take a greater sum than the 80 per cent on the war profits, then the excess profits should be imposed. I am informed by one of the Treasury experts that in nearly half of the cases this excess-profits tax imposed a greater tax than the 80 per cent on so-called war profits. It was found necessary also to limit the application of this war-profits tax by provisos and exceptions in order to keep it from operating unjustly and taxing concerns which made little or nothing before the war, and other provisos designed to take care of the numerous cases where the tax would have bankrupted certain small corporations. With all our care we found subsequently that many small concerns had been most unreasonably and unjustly taxed.

The fact is that the difference between what a person or a corporation made before the war and during the war in the greater number of cases is not any just measure of the amount of taxes which ought to be imposed. There are thousands of concerns which lost money before the war and for the first time made profits during the war and no unreasonable profit then. These concerns were not engaged in manufacturing war material, but they were scattered all over the country and were mostly small concerns. While we used for a time the war-profits tax, we never had a tax that worked so unjustly in so many cases, notwithstanding the efforts we made to prevent such results. The war-profits tax has been abandoned in every country. The best way to reach the profiteers who are in fact making unreasonable and unconscionable profits is through the income tax. If the rates are not high enough to do this, make them higher, and I will join with the gentlemen who desire to do so, but I observe that some of the gentlemen who are the most enthusiastic about taxing the war profits do not seem particularly desirous of raising the income-tax rates. The reasons can be easily guessed.

Now, I realize most painfully that any man who stands here and suggests that there might possibly be any objection to a blanket tax laid in this manner is liable to find himself attacked, his motives misinterpreted, and his statements perverted. The gentleman from South Dakota [Mr. JOHNSON] in the speech which he made last Saturday referred to the course which I took at the time when the revenue bill of 1917 was under consideration.

At that time I opposed an amendment which was offered which imposed a tax of 30 per cent on war profits in addition to the excess-profits tax of 60 per cent already contained in the bill. The amendment was of the kind that I have just described, and was of such a nature that instead of reaching the man whom it was desired to tax it would fall upon those whom it was not intended to tax, and in many cases exempt those who ought to be taxed most.

I think it is obvious from what I have already said that such a provision would not work, and I have no idea that it was ever expected to work; in fact, everyone knew at the time that there was not the slightest possibility of the amendment being adopted. Nevertheless, I have been criticized because I voted against that amendment. The gentleman from South Dakota [Mr. JOHNSON] in his speech said I gave my reasons for voting against the amendment, but he did not state what those reasons were. Let me read you the reasons that I gave at that time for voting against that amendment, as you will find them on page 2548 of the CONGRESSIONAL RECORD, first session, Sixty-fifth Congress. I then stated:

> There is no provision in his amendment for a case where the corporation or partnership that has been assessed was not in business at all before the time of the war. There is no provision in it with reference to a case where the profits of a corporation have been merely nominal before the war nor where they actually consisted of a loss before the war, nor where there has been a change of ownership, nor where the three years before the war have been years of abnormal depression, nor for a case where the capital has only just commenced to be remunerative. I could go on here for half an hour if I had the time and show the hardships a provision of this kind would work if we undertook to put it in force in this manner.

Further on in the course of my remarks I said—page 2549:

> Let me call the attention of the committee to the fact that the amendment offered by my colleague would permit the Standard Oil companies which made 200 per cent before the war to pay nothing if they made 200 per cent after the war, and if they made more, only on what they made over 200 per cent.

Gentlemen may think this is a fanciful case. It is not a fanciful case. A number of the Standard Oil companies were making more than 200 per cent before the war, and shares of stock in some of them having only $100 face value were worth from $800 to $1,000 each. That was the reason why we put in the revenue bill of 1918 the alternative provision that if the 80 per cent war tax would not take as much as the excess-profits tax, the tax should be levied in accordance with the excess-profits provision.

Now, the argument of the gentleman from South Dakota [Mr. JOHNSON] was to the effect that I objected to this amendment on account of the rate. I made no objection to it on account of the rate. I objected to this amendment and voted against it, as I would again, and as every Member of this House ought to vote if he thought there was any danger of its becoming a law—I voted against it because it would not work equitably or justly and would not reach the parties whom it was intended to reach, but, on the contrary, would for the most part strike at concerns which had made only reasonable profits.

Mr. SMITH of Michigan. Will the gentleman yield for a question?

Mr. GREEN of Iowa. Yes.

Mr. SMITH of Michigan. Is it not true that whatever tax is put upon any of these large concerns, they add it to their cost of production, so that it has to be paid by those who purchase their articles afterwards, so that if the Standard Oil Co. or any other large concern had to pay 80 per cent, they added that to their cost of production as overhead charges, and the consumer paid it the next year in purchasing the article?

Mr. GREEN of Iowa. I am aware that that theory is advanced by many tax experts. I never have been in entire accord with it, but I will say that if the argument is correct that a small retail-sales tax would always be added to the price of the article sold, a big tax which was levied upon the manufacturer, when nobody could tell anything about what he was doing, would certainly be added to the cost. The manufacturers probably add the tax when they can. I think they admit that.

Mr. SMITH of Michigan. That is undoubtedly correct.

Mr. GREEN of Iowa. In this connection I want to say a few words with reference to the sales tax in the bill introduced by Mr. FORDNEY, which, I suppose the gentleman understands, never got any further than to be introduced, as it has never been reported by the committee. The sales tax in this bill was a tax on final sales and not a turnover tax, but the gentleman from South Dakota [Mr. JOHNSON] says that, whatever anyone else may say, he knows that it was practically agreed that the money that was necessary for the adjusted compensation of the soldiers "should be raised by a turnover sales tax on each sale from the producer to the consumer. Whatever anyone else may say," he continues, "I know that was practically agreed upon." It is quite evident that the gentleman from South Dakota does not care what anyone else may say, and it would seem that he also does not care what he himself says. Since he has indulged in this kind of language, I suppose I may be permitted to use it also and state that I do not care what the gentleman from South Dakota may say, I know that such

a tax was never agreed upon. Anyone who has examined the bill knows that it did not make any provision for such tax, and that the final-sales tax that it contained made provision for only about one-half of the money needed. I was there during all the proceedings and the gentleman from South Dakota was not.

As I stated in my remarks last Tuesday, I do not favor the repeal of the excess-profit tax and I have never looked favorably upon a sales tax except as a last resort, and then only when it is so small that its effect as to any particular individual could not be noticeable. I have been ready at all times to impose the rates that would bring the most money in taxation from those that were making unreasonable profits, notwithstanding the fact that the gentleman from South Dakota spent the greater part of his hour in attempting to show the contrary. Whether such has been my course in committee, where these matters are determined, I am quite content to leave to the decision of such men of the opposite party as the Democratic leader of the House at the time these revenue bills were adopted [Mr. KITCHIN], whose absence from the House we all now so much regret, or the gentleman from Georgia [Mr. CRISP], also a member of the Ways and Means Committee. I mention these names because the attention of these gentlemen has been particularly called to my course when these great revenue bills were prepared.

Moreover, the RECORD shows that in the general debate upon the 1917 bill I stated that while we had doubled the excess-profit tax I thought the excess-profit tax ought to be higher. I was advocating at that time higher excess-profit taxes. It was not my fault that there were not higher rates in the bill at that time. Subsequently, in the bill of 1918, we did put in higher rates than the rates of the revenue bill of 1917, but a provision was inserted in the bill of 1918 that those taxes should apply only for the calendar year 1918, and that for the calendar year 1919 and thereafter the 80 per cent war-profit tax should be taken out, and the highest rate upon excess profits should be 40 per cent. That provision was put in the bill upon the recommendation of the President and the Secretary of the Treasury.

I do not state this for the purpose of making any political issue at this time, because in what I say now I want to avoid anything in the nature of political discussion. I only mention it in order to show that I opposed this reduction at the time it was made. I took the position that that tax ought not to be reduced. A majority of the Republican members of the Ways and Means Committee, including the gentleman from Ohio [Mr. LONGWORTH], took the same position, and I think that subsequent events, in the fact that our revenues have not equaled our expenditures, have shown that it was a mistake to reduce it. Nevertheless, because I have at some times desired to take a common-sense view of this matter of taxation, because I have opposed amendments that would not work justly and were not workable, I find that an effort has been made to make the public believe that I was willing that the wealthy should escape taxation. I am painfully aware that in what I have to say to-day, if any currency is given to my remarks at all, it is very likely they will be distorted in the same manner.

Now, Mr. Chairman, I desire to make some practical suggestions with reference to changes in our revenue law. These propositions are workable. They would collect a large amount of revenue from those who are best able to pay. They would not affect business, for they would lay no burdens upon it. Only those who have been unusually prosperous will pay any of these taxes.

These amendments would mitigate some hardships imposed by the revenue laws and would make our taxation more just than it is now. At present our laws encourage the wealthy to put their money into tax-exempt securities. A man whose surtaxes are 50 per cent and whose total income taxes are 58 per cent finds that a 5 per cent municipal bond pays him better than an investment that pays 10 per cent but which is subject to taxes. The result is that there is a constant flow of the money of the millionaires into tax-exempt securities, which must be checked or these men will escape paying their just share of taxes. I hold that our revenue laws should provide that for the purpose of computing surtax the income on tax-exempt securities should be included, although the income from securities is not itself taxed.

Some time last winter I introduced a bill to that effect. I have carefully gone over the constitutional features in relation to it and I am satisfied that the provision is constitutional, and in this I have the support of the Solicitor of the Treasury. I know that it would greatly increase our revenue and have the effect of keeping the income taxes on high incomes up to the present level, whereas you have only to look at the returns to see that they are falling off every day. I wish to make our laws so that the multimillionaire who puts his investments into tax-exempt securities shall not have his surtaxes reduced by this process upon any income that he gets from securities that are not exempt.

I know that this provision is just, and I am satisfied it is constitutional, and I hope the time will soon arrive when it will be adopted.

Second, I propose a tax on corporations issuing stock dividends at the rate of 15 per cent of the face value of dividends so issued. March 15, 1920, shortly after the Supreme Court decision, I introduced a bill to that effect. I think there is no question as to the constitutionality of a bill placing a tax on corporations if they issue the dividends. In this opinion I am fortified by the Solicitor of the Treasury.

I have not time to go into the merits of this proposition. I can only say that millions of dollars in these stock dividends are being issued for the purpose of avoiding the income tax levied on cash dividends. The tax ought to go into effect from the time I introduced the bill. If that is not done, the bill will accomplish nothing. By the time the bill goes into effect the corporations will have issued all of this kind of stock they desire.

Mr. BROOKS of Illinois. Will the gentleman yield?

Mr. GREEN of Iowa. Certainly.

Mr. BROOKS of Illinois. The gentleman just stated that in 1919 the tax had been automatically reduced—I think about 25 per cent.

Mr. GREEN of Iowa. Yes; I think that would be about the reduction in the amount collected from the excess-profits tax in 1919 from what was collected in 1918.

Mr. BROOKS of Illinois. If that was reenacted into law, would not it take care of the soldier bonus?

Mr. GREEN of Iowa. Very easily, if the income tax was also put back to the 1918 rates.

Mr. BROOKS of Illinois. Why not reenact it into law?

Mr. GREEN of Iowa. I know of no reason why it should not be reenacted, when we are having so much difficulty in finding necessary revenue.

Mr. TIMBERLAKE. Will the gentleman state the date on which he introduced the bill with reference to stock dividends, so that we may know what the retroactive nature of the bill would be?

Mr. GREEN of Iowa. That was introduced on March 15, 1920, a short time after the Supreme Court decision.

Mr. GARNER. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. GARNER. What reason did the committee give for not reporting out the bill?

Mr. GREEN of Iowa. I shall have to decline to make any comments on the action of members of the committee. The gentleman can get their reasons by talking with them.

Mr. GARNER. I only wondered why, if the gentleman has got such a meritorious bill, it should not be reported out to the House.

Mr. GREEN of Iowa. I think my friend from Texas knows just as much about it as I do. [Laughter.]

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. SMITH of Michigan. Do I understand the gentleman to say that he is in favor of taxing income on nontaxable bonds?

Mr. GREEN of Iowa. That is a different question. My proposition would not tax securities that are now tax exempt.

Next, I would place a tax on gifts above $5,000 of 15 per cent, except when made to charitable and educational institutions. We now have no tax on gifts as such; in fact, our laws are so defective that they can be used to evade the income tax. As the law stands now, if a New York broker has made a large profit on a block of stock he can turn it over to his wife, and his wife can sell the stock and no income tax is collected on the profit derived therefrom.

Fourth, I would have an increase in the estate taxes, especially on large estates.

Fifth, I would revise the excess-profits tax so as to increase the amount paid by corporations making unreasonable profits, prevent evasion by reason of inflated capitalization, and reach more effectively profits retained by corporations in order to escape the income tax on dividends paid.

If these propositions do not soon become a part of our laws it will not be my fault. I shall work for them incessantly.

Mr. GOOD. Mr. Chairman, I yield 30 minutes to the gentleman from Indiana [Mr. WOOD].

Mr. WOOD of Indiana. Mr. Chairman, in the time allotted to me I want to call the attention of the committee to what I think is the most objectionable provision of the soldiers' adjustment of pay bill introduced in this House last Thursday. I

refer to Title VI. The proposed measure is divided into six different titles. Title I contains the general provisions. Title II refers to adjusted service pay, Title III to adjusted service certificates, Title IV to vocational-training aid, Title V to farm or home aid, and Title VI to land settlement.

Each of Titles II, III, IV, and V makes some provision exclusively for the benefit of those who served in the World War either in the Army or the Navy. There are no strings tied to any of them. While Title VI purports to be for the benefit of these ex-service men, as a matter of fact it is for anybody and everybody else except these ex-service men. They are used merely to blind the real purpose of the provision. It is what is known as the Lane bill or the Mondell bill, which has been before this Congress in some shape or other for the last six years. It was one of the dreams of Secretary Lane when he became Secretary of the Interior to create a great reclamation bureau and expend millions and billions of dollars in reclaiming all kinds of waste land. It has never received a great amount of favor in this Congress. At the close of the war, and during the months of May and June, 1919, a great many bills were introduced providing for a bonus or a relief of some character to ex-service men. The first introduced among those, as I remember it, was this old Lane bill, camouflaged in the shape of a soldiers' land allotment bill; but you can take and compare the bill as originally introduced by the gentleman from Wyoming [Mr. MONDELL] with the original Lane bill, and there is no difference in principle, no difference in application or in practical working in the two, and if you will compare Title VI in this bill with the bill introduced by Mr. MONDELL you will find that it is the same old thing with a few new clothes on. I have been led to believe, and I think the majority of the Members of this House were of opinion, that this Mondell bill was as dead as a mackerel; and how it came to be rejuvenated and embodied in the bonus bill of course I do not know.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. GARNER. Does the gentleman favor legislation for the relief of the soldiers?

Mr. WOOD of Indiana. Yes; but I can not favor this provision.

Mr. GARNER. Why?

Mr. WOOD of Indiana. Because it is a mere subterfuge.

Mr. GARNER. I asked the gentleman this question for this purpose: The legion requested certain legislation——

Mr. WOOD of Indiana. Yes.

Mr. GARNER. And I thought probably the gentleman was for that legislation because they asked for it, for he has given no other reason. The legion asked for this particular legislation, and that is one of the reasons it is in this bill.

Mr. WOOD of Indiana. I have been informed that they have asked for this bill, but what induced them to do it has never been made plain. There is a whole lot that might be said about the Lane bill and about the campaign that has been made for it from the time of its inception six years ago down to this time. I might recall to the attention of the committee that in the Sixty-fourth Congress $200,000 was appropriated for the purpose of preliminary investigation looking to the feasibility of this character of legislation, and it might be interesting to know that the greater portion of the $200,000 has been expended in propaganda for the purpose of popularizing this impractical and impossible scheme. But as to how much of this money has been spent in salaries to paid agents to get their indorsements I am not informed. It might be interesting at this juncture, however, to call the attention of the committee to some of this propaganda. I hold in my hand a booklet issued by the Department of the Interior under the name of the Secretary, entitled "United Reclamation Service," reading upon the outside: "Hey there, do you want a home on a farm? If so, read this, fill in the back page, tear off, and mail—no postage required." Read the contents of this booklet, and you will find that it would make Get-rich-quick Wallingford green with envy because of the glowing and great possibilities that have been pictured. It is an Elysian dream of what every one of these men might expect to wake up and find a living reality. I desire to quote from it as follows:

WORK AND HOMES FOR OUR FIGHTING MEN.

Q. What do you mean by work and homes?—A. Just this, favorable action by Congress at the special session is expected on soldiers' settlement legislation, similar to that introduced and favorably reported at the recent session. If such legislation is passed it will enable the Interior Department to begin work at once developing cooperative farm settlements for soldiers and sailors in all or nearly all of the States.

Q. Who will get the farms?—A. Those who create them by working on, draining, clearing, irrigating, and improving the lands.

Q. Will all get farms?—A. That depends on the amount of land reclaimed.

Q. Is this plan only for men who have been across?—A. No; it is for all of the men who have worn Uncle Sam's uniform in the Great War.

Q. Where is this land located?—A. In practically every State in the Union there are large areas of this land. There is dry land in the West that needs water, which can be provided by building dams and canals. In the East are large areas of cut-over or logged-off timber land, from which it will be necessary to blow the stumps and clear off the underbrush. In the South there is a large amount of cut-over land and swamp land which must be drained.

Q. Could I get a job near my old home?—A. Probably you could. These proposed settlements are scattered all over the country, and it is time to have one in each State, if Congress provides the money for construction.

Q. How about wages?—A. You will be paid fair wages by the Government while doing this work—just as good wages as you would be able to get in outside work of like character.

Q. Would I be enlisted?—A. No; this work is only for men who have been honorably discharged from the service.

Q. What kind of work is this?—A. The Government will have work of all kinds in connection with these settlements, from the highest technical and clerical positions to that of laborers.

Q. Now, how about getting a home out of this?—A. After you have helped build the dams and canals, cleared the cut-over land of stumps, or built the ditches to drain the swamp lands; after you have helped to erect houses and barns, built fences, constructed roads, and laid out town sites, built creameries, canneries, warehouses, schools; after you have, in fact, actually reclaimed the land, the Government will allow you to pick out one of these farms planted in crops.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BLANTON. Is this a propaganda for the Morgan bill or the Mondell bill?

Mr. WOOD of Indiana. This was a propaganda on the Mondell bill. To continue:

Q. Does the Government give me this farm for nothing?—A. No. And you wouldn't want the Government to do it. The plan is to arrange for you to pay for your farm home in small payments over a long term of years, with interest charges at the rate of 4 per cent per annum.

Q. How about stock and farm implements?—A. It is planned that the Government will also furnish you with the necessary stock and farm implements, to be paid for by you in small payments spread over several years.

Q. Where will I get the money to make even these small payments?—A. You should be able to save the amount of the first payment out of your wages while working for the Government helping to build these settlements. The balance you should be able to pay from the proceeds from the sale of your crops.

Q. I think I should like farm life, but I don't like the idea of being too far away from other people.—A. It is the plan, if Congress passes the bill now pending before it, to build what are known as community settlements, each containing not less than 100 farmhouses surrounding a town, so that you will have near neighbors, good roads over which to bring your produce to town, and market for the sale of your produce within a short distance of your farm home.

Q. How many acres will my farm contain?—A. This will depend upon the location and kind of farming you engage in. For general farming, from 40 to 80 acres each; live stock, from 80 to 160 acres; fruit farms, 15 to 20 acres; and truck, from 5 to 20 acres.

Q. I don't know anything about farming, but would like to get a farm home. How will I learn to farm?—A. Competent instructors in farm practice will be stationed on each project to teach men like you just how to make a success of farming.

Q. You say that this plan depends on Congress passing this bill. Then, why are you asking me these questions now, before the bill is passed?—A. Because Congress has asked the Interior Department to make a preliminary investigation of possible settlements throughout the country, and also wishes to know whether, if construction of these settlements is authorized, the soldiers, sailors, and marines would be interested in securing work and homes on these settlements.

Q. Can I get any further information about the plan?—A. Yes. Fill out the post card on the last page of this booklet and mail it. It doesn't require any postage. Your name will be on file in the Interior Department, so that you can be notified later if the plan is started. It is not possible now to say when this information can be sent you, and you should, of course, in the meantime not sit idly by, but instead accept the best employment that now presents itself. You are urged on your return home to get in touch with the United States Employment Service in your locality and with your local council of defense, both of which organizations will gladly give you advice and assistance in securing employment now.

Now, fill out the post card on the back page and mail it. You don't have to put a stamp on it. Be sure and sign your name and write plainly. But remember that this means work. This is not a bounty scheme. It will give a chance to own a farm only to those who want to work a farm.

These persons are asked to fill out name in full; home address; how old are you; what was your occupation before you enlisted; have you ever worked on a farm; are you interested in this plan to provide work and a farm for you; what kind of farming do you wish to follow; state whether general, live stock, truck, or fruit; would you be willing to take a job on some project if offered to you; in your own State; anywhere in the United States; write plainly and mail to-day; no postage required.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. SMITH of Michigan. Does the gentleman state that this bill carries out that project that he has read?

Mr. WOOD of Indiana. Absolutely; that is the purpose of the bill. Now, there were 250,000——

Mr. HARDY of Colorado. Will the gentleman yield?

Mr. WOOD of Indiana. I will yield.

Mr. HARDY of Colorado. How many of these replies did the Department of the Interior get back?

Mr. WOOD of Indiana. The Secretary of the Interior testified before the committee that they sent out 250,000 of these booklets from his office, and that they got back 48,000 of these cards of inquiry, but a little more than 1 per cent of the soldiers engaged in the war; that they received additional inquiries from other sources about 12,000 more, making 60,000 in all, or about 1½ per cent of those who were engaged in the war.

Mr. CLARK of Missouri. Will the gentleman yield?

Mr. WOOD of Indiana. I will yield to the gentleman from Missouri.

Mr. CLARK of Missouri. I will ask the gentleman from Indiana if the fact that what militated against this Lane-Mondell bill and worked up opposition to it was not the fact that they could not find any places to be drained that would make room for one of these colonies except the Everglades of Florida and southern Louisiana?

Mr. WOOD of Indiana. Well, I think that equal opposition was worked up to it by reason of the absolute impracticability and impossibility of it, and from the fact that it is a scheme for the reclamation of arid, waste, and cut-over lands. As some one has suggested, there are thousands and thousands of miles of area in some of these Western States where there is beautiful scenery and where rock is worth about 1 cent per cubic mile. There is lots of that character of land. Now, I wish to state further to show you how absolutely impractical this thing is, that the Secretary of the Interior in his testimony before the committee having this matter in charge originally suggested in answer to a question that he had calculated that it would take about $6,000 to finish one of these projects—that is, the farm projects would cost on an average about $6,000. After I had read that testimony, in order that I might get some facts from some departments that had some experience and knew something of the practical operation of these reclamation schemes, I addressed a letter to the Secretary of Agriculture asking for information upon the proposition, which I think will be very edifying to this committee.

Mr. CLARK of Missouri. Now, before the gentleman gets to that I want to ask him if the Morgan plan, so called, did not militate very much against the Lane-Mondell plan?

Mr. WOOD of Indiana. Well, there is not any doubt about that; and the fact is that the Morgan plan has some very attractive features about it, one of which is to create a revolving fund, as I understand it, of about $100,000,000 for the purpose of loaning money to the men who are desiring to purchase homes of their own choice—real, existing propositions of their own selection, in their own State, among their kinsmen and friends. I am told by men who have some knowledge and have had much experience in these reclamation projects, if this thing were commenced to-day we could not get one of these reclamation projects so it would be fit for occupancy within less than 10 or 15 years.

Mr. CLARK of Missouri. Is not the feature of the Morgan plan to loan money to soldiers at a low rate of interest, so that they can buy a farm wherever they want to, the thing that popularizes the idea which Mr. Morgan suggests? The farm the soldier would get out in the gentleman's country or mine would, of course, be small, on account of the high price of land, but everybody does not want to go to the West.

Mr. WOOD of Indiana. No. That is one of the most objectionable features of this scheme, even if it were practicable—to have to go away from their home, to have to go away from the place of their birth, from their associations, from their environments. These men, if we are going to do anything for them, ought to have some choice in respect to their home, and not be forced to these strange and uninviting places.

But this very bill, as you will see if you will take and read it carefully, has in mind the creation and the establishment in perpetuity of a bureau of reclamation here; and the outlay is beyond the calculation of men. I think I will be able to show you before I get through with what I have to say that, instead of its costing $300,000,000, as proposed by the bill, it would cost, if it was carried out as proposed in this measure, more than $10,000,000,000. It provides for a board of four directors or commissioners, who are to act in conjunction with the Secretary of the Interior, at a salary of $7,500 each, to continue in office for a period of five years. And I wish at this juncture to call attention to this provision, which absolutely shows that it is not the purpose of this measure to benefit the soldier boy.

You can take the 250,000 of these cards that were sent out, and the propaganda that has been spread in every possible way, upon the rostrum, through the public press, and otherwise, and yet the returns from all those, with all that energy expended, has brought back less than 1½ per cent from the men who are interested in this legislation. And they have jumped to the conclusion that each one who has answered one of these cards is going to take one of these projects. And you will find further that it was contemplated from the inquiries that were received that at least 640,000 ex-service men would take advantage of the scheme. If that was carried out, basing your calculation upon what the Secretary of the Interior has said, that it would take to complete one of these projects $6,000, it amounts to $3,340,000,000. However, it would take more than three times that amount, or about $10,000,000,000. But here is the joker in this proposition: After going on and providing and making all of the provisions for its creation and operation, here is what it says:

> Any unit not allotted to a veteran or repatriate within one year after the public notice in respect thereto, as provided by this section, may be disposed of to qualified citizens under the provisions of the reclamation laws.

That absolutely establishes, if you please, that this reclamation measure is not for the benefit of the soldier, who is expecting any relief Congress is going to give him within a year or two years at most. If they carry out this dream and if they ever have any of these projects ready and there should be no soldiers who wanted them, under the provisions of this law they could sell them to anybody who might take them.

Mr. SMITH of Idaho. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. SMITH of Idaho. I wish to say that the provision to which the gentleman makes reference was put in by the clerks in the drafting bureau and did not receive much consideration in the committee, and there is no objection to eliminating it.

Mr. CLARK of Missouri. I would like to ask the gentleman a question. Who authorized this bureau you talk about to put anything in this bill?

Mr. SMITH of Idaho. I understand that this bill was turned over to these expert draftsmen to fix up, and they thought it would be a good idea to have it in there, and the committee did not go into any detail and did not approve it.

Mr. CLARK of Missouri. That is like the fellows who used to write a copy of the Bible. They would write a note on the edge and the next copyist would copy the note into the Bible.

Mr. SMITH of Idaho. It is the desire of those advocating these reclamation projects that the soldiers shall have the entire benefit of this land.

Mr. CANNON. Suppose they do not want it?

Mr. SMITH of Idaho. Eventually, if they do not want it, the land would be open to anybody who would take it.

Mr. WILSON of Louisiana. Will the gentleman from Indiana yield?

Mr. WOOD of Indiana. I will.

Mr. WILSON of Louisiana. The gentleman has told us how this propaganda was carried on for the soldiers, but he did not tell us how the American Legion came to get behind this bill in its recommendations.

Mr. WOOD of Indiana. I presume that was largely psychological. The American Legion was probably exercising its judgment as to the best plan possible to pursue. They knew this was the pet and the dream of the Secretary of the Interior. They knew that some gentlemen in this House were very enthusiastic about it, and I expect that they thought by putting this measure in that they would at least avoid a certain amount of opposition. That is a mere conjecture, but we have a right to draw our conclusions from all the circumstances.

Mr. BLANTON. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BLANTON. Are not the numerous defects which have been pointed out by the gentleman from Indiana [Mr. WOOD] the reason now that this bill is known as the "Lane-Mondell bill"?

Mr. WOOD of Indiana. I do not know. Now, permit me to proceed.

After reading these hearings for the purpose of getting the information that I alluded to a while ago, I addressed the letter to the Secretary of Agriculture for such facts as he could present concerning the cost of this reclamation proposition, and under date of July 24 he replied as follows:

> DEPARTMENT OF AGRICULTURE,
> *Washington, July 24, 1919.*
>
> Hon. WILL R. WOOD,
> *House of Representatives.*
>
> DEAR MR. WOOD: Receipt is acknowledged of your letter of June 23, requesting that you be informed of the results of any investigation that may have been made by the Department of Agriculture as to the cost of reclaiming lands and placing them in condition to be farmed, together with the cost of improvements to enable practical farming.
>
> In regard to the reclamation of desert land, the cost of such reclamation may be divided into two parts, namely, providing a water supply and the improvement of the farm units. The first of these consists of such items as the building of a storage dam, diversion dam, main and lateral canals, and head gates, chutes, drops, flumes, siphons, etc., including whatever works are necessary to bring the irrigation water to

the individual tracts to be reclaimed. The cost of such works at present depends entirely upon the physical conditions encountered and varies from a minimum of probably $50 per acre to a maximum which has not been determined. Projects recently surveyed have indicated a cost of $160 per acre. There are considerable areas of desert lands in the West which are physically reclaimable, but which can not be economically reclaimed at the present time because the crop returns from such land would not justify the cost of reclamation. This economic limit obviously varies with different soils, climatic conditions, and distance from markets. It would be feasible to spend considerably more in reclaiming land having a rich soil and a long growing season than land at a high altitude having a very short growing season.

Under the second group is included clearing and leveling the land, building farm ditches and ditch structures, plowing, fencing, domestic water supply, necessary farm buildings, farm implements, live stock, etc. The average cost of preparing land for irrigation—that is, clearing, leveling, and ditching, based on data secured several years ago—varied from $9 in Wyoming to $19 in California. At that time some rather fragmentary data on the cost of equipping an irrigated farm, where general farming was followed, showed that this varied from $17 to $32 per acre. These figures would have to be very materially increased in order to make them applicable to present conditions.

There remains to be reclaimed in the United States approximately 100,000,000 acres of swamp, wet, and overflowed lands. These may be divided into four general classes, (1) swamp lands, (2) tidal marshes, (3) lands that are too wet for cultivation at certain seasons of the year or are periodically overflowed, and (4) seeped irrigated lands. The cost of reclaiming these lands is determined by the following factors: The cost of the unimproved land; the cost of drainage; the cost of clearing and preparing for cultivation; the cost of necessary buildings and fences; interest on investment during the period of development; and any incidental expenses, such as for lime or commercial fertilizers where they may be needed.

The character of the timber determines largely the cost of clearing. The farmer clearing the land usually does not try to bring it under cultivation immediately, but cuts out the undergrowth and small trees and girdles the larger trees. The stumps and deadened trees are removed as they rot out; in the meantime the land may be either cultivated or used as pasture. Generally the labor on the farm is utilized for clearing land at such times as there is not much other work to be done. This method of clearing is slow, and the trees and stumps interfere with cultivation, but the amount of labor required is comparatively small. If it is desired to place the land under cultivation immediately after the timber is removed, the stumps either are grubbed out by hand or are removed with explosives or mechanical stump pullers, or a combination of the methods used. The number, size, kind, and condition of the stumps are the principal factors in determining the cost.

If it is desired to clear stumps from the land immediately after the timber is cut, this item generally will be the largest in the cost of reclamation. If the process can be made more gradual, the cost is materially reduced, but the stumps and trees remaining on the land interfere with farming operations. The cost of clearing is probably the most uncertain item entering into the cost of reclamation, and there is little data available in regard to the cost of clearing large tracts. It appears probable that if large tracts are to be cleared at one time, an organization could be built up and methods developed that would materially reduce the cost. Large projects of this character would also be in a better position to utilize the by-products from the work.

Clearing new heavy hardwood stumps from land in the lower Mississippi Valley has cost from $60 to more than $150 per acre, and will probably average $80 to $90 per acre. Clearing stumps from pine lands such as are found on the coastal plain region of the South can be done more cheaply, usually for $15 to $50 per acre, as the stumps can be burned. In Idaho it has cost from $75 to $125 per acre or more to clear land; in northern Minnesota it has cost from $100 to $125 per acre; in the Pacific coast regions the cost sometimes has been above $200 per acre; while in Canada clearing stumps from land that was heavily timbered has cost, in some instances, more than $400 per acre. These figures are at prewar prices for labor and materials; if more efficient methods can not be used, the costs now would be much greater. However, in most clearing operations there is considerable salvage in the form of cordwood, poles, posts, logs, and other lumber. In some places these can be sold, or the farmer can utilize them, and thus the cost of clearing is reduced.

Recently engineers of this department have worked out rough estimates of the cost of reclamation for a number of projects in different parts of the country. The idea was to present not the cheapest project that might be found, but one that would be representative of a number of projects in each region under discussion. The costs of clearing used in these estimates have not been increased greatly over prewar prices, as it is thought that the saving from more extensive use of machinery, better organization, and more complete utilization of salvage will approximately offset the increases in prices for labor and supplies. Land prices are increasing rapidly in certain sections at present. The lands are expected to be developed in units of 5,000 acres or more, as topography or economic conditions may require. It is estimated that farms of 160 acres now will cost approximately as follows, for purchase of land, drainage, clearing, buildings, farm machinery, work animals, and some fencing, ready for cultivation:

Black lands of eastern Carolinas and southeastern Virginia—$65 to $115 per acre, average about $90 per acre, if cleared by burning; $100 to $200 per acre, average about $150, if cleared by pulling, grubbing, or blasting stumps.

Coastal Plain region of South Atlantic States—$95 to $155 per acre, average $125 per acre.

Wet prairie lands of southern Louisiana—$85 to $140 per acre, average $110.

Gulf coast of Texas between Orange and Bay City—$85 to $145 per acre, average $115 per acre. Areas that require drainage by pumping will average about $30 per acre more.

Northeastern Louisiana, eastern Arkansas, southeastern Missouri, and Yazoo Delta in Mississippi—$110 to $200 per acre, average about $150.

Grand River Valley in northwestern Missouri—an area of approximately 60,000 acres can be reclaimed for $150 to $225 per acre, average about $185.

Western Iowa, 40,000 acres—$225 to $300 per acre, average about $260.

Northern Minnesota, northern Michigan, and northern Wisconsin—$120 to $200 per acre, average $160.

San Luis Valley, Colo.—$125 to $150 per acre, average $140.

Very truly, yours,

C. F. MARVIN, *Acting Secretary.*

These figures speak for themselves. They are not mine. They come from a coordinate branch of this Government whose business it is to furnish the Congress, or Members thereof, the facts. They were deducted from actual experience and experimentation by the Department of Agriculture in prewar times.

If the figures I have submitted represent the cost of reclamation during that period, you can multiply them by two or three and get the result as to what the cost would be now.

Remember that the Secretary of the Interior, in his hearings before the committee, testified that these projects would each cost on an average of $6,000. I have taken the pains to make some calculations based upon the average figures submitted by the Secretary of the Interior, and which I have just given to you.

I think it will be admitted that 160 acres is an average tract for farm purposes in any section of our country where agricultural pursuits are followed. Taking this as a unit, a tract of this size in the eastern Carolinas and southeastern Virginia would cost $14,400. Farms of this character for the 600,000 that it is proposed to take care of under this legislation would cost $8,640,000,000.

The same farm, if cleared by pulling, grubbing, or blasting stumps, would cost $150 an acre, or $24,000 per farm, or $12,400,000,000 for 600,000 farms.

A farm in the Coastal Plain region of the South Atlantic States, at $125 an acre, would cost $20,000, and 600,000 farms would cost $12,000,000,000.

A farm in the wet prairie land of southern Louisiana, at $110 an acre, would cost $17,600, or $10,560,000,000 for 600,000 farms.

A farm in the Gulf coast of Texas, at $115 per acre, would cost, $18,400, or $11,040,000,000 for 600,000 farms.

A farm in the Gulf region of Texas, where pumping is required, at $145 per acre, would cost $23,200, or $13,920,000,000 for 600,000 farms.

A farm in the northeast coast of Louisiana, eastern Arkansas, southeastern Missouri, Yazoo Delta of the Mississippi, at $150 per acre, would cost $24,000, or $14,400,000,000 for 600,000 farms.

A farm in the Grand River Valley of northwest Missouri, at $185 an acre, where it is estimated that there are 60,000 acres in a tract, would cost $29,600, or $17,760,000,000 for 600,000 farms.

A farm in western Iowa, where there is a 40,000-acre tract, at $260 per acre, would cost $41,600, or $24,960,000,000 for 600,000 farms.

A farm in northern Minnesota, northern Michigan, or northern Wisconsin, where there are cut-over lands, at $160 an acre, would cost $25,600, or $15,360,000,000 for 600,000 farms.

A farm in the San Luis Valley of Colorado, at $140 an acre, would cost $22,400, or $14,400,000,000 for 600,000 farms.

The average cost of the 11 proposals just referred to is $148.50 per acre. A 160-acre farm at this average would cost $23,760, and 600,000 farms would cost $14,256,000,000.

Bear in mind that these estimates are made upon the cost of labor and material in each instance at prewar figures.

The Secretary of the Interior, Mr. Lane, has estimated that these projects, 600,000 of them, if completed according to the plans set forth by him in his testimony and in the propaganda that has been sent broadcast over this country at the expense of the Government, would not exceed $4,000,000,000. He bases his calculation, however, upon his estimate that these projects would not cost more than $6,000 each. I do not believe there is a fair-minded man or set of men who have no interest in any of these projects but what would conclude in a moment that he has shot far under the mark and that the estimates submitted by the Secretary of Agriculture are far more dependable.

In view of past experience it is my judgment if we venture upon this scheme and carry it to the conclusion desired by the proponents of this measure, it would come nearer costing $40,000,000,000 than it would $4,000,000,000.

All this talk about 600,000 ex-soldiers availing themselves of the opportunity of taking such projects is preposterous, and, in my mind, if the propagandist who has been going around over this country extolling the beauties of this scheme and the great benefits that would flow to the possessors of each project therefrom had given the facts instead of painting the Fabian picture that he did there would not have been a single resolution passed by a single legion post anywhere in the country in favor of item 6 of this measure.

The whole thing should be stricken out. The bill will be complete without it. Item 5 provides a splendid home-buying scheme and, if it is not sufficient, the addition of the Morgan proposition to create a revolving fund of $100,000,000 to loan to ex-service men with which to acquire or build their homes would answer, in a practical way, all that is desired or could be hoped for by these men. This would permit them to choose their own

home site and not compel them to go into these unforbidden wastes to eke out a mere existence.

I have felt it my duty to set forth the facts in my possession, coming as they have from an unprejudiced source—the Department of Agriculture—in order that the ex-service men of the country might be fully apprised of what they had been baited with and what a snare and delusion the whole scheme is. If I have succeeded in doing this, I will feel that the time required in gathering these facts has been well expended. Not only will it save them from disappointment but, if this item is stricken from this bill, as it should be, it will save the Public Treasury in expenditure billions and billions of dollars. [Applause.]

The time having expired, by unanimous consent Mr. WOOD of Indiana was granted consent to extend his remarks in the RECORD.

Mr. GOOD. Mr. Speaker, I yield 10 minutes to the gentleman from Wyoming [Mr. MONDELL]. [Applause.]

Mr. MONDELL. Mr. Chairman, I would not take up the time of the House even for a moment to reply to the statements made by the gentleman from Indiana [Mr. WOOD] and those who agree with him—those very few who agree with him—if it were not for the fact that entirely erroneous, misleading, and inaccurate statements have been reiterated time and time again by a few gentlemen who seem to have taken a very peculiar dislike to a sound and sane constructive piece of legislation, the so-called soldier-settlement legislation, now article 6 of the soldier bill introduced by the gentleman from Michigan [Mr. FORDNEY].

I claim no special credit for the bill which the gentleman has just attacked. It simply nationalizes a policy the wisdom and success of which have been abundantly demonstrated on many projects under the national reclamation law in the West in the last few years.

The gentleman from Missouri [Mr. CLARK], the minority leader, the other day called attention to the fact that notwithstanding the tremendous growth and development of this country practically every rural section of the country was either scarcely holding its own or was actually decreasing in population. Our people are drifting to the towns, and unless this tendency is checked we will soon be a Nation of city dwellers. Who is to grow the foodstuffs of the Nation in the days to come in the face of that situation? And where are we to find the farm-grown boys and girls that have been the national hope and standby not only of this Nation but of every other nation in the world since time began to run?

The so-called Lane plan needs no defense at my hands or at the hands of anyone. The only reason why I refer to it is for fear that some unthinking people, in view of the talk and clamor of a small and noisy minority, might come to the conclusion that there were a considerable number of people who were opposed to it.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. I regret I can not yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. MONDELL. Gentlemen have been insistent that we consider legislation for the soldier; and some of them, the noisiest of them, have been insisting that they are anxious to do just what the soldiers have asked us to do. If that is really their desire, why do they persist in jeopardizing all soldier legislation by arguing against the one feature the soldiers have most indorsed? The soldier-settlement plan is the one feature of soldier legislation that from the beginning up to this good hour has been indorsed and approved by every legion post that has considered it, by every State organization that has taken the matter up, by the national meetings of the legion, and that was written by the official representatives of the legion in extenso and in detail into the bill they presented to the Committee on Ways and Means of this House. In the face of those facts gentlemen who claim they want to do just what the soldiers want to have done rise in protest against this feature of the fourfold legion plan, which is the one feature that, without regard to differences relative to other plans or other features of plans, has received the indorsement of practically every post and every organization of ex-soldiers and every committee of the legion that has presented soldier legislation to the committees of Congress.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. No, I can not; I have not the time. With some gentlemen it seems to be a question of securing the opportunity of slapping every man back of the ex-service men on the back and telling him, "I did something for you; I got you a bonus," and any legislation that does not enable gentlemen to do that particular thing, whether what is proposed would be helpful or not, does not appear to be popular with a certain class of gentlemen. The soldier-settlement plan will help no one except those who are willing to help themselves. Fortunately there are many such among the ex-soldiers.

Let us remember this: Whether or not you think it wise and just and proper to grant a cash bonus to the men of the services, whether or not you consider it wise and just and helpful to enable these men to secure vocational training, whether or not you deem it wise and well to provide them with paid-up insurance policies, whether or not you hold it to be wise and in their interest and in the interest of the country to encourage ex-service men to buy homes, this is true and can not be successfully controverted, that the one provision in the bill presented by the legion, and the one provision presented in the bill approved by the majority of the Committee on Ways and Means, which is a national investment rather than a donation, which is perennially constructive, and which will, in the running of the years, beyond all question redound to the benefit and advantage of the men who avail themselves of its opportunities and aid in the upbuilding of the Nation, is this soldier-settlement provision which certain gentlemen take it upon themselves to constantly assail and misrepresent.

If the experience we have had under the national reclamation law shall be duplicated in Massachusetts and in the Carolinas, in Maine and Indiana, Georgia and Ohio, as it has been in the West under a like plan, under this law we shall restore to highly beneficial use waste places that are now useless and valueless, we shall establish many thousands of happy, prosperous homes in ideal communities, and we shall do it without the ultimate loss of a single dollar of the public money. The investment, if we have the same experience that we had in the West under the reclamation law, will all be returned to the Treasury. Outside of any question of soldier aid or benefit, this plan should appeal to every forward-looking, right-thinking citizen of the Republic. There has not been a nation in history that at some time did not feel called upon to turn its attention to the encouragement of rural home building, of country development.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. MONDELL. May I have one minute more?

Mr. BLANTON. The gentleman's time is not up, Mr. Chairman.

The CHAIRMAN. No. The gentleman has one minute more.

Mr. MONDELL. In our wonderful development as a Nation we passed by fair and fertile areas simply because in their natural state they were not suitable for habitation and needed reclamation and restoration. With the rapid opening and development of the western lands, less fertile lands in New England and in the Central States and within sight of the dome of this Capitol have been allowed to go back to a condition of nature. No finer, no more inspiring work, no more hopeful opportunity, no more necessary task lies before the Nation than by well-directed object lessons to prove how and whereby these regions may be restored to use and fertility and made to provide homes for our people and yield their wealth to the Nation. [Applause.]

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 25 minutes to the gentleman from Virginia [Mr. MOORE].

The CHAIRMAN. The gentleman from Virginia is recognized for 25 minutes.

Mr. MOORE of Virginia. Mr. Chairman, I expect to use the time allotted me in the discussion of one of the topics discussed yesterday by my friend from Mississippi [Mr. SISSON], and in doing so I am glad to take my stand with him.

It seems to me that we have no graver responsibility than to use such wisdom as we may possess in dealing with the bonus proposition contained in the bill introduced by the chairman of the Committee on Ways and Means [Mr. FORDNEY]. During the present Congress that measure has not had, nor will it have, any parallel in importance, whether considered independently or as a precedent for future legislation. I can not support it, or any similar measure, but I am reluctant to oppose it without a frank statement of the reasons controlling my action. In stating these reasons I shall forget party differences and personal considerations and speak simply as an American who may be unable, but is at least anxious, to assist in a proper disposition of a most serious matter.

The bill provides what is described as adjusted compensation to the men who served in the war. This is, of course, to be provided without regard to race or color, or as to whether the service was confined to the United States or rendered abroad, or as to who of those who went abroad were exposed and who were not exposed to the storm of battle. Nor is any regard had to individual financial status or need. The bill contem-

plates the payment of a cash sum, at the rate of $1.25 per day for the period of service specified, to every one of about 3,600,000 men, and it carries alternative plans that are assumed to be equivalent to the cash plan. The average cash payment will amount to about $500, and the total cash payment to about $1,800,000,000. There has been controversy, and will be further controversy, as to how this vast sum should be raised. But there is no question that resort must be had to taxation, and there can be no question, however the tax is laid, that finally the burden will largely fall on the mass of the people who are consumers of the necessaries of life. Under the particular bill I am now discussing not much less than $1,000,000,000 of the total amount would be directly drawn from the consumers by taxation of sales. And from the mass of the people much of the residue would be finally exacted. It is idle to talk of the Government increasing its debt or its tax levies without, as a result, an increase of prices and the cost of living, and a further depression of the market value of the outstanding bonds. Those bonds are held by millions of the people, who, in buying them, performed a patriotic service, and expected their market value would not fall below par. That they are already sharply depressed is one of the unfortunate features of the existing situation.

No one can fairly contend that the so-called adjusted compensation is compensation in full, or, in any true sense, compensation at all. There is no method of arithmetic for expressing the value of patriotism in money, and if that were possible no treasury would be rich enough to meet the liability. [Applause.] It is not compensation, but a present money donation. The legislation can not operate as an acquittance to bar like appropriations. No assurance is or can be given that like appropriations will not hereafter be from time to time suggested and made. If this step is taken, an unlimited mortgage is placed upon the future, and that might as well be understood now. Should we embark on this policy, which will apply to all other wars in which the country may be engaged, we may say farewell to the possibility of the Government finding money for work that we had hoped it might after a while undertake, as, for illustration, a more extensive participation in the educational work of the country, and a system of better national highways, than which hardly anything is more essential in the estimation of many of the constituencies represented here.

Let me repeat what others have said as to the entire country and every agency of the Government being committed to a most liberal policy toward the men disabled by wounds and disease and the dependents of those who have died. We are all prepared to go as far in that direction as may be needed or required. It is estimated that the total expenditure for that purpose in the fiscal year beginning July 1, 1921, will be more than $458,000,000. If that proves insufficient, the total will certainly be increased, and if the expenditure for that year seems inadequate it will certainly be enlarged in the years to follow. On this point there should be no doubt or misgiving. Equally there can be no doubt or misgiving of what the Government's attitude will hereafter be toward those now unimpaired as their health and strength may decline. An attitude of generosity is absolutely assured by the treatment the Government has accorded the veterans of former wars.

The bonus proposition is not based upon disability or any obligation to widows or orphans. The beneficiaries are the men who, we are thankful to say, emerged from the war unscathed and most of them probably more vigorous and capable in body and in mind than when they entered the service. Their equipment for the business of life is therefore more complete. Aside from that, they are the masters of a splendid possession. From them can never be taken their record of devotion to the cause of their country and civilization, which was untinged by fear and marked by every heroic quality of self-sacrifice that men have ever displayed. [Applause.] In the springtime of life they have won fame that will last while they are here and that will not fade as the generations come and go, for it is as the radiance of an unsetting sun.

The record of these young men makes a powerful appeal to our pride. It makes the same appeal as the record of the young soldiers who fought in the Revolution through six years of extreme danger and hardship, as the record of a later generation of young soldiers who fought through four years in the desperate struggle that divided this country. It is not possible that in any manner whatever we can compensate them for the service they have rendered. We can no more do that than could our predecessors have compensated the men who followed Washington or the men who followed Grant and Sherman, or those who, having followed Lee and Jackson, laid down their arms at Appomattox.

The measure does not raise a party issue, nor does it raise a sectional issue. But, as a Virginian, I pause a moment to reflect upon the experience of the men of my own State who wore the Confederate uniform, for I would gladly trust them to decide this matter and abide by their opinion. And they had full experience. They were at every disadvantage. Such payment as they received during the war was in a currency that was constantly depreciating. They were so poorly clad as to be unprotected from the storms and cold of winter. They were so poorly fed as to be almost in a state of starvation. Nevertheless they maintained their fortitude to the end. When the end came they returned to theirs homes—such homes as remained—with courage unshaken, resolutely facing the future, with no dependence except upon their own exertions, and unassisted they rebuilt their land and their institutions, not asking a dollar from any government. [Applause.] At least 160,000 Virginians were in the Confederate service, of whom several thousand still survive, and all pension payments on every account that have been made to all of them by their impoverished State in the period of more than half a century from 1865 to 1920 amount to the comparatively trifling sum of $10,000,000. No young man or middle-aged man received a dollar, no man unless disabled or without means. I will not believe that the Virginia survivors of the Civil War will find any reason for giving this measure their sanction. Nor will I believe that the sons and grandsons of the Virginians who won imperishable knighthood in that war will, when they have taken into view every aspect of this matter, deliberately signify their approval of it. [Applause.]

There is nothing that can be done by legislation in the way of furnishing employment for the ex-service men which I will not cooperate in doing. There is nothing within the province of legislation in the way of further affording them the opportunity for education from which I will withhold my support if it is separately proposed. Education and employment are desirable and helpful. But I will not vote for a cash bonus, and the fundamental reason for refusing to do so is because of my firm opinion, considering it from the point of view of the men themselves, that it is distinctly undesirable that it would be not only not helpful but actually harmful. It would make against personal initiative and self-reliance. It would encourage dependence on the Government, dependence by one class on all other classes in the community, who would, of course, bear the burden of the contribution for the benefit of the favored class.

Few of us here were born to position or fortune. We have had to make our own way, and we are able to bear testimony to that as being the best training and the surest avenue to success. I will not take a step calculated to subject the ex-service men to a reversal of that valuable process. Those who ask for the bonus must believe that those of us who oppose it hold to the profound conviction that it would have a bad influence instead of a good influence upon their future, and that we shall act accordingly, and we are satisfied that a large body of the soldiers will indorse our action.

The effect of the proposed legislation upon the business of the country I will not discuss beyond citing what has been said on the floor of the House within the last few days by the chairman of the Committee on Appropriations and one of the leaders of its majority, Mr. GOOD, of Iowa, who speaks with authority because he is compelled to take a comprehensive view of the entire situation as it now exists. He called attention to the highly unsatisfactory labor situation and outlined a condition that is illustrated by the deplorable shortage of farm labor, which is just as acute in the district I have the privilege of representing as elsewhere. It is a condition that threatens the continued sufficient production of the necessaries of life, and involves not only the prosperity of the agricultural interests, but the very existence of the social fabric and the permanence of orderly government. He pointed to the inevitable effect of doing something which would amount to persuading many young men to withdraw for the time from their usual occupations, and in that connection he made particular reference to the "500,000 colored men who entered the war." It is stated that about 180,000 of the colored soldiers were overseas and 35,000 actually under fire. If Mr. GOOD's figures are correct, then under this bill the payment to the class he describes will exceed $200,000,000. Addressing himself to those of us on this side of the aisle, Mr. GOOD said:

> You are complaining now because men are not taking up the regular vocations of life and there is an underproduction. I ask you in all seriousness what effect the payment of such a bonus will have on production. What will you say when you turn over, the next day after you pass the bonus bill, $500 to every one of these soldiers who served in that war and witness the withdrawal of this class of labor, so sorely needed, from active participation in the productive walks

of life? Are we to act blindly now, and after the damage is done consider the results of ill-advised legislation? Let us seriously consider first and act afterwards.

Furthermore, there is a point I submit to the calm judgment of any of the ex-service men who may be urging the passage of this bill. They have done their full part, but others of their countrymen have also, in a less conspicuous manner, tried to do their part. A cash payment to one group can not be made without discriminating against other groups. I do not refer to those civilians, few in number as compared with the mass of the people, who profited by the war, some of whom can not be charged with dishonesty, but some of whom, because of their conscienceless conduct in which not a few of them still persist, deserve execration. I am now referring to the men and women who toiled unceasingly in the quiet places, on the farms and in the fields, on the cattle ranges and in the lumber camps, exerting themselves to the utmost to aid in winning the war by producing the commodities necessary for use in this country and for use abroad by our Army and our allies. Many of them, worn by service, are in no better condition financially, many are poorer, than when the war began. I refer to the laborers of the country who toiled in their numberless pursuits, sparing no effort to bring the war to a victorious conclusion, many of whom, having accumulated nothing, find themselves in worse position financially now than they were before. I refer to helpless people of small incomes, widows and children many of them, who, as a direct result of the war, are unable to live upon the resources which might have been sufficient before the war occurred. I refer to the employees in the civil service of the Government, now very numerous, because ours is the greatest of all governments in its varied operations, who have not obtained any financial advantage and who are poorer, since their salaries, even with such additions as have been made, are not equal in purchasing power to the salaries they once received. I might refer to other classes, as for instance, to the teachers in the public schools, who sacrificed their pecuniary interests in standing by the work of education; to the physicians and nurses who strove night and day to do their own work and the work of those who had entered the service; to the draft officials in every city, town, and county who gave themselves freely and unremittingly to the common cause. And what of the civilians who went to Europe at the call of the Government—for example, the men and the women connected with the welfare organizations who will long be remembered as having held high the ensigns of religion and mercy alongside the flag of their country? [Applause.] No one can deny that millions of men and women who did their part will be subjected to a clear discrimination if this measure should become a law, a discrimination to which I will not believe the service men, upon sober reflection, will lend their indorsement. The bill excludes the possibility of the money being raised by a tax on excess profits. Even though the liability should thus be placed, nevertheless there would still be a clear discrimination, inasmuch as the fund produced would be distributed to one class and all other classes wholly excluded. Further tax incomes and excess profits as you will, but turn the revenue into the General Treasury for the relief of all the people. [Applause.]

The thing as proposed can not be done at all without in the main passing the tax to the consumers of the country, all of whom will pay in the execution of this plan higher prices for the necessaries of life. The other day I heard some one remark here that a sales tax is rather unimportant to the consumer. But we know from common experience that such a tax is always multiplied before it reaches the consumer; and in these days it will be multiplied to the limit. The farmer who buys an agricultural implement, the housewife who buys a supply of groceries, will pay the sales tax, which will be increased, before it is paid, according to the dictates of cupidity or convenience. This tax the bill calls a "victory tax."

There is frequent allusion in the House to the enormous public debt that has been incurred and the load of taxation that the people are now carrying. The fact has a seriousness that can not be exaggerated. We are constantly impressed with the importance of lessening the tax burdens and economizing in expenditures. But, if this measure should be adopted, no Member of this House, whether leader or follower, should ever stand here again and advocate economy and a reduction of taxes. The leader of the majority will be estopped to do so, and the estoppel will apply to all of us on both sides. We will have become unable to claim that we are earnest and consistent champions of a policy of economy and reduction. We will only be able to feebly claim that we are for such a policy when it happens to be along the line of little resistance.

I have spoken of the measure as extraordinary and as fixing a dangerous precedent. From the foundation of the Government up to June 30, 1916, the total expenditures of the Government in pension payments amounted to a little over $5,000,000,000, and now we are proposing in connection with a war of short duration just over to provide for a payment at one stroke of not much, if any, less than $2,000,000,000 in addition to all that has been appropriated and all that must be appropriated for the benefit of the men who were disabled and the dependents of those who have passed away.

I see nothing in the measure to commend it and I can not give it my support. Believing it to be against the best interests of the public—the entire public, including primarily the ex-service man—if I were to support the measure to gain some personal advantage, or keep silent for that purpose, I would be false to every promise made to the generous people whose commission I bear—I would be nothing more than a political profiteer. Many a soldier friend of mine would regard me as a mere political profiteer. There is but one course for me to pursue. It is said by some that such a course will be detrimental to those who take it. I do not think so. But if I am mistaken in that opinion I am ready to accept the consequences of my action. If I should leave here because of my position on this matter, I would go with regret but carry with me the satisfaction of having done my duty as I see it. [Applause.]

Mr. GOOD. I yield 34 minutes to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Chairman, the gentleman who has just left the floor [Mr. MOORE of Virginia] shows that he is a student, that he comprehends cause and effect, and in my judgment has a clear grasp of the national problem, and possesses the courage to speak his convictions. [Applause.] His discussion was along a line upon which I had been making some study. However, the thing I have been trying to get at is whether the cost of Government, which is now very high, is a permanent cost level from which we can not come down. We are constantly required here to make additions to the Government cost on the basis of meeting this high cost level. It comes from many, many different angles. If we assume that this cost level is permanent, then I am quite certain that it will be inevitably necessary for the various increases that have been asked to be granted.

The cost of government has been so disturbing to the country generally that it becomes the subject of discussion in the municipality and in the State as well as here in Congress. In order to get at the facts, I addressed a series of questions to the mayors of the leading cities of America, and also to the governors of all the States. I asked them six questions, telling them in my letter that I hoped they would be perfectly frank to reply with the understanding that I would want to use their replies or at least their conclusions before Congress.

One question was:

Is your budget on the increase, and to what extent?

The reply to that invariably is in the affirmative, and the increases run from 25 per cent, some of them, up beyond 100 per cent, quite a number 60 per cent.

The next question was:

Give your causes of increase, and state whether it can be avoided?

Nearly all, if not all, say that the increase can not be avoided; that the causes usually are in the increase of salaries, the increase of wages, and very frequently in the increase of departments of government and of agencies. Some of the cities, for example, have added to their municipalities in the way of park systems and other improvements.

The next question was:

How do you meet the added increase?

The answer is, almost universally, by increased taxation.

The next question was:

Are the results of increased cost justifiable in your opinion?

Most of them say they are and can not be avoided. A few of them state that they are not; that is, that they might reduce some of the governmental agencies. They do not any of them say that the increase of salary is not justifiable, but that some of the governmental agencies might be reduced.

The next question was:

What steps, if any, can be taken to reduce the cost of government?

The mayor of Denver, for example, replies:

None by the city government.

Quite a number reply that steps may be taken in a better system of budgeting and also by a reduction of governmental agencies, and especially by a concentration of governmental agencies. For example, the city of Chicago reports that there are 22 individual agencies of government found in that city, and they are trying to centralize them. In that case there would be doubtless quite a saving.

My next question was:

What suggestion would you make on the question of Federal taxation?

The mayor of Denver says:

Too deep for us.

I have quite a variety of opinions, however, from various mayors and governors.

Mr. Chairman, I am going to read one or two letters just as a sample of the replies. Here is a letter from the mayor of Louisville, Ky. It is quite informing and good enough to print:

LOUISVILLE, KY., *April 20, 1920.*

Hon. S. D. FESS,
House of Representatives, Washington, D. C.

DEAR SIR: I have received your communication of April 15 and answer it as follows:

(1) Question. Is your budget on the increase and to what extent?

Answer. The budget of the city of Louisville for the year 1920 as compared with the year 1915 has increased 25 per cent, exclusive of schools. Including large increases to schools, the total budget has increased during that time 27 per cent.

(2) Question. Give causes of increase and state whether it can be avoided?

Answer. The increase has been caused most of all by increase of wages, and, secondarily, by the increase of cost of material. During the last five years there has been no extraordinary work to influence the budget. No way to avoid increase, except to lower wages, which will also lower cost of material.

(3) Question. How do you meet the added burden?

Answer. The added burden of the 25 per cent increase on the budget has been met by a 25 per cent increase in revenue, which has been produced by reasonable increases in assessments and increases in tax rate. Nearly all the increase in the tax rate was caused by allowing more money to the schools. We also partially met the burden by abolishing useless offices and by requiring office men to work longer—that is, eight hours a day, including lunch time.

(4) Question. Are the results of increased cost justifiable in your opinion?

Answer. I do not thoroughly understand this question, but I will say this, that the increase of wages has merely enabled the city to retain efficient men. They have not been made more efficient by the increase. The increase of the cost of material has necessarily prevented as much constructive work. Therefore the city of Louisville has less to show for the expenditure of this money than it would have had if the increased cost had not occurred. Some few head men, whose pay was not increased, became more efficient themselves, and more closely checked up the work of subordinates. In other words, the organization as a whole became more efficient.

(5) Question. What steps, if any, can be taken to reduce the cost of government?

Answer. The city of Louisville in some of its departments actually increased numerically the number of its men and also actually increased numerically modern equipment, but in other departments numerically decreased the number of men and abolished some subordinate departments where organizations had been maintained to do occasional work, but which work, when it arises, can easily be taken over by some other department. I therefore suggest the following for the Federal Government:

(a) Have a survey made of the pay rolls of all the Government departments. I am sure you will find thousands of jobs that may be dispensed with.

(b) The city of Louisville has for many years operated under a strict budget system, and it is unlawful for contracts to be made in any one year exceeding the appropriations for that year, and each department must live within its income. The result is we make ends meet because we have to. The budget should be made up under the supervision of the executive in the initial stages and should be planned by very few men. My practice has been to require the comptroller to make up a tentative budget based upon past years' expenditures; then, after personally seeing that the police and fire departments are amply cared for, I have a few important heads of some of the departments look over the budget, and then call a larger meeting of the various branches of the city government to openly state their needs and back it up with statements, which are usually submitted to the executive before any of these meetings are called. It is sad to contemplate that governments are far behind in business methods, because there is more anxiety to place favorites in business positions than to require those favorites to have business qualifications.

I rather favor a Republican administration, putting Republicans in responsible places, but I insist on those Republicans being competent men. What I say of a Republican administration is true of a Democratic administration.

(c) Since I have been in office employees are paid once a week and purchases are promptly paid for before the 10th of each month, thus obtaining discounts in many instances and better prices perhaps in all instances. It stands to reason that better prices may be obtained if people are paid promptly. Dealings with the United States Government are generally tedious and long drawn out. I am sure that a properly organized budget system, that will assure people dealing with it of justice and prompt payment, will enable it to make better purchases and better contracts.

6. Question. What suggestions would you make on Federal taxation?

Answer: This is a tremendous question and I will limit myself to a few observations, which I think are of basic importance and if properly adjusted will go a long way toward relieving the burden of the Government and of the whole country; and in doing this I am keeping in mind psychology and what appeals to the heart as right:

(a) The income tax comes closer to my sense of right than any tax that I know of. The ordinary conception is that a man should pay according to his ability. There are the necessaries of life and some small comforts that are common to us all. No tax should be based upon so much of a man's income as is necessary to purchase these things. If this rule is violated, there is a sense of wrong and embryonic unrest. After a man has purchased the necessary things and the small comforts, anything else he purchases is in the nature of a luxury. The strong should help the weak and should help keep the weak contented, which in the end is a benefit to the strong. Therefore, I think the present exempted income is too small and larger sums should be paid by those in proportion to their ability.

There is also a direct saving to the Government by pursuing this method. When a vast group of little men are taken in, a great sum of money must be spent for clerk hire and material.

(b) I do not think there is any excuse now for the excess-profit tax. It encourages large salaries, waste, and leaves the manufacturer and owner of the business in uncertainty. He usually makes sure he is not going to lose anything and adds all he can to the price of his commodity before it reaches the consumer, who, if he happens to be a laboring man, begins to cry for more wages, which has been and will be a constant source of agitation until we make up our minds we will do those things that will allow natural economic laws to operate.

(c) In my opinion the greatest factor in the present disturbance was the enactment of the Adamson law and the enormous pay rolls in the railroad that followed. The standard was set so high that all classes of men have been struggling toward that abnormally high standard. I see much hope in the Esch-Cummins law.

(d) I also gravely fear that under the Federal reserve banking act we have Bill Bryan's 50-cent dollar in disguise. This last observation may seem foreign to the subject, but I do not think so, for the Government measures its costs in dollars, and as its dollars buy less than they ought to, its expenses are higher.

I have done the best I can to answer your questions without writing a treatise.

Yours, truly, GEO. WUSSINGER SMITH, *Mayor.*

The answer of the Louisville mayor is not different from the general answers of mayors of other cities of the country. I desire to read the answer of the governor of my own State:

STATE OF OHIO,
EXECUTIVE DEPARTMENT,
Columbus, May 3, 1920.

Hon. S. D. FESS,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: I have your letter of the 21st, and take pleasure in responding to your inquiries.

1. Our budget is on the increase.

2. The addition has been occasioned by the increased cost of food and other necessities in the conduct of our correctional institutions and asylums; at the same time, simple justice has compelled increases in compensation to the State employees.

3. Ohio, notwithstanding the increased cost of governmental expense, has invoked no new method of taxation nor has it added to the tax rate. Three things have made it possible in the face of this situation to keep our fiscal affairs on a stable base:

a. During the years of 1913 and 1914 we purchased large tracts of ground adjacent to our State institutions upon the theory that many of the State charges most of the time are able, physically and mentally, to perform labor, and outdoor employment has not only been the means of working out improvement in the health of the patients but of yielding very definite, practical results to the State.

b. The budget system established in 1913 has enabled us to make tremendous savings.

c. The industrial growth of the State has given us substantial increases in our receipts under the statutes which carry excise taxation.

4. The increased cost is occasioned in the main through the period of inflation through which we are passing. Demand has exceeded supply in all lines, and until conditions wrought by readjustment bring the supply appreciably nearer demand high costs will doubtless obtain.

5. The cost of Federal Government can be diminished very much, it seems to me, by establishing a budget system. I served on the Committee on Appropriations in Congress and was always impressed with the great waste, most of which can be avoided by a modern budget. Another thing essential, as I see it at least, in reducing the cost of National Government, is to bring to an end many activities occasioned by the emergency of the war. These are not only costly, but I sometimes believe they promote a restless feeling among our people. Besides that, unless it is all brought to an end, then we are departing from the historic tradition that has been helpful in the past in preserving the rights of the States.

6. First of all, I think that the excess-profits tax should be abolished at the earliest date possible, and that it should be succeeded by a tax on volume of business of from 1 to 1½ per cent. Furthermore, so soon as the fiscal conditions of government would permit the inheritance tax should be given up; it can only be justified as a national affair by the exigencies of war. Its establishment in the outset was upon the theory that property is transferred from one generation to another by governmental agencies, all of which occasioned an expense, and which in common-sense fairness would seem to demand a compensation. The service rendered, however, is by the State and the county; the National Government is not helpful; therefore when a cost is imposed the revenues should be divided between the State and the local subdivision of government.

With all good wishes, I am,
Very truly, yours, JAMES M. COX.

One of the most informing letters I have received from the governors is from Gov. Gardner, of Missouri, which also includes answers to 25 questions that he had submitted to as many governors. Mr. Chairman, it contains so much information that I will ask unanimous consent to insert Gov. Gardner's letter in my remarks.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to insert a letter from Gov. Gardner in his remarks. Is there objection?

There was no objection.

Mr. FESS. The membership of the House will be interested in reading the answers to Gov. Gardner's questions, and they will find a splendid fund of information on the question of taxation in the States:

SUMMARIES OF DATA RELATING TO STATE REVENUES FOR 1920 AS RECEIVED BY GOV. GARDNER FROM GOVERNORS OF 25 STATES.

The matter contained in the summaries has been gathered from the following questions:

1. How much do you estimate the budget of your State to be for the year 1920, not including such items as road funds, interest and sinking fund to pay bonds, but simply to cover operating expenses, such as

the State's contribution to education, courts' administration, penal and eleemosynary institutions, etc.? In Missouri this is called a general revenue fund.

2. What do you estimate your population and what is your per capita?

3. What is the assessed value of real and personal property in your State to actual full money value?

4. What is the rate for State purposes?

5. What source of revenue have you found to replace the revenue formerly received from the liquor traffic?

6. What means are you taking to cope with the low purchasing power of the dollar to meet salaries, supplies, etc.?

7. Do you find complaint because, besides Federal, you have a State income tax?

8. What are the principal and most satisfactory sources of revenue in your State?

9. General remarks.

1. How much do you estimate the budget of your State to be for the year 1920, not including such items as road funds, interest and sinking fund to pay bonds, but simply to cover operating expenses, such as the State's contribution to education, courts' administration, penal and eleemosynary institutions, etc.? In Missouri this is called a general revenue fund.

Alabama: Budget of appropriations for 1920, not including funds and interest on debt, $9,155,000.

Arizona: Appropriations for the fiscal year, July 1, 1919, to June 30, 1920:

State maintenance	$541, 695. 00
Military	62, 000. 00
Educational (not including institution)	1, 220, 483. 71
Institutional maintenance	1, 001, 457. 50
Institutional building and improvement	744, 887. 56
	3, 570, 523. 77

California: Budget for expenses for the State, according to the classification given, will amount for the current fiscal year to $23,637,993. Our regular appropriations are based on two-year expenses because our legislature meets biennially, but the above is a segregation for the fiscal year ending June 30, 1920.

Colorado: About $2,336,000, which includes everything except items mentioned by you. All of our educational institutions and some of the reformatory and eleemosynary institutions have separate mill levies and are not counted under general revenues.

Connecticut: The appropriations made by the 1919 general assembly for the expenses of the State for the two years ending June 30, 1921, aggregate $20,825,488.50.

Florida: Not answered.

Indiana: Our estimates are as follows:

General fund, institutions and departments	$7, 000, 000
Educational institution fund tax	1, 550, 000
Vocational education fund tax	210, 000
School revenue tuition by State	5, 750, 000
	12, 510, 000

Kansas: All State expenditures are payable from the general revenue fund. For the fiscal year 1920 the legislature made appropriations as follows:

For educational institutions	$2, 870, 892. 78
Charitable institutions	1, 213, 833. 77
Penal institutions	827, 386. 90
Patriotic institutions	316, 740. 51
Printing	249, 310. 65
Schoolbook commission	35, 000. 00
Miscellaneous	49, 112. 49
Executive departments	163, 789. 61
Judicial department	251, 241. 66
Legislative department	43, 553. 22
Fuel and freight for institutions	175, 084. 58
Other departments, boards, commissions, etc	1, 546, 391. 79
	7, 742, 337. 96

To meet these appropriations the legislature authorized a levy for State tax purposes of $6,500,000, but the officers charged with making the levy thought it unnecessary to raise so much and levied only $6,049,650. The remainder of the appropriations for the year will be cared for by receipts from miscellaneous sources, chiefly those coming through the insurance department, inheritance taxes, etc.

Maine: Total budget estimate for 1920, corresponding to the Missouri general revenue fund, is $7,573,032.13.

Minnesota: The appropriations by the 1919 legislature for the fiscal year ending June 30, 1920, from the revenue fund total $15,361,058.

This covers expenses of all administrative and judicial departments, all charitable and correctional institutions under State control, and all normal schools. The State university gets $1,865,000 for maintenance for the current year from the above fund and also the proceeds of two tax levies, one of 32 mills for a building program and one of 23 mills for general maintenance. The State high, graded, and rural schools also receive the proceeds of a 1 mill State tax levy.

Missouri: Budget, approximately $9,125,000, which was amount expended for 1919, including expenses for public schools. Estimated expenditures for 1920 will be about same.

Montana: Total amount of general fund appropriations which became effective March 1, 1920, is $2,945,895.76. This amount does not include balances, either debit or credit, carried over from the previous fiscal period, but may, for the purposes of the inquiry, be regarded as the 1920–21 budget.

New Hampshire: The fiscal year of the State ends August 31, 1920, for which—

The legislature made a total appropriation of		$2, 460, 183. 02
Deducting the following items mentioned:		
Interest	$79, 826. 48	
Bonds	85, 000. 00	
Highway	125, 000. 00	
Highway	250, 000. 00	
		539, 826. 48
Leaves the amount for expenses		1, 920, 356. 54

Ohio: Budget, $24,000,000 for fiscal year ending June 30, 1920.

Oregon: Approximately $4,500,000, although this is purely estimated. This may be greatly enlarged if bills to be voted on at a special election in May are enacted into laws.

Pennsylvania: $53,000,000. Owing to the increased cost of everything our institutions and departments will probably show a deficit of $3,000,000, but our revenues will be sufficient to give us a surplus of fully $3,000,000, and perhaps, $4,000,000, for the year.

Rhode Island: Total revenue for 1919 was $5,321,722.43, of which $477,223.25 was received from auto licenses and required by law to be expended on highways.

South Carolina: Approximately $5,614,411.78.

South Dakota: Approximately $2,500,000 for fiscal year ending June 30, 1921.

Texas: Money appropriated for the fiscal year, beginning September 1, 1919, and ending August 31, 1920:

Educational	$6, 171, 861
Eleemosynary	2, 746, 604
Judicial department	1, 468, 288
Departments	2, 286, 702
All other expenses	3, 405, 050
	16, 078, 505

Utah: Approximately $4,500,000.

Vermont: Estimate of budget for the fiscal year ending June 30, 1920, $2,500,000. This does not include special appropriations, but simply operating expenses. (This amount does not include funds for the support of the fish and game department, which derives its revenue from hunting and fishing licenses.)

Washington: The estimated annual expenditures for 1920 from general fund is $5,280,500.21.

West Virginia: For the year ending June 30, 1920, the appropriations for general purposes are as follows:

Repairs and improvements	$231, 000
Buildings and land	470, 000
Department of public safety (State police)	225, 000
Other purposes	2, 895, 440
	3, 821, 440

There is also appropriated out of the State's general school fund for the maintenance of the State school department and aid to local school districts $750,000. The above totals do not include appropriations for roads and interest and sinking funds.

Wisconsin: Budget approximately $16,000,000.

2. What do you estimate your population and what is your per capita?

Alabama: Estimated population, 3,000,000; revenue per capita, $3.50.

Arizona: Estimated population, 300,000; revenue per capita, $17.10.

California: Population, about 3,125,000; revenue per capita, $7.57.

Colorado: Population, 1,000,000; revenue per capita, about $2.33.

Connecticut: Population, about 1,400,000; revenue per capita, $7.43.

Florida: Not answered.

Indiana: Estimated population, 1920, 3,000,000; per capita revenue, $4.17, and State poll tax, $1.

Kansas: The last domestic census, taken in 1919, gave a population of 1,759,793. Per capita revenue, $3.43. The total taxes for all purposes in the State levied that year was $55,613,475 and the per capita tax for all purposes—that is, for State, county, city, township, school district, and all other—was $31.60.

Maine: Population, approximately, 785,000. The direct-tax commitment for 1920 is $4,188,344.76. This would give a per capita tax of $5.33 plus. To this should be added the poll tax on male citizens, which is $2 in most cases, but in some towns is $3.

Minnesota: The estimated population is 2,250,000. The railroad gross earnings taxes approximate $7,500,000 and inheritance, insurance, and other miscellaneous taxes about $2,800,000, leaving about $5,000,000 to be raised for the revenue fund by direct taxation. The total direct taxes raised for State purposes are $14,400,743. Compilations by the State auditor show the total taxes levied in the State for county purposes this year to be $20,456,171; for city purposes, $27,452,630; for township purposes, $8,255,351; for school districts, $26,373,508, making the total tax levies in the State $96,938,405.

Missouri: Estimated population, 3,500,000; per capita revenue, $2.65.

Montana: Estimated population, 750,000; per capita revenue, $3.92.

New Hampshire: Estimated population, 440,000; per capita revenue, $4.31.

Ohio: Population, 5,000,000; per capita revenue, $4.80.

Oregon: Not answered.

Pennsylvania: Population about 9,000,000; revenue per capita, $5.88.

Rhode Island: Estimated population, 654,510; revenue per capita, $8.12.

South Carolina: Population about 2,000,000; revenue per capita, $2.80.

South Dakota: Estimated population, 640,000; revenue per capita, $3.90.

Texas: Population, 4,687,136; revenue per capita, $3.44.

Utah: Estimated population, about 500,000; revenue per capita, $9.

Vermont: Estimated population, 350,000. Per capita revenue, $7.

Washington: Estimated population, 1,600,000. Per capita revenue, $3.30.

West Virginia: Estimated population, 1,475,000. On the basis of the appropriations, as shown by answer 1, the per capita is $2.59, exclusive of the appropriation out of the general school fund. The appropriation from the general school fund is equivalent to 50 cents, making a grand total of $3.09.

Wisconsin: Estimated population, 2,800,000. Per capita revenue, $5.07.

3. What is the assessed value of real and personal property in your State to actual full money value?

Alabama: The statute places taxable value at 60 per cent of reasonable cash value of property assessed for taxation. The assessed value of taxable property in the State for the fiscal year beginning October 1, 1918, and ending September 30, 1919, was $725,000,000, approximately. This amount is supposed to represent 60 per cent of the reasonable cash value of the property included in the assessment. Considering both personalty and realty the assessed value does not in all probability represent more than 35 per cent of actual value of property assessed. The exemptions in this State are considerable. The greatest is the 40 per cent exemption of property liable for assessment. Other exemptions are all solvent credits, improvements of the water-power companies, ship-

building plants, nitrate plants, manufactured articles manufactured within the year, agricultural products grown during the current or preceding year, besides minor exemptions to individual taxpayers, which in the aggregate are considerable.

Arizona: $855,224,720.

California: The assessed value of real and personal property in our State is placed by the State board of equalization at $4,023,009,588, and the ratio of assessment to real value is about 45 per cent.

Colorado: $1,495,000,000.

Connecticut: Supposed to be market value.

Florida: Not answered.

Indiana: Assessed valuation of real and personal property, $5,780,480,039. Property is assessed at 100 cents on each dollar.

Kansas: Personal property that gets upon the assessment roll is assessed at practically actual value. City real estate and improvements are also assessed well up toward actual value—perhaps in the aggregate 10 per cent below. Rural real estate is not assessed so high—probably 70 to 85 per cent of actual value.

Maine: The next valuation of property in Maine will be returned the latter part of 1920. The last valuation was in 1918, and the taxes for 1919 and 1920 were committed on the valuation of 1918. This is, estimating property at a fair market value, as follows:

Real estate in cities, towns, and plantations	$389,987,250
Personal estate in cities, towns, and plantations	125,531,712
Real estate in unorganized plantations	59,953,719
Growth on public lots (grass and timber)	1,969,848
	577,442,529

Minnesota: The taxable valuation in the State is $1,774,607,364. The law requires that all property be "listed" at true and full value and "assessed" at different valuations—from 25 to 50 per cent of true value.

Missouri: Thirty-three and one-third to forty per cent.

Montana: No figures can be given at this time for the assessed valuation of the property of the State as of date March 1, 1920; nor, because of certain adjustments, is it feasible to attempt to quote exact figures for the 1919 assessment. The State board of equalization submits the following estimates of the 1919 figures, from which 1920 will probably not vary widely: Gross valuation for 1919, $1,693,000,000; adjusted values for taxation, $530,000,000. The gross valuation given above is believed to represent approximately 68 per cent of the true market value. On this basis, the worth of the entire State is, in round numbers, $2,489,700,000.

New Hampshire: One hundred per cent.

Ohio: Two-thirds of real value.

Oregon: Assessments are supposed to be on basis of true cash valuation. Ratios in various counties as estimated by State tax commission run from 50 to 90 per cent.

Pennsylvania: About $14,000,000,000. There is no State tax on real or personal property.

Rhode Island: Averages 75 to 80 per cent.

South Carolina: Assessed value, $402,859,947; actual value (estimated), $1,208,579,841.

South Dakota: The laws require that all property be assessed at full value. Estimated present ratio of assessed value to full value, approximately 80 per cent.

Texas: Assessed valuation of State in 1919, $3,100,000,000. Actual money value (estimated), $12,000,000,000.

Utah: The statutes provide that property shall be assessed at full cash value; the assessed valuation for 1919 was $692,000,000, which is estimated by the board of equalization to represent about 75 per cent of the actual cash value.

Vermont: The assessed valuation of real estate, $185,700,799.60. Personal property, $69,631,661.09.

Washington: The assessed value of real and personal property is $1,060,620,838. Full value of all property, $2,535,504,949.

West Virginia: The 1919 assessed value of property is:

Real estate	$767,653,310
Personal property	372,631,062
Public-utility property	349,550,461
	1,489,834,833

Property is presumed to be assessed at its true and actual value. However, the total assessed value probably is not over 60 per cent of the true and actual value.

Wisconsin: $4,068,268,534.

4. What is the rate for State purposes?

Alabama: The rate for State purposes is 6½ mills on the dollar, divided as follows, according to the constitution: Three mills for public schools, 3½ mills for the general fund. Of the latter, 1 mill, by statute, has been set aside for Confederate pensions.

Arizona: Sixty cents on each $100 of taxable property.

California: We have no ad valorem taxes in California. Some years ago the whole tax system was changed to a percentage tax on gross earnings and receipts of public utilities and other corporations which is expressed in various rates, as follows:

	Per cent.
Railroad gross earnings	5.25
Car companies	3.95
Express companies	.009
Telephone and telegraph companies	4.2
Gas and electric companies	5.6

Colorado: 2.37 mills, which includes educational institutions and some of others.

Connecticut: State tax aggregated $1,350,000 for 9 months of 1919 (the fiscal year was changed to end June 30, instead of September 30), which is apportioned among the towns.

Florida: The State tax rate for 1919 was 12 mills, divided as follows:

	Mills.
General revenue	5
State school tax	1
Pension tax	3½
State board health tax	½
State road tax	2
State prison farm	½

Indiana: Total State rate for the year 1920, 18 cents on each $100.

Kansas: The rate of levy for State tax purposes in 1919 was 1.75 mills. The average rate of levy in the State for all purposes in 1919 was 16.1155 mills.

Maine: For 1920, 7¼ mills, of which one-quarter mill is especially assessed to provide funds for aiding dependents of men in the Federal service during the World War.

Minnesota: "Money and credits" are listed at full value and taxed at a flat rate of 3 mills. The taxes received are divided, one-sixth to the State revenue fund; one-sixth to the county; one-third to the city, village, or township; and one-third to the school district. The assessed value of money and credits for the current year is $359,112,619.

Missouri: Fifteen cents, general revenue; 3 cents, capitol bonds; total, 18 cents.

Montana: The tax rate for the State purposes is 2½ mills; total yield of the 1919 assessment to the general fund of the State should be $1,325,000.

New Hampshire: No rate established. A definite sum fixed by the legislature, which is apportioned among the towns in the proportion that the valuation of each town bears to the total valuation of all towns.

Ohio:

Highway levy	$0.5
Sinking fund levy	.0025
University levy	.0925
School levy	.055
Total	.65

Oregon: Four and forty-three one-hundredths mills. Millage no longer used as basis in Oregon.

Pennsylvania: No State tax on realty or personalty for State purposes. The revenues come from taxes on the capital stock of certain corporations, on earnings of these, from various fees and licenses, and from inheritances. Revenues have increased about $20,000,000 in the past two years by making the tax laws more uniform and by enforcing them more thoroughly without adding any new sources of taxation.

Rhode Island: Twelve cents on each $100 of local assessed valuation of real and personal property.

South Carolina: Twelve mills.

South Dakota: For ordinary State purposes, 1.7 mills for the year 1919.

Texas: The total tax rate for 1919 is 75 cents on the $100 assessed valuation, as follows: State school fund, 35 cents; State general expenses, 35 cents; Confederate pensions, 5 cents.

Utah: Five mills, divided—2.4 general fund, of which 28 per cent goes to the University of Utah and Utah Agricultural College; 2.4 school purposes; .2 high schools.

Vermont: Tax rate for State purposes, 1916, 5 cents on the dollar of the grand list; 1917, 20 cents; 1918, 20 cents; 1919, 40 cents; 1920, 40 cents. This does not include highway tax of 5 cents on the dollar of the grand list, nor school tax of 10 cents on the dollar of the grand list.

Washington: Tax rate for general State purposes, 4.58. This included tax levy for institutions of higher learning, 1.58.

West Virginia: The present rate for general State purposes is 4 cents on each $100 of assessed value. Ten cents for Virginia debt fund.

Wisconsin: Only tax for general State purposes is a nominal tax of $100.

1919 taxes, collected in 1920.

Purpose.	Rate.	Amount.
Interest on certificates of indebtedness	$0.000048996622	$199,331.42
Free high schools	.000043015845	175,000.00
Graded schools	.000049160960	200,000.00
State university	.000375	1,525,600.70
Normal schools	.00016666666	678,044.76
Common schools	.000650839036	2,647,787.97
General purposes	.00000002458	100.00
Highways	.00041786819	1,700,000.00
Soldier bonus	.003902364045	15,875,864.85

5. What sources of revenue have you found to replace the revenue formerly received from the liquor traffic?

Alabama: The State revenue from the liquor traffic has never been a great deal; that is to say, the revenue derived from this source for use of the general fund of the State has not been an important item for a number of years. However, the amount lost through this source has been recovered largely through licensing of other businesses.

Arizona: The State never received any revenue from the liquor traffic. Licenses and fines went to schools in the district where located, and the various school funds have been taken care of by special district levy.

California: This State has never received revenue as a State from the liquor traffic and has made no effort to compensate for the change due to the eighteenth amendment.

Colorado: Not any; but our mill levy has increased but very little since prohibition went into effect.

Connecticut: The amount received in 1919 from liquor licenses was $324,235.28. This, of course, will be nothing for 1920. There is as yet no specific tax to meet the deficiency. The 1921 general assembly may make some provision.

Florida: Not advised of any special source of revenue that has been found to replace the revenue formerly received from the liquor traffic. This loss of revenue, as well as that received from the hire of convicts, which has also been stopped, is covered by the tax rate above mentioned.

Indiana: None. However, we make great savings in courts and in penal institutions.

Kansas: In Kansas the liquor traffic has not been a source of revenue for more than a quarter of a century. No particular source of revenue was provided to replace the loss of revenue from the liquor traffic. The burden of public expense, shared partially by the earlier receipts from the liquor traffic, was, of course, shifted to general property. Kansas has the general property tax.

Maine: Maine has had prohibition for over 50 years. The only revenue the liquor traffic has provided in that time has been through fines imposed by the courts.

Minnesota: The State never received revenue from the liquor traffic, except a 2 per cent tax on license fees paid to municipalities used for a State home for inebriates.

Missouri: Tax on income, inheritance tax, corporation and franchise tax. Missouri formerly received 20 per cent of her revenue from revenue of liquor traffic.

Montana: Not answered.

New Hampshire: The State never had any income from liquor traffic licenses. Money was divided to counties and towns.

Ohio: Direct inheritance tax is the principal revenue.

Oregon: The State never received revenue from liquor traffic. Licenses were always imposed by cities, towns, or counties.

Pennsylvania: Haven't needed any. State received only a small share of liquor-license revenue. Cities and countries will miss it, but we are profiting through the amazing reduction in the number of criminals and derelicts due to prohibition.

Rhode Island: None.

South Carolina: Not any new source. It has been replaced by increased taxes on taxable property.

South Dakota: Have no revenue for State purposes from liquor traffic. Before prohibition went into effect in this State a license was paid by persons operating saloons, which was a source of revenue to the local taxing district and the county general fund.

Texas: We have a gross receipts tax of 1½ per cent on all oil production, which will produce between $2,000,000 and $3,000,000 this year.

Utah: The State has never derived any revenue from the liquor traffic other than usual general property tax which amounted to but little.

Vermont: No source of revenue has been found to replace revenue formerly received from the liquor traffic.

Washington: Have found no special source of revenue to replace liquor traffic.

West Virginia: West Virginia has had prohibition since July 1, 1914. The annual revenue received from liquor license was, approximately, $600,000. The 1915 legislature provided for new revenue by increasing the charter tax rates on corporations and by providing for a tax of one-half of 1 per cent on the net income of corporations. These two acts more than offset the loss from liquor revenue.

Wisconsin: State has not received any funds from this source.

6. What means are you taking to cope with the low purchasing power of the dollar to meet salaries, supplies, etc.?

Alabama: The legislature of 1919 enacted laws providing for taxation of incomes, and from that source will largely come the needed revenue. However, a tax on the right to mine minerals was also placed on the books. From this latter source considerable revenue should be forthcoming. The business license schedules were somewhat increased, and the taxing machinery was adjusted in so far as possible to meet the new conditions.

Arizona: The legislature considered existing economic conditions in making last appropriations but did not anticipate any further increases; consequently some hardship is found in running institutions without creating deficiencies.

California: The increase in the gross receipts of the various utilities and corporations from which the State gets its income has naturally increased the return made to the State, and this is sufficient for present needs and has kept California in good shape financially. The board of control has strenuously fought every inclination to be infected by the general orgies of wastefulness, and by improvement in management of institutions and cutting out every unnecessary expense, with close cooperation of our buying department and increased production in all our institutions, has been able to prevent any serious effect from the present financial condition.

Colorado: That is the matter now being brought forcibly to the front.

Connecticut: So far only the receipt from various sources, as will appear from receipts by the State treasurer.

Florida: The legislature of 1920 made a slight increase in the salaries of the different employees, but the salaries of the officials were not changed.

Indiana: By a more rigid practice of economy and speeding up production in State institutions.

Kansas: No special efforts have been made by the legislature to offset the decreasing purchase power of the dollar, except that the legislature of 1919 raised public salaries to a considerable extent.

Maine: Additional appropriations by the legislature have, of course, been necessary because of the shrinking value of the dollar. In addition to these, personal attention to the affairs of all departments, with the closest cooperation by department heads, has resulted in a great elimination of waste formerly prevalent. The saving in this way has helped to meet added expenditures.

Salaries of all grades have been increased, but a careful attention to the actual needs of a department has resulted in better work without the necessity of adding additional clerks at a greatly increased outlay.

Minnesota: The legislature of 1919 made increased appropriations for educational, charitable, and correctional institutions and for a large number of State departments. In spite of this, it has been necessary for institutions to exercise most rigid economy and in some cases to get along with reduced fare and inadequate help.

Missouri: Revenues have not increased as they should. We are having considerable difficulty. The three new revenue measures above mentioned are yielding most of our revenue at the present time and are proving quite satisfactory. It is possible that the next legislature may readjust salaries in this State.

Montana: Not answered.

New Hampshire: Increase of State tax, and at constitutional convention held in January the convention voted to submit to the people the recommendation that the constitution be amended to enable the legislature to enact an income-tax law for increasing revenue.

Ohio: All salaries of employees receiving under $2,400 per year raised. All incumbents of positions requiring technical training receiving over $2,400 per year raised. Minimum building activity.

Oregon: Increasing salaries moderately and practicing economy.

Pennsylvania: Collecting our taxes more thoroughly and effecting economies in administration.

Rhode Island: None.

South Carolina: With few exceptions salaries have not been raised, and increased cost of supplies, materials, and equipment has been met by increasing the rate. (The work of our tax commission in equalizing has increased the assessed valuation, but the object of this was for equalization only.)

South Dakota: Not answered.

Texas: By increased appropriation in some instances, but struggling along and hoping for better conditions generally.

Utah: We have granted moderate increases in salaries where funds were available, but the advances have been very limited, and I believe our salaries are below the average paid by corporations, etc.

Vermont: The State board of control has exerted itself to use funds wisely and at the same time to maintain State institutions without reducing the high standard of care for inmates. It can be said that the increased cost for operating various State institutions has not exceeded 30 per cent.

Washington: Special session of the legislature is convening March 22 to take care of extraordinary deficit in higher educational institutions.

West Virginia: The legislature, which met in the early part of 1919, attempted to provide for the condition caused by the low purchasing power of the dollar by making more liberal appropriations. It also passed the new revenue act providing for a special privilege tax for the transportation of oil and gas by the means of pipe lines.

Wisconsin: We are endeavoring to be as economical as possible in the use of both service and supplies. While the expenses of the State have increased, there have been corresponding increases in State revenues.

Building operations are curtailed as much as possible.

7. Do you find complaint because, besides Federal, you have a State income tax?

Alabama: We find no complaint from an organized source which assigns the fact of existence of the Federal income tax as a reason for objection to the State income tax. Complaint is, of course, made by individuals against the State income tax, but the same attitude will be found among all taxpayers, whether of the ad valorem class, license class, or otherwise. There is being made at this time an effort on the part of some taxpayers to have the State income-tax law declared unconstitutional.

Arizona: Arizona has no State income tax.

California: We have no State income tax.

Colorado: We have no State income tax, only inheritance taxes.

Connecticut: We have no individual income tax. We have a tax on corporations.

Florida: There is no income tax provided for or levied under the laws of this State.

Indiana: We do not have a State income tax.

Kansas: Kansas has no State income tax.

Maine: Maine has not yet adopted an income tax.

Minnesota: Minnesota has no State income tax.

Missouri: There is some complaint in this State.

Oregon: This State has no State income tax.

Ohio: No State income tax.

Montana: Not answered.

New Hampshire: At present we have no income tax.

Pennsylvania: We have no State income tax or other direct tax, except upon inheritances.

Rhode Island: We have no State income tax.

South Carolina: We do not have a State income tax.

South Dakota: We do not have a State income tax. We have general property tax system, ad valorem basis.

Texas: We have no State income tax.

Utah: We have no State income tax; only inheritance tax.

Vermont: The State has no income tax, and therefore no complaint along this line.

Washington: We have no State income tax.

West Virginia: This State has no income tax, but has a special-privilege tax, which is based on the net income of corporations. The present rate is three-fourths of 1 per cent on the amount of net income.

Wisconsin: Some complaint, although people are gradually becoming accustomed to the same.

8. What are the principal and most satisfactory sources of revenue in your State?

Alabama: The sources of revenue are given in order of importance—1, ad valorem; 2, licenses; 3, convict department; 4, insurance department; 5, franchise taxes; 6, revenue from minor sources.

Arizona: All but a small part of the revenue of Arizona is raised by the State levy. Receipts from other than taxation are about $360,000 annually.

California: Our present revenue system has proven satisfactory, though until we learned of the increased income of our public-service corporations we feared we would lack sufficient means for the immediate future; but as we have explained under No. 6, we have not only gotten through, but find ourselves fairly on easy street if we persist in holding down expenses.

Colorado: Flat tax on corporations, insurance department, and inheritance taxes.

Connecticut: Chief sources of revenue are inheritance, corporation and railroad, and direct State tax. Each of these four sources yields from one and a half to two million dollars.

Florida: Not answered.

Indiana: General taxation and fees.

Kansas: The principal source of revenue is, of course, the general property tax. Aside from that all other sources of revenue which can be derived are, of course, satisfactory in that they tend to decrease the burden on general property. However, comparatively a small part of the total public expense is met by receipts from miscellaneous sources.

Maine: Corporation tax, which amounts to $2,589,743.80.

Minnesota: Two principal sources are railroad gross-earnings tax and direct-property tax.

Pursuant to the provision of law, I, State auditor, hereby certify that the rate of taxation required to raise the amount necessary for defraying the various State expenses for the ensuing year is .00682 mills, as provided by the following laws, to wit:

Purpose:	Rate.
State revenue fund	$0.0035
Soldiers' relief fund	.0001
Soldiers' bonus fund	.00175
State road and bridge fund	.001
Historical society building fund	.00001
Itasca State park fund	.00001
National Guard armories fund	.00003
State board of relief fund	.00005
University buildings fund	.00032
Forest fires relief fund	.00005
Total	.00682
Teachers' insurance and retirement fund levy	.00005
State school and university tax levy	.00123

Missouri: The most satisfactory source of revenue is tax on tangible property. As mentioned above, has never been quite satisfactory.

Montana: Not answered.

New Hampshire: State tax, legacy tax, tax on public-service corporations, insurance companies' tax, automobile licenses.

Ohio: Franchise and excise tax on corporations.

Oregon: Direct taxes, inheritance taxes, corporation license fees, and fees exacted from insurance companies. The heaviest source of revenue aside from direct taxes is the automobile license tax, all receipts from which, however, go into the highway fund.

Pennsylvania: Taxes on corporations, taxes on incomes, fees for various activities.

Rhode Island: Tax on savings deposits, corporate excess tax on corporations, direct State tax.

South Carolina: The principal source of revenue is tax on tangible property. Less than one-sixth of our annual revenue is derived from other sources.

South Dakota: General property tax on the following classes of property: Real estate, personal property, money and credits, telephone companies, railroad companies, express companies, sleeping-car companies, telegraph companies, private car line companies. Mortgage registry tax, inheritance taxes, interest and income from school funds.

Texas: Ad valorem and gross receipts taxes.

Utah: Principal sources of revenue for 1919 were:

Property tax	$3,871,908
Inheritance tax	329,000
State fees	340,000
Interest on State funds	40,000

Vermont: The principal source of revenue in the State is revenue received from corporations, including railroad, express, and insurance companies.

Washington: Not answered.

West Virginia: The estimated sources of revenue for the State's fiscal year ending June 30, 1920, are:

4-cent State levy	$560,000
State license tax on charters of corporations	790,000
Collateral inheritance taxes	225,000
Tax on insurance and certificates	240,000
Tax on net income of corporations	600,000
Privilege tax for the transportation of gas and oil	1,250,000
Fees	101,500
Other sources	24,500
	3,791,000

Wisconsin: Railroad taxes, insurance company taxes, inheritance taxes, licenses, and examining fees.

9. General remarks.

Alabama: Not answered.

Arizona: Not answered.

California: We have covered the points quite fully and can add nothing for general remarks further than to confess to an experience during the two years ending June 30, 1919, a biennium period that covered our war experience. The budget for this period was prepared in the fall of 1916, and from the standpoint of the market of that day was considered adequate. In the spring of 1917 the legislature, in passing this budget, recognized that prices were rising, and placed under the control of the budget board a fund of $1,000,000 for emergency need. Our record of the period is that while buying costs increased in the average about 85 per cent and on two separate occasions we made nearly horizontal increases of 10 per cent each time in wages of hospital employees, we pulled through the biennium with additions from our emergency fund of less than 14 per cent of the moneys normally available for the maintenance of the State institutions.

Colorado: We are this year attempting to inaugurate the budget system, but it will be necessary to reorganize and consolidate boards, as Illinois has done, and perhaps hold a constitutional convention before this can be effectively done.

Connecticut: The appropriations, as per copy in special laws, are what may be termed our budget. It is much larger than formerly to cover increased cost of living in our State institutions and to cover increased salaries, etc.

Florida: Not answered.

Indiana: Our State revenues have increased for the following reasons: General increase in amount of fees collected, caused by the increase in the volume of business; speeding up industries in State institutions; procuring new contracts for products manufactured by State institutions, obtaining advantage of present-day prices; greater efforts in collection of taxes.

Kansas: The clause of the constitution which requires a uniform rate of assessment and taxation on the ad valorem plan and the laws made in accordance therewith have resulted in a tax system which is far from equitable, but can not be changed until the constitution is amended so as to give the legislature freedom to classify property for taxation and to establish differential rates among the classes of property according to their different economic characteristics and values. When such a change is made in the constitution a better and far more equitable tax system can be provided. An amendment to the constitution is pending, and will be passed upon by the electorate at the coming fall election.

Maine: Money received from automobile registrations and licenses is specifically set aside for highway purposes and is not available for general use. It is also interesting to note that because of the careful preparation of the budget, although it was an informal one in both 1917 and 1919, there has been no need to take advantage of the constitutional provision for a temporary loan. No money has been borrowed in over three years, except when bonds have been issued for war and road purposes. All general administration expenses, as well as expenses arising out of war emergency but not directly connected with the war, have been met from the ordinary revenue. This has been possible because of the State contingent fund, which is derived from unexpended appropriation of a previous year.

Minnesota: Not answered.

Missouri: Not answered.

Montana: Not answered.

New Hampshire: Not answered.

Ohio: Not answered.

South Carolina: A legislative committee is now working on our tax system, and it is hoped that next year revised revenue laws will be put into effect. Something must be done to meet the increased demands for larger appropriations for governmental activities, especially the educational and correctional institutions.

West Virginia: West Virginia publishes annually an audit of the State's finances. This audit shows the exact standing of the State's finances and estimates the condition for the two ensuing years. The audit shows in detail all expenditures made by the State. Every two years the governor transmits to the legislature a budget showing the requirements for the next two years, together with a comparison of the former years; also showing the condition of the State's finances and revenues.

No State should be without a system that will show the true and actual standing of the State's finances at all times. In order to do this it is not necessary to have a complicated system, but one that can be easily understood by anyone desiring to inform himself.

One thing that is very misleading in State finances is the cash condition of the treasury. Often large amounts of revenue are collected in advance or at the beginning of the fiscal year. This revenue is to be used for a 12-month period, hence the State may have a very healthy cash balance and yet at the same time have an actual deficit. A proper accounting system will do much toward avoiding complications in State finances.

REPORT FROM MASSACHUSETTS RECEIVED AFTER COMPILING REPORTS FROM OTHER STATES.

1. How much do you estimate the budget of your State for the year of 1920 to be, not including such items as road funds, interest, and sinking fund to pay bonds, but simply to cover operating expenses, such as the State's contribution to education, courts' administration, penal and eleemosynary institutions, etc.? In Missouri this is called a general-revenue fund.

Answer. The preliminary budget provides for $32,883,801.03, covering all departments of the government. This sum does not include sinking funds, serial bonds or notes, interest, etc., nor additional expenses for special objects or estimates for expenses which may be incurred by the present legislature.

2. What do you estimate your population, and what is your per capita tax?

Answer. The population of Massachusetts is 3,700,000, approximately. Using the taxes assessed by local assessors as the basis, the per capita tax would be $30.90.

3. What is the assessed value of real and personal property in your State to actual full money value?

Answer. The assessed value of real and personal property is required by law to be the full and fair cash value—that is, the market value—and it is believed that the various boards of assessors value property very nearly at actual money value.

4. What is the rate for State purposes?

Answer. There is no general rate for State purposes. The State tax is assessed upon the basis of polls and estates, and the proportion which each city and town pays differs according to the valuation of property therein.

5. What sources of revenue have you found to replace the revenue formerly received from the liquor traffic?

Answer. None.

6. What means are you taking to cope with the low purchasing power of the dollar to meet salaries, supplies, etc.?

Answer. Special taxes upon present sources of revenue.

7. Do you find complaint because, besides Federal, you have a State income tax?

Answer. Yes.

8. What are the principal and most satisfactory sources of revenue in your State?

Answer. Receipts from different departments, corporation taxes, inheritance taxes, State tax, etc.

Mr. Chairman, I have here valuable information from every section of the country, and all to the same effect. There is a persistent increase in the cost of government throughout the Nation. Both city and State are aware of it, and many are already battling with the problem. I am convinced that it is one of the problems demanding immediate attention which is not confined to this body. Cost of government is expressed in the taxes to be paid. If the cost continues to rise, the tax must continue to grow. In that case there is little hope of a revision of our present tax system, which is a war-tax system, and should not continue in times of peace.

Now, Mr. Chairman, the reason I asked for time was to submit these facts which had been collected to ascertain whether this high cost of government is permanent or not and what chance we have for reduction of taxes. We are bewildered when we bring in a bill like the legislative, executive, and judicial bill, in which we think there is a tremendous cut because so far below what the executive departments estimated as their needs. We are told after all the cut it makes that the appropriation is still four times what it was in 1914. When we bring in a bill like the Army bill, which the Secretary of War estimated for 576,000 soldiers and which we cut to less than 300,000 soldiers, when we base the appropriation on this tremendously reduced Army, we are bewildered to find that we are making an appropriation for this Army of three or four times what it was in 1916. If an explanation is demanded we are told that it costs now three times what it did then. That we may realize what sensitiveness there existed on great expenditures of government—as expressed, for example, in this resolution that I desire to read, because it is a matter of history and is very interesting—I read from a plant in the Democratic platform of 1912:

> We denounce the profligate waste of the money wrung from the people by oppressive taxation through the lavish appropriations of recent Republican Congresses, which have kept taxes high and reduced the purchasing power of the people's toil. We demand a return to that simplicity and economy which befit a democratic government, and a reduction in the number of useless offices, the salaries of which drain the substance of the people.

That is in 1912, gentlemen, and I have looked up the appropriations for the year before that, the subject of this denunciation. The appropriations amounted to $682,000,000 and a frac-

tion, not quite $683,000,000. That was only eight years ago. We looked upon an expenditure of $682,000,000 as abnormally high, and it was so high that it served as a plank in one of the great political party's platform. And yet next year, two years after the close of this war, the estimates that have come to us, not counting the deficiency for the railroads or anything for the soldiers' bonus, will be over five times what they were prior to the war. And when I say prior to the war I mean the cost up to 1916, when the high-water mark was a little over a billion dollars.

Mr. McKEOWN. Will the gentleman yield?

Mr. FESS. Yes.

Mr. McKEOWN. Does not the gentleman think that Congress ought to do its part toward reducing these expenses?

Mr. FESS. Absolutely. That is what we have been attempting all through this Congress.

Mr. McKEOWN. Will the proposed budget system help to reduce it?

Mr. FESS. It will, and I am glad it is so far on the way to adoption.

Mr. McKEOWN. Will it take away any of the powers of Congress to cut these different things?

Mr. FESS. No. Now, I did not read this plank in the Democratic platform in order to inject any politics into my remarks; I read it to indicate that in 1912 we thought that $682,000,000 was abnormally high; and yet we have brought in estimates for our appropriations next year, without counting at least the railroad deficiency, which will have to be made up whatever we do about the other vast items urged in some quarters—without counting that we have a charge upon the Treasury that will be seven and a half times what it was in 1912 when this plank was adopted. What I am trying to get at is, Are we entering upon a basis of expenditure that makes this figure permanent? If we are there is absolutely no hope of a reduction of taxation in the sum total. We may be able to revise our tax laws, but not upon a basis of reduction, unless we find some way of cutting this cost of government.

Mr. McKEOWN. Will the gentleman yield again?

Mr. FESS. I will.

Mr. McKEOWN. Does the gentleman not think that these activities on the part of the Federal Government, a great many activities inaugurated during the war, and in which we are now engaged, and which we did not have eight years ago, are in a large part responsible for the increased expenses?

Mr. FESS. Yes; and we ought to get rid of them at once. It has been our contention ever since the war closed that all war agencies must be discontinued as soon as it is possible to do it, and get rid of them as soon as it is physically possible to do it. But here is the difficulty: Numerous agencies were inaugurated for war purposes which would not have been thought of had it not been in war time, and then heaven and earth are moved to maintain them—to continue them through peace times. We are importuned from all hands to make appropriations, estimated by the millions, recommended by the departments. We simply must face this demand unless we are willing to say that these high costs of government are going to be permanent.

I have spoken of the cost of government to get an expression of its burden in taxation. It is only one phase of the high cost of living, so widely distressing to the country. Now let me speak briefly of the cost of production. The cost of living is still going up. In spite of all the talk that we do here in Congress and what the departments charged with the responsibility are doing, the cost of living still goes up. I have had occasion before to call attention to the serious blunder of the administration's assumption that this high-cost level is a matter of legislation. This assumption ignores all laws of economics, and it also feeds the antigovernment sentiment of our people. The dissatisfied are led to believe that their suffering is due to the character of government under which they live. The blunders of the Justice Department are greatly aggravated by persistent promises of intention to lower cost and numerous statements of success already achieved, when everybody knows that Government interference with business increases rather than decreases this cost.

My friends, we are indulging in too much useless talk about our ability to reduce the cost of living by legislation. The one greatest element in the cost of living, as everyone must recognize, is in decreased production and, secondly, in the cheapening of the measuring unit of value. What very much distresses me is the decreased production both on the part of the farm and in industry. The decreased production on the farm is inevitable and is due, first, to a lessening in the number of workers on the farm, which, in turn, is due to at least two things: First, the war took our boys from the farm, and when they went into the service, like those who were taken from the professions, such as school work, they got a different taste of life, and those boys are not returning to the farms from the service as they went from the farms to the service. An examination of the facts makes this statement undisputed. It is easily understood and there is a very good reason for it. In that respect you are losing a number of farmers from that source. Farm life, although it is increasingly attractive in some ways and is becoming more so every day, is not as attractive to-day as is city life, and every boy on the farm who reads a paper which comes to the farm reads not of the activities of the farm but of the activities of the city, and his daily food, mentally speaking, is merely an incentive to stimulate his desire to get away from the farm into the city, and he goes there. It is a condition that is most difficult to handle. It can not be controlled by mere talk in legislative halls.

Mr. SMITH of Idaho. Mr. Chairman, will the gentleman yield?

Mr. FESS. Yes.

Mr. SMITH of Idaho. The gentleman has stated a deplorable situation confronting the country. Can he state a remedy to correct this condition?

Mr. FESS. Yes; the remedy is twofold. If possible, you must make the farm more attractive to invite the youth of the land. It must be attractive, first, by better roads, and by more conveniences; and, secondly, attractive in that what the farmer does he will get remuneration for, which of itself makes it not only attractive but profitable. It may be necessary for us also to increase the acreage of tillable land. If anyone can show me that such would be the result I am willing to join with him at any time and take steps toward increasing the acreage of the country, if it is for the purpose of increasing production, but I do not want any promoter plan that is purely on paper, which looks to removing stumps and clearing swamps. I am willing to do that, however, if it can be shown that it can be done profitably, so that the country would gain rather than lose in the transaction. I would do that as a conservation measure, if it be made feasible. That is one way to increase production. Secondly—and I want the membership of the House to notice this—if we do not turn the current back from the city to the farm and produce the world's demand for food, there is danger ahead of us. No one can overstate the importance of the production of food to feed the world. I do not talk about the world starving, but there is danger if, instead of steps being taken to produce more, steps are taken to produce less in order to control production. There are 12,000,000 acres less in wheat this year than last, according to my information.

Mr. CLARK of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FESS. Yes.

Mr. CLARK of Missouri. Does not the gentleman know that every time they cut down the acreage of wheat 1 acre they increase the acreage of corn 1 acre?

Mr. FESS. I do not know that that is true. I do not think it is the case, but rather the inability to secure labor for the farm.

Mr. CLARK of Missouri. Does the gentleman know of any good land anywhere that is not being used?

Mr. FESS. I know that there is a good deal of land not being used; whether it is good or not, or whether it can be made good, is a matter of opinion. Every acre of land ought to be used.

Mr. CLARK of Missouri. But where are you going to get the labor to do that?

Mr. FESS. Let me say to the gentleman that there is not a maximum of farm production, and the reason for it is that you can not get the labor to do what is necessary.

Mr. CLARK of Missouri. Has the gentleman ever found anybody who knew any way to keep a fellow from going to town?

Mr. FESS. No; and that is our problem. It may be that nothing but disaster will solve the problem.

Mr. SMITH of Idaho. The gentleman speaks of a reduction of 12,000,000 of acres in wheat under what was in wheat last year. Is not that due to the high wages paid farm labor, compelling the farmers to curtail their activities?

Mr. FESS. That is certainly one phase of it. That is what I had in mind when I answered my friend from Missouri. The cost of labor prohibits its employment on the farm at the price paid the farmer for his products. We are interrupting the process of production; we are taking out of the channels of production men who ought to be there and putting them into the class of middlemen, who are not producers, but simply distributors. How you can help that I do not know, except to make the producer as profitable as the distributor, and that

means increase of cost of living, but if we do not help it there is going to be trouble.

Mr. GOODYKOONTZ. Mr. Chairman, will the gentleman yield?

Mr. FESS. Yes.

Mr. GOODYKOONTZ. Instead of the gentleman's proposition being true that we are putting men into the middlemen's class, are we not putting too many men in office?

Mr. FESS. That is true also. I have such information from city and State. Our duty here is to reduce the nonproductive officeholder.

Mr. GOODYKOONTZ. The Government has become so highly organized, and we have so many bureaus and departments and commissions and committees, that there are literally thousands of them here who ought to be back on the farm.

Mr. FESS. I agree with the gentleman. There is a wide movement in States like Massachusetts and Kansas to concentrate, thereby reducing this source of expense.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. FESS. Yes.

Mr. COOPER. Has the gentleman any fear with respect to the wheat production this year? Does the gentleman think that it will meet the normal requirement for the country?

Mr. FESS. My figures here estimate a production of 248,000,000 bushels less of winter wheat than last year.

Mr. COOPER. We had a hearing before the Interstate and Foreign Commerce Committee this morning, and the representatives of the Kansas people were there and stated that to-day in the elevators of Kansas there is $175,000,000 worth of grain ready to be put on the market.

Mr. FESS. That would mean less than 100,000,000 bushels of wheat for our 100,000,000 people until harvest time, to say nothing about Europe's needs. I also note that the press states that the Kansas prospect for this year is as fine as it has ever been; but if my friend will go through the State of Ohio, which is in a sense a wheat State, and take notice, he would see that our prospects are very poor.

Mr. MANSFIELD. Is it not a fact that in regard to the question of farm labor the farmer can not afford to pay the high wages that he must necessarily pay in order to get the labor?

Mr. FESS. That is true. He loses his labor and his farm is not worked to its capacity. The city is more attractive and more profitable, and the farmer can not pay the price he has to pay to meet the competition of the city. Let me give you a few figures. The cost of government to-day, as I mentioned before, is more than five times what it was in 1914. The cost of living, expressed, for example, in the railroad business, has been augmented by an increase of a billion two hundred and forty million dollars under Government operation, and now there is an additional demand of over a billion dollars increase to comply with the railroad law, and if we take up the demands of the brotherhoods, as stated by Mr. Carter before the adjustment board, and meet them, we have another additional billion as expressed in the transportation business alone. This additional cost is expressed in more than $3,000,000,000 over what it was in 1917. Here is another example of increase of cost of living because the Government pays for it out of the people's earnings. Take the Shipping Board. I asked the Committee on Appropriations yesterday what we had paid in money to that board and they said something over $3,000,000,000. That outlay has, up to date, but little to show save a promise of future outlay. I can not find that we are getting anything in return. At least, the board seems to be unable to give us any information on its business, and we do not know, therefore, whether the operation is productive, profitable, or not. Here is a new source of governmental outlay which has small respect for economy. Over $3,000,000,000 and more already expended and still more demanded, we are told, which will help to bring a deficit at the end of the fiscal year of $4,000,000,000, after we have already expended four billions provided for this year in our last revenue measure, when we were assured that four billions would be all we needed instead of the eight billions, the demands now upon us.

When we pass over the merchant marine to private enterprise to avoid the inevitable waste of governmental operation it will cost less, but considerably more than it would prior to the war, because of this high-cost level of production.

It is bewildering to me. There is another element that enters into the high-cost level which stirs my concern, and that is the reduction due to decreased efficiency not only on the farm but in industry. This is rather a sensitive question, but I want the sympathetic attention of the committee. I conversed in Chicago with a man who was on the job directing the building of a piece of construction work under the direction of the Government. I asked him what wage was being paid there, because there has been so much concern about the increase of wages. He said, "$9 a day, but I probably will have to pay $1.25 an hour for eight hours, because that is what the men are asking." I asked him, "What were they getting before the war?" He said, "Between $4 and $6 a day." That is not the striking thing, because such an increase is not beyond the general rise in cost level, but this is the striking thing: I asked him what was considered a day's work in the laying of brick before the war. "From 2,000 to 2,400 brick" was his reply. "What is it now?" He said, "A thousand brick a day." That means we are paying twice as much per day and getting half as much done. In other words, we are decreasing production to the man and increasing the cost to the public, which in its final analysis is to the individual, who constitute the public.

This is noticeable in all lines of production. While the operation of the railroads increased $1,240,000,000 over a period of nine months in 1919 in comparison with the same time in 1917, the amount of freight decreased in the same period 39,000,000,000 ton-miles.

If we compare building operations, we have the same facts. In 1914 building operations amounted to 575,400,000 square feet, at a cost of $891,845,500. That is a cost of $1.55 per square foot. In 1919 we built 458,900,000 square feet, or over 100,000,000 square feet less, and it cost $1,467,821,300, or nearly twice as much. It was a cost of $3.20 per square foot. Here again we have less production and more than double the cost.

If we compare food products we have some interesting facts. We produced in 1919 147,000,000 bushels of corn more than we did in 1917. We produced 5,104,000 less bales of cotton than we did in 1914. We produced 142,000,000 tons less of coal than we did in 1918. We produced $10,157,900 less of gold, $4,789,919 less of silver, and 9,000,000 tons less of steel ingots.

This decrease of production may be in line with a policy to control production so as to stabilize prices. There has been a demand to take control so as to prevent overproduction. The limit can be gained by shortening hours of work and limiting what is regarded as speeding-up production. For years here in Congress we have been compelled to observe a movement resisting efficiency in labor. All bonuses for work above the average have been resisted. The constant and persistent demands for shorter days have the same effect upon prices. The overtime and increased number to do same work have similar effect on prices.

The agitation in coal and steel industries, as well as in all basic industries, for a shorter day is sure to lead to a similar demand on the farm. At first it will be made by the laborer on the farm for the same reason that it is demanded in industries.

Then the farmer will ultimately see that his defense is in controlling the price of his product by limiting its production. This may be done by either limiting acreage cultivated or his hours of labor. Either will insure his price of his product, which the public, including labor, must pay.

If our unwisdom in demanding shorter days, less work, and more pay reaches the farmer and becomes his policy, our people will experience a food problem and a range of cost level no one now can fully comprehend. The farmer, the food producer, has the strangle hold. He should not be forced by the exigencies of high cost, including his labor, to tighten his hold. No honest man will deny to him what he demands for himself. If lessened production is to be the rule for one it will be just to permit it to all, including the farmer.

Mr. Chairman, the greatest law for us to commend is our willingness to produce to the maximum instead of producing to the minimum. [Applause.] I am not saying this unkindly, but there certainly is a tendency in order to control matters to reduce the production and thereby keep up the high cost level, and what we ought to do is to reach the maximum of production and then, of course, try, if possible, to see that everybody is employed at the best possible wage and the best possible reward be given to all classes of producers. But the danger is in the loss of production, reducing efficiency, and increasing the cost, and anybody here on this floor can see the outcome of that if we do not change to a different philosophy. I do not see any way, my friends, for curing the cost of living except to realize, in the language of Thomas Carlisle, that there is a perennial nobleness in work and no man ought to be ashamed to work. The danger is not in being employed and overworked, but the danger is in idleness that may be produced under these false principles. [Applause.] I do not know how this false philosophy is going to be cured. We have got to get more producers on the farm. As to production in the industries, we must get a different attitude. There is not a bit of doubt but what the employers have taken advantage of men and have driven the men to take positions which otherwise they

would not take. Hundreds of examples can be cited of such cases, all of which should have been avoided. While I am not concerned about men demanding additional wages, because I believe a high wage scale is better than a low scale, yet what I am concerned about is the production of the thing the country must have. The high cost will become prohibitive unless production will catch up with consumption.

There is another cause here, and that is the unlimited demand from Europe, and, my friends, as long as we hold out that we are going to finance Europe and extend credits with which to buy American products, upon the hope that if they are not able to pay that ultimately we will cancel the engagements, positively there is no limit to what they will ask. [Applause.] What we need, in my judgment, is to compel the world to again go to work, not only this country but Europe. [Applause.]

Mr. Chairman, the enormous inflation of both our credit and our currency have much if not most to do with the high cost of living. Our dollar buys a fraction over 50 cents' worth of goods. This is partially due to the paper-money craze of the world. It is partly due to our inexcusable extravagance both as a Government and a people. The Government spent millions to borrow billions to be lavishly distributed among our people, all of whom, producer and consumer, became profiteers. The Government unwisely allowed a Federal Reserve System to respond to expansion which does not respond to the needs of contraction. The fiat value in our circulation medium is apparent. While the reports indicate $55 per capita, our volume of money shows nearer $77 per capita.

Our remedies for these problems are plain: Set the example of producing more by a better attitude of all toward the national problem. Stop all unnecessary Government expenditures. Cut wherever it can be done. Get away from the war stage back to peace conduct of business. Embrace the business principles of the budget and limit outgo to our income. The people must exercise more frugality in spending and lay up for a rainy day.

We must not allow Europe's demands to lead us to further induce European idleness.

Steps must be taken to increase the purchasing power of the dollar. This can be done, but must be done carefully.

We must revise our system of taxation just as soon as the present demands upon the Treasury will permit it. That must be soon.

In the face of these problems and their possible solution, I can not avoid cautioning against making any demands which are not absolutely necessary. This applies to capital in its wish to be free of heavy tax.

It applies to labor in its wish for high wages. It applies to the soldiers in their wish for a cash bonus.

It applies to all our people in their wild orgy of extravagance. This is a time for sober thought and rational reasoning. It is no time for ultimatums unless Uncle Sam desires it.

Mr. Chairman, never before in our history have the times called more loudly for men who are willing to stand up and be counted, even though it might mean defeat.

However, no man should hesitate in a policy when the welfare of all the people is at stake. Such is the time and such is our problem this hour.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. TILSON having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had agreed to the amendments of the House of Representatives to the bill (S. 3016) to authorize the disposition of certain grazing lands in the State of Utah, and for other purposes.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the bill (S. 2528) to grant certain lands to the city of Pocatello, State of Idaho, for conserving and protecting the source of its water supply and as a municipal park site.

The message also announced that the Senate had agreed to the amendment of the House of Representatives to the bill (S. 2792) to enlarge the boundaries of the Oregon National Forest.

The message also announced that the Senate had disagreed to the amendments of the House of Representatives to the bill (S. 2890) to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes, had asked a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. CURTIS, Mr. GRONNA, Mr. SPENCER, Mr. WALSH of Montana, and Mr. KENDRICK as the conferees on the part of the Senate.

The message also announced that the Vice President, pursuant to the provisions of section 6 of the Post Office appropriation act approved April 24, 1920, had appointed Mr. TOWNSEND, Mr. STERLING, Mr. MOSES, Mr. HENDERSON, and Mr. WALSH of Massachusetts members on the part of the Senate of the joint commission created thereunder to investigate and report to Congress on the methods and systems of handling, transporting, and delivering the mails and the facilities therefor.

Ordered, That the Secretary notify the House of Representatives thereof.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 4286. An act to amend an act entitled "An act to authorize the incorporated town of Petersburg, Alaska, to issue bonds in any sum not exceeding $75,000 for the purpose of constructing and installing a municipal electric light and power plant and for the construction of a public-school building," approved September 29, 1919.

The message also announced that the Senate had passed without amendment the joint resolution (H. J. Res. 302) authorizing an appropriation for the participation of the United States in the observance of the three hundredth anniversary of the landing of the Pilgrims at Provincetown and Plymouth, Mass.

SUNDRY CIVIL APPROPRIATION BILL.

The committee resumed its session.

Mr. BYRNS of Tennessee. I yield to the gentleman from Texas [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Chairman, I shall devote my time to the consideration of the "zone" postal law recently applied to the second-class mail of this country. The Magazine Trust has decreed the destruction of that law, and with it, if necessary to that end, the destruction of any person or official who, from a patriotic sense of duty, may stand in the way. Mr. Taft and Mr. Hitchcock were the innocent victims of that trust. Mr. Burleson is in the center of its barrage. The assaults upon the Postmaster General, however, might have more weight if accompanied with a degree of consistency. The big publishers condemn the Postmaster General on his administration of the wires; at the same time they approve and applaud the Director General of the Railways for pursuing a like course with respect to those properties. How they can condemn the one and condone the other for doing the same thing is a matter for them to explain. If the Postmaster General should change his views with reference to the "zone" question, he might then receive the plaudits of those who now so bitterly assail him. "Who is here so rude" as to doubt this? Let Shakespeare answer: "If any speak; for him have I offended."

For 33 years prior to July 1, 1918, newspapers and magazines were carried through the mails at a uniform rate of 1 cent per pound. This is commonly referred to as the "flat" rate, because it was the same both for short and for long distances. Under it a newspaper publisher at Eagle Lake, Tex., paid 1 cent per pound on newspapers mailed to Lissie, a distance of 8 miles. A magazine publisher in New York also paid 1 cent per pound on magazines sent to Manila, a distance of 8,000 miles. The actual cost to the Government on the newspaper carried 8 miles and handled but once was comparatively small, while conveying the magazine 8,000 miles and with numerous handlings was an expensive proposition.

As an illustration of the cost of handling such magazines in the mails I will cite a single instance. It has been shown that the cost to the Government on a single copy of the Saturday Evening Post mailed at Philadelphia to a subscriber in Point Barrow, Alaska, was $4.84, while the publisher paid the Government under the "flat" rate system slightly less than 1 cent for that service. The loss to the Government was therefore a little more than $4.83 on each copy. A year's subscription of 52 numbers to such a subscriber would cost the Government more than $251 to handle it through the mails, while the Government would receive from the publisher less than 52 cents, the actual loss amounting to more than $250 a year on each such yearly subscription.

That the Government has been losing and losing heavily on its second-class mail will not be denied by anyone who is at all posted upon the subject. Every Postmaster General in the last 30 years, without a single exception, has called attention to the second-class mail subsidy and need for revision in rates.

In 1887 Postmaster General Vilas, on page 4 of his report, calls attention to the fact that newspapers and periodicals furnished about one-third of the mails but paid only about one-fortieth of the revenue. In the same report his Third Assistant called attention to various abuses of the second-class privilege.

In 1888 Mr. Dickinson, on page 28 of his report, called attention to the fact that second-class matter mailed during the year amounted to more than 143,000,000 pounds, while the revenue received from it was a little over $1,436,000. On page 689 of the same report his Third Assistant severely criticized the 1-cent flat rate.

In 1889 Mr. Wanamaker, on page 43 of his report, says:

The press has become the leading contributor to the volume of the mails. The specially favored class are newspapers and periodical publications. They are designated as second-class matter, and postage is chargeable at 1 cent per pound.

In 1890, 1891, and 1892 Mr. Wanamaker continues to call attention to the subsidy in even more forcible language.

In 1893 Mr. Bissell, on page 27, says:

The paid mailings during the year of second-class matter aggregated in weight over 255,000,000 pounds, which brought in a postage revenue of $2,556,342.13. Adding weight of free matter of this class, a total of nearly 301,000,000 pounds, which represents an increase of more than 14 per cent, this rate of increase is double that of postal revenue taken in its entirety.

In 1894 Mr. Bissell again calls attention to this matter in his report.

In 1895 Mr. Wilson, among other things, calls attention to the fact that the loss on second-class matter for the preceding year was over $18,570,000.

In 1896 Mr. Wilson again calls attention to this loss.

In 1897 Mr. Gary, on page 6 of his report, says:

The injustice inflicted both upon the postal revenue and the people by existing laws regulating carrying of second-class matter has been presented to Congress in reports from this department for 10 years past with cumulative force, but without effect in remedial legislation. By acts of Congress passed in 1874, 1879, 1885, and 1894, a privileged class has been created, entitled to the use of the United States Mail Service either free of charge or at a cost far below the price the Government is compelled to pay for the transportation of the mails thus carried. The loss on this service, now amounting to more than $26,000,000 a year, is defrayed out of the proceeds of taxation drawn from all classes of the people.

In 1898 Mr. Smith, on page 4 of his report, called attention to the gross abuse of the second-class privilege, and the deficit on account thereof.

In 1899 Mr. Smith further says:

The most urgent need of the Postal Service is the rectification of the enormous wrongs which have grown up in abuse of the privileges accorded by law to second-class matter. * * * This costly abuse weights down the service, trammels the power and means of effective advancement in every direction. It involves a sheer wanton waste of $20,000,000 or upward a year.

In 1900 Mr. Smith, on page 13 of his report, refers to his previous reports in which he strenuously urged remedial legislation, and called attention to publications that circulated simply for advertising, and further says:

The subject is one which should not be permitted to drop until vital reform is accomplished.

He also called attention to the fact that the reforms recommended would effect a saving of from twelve to twenty million dollars a year, but added that it would encounter strenuous hostility of special interests, the expense of whose private business was largely paid by the Government instead of by themselves. On pages 689–690 his Third Assistant had much more to say upon this subject.

In 1901, on page 12, Mr. Smith further calls attention to the abuse of the second-class privilege, cost of handling, periodicals for advertising, and so forth, and adds:

The extent of the complicity of the Government in these purely private enterprises is not generally realized. The statement will probably be surprising that in case of hundreds of such publications, wherever the publisher spends $1,000 in his venture, the Government spends not less than $2,000 in carrying on that publisher's business. Astonishing as this statement is, it is easily made plain.

In 1902 Mr. Payne, on page 28 of his report, calls attention to the abuses of the second-class privilege, and refers to the report of his Third Assistant Postmaster General. He then adds:

It seems to have been but little appreciated that a publisher's mail privilege is in fact a subsidy.

In 1904 Mr. Wynne, on page 16 of his report, calls attention to the needs of revision of the second-class rates.

In 1905 Mr. Cortelyou, on page 75 of his report, calls attention to the cost of handling, as compared with revenue received, and further says:

Any person who has given it any casual thought admits the desirability—even the necessity—of a change. Any change, however, is certain to be resisted by those whose interests are benefited by present conditions.

In 1906 Mr. Cortelyou again calls attention to this matter.

In 1907 and 1908 Mr. Von L. Meyer called attention to the second-class mail abuse.

In 1909 Mr. Hitchcock, on page 8 of his report, called attention to the fact that the volume of second-class mail had increased to over 700,000,000 pounds, and called attention to abuses.

In 1910, 1911, and 1912 Mr. Hitchcock again called attention to those abuses.

In 1913 Mr. Burleson, on page 28 of his report, says:

Mailings of newspapers and periodicals as second-class matter at the cent-a-pound rate and "free in county" during the fiscal year 1913 for the first time in the history of the Postal Service exceeded a billion pounds. Although second-class matter constituted approximately 62 per cent of the aggregate weight of the domestic revenue-producing mail, it produced only 4.98 per cent of the postage derived from such mail.

Since 1913 Mr. Burleson's attitude with reference to this subject has been so well known as not to require further comment. I will add that for the year 1917, the last year of the operation of the 1-cent-per-pound postal rate on magazines and newspapers, according to the most carefully laid estimates of the Post Office Department, the cost to the Government in handling that class of mail was more than $85,000,000 in excess of the amount of postage paid by the publishers.

Such, gentlemen, is the testimony of those best qualified to speak upon this subject. Here we have the official statement of every Postmaster General during the 33-year period the 1-cent-per-pound flat rate was in operation. Thirteen Postmasters General in all, nine Republican and four Democratic, all without regard to their political affiliation, have uniformly condemned that law.

Is further evidence required? If so, then look to the reports of the several commissions that have dealt with this question. The Penrose-Overstreet and the Hughes Commissions, so much lauded by the representatives of the Magazine Trust because of their supposed antipathy to zone charges, have each shown in their reports that the cost to the Government in handling the second-class mail was far in excess of the amount received from the publishers for that service.

On page 8 of the report, the Penrose-Overstreet Commission said:

There are four cardinal defects in the present system of charges for second-class matter:

1. The difference between the second-class rate and the next higher rate, the third-class rate, is too great. In other words, the second-class rate is relatively too low.
2. Wholly dissimilar services are performed for the same rate.
3. Substantially similar services are charged different rates.
4. The second-class rate is probably too low, absolutely speaking.

The report then says:

The first of the above-mentioned defects is self-evident.

The Hughes Commission, after making a most exhaustive investigation of the subject of the cost of second-class mail, in the fourth subdivision of its findings said:

Fourth. That in the fiscal year 1908, for which the department's statistics were compiled, the cost of the subclasses of second-class mail known as paid-at-the-pound-rate, free-in-county, and transient matter for the services of transportation, post-office cars, railway distributions, rural delivery, and certain miscellaneous items directly assignable was as follows: Paid-at-the-pound-rate matter, approximately 6 cents a pound; free-in-county, approximately 5 cents a pound; transient, approximately 5 cents a pound.

From this finding it will be seen that the second class, for which the Government received 1 cent per pound, actually cost the Government 6 cents per pound to handle, and this 6-cent estimate did not include a proportion of the overhead charges properly assignable to it. The commission did not make an apportionment of the overhead charges, for the reason that it did not have sufficient data upon that feature, as stated in the seventh subdivision of its findings, which is as follows:

Seventh. That to obtain the total cost of transporting and handling the subclasses of second-class mail, known as paid-at-the-pound-rate, free-in-county, and transient matter, it would be necessary to add to the ascertained cost for the services above mentioned the shares of these subclasses, respectively, in the general post-office expenses and miscellaneous outlays not directly assignable, for the proper apportionment of which the commission is without adequate data.

After prorating a reasonable proportion of the overhead expenses of the Post Office Department to the several classes of mail carried, the total cost of handling the second class in 1908 was found by the department to have been approximately 8 cents a pound. As the Government received only 1 cent a pound, it is plain enough that the actual loss was approximately 7 cents a pound on the entire amount handled. The volume of the second-class mail in recent years has exceeded a billion pounds annually; hence it is only a matter of calculation to show that the annual loss is over $70,000,000.

While neither the Penrose-Overstreet nor the Hughes Commissions directly favored the adoption of a zone system, still the only logical deduction to be drawn from their findings is that the absence of such system was a "cardinal defect" which could not be cured in any other way. If it was a "cardinal defect" to transport mails unequal distances at the same rate, then it follows that the only way to cure such defect would be to charge different rates for the different distances.

The quotation I have just given from the Penrose-Overstreet report—and which was designated by the commission as a "cardinal defect"—says:

Wholly dissimilar services are performed for the same rate.

Further commenting upon this, on page 21, the report says:

The second defect in the existing scheme of rates, viz, that dissimilar services are performed at the same rate, is, unlike the first, not apparent at a glance. But a moment's reflection will make it so. Apart from the fact that, like all other matter subject to the postal principle, second-class matter is transported unequal distances at the same charge, there are, too, highly important inequalities in the character of service rendered.

Here the report again specifically recognizes the defect in the postal principle in transporting this class of mail unequal distances for the same charge.

The same logical conclusions for a zone system are to be drawn from the report of the Hughes Commission. On page 138, in commenting upon the fact that the Government had no monopoly of the second-class postal privilege, and therefore the express companies would successfully compete with the Government on the short and profitable hauls, leaving the long and unprofitable hauls for the Government to perform, the report says:

So long as the Government transports and delivers second-class mail at the same rate throughout the United States, the shorter hauls without distribution of individual pieces will cost less, and hence be more remunerative than the longer hauls and the scattered distribution; and there being no monopoly, private enterprise is certain to compete for any portion of the business which may afford a profit, leaving to the post office that which costs more than it returns.

It was also shown by the report of the Hughes Commission that a flat-rate increase in the postal charges on second-class mail would render even more effective the competition by the express companies for the short and profitable hauls, as by such increase the postal rate on the short hauls would be made higher, while the express rate would remain the same, and that the effect of a flat increase in the rate would be to extend the zone of competition. Further commenting upon this feature, on page 140 the report says:

It is apparent, however, that if the postal rate were increased and that of the express companies should remain the same, these companies would have the carriage of all bulk shipments of second-class matter, not requiring for its distribution the special facilities of the post office, between the points described in the express classification. And the increase, according to its amount, would extend the zone of competition. This must necessarily be the case, unless different prices are charged for different distances or services; in other words, unless zone rates or other differentials are established.

Mr. Chairman, under the old flat-rate system the people were taxed to pay the cost of handling millions of tons of magazines and newspapers through the mails. During that period the volume of this class of business increased enormously, expanding from about 60,000,000 pounds in 1885 to over 1,200,000,000 pounds in 1918, when the volume of the second-class mail of the United States was one and one-half times greater than that of all the rest of the world combined. Not only did the volume of the business increase to such enormous proportions, but the character of the material thus handled underwent a change almost as great in proportion as was the increase in the volume.

In 1885, when the flat rate of 1 cent per pound was established, magazines consisted almost entirely of good and useful reading matter, less than 5 per cent of their space being devoted to advertisements. Under that flat-rate system they have become commercialized to the extent that they are now, on an average, considerably more than 50 per cent advertising matter. Consequently it goes without saying that if the Government has been losing money in handling the second-class mail much of that loss—even a majority of it—is due to those advertisements.

The larger publications, such as a few of the leading magazines and some of the great metropolitan newspapers, have been amassing great fortunes out of their advertising sections, and under the cheap flat postal rate they were able to send their publications all over the United States and to our insular possessions at the same rate the country publisher paid to send his papers to his neighbors in an adjoining county. As a consequence, the big and lucrative advertising business has drifted from the local newspapers to the magazines, leaving nothing in the advertising field for the country publisher but those ads which emanate from his local patrons and for which, as a rule, he is expected to extend a franking privilege.

For many years the Magazine Trust was successful in defeating all efforts at reform in the Postal Service with regard to the second-class mail. Its lobby exerted a power greater than that ever possessed by any other interest, from the fact that the columns of a dozen or more magazines and several scores of great metropolitan newspapers which reached many millions of readers were freely made use of to give publicity and prominence to those who would do their bidding, and to consign to political oblivion and "inocuous desuetude" those who could not be used to carry out their purposes. Mr. Hitchcock's proposal for a 4-cent rate on advertising sections was consigned to the wastebasket and Hitchcock with it, and the recommendation of the Hughes Commission for a 2-cent flat rate on both reading and advertising matter was permitted to "die aborning."

Mr. Chairman, I desire in this connection to call attention to some of the "big-stick" methods adopted by publishers to carry out their purposes. I will first refer to the telegram sent by the editor of the American Thresherman to the gentleman from Tennessee [Mr. MOON], then chairman of the Committee on the Post Office and Post Roads. This telegram is published in some of the hearings of that committee and is as follows:

MADISON, WIS., *February 8, 1914.*

Hon. JOHN A. MOON,
Chairman of the House Post Office Committee,
Washington, D. C.:

If you desire to bring the same fate upon your party which befell the Taft administration and caused its downfall, increase the second-class postage rates and you will successfully accomplish that result. The great Republican forces which helped to slug their own party for its many injustices in these matters, and beyond question this is the most unfair proposition imaginable and second only to the blunder (?) of Hitchcock's freight-train order for transporting publications. You will hear Rome howl north and south (?) if you carry this policy into effect.

B. B. CLARK,
Editor of the American Thresherman.

I will also read a brief extract from a statement given out by the Postmaster General on April 23, 1919. The part I desire to call attention to is as follows:

In fact, as stated, notice was given the Postmaster General more than a year ago what could be expected if there was not acquiescence on his part in the suspension or repeal of this law. At that time a member of the committee representing those contending for the repeal urged the Postmaster General to acquiesce therein, and in the course of conversation bluntly informed him, "We have made and unmade many Congressmen. We ruined Postmaster General Hitchcock and destroyed Mr. Taft. We realize that without your aid we may not be able to secure relief now, but we will see what can be done with the next Congress." Later, a well-known publisher called on the Postmaster General and also urged that he recommend the suspension or repeal of this law, saying to him: "If you will aid or acquiesce in the repeal of this law, we will make you the most popular man in the Wilson Cabinet, but if you do not, I fear they will ruin you." These two statements were made to the Postmaster General in the presence of the present First Assistant Postmaster General.

The present law placing advertising sections of magazines and newspapers under a "zone" system and regulating the charges in proportion to the distance carried was put through Congress as a war measure in the revenue bill of 1917. It is one of the legacies left us by that awful conflict for which the American people should feel thankful. The publishers' lobby had become so powerful that nothing short of war could probably ever have accomplished this great reform. The "big stick" of the Magazine Trust, so effective in time of peace, proved powerless in time of war. To now return to those prewar conditions would be the equivalent of placing the neck of the American Nation in the hangman's noose.

This "zone" law is here to stay, and those who have pinned their hopes on securing its repeal had just as well relieve their minds of any such illusion. As the purpose of the law becomes better known, the more it will meet with the approval of the American people. Aside from a few of the big publishers, a very large majority of the newspaper men themselves are in favor of the retention of this law.

I recently had occasion to poll the country newspapers upon the subject, and of the more than 6,000 publishers who responded to my request for their views, over two-thirds favored the "zone" law and opposed its repeal. Many of those who opposed the law stated that their only objection to it was based upon the extra trouble it entailed, rather than upon a fundamental reason. Of the 1,984 publishers who at first responded as being opposed to the "zone" law, quite a number have since informed me that upon further investigation they had discovered their error and were now in favor of it. Of the 4,027 who favored the law in the first instance, not one has ever notified me of any change of mind. This but illustrates the fact that the people have only to understand this law to be in favor of it.

To obtain the views of these publishers I prepared a form letter with questionnaire attached, copy of which was furnished to all newspaper publishers in cities and towns of 50,000 population and under. The questionnaire contained but three inquiries, as follows:

Are you in favor of the so-called zone rates on second-class matter? Answer yes or no. * * *

Are you opposed to the so-called zone rates on second-class matter? If so, do you favor a repeal? * * *

If you are in favor of a repeal, what would you suggest in lieu of same? * * *

I was anxious to obtain the views of that class which I will term the "little publisher," those away from the great centers of population, and who had hitherto been silent upon the subject. The country press, as a rule, is free from the pernicious influences that have gained so much power over the magazine and metropolitan press. Mr. Balfour unquestionably had this thought in mind when he recently said: "Upon the rural press of America rests the fate of civilization." Though my questionnaire was not originally intended for the publishers of the great cities, still it found its way to many of them, and several hundred responses were received which were tabulated and counted with the others.

The Postmaster General kindly consented to have the questionnaire delivered to the publishers through the respective postmasters, and gave me a letter to that effect, as follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C.

THE POSTMASTER:

The Post Office Department is interested in this subject to the extent that it is desired that the poll shall be complete and accurate. I will appreciate it, therefore, if you will lend your assistance and cooperation in the matter to that end. Kindly hand the inclosed letter of Representative MANSFIELD, or a copy thereof, to each newspaper publisher at your office and request him to mail his reply direct to Mr. MANSFIELD.

A. S. BURLESON, *Postmaster General.*

I have here in tabulated form the result of this poll, arranged both by States and by congressional districts. From this it will be observed that out of the 48 States heard from the press of 44 States favored the zone law. The four States in which the result was opposed to the law are Connecticut, Illinois, Massachusetts, and West Virginia. In Massachusetts the opposition to the zone had 5 majority, in West Virginia 2, and in Connecticut 1. In Illinois the majority was 67, the poll standing 258 for and 325 against the law. Of the responses received from the State of Illinois 239 came from the city of Chicago, and 211 of these were opposed to the "zone." Outside of the great city of Chicago the press of the State of Illinois, so far as heard from, is in favor of the "zone" law by more than a two-thirds majority.

Additional to the four States mentioned in this connection whose press showed opposition to the zone law, it was also opposed by a majority of the publishers of the District of Columbia, Alaska, Porto Rico, and the Virgin Islands. The eight publishers responding from Hawaii were evenly divided, four for and four against the zone. Those places remote were evidently influenced by the propaganda of the magazines, that being doubtless their only available literature upon the subject. I am sorry that I was unable to secure a more complete poll, several thousand newspaper publishers still being unheard from. It is very evident that many have not yet made investigation, or else are entirely indifferent upon the question. I will now read the result as I obtained it:

	For.	Against.
Alabama	40	21
Alaska	1	2
Arizona	20	14
Arkansas	76	34
California	178	55
Colorado	67	33
Connecticut	14	15
Delaware	5	0
District of Columbia	1	11
Florida	34	33
Georgia	71	26
Hawaii	4	4
Idaho	45	14
Illinois	258	325
Indiana	123	80
Iowa	230	110
Kansas	148	60
Kentucky	49	30
Louisiana	37	13
Maine	22	14
Maryland	14	13
Massachusetts	18	23
Michigan	145	68
Minnesota	234	72
Mississippi	42	19
Missouri	171	94
Montana	64	19
Nebraska	167	42
Nevada	9	3
New Hampshire	15	14
New Jersey	55	35
New Mexico	29	6
New York	170	105
North Carolina	50	34
North Dakota	123	17
Ohio	183	81
Oklahoma	104	42
Oregon	63	21
Pennsylvania	152	85
Porto Rico	0	4
Rhode Island	7	1
South Carolina	28	12
South Dakota	111	23
Tennessee	38	35
Texas	214	82
Utah	28	6
Vermont	12	6
Virginia	39	15
Virgin Islands	0	1
Washington	89	14
West Virginia	24	26
Wisconsin	191	65
Wyoming	15	7
Total	4,027	1,984

Mr. Chairman, as a further proof of the great favor in which the zone law is held by the newspaper men of the United States, I will call attention to a few of the resolutions of indorsement passed by various press associations. I recently made an effort to obtain copies of these resolutions, but the time has been so short I have heard from only a few. I have those with which I have been furnished up to this time. They are as follows:

Texas Press Association, San Antonio, June, 1919.
Southern Illinois Editorial Association, East St. Louis, October, 1919.
Missouri Press Association, Springfield, October, 1919.
Inland Daily Press Association, Chicago, October, 1919.
Northern Daily Press Association, Minneapolis, January, 1919.
North Dakota People's Press Association, Fargo, September, 1918.
Kansas Editorial Association, Alma, 1919.
Missouri Press Association, Columbia, 1918.
Oklahoma Press Association, Shawnee, May, 1919.
North Dakota People's Press Association, Bismarck.
Nebraska Press Association, Gering, August, 1919.
Montana State Press Association, Great Falls, September, 1919.
Northwestern Daily Press Association, Minneapolis, July, 1919.
Southern Newspaper Publishers' Association, Asheville, July, 1919.
National Editorial Association, Seattle, August, 1919.

The association last named—the National Editorial Association—is the largest organization of its kind in the world, and includes nearly 5,000 weekly and daily newspapers. This organization has gone on record in favor of the zone law on several occasions.

In the month of June of last year I had the honor of an invitation to address the Texas State Press Association upon this subject. The meeting was held in the city of San Antonio, and several hundred were in attendance. Resolutions of indorsement of the zone law were adopted by a rising vote.

So much, gentlemen, for the favor in which this law is held by the members of the press. Let us now see how it is regarded by the business men of the country. I have from time to time filed and had referred to the Committee on Ways and Means copies of resolutions adopted by chambers of commerce, agricultural, industrial, and other great associations throughout the country protesting against the repeal of the zone law. I have here a few others to which I will call attention. Here are resolutions by the—

Merchants' Association, Laredo, Tex., June, 1919.
Chamber of Commerce, Denton, Tex., July, 1919.
Retail Merchants' Association, Denton, Tex., July, 1919.
Chamber of Commerce, Houston, Tex., June, 1919.
American Hampshire Sheep Association, Detroit, May, 1919.
Extension Table Manufacturers' Association, Chicago, March, 1919.
National Wholesale Druggists' Association, New Orleans, November, 1919.
National Wholesale Grocers' Association, Cincinnati, June, 1919.
Farmers' Educational Cooperative Union of America, New Orleans, 1919.

Similar resolutions by other business and commercial organizations have been adopted at various places throughout the country the past year.

Mr. Chairman, notwithstanding this law is just and equitable to all concerned, yet it must be borne in mind that a powerful organization has been placed on foot to encompass its defeat. A trust has been formed, more harmful and dangerous than any other trust that was ever organized, for the reason that it represents not only a "combination in restraint of trade," but a combination in restraint of human intelligence, a combination that practically has control of the means for the transmission of information and thought in this country.

The publishers' trust does not admit the little newspaper man into its fold. It is composed of the publishers of magazines and publishers of those newspapers which have a wide circulation, those that carry heavy sections of advertising matter, which are transported great distances through the mails. It embraces but a few of the publishers in point of numbers, but it includes in its membership those who have the means necessary to carry out their purposes and who are in a position to practically dictate just what shall and what shall not be printed and sent out for the American people to read.

Several of the magazines in this trust have a circulation of more than a million each, and it is a safe estimate that each copy is read by two or three persons who are not subscribers. Collectively the great magazines and newspapers in the trust reach at least 80 per cent of the people of the United States. There are approximately 250 publications in the combine that was organized to fight the "zone" law. Through these publications the director in charge of the work has it in his power to reach at least three-fourths of the people of the United States each month, a thing an advocate of the "zone" law could not accomplish in a year even at an expenditure of several million dollars.

As a matter of fact, it has been quite impossible for an advocate of the "zone" law to reach the public through these magazines at all, as they positively refuse to publish anything said upon that side of the question. You reach the public only through publicity, and in the matter of publicity the great publishers, of course, have a monopoly. The country, in fact, is completely at their mercy in this respect, and they are cold-blooded enough to take advantage of the situation. A thing that serves their purposes is published and read by millions. If antagonistic to their interests, it is not published at all, however true it may be.

Mr. Chairman, the power of the press to make and unmake men and measures at will, and to conceal, misrepresent, and suppress facts, is, in my judgment, the greatest menace that could confront the American Nation. Under a flat-rate postal system the periodicals would continue to be published in one city, and, through those and their subsidiary publications, less than a score of men would completely dominate the entire country. It is, in effect, the equivalent of giving to those few men the power of censorship over the press, with all the tendency for evil that term implies. Under such system 110,000,000 people are as so many pawns upon the chessboard, and their destiny as so much clay in the hands of the potter.

As an illustration of their methods, I will call attention to one instance that came under my observation where much publicity was given to a statement, wholly untrue, and on account of which great inconvenience, discontent, hardship, and mental and physical suffering were inflicted upon our soldiers in France. Yet, there was no way to correct it until too late. Some of you gentlemen may doubtless recall the propaganda that was carried on during the winter and spring of 1919 to the effect that the great religious societies of this country had been penalized to the extent of several thousand dollars as penalty postage on magazines sent to our Expeditionary Forces in France, because France was in the eighth postal zone.

I made an effort to correct this propaganda through Leslie's Weekly, one of the magazines that carried it, but the editor refused to publish my letter. He knew full well that his editorial had been read by at least 1,000,000 people, and that I, or anyone else in an effort to correct it, could not reach as many without incurring a cost of many thousands of dollars, a thing with me impossible. In any event, the purpose of such propaganda is always carried out long before any corrections can be made and the public informed as to the facts. I have here copy of the editorial in question, which appeared in Leslie's Weekly of date March 1, 1919, which says:

> A striking instance of the injustice of the zone law is found in the $7,000 of penalty postage that the Y. M. C. A. last year had to pay on 15,000 subscriptions to two leading publications for its huts in France, because they were in the eighth postal zone.

My reply to this editorial, which Leslie refused to publish, is as follows:

MAY 26, 1919.

EDITOR LESLIE'S WEEKLY.

DEAR SIR: My attention has been called to an editorial in your issue of March 1, 1919, containing statements that were evidently based upon a misapprehension of facts. In speaking of the zone postal law, you say:

"A striking instance of the injustice of the zone law is found in the $7,000 of penalty postage that the Y. M. C. A. last year had to pay on 15,000 subscriptions to two leading publications for its huts in France because they were in the eighth postal zone."

As a matter of fact the rate of postage upon publications sent to our soldiers overseas was considerably under the domestic rate. In the month of July, 1917, the Interstate Commerce Commission, after due consideration, entered an order authorizing the Post Office Department to make a special rate of 1 cent each upon all publications, regardless of weight, sent to the soldiers in France. This order was immediately put into effect and under it the Y. M. C. A., with millions of others, availed itself of this special rate. Magazines weighing a pound were sent to the soldiers in France for 1 cent, while the regular rate, even in the first zone in this country, was 1½ cents.

But, furthermore, I have a categorial denial of this charge from the headquarters of the Y. M. C. A., under date of February 8, 1919, about three weeks before your editorial appeared in print. I had previously received from constituents in Texas printed propaganda containing this identical charge. I applied for information, not believing that any publisher would penalize a Christian institution on magazines for the brave boys who in a foreign land were shedding their blood for us when no other subscribers within the eighth zone were being so penalized. The reply received in response to my letter stated, in part, as follows:

"A careful inquiry in the office of the comptroller of the war-work council does not reveal any apparent overcharge by any magazine publishers because of postal rates. * * * This is the first time this subject has been brought to our attention and we were entirely unaware at headquarters that any such statement was being made in our name. * * * No one has been authorized to make any statement of such a character in behalf of the Y. M. C. A., nor is anyone justified in making such a statement."

You further say in your editorial:

"The zone system is a revival of an archaic plan which Lincoln put an end to and which was condemned by Mr. Wilson when governor of New Jersey."

Permit me to suggest that this statement is also founded upon misapprehension of fact. By examination of the postal laws passed by Congress you will find that Mr. Lincoln did not put an end to zone postal charges upon second-class mail. There were no such zone charges in effect at the time of his inauguration and had not been for a period of about nine years. There is absolutely no record to be found anywhere to indicate that Mr. Lincoln was opposed to zone charges on second-class mail.

In regard to your reference to President Wilson's statement when governor of New Jersey, permit me to suggest that I believe you are also in error in saying that he condemned the zone system. Upon investigation of this matter I am unable to find any such statement from him. I am informed, however, that he did about that time condemn the proposal of the Post Office Department for a flat-rate increase of from 1 to 4 cents per pound. No zone system was contemplated at that time.

Believing that you desire to represent the facts as they exist, I respectfully request that you give the same publicity to this as was given to your editorial.

Very respectfully, J. J. MANSFIELD.

Mr. Chairman, it is a well-known fact that this special rate of 1 cent per copy was made on magazines for our soldiers in France, as authorized by the Interstate Commerce Commission. This rate was not intended for the publishers, but its purpose was to induce the people generally to send over their surplus supplies of reading matter. Thousands of copies of magazines were procured by the Red Cross, the Young Men's Christian Association, the Knights of Columbus, Salvation Army, and other societies and sent under this special rate. The purchases referred to in Leslie's editorial, if sent at all, were doubtless sent in that manner, or, at least, would have been sent that way if the Young Men's Christian Association had received any intimation whatever that there was an attempt to hold it up for $7,000 additional in order to form a basis for political propaganda.

This editorial appeared in Leslie's Weekly of March 1, 1919. Printed circulars and form letters containing the same statement had previously been sent out by the director of the Magazine Trust. I have here a circular entitled "Chapter VI," received in the month of January and a mimeograph print bearing date February 1, 1919, in which the same statements appear. In fact, the author of this literature was unquestionably also the writer of the editorial in Leslie's Weekly, as they all have the same earmarks. Knowing that the propaganda was impossible of being true, I wrote to the Young Men's Christian Association headquarters to get their version of it, and I will read in this connection the reply which I received:

YOUNG MEN'S CHRISTIAN ASSOCIATION,
TREASURER'S OFFICE,
February 8, 1919.

Hon. J. J. MANSFIELD, M. C.,
Room 159, House Office Building, Washington, D. C.

MY DEAR SIR: Your letter of February 4 addressed to headquarters Young Men's Christian Association, Washington, has been referred to this office for our attention. A careful inquiry in the office of the comptroller of the war work council does not reveal any apparent overcharge by any magazine publishers because of postal rates. The overseas purchasing department of our organization advises me that the magazine publishers with whom we dealt have been extremely courteous, and have in all cases made their subscription prices so low that no one in our organization would be justified in making any criticism regarding the postal charges. In fact, their price reductions have more than offset the increased postal charges because of the law which went into effect July 1, 1918.

This is the first time this subject has been brought to our attention, and we were entirely unaware at headquarters that any such statement was being made in our name. Purchases of our supplies in this country are made through the six military departments into which our organization is divided, and it is more than unlikely that any purchase in any one department would be large enough to come under the description in the first paragraph of your letter.

No one has been authorized to make any statement of such a character in behalf of the Young Men's Christian Association, nor is anyone justified in making such a statement.

Very truly, yours, CHAS. H. BURR,
Assistant Deputy Treasurer.

Mr. Chairman, by evidence unimpeachable I will now show the effect that was produced by this remarkable campaign of propaganda. It may not have been the effect intended by its authors, perhaps, but the effect that actually resulted. I say the evidence is unimpeachable for the reason that it is furnished by the enemies of the zone law—the publishers of the metropolitan press—and they, like Brutus, are "all honorable men."

Bear in mind the country was circularized with this propaganda on February 1, 1919. On March 1, 1919, it was repro-

duced in the editorial columns of Leslie's and other periodicals. The effect was that it frightened the people and practically stopped the shipments of magazines to our soldiers overseas. You will observe that in this propaganda the term "penalty postage" was used. This of itself sounded like a bugbear, as the term "penalty" refers to retribution for crimes committed and the people naturally thought they were about to get into trouble and might have heavy penalties to pay.

Now, I will show by contemporaneous press dispatches that just 29 days after this propaganda appeared in the magazines, and just 1 month and 29 days after it was sent out over the country in circular form by the director general of the Magazine Trust, Gen. Pershing felt it his duty to appeal to the National Red Cross for more reading matter for our discontented soldiers at the front, stating that they were then in need of it as never before. I offer here a press report from the Washington Star of March 30, 1919, which is as follows:

PERSHING ASKS MAGAZINES FOR OVERSEAS ARMY.

WASHINGTON, *March 29.*

The boys overseas are asking for more reading matter. Gen. Pershing to-night cabled the request that more magazines be sent to the Americans on duty in France and in other countries in Europe. The general says the boys need interesting reading matter as never before.

The supply of magazines has been reduced from 10 to 2 tons a month, due to misapprehension of the public that magazines could not be sent under the 1-cent postage ruling, it was stated. Some magazines inadvertently dropped the line announcing that publications would be carried overseas under a 1-cent stamp. The ruling is still in force and magazines are being asked by the Post Office Department to print it again in the upper right-hand corner of their first page.

Red Cross divisions and chapters will be urged to stimulate renewed interest in the sending of magazines abroad by acquainting the public with the fact that the 1-cent privilege still exists; and also to dwell upon the statement of Gen. Pershing that the American Expeditionary Forces, with the excitement of fighting campaigns gone, are greatly in need of interesting reading while waiting for the day when they will receive word they are to be sent home.

I will also offer an Associated Press dispatch of the same date, as follows:

SEND MORE READING MATTER, PERSHING CABLES RED CROSS.

WASHINGTON, *March 29.*

Gen. Pershing has cabled a call for more reading matter for the soldiers overseas. He says it is needed now more than ever.

Transmitting the call Saturday to its divisions and chapters, the American Red Cross called attention to the fact that a 1-cent stamp pasted upon the cover still will take a magazine to a member of the Expeditionary Force.

It will be observed from these press dispatches that at the time the magazines were conducting this propaganda they also stopped printing on the upper right-hand corner of the first page the line announcing that a 1-cent stamp would carry that magazine to the boys in the trenches. This was an inadvertence, of course, but at the same time it would not have been consistent for the magazines to have continued printing this announcement and in the same number proclaim editorially that even the great religious societies of the country were being required to pay penalties on sending such magazines to France.

Mr. Chairman, at the time of this propaganda our soldier boys were bivouacked upon the fields of desolation. Every object of their environment was a grim reminder of the great struggle with death, desperation, and destruction through which they had just passed. Mentally and physically many of them had all but reached the limit of human endurance and come to "the parting of the ways." Interesting reading matter was the thing most calculated to divert their minds and relieve the strain upon their nervous systems. No one knew this better than that experienced soldier, the gallant Pershing. On account of this propaganda carried on for political effect to perpetuate a great subsidy to a few people, there was a shortage of reading matter for several months at a time when it was most needed. But for this propaganda there might now be fewer graves in France and more vacant space in the hospitals and asylums of this country, to say nothing of the mental and physical suffering that might have been averted.

Against those who contrived this scheme of propaganda I shall say nothing. God knows they already have enough to answer for. Unless their hearts and minds be as adamant they are now being lashed with the cat-o-nine-tails of their own conscious retribution, from which there can be no escape, and compared to which no other known torture is half so intense. "May the Lord have mercy on their souls."

OH, CONSISTENCY! THOU ART A JEWEL.

For the purpose of showing the inconsistency of Leslie's, I will quote from another editorial of that publication. The editorial of March 1 said that the Young Men's Christian Association was penalized in postage paid on magazines to France because France was in the eighth postal zone. On August 16, just five and one-half months later, it states that magazines can be sent to the "farthest end of India" for less postage than that required to take them to an adjoining State. I will read the extract from the editorial in Leslie's of August 16, 1919, as follows:

REPEAL AN UNJUST LAW.

One of the best acts of the present Congress will be to do away with the zone system, which imposes eight separate postal rates upon newspapers and periodicals. It will then follow in the steps of Lincoln, who abolished the system many years ago, and be in line with Mr. Wilson's condemnation of it when governor of New Jersey and the conclusion of Mr. Hughes when he made the postal investigation for Congress.

Senator SMOOT presented the situation in concrete form recently when he said: "I feel mortified as a citizen of the United States when I am told that from my own State a magazine can be sent to the farthest end of India for less money than it can be sent from my State to an adjoining State."

That, gentlemen, is consistency with a vengeance. A child who has studied geography will be hard to convince that the "farthest end of India" is nearer to us than our soldiers when in France. If placed in parallel columns, each of these editorials would answer the other, but Leslie's carried them five and one-half months apart. The first was intended to deceive and influence one class of readers against the zone law; the other to deceive and influence another class of readers. Mr. Leslie refused to publish my answer to his editorial of March 1, and I will now let him answer it in his own words of August 16.

Mr. Chairman, we hear a great deal said about "sectionalism" and "provincialism" in the discussion of this question. It is contended that if the great magazines are forced by the "zone" postal charges to limit their circulation to the near-by zones, other magazines will spring up in other sections of the country, each proclaiming an idea peculiar to its environment. That, as a result, the country will soon be divided into sections and zones of thought, and there will develop a New England view, a New York view, a Mississippi Valley view, a Southern view, and a Western view, and so forth. The claim is made that by returning to the flat rate the New York magazines will circulate throughout every section of the country and mold the people into one homogeneous mass, with but one thought and one idea, and thereby become an ideal Nation, one and indivisible.

Mr. Chairman, continental United States extends from the Atlantic to the Pacific Oceans, and from Canada to Mexico. It covers a wide expanse of territory, and embraces a population estimated at more than 100,000,000 people, supposed to be ordinarily intelligent and reasonably well informed. I am not one of those who believe that it is a dangerous thing for magazines to be published amongst such people in every zone and section of the country, setting forth the honest views of the people of those sections. I submit, sir, that the welfare of this Nation is in far greater peril when all the magazines are published in one section and reflect but a single thought and a single idea, and that the thought and idea of a very few men whose power, prestige, and pecuniary interests are involved.

Not only are all the magazines at present published in one section of the country, but practically all the great metropolitan periodicals are now published in two cities of that section, and their editorial policies are dominated by not more than 18 men of those two cities. Those men, from their viewpoint, constitute America. The 110,000,000 residing throughout the country compose the provinces. The view of the 18 is the American view. The views of the 110,000,000 are "provincial" and "sectional" views. Gentlemen, we have all heard of the "tail wagging the dog," but such gall as this, sirs, is the equivalent of the last vertebral joint of the caudal appendage wagging the American lion.

I have here copy of an editorial from the Quincy Journal, Quincy, Ill., which very aptly expresses its views upon this question. It reads as follows:

MAGAZINE PROPAGANDA.

To curb national circulations, declare the publishers of large magazines, is to curb public opinion. Meaning, likely, that the people of America are fools and that they must read the great and wise rot written by men in New York easy chairs before they can form a notion of what is what in the world.

Therefore, as the people of America comprise a great collection of mollycoddles and knownothings, the zone-rate postal plan must be repealed. The people must have the opportunity to be told by the big publishers what is good for them and what they should and should not do.

The people of our State, for instance, are not capable of forming their own opinions without aid from New York! Magazines must be circulated among the people of Quincy, or Quincy finds herself provincial and unable to steer a straight course on the sea of national patriotism!

The propaganda of the big publishers against the zone-rate system is a downright insult to the intelligent people of this country. It is insulting to tell any man that he hasn't sense enough to form his own opinion.

Magazines would repeal the "zone" law because it curbs public opinion, forsooth. Yet the sane and just man knows that the zone-rate law is the greatest thing for public opinion in the world, for it guards your home newspapers. It makes possible the more complete circulation of periodicals that are right in the field and know home conditions.

The home newspaper knows that its people have intelligence. The national magazine contends that they have not until the magazine has imparted some of its own superintelligence to them.

To repeal the zone-rate system will tend to drive the home newspaper down because of the great money that is behind the Magazine Trust. The sincere man will find himself strong against any plan to repeal the zone-rate postal law.

Mr. Chairman, this alleged argument that the "zone" postal rates on periodicals will produce "sectionalism" in this country is far-fetched indeed. I submit, sir, that exactly the opposite of this contention is true. It is the old cheap flat rate that produced "sectionalism," and sectionalism of the most damaging type. As developed under our third of a century experience with that system, practically all the magazines are published in one city, or within the first postal zone of that city; and, taking as true the statement of the publishers that the publication reflects the views of its environment rather than of the country at large, then, according to the logic of the publishers, all magazines being published under the same environment, they of course reflect the same views, the views peculiar to that particular section—"provincialisms," if you please. Not only are the "provincialisms" of a single section forced upon the country at large, but, sirs, it is the viewpoint of a very few men of that one section, a mere "baker's dozen," which we are forced to accept, because there is no other forum for the expression of a different view.

Mr. Chairman, I have here a statement from the Federal Trade Commission furnished me on May 1, 1919, showing location and daily capacity of the mills of the United States engaged in the manufacture of newsprint paper. From this statement it will appear that the combined daily capacity of the mills was approximately 4,580 tons, 70 per cent of which was produced within the first and second postal zones of New York City. I am also informed that the freight rate on paper from New York to points in southern Texas, in lots less than carloads, is $1.65 per hundred pounds, and that practically all the paper used in that section comes from New York. While the Texas publisher was paying $1.65 per hundred on his blank paper from New York, the New York publisher was sending his printed paper to Texas through the mail at only $1 per hundred pounds. The paper for the Texas publisher was going at slow freight, on which he was paying the cost of transportation plus a profit to the carrier, while the paper of the New York publisher was going on fast passenger train, on which he was paying one-eighth the actual cost, and the people of the United States were being taxed to pay the other seven-eighths for him.

The law still permits the New York magazine publisher to send the literary portion of his magazine to any section of the country at the same price the local publisher must pay, but on the portion that is devoted to business advertisements he is required under the zone law to pay in proportion to the distance carried. This will eventually result in causing magazines to be published in other sections of the country, and in the saving to the taxpayers of many millions of dollars annually.

Mr. Chairman, the Government has been receiving approximately 84 cents per pound in handling letters, $1.67 per pound in handling postal cards, and 1 cent per pound in handling magazines and newspapers. Parcel post has always been under a zone system, and paid for in proportion to weight and distance carried. The postage paid on letters and postal cards amounts to far more than the cost to the Government in handling them, that paid on parcel post is sufficient to cover the cost, but that paid on magazines and newspapers was sufficient to pay only about one-eighth the actual cost to the Government in handling them. Under the present law publishers are required to pay in proportion to the distance carried on that portion of the publication which is devoted to advertising matter, the receipts from which will be increased annually from four to five million dollars for a period of four years from the time the law went into effect. What Congress should now do, in my judgment, is to reduce the postage on letters in proportion to the increased amounts received from newspapers and magazines. To do this, we should first reduce the postage on drop letters to 1 cent, and later to be applied to all letters of 1 ounce and under.

Mr. Chairman, in my judgment, the power that was given under the flat postal rate to a few publishers to virtually dictate what the American people should be permitted to read, carrying with it the power to misrepresent and suppress facts and to control the affairs of our Government, the power to make and unmake men and measures at will, constitutes the most serious menace with which our country could possibly be confronted. Compared to it the great loss to our Government in dollars and cents in handling that class of mail is but incidental. But, Mr. Chairman, notwithstanding the heavy loss is only incidental, yet it should be borne in mind that the major portion of it went as a subsidy, pure and simple, handed upon a silver platter to only a few of the wealthiest men of this country and paid by the taxpayers of the American Nation—paid by those who wrote letters; paid by the man of business; paid by those following the trades and who practiced the professions; paid by those who tilled the soil and turned the spindles; paid by the wage earner, who should ever be worthy of his hire; paid by the little girl when she penned a line to buddy in the trenches; paid, if you please, by the sorrowing widow in acknowledging the receipt of her allowance, left her, perhaps, by an only son who upon the soil of France paid the penalty of his greatness by making the supreme sacrifice for the honor and glory of his country and for the cause of humanity. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 20 minutes to the gentleman from Tennessee [Mr. DAVIS]. [Applause.]

Mr. GOLDFOGLE. Mr. Chairman, before the gentleman proceeds I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from New York makes the point of order that there is no quorum present. The Chair will count. [After counting.] Evidently there is no quorum, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Andrews, Md.	Eagan	Kiess	Rucker
Anthony	Eagle	Kitchin	Sabath
Ayres	Ellsworth	Kreider	Sanders, Ind.
Bankhead	Emerson	Lankford	Sanders, N. Y.
Benson	Ferris	Lazaro	Sanford
Blackmon	Fields	Lesher	Scully
Bland, Ind.	Fordney	Lonergan	Sears
Boies	French	Longworth	Shreve
Booher	Gallivan	McCulloch	Sims
Brinson	Gandy	McFadden	Sisson
Browne	Goodwin, Ark.	McLaughlin, Mich.	Slemp
Burke	Gould	MacCrate	Small
Butler	Griest	Mason	Smith, Ill.
Caldwell	Griffin	Mays	Smith, N. Y.
Campbell, Kans.	Hamill	Montague	Snell
Cantrill	Harrison	Moores, Ind.	Steagall
Caraway	Haugen	Morin	Stephens, Miss.
Carew	Heflin	Neely	Stephens, Ohio
Clark, Fla.	Hoey	Nelson, Wis.	Strong, Pa.
Copley	Houghton	Newton, Minn.	Sullivan
Costello	Howard	Nicholls	Summers, Wash.
Cramton	Hulings	Paige	Tague
Curry, Calif.	Hull, Iowa	Parker	Thomas
Darrow	Husted	Pell	Tinkham
Davis, Minn.	Johnson, S. Dak.	Peters	Towner
Dempsey	Johnson, Wash.	Phelan	Vare
Denison	Johnston, N. Y.	Porter	Voigt
Dent	Jones, Pa.	Ramsey	Walters
Dewalt	Kahn	Reber	Ward
Donovan	Kelley, Mich.	Reed, N. Y.	Watson
Dooling	Kelly, Pa.	Riordan	Williams
Drane	Kennedy, Iowa	Robinson, N. C.	Wilson, Ill.
Dunn	Kennedy, R. I.	Rose	Wood, Ind.
Dyer	Kettner	Rowan	

The committee rose; and the Speaker having resumed the chair, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee finding itself without a quorum, under the rule he caused the roll to be called, whereupon 292 Members answered to their names, a quorum, and he presented the list of absentees for entry upon the Journal.

The SPEAKER. The committee will resume its session.

The CHAIRMAN. The gentleman from Tennessee [Mr. DAVIS] is recognized for 20 minutes. [Applause.]

Mr. DAVIS of Tennessee. Mr. Chairman and gentlemen of the committee, I wish to take this occasion to enter my solemn protest against the propaganda which for some time has been energetically and systematically carried on by the local board of trade and chamber of commerce to bring manufacturing establishments to the National Capital. While manufacturing establishments are useful and necessary and should be encouraged yet there are appropriate places for their location and some places which are not appropriate, and I do not believe that the National Capital should be developed into an industrial center. [Applause.] We have for some time been reading articles in the local papers stating the activities of those organizations along this line. A very recent article appearing in the Washington Post is as follows:

RUSH TO OBTAIN FACTORY SITES—TRADE BODIES NOW GETTING SCORES OF REQUESTS FROM OUT-OF-TOWN CONCERNS.

With the movement to establish light manufacturing concerns in this city constantly growing, industry here is being rapidly augmented. While the local trade bodies are doing everything in their power to encourage light manufacturing here, their efforts are always directed to doing so without impairing the beauty of the city.

Scores of requests for assistance are being received from factories which wish to locate here by the industrial interests committee of the Washington Board of Trade and the manufacturing committee of the chamber of commerce. So many requests have come to Isaac Gans, chairman of the industrial interests committee, that he stated last

night that it looked "like the beginning of an intensive campaign for light manufacturing in the District."

A large hosiery mill, of New York and Philadelphia, which wishes to locate here, is now being investigated. A communication has also been received from J. J. Donohue now conducting a chain of stores, who is desirous of establishing a shoe manufacturing plant in the city.

This movement was instituted by those two organizations, and they have been working assiduously upon it, with the result indicated in the article from which I have just read. The District of Columbia was practically carved out of a wilderness and set apart specifically for the site of our National Capital.

This city has sprung up solely because it was the National Capital, and I take the position that everything else should be subordinated to making it a proper and beautiful seat of National Government. [Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. DAVIS of Tennessee. I will.

Mr. BLANTON. The greatest wonder to me is that every manufacturer and every rich man in the United States does not come here, with taxes at 1½ per cent, intangible assets at three-tenths of 1 per cent, with cheap water and cheap lights, and half of the expense paid by the people of the United States. It is a wonder that they do not all come here.

Mr. DAVIS of Tennessee. One reason for my protest is that if these things be brought to the attention of manufacturing establishments, as is now being done, that will be the result—they will flock here in great numbers.

Although many merchants and other business men in Washington seem to be obsessed with the idea that this Capital was established and is being maintained at Government expense for their especial benefit, yet, as a matter of fact, every man, woman, and child of this Republic has an interest in the National Capital, as they and their ancestors have made it what it is. It is not only the seat of government, the official home of the Chief Executive and his Cabinet, the Congress, the Supreme Court, and the various other departments of Government—the official home of more than 100,000 Government officials and employees—but it is also the official residence of the numerous diplomatic representatives from foreign countries who are accredited to this country. The various officials, together with their families, doubtless constitute at least one-third of the population of the city of Washington. Tens of thousands of others have made their home here because of the beauties and attractions of the National Capital. Because of the presence here of the classes enumerated, and in order to live and thrive upon them, the merchants, tradesmen, professional men, and various others have congregated here; they are incidental and corollary to the presence of the classes first named. Many of them are patriotic citizens who have a just pride in the National Capital, but many of them have no pride whatever in the beautification of this city, but are here for all they can get out of it; and, unfortunately, the latter kind seems to have been in the majority in the board of trade and chamber of commerce at the time the movement under discussion was instituted.

Having apparently grown greedier than ever because of the war profits which they have been reaping, and apparently having in mind the fact that industrial workers are now receiving large wages, they are now looking to them for new and profitable "picking," and are consequently endeavoring to bring as many of them as possible into their midst in order that they may likewise prey upon them. I can understand, in a way, why such individuals, with no interest or motive other than to greedily fill their own coffers, should be willing to promote such a movement, even though it would result in impairing, if not destroying, the beauty of the National Capital, yet are we, as the representatives of all the people, to supinely permit such a program to be carried out? Are we to stand for the policy promulgated by these barnacles on the ship of state, these greedy leeches on the national body politic, unwilling to pay their just share of taxes but always clamoring for governmental appropriations, not because of their interest in the National Government but in order that they themselves may profit therefrom? They ingeniously give out the information that they are endeavoring to bring to Washington only "light manufacturing plants," but the article which I read speaks of "a large hosiery mill" and "a shoe manufacturing plant." Furthermore, such a program once entered upon, where and by whom would any line of demarcation be drawn?

In my opinion, Washington is already amply large for the seat of National Government, and any increase of population will still further increase the cost of living for the Government employees and thereby result in the necessity of paying them larger salaries than would otherwise be the case. An increase in population would render more difficult the already difficult housing situation; it would increase the competition for all the necessities of life, which, of course, would be very desirable from the standpoint of the class referred to, but it would be very unfortunate for the Government officials and other consumers.

We all know that, as useful and necessary as are factories, there inevitably go with them smoke and grime and dust and noise. If Washington is permitted to develop into a manufacturing center, we shudder at the contemplation f the effect which would be had upon the many beautiful public buildings and monuments located here. The trees, shrubs, flowers, and grass which now grow so luxuriantly in Washington would be greatly injured by the smoke and dust from the manufactories. It would cease to be the cleanest city in the country, and would become smoke-besmirched, like most other cities.

The Nation has a tremendous investment in the city of Washington. More has been spent upon our Government buildings in an effort to make them buildings of architectural beauty and symmetry than would have perhaps been necessary from a practical standpoint alone. This Government has spent millions and millions of dollars in an effort to beautify this city and it has been beautified to the extent that it is perhaps the most beautiful city in the country, if not in the world.

On the very page of the same paper from which I read the first article there appears another article, the headlines of which are, "Zone expert here." "Will beautify city," and then the article mentions the fact that Congress had made a special appropriation for this official and that he is now here studying the problem with a view of making more beautiful this already beautiful city. We have a Fine Arts Commission, which, at Government expense, is devoting all of its time to considering and devising plans by which the capital may be made more beautiful. I understand that the Fine Arts Commission has formulated a very comprehensive plan, providing for the construction of additional buildings, parks, driveways, and other improvements, designed to beautify the city of Washington, which improvements are expected to extend over a long period of years and to involve an immense expenditure. And yet, in spite of the pride of Nation, and of the vast national expenditures made and contemplated, with a view of making Washington the most beautiful city in the world, the local interests referred to have deliberately and selfishly entered upon a movement to counteract and nullify these efforts on the part of the National Government to beautify and keep beautiful the National Capital.

Because of my deep and abiding interest in my country and its Capital, and because of my profound contempt for blind greed, I submit these thoughts, with the hope of something effective being done to prevent the execution of the program to which I refer. I submit the matter for the consideration of the Fine Arts Commission, the District Commissioners, and the Members of this House, particularly those who are members of the Committee on the District of Columbia.

I am in full sympathy with the efforts which have been made, are still being made, and which will doubtless be made in the future to make and preserve the unrivaled beauties and attractions of our National Capital. If it is not already so, I think we should make it the most beautiful city in all the world—one in which every American citizen can take a just pride; one which will be viewed with admiration and wonder by every foreign visitor.

The city of Washington should be zealously maintained, strictly and solely, as and for the seat of the National Government. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. GOOD. Mr. Chairman, I yield three minutes to the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. Mr. Chairman, a matter of the deepest concern to us all is that of keeping well and fit for the daily tasks of life. The conditions under which we work here are not of the best, so far as they relate to health and hygiene. The air in this Chamber at its best is not of the purest, and often it is most vile, so that we know how hard it is to endure it throughout a long day's work. Aside from a walk to the Capitol in the morning by those of us who can not afford an automobile, we have no opportunities for exercise. The gymnastic apparatus for athletic exercise installed at the House Office Building within the last few weeks, paid for by private subscriptions from the Members of the House, indicates our desire to do something to help a bad situation.

What I have to say to-day is in regard to a man who has made a nation-wide reputation by his work and his teachings in the very important field of keeping the physical man fit for the duties of life. The name of this man is Walter Camp, who is widely known as an authority on matters pertaining to athletics. He is sometimes called the "father of football" in America, and is deserving of that honor; but, in my judgment,

his greatest claim to distinction is the service he has rendered in aiding, encouraging, and urging the spread of the gospel of keeping men physically fit. He is my constituent, neighbor, and personal friend. We know him at home as a big business man. He is the president and active head of a big manufacturing concern, the New Haven Clock Co., but he is many other things as well. As I have said, most people in the United States know him as an authority on athletics and as a great exponent of physical training.

Just prior to our entry into the war Mr. Camp began with a group of men above 45 years of age, mostly his friends and neighbors, to demonstrate what could be done within a minimum of time toward putting men of this type into condition for the work of a period of stress and strain. The experiment was a great success. He came to Washington early in the war in order to give the benefit of his knowledge and experience to a number of Government officials, including Cabinet officers, ambassadors, assistant secretaries, commissioners, bureau chiefs, and others. Again his work proved a great success in making those men fit for the heavy duties that were falling upon them at the time. He developed by careful study and experiment a system of daily setting-up exercises, simple but most effective, to be taken in the morning immediately after rising or at night before going to bed, or both. He claimed no miraculous efficacy for the particular exercises recommended by him, but he knew that they were based upon correct principles and that if properly taken would prove helpful. He reduced the number of exercises to 12 and called the combination the "daily dozen." His enthusiasm for the "daily dozen" was irresistible. Others who tried the exercises became enthusiastic, and so the name and the fame of the "daily dozen" spread until it is probably a conservative estimate to say that a million of people have tried them in this country.

A little over two years ago in some remarks on the floor I referred to the "daily dozen" and Mr. Camp's work in connection with making and keeping men fit for their tasks both before and during the war. Those remarks, with a liberal extension of the remarks of Mr. Camp and others, were printed in the CONGRESSIONAL RECORD, and later in pamphlet form. Some of my speeches, especially in connection with munitions, had a very gratifying popularity during the war, but I am compelled to say that no speech of my own has ever had any such popularity as the "daily dozen" speech had. Thirty thousand copies of that speech have been printed, and upon requests which have streamed into my office for two years all of these speeches have been sent out, going into practically every State of the Union.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TILSON. Mr. Chairman, I ask unanimous consent that I may now extend my remarks in the RECORD by printing what may be properly called a sequel to my remarks of March 28, 1918. The extension will indicate something of the results of Mr. Camp's work during the war and since the war along the same lines of keeping men well and fit for service, whether the service be in war or in peace. [Applause.]

The CHAIRMAN. The gentleman from Connecticut asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. TILSON. "The daily dozen!"—a rather strange name—but it was well described by Lawrence Perry in the New York Evening Post when he referred to it as "a shorthand system of setting-up exercises." It came into being in a singular way, too, for it was developed during the war time to answer the need of training camps in the naval stations. A commandant, a rear admiral, sent a letter to Mr. Camp saying that he was about to throw out all set-up exercises from his district as they either tired his men out so that they were for a time unfit for strenuous drill, or they taught them to slack because they saw the opportunities of avoiding the actual proper performance of the exercises. So the "daily dozen" was developed—short in period of time occupied, avoiding the difficulty of boring the men too much, and consisting, instead of vigorous muscular effort, in a suppling and stretching of the large muscles and a lifting up of the thoracic cage.

In addition to his services to the Navy, Mr. Camp has acted as consultant to the Surgeon General in matters regarding the physical fitness of aviators, and placed some 40 trainers in aviation fields. His "daily dozen" was introduced in many of these fields and with excellent results.

Mr. Camp insists and reiterates that the object of these exercises is not to build up big muscles or to tax the strength, but to produce a sense of physical well-being. The time required in taking them is so limited that they are not taxing in any sense, but are simply pleasurable and exhilarating, even without regard to the healthful effect produced. The exercises are for the most part directed toward the improvement of the trunk rather than of the limbs. The trunk contains the vital organs. It is like the engine in a motor car. It is here that the organic and functional activities are carried on. It is here that the breathing is done. It is here that the heart operates and the whole digestive tract functions. It is here that the faulty carriage of the body begins, and it is here that bad habits and excesses make themselves felt.

When the breathing is proper, when the operations of digestion are going on normally, when the heart is functioning as it should, one may be assured that he is traveling in the direction of health, and it is along this line that these exercises are directed.

One purpose is to produce an erect carriage, but it is also desirable to secure what comes with the erect carriage, namely, the straightening of the spine, the lifting of the whole thoracic upper body, the easy spread of the ribs, and the pliability of the diaphragm. The average man who does not intend to be a weight lifter or to pose as a muscular prodigy has no need of the enormous biceps or big bulging calves.

If the shoulder muscles are well developed, the back a strong column, as it should be, and the body performs its functions, the man assumes a natural position and does not need to think about it or make an effort to do so. In these exercises he stretches his body upward, thereby raising the ribs and, naturally but not in an enforced way, straightening the abdomen. If there be a feeling of sluggishness, it is dispelled and a sense of exhilaration replaces it. The circulation is steadied rather than increased and he is not tired. The muscles of the back are exercised in various directions, and gradually the man becomes firm in a correct poise, for by the development of the muscles of the body he has placed an elastic muscular corset around himself. By the breathing exercises he lifts and flattens out the ribs and broadens the base, thus giving exercise to the deep muscles in the back and preventing any liability to strain there.

It should be borne constantly in mind that there should be no attempt in these exercises to make any extraordinary muscular effort. The purpose is to get the muscles well under control and cause an increased circulation of the blood, but not that which comes from violent exercise. What is desired is a more generous distribution of work to all the muscles and cells and to provide that when the more violent exercise comes the muscles are the better prepared for it. It is best to rely upon a man's playtime, or, if he has strenuous physical work, upon that, to increase the heart action rather than to make any attempt to do it through set-up exercises. A thing to be avoided particularly is making the man muscle bound. Instead of this the effort should be to increase his reach and pliability, for just as soon as this is accomplished through the medium of these stretching exercises there is created a desire for exercise as a sport and a feeling of confidence in one's own strength.

Mr. Camp would not dream of detracting from the splendid work of Mueller, Sandow, Checkley, Hebert, and many others, and would in no way minimize their credit. He lays claim to no inventions. In fact, he tells us that we shall find that the East Indians long before our fathers or grandfathers were born practiced most of these body stretching and stimulating exercises. The difficulty has long been to get men to do them. If the combinations, descriptive nomenclature, and reduction in time accomplished by Mr. Camp seem new enough to induce more people to follow the road to health, it will be well for them and for future generations. If you practice daily all the Mueller exercises, or those of any other man who does not ask you to develop bulging muscles or to use up the vitality needed in your daily work, you are to be congratulated upon your wisdom and pertinacity. Perhaps you have the courage also to wear sandals. Dr. Kneipp went before and further than Mueller in that way. The ones to whom these words are addressed are probably of lesser tenacity.

During the entire period of the war Mr. Camp was a very busy man because his advice and assistance were sought far and wide by those responsible for the physical training of men in the military service. After developing these exercises in various parts of the service the call among the civilian population became so marked that he arranged the "daily dozen" in such fashion as to make it simple and easy for leaders in industrial plants and still further to make it adaptable for every individual even without a leader. Here is the simple set of exercises which everyone can follow at the expenditure of only six or seven minutes a day:

Each exercise starts from the position of attention, heels 4 inches apart, feet turned nearly straight ahead, body erect on hips and inclined a little forward, shoulders square and

even, arms hanging naturally. Each movement should be slow and measured; guard against a tendency to hurry or to be careless. The three preliminary exercises are very simple: First, raise the arms to a horizontal position, then straight above the head; slowly lower them again. Second, raise the arms and, forcing the elbows back, place the hands on the hips; then lower them to the sides. Third, raise the arms once more and, again forcing back the elbows, touch the finger tips at the back of the neck. Repeat each of these movements several times.

Fourth exercise: Raise the arms sidewise to horizontal position; turn the palms upward and force the arms back as far as possible; while in this position count slowly from 1 to 10, and at each count describe a complete circle about 12 inches in diameter, the arms remaining stiff and pivoting from the shoulders. Then reverse the direction of the circle and do another 10 of them.

Fifth exercise: Raise the arms as before to horizontal. Then, while taking a deep breath, raise the arms to an angle of 45 degrees, and also raise the heels until you are resting on the balls of the feet. Then, while you slowly let out the breath, come back to the original position, feet flat on the floor, arms horizontal. Be careful not to raise the arms more than 45 degrees or return them to below horizontal. Do this 10 times.

Sixth exercise: Raise the arms as before to horizontal. Place the hands behind the neck, index fingers touching, elbows forced back. While in this position bend the body slowly forward from the waist as far as possible. Return to upright position and bend backward only a little way. Do not make these movements jerky and do not hurry through them. Repeat the whole movement, bending forward, then straightening up, then bending backward, five times.

Seventh exercise: Raise the arms as before to horizontal. Turn the left palm upward; then raise the left arm and lower the right until the right is down close to the side and the left is straight up overhead. Then slowly bend the body sidewise from the waist, the right arm slipping down the right leg to or below the knee and the left arm bending in a half circle downward over the head until the fingers touch the right ear. Return to the original position and go down the other way, the left arm slipping along the left leg, the right arm bending downward in a half circle over the left ear. Do this five times.

Eighth exercise: (a) Raise the arms as before to horizontal. Move the right foot 12 inches from the left. Slowly bend the fists and lower the arms downward from the elbows. Then curl the fists upward into the armpits, bending the head backward meanwhile until you look upward at the ceiling. Take a deep breath as you bend the head back and begin to let it out as you come back to the original position, head erect, arms at horizontal. (b) Then, without resting, extend the arms straight forward from the shoulders, palms down; let the arms begin to fall and the body to bend forward from the waist, head up, eyes to the front, until the body has reached the limit of motion and the arms have passed the sides and been forced back and up as far as possible, finishing in expiration. A deep, slow breath should be taken as you go up and exhaled slowly as you come down. Do the whole exercise—(a) and (b)—five times.

Ninth exercise: Move the right foot until the heels are about 12 inches apart. Raise the arms to horizontal. Bend the knees and, with the weight on the toes, lower the body almost to the heels, keeping the trunk as nearly erect as possible. Do this 10 times.

Tenth exercise: Raise the arms as before to horizontal. Stretch the arms straight above the head, fingers interlocked, arms touching the ears. Then, with the fingers still interlocked, describe a complete circle about 24 inches in diameter, the body bending only at the waist. Do this five times; then repeat the movement five times, but in the opposite direction. Go through the entire movement slowly and steadily, bending the body in its rotation as far as possible from the hips only.

Eleventh exercise: (a) Move the right foot until the heels are 12 inches apart. Raise the arms to horizontal and turn the body to the left from the hips, the arms remaining horizontal until the face is to the left, the right arm pointing straight forward and the left arm straight backward. (b) While in this position bend the body from the waist, so that the right arm goes down until the right fingers touch the floor midway between the feet and the left arm goes up. The right knee must be slightly bent to accomplish this. Reverse the movement, turning the body to the right this time until the left hand points straight forward, then bending downward until the fingers of the left hand touch the floor. Return each time to the original position, body erect, arms horizontal. After you have mastered the exercise you can go through it—(a) and (b)—in one continuous motion. Repeat the whole—(a) and (b)—first to the right, then to the left, 10 times.

Twelfth exercise: Raise the arms to horizontal, then upward, at the same time inhaling, until they are straight overhead; then let them fall forward and downward while the body bends forward from the waist, letting out the breath, and the arms have passed the sides and been forced upward and backward as far as possible, just as in exercise 5. Remember, as you bend forward, to keep the head up and the eyes to the front. Straighten the body upright, with the arms overhead; then lower the arms to the horizontal position with the palms turned upward and the arms and shoulders forced hard back; then raise the arms upward and begin the movement again. Repeat this entire movement slowly five times, forcing the air out of the lungs as the body bends forward and filling the lungs again as the body straightens.

Since the armistice the "daily dozen" has spread more and more widely through civilian bodies, and especially where most needed, among the busy executives in large organizations. These have included Wanamaker's, Colgate & Co., Swift & Co., Cheney Bros., and many others. It has been taken up by many clubs, whose members have profited greatly from its practice. It is so simple and yet so effective that it has replaced many of the old forms. Just a few letters taken at random from the thousands received show something of the results accomplished and explain the increasing demand for the system:

PHILADELPHIA, *May 8, 1918.*

MR. WALTER CAMP,
Yale University, New Haven, Conn.

DEAR MR. CAMP: I can not tell you the impression your talk of two weeks ago has made upon our people here in the store. So much so that, with your permission, we intend to adopt your system for the entire "Store Family," both in New York and Philadelphia, from the owners down.

Now, would it be possible for us to send our athletic director to one of the camps under your control, in order that he may spend two or three days there and get a thorough idea of your system, so that he can come back to us and carry on the work? Could you let us have photographs of the different movements, both men and women, and would you permit us to reprint them, so that everyone in our employ could have a copy?

We would like to send our athletic director to any point you mention during the early part of next week.

Again thanking you for what you have done, and awaiting the pleasure of your early reply, I remain,

Yours, very truly,

SAMUEL J. DALLAS.

—

NEW YORK, *September 12, 1919.*

DEAR SIR: Some time ago we sent you a card of exercises prepared by Walter Camp. We have had a number of appreciative letters, a few of which we quote:

"My breathing has become more regular and easier and I have a different feeling in the morning after the exercises."

"The boys who are traveling should follow these instructions faithfully. The continual change in water, food, and beds makes it most necessary to keep their physical condition good. A little exercise each morning has been of great value to me. Keep after the boys along this line. It's good stuff."

"The ——— Division has taken great interest in the illustrated and instructive cards as issued on 'Keeping fit,' and I am free to say our force has been benefited by the card suggestion."

Last April the New York Tribune published an article attributing Clemenceau's energy to his daily exercise. Article ran in part as follows:

"Premier Clemenceau's wonderful constitution is ascribed partly to the fact that he devotes half an hour every morning to physical exercise. At 8 o'clock Edouard Leroy, his gymnastic master, arrives to put him through a series of movements, demanding the greatest flexibility in all parts of the body.

"For years the premier has not missed his morning drill, except for a few days after the attempt made to assassinate him by Cottin, but he resumed it as soon as it was safe to do so.

"It is to this daily exercise that M. Clemenceau attributes his indefatigable energy. Even during the most anxious hours of the German offensive he conscientiously went through the drill and found that after a sleepless night it made him fit for the strenuous tasks of his office."

If you study these exercises carefully you will see that although you may walk a good deal and carry a grip, yet you are not developing in this way symmetrically the muscles of the trunk which are most helpful for maintaining health. The writer of this letter is not a young man and from experience he knows that health and vigor, both of mind and body, are gained by the faithful carrying out of these exercises, and he therefore commends them to you not for your careful consideration but for putting them into execution.

If for any reason you have mislaid your card of exercises we will forward you another upon notification.

Yours, very truly,

COLGATE & CO.

—

THOMAS COUNTY BOARD OF HEALTH,
Thomasville, Ga., July 16, 1919.

MR. WALTER CAMP,
New Haven, Conn.

DEAR MR. CAMP: Inclosed find indorsements of efficiency exercises. Beg pardon for the necessity of keeping them this long; showed them to several. Have mailed Mr. C. H. Rice copy of same. I have showed the "daily dozen" to twenty-five hundred school children in rural schools, but only 1,500 used them, hence my effort to get them in curriculum. Am using them daily myself; so is Mrs. Schreiber and the children and everyone that I can get to use them.

Am going over the situation, and in the meantime the school board of Boston, Ga., our second largest town in the county, have adopted them, and I am to teach them on the day of opening. If you never

had done a thing but get out this "daily dozen," you will have accomplished a great work, full of benefit to all that will use them.

I speak to thousands of boys and girls as well as grown people every year on health subjects, and they all get news of the "daily dozen."

Many thanks, and God bless you.

JNO. SCHREIBER.

[On board S. S. *George Washington* at Brest.]

TO WALTER CAMP.

Your drill has been the test of us;
You've better made the best of us;
You've much improved the rest of us;
You've raised each sinking chest of us;
You've much reduced each vest of us;
You ever will be blest of us;
North, south, and east, and west of us;
Signed with the seal attest of us.

Franklin D. Roosevelt, C. M. Schwab, Vance C. McCormick, Henry M. Robinson, Guy T. Helvering, Howard Heintz, John H. Finley, Walter S. Tower, C. K. Leith, M. Swenson, H. T. Clarke, W. A. DuBois, S. A. Brown, H. S. Amberg, A. H. Brown, E. B. Reed, M. Coolidge, Paul D. Moody, Preston Herbert, E. A. Schuman, and others.

NEW HAVEN, CONN., *March 15, 1920.*

DEAR WALTER CAMP: I have mastered the exercises quite well, I believe. I found that I could not get up early enough to do them justice in the morning, so I do them before I go to bed. They seem to work as well as the proverbial "patented medicine—take it in morning sure to waken you, take it at night sure sleep producer." The muscles get the same exercise so I don't think it matters much.

Thanking you very much for the attention you have shown, I will close.

Very truly, yours, F. B. V.

Now listen!

Up and down the streets, in the street cars, and the various places where people congregate how often we hear this expression.

So many people trying to impress on others something that has "taken hold" of them.

I would like to join the "now listen" exhorters. It is not our lack of knowledge so much as our lack of applying that knowledge that counts with the most of us.

A few months ago the American Magazine published an article, "Walter Camp's daily dozen set-up." I read it and thought, "Everybody for their hobby; it may be all right for people of sedentary habits, but for a busy housekeeper, who twists and turns at various tasks, it's very little they need it." However, the article interested me and I laid aside the magazine.

For a number of years I had been doing the various tasks which falls to the lot of the average woman who does all her own work, but I was not at my best as far as health goes. My circulation was very poor and I was "always tired." I finally realized I must find some way to overcome this condition or suffer a breakdown.

I finally decided to "take time" to try out "Walter Camp's daily dozen," and a few other things. I have been going through these exercises regularly and carefully every day before dressing or at bedtime. At the end of about 10 weeks I find:

I have a good circulation.

I am not "always tired."

I have filled out some unsightly hollows in my frame.

I have cured myself of a long-standing case of constipation.

I have gained 5 pounds in weight, and feel as though once more I had an intelligence, which I could use for the benefit of myself and others.

You might publish "Walter Camp's daily dozen" again. Maybe some one else would "wake up" to the possibilities of what intelligent exercise does for the body.

F. M. H.

HELIOPOLIS, EGYPT, *December 20, 1920.*

Mr. WALTER CAMP,
The Senior Service Corps of New Haven, Conn., America.

DEAR MR. CAMP: The majority in Egypt have so neglected their health that the smallest village have some doctors, and the people seem to be lack of more.

Referring to your proposal in the Physical Culture, you have enlightened an obscure way of health and have opened my eyes.

Under your counsel I unhesitatingly and hastily formed a company of respectable middle-aged men, and have been elected secretary, undertaking to ocupy my whole spare time for that purpose. Meanwhile advising everyone to read at least the Physical Culture magazine.

Mr. Walter Camp will not only have taken part for the restoration of America but will also save Egypt.

I will be very much obliged if you will forward the necessary instructions and literature for organizing a branch in my locality.

Thanking those persons who help mankind, I am,

Faithfully, yours, I. KOGAN.

DURHAM, N. H., *November 4, 1919.*

DEAR WALTER: Where can I get some more illustrations of the "daily dozen"? My household has gone quite wild over the exercises, and my single copy, which you gave me, is overworked.

I am acquiring a suppleness of the back and knees the like of which has not been known for years.

Really, they are great.

My regards, please, to Mrs. Walter.

As ever, FRED T. MURPHY.

SAN FRANCISCO, CALIF.

Mr. WALTER CAMP, *New Haven, Conn.*

DEAR SIR: In the American Magazine for March, 1919, I read an article describing your series of physical culture exercises, which I have been practicing ever since, going on now for about 10 months. And I want to say right here that they have done me more good in many ways than any exercises I have ever taken. I am like one of the men you describe, who, if he happens to get up late would rather miss his tub than his dozen set-ups.

I am 46 years young, have more pep than I had 20 years ago.

I write these few lines to express my appreciation, based on practical experience, of your system.

Yours, very truly, J. S. VAN DYKE.

COLLIER'S,
December 2, 1919.

DEAR MR. CAMP: "The daily dozen" booklet and picture came. Thank you very much. The two letters seem to me very interesting indeed.

I believe with you the need for increased personal efficiency to offset mounting prices and the indifference to work on the part of so many people, and that it can be exhilarated and maintained better through a few minutes each day devoted to the right kind of exercise than two months once a year could possibly do.

I would rather receive these intimate letters you receive from men who are better off for your having lived than to receive extra dividends from an investment in oil stocks.

Then, if there are any Camp children, they have got something to shoot at.

For most men know that too much money left youngsters is not always a good thing, but to leave them the consciousness that their forbears were regarded by their fellow citizens as regular men exerts a greater restraining influence when the youngster is tempted and has a lift to a healthy ambition that nothing else in this world has.

I don't want to have to wait until the next Army and Navy football game before seeing you again, so that when you are in town with some time on your hands, just tell me where you will be, and I will do all the leg work.

Sincerely, yours, GEORGE D. BUCKLEY.

SEPTEMBER 25, 1919.

WALTER CAMP, Esq.

MY DEAR SIR: I want to thank you for the propaganda you have been doing in connection with your setting-up bill. For four years I was a nervous wreck with collitis, rapid pulse, endless phobias, etc. After spending large sums on physicians, X ray, etc., I happened to see an article on your drill in Physical Culture, and later sent to the National Security League for the pamphlet.

Within 10 days after using your exercises I was able to go to Boston and take up my law business and have been at it ever since.

One queer thing is that other systems of exercise have bored me so I couldn't continue them, but yours I can't stop. I have distributed the pamphlet to many of my friends, who are enthusiastic.

Your exercises are, no doubt, good for a well man, but they are wonderful for a sick man.

Thanking you again for setting me on my feet, I am,

Very truly, yours,

PRESCOTT F. HALL.

THE UNIVERSITY OF THE STATE OF NEW YORK,
February 12, 1920.

Mr. WALTER CAMP,
New Haven, Conn.

DEAR WALTER CAMP:

"Who's better made the best of us
And much improved the rest of us."

Thank you for your note. I should like to see you twice every day and to "grind, grate, grasp, crawl, curl, crouch, weave, wave, and wing" for you; but better still, talk with you, as you propose.

My headquarters in New York are the Century Club, just around the corner from the Yale Club. Call me up there when you are in town and see if we can synchronize.

I wish very much to go to New Haven for the Parker memorial services next Sunday, but I am not sure that I can manage it.

Cordially, yours,

JOHN P. FINLEY.

Whereas the New Haven Chamber of Commerce has noted with pride the movement which was inaugurated by Mr. Walter Camp, of this city, of organizing groups or corps of men and women in every American community for the purpose of improving their physical condition, and thus promoting general physical fitness as a national asset, in the interest of the preparedness of the country; and

Whereas the National Security League has indorsed Mr. Camp's plan and has recommended to every American mayor that he appoint in his community a committee on physical reserve to investigate and consider introducing the movement in that community; and

Whereas this city, the home of Mr. Camp, was the first to form such a group and to endeavor to promote physical fitness throughout its organization: Therefore be it

Resolved, That the New Haven Chamber of Commerce heartily indorse the scope and purpose of the plan of Mr. Walter Camp for national physical improvement as outlined by the National Security League; and be it

Resolved, That it urge upon the Chamber of Commerce of this country the investigation of the system, and that it recommend that the National Chamber of Commerce give its indorsement to the movement as a measure tending to promote the general efficiency and betterment of American people as a business as well as a health measure.

Here is what Miss Susanne Lenglen says, the champion woman tennis player, who, after winning on the Continent, carrying off the singles, doubles and mixed doubles, came to Wimbledon and in the blue-ribbon event of the year defeated Mrs. Lambert Chambers, who had held the British championship for some seven or eight years:

Why I don't think I have any particular method. I practice daily some simple physical culture exercises I was taught at school. Most French girls don't like that sort of thing, and drop such exercise as soon as possible, but it interested me to see my body develop, and oh, I felt so well, so I have kept them up. Really they are very simple, and I only give a few moments of my time to them. A quarter of an hour's practice every day will preserve one's more perfect condition of suppleness and freshness.

Dr. S. Weir Mitchell says:

All classes of men who use the brain severely, and who have also—and this is important—seasons of excessive anxiety or grave responsibility, are subject to the same form of disease; and this is why, I presume, that I, as well as others who are accustomed to encounter nervous disorders, have met with numerous instances of nervous exhaustion among merchants and manufacturers.

My notebooks seem to show that manufacturers and certain classes of railway officials are the most liable to suffer from neural exhaustion. Next to these come merchants in general, brokers, etc.; then, less frequently, clergymen; still less often, lawyers; and, more rarely, doctors; while distressing cases are apt to occur among the overschooled young of both sexes.

A prominent man in world affairs says:

Foolish people leave all sorts of things to time. Some leave the question of ill health to time.

Don't leave anything to Father Time. He won't do anything for you. He can't. All he does is to provide you room in which to perform. If you sit in the corner and wait for him to do your job, you'll be disappointed.

Father Time is only a sort of janitor in the employ of the Almighty. He sees the tenants come and go. But he has nothing to do with any of them, cares nothing about them. When you enter the arena he may bow and say, "Good morning." When you check out seventy or eighty years later he may say, "Good night." That, however, will be the extent of his interest in you, or knowledge of you. He sees billions pass in and out the gate.

The big executives of the present day and generation are not "checking out seventy or eighty years later." Unfortunately too many of those who ought to give of their best up to 60 and 70 are "checking out at 50," and some before that time. It is because they are leaving their health as a side issue and their job as precluding any attention being paid to their physical condition. Such men are not only "checking out" early but they lose power and ambition even before that. Their "push and punch" is gone. And one of the worst things that they do is to indulge in orgies of work and then orgies of exercise. A man has but one bowl of vitality, as it were, and from it he draws both for mental and physical work. If he thinks that by indulging in an orgy of exercise once a year or even once a week he can keep himself fit, he is entirely mistaken, and many a man at 50 or earlier has been suddenly awakened to this fact. Nature does not do things that way, and she exacts penalties from men who do. What is needed is a steady daily exercising of the main trunk of the body in order that that most important part, the "engine"—that is, the internal organs—may be kept in good order.

One of the very strong points in favor of Mr. Camp's simple set-up exercises seems to be their adaptability to men of all sizes and all weights. Fat men especially have found them helpful, and by their aid have either reduced weight or replaced fat with muscular tissue. Referring to stout persons, Dr. Eugene Lyman Fisk says:

A moderate degree of overweight is well borne before the age of 35. After the age of 35 overweight is associated with an increasingly high death rate, and at middle life it becomes a real menace to health. This is either because of its mere presence as a physical handicap or because of the faulty living habits that are often responsible for its development.

That is, a youthful figure as a rule reflects a superior vitality, other things being equal. Some allowance may be made for the type a man is, but not as much as he is inclined to think. For example, a massive man may be allowed a slight increase over the normal weight for his height, but when he comes to us to be examined, and we find him 25 to 40 pounds heavier than a slightly built man of the same age and height, we talk to him seriously.

Watch the scales. After the age of 35, 15 to 20 pounds overweight should prompt one to take careful measures for reducing. Habits should be formed that will keep the weight down automatically, instead of relying upon intermittent attempts that are more than likely to fail.

Walking, swimming, golf, billiards, hill climbing are all beneficial forms of exercise for the middle aged and overweight. Simple setting-up exercises, if repeated from twenty to forty times night and morning, will accomplish this. As the weight comes down, the exercise should be increased.

Most business men are overweight. You can tell that by looking at them. They are fat, plump, thick set, heavy. This surplus flesh is not merely a joke. It is a danger to health and longevity. No matter how well you feel, take steps to keep out of the class that life insurance companies have found to be undesirable as risks.

When Dr. Sargent, of Harvard University, made the charge a few years ago that "more than one-half of the male population between the ages of 18 and 45 years are unable to meet the health requirements of military service, and that of the largest and strongest of our country folk pouring into our cities barely one of their descendants ever attain to the third generation," it was a serious charge. We have become familiar with the forgetfulness of physical condition by men over 40, but we had prided ourselves, and not without better reason than Dr. Sargent would perhaps think or believe, that the majority of our youth would compare favorably with those of other countries. When one comes to sift the statement he should remember that a great many things for which the military examination might reject a man are not so serious after all, and that nothing has been said about the splendid physique of a great many men who are accepted. After visiting many of the training camps, both military and naval, comparatively recently, Mr. Camp was quite prepared to agree with those who praise the flower of our young manhood as being superior to that seen abroad. Dr. Sargent is quite right, however, that we ought not to have so many rejections and that it is time for us to realize that a man who is out of balance physically should be looked after. More than this, our men should not become out of balance. The truth of the matter is that our mechanical devices have gone so far toward taking the place of manual labor that we have left only one source of development, and that is in our athletic sports. If, therefore, these are not made broad enough and thorough enough and well enough considered we are likely to have just what is happening now, namely, a discrepancy when it comes to a measurement instituted by military authorities. Our young men flock to the cities, where they plunge into city life, with its attendant crowded conditions, lack of attractiveness for outdoor exercise, vitiated atmosphere, lack of sunshine, and lack of other things that go to the perfecting and keeping the physical man strong, robust, and enduring.

Proper exercise is the most potent element for counteracting these conditions. Air, bathing, and diet aid, but there must be exercise in order to get the energetic contraction of the larger muscles of the body, which go so far toward regulating their condition. There should be compensatory exercises, beginning as far down as our primary schools and going right through the secondary schools and universities.

Dr. William C. Woodward, chairman of the District police board in Washington, did not overstate the matter when he said that many officers of the several draft boards, when suddenly called upon to perform the grueling work of those boards, were soon overtaxed in physical strength, that the strain had begun to threaten their efficiency, and that they were thoroughly undermining their bodies in this effort. Almost every community saw the same thing happen, and many of these men would agree with Dr. Woodward that this came very close to threatening a serious calamity throughout the country. All these men should have been prepared by 30 or 60 days of physical training for this extra strain. The Equitable Life Assurance Society, in one of its bulletins, called attention to the fact that out of approximately 1,300,000 men who volunteered for the Army and Navy 448,859 were acceptable. The Equitable also calls attention to the fact that these physical impairments not only will not correct themselves but that they will get worse, and that a large percentage of our physically substandard men will early drift into sickness and premature death because their power to resist disease is rapidly declining. Upon this convincing evidence the Equitable then calls for a thorough and permanent system of health education in our schools, saying—

With all of our wealth and intelligence and scientific knowledge in the field of health conservation, we are allowing a large proportion of our children to pass out of the schools into adult life physically below par.

The Equitable concludes with the remark:

Some day we shall put all American school children through physical training and health education. Why not commence now?

If a man determined that because his horse or his dog showed exceptional intelligence he would endeavor to develop that intelligence at the expense of the physical by setting the animal at mental tasks, and so gave it only the exercise that would come from moving about the room, and no fresh air or sunshine, no road work or hunting, it is an easy guess what the result would be.

If a parent had a child that showed unusual mental precocity and therefore worked the child long hours, with no outdoor exercise, no fresh air, and no sunshine, such treatment would be rightfully regarded as criminal. Yet at least 50 per cent of our best men in this country, on account of loyalty, patriotism, or some other lofty emotion misdirected, are doing with themselves just what the owner of the horse or dog or the parent of the child would be doing in the illustrations cited. Some of these men, after struggling with a gradual deterioration in health, while still able to whip up their will into going on from day to day with the same program, finally conclude that unless they take a vacation they are going to break down. The doctor tells them so, and they finally realize it. Then they rush off for a week or 10 days, some of them into an orgy of exercise, others into a somnolent state of lying around and thanking their stars that they can rest at last. They feel better and do improve, even though one man runs himself into a state of physical exhaustion and the other loafs. Appetite returns, and probably both eat too much; but the change and the letting up in nervous tension have a good effect. What a man really needs is not to go pounding along forgetting all the laws of health until he comes close to the breaking point and then patching himself up with 10 days of completely changed life,

only to return to the old grind once more, but to know how he can make that daily life not a grind and how he can keep fit all the time. This is the problem, and until a man solves it for himself he is going through the year with 10 days of comfort and of partial restoration to health and the other days in a condition of nervous tension and entirely without knowledge of what it feels like to be perfectly well.

To-day the gospel of exercise and of fresh air must be preached and practiced from the tiny tot playing in the newly found sand under the direction of the playground matron up to the old man who, although nearly fourscore, boasts of having had his full round of golf every Saturday at home and half the winter in the South. There is a story told of a philanthropist who became so interested and finally absorbed in Sunday-school work as to devote so many hours daily and nightly to this subject as to seriously undermine his health. Finally his physician, who was also a good churchman, was obliged to point out to his patient that he was not only jeopardizing his health, but also the very cause for which he was so assiduously working, by the irritability and ungraciousness which came from his own poor condition of health.

It is a perfectly fair statement that in this case not only the man benefited by this physician's sound advice, but the Sunday schools and the other philanthropic work in which he was engaged secured an equal profit, for a long outdoor vacation not only renewed his strength but his disposition and effectiveness. But he should never have reached this breaking point.

There is many a man to-day overworking himself in the mistaken notion that by steadily keeping his nose to the grindstone and amassing wealth he is benefiting his family.

No man has a right to put himself in such a condition that the family who love him are not always glad to hear his welcome footstep. No man has the right to count upon likening the affection of his boys and girls and his wife to that of a dog who, although cruelly treated by his master, will still fawn in good faith to him, forgetting everything even to seventy times seven. Moreover, when it is possible for that man, by exercising even a modicum of the brains which he is using to amass wealth to take care of himself and be a delight to his friends and household, there is little excuse for him. Still further, when the time comes and he breaks down, as perforce he must, for disobeying nature's laws, then dreary indeed, not only to himself but to his family, is that pursuit of lost health upon which he must enter. There will come many a day when he envies the day laborer and there will come many a night when, as he tosses in sleeplessness, he would fain pay any price to get back that health which he in his shortsightedness has sacrificed.

I remember seeing a picture once of a man marooned on the sands of a desert island, where he stood digging out great handfuls of golden dollars and piling them up by the side of the pit which he is digging. Meantime, sailing away from that island and leaving him to dig in starvation is the good ship *Health* with all her colors flying. It is a true picture, which many men to-day would do well to hang over their office desks so as to look at it occasionally, check up their conduct by it, and ask themselves what advantage is that pile of gold dollars if the ship has sailed.

Never has there been a greater demonstration of the value of physical fitness than in the remarkable college football season of 1919. One of the points that was peculiarly emphasized throughout the season was the close linking of the physical condition with that of the nerves. Upon no other basis can a satisfactory explanation be offered of the fact that a team might play a game of marvelous precision and success upon one Saturday and on the following Saturday seem to lack just that adjustment which had helped them to remarkable prowess on the previous week and might even go down in defeat to a team apparently not nearly their match. Football is, of course, a game for youth and for youth in the finest physical condition. But just as it is with youth and the results of a football season so it is with the average man in his combat with conditions after he has gone out into the larger world. The executive, the business man, the professional man, all are like these boys in that they are playing the game and playing it in earnest and need to have all the advantages that can possibly accrue to them from good physical condition and the steadily poised nerves which come with that condition. Many a professional man has had the experience of losing a case which he knows he might have won had his health and nerves been properly attuned. Many an executive realizes at times that he is stretching the bow and not only is his health liable to break but that the very things that he is doing are not done as well or as easily or as successfully as they were all accomplished when he was feeling fit. Hardly a reader of these lines but has had the experience of seeing small things look like mountains of difficulty, just because he was tired and played out, and after a vacation come back to find that most of them had taken care of themselves or had proved insignificant. Things that when in good condition he would have viewed as mere incidents magnify themselves into serious grievances when his viewpoint is colored by low physical or nervous tone.

Nature meant us to earn our bread by the sweat of the brow, and if a man does that nature generally gets him in good physical condition. But if he forgets all this, rides instead of walking, confines his energies to a swivel chair, stays within the four walls of a room, persists in the belief that he is the exception to every other animal that nature made, she soon begins to exact her penalties of him. He finds his resistive power lower. He finds he has more weight and less muscular strength to carry it. He dislikes exercise, because it tires him, and the less he exercises the more the deterioration goes on. Soon every organ partakes of this slackness. With his work comes worry and with that worry an irritable condition of the nerves. Suddenly he is brought up with a round stop and learns from his doctor that something is wrong with him. Then begins the pursuit of health, and vacations, which formerly were a pleasure to him, are full of the foreboding and wondering whether he will be all right in a month or six months. And all this can be prevented not by orgies of exercise, not by doing things to such an excess as to still further load the vitality and the resistive force, but by constant small doses daily of a moderate exercise, which takes nothing out of a man but exhilarates him and is after nature's own methods, which consist in gradual rather than violent changes. With the improvement that comes from this moderate exercise his will power strengthens and his appetite becomes more normal, so that he can more readily control it and eat in moderation and enjoy that food. And in proportion as he practices temperance, just so much does his mental and nervous tone improve. And he soon finds that there is double the enjoyment in the kind of eating he does when vigorous and under self-control than that which he practiced before. Every part helps a part, and when the circle is a vicious circle it leads around to greater deterioration, and when it is a beneficial circle it leads around to better and better improvement in all respects. The average man knows enough to take care of inanimate machines, to see that they have oil, to see that they are not run badly or in an imperfect condition. The average man will see that his horse or his motor car is properly taken care of. He will insist that his boys at school have proper exercise and sports. When it comes to himself he feels that he can take any liberty or license, forget all the dictates of health, and yet expect to go on with his work just the same.

As a man reaches the maximum of his physical strength he should begin to realize that half his life is passed and that the great desideratum thereafter is not to increase his muscular development, but to husband his vitality and resistive force. He has to begin, no matter how slightly, the journey wherein the capital he has stored up in a physical sense will be steadily but surely depleted. He must live upon that, and he can no longer expect to add to it or to live upon physical income alone. By this I do not mean that a man of 40 must always be asking himself, "Can I physically afford this exercise?" That would be nonsense and would defeat the very end and aim of these suggestions. He is to enjoy his sports and pleasures as before. Nature gives him a reasonable reserve. What he must not do, however, is to plunge into occasional orgies of exercise that make too serious inroads upon that stored-up energy which has now become his health capital. He can continue to be supple; he has no right to neglect the reasonable exercise of his muscles, to permit the stiffness and inefficiency of an unused muscular system to become prematurely old. But when he passes four-fifths of his time in hard and harassing mental effort, hemmed in by four walls, he can not spend the other fifth in such strenuous physical sport as shall make a still further drain upon his vitality. It is relaxation and restoration that he must seek, for after all man has but one store of vitality and upon that he draws mentally and physically. He must therefore have some simple, easy method, such as the "daily dozen" provides, to keep him in condition.

The country has been greatly interested in athletics and in sports. Lately the famous Carpentier, the heavy-weight boxing champion of the Old World, has come to these shores.

The greatest factor in Carpentier's work is his suppleness. This has been confirmed time and again, but the reports of his recent exhibition bout, coming from an Englishman, make this

still more impressive. The puzzling fact about Carpentier is his ability to extricate himself from a difficult position, and to frequently turn that situation into one of immediate attack, much to the discomfiture of his opponent. This is the real test of that suppleness.

Mr. Camp tells this story:

Just the other day in a large vaudeville theater I saw a man demonstrating how to become and remain physically fit. He was one of the bulging muscle kind, and he did all the conventional things, exercising the muscles of the calf and hips, and the biceps, not once doing a single thing that the ordinary man needs to do. Yet he got a big round of applause, and no doubt many a deluded fellow went home and began raising and falling on his toes and bending forward, trying to touch the floor. One of the things the demonstrator said was this, "When you get so tired you can't do any more, do it again. And when you think that you will tumble on the floor with another effort, do it again. Again. Again." [Applause.]

At last we are really beginning to awaken, not only to the realities of the physical condition of our people, but what is far more practical, the examinations, tests, and methods by means of which we may be made better. Dr. Roger I. Lee, professor of hygiene at Harvard, recently announced the results of his examination of the freshman class at that university. He finds that some 80 per cent are deficient in bodily mechanics; that is, that they do not use their bodies well. He is quite ready to admit that this condition is so helped out by the youth of the subjects that they probably do not recognize this condition through any disagreeable features. In other words, their poor bodily mechanics is offset by their youth and otherwise good physical condition. But here is the point, such a condition continuing is pretty sure to grow worse, and as youth fades then serious troubles are likely to result. A description of the examination makes all this clear. He divides the men into four groups: A, those who have a good mechanical use of the body; B, fairly good; C, bad; and D, very bad. His percentages result as follows: A, 0.97; B, 14.8; C, 49.3; D, 34.8. 1916: A, 7.5; B, 12.5; C, 55; D, 25.

To make this more clear, it should be noted that those in group A carry the head straight above the chest, hips, and feet, with the chest up and forward, the abdomen flat, and natural curves in the back. Group B, head too far forward, chest not so well up, abdomen fairly flat, back nearly natural. Group C, head forward of chest, chest flat, abdomen relaxed and forward, back curves exaggerated. Group D, head still farther forward, chest flatter and farther back, abdomen completely relaxed, back curves exaggerated to the extreme.

The only way to attack this condition is to go back into the preparatory schools, and even to the earlier schools, and acquire a proper poise and carriage. Of course, it is possible to bring about some correction of these conditions after the man reaches college, but it is far simpler to prevent this condition prevailing by proper exercise earlier in life. The great difficulty has always been that we have made much more of what is a showy exhibition drill of children than the less flashy but far more effective, simple, muscle-stretching exercises devoted to the toning up of the larger muscles of the body, the correcting of the carriage of the head and shoulders, and the proper position of the chest and abdomen, with breathing exercises not too forced, but to secure the results of proper breathing rather than exaggerated, pouter-pigeon chests. The average child, through the medium of play which is enjoyable, will get all the necessary exercise for the arms and legs, and will get that exercise in a pleasurable way if provided with time and facilities, but the average child will not acquire a correct carriage without some advantageous aids. It would seem, perhaps, that nature would take care of this matter of carriage; so she would were it not for the inroad of civilization. Book learning and indoor pursuits have come in and have weakened us in this respect. If the child never stooped over a book, lived an ordinary savage life out of doors all the time, the majority would, of course, be hardier, more robust, and would have a better natural carriage; but we can not bring up children now for a savage life, because what they must do in later years to earn their living requires a preparation quite different from that if their later years were to be spent in hunting and fishing.

One of the great points to be observed in adapting the proper exercises to children and youth is to avoid the mistake of making them do things for considerable periods of time that are distasteful and a distinct bore and hence are shirked in every possible way. The system must be devised along lines that provide for only a few minutes at a time, but all of those few minutes devoted to the very most essential motions. In this way one may eliminate nine-tenths of all arm and leg exercise formerly given in calisthenics, having full confidence that these arms and legs will be exercised far more satisfactorily in play and games, and thus instead of going through hundreds of meaningless motions, which may look attractive in exhibition drill on a gymnasium floor, we can take only those exercises which have a direct bearing on this matter of poise, balance, and future good health.

If any there be who do not know who Walter Camp is, for their sake I insert a few extracts from an article written by William Slavens McNutt, who went to New Haven for a personal interview with the noted athlete and business man on the subject of keeping fit. I quote:

If you're looking for examples of men snatched from death's door and metamorphosed over week ends into pugilistic champions, super-Sandows, or Marathon contenders, look elsewhere. You won't find them in this story. If you are looking for a sane, simple, natural way by which to attain and maintain a normal physical and nervous fitness at the daily expenditure of time and effort that the busiest of men can spare—read on.

Walter Camp, athlete, recognized authority on athletics and athletic training, graduate of Yale and long prominently identified with all forms of amateur sport for as many years back as I can remember, and besides successful author and business man, has evolved a sane, universally available system whereby you may keep yourself normally fit, whether you be child or adult, scholar or ditch digger, business man or mechanic. It is so simple that minus a trial or the verdict of evidence, you might consider it silly. It does not work wonders. It works plain normalities.

The man who offers you a system of exercise and diet that will work a 100 per cent miracle is very probably a health quack. He's either a dishonest, dollar-hunting faker or a dangerously sincere fanatic, because systems of exercise and diet do not work miracles. The sensible man in search of a safe financial investment looks for something that will pay 6, 8, or 10 per cent with a minimum risk of loss. And the sensible man or woman in search of health and strength looks for a normal, available system of exercise, returning a dividend of well-being that Mother Nature can indorse without being drugged, hypnotized, or bullied into an O. K.

I suppose that ninety-nine out of every hundred people who read this know in a general way who and what Walter Camp is. But his varied work in life has so eminently fitted him ultimately to do the thing he has done, in evolving this simple, efficient system of exercises, that it is well worth noting in somewhat elaborate detail.

As a college athlete he played on the varsity football team; was captain in his junior and senior years. He rowed on his class crew. He was a track star. In his sophomore year he was one of Yale's representatives in the first intercollegiate tennis championship event. He was shortstop on the baseball team and led in both batting and fielding. For many years he has been chairman of the Yale University Athletic Association, and in 1917 he was appointed chairman of the athletic department of the United States Navy Commission on Training Camp Activities and to the position of civilian consultant to the Surgeon General concerning the proper method of assuring physical fitness amongst aviators. It was while engaged in this work that he evolved what he calls his "shorthand system" of setting-up exercises, or "the daily dozen."

A few years ago it was necessary for a man to be a candidate for some one of the Yale teams in order to avail himself of the benefit of Mr. Camp's wisdom. To-day one need be able only to read to avail himself of that same wisdom. What Walter Camp once did to Yale athletes, what he did for Uncle Sam's men in the Navy training stations and on the aviation field, what he did for Government officials during the war, he now wants to do for the entire Nation. The stored wisdom that was once the property of Yale athletes is offered to the country at large.

Mr. Camp talked about mother nature very intimately. He's a close friend of hers, and he understands her. Also, he's the friend of men, and he understands them; and he knows that the secret of amicable relationship between them was merely a matter of understanding and adjustment to conditions. A tiger, born in captivity, and reared in a small cage, successfully attains his growth and full strength, maintaining his physical power and condition for a normal period. He gets exercise enough to keep himself normally fit. Mr. Camp contends that a man confined in an office can do the same for himself and in much the same way. Did you ever see a tiger sitting stiffly up on his hind legs, monotonously flexing his fore legs to increase the size of his muscles? Not since the 1st of July, you haven't! But if you'll go to a zoo any time and stand before a tiger's cage for a few minutes, you'll see the big cat stretching the muscles of his body in different ways, and by so doing massaging the vital organs inside his frame.

"Your legs and arms are plenty good enough for whatever you're doing," said Mr. Camp. "If you're sitting at a desk all day, you don't want enormously muscled legs and arms; and if you acquire them they are a detriment and a danger to you. On the other hand, if you're a blacksmith, wielding a hammer, nature will provide you with a big arm for the performance of your work, but you needn't worry about the arms and legs, nature will tend to making them sufficient for the task they are called upon to perform. It is the engine under the hood that counts; the heart and lungs and liver, all the organs of the body. What we have to do with the ordinary business man, professional man, or working man is to keep that engine running smoothly."

"Mother nature is very fair, even indulgent, with a man," Mr. Camp said to me. "You can do a great deal against her orders and still she will protect you in your folly. When a boy first starts to smoke she warns him that it is an unwise thing by making him sick. When he persists, mother nature says, 'Oh, very well; it's mild infraction of my rules, and I'll protect him in his lawlessness to a certain extent!'" The boy grows into a man and gets to smoking so heavily that he's lighting one cigar from another during all his waking hours. Mother nature says, "Here, I can't stand for this! If this fellow doesn't improve his ways I'll have to dispose of him." But she is still indulgent about the matter. She gives him a little heart flutter as a warning to ease up. The fellow goes to a doctor, and the doctor tells him to cut down on his smoking. Then, if he's stubborn and doesn't obey orders finally mother nature says, 'Here! This fellow's a fool. He can't take a hint, even when it falls on him in the form of a brick house. He cumbers the earth to no purpose. I'll get rid of him.' And she does. But she always gives him plenty of warning first."

I close these remarks, which are for the most part by or concerning Mr. Camp or his work, by quoting his citizen's creed and his comment upon it:

"I believe that a nation must be made up of people who individually possess clean, strong bodies and pure minds, who have respect for their own rights and those of others and possess the courage and strength to redress wrongs, and finally in whom self-consciousness is sufficiently powerful to preserve these qualities. I believe in education, patriotism, justice, and loyalty. I believe in civil and religious liberty and freedom of thought and speech. I believe in that chivalry that protects the weak and preserves veneration and love for parents, and in that physical strength that makes that chivalry effective. I believe in that clear thinking and straight speaking which conquers envy, slander, and fear. I believe in the trilogy of faith, hope, and charity, in the dignity of labor, and that through these and education true democracy may come to the world.

"If a man really believes these things then he must follow out the precepts for physical fitness himself and see that they are followed out in his home and community, for we have lately learned at severe cost that all the talk about rights is valueless unless backed up by the physical force to protect those rights."

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. DAVEY].

Mr. DAVEY. Mr. Chairman and gentlemen of the committee I wish to take just a few minutes in which to discuss a matter which seems to me of vital importance to the whole Nation, and I hope that it may receive the consideration which is due. This is the impending collapse in the Postal Service.

That may sound a little extreme, and yet, gentlemen, in all of the large industrial cities particularly the Postal Service is rapidly going to pieces.

I wish that it might be possible for this Congress to act. June 30 is the end of the fiscal year, and it is my calm judgment that unless we do something to relieve the situation there will be a large number of old, trained men in the Postal Service leave for better-paying positions.

I have viewed this proposition from a business standpoint. This Congress is the board of directors of the American Nation. We owe it to our people to meet and solve this particular question, because the welfare of the United States surrounds this Postal Service and is vitally affected by it.

Mr. GOLDFOGLE. Mr. Chairman, will the gentleman yield?

Mr. DAVEY. Gladly.

Mr. GOLDFOGLE. I realize the truth of what you say, and thoroughly agree with you, and will ask you if you do not agree with me that the time has come when the Postal Commission ought to hasten their work and send as rapidly as possible to Congress a report of their proceedings and their conclusions, so that we may get some adequate legislation that will promote the efficiency of the service and prevent the evils from which we are now suffering?

Mr. DAVEY. I agree absolutely. It seems to me that this commission ought to function and that Congress ought to act. It is my honest judgment, gentlemen, and I will state it for what it may be worth, that unless we meet this question now there will be a near collapse, if not a total collapse, in the Postal Service shortly after July 1.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. DAVEY. Yes.

Mr. KNUTSON. At best this collapse can not continue much beyond March 4 next, can it, I will ask the gentleman? [Laughter on the Republican side.]

Mr. DAVEY. That is a very fanciful and far-fetched notion [applause on the Democratic side]; assuming that this Republican Congress fails on the job, then after the damage is done you are going to correct it after March 4. This is highly transparent political philosophy.

Mr. GREENE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DAVEY. Yes.

Mr. GREENE of Massachusetts. I would like to ask the gentleman whether one of the difficulties is not the fact that the Postmaster General has been endeavoring to run the postal business of the country with but few employees, and whether or not he has not cut down, under orders from Washington, the number of carriers and the number of employees in the post offices?

Mr. DAVEY. I am perfectly willing that that question should be raised and perfectly willing to answer it on the basis of the conditions I find at Akron, Ohio, where they have hired men by the hundreds and can not keep them because of the inadequate salaries.

Mr. GREENE of Massachusetts. That is just the situation.

Mr. DAVEY. We have dozens of vacancies among the regular employees. Many men come in for a little while and then go out because the salaries will not support their families even reasonably.

Mr. GREENE of Massachusetts. I could give the gentleman a little information along that line, if he desires.

Mr. DAVEY. In a moment. We passed a bill last summer making the temporary rate 60 cents an hour, which was fine as far as it went. I was told a short time ago of a temporary clerk who had been working at this starting rate of 60 cents per hour, and finally he was posted as a regular employee. On coming into the post office a friend advised him that he had been placed on the regular roll as a permanent clerk, and he went immediately to get his hat, turned on his heel, and walked right out.

Now, what was the reason? The starting salary is $1,200 a year—$100 a month—and, if you figure it out on the basis of 26 working days, 8 hours a day, it makes 48 cents an hour at the beginning for a permanent clerk or carrier, while the temporaries receive 60 cents an hour. Just so soon as a temporary man is appointed a permanent clerk he drops from 60 cents to 48 cents.

Mr. KNUTSON. Probably they do not want to be a permanent part of this administration. [Laughter on the Republican side.]

Mr. DAVEY. The gentleman is highly optimistic, I see. [Laughter.]

Mr. GOLDFOGLE. Mr. Chairman, will the gentleman yield for a question?

Mr. DAVEY. I yield.

Mr. GOLDFOGLE. I was about to suggest, in response to the suggestion that was thrown out to you a moment ago, that when the bill was up which would have given the House a chance to vote for fair and adequate pay to the letter carriers and the postal clerks and other postal employees it was gentlemen on the other side of the Chamber—on the Republican side—who objected to every single amendment in this House, and the House had to operate under a suspension of the rules, and no amendment was in order.

I then asked, as a member of the committee, the opportunity to offer one amendment, namely, to increase the salaries of postal employees 35, or even 25, per cent; and yet objection was made, and we were cut off from the opportunity of getting a vote to help these poor fellows get adequate pay.

Mr. DAVEY. I want to say to the gentleman from Minnesota [Mr. KNUTSON] in response to the little jest that he just threw into the RECORD, about being indentified with the administration—that is pure piffle, gentlemen. The postal employees are supposed to be permanent employees of the Government of the United States, irrespective of party. The average postal employee takes his job seriously. He likes his work. He wants to remain permanently in that service, except when it becomes impossible, when his condition is made oppressive, as it is to-day, when he finds it impossible to keep up with the cost of living on the grossly inadequate salary; and then of course he does the only natural thing—he goes out where he can get a decent wage.

If we lay down on this job and allow the Postal Service to go to pieces, we alone are responsible.

Mr. GREENE of Massachusetts. Let me ask the gentleman a question. Will he yield?

Mr. DAVEY. Yes.

Mr. GREENE of Massachusetts. I have quite a number of postal employees in my district, and I have been postmaster myself twice, and I know something about it. I know that in my own city the number of employees in the post office was cut down by orders from Washington. Now why? Because they asked the postmaster if he could not get along with a little less expense, and he took it as a warrant to him to cut down the number of his employees.

So he suggested that he could get along with so many less carriers than he had, and the consequence was that these men were dropped from the rolls, notwithstanding some of them had been on the rolls for 8 or 10 years. When I heard of it I went to the postmasters in several other places in my district and I said to them, "Here, if you get an order to cut your people down, don't you do it without consulting me," and they have not cut down anywhere else. I did not know anything about this when it was done in my own city. It was done quietly by a man who had no business to do it.

Mr. DAVEY. If the gentleman will pardon me, I did not yield to him for a speech.

Mr. GREENE of Massachusetts. No; but I want to tell you a little truth. It is done by the present administration, and we can not help it.

Mr. BLANTON. Will the gentleman yield for a moment?

Mr. DAVEY. All right.

Mr. BLANTON. Answering this Republican barrage and camouflage, is it not a fact that the post-office employees receive in salaries not what the Postmaster General gives them, but just exactly what this Republican steering committee wills?

Mr. GREENE of Massachusetts. That is camouflage of the worst kind.

Mr. COOPER. I have just been informed by the chairman of the Appropriations Committee that they appropriated $69,814,000 more for postal employees' salaries than the Postmaster General recommended.

Mr. DAVEY. However that may be, the fact remains that you can not keep postal employees on their present salaries, for which Congress alone is responsible.

Mr. BLACK. If the gentleman will yield for an observation, I hate to take his time, but in answer to the gentleman from Ohio [Mr. COOPER] and in justice to the Postmaster General, I want to say that his estimates were based on current law. He has no authority to base an estimate on anything except existing law, and the appropriation of the $70,000,000 additional was by reason of the emergency act of November, 1919.

Mr. COOPER. Will the gentleman from Texas yield there?

Mr. BLACK. Yes.

Mr. DAVEY. Well, gentlemen, will you kindly yield to me? [Laughter.]

Mr. BLACK. With the gentleman's permission——

Mr. DAVEY. If the gentleman will pardon me, I want to get into the RECORD two or three more thoughts. [Laughter.] The fact is, gentlemen, that it is a very serious situation. You can not keep regular postal employees, in the large industrial centers particularly—and I am told that practically the same thing applies all over the country—on the salaries which they receive. Think of it! They start in at $100 a month. They must buy their own uniforms, and the maximum they can get is $1,650 a year, even including the bonus. Now, any kind of a man can go across the street and make a great deal more money. You need and must have in the Postal Service intelligent men who are capable and dependable. You have had for years a fine type of men in the Postal Service, but gradually they are losing heart and going out, and we can not blame them.

I speak with particular reference to the industrial cities like Akron, where the situation is highly acute. Perhaps it is as bad in Akron as in any place in the whole country, although I am advised that in practically all the cities the situation is about the same.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. I yield to the gentleman five minutes.

Mr. DAVEY. Mr. Chairman, these old and trained men are going out one by one, because they have lost heart. Temporary clerks are employed, and the turnover in the temporary clerks is astounding. Any business concern that experienced such a turnover would be facing a receivership, and this Congress ought to take note of that condition. You can not run the Post Office Department on that basis.

Mr. BLACK. Will the gentleman yield for just one question?

Mr. DAVEY. Yes.

Mr. BLACK. I notice that it was stated in the bulletin issued by the Council of National Defense two or three weeks ago that the rubber-tire industry at Akron and other Ohio cities was so wonderfully prosperous that they were paying $6 a day to their common laborers. Now, if that is correct, does the gentleman think that Congress can fix a permanent scale of salaries so as to compete with these unusual conditions?

Mr. DAVEY. Possibly not. The gentleman is correct. Salaries in Akron are pleasingly high. I do not mean to invite the Members of the House to go to Akron for work, but as a matter of fact the situation there is acute, one of the worst in the country; and yet, while you can not hope, perhaps, to compete with these acute situations, you can at least strike a happy average that will meet the situation reasonably. Later on I may have some suggestions to offer along that line.

Here, then, you have a situation where a moderate remnant of the old employees remain as the backbone of your Postal Service. In addition to them you have a large number of temporary employees. Among those temporaries there is a constant and alarming turnover, and they tell me that it takes at least two temporaries to do the work of one regular. It is the greatest kind of waste, a most inexcusable waste. It seems to me that by a proper, businesslike attitude on this thing we can correct the trouble for the most part without adding unreasonably to the cost by giving the permanent men fairly adequate salaries and making it possible for them to live. A friend of mine told me a little while ago of a postal carrier who came into his office practically in rags. This friend asked him how much he was getting, and he told him he was getting the maximum, $1,650. He had a large family, and he said that it was impossible for him to maintain his family and meet expenses on that salary, and he was becoming hopeless. My friend said he was ashamed of his Government, and rightly so, because these indispensable Government servants, of whom we expect so much and on whom so much depends, are inadequately compensated.

Just one thing more: You can talk all you please about the Postmaster General. You can duck responsibility just as much as you wish, but the American people know that this Congress has entire power to handle this question if it will. We must answer for the present serious condition. If a collapse comes, as it must come if this Congress fails to do its obvious duty, then this Congress, and no one else, must explain, if it can, its negligence and incapacity.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BYRNS of Tennessee. I yield 15 minutes to the gentleman from Ohio [Mr. WELTY].

Mr. WELTY. Mr. Chairman and gentlemen of the committee, I notice this bill carries an appropriation of $2,000,000 for the detection and prosecution of crime and $100,000 for the prosecution of offenses under the Sherman antitrust law. This last item is in addition to the $200,000 already appropriated, making in all $300,000 for the enforcement of the antitrust law. In the light of the recent decision of the Supreme Court in the case against the United States Steel Corporation, I do not see why we should spend this additional sum. This law was passed to prevent the larceny by a combination of two or more persons. According to Justice Day:

> This record seems to me to leave no fair room for a doubt that the defendants, the United States Steel Corporation and the several subsidiary corporations which make up that organization, were formed in violation of the Sherman Act. * * * It appears to be thoroughly established that the formation of the corporations, here under consideration, constituted combinations between competitors, in violation of law, and intended to remove competition and to directly restrain trade. * * * That the combinations were not submissions to business conditions but were designed to control them for illegal purposes regardless of other consequences, and "were made upon a scale that was huge and in a manner that was wild." * * * The Steel Corporation was a combination of combinations by which directly or indirectly 180 independent concerns were brought under one control. * * * The control acquired over the branches of the industry to which the combinations particularly related, measured by the amount of production, extended in some instances from 80 per cent to 95 per cent of the entire output of the country, resulting in the immediate increase in prices, in some cases double and in others treble what they were before, yielding large dividends upon greatly inflated capital. * * * The enormous overcapitalization of companies and the appropriatiton of $100,000,000 in stock to promotion expenses were represented in the stock issues of the new organizations thus formed, and were the basis upon which large dividends have been declared from the profits of the business. * * * This unlawful organization exerted its power to control and maintain prices by pools, associations, trade meetings, and as the result of discussion and agreements at the so-called "Gary dinners." * * * The corporation violated the law in its formation and by its immediate practices. * * * If the Sherman Act is to be given efficacy, there must be a decree undoing so far as is possible that which has been achieved in open, notorious, and continued violation of its provisions.

Mr. Chairman, that is not my language, but that of Justice Day, one of the members of the Supreme Court. If that is true, what is the use of throwing all this money away? The courts will not enforce the law against the unlawful practices of corporate wealth. In 1911 this same court held in the Standard Oil and Tobacco cases that it is perfectly proper for a large concern to violate this law, provided they are reasonable in what they take, and to-day when a person wants gasoline or oil all he needs to do is to back up to any tank and pay the price asked by the trust, for competition has long ago ceased.

But, Mr. Chairman, let us not be too hard on this court by only quoting from Justice Day. Let us see what Justice McKenna has to offer as an excuse for permitting this concern to steal $100,000,000 and go scot free. Here is what he says for and in behalf of the majority of the court:

> Its power was efficient only when in cooperation with its competitors, and hence it concerted with them in the expedients of pools, associations, trade meetings, and finally in a system of dinners. * * * It did not have power in and of itself, and the control it exerted was only in and by association with its competitors. * * * The only attempt at a fixation of prices was, as already said, through an appeal to and confederation with competitors. * * * The corporation was formed in 1901; no act of aggression upon its competitors is charged against it; it confederated with them at times in offense against the law, but abandoned that before this suit was brought, and since 1911 no act in violation of law can be established against it, except its existence be such an act.

I shall not quote any more. I leave this case with you, gentlemen, and let you decide from these two opinions if the appropriation is not a waste of the people's money.

HOW THE STEEL TRUST MADE THEIR MILLIONS.

The majority opinion in substance held, as you will note, that this trust should be forgiven because it did not violate the law after the suit was brought by the Government in 1911. In other words, they laid down the principle that even though a man commits a murder he can not be punished if he does not commit another before trial. The reason I probably feel so deeply is that while prosecuting attorney I encountered this gigantic trust and its subsidiary companies, at which time they were working under a crude gentleman's agreement, dividing the territory in the middle Northwest among themselves in the matter of contracts for bridges, the lowest bidder dividing fifty-fifty with all those present at the letting. In other words, the corporation constructing the bridge was to get half and the balance to be divided among those who bid higher. Of course, the companies and the agents were all indicted, but for years they continued the fight, and finally they asked the attorney general of my State to oust them in order to escape prosecution. They then filed pleas in abatement, and concluded their brief with the following words:

The State giveth life; the State taketh away; blessed be the name of the State.

This was answered by indictment of all the officers of the companies having received this illegal money, after which I was charged with lese majesty because one of the defendants happened to be a nephew of a former President and one a father-in-law of the then President of the United States. The fight continued over a period of years, resulting in their conviction, but not until a Federal judge threatened to imprison the officers of my county because they dared to ask for books under the direction of a trustee in bankruptcy. During this fight my office was burglarized half a dozen times and my desk cut open for the purpose of stealing the testimony I had, which consisted in part of bank drafts showing the payment of the pool and the persons receiving the same. And when I think of the disagreements of the juries it reminds me of the first trial in one of these cases, where two of the jurors hung out for days; but there was one farmer who refused to agree to a verdict of disagreement and assured them that even though the wheat in the fields was golden and ready for the harvest, he would permit the same to rot before he would ever agree to a disagreement. The same combination sold culvert pipe to my county for $76 per ton when it could be purchased for $19 per ton. That the court should excuse this grand larceny because the trust has grown fat violates the very preamble of our Constitution guaranteeing "domestic tranquillity." And then we are told not to prosecute these trusts stealing millions, because it might disurb business.

COURTS ALONE CAN SEND CRIMINALS TO PRISON.

We hear a great many Congressmen and Senators, as well as other folks, blame the Attorney General for not sending these profiteers to prison, but they forget that all he can do is to prosecute the case and procure conviction. It is up to the court to sentence the defendants after conviction. Mr. Chairman, because of this erroneous opinion I thought it might be interesting for the Members of this House to know the history of the prosecutions under the Sherman antitrust law since its passage, July 2, 1890. I find that 217 cases were brought under this act, while only 58 were prosecuted by indictment and 159 prosecuted by injunction under section 4 to "prevent and restrain violations of the act." But what became of the 58 indictments? The record shows that in 36 cases the defendants plead guilty, in 13 cases they were found guilty by a jury, while in 6 cases the verdict was "not guilty" and in 2 cases the jury disagreed—a fine record for the number of criminal cases filed. But what did the court do? We find that in each and every case they fined the defendant (except in 4 cases, 2 cases where some labor unions were convicted and 2 cases growing out of the World War, which last 2 cases do not properly belong under this line of cases, because at that time we had no war legislation). In the balance of the cases, 159 in number, petitions were filed where the Government attempted to restrain further unlawful acts. A prison cell for these offenders is the only remedy.

However, the Department of Justice can not send a single offender to jail. It is up to the courts. A little thought will convince anyone that the sheriff and prosecutor can imprison anyone only under an order of the court. But the courts have not yet issued the order, for they are too far removed from the people to hear their cry, and there is no way to remove them when they become deaf to righteousness.

ENORMOUS FORTUNES AND HOW MADE.

Senator CAPPER, of Kansas, in his speech of April 24, apparently attempted to call the attention of the country to the Attorney General's failure to prosecute the profiteers, and produced figures showing percentages of profits of the following financial concerns:

Continental Oil, 200 per cent; United Fuel Gas, 200 per cent; Ohio Fuel Supply, 100 per cent; Nonquit Spinning Co., 100 per cent; Amoskeag Cotton Manufacturing Co., 100 per cent; Stutz Motors, 100 per cent; Nashua Manufacturing Co., 100 per cent; American Tobacco Security Co., 75 per cent; Manomet Mills, 55⅝ per cent; Hood Rubber Co., 66⅔ per cent; Crucible Steel, 50 per cent; Cleveland-Akron Bag, 50 per cent; Union Bag and Paper, 50 per cent; Auto-Car Co., 40 per cent; John R. Thompson Co., 33⅓ per cent; St. Maurice Paper Co., 30 per cent; F. W. Woolworth, 30 per cent; Electric Welding, of Boston, 25 per cent; Delaware & Cleveland, 25 per cent; Hawaiian Pineapple Co., 25 per cent; Electric Welding Co., 25 per cent; General Chemical Co., 20 per cent; American Multigraph, 20 per cent; Truscan Steel, 20 per cent.

The Standard Oil Co. of Indiana has recently increased its capital from $1,000,000 to $30,000,000, giving its stockholders a stock dividend of 2,900 per cent.

He might have added the profits of the American Woolen Trust. The records show that from 1914 to 1918 the operating income, after deducting expenses, had increased from $2,788,000 to $12,324,000, or 342 per cent over 1914. But that is not all; the company deducted, not only wage increases and higher production cost, but also the Federal income and excess-profits tax, thus shifting the burden to the shoulders of the public. Besides, in 1918, over $5,000,000 were charged against depreciation, and in 1919 the common stockholders received Liberty bonds equivalent to 15 per cent on their holdings. Between 1914 and 1918 the records show that the company has increased its capital stock from $21,800,000 to $53,800,000, and increased its accumulated surplus earnings from $8,000,000 to $19,000,000.

The Senator might also have included the United Drug Co. In 1917 the common dividend balance jumped to $10.40 per share and in 1918 to $17.50, while the surplus earnings were 242 per cent larger than at the close of 1916. I think from a careful checking the Senator might revise his figures of the Amoskeag Manufacturing Co. This company also shifted the burden of the high taxes on the consumer. In 1917 they produced over 200,000,000 yards of cotton and 1,200,000 cotton bags, and although the sales of this company in 1919 were 35½ per cent less than in 1917, the receipts from sales were 44 per cent higher in 1919 than in 1917. The net profits of the company jumped from $860,000 in 1917 to $6,891,000 in 1919, or 681 per cent.

PAPER TRUST AND HOW IT EVADES THE LAW.

But the Senator might also have included the profits of the paper manufacturers. The records in the Federal courts show that five defendants belonging to the Paper Trust plead guilty in November, 1917, and were fined $11,000. The International Paper Co., one of the members of the trust, according to the annual report, showed a net profit in 1915 of $12,402,050, while in 1918, the year after conviction of the trust, their profits were $19,442,872. And this is only 1 of 46 members of the Paper Trust, where a fine of $11,000 was assessed. Is it any wonder that they are ignoring the court? A little fine will only tend to destroy the monotony of stealing.

The Attorney General seemingly was not satisfied with this sentence of the court under the plea of guilt, and on November 26, 1917, he filed his petition and procured a restraining order and dissolution of the trust. Each defendant entered into an agreement with the Attorney General of the United States, as trustee, beginning April 1, 1918, and continuing during the period of the war and three months thereafter, in which the manufacturers of paper agreed that they "will abide by the terms and prices of sale to be fixed by the Federal Trade Commission, subject to review by the circuit judges for the second circuit as arbitrators, and that in the meantime, while the commission is making the necessary investigations, they will charge not in excess of $3 per hundred pounds in carload lots and $3.25 per hundred pounds in less than carload lots." What is the result under the direction of these Federal judges acting as arbitrators? I find that since that time two of the leading dailies in my district had to suspend business. The former editor of one of these papers wrote me as follows:

Sentiment does not pay for a car of paper, which formerly cost $1,200 a car and now costs $7,500.

You, gentlemen, will find that you are paying now not 3 cents per pound but 11½ to 12½ cents for the white paper to send out your speeches, and if you want them printed on newsprint you will be paying 14½ cents per pound, making the cost for an eight-page pamphlet $8.23 for the first thousand and $4.07 for each additional thousand. The charge for your stationery has been advanced to 18 cents a pound. Thus these interests have advanced the cost of everything, making it impossible for a Member of Congress to save any money out of his salary and take care of his district.

NOT POLITICAL BUT AN ECONOMIC QUESTION.

I ask you, gentlemen, who is to blame? These are economic and not political questions. We might just as well face the facts. Under our Constitution there are still three branches to carry on our Government, and the executive as well as the legislative branches are helpless if the judiciary fails in its duty. Send them to jail, you say. Are the courts hearing your request? I hesitate to criticize a court, because I have always considered that our judiciary should continue our "shield and palladium of our liberties," as was intended by the framers of our Constitution, but if you believe with me that imprisonment is the only effective remedy, do not show your ignorance by abusing the Department of Justice, but let us call on the only branch of the Government having the power to send these men to a prison's cell.

SUGAR TRUST.

Just now there seems to be a great deal of criticism directed toward the Attorney General and the administration because of the high cost of sugar. Mr. Chairman, it will be very interesting to know that when the Department of Justice completed the taking of evidence in the Sugar Trust and were ready for trial the court ordered that the hearing of this case be postponed to await the decisions of the Supreme Court in the Harvester and Steel cases. I have already given you the result of the Steel decision. The district court, no doubt, will be guided by this decision, so that it is a foregone conclusion that the courts will tell the Sugar Trust, "Well done, good and faithful servant * * *; for whosoever hath to him shall be given, and he shall have more abundance; but whosoever hath not from him shall be taken away even that he hath," and then the price of sugar will go soaring, and cheap politicians, who think they can fool the public, will blame the Department of Justice. However, the department has a war measure which they could enforce, provided the Sugar Trust will not be able to procure an injunction from the courts on the ground that the war is over. Just now in Ohio we are compelled to pay the New York price for sugar plus the freight from there, even though the shipment is made only a few miles from home.

AMERICAN PUBLIC IS REDUCED TO A COMMERCIAL VASSAL.

Is it possible that the patient, suffering public is going to be patient always? No matter where we turn, the consumer is paying tribute to some trust. The American public has been paying tribute as a commercial vassal for 25 years. Just recently the Rubber Tire Trust increased the prices of tires from 15 to 20 per cent, and I understand that in a few weeks we are to have another increase of 10 per cent. Not by one but all, mind you. Unrest stalks in the land. This country is on the toboggan, and it seems that we will not quit sliding until we reach the foot of the hill of selfishness. You can not bring about "domestic tranquillity" until you remove the cause of this unrest.

CONGRESS SHOULD GRANT SOME RELIEF, IF POSSIBLE.

The people are looking to Congress to deal with the situation, but the people seemingly will not turn from their selfish ways of chasing the dollar until they are impoverished. For only when hunger stalks in the land will they seek righteousness. Congress can not legislate men to become either moral or honest. All we can do is to put on the brakes and thus hope to avoid the disaster which has befallen the Russian people.

I say we are coming to the crucial period in this country. Various remedies have been offered. There are those who go to the extreme and will tell us that because of these decisions of the Federal judges of our land, they should be elected by the people. Our circuit court of appeals comprises more than one State in its jurisdiction. I believe in mine it comprises Tennessee, Kentucky, Ohio, and Michigan. Thus it will be utterly impossible to have election machinery whereby Federal judges could be elected by the people.

Mr. McKEOWN. Will the gentleman yield?

Mr. WELTY. Yes.

Mr. McKEOWN. What does the gentleman think about the proposition to have them appointed for a certain number of years and to be confirmed by the Senate?

Mr. WELTY. I thank the gentleman for the suggestion. I do not believe that 5 per cent of our attorneys in this land know the qualifications of the judges of our circuit court of appeals or of the Supreme Court of the United States. If 5 per cent of the legal fraternity are unable to cast an intelligent vote to elect the judiciary, how, then, could you expect the people who do not come in contact with courts to elect these judges? There are those who even go further and advocate the recall of judicial opinions. In other words, the opinion that was rendered in the Steel case should be submitted to 110,000,000 people for review.

APPOINTMENT OF JUDGES FOR TERM OF YEARS.

Now, coming to the point and answering the question of the gentleman from Oklahoma, I would say that during the Sixty-fifth and Sixty-sixth Congresses I offered bills requiring the appointment of judges for a term of years instead of life. I realize that there are those who think—and rightfully—that the framers of the Constitution were big men and knew what they were doing, and thus are slow to make a change.

But, my friends, they framed the Constitution in the light they had, and that light was history. They could only judge the future by the past. Judges at first were appointed by the King. They held office during the will and pleasure of the King. Our Constitution provides that they should be appointed "during good behavior."

SUPREME COURT DECISIONS EPOCHS IN HISTORY.

If you examine the decisions rendered by the Supreme Court of our land you will find that they are landmarks in our history. Examine the first decision in the matter of a constitutional amendment, and you will find the case of McCullough against Maryland, in which the court held that the national-bank act of 1816 was constitutional. This decision was reversed by the people under the leadership of Andrew Jackson in 1830. Then the next decision that we had that affected the whole country was the Dred Scott decision, rendered in 1856, which brought on the Civil War and the fourteenth and fifteenth amendments to the Constitution. The income-tax decision of 1895 brought on the sixteenth amendment to the Constitution. Let us review the decisions further under the Sherman antitrust law, and you will find that these cases, 217 in number, fall naturally into two classes.

Mr. MacGREGOR. Mr. Chairman, will the gentleman yield?

Mr. WELTY. In a moment. The final culmination under this antitrust act was the case against the Standard Oil Co. and Tobacco Trust in 1911, where the court for the first time attempted to usurp the power of Congress by legislating, wherein they held that a reasonable restraint was altogether proper and right. The next decision was in a case which was started about the same time against the Danbury hatters of Connecticut, where laboring men contended for a higher wage.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. WELTY. Mr. Chairman, will the gentleman yield me five minutes more?

Mr. BYRNS of Tennessee. Mr. Chairman, I yield five minutes more to the gentleman.

Mr. WELTY. These laborers were found guilty and fined $275,000. Their homes were taken away from them. That case was decided by the Supreme Court in 1908 and 1915. Then for the first time this Congress attempted to come to the rescue of the people by enacting special legislation. After that decision Congress passed the Clayton antitrust law, declaring that the Sherman Act did not apply to labor and farm organizations. That was done for the purpose of counteracting the decision in said cases. Next there came along this case against the United States Steel Corporation, where the court excused the theft of $100,000,000 by a great corporation that controlled, according to the decision of Justice Day, from 80 to 95 per cent of the business, while, on the other hand, farm organizations are being prosecuted and are coming to Congress asking for special legislation. I say that the decisions of this court have been landmarks in the history of this country. What the decisions in the Standard Oil, Tobacco, and Steel cases will bring about God only knows—evolution or revolution. Oh, you talk about Bolshevists and talk about the discontented folks at home; you talk about the unrest to-day, and you run around and try to find some remedy, when, in fact, the only remedy asked is equal and exact justice to all. But the people know that they have not been receiving it from the judicial branch of our Government. I know that I am asking a great deal when I ask that this Congress amend the Constitution, providing for the appointment of these judges for a term of years instead of for life. The Sixty-fifth Congress passed a bill which permitted the members of the Supreme Court to retire with full pay at the age of 70, but not one of them has resigned. All but one of those who rendered the majority opinion in the Steel case are over 70.

MAD RUSH FOR THE DOLLAR WILL IMPOVERISH THE NATION.

During the war the farmers and workmen responded to the demand for production, but after the smoke of battle cleared away they found that there were those who were not so patriotic. The charge has been made repeatedly in this and the Senate Chamber that the war produced 23,000 new millionaires. Now, in these reconstruction days we hear voices again advising more work and production, but the producing class seemingly has lain down on their jobs, for they have no heart to hand the finished product over to the manipulator, who never

added anything to what is produced. Because of this condition labor is at least one-third less efficient now than before the war, and the farmer is now asking special laws exempting him from the operation of the antitrust laws, so he can find a way to produce two hogs and receive the price of three, even though it is necessary for him to raise three hogs if no one should go hungry. I say the producing class will not produce the maximum until justice is administered for all classes. But if this is to continue until we reach the foot of the hill of selfishness, we can thank God that next year will find us nearer the end, even though there will be more hunger in the land, because the farmer can not produce enough to feed all.

Mr. Chairman and gentlemen of the House, some action must be taken if we want to avoid reaping the whirlwind. Either we must strengthen the antitrust laws and give more power to the Federal Trade Commission, or the judiciary must be made responsive. When the Republicans succeeded I was glad that their campaign slogan was reform and reconstruction to bring about better conditions. But nothing has been done, and I doubt if much hope can be expected so long as every member of the steering committee of the House belongs to the millionaire's class.

LINCOLN HAD A VISION.

Lincoln saw the dawn of this day when he said:

As a result of this war corporations have been enthroned and an era of corruption in high places will follow—

and warned the people of this Republic that the final concentration of wealth would eventually mean its destruction. But it seems almost a tragedy when one beholds the great party of Lincoln, under whose leadership the negro was freed, that now the white man, as well as the negro, is being enslaved by the concentration of wealth, which that great man warned us against during his last days.

HOPE RESTS WITH THE SPIRIT OF THE WAR VETERANS.

In 1917 the whole world was at bay because an autocrat ruler conceived the idea that he was the chosen one of God and that might makes right. The American people were patient but when this autocracy threatened our national life they mobilized all its wealth and man power. They said we could not raise an army because we were consumed in our wealth, but we raised over 4,000,000 men in the shortest period of time known in history. They said we could not transport more than 500,000, and at no time could we place an effective Army in Europe. They knew we had no ships, but, Mr. Chairman, we began to build ships and in a little over a year and a half we placed over 2,000,000 fighting men in France and had an equal number here ready to cross if necessary. It was the American boy who saved the day on land and sea and destroyed the autocracy which was a constant menace to our democratic institutions. These boys have saved the day from Chateau-Thierry to the Argonne Forest. Is it said that the remnant who fought a foreign autocrat will permit a domestic autocrat to destroy the present civilization and forge chains to bind our children into bondage? Is the spirit of our fathers who came to the wilderness to escape European autocracy so dead that it will endure this forever? Gentlemen, do not mistake the signs of the times. You may try to raise false issues and blame the Department of Justice, but thinking people will know better. If you believe that the tenure of the judiciary should be a life tenure, pass some legislation which will make it possible for the legislative and executive branches to dismiss judges who nullify the laws for the purpose of granting protection to the trusts. [Applause.]

Mr. GOOD. Mr. Chairman, I yield 20 minutes to the gentleman from Iowa [Mr. RAMSEYER].

Mr. RAMSEYER. Mr. Chairman, the consideration of the legislation for adjusted compensation of the ex-service men of the late war during the past week has led to the discussion of our national finances, the high cost of living, and soundness of our revenue policy during the war. In attempting to arrive at correct conclusions, in fairness to ourselves and to our constituents, let us look squarely in the face the facts in regard to our national finances, high prices, and the policy of raising the necessary revenues. Let us proceed in a calm manner to examine figures, facts, and causes.

REDUCTION OF GOVERNMENT EXPENDITURES.

We are now considering the last of the great supply bills, the sundry civil appropriation bill. When the first supply bill of this session was reported out from the Committee on the Post Office and Post Roads, of which I am a member, in my speech of January 10, 1920, I discussed in detail our national expenditures—past, present, and future. I then emphasized the necessity for the strictest public economy if we would avoid a national calamity. The people demanded economy, and this Republican Congress pledged itself to enact budget legislation and to make appropriations for the maintenance of the Government on a sound business and economical basis. As the last supply bill is now before the House carrying appropriations for the next fiscal year, it is appropriate to call to the attention of the country how much this House has saved from the administration estimates. This I can best do by placing in parallel columns in the RECORD how much the administration asked and how much this House allowed.

The 13 regular annual appropriation bills for 1921.

[Statement showing the amount of the estimates for each bill and the amount of each bill as passed by the House.]

Name of bill.	Total of estimates.	Bills as passed by House.
Agriculture	$47,697,857.00	$30,270,354.00
Army	983,122,120.00	376,765,824.00
Diplomatic and Consular	11,243,250.91	8,828,037.91
District of Columbia	20,332,328.87	18,305,484.87
Fortifications	117,927,330.00	18,833,442.00
Indian	12,994,494.27	9,986,979.07
Legislative, executive, and judicial	122,493,385.52	104,368,671.11
Military Academy	6,778,637.20	2,139,912.70
Navy	582,631,254.80	425,289,574.00
Pension	215,030,000.00	214,020,000.00
Post Office	391,713,673.00	461,528,368.00
River and harbor	42,841,565.00	12,400,000.00
Sundry civil	1,036,486,130.60	428,216,944.92
Total	3,591,292,027.17	2,110,953,592.58

This table shows that we have saved the taxpayers of the country the sum of $1,480,338,434.59 by cutting down the appropriations asked for by the administration. One thing is certain, that before we can reduce the burden of taxation and commence paying off our vast national debt that is now weighing so heavily on the backs of the American people we must expend less in running and maintaining the Government. The table speaks for itself. The picture is before you and shows savings as follows:

Name of bills and the savings.

Agriculture	$17,427,503.00
Army	606,356,296.00
Diplomatic and Consular	2,415,213.00
District of Columbia	2,026,844.00
Fortifications	99,093,888.00
Indian	3,007,515.20
Legislative, executive, and judicial	18,124,714.41
Military Academy	4,638,724.50
Navy	157,341,680.80
Pension	1,010,000.00
Post Office (increase)	69,814,695.00
River and harbor	30,441,565.00
Sundry civil	608,269,185.68
A grand total saving of	1,480,338,434.59

The appropriations of $2,110,953,592.58 made by this House for the next fiscal year do not represent the total expenditures for the ensuing year. To this sum must be added about $1,000,000,000 interest on the national debt and $278,000,000 for the sinking fund. Making allowances for deficiencies, the national expenditures for next year, due to the economies of this House, should not exceed the sum of $3,500,000,000. The estimated revenues for next year are $5,000,000,000, which will leave a balance in the Treasury of $1,500,000,000 to pay on the floating debt represented by Treasury certificates.

The national expenditures for the fiscal year 1916, the year before the war, were $1,072,894,093.23, or in round numbers $1,000,000,000. For next year the estimated expenditures will be three and a half times that amount, and therefore some of our Democratic critics charge this Republican House with failure to live up to our program of economy. Let us analyze that proposition. We have reduced the estimates presented by a Democratic administration about one and one-half billion dollars, so the criticism falls flat coming from the mouths of administration Democrats. If there were a Democratic House to carry out the demands of the administration the estimated expenditures for next year would be $5,000,000,000 in place of $3,500,000,000.

Let us go into this subject a little further, because the figures will reveal an interesting story. The appropriations of $2,110,953,592.58 for next year carry over $300,000,000 for the benefit of soldiers of the late war, provided for them under the war-risk insurance act, vocational-education act, the Sweet bill, and others. These appropriations for the next fiscal year also carry for the Army and Navy, notwithstanding the fact that

this House reduced the administration estimates for the Army and Navy $763,697,976.80, the sum of $479,318,651.11 in excess of the expenditures for the Army and Navy for the fiscal year before the war. Now, add the interest on the national debt, the sinking fund, the benefits to soldiers, and the increases for the Army and Navy, all of which were inherited from the war, and we get a sum of over $2,000,000,000. Deduct this sum from $3,500,000,000, the estimated expenditures for next year, and we have left less than $1,500,000,000. And when you take into consideration that the Government, like the individual, will have to pay double for everything it buys, every fair-minded person must concede that this House has made a most remarkable record in restoring the Government expenditures back to normal for the next fiscal year. For the year following further reductions can be made.

Besides economy in Government expenditures, the people are demanding some relief from tax burdens and the elimination of some of the more obnoxious and irritating tax laws. With a probable surplus of $1,500,000,000 for next year, the House should address itself in earnest to the problems of revising our tax laws and adopting a permanent policy looking toward the payment of the national debt. This House very properly first addressed itself to the problem of reducing the national expenditures, because that had to be solved before the other problems could be seriously considered. The people and the business of the country have a right to expect and demand that we tackle these other problems without delay. With the legislation now in conference providing for a national budget, and which will soon be law, this House and the Republicans at the Chicago convention ought to give to the country a definite program, so the people will know what they will be expected each year to contribute to the maintenance of the Government and the reduction of the national debt, and thus permit every legitimate business enterprise to adjust itself accordingly on a permanent and certain basis. Nothing, in my judgment, that we can do will do more to restore the business of the country to a normal basis than such a program.

HIGH PRICES.

Recently there has much been said about the effect of the taxes on the high prices, and the natural inference from some of the speeches is that the taxes are chiefly responsible for prevailing high prices. There is no denying that taxes do affect the prices, and some taxes have a more pernicious effect along that line than others. But this element of prices has been discussed pro and con by other gentlemen, so I proceed to analyze some other elements of high prices that have received but little mention.

One element or cause of high prices is underproduction. By statute law you can not convert a shortage into a surplus. A surplus can be created only by increased production. According to the Secretary of the Treasury the total war expenditures from April 6, 1917, to January 31, 1920, were $33,789,647,860.30. War means destruction, and most of this entire amount represents an economic loss. During the war the industries turned their endeavors from production of instruments and commodities of peace to instruments and commodities of war. We are now reversing that order, but we can not in a day or a year even restore the prewar order. When normal conditions are restored and the supply again equals or exceeds the demand, then and then only will the high prices caused by underproduction be restored to normal.

There is a great deal of waste and added cost to the consumer due to our system of distribution. The difference in the cost of production, especially of farm products, and the cost to the ultimate consumer is out of proportion to the service rendered in distributing the products from the producer to the ultimate consumer. What we need in this country are more producers and fewer distributors. Farmers are now asking Congress for legislation to permit cooperative marketing of their products without being subjected to the penalties of the antitrust laws. I am assured that this legislation granting the desired relief will be reported soon. Whatever waste can be elfminated and deadwood cut out of the complex processes of distribution will inure to the benefit of both producer and consumer.

Another cause—and a very flagrant one—for high prices is that profiteering which got its impetus during the war is still permitted to run rampant in all lines of trade. The war laws are still in effect, including the food law of August 10, 1917. These, together with other laws, confer on the executive department of this Government the power to regulate prices and to prevent hoarding, profiteering, and every illegal combination in restraint of trade. The last Congress and this Congress—the one Democratic and the other Republican—have passed every additional law requested by the President and the Attorney General to eradicate the evils of profiteering. Last August, with a blare of trumpets, the Attorney General announced to the country that he was starting out after the profiteers, and asked an expectant public to stand by and watch prices drop. The Attorney General has accomplished nothing, and the people's hopes for relief have been aroused in vain.

Take the sugar situation. The Sugar Equalization Board, controlled by the President, although it had ample authority given it by Congress, neglected and refused to buy the Cuban sugar crop in time and allowed it to be bought up by the British and exported to Europe. Now sugar can only be bought at extravagant prices.

Mr. JOHNSON of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. RAMSEYER. My time is so limited that I regret I can not do so now. If I get through with what I want to say before my time expires, I shall be glad to yield to the gentleman.

Congress has provided the laws. The laws are on the statute books to be enforced. Congress passes the laws, but it is the duty of the President to enforce and execute the laws. The Constitution itself provides "he shall take care that the laws be faithfully executed." It is an old saying, "You can lead a horse to water, but you can not make him drink." As good old Pontoppidan says, "The law is good when it is enforced as a law."

INFLATION OF THE NATIONAL CREDIT.

Another contributing cause to existing high prices is the inflation of credit during the war. Nearly every well-known economist of this country at the beginning of the war warned the Executive and Congress against the evils of inflation that were sure to follow if the war was financed chiefly by bonds instead of chiefly by taxation; in other words, they held that conscription should apply to wealth as well as to men. This warning was not heeded. Inflation naturally followed. Just before the war our national debt was less than a billion dollars. Now our national debt is over $26,000,000,000, chiefly in bonds. There is only one possible way to overcome the inflation caused by this vast increase of our bonded indebtedness, and that is to commence to pay off our national debt. We still have those among us who advocate that this debt should be passed on to future generations to pay, but their number is fewer and their influence less and less. I helped to make this debt and I want to pay off my share of that debt, so I, with you, can turn this grand old country of ours over to our children with a clean slate.

Within the last two weeks Austen Chamberlain, chancellor of the British exchequer, in his speech before the House of Commons on the budget, made the prediction that Britain will wipe out her national debt in 20 years. Great Britain has a war debt of $40,000,000,000 and a national wealth of $80,000,000,000. We have a national debt of $26,000,000,000 and a national wealth of $250,000,000,000. Surely if Britain under those circumstances can pay off her national debt in 20 years we should be able to do no less.

INFLATION OF CURRENCY.

It is a well-known economic truism that the more money there is in the country the higher the prices. The general stock of money in the United States on July 1, 1914, was $3,738,620,345. This included gold coin and bullion in the Treasury, gold certificates, standard silver dollars, silver certificates, subsidiary silver, Treasury notes of 1890, United States notes, and national-bank notes. The general stock of money in the United States on April 1, 1920, was $7,761,146,018, or an increase over July 1, 1914, of over $4,000,000,000. The stock of money on April 1, 1920, included in addition to the circulating medium on hand July 1, 1914, Federal reserve notes and Federal bank notes. The circulation of money per capita in the United States on July 1, 1914, was $34.53, and on April 1, 1920, it was $55.56. These facts speak for themselves and every citizen can draw his own conclusions.

EXPANSION OF BANK CREDIT.

The bank credit of the country has increased from 1914 to 1919 about $14,000,000,000. Further, on this subject I quote without comment facts and warning from the statement by a special committee of the Chamber of Commerce, State of New York, issued April 1, 1920, as follows:

From the beginning of the war to the present time $18,000,000,000 in the form of increases in circulation and in bank deposits have been added to the medium in the United States. On the other hand, the physical volume of business was only fractionally more in 1919 than in 1914. The production of buying medium has accordingly been increased

in overwhelming ratio to the production of goods. The rise of prices has borne with particularly disastrous effect upon the purchasing value of a fixed income, it having been cut in half in six years.

Again, the committee says:

Banking and currency expansion was an uneconomic and regrettable process, indeed, but unavoidable during the war.

Again, I quote:

The consequent result has been the huge inflation of bank credits and currency which is considered as one of the main factors responsible for the rise in the general price level.

Recommendation and warning of the committee:

That bankers and business men should cooperate in a strong effort to combat further expansion of bank credits or additional issue of currency.

The additional issue of currency is in the control of the Treasury and the expansion of bank credits chiefly in control of the bankers. The findings and recommendations of this committee of the New York Chamber of Commerce should not go unheeded.

I have presented these facts for the reflection of this body and of the country. Unless we operate this Government on a sound and economical basis, unless the necessities of life are brought within reach of the consumers' ability to pay, and unless bankers and business men will heed the warnings of such eminent authority that I have just quoted, there will be proposed, in and out of Congress, half-baked theories and wild-eyed schemes that will far outdistance those of the fiat money advocates after the Civil War, who were going to pay off the national debt with a printing press, by the simple process of giving the bondholders greenbacks for their bonds.

WAR-MADE WEALTH.

Now, in raising revenues to pay either the expenditures of the Government, the adjusted compensation for ex-service men, or the national debt we must go where the money is, and in so far as possible call upon those persons who, because of the war, profited greatly for their fair share of the contribution. I realize fully that there have been many reckless statements made in regard to war profits, but that many persons and corporations took advantage of war conditions to make unconscionable profits and amass fortunes can not be denied.

In a carefully prepared speech, delivered April 24, Senator CAPPER, of Kansas, called the attention of the country to the Attorney General's failure to prosecute the profiteers and produced figures from the Wall Street Journal and other reliable financial authorities showing percentages of profits of large financial concerns during the war. Here are a few of them upon the authority of a United States Senator:

Continental Oil, 200 per cent; United Fuel Gas, 200 per cent; Ohio Fuel Supply, 100 per cent; Nonquit Spinning Co., 100 per cent; Amoskeag Cotton Manufacturing Co., 100 per cent; Stutz Motors, 100 per cent; Nashua Manufacturing Co., 100 per cent; American Tobacco Security Co., 75 per cent; Manomet Mills, 55⅝ per cent; Hood Rubber Co., 66⅔ per cent; Crucible Steel, 50 per cent; Cleveland-Akron Bag, 50 per cent; Union Bag and Paper, 50 per cent; Auto-Car Co., 40 per cent; John R. Thompson Co., 33⅓ per cent; St. Maurice Paper Co., 30 per cent; F. W. Woolworth, 30 per cent; Electric Welding of Boston, 25 per cent; Delaware & Cleveland, 25 per cent; Hawaiian Pineapple Co., 25 per cent; Electric Welding Co., 25 per cent; General Chemical Co., 20 per cent; American Multigraph, 20 per cent; Truscan Steel, 20 per cent.

The Standard Oil Co. of Indiana has recently increased its capital from $1,000,000 to $30,000,000, giving its stockholders a stock dividend of 2,900 per cent.

Repeatedly the statement has been made recently on the floor of this House, and without any denials, that 23,000 new millionaires were made in this country during the war. If that statement be true, then that number of men accumulated during the war at least $23,000,000,000, or nearly as much as this country became involved in debt to win the war. I am calling your attention to this rock of national resources, from which, if you will smite it, abundant streams of revenue will burst forth. And if you accept this source of revenue there will be no increase in the cost of living if the Attorney General will enforce the laws against profiteering.

THE SALES TAX.

Now, the purpose of adjusted compensation for the ex-service men is in part to equalize their present economic condition brought about by the loss of opportunities to make money because of their service in the Army or Navy with the economic condition of those who, because of the war, received large financial remuneration and amassed fortunes. This can not be accomplished by taking as much from the poor man as from the rich man. Any scheme of taxation to raise revenues for any purpose which seeks to tax the necessaries of life instead of the profits and the wealth accumulated out of the war is unjust, inequitable, and indefensible. For that reason I am unalterably opposed to the sales tax.

A sales tax will come out of the pockets of the masses, including the ex-service men. The National Industrial Conference Board recently made the following astonishing revelation in regard to the increase in cost of living:

Item.	Increase July, 1914, to November, 1918.	Increase July, 1914, to March, 1920.
	Per cent.	*Per cent.*
Food	83	109
Shelter	20	43
Clothing	93	177
Fuel, light, and heat	40	49
Sundries	55	83
All items	65	94.8

Every dollar collected by sales taxes will be added to the cost of living of every family in the land. The larger the family the more the head of that family will contribute to the raising of the national revenues. This is a scheme to tax the breakfast table instead of the incomes of the rich. Besides, this scheme will make a Federal revenue collector out of every retail merchant in the land. The inconvenience and irritation this will involve in itself condemns the entire sales-tax scheme as not only unjust but vicious. Certainly the Ways and Means Committee can devise some other scheme of taxation.

Men say on the floor here that if we undertake to raise additional revenues chiefly from those most able to pay that these men will immediately stick up the price and thus add to the cost of living. That is not only an admission that these men will do that thing, but that they have the power to do that thing, and that the Government lacks either the power or the courage, or both, to stop them. Gentlemen, that is a sad and damaging admission. What you grant by that admission is the very thing that every Bolshevist and radical is preaching from one end to the other of this broad land. Gentlemen, I do not believe it. I will not admit that there is an invisible and irrespondible government in this country more powerful and dominating than the Government of which we are a part.

There are many schemes being proposed for new taxes to take the place of existing taxes. The sales tax is only one of them. There is now before the Ways and Means Committee a bill—known as the Nolan bill—to tax real estate values. If this bill becomes a law, it will impose additional burdens upon nearly every home and farm in Iowa. I am opposed to that bill. It is a capital tax on land, and in my opinion is unconstitutional as well as unjust.

Gentlemen on the committee having the responsibility to report out revenue measures will be able to frame a bill to tax war-made wealth. That is exactly what the British Parliament proposes to do. Permit me at this point again to quote from one of the most conservative British statesmen, Austen Chamberlain, chancellor of the British exchequer. The press dispatch of the speech I referred to awhile ago says:

The chancellor exploded a bombshell in the business world by announcing an increase in the excess-profits tax of from 40 to 60 per cent, though he promised a reduction when the Government has drafted a plan for special taxation of fortunes amassed during the war.

Over in England the Government has experts at work to draft "a plan for special taxation of fortunes amassed in profits during the war," and I do not hesitate to prophesy that that plan will be worked out, that it will be put into operation, and that it will do the business for the British Government. Here some gentlemen say it can not be done, and if we try it those who are taxed will ruin the country. Gentlemen, I say it can be done, and our Committee on Ways and Means, with its expert assistants, can point the way. There is and can be no doubt of the justice of the proposition that war-made wealth should bear the heaviest burdens of taxation. [Applause.]

The CHAIRMAN. The time of the gentleman from Iowa has expired. All time has expired, and the Clerk will read.

Mr. DAVEY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FOCHT. Mr. Chairman, I make the same request.

Mr. GOLDFOGLE. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to the requests of the gentlemen from Pennsylvania and New York?

There was no objection.

Mr. BLANTON. Mr. Chairman, before we begin the reading of this important bill, appropriating millions and millions of dollars, I think we ought to have more than 25 Members present.

Mr. GOOD. Oh, we have more than that.

Mr. BLANTON. How many more than that have we? I just counted 25.

Mr. BYRNS of Tennessee. Quite a number.

Mr. BLANTON. Will the gentleman assure me that there are more than 25? If so, then I will withdraw my suggestion of no quorum.

Mr. GOOD. I would state to the gentleman that we have been very liberal with regard to general debate. There are a number of items that we are approaching now that are not very important, and we desire to get on with the reading of the bill.

Mr. BLANTON. No rules have been prepared to make items in order that are out of order?

Mr. GOOD. No. None that I know of.

Mr. BLANTON. Under the circumstances, if the gentleman wants to appropriate a number of million dollars with 25 Members present, I withdraw the suggestion.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

PUBLIC BUILDINGS, CONSTRUCTION, AND RENT.

Alexandria, La.: For additional for rent of temporary quarters for the accommodation of Government officials and moving expenses incident thereto, $4,000.

Mr. ASWELL. Mr. Chairman, I offer an amendment which I have sent to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 5, insert "Alexandria, La.: For enlargement, extension, etc., of the United States post office and court building, $135,000."

Mr. GOOD. Mr. Chairman, I make the point of order.

Mr. ASWELL. Will the gentleman reserve the point of order for a little while?

Mr. GOOD. I will reserve it for five minutes.

Mr. ASWELL. Mr. Chairman and gentlemen of the committee, I recognize that it would be parliamentary for this item to come through the Committee on Public Buildings and Grounds, and I also recognize the reasons for not having a general building bill at this time; but it seems to me not good business or economy for the Government to be niggardly in these 15 post-office cases that have been urgently presented to the Congress by the Treasury Department and also by the Post Office Department showing very grave congestion and suffering. The situation at Alexandria is one of the most serious in the United States. The building was constructed 25 years ago, when the population of the city was 2,000, and it is now nearly 25,000. Seven years ago an appropriation was made of $65,000 to enlarge this old building. It is still unexpended. The building has no heat, water, or sewerage facilities. It is an out-of-date and completely inadequate structure. During seven years the Treasury Department three or four times has undertaken to let a contract to enlarge the building. The plans and specifications were presented and the lowest bid was $15,000 above the appropriation. The architect then cut down the plan, again advertised, and the lowest bid was about $19,000 above the appropriation. Finally they cut out the second story and undertook to remodel the lower story. Still the lowest bid was some $20,000 above the appropriation. When this was being done the Government had to lease a building for the occupancy of the post office in order to permit the old building to be remodeled. After the post office had been removed to the temporary building there was a failure to get a contract to remodel the building with the funds at hand. The post office is now located in a temporary shack, and the Government is paying $4,000 a year rent. The confusion, the congestion, and the inadequacy of the quarters are not easily described. So, gentlemen of the committee, the Treasury Department is entirely correct in presenting to this Congress 15 emergency cases throughout the country. This is one of the 15. There are other urgent cases, possibly, but this one is worthy of your immediate consideration. It would be economy to the Government to grant this request. I appeal to the gentleman from Iowa [Mr. GOOD] to withhold the point of order and let this post office and court building be reconstructed, so that it can be occupied. The Federal court is now meeting in the parish courthouse. The post-office building is unoccupied and stands there useless, not even being used for storage purposes. A private enterprise using such methods as the Government is adopting in this case would promptly go into bankruptcy. So, gentlemen of the committee, I am presenting a reasonable case when you consider that this post office is in the heart of the city, a shack of old red brick, the black spot of the city, with a million-dollar hotel two blocks away, with a 10-story new bank building by the side, another 8-story bank building on the corner, with the population increasing ten times since the building was constructed, with 7 railroads, with $15,000,000 annually of manufacturing done in the city, the geographical center of the State, the fourth city of the State, and with a post-office building that would be a reflection upon a village of a thousand people.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ASWELL. I appeal again to the gentleman not to make the point of order against this amendment.

The following reveal the seriousness of the Alexandria situation:

MARCH 15, 1920.

The SPEAKER, HOUSE OF REPRESENTATIVES,
Washington, D. C.

SIR: Referring to a letter addressed to you under date of March 4, 1920, submitting a list of 15 estimates of appropriation (H. Doc. No. 673), I have the honor to submit herewith another item to be considered in connection therewith, as follows:

Alexandria, La., post office and courthouse:
That the limit of cost for enlargement, extension, etc., be increased from $65,000 to $200,000, which additional amount is hereby appropriated $135,000

NOTE.—The foregoing item was not included in the previous list, as it appeared from information at hand at that time that the condition existing at Alexandria could only be met by the construction of a new building.

Since the submission under date of March 4, 1920, the Post Office Department has submitted information (see copy of letter from the Postmaster General, dated Mar. 8, 1920, hereto attached) to the effect that the situation is so serious that it is imperative something be done at once to relieve the condition. This can best be accomplished by providing an extension to the present building.

The act of March 4, 1913, made provision for enlarging and extending the present building, at a limit of cost of $65,000, which amount has already been appropriated. To provide an extension at the present time to meet the needs of the service will entail an expenditure of $200,000, or an appropriation of $135,000, in addition to the amount now available for that purpose.

In view of its importance and urgency, it is recommended that favorable consideration be given to this matter.

Respectfully,

DAVID F. HOUSTON, *Secretary.*

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MARCH 8, 1920.

Hon. DAVID F. HOUSTON,
Secretary of the Treasury.

SIR: On the 16th ultimo you advised this department that due to the apparent great necessity for certain public building work it had been decided to call the attention of Congress to the urgency of the situation, but that before doing so you wished to be furnished with an expression of opinion as to the order of preference which should be given to 30 important cases, based upon the seriously congested postal conditions reported to exist at the places named.

This information was communicated to your department in a letter dated February 24, and in that letter the project at Alexandria, La., was placed No. 9 in the order of urgency. It seems, however, that only 15 projects were brought to the attention of Congress and that none of the projects involved the construction of an entirely new building, and as a new building was recommended for Alexandria, the name of that city was not included in the public building work recommended to Congress.

The act of March 4, 1913, authorized the extension of the post office building at Alexandria at a limit of cost of $65,000. Plans were drawn and proposals for the construction of the extension were first requested in April, 1917, and only one bid was received, amounting to $70,000. In addition to this amount, $10,000 was considered necessary to provide for contingencies such as vault shelving, post office boxes, etc. Due to the necessity for furnishing some relief plans were revised upon the basis of a smaller and cheaper extension, which was thought might be constructed within the amount available. Under these plans two proposals were received in January, 1918, the lower being approximately $73,000 and the higher $80,000. If it had been possible to accept the lower of these proposals the extension which would have been built would not have furnished additional accommodations needed for the courts, but would have provided only for the relief of the post office. Proposals were again requested for the extension of this building on the plans providing for the relief of the post office only on January 7, 1919, and the lowest bid received amounted to $84,000, or approximately $19,000 in excess of the amount available for the work. Reports on file show that the condition of the post office building at Alexandria are particularly deplorable, probably worse than most any place in the country. The quarters are entirely inadequate, and while the post office was domiciled in the building it was necessary to use the attic, where the heat in summer is almost unbearable. The building is practically without toilet facilities.

At the time the work was placed upon the market in January, 1918, proposals were requested for rented quarters. Conditions were such that it was impossible to obtain a building already erected, and the proposals submitted provided for the construction of a building for the use of the Government during the period of the extension work. While it was considered doubtful whether proposals could be obtained for the construction of a Government building which it would be possible for your department to accept, you nevertheless found it necessary to secure rented quarters for use in case the remodeling of the post office building could be undertaken. It was impossible to obtain the consent of the party submitting the proposal to furnish temporary quarters to hold his proposal open until it could be definitely determined whether the extension of the post office building could be made within the amount available. Accordingly you accepted the proposal for rented quarters at once and the post office has been located in those quarters at a rental of $300 per month since June 16, 1918.

As bearing on the growth of the postal service at Alexandria, it may be stated that the receipts for the salary adjustment year ended March 31, 1914, amounted to $65,805, while the receipts for the calendar year ended December 31, 1919, amounted to $102,190.

Inasmuch as the cost of construction work has undoubtedly increased since your former estimate, it is probable that the construction of an extension at this time will involve an expenditure approximating $200,000. As the temporary quarters are unsatisfactory and considering further that no provision has been made for the rental of temporary quarters after the expiration of the current fiscal year, it is urgently recommended that the conditions set forth above be brought to the attention of Congress at the present session with a view to obtaining an appropriation sufficient to cover the cost of providing the required extension to the post office and courthouse building at Alexandria.

Respectfully,

A. S. BURLESON,
Postmaster General.

UNITED STATES POST OFFICE,
Alexandria, La., March 8, 1920.

Hon. J. B. ASWELL, M. C.,
Washington, D. C.

MY DEAR DR. ASWELL: In compliance with your recent request (by wire) for a statement of the crowded and inadequate post-office building and facilities in this city, I beg to submit the following:

As you know, we are now occupying temporary quarters in a one-story building located in Murray Street, in the middle of the block. The building has a frontage of 50 feet and a depth of 100 feet, with 4,700 square feet of working space, 300 square feet being taken up with the lobby and postmaster's office.

The windows through which all business is transacted are totally inadequate for the purposes intended, and should be just twice the number.

The money order, postal savings, registry, parcel post insured, and C. O. D. is transacted through three windows, with four clerks, who, on account of lack of space, are continually elbowing each other, and makes it difficult for them to remain within their respective divisions.

The general delivery and stamp windows are also too closely connected, and with hardly sufficient space for the clerks to pass each other.

In order to transact war-savings business it has been necessary to utilize the postmaster's office, leaving the head of the office without any private office room.

The following windows are necessary for the prompt and efficient handling of the public at an office of this size:

Money-order division, two windows and 400 square feet of working space.

Stamp division, two windows for the sale of postage stamps, war-savings stamps, and revenue stamps, and 200 square feet of working space.

Postal savings division, one window. (This division could be handled through the money-order division.)

General delivery, two windows and 400 square feet of working space.

Registry division, one window and 400 square feet of working space.

Parcel-post division—insured and C. O. D.—for the receipt and delivery of all parcel post, should have at least two windows and not less than 1,000 square feet of working space.

War-savings stamp business and revenue stamps could be handled through one of the stamp windows.

The mailing division, for the receipt and dispatch of mails, occupies one-half of the entire working space; and within this division it has been necessary to place the city delivery division and the rural letter carriers.

The mailing division should have at least 2,800 to 3,000 square feet of working space, and the city delivery and rural letter carriers 800 square feet of working space.

The toilets are located in the same space, and in full view, and are inadequate for the number of employees—15 regular clerks, 2 auxiliary clerks, 6 city letter carriers, 3 rural carriers, and 10 to 15 railway postal clerks who enter this office.

The location of the building, in the center of the square, with buildings on each side, seriously interferes with the necessary ventilation, there being only four double windows on one side. It also seriously interferes with the light, and it is necessary to have artificial light continually.

The mails, incoming and outgoing, have to be trucked from the side street through an alley, which in rainy weather makes it very disagreeable, and frequently is the cause of getting the mails wet.

There has been no provision made for any space to keep fuel and all necessary articles used in cleaning a building of this kind, and as a result the fuel is out in the weather, and other necessary articles are kept within the office.

The floor is of concrete, and is damp throughout the year, which is detrimental to the health of the employees. The vault now in use for storing stamps and other stamped paper is practically useless because of the damp condition existing.

The lock-box equipment is not sufficient. We now have 764 boxes, and we have a waiting list of 75 to 100. Our box equipment should not be less than 1,000.

I am transmitting herewith a blue print showing the floor plan, which will give you a fair idea of what we are up against, always remembering that every bit of space is taken up with everything that is necessary in the operation of a first-class office, such as desks, cases, bag racks, letter-carrier cases (city and rural).

Incidentally, I wish to mention that the monthly rental on this building is $330. This amount does not include light, water, or heat, as this is furnished by the Treasury Department.

Yours, very truly,

JONAS R. ROSENTHAL,
Postmaster.

Statistics on the city of Alexandria.

Year taken.	Population.	Per cent increase over last.
1890	2,861	58.9
1900	5,648	97.4
1910	11,213	98.5
1919	22,000	96.2

The figures given for 1890–1900 and 1910 are taken from official United States census. The figure for 1919 is a conservative estimate made by a recent city directory and a census taken by the telephone company.

RAILROADS.

Texas & Pacific, Southern Pacific, Missouri Pacific, Chicago, Rock Island & Pacific, Louisiana Railway & Navigation Co., Louisiana & Arkansas, Alexandria & Western. (Seven railroads in all.)

MANUFACTURING PLANTS.

A total of 30 manufacturing plants are operating in this city, with a total output in dollars and cents of $10,000,000 annually. These plants manufacture lumber and wood products, cottonseed products, iron-foundry products, mattresses, and talcum powder.

WHOLESALE HOUSES.

Fifteen jobbing houses are doing business in Alexandria, with a total annual business of $12,000,000. Products handled are hay and grain, groceries, drugs, hardware, and mill supplies.

BANK RESOURCES.

(Three banks doing business.)

Resources in 1910	$2,500,000
Resources in 1915	3,500,000
Resources in 1916	4,000,000
Resources in 1918	6,000,000
Resources in 1919	8,000,000

POST-OFFICE RECEIPTS.

For year ending Mar. 31, 1915	$50,203.57
For year ending Mar. 31, 1916	76,521.13
For year ending Mar. 31, 1919	214,259.57

ASSESSED VALUATION OF CITY.

For the year 1917	$4,000,000
For the year 1918	8,000,000
For the year 1919	15,000,000

PUBLIC BUILDINGS ERECTED DURING PAST TWO YEARS AND NOW IN COURSE OF ERECTION.

Commercial Bank & Trust Co	$250,000
First National Bank	850,000
Baptist Sunday School	90,000
Mutual Loan & Investment Building	50,000

During this year the city council has received many petitions from property owners seeking to have streets paved.

Since the signing of the armistice the building of homes has taken a healthy spurt, and the building and loan associations of the city have all the applications they can accommodate.

On June 17 the citizens of the city voted to issue $525,000 in bonds with which to make many necessary municipal improvements, such as extension of water and sewerage mains, additions to street railway systems, and erection of a gas plant and mains for distribution.

To date 57 miles of hard-surfaced gravel roads have been constructed in the parish, and the people on the 1st day of July voted a good-road bond issue of $2,000,000 to build 203 miles more of road, and thus complete 260 miles of hard-surfaced roads in the parish.

Agriculture in the surrounding country is prospering. In 1914 this parish produced 7,800 bales of cotton. In 1918 it produced 26,000 bales. In addition, the farmers are diversifying and are engaging largely in the culture of grain and the raising of hogs and cattle. Many large plantations are being sold in small tracts, insuring a larger rural population of thrifty white farmers.

The city of Alexandria has favorable geographical location for a large city. It has grown steadily for the last 20 years, a growth that is substantial and steady; no boom. Property values have steadily increased and have not been inflated above their true value.

The demands of business in the city are much greater than the post-office facilities offer here now.

We believe this city will continue to grow in the future as it has in the past, and that the post-office building should be of adequate construction to anticipate this growth for years to come.

ALEXANDRIA CHAMBER OF COMMERCE.
A. T. FELT, *General Secretary.*

[From the Louisiana State Journal, Nov. 28, 1919.]

ALEXANDRIA'S POST OFFICE.

It is claimed by conservative people that Alexandria has a population of some 25,000. It is claimed by conservative people that the post office of Alexandria does not provide facilities for a population of 2,500.

The present site of the post office of Alexandria and the size of the post office is a matter that naturally worries the post-office employees to a great extent.

The wonder of it is that the employees do as well as they do under the trying conditions they labor under.

The city of Alexandria has outgrown its present post-office standard. It has advanced to such an estimation in the State's public opinion that we receive favorable mention from everywhere, but the post-office situation would remind one of the rural district village office.

The needs of a population of 25,000 for superior mail systems can not be fully accommodated under the existing conditions.

The local post-office force is handling more mail, inward and outward bound, than the post office of New York in proportion to units, zones, and population. In that city there are suboffices that handle much of the Empire State's mail, while in Alexandria, a city with tremendous commercial possibilities, present great industrial activities, publishing houses, large wholesale and splendid retail department stores, that are expending thousands of dollars advertising their respective business affairs—and incidentally Alexandria—are forced to put up with a country-size post-office department that is neither a joke nor a standard unit.

Why the needs of Alexandria should be shelved so far back that 12 years have slipped by without anything being done in the matter is one of those administration puzzles that only time can unfold.

Be that as it may, Alexandria should put her shoulder to the wheel of Federal machinery and pound away everlastingly for the improvement of local post-office facilities.

The local post-office employees would welcome new sanitary quarters and a larger breathing space to do the work they are so well fitted for.

ALEXANDRIA, LA., *January 16, 1919.*

Hon. J. B. ASWELL,
Washington, D. C.

DEAR DOCTOR: The bids for repairs for post office here were just as expected, about $15,000 more than the amount appropriated. It seems that the Government increased the appropriation a little but added more to the work than the increased appropriation would take care of.

It looks to me that the Government is using very poor judgment in hanging fire on appropriating enough to do the work and paying rent while this is going on. The amount that they are paying in rent for the quarters they now occupy would more than take care of the difference between the cost of construction and the amount appropriated.

The service at the post office here now, is if anything worse than it used to be in the Government building. I can't see where the Government has benefited itself or the public either in moving into a rented building and leaving their own building unoccupied.

I wish you would look into this matter and see if the department won't either change their construction so as to be within the appropriation or increase the appropriation so as to put in the improvements they want. The general public is certainly entitled to adequate facilities for handling their mail in a place as important as Alexandria. The present location of the Government building is not only the most desirable in town but there is nothing else that can be had would get

as much space as the Government now owns, where the present building is now located.

The Government owns a half square of ground which is more than they can buy anywhere else in the business section of the city, neither can they buy anything like a half square of ground anywhere near the business section for the price that they could sell their present location.

I trust you will look into this matter and see if it isn't possible to have the appropriation increased from $65,000 to $80,000 or $85,000, as I understand $81,000 was the lowest bid they had.

Thanking you for any relief you can give us in this matter, I am,

Very truly, yours,

W. D. HAAS.

FINAL REPORT OF GRAND JURY.

Hon. ALECK BOARMAN,
Judge of the District Court of the United States,
Western District of Louisiana:

We wish to bring to your honor's attention the totally inadequate accommodations for the use of the court in the Federal building here in Alexandria. Your grand jurors were huddled in a room in a little better than a garret under the eaves of the building. It does seem to us that this great and prosperous country would afford better accommodations to those who serve it. The witnesses are compelled to stand in a cold hallway in winter and an extremely hot one in summer. We understand the same conditions prevail in the postal department of the building—the building being entirely too small for the large needs of this district.

We wish to call your honor's attention to the following matters which seem to need urgent and immediate attention, to wit:

Heating matters throughout the building: As to court room, the large stove smokes so badly that it can not be used successfully, and when an effort is made to get up a fire the smoke makes the room intolerable, and prevents the court from being made comfortable for those attending the sessions of the court. There is no method whatever for heating the hallways, and witnesses are compelled, for lack of a witness room, to stand in the hallways and subjected to hardships.

The clocks do not run. This applies to all clocks on second floor, in the court room, United States marshal's office, United States clerk's office, and United States attorney's office and judge's office, as well as to grand-jury room on the third floor.

The plumbing for the wash basins is seemingly in bad order and unsanitary. In some of the basins the water barely runs; drips.

The carpets in use in the court room, clerk's office, judge's chambers, United States attorney's office and marshal's office are, all of them, worn out and ragged and very unsanitary. Conditions in this respect could not well be worse.

There seems to be difficulty in heating the grand-jury room and a total lack of lighting facilities on the entire third floor, thus preventing the grand jury from holding night sessions if desired. There does not seem to be a single electric globe on the entire third floor.

There is a total lack of all toilet accommodations inside the building. There seems to be a rough outhouse, wholly inadequate, to reach which jurors, witnesses, court officers, attorneys, and others have to pass through the rain and to climb a fence. This condition is very bad.

Inasmuch as there is no witness room, or a room in which a petit jury can be taken for its deliberations, some provision might properly and readily be made to enable the witnesses to sit down in the hallways on the second and third floors. The grand-jury witnesses should be accommodated with benches, which could be placed in the hallways, and so be at the call of the grand jurors. As it is now, the witnesses all stand all day long, for several days, in the hallways. A dozen benches might be placed in the hallways, some on the second and some on the third floor, and this should be done as soon as practicable, as the conditions stated are bad. In the hallway on the third floor there stands a large amount of trash and supplies. This could be moved to some other place, and ample space would be provided for the benches for the grand-jury witnesses.

Much of the furniture throughout the building is old and in poor repair and should be renovated. This applies especially to some of the tables, chairs, etc., in the court room in bad condition. The water coolers, such as are now in use in the building, in the various offices, are old and unsanitary, and apparently the use of them would be dangerous to health. This might be remedied by securing promptly modern sanitary water coolers at small expense.

The above report is not meant in any way as a reflection on the custodian of the building, who, we are sure, has done all in his power with the facilities at hand.

We respectfully request that copies of this report be mailed to the Secretary of the Treasury, to the Congressman from the eighth district of Louisiana, and to our Senators.

Respectfully submitted.

J. P. TURREGANO,
Foreman Grand Jury.
LEROY B. GULLOTTA, *Clerk.*

Filed February 10, 1914.

UNITED STATES POST OFFICE,
Alexandria, La., February 12, 1916.

Hon. J. B. ASWELL, M. C.,
Washington, D. C.

MY DEAR MR. ASWELL: The mailing division is greatly handicapped for the lack of working space and frequently have to resort to the ledges around the window to properly separate their letter mail. The rack for working paper mail is totally inadequate for the purpose, and the working space is so limited that the clerks strike each other when in the act of throwing the paper to its proper sack.

The city carriers' division is located on mezzanine floor, erected just above the mailing division, and has sufficient space for four men; but there are five city carriers and three rural carriers located in that small space, and when separating their mail the quarters become so close and foul that they are compelled to leave and seek the fresh air for 10 minutes at a time. As a matter of fact, one of the carriers has been overcome on several occasions as a result of the foul air. An enlarging of this division is absolutely imperative. The parcel-post division, one of the most important branches of the service, is handled through the general delivery and registry divisions, and results in congesting those two divisions.

Last, but not least, the lobby, the portion of which has been curtailed to make additional room, is so small that the patrons, after being waited on, have to back out of the door to avoid trampling on the feet of other patrons waiting to be served.

I had almost forgotten to mention the fact that we have no room for transit mails, and when handling large quantities of bulky mail, such as catalogues, we have to resort to the sidewalk and stairway leading to the court room.

The lock boxes, 598 in number, are all rented, and we have applications on hand for 25 more and are receiving applications daily. The office should have at least 1,000 post-office lock boxes.

In a word, the building is totally inadequate for the proper conduct of the business of this office, and immediate action should be taken to remedy the evil.

Yours, truly,

LEO A. TUNEGANG,
Assistant Postmaster.

[From the Shreveport Times, Aug. 20, 1919.]

BUILDING IN ALEXANDRIA.

Alexandria is liable to annex Colfax, Boyce, Pollock, Pineville, Bunkie, and other surrounding towns as its suburbs if building operations now under way in the thriving Rapides capital are continued at the same rapid rate for a few years. While the high prices of materials have halted the erection of homes and business and public buildings in a great many places, Alexandria folks are going ahead building up their city. They are making room for newcomers and new businesses.

A recent published record of the building progress in Alexandria shows $525,000 is being spent for municipal improvements. These include an artificial-gas plant, $175,000; extension of the sewer system, $95,000; improvement of the drainage, $40,000; city jail and courthouse, $75,000; improvements in the water supply, $75,000; improvements to the street railways, $40,000; and new city stables, $25,000.

Among the other city improvements are: Contract let for 3 miles of brick paving, 1½ miles of gravel, and 4 miles of sidewalks, to cost $300,000. On July 1 a parish-wide bond issue for building 260 miles of graveled roads was carried, and amounts to $2,000,000. These roads will soon be under construction.

A score of business buildings are going up, including a $600,000 10-story bank and office building; Baptist Sunday school building, $85,000; garage, $40,000; stores, warehouses, theaters, and additions costing from $2,000 to $5,000 each.

Residences are being built by the dozen. The report says it is impossible to enumerate all of them, but 18 new houses are listed as under construction, costing $1,500 to $8,000 each. More are being contracted for every day. In fact, Alexandrians are planning to spend around $165,000 this year building new residences for new people to live in.

Take notice, Shreveport. Do something; build some houses to take care of the hundreds of new people who desire to locate here.

Mr. GOOD. Mr. Chairman, the situation at Alexandria, La., is not what it ought to be, and neither is it in a great many other places in the United States. Many millions of dollars have been appropriated already for public buildings and can not be expended because of high prices, and the committee in reporting out this bill cut it between $70,000,000 and $80,000,000 on account of construction work that can not be done unless the Government is willing to pay two or three or even four prices and enter into competition where there is a scarcity of material and labor and simply add to the confusion. We have to treat all alike. There is a post office in my district in the same situation, and they all must take their places on the same equality. This amendment increases the limit of cost, as I recall, about $135,000. Now if we are to commence in one district increasing the limit of cost, I submit we must follow the same course in reference to other districts.

Mr. ASWELL. Will the gentleman yield?

Mr. GOOD. I yield.

Mr. ASWELL. I beg to suggest that it is not a proposition to erect a new building——

Mr. GOOD. I understand that. It is for a very extensive addition.

Mr. ASWELL. As in other cases. It is simply making one habitable which is already constructed.

Mr. GOOD. It is the same. There are many districts where they have no post office at all, and where appropriations have been authorized, but they can not get the building built within the limit of cost but must have double the amount appropriated to get a building. Now, I submit to the gentleman if we are to adopt a policy it must be made uniform. The policy in the gentleman's district must be the policy in the district of the gentleman from Illinois and so on throughout the United States.

Mr. ASWELL. The Treasury Department has made a specific and earnest appeal for 15 cases of the worst need in the United States.

Mr. GOOD. Yes; they made a specific estimate for some 15 or 16 cases, and 300 Members made specific appeals for that many other post offices in their districts, and they are entitled to be heard just as the Treasury authorities are; and I submit to the gentleman that unless we adopt a policy that is uniform we are going to have a good deal of trouble and will subject ourselves to great criticism.

Mr. BLANTON. Will the gentleman yield?

Mr. GOOD. I will yield.

Mr. BLANTON. The suggestion of the chairman of the Appropriations Committee is not treating the gentleman from Louisiana harder than he did the gentleman from Missouri, who felt so piqued about not getting his $500,000 for St. Louis that he would not let the chairman even introduce this bill the other day. I approve of the chairman treating them all alike.

Mr. ASWELL. Will the gentleman yield for one more statement?

Mr. GOOD. I will.

Mr. ASWELL. I wish to state to the chairman of the committee that the cantonment has been removed from Alexandria, La., and there is no shortage of labor there. You would find the cost very reasonable.

Mr. GOOD. I have newspaper clippings from that part of the country, where bricklayers are now receiving $1.37½ per hour.

Mr. ASWELL. That is in the city.

Mr. GOOD. Oh, yes. But that city of yours that you are talking about has a great congestion, and I suppose the cost of labor is as high or higher there than in other places.

Mr. ASWELL. But there are more laborers there.

Mr. GOOD. Yesterday in the Star there was an item showing where the carpenters in Philadelphia have agreed with the contractors on their scale of wages, and the contractors are paying them $60 a week, and with the overtime agreed to there they will be entitled to $80 a week. I submit, with that abnormal condition confronting the country, the Public Treasury ought not to compete with the wants and demands of a man for a home. We ought not to enter the contest. Mr. Chairman, I make the point of order.

Mr. BLANTON. Mr. Chairman, I ask the gentleman to withhold it for just a second.

Mr. GOOD. I will.

Mr. BLANTON. You do not have to go to Philadelphia. I have a notice showing where the plumbers at Wichita Falls, Tex., down in the same country that the gentleman from Louisiana comes from—that is, in the South—are asking $15 a day, requiring a helper, and then they prescribe that they can not put up more than two heaters a day in a building, where they used to put up 30 a day. So the conditions down in the South are the same as in Philadelphia and elsewhere.

Mr. GOOD. The committee simply felt that it ought not to enter into competition with private employment where the demands are so excessive. I make the point of order.

The CHAIRMAN. The gentleman from Iowa makes the point of order on the amendment offered by the gentleman from Louisiana. Evidently it is not authorized by law, and the Chair therefore sustains the point of order.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word.

Now, gentlemen, if the committee is going to follow this rule, then, of course, we will not have any complaint—that is, if they are going to treat us all alike. Now, my district comprises nine counties, with not a public building in the entire district, although from that district comes into the Treasury of the United States as much money, from oil taxes, as probably any district in the United States, except the largest cities, like New York, Philadelphia, and Chicago. Now, the thing that I am complaining about is that while we were requested not to press any applications for public buildings, yet the departments in Washington have been going ahead and erecting enormous, fine buildings. The Treasury Department, while it was asking us to wait and not press the erection of public buildings for which appropriations had already been made, was constructing a large annex and erecting a large building here for the War Risk Bureau, two magnificent buildings in Washington, and there has been an enormous lot of building by the departments of the Government while the country has been requested all the time to be patriotic and not ask for public buildings, and not insist on those that had been appropriated for.

Now, appropriations had been made for my district, but not a building erected in the entire district, and the business men acceded to the request of the department and said they would not insist on any building being constructed while the stress of war was upon us. But these same men are insisting that these appropriations for other public buildings throughout the United States be curtailed. Now, this bill carries here large appropriations for the construction of buildings under the head of repair. I want to voice my protest against the continuation of the building program. If the taxpaying part of this country is to be ignored, then let the departments confine their operations in the buildings that they have and in accordance with the condition that the Treasury is in at present.

I want to ask the chairman of the committee what amount is carried in this bill for construction work to be used in buildings in Washington?

Mr. GOOD. Practically nothing. There is an item with regard to putting a new roof on the Treasury Building. We were advised that when it rains hard it is necessary to put pans and receptacles around to catch the water, and they said that while they were doing that they wanted to change the form of the roof so as to make provision, as I recall, for about 21,000 feet of space that they need there, and if the work is to be done at all it ought to be done then. Now, the additional amount necessary for them was very small, but the Treasury Building is a large building; the roof was put on a good many years ago, and it was apparent that we could not safely postpone it another year. There is not a dollar that I can recall, except to make repairs, which the departments have estimated are absolutely essential.

Mr. McKEOWN. Does this bill carry any money for the construction of any new buildings throughout the United States which have been denied by the building committee? Does the gentleman know whether it includes any new buildings?

Mr. GOOD. It carries, as I recall now, two items for additions to marine hospitals and may carry one or two minor items.

Mr. McKEOWN. No post office or court buildings?

Mr. GOOD. No. We carry in here an appropriation, quite a large one, $330,000, giving the Treasury Department some discretion with regard to the expenditure of it, but it can not spend more than $20,000 on any one building. There are some places where the congestion is so great that it has been necessary to make some additions to public buildings. But in the main the committee did not engage upon a building program at all. The bill in this respect is simply a maintenance bill. The amount carried for maintenance is large, but the gentleman must recall that we have millions of dollars invested in public buildings, and that some of them are old. These buildings are undergoing some repair all the time. There are nearly 1,200 of those buildings and the repair expense is large.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. McKEOWN. Mr. Chairman, I ask unanimous consent for five additional minutes.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. McKEOWN. Now, is there any reduction made in the department that has to do with the Supervising Architect's Office? If there are going to be no new buildings erected, no appropriations made for buildings, then will the Supervising Architect's department require the same appropriation it has always required?

Mr. GOOD. The department estimated for the same amount for the supervisors of construction, because there is money available heretofore appropriated for buildings now in the course of construction.

The only thing that this committee, in reporting out this bill, refused to do was to change the limit of cost and enlarge it and appropriate more money. There are millions of dollars, appropriated in the last and prior bills, available for public buildings, and which will be available just as soon as contracts can be let within the limit of cost. But we had nothing to do with that situation. Now and then a contractor will take a contract where local conditions are such as to permit him to enter into contract within the limit of cost.

Mr. McKEOWN. I have been informed that the number of contracts are very few.

Mr. GOOD. They are.

Mr. McKEOWN. Because the increased cost of construction exceeds the amount authorized by law. I was wondering whether there was any reduction in the appropriation for that department in view of the fact that there are over 150 buildings that can not be built.

Mr. GOOD. The gentleman's inquiry was along the line of the inquiry made by the committee, and the Treasury Department seemed to feel that they ought to have that money available, and they would not expend it unless conditions changed so as to permit them to go on; and if conditions changed so as to permit them to proceed, they could let the contracts within the limit of cost and go ahead. If we had cut out the appropriations for the supervisory force in connection with construction, then the work could not proceed in case contracts were let within the limit of cost. We wanted to be fair with the department. If they can let the contracts within the limit of cost, they should have the appropriation and also the appropriation for the necessary supervisory force. Certainly they will not use the money if they have no work, but they will have work without question.

Mr. McKEOWN. I regret very much that the situation is such that you can not bring in these appropriations and allow these buildings to proceed. Yet I want to compliment the gentleman on being fair and on treating us all alike, so that we have no ground for complaint against the committee.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Phoenixville, Pa., post office: The Secretary of the Treasury is authorized to pay from amounts heretofore appropriated for the purchase of a site and construction of a building for post-office purposes at Phoenixville, Pa., a sum not exceeding $17,500 for the purchase of a suitable site.

Mr. BLANTON. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Texas reserves a point of order on the paragraph.

Mr. BLANTON. Is not this a new item?

Mr. GOOD. No. This is an item where there was an appropriation for $16,000 for a site. The property was condemned. In the condemnation proceedings the award of the jury finally was $17,500.

Mr. BLANTON. The building is about finished now?

Mr. GOOD. I got that impression, but I must be mistaken in that regard; but the building is to be constructed within the appropriation. But the former appropriation fixed the limit of cost of the site at $16,000. The extra $1,500 will be deducted from the cost of the building.

Mr. BLANTON. Mr. Chairman, I withdraw the reservation of the point of order.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For relocating fence on the Fourteenth Street side of the building, $3,000.

Mr. WALSH. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Massachusetts moves to strike out the last word.

Mr. WALSH. Where is this auditor's building?

Mr. GOOD. It is the building formerly occupied by the Bureau of Engraving and Printing. It is a very large building, and there is a very insanitary condition existing there with regard to sewerage.

Mr. WALSH. On what part of Fourteenth Street is it situated?

Mr. GOOD. It is down across from the Agricultural Department, in Potomac Park.

Mr. WALSH. Where is it proposed to relocate the fence?

Mr. GOOD. The relocation of the fence is necessary because they are widening the street. That work is now going on, and the fence will simply have to be placed back a sufficient distance to permit the widening of Fourteenth Street.

Mr. WALSH. Does it involve a change of grade and ground there? Does the gentleman know?

Mr. GOOD. I do not know about that.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

Washington, D. C., Treasury Building: For additional amount for remodeling fourth story, in order to provide additional accommodations, and for new roof for entire building, $240,000.

Mr. BLANTON. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Texas reserves a point of order on the paragraph.

Mr. BLANTON. With all of the unnecessary building space now in the city of Washington, is it necessary to expend this $240,000, Mr. Chairman?

Mr. GOOD. That is for the Treasury Building. That building was built a good many years ago and the roof is in poor repair.

Mr. BLANTON. Oh, but the gentleman overlooks this provision: "In order to provide additional accommodations." They have just completed a very large, magnificent Treasury Annex just across the street from the Treasury.

Mr. GOOD. This is a very large building, and by a comparatively small expense additional space can be secured.

Mr. BLANTON. Is it to house the unnecessary clerks who are still drawing pay, on the pay roll, that we have not been able to separate therefrom?

Mr. GOOD. I will say to the gentleman that the Treasury Department is still occupying rented buildings. The prohibition enforcement division is housed altogether in a rented building. [Laughter.]

Mr. BLANTON. Has the gentleman ever been over Washington to see just how many vacant buildings there are now that were put up during the war?

Mr. GOOD. Vacant buildings?

Mr. BLANTON. Yes. Has the gentleman ever been out toward the District jail, in the southeast, for instance?

Mr. GOOD. No; I have been traveling in another direction. [Laughter.]

Mr. BLANTON. Well, the gentleman ought to go out there sometime and see the public buildings that were put up out there by the Department of Labor, for instance, that have never had anybody in them, about two blocks of them out there, building after building. Not a single soul has ever occupied them. God only knows what they were intended for; I do not.

Mr. GOOD. The committee would like to have postponed this work for another year at least. The Supervising Architect, however, painted a very dark picture with regard to the building. The gentleman will, of course, realize that it is not economy if a roof of a building like this is leaking and the water is coming in every time it rains not to repair it.

Mr. BLANTON. I am not talking about the roof. I am talking about these additional accommodations.

Mr. GOOD. The only purpose is to raise the roof at the eaves, so as to give a little more headroom, and put the new roof on top. Now, if that work is done at all, it ought to be done before the new roof is put up; and the new roof is absolutely necessary.

Mr. BLANTON. Does not the gentleman think we could put this off for a year or two?

Mr. GOOD. We have put it off now for two or three years on account of the war, and if the committee had felt that it could have been postponed for another year the item would not be put in this bill.

Mr. BLANTON. We are patching our pants and our clothes. Can they not patch this roof?

Mr. GOOD. They have been doing that, and they commenced to patch the roof before the gentleman commenced to patch his pants, and the roof has got beyond the patching point.

Mr. BLANTON. And the gentleman thinks it is absolutely necessary?

Mr. GOOD. I was impressed with the necessity of the appropriation.

Mr. BLANTON. I withdraw the reservation.

Mr. WELTY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

The Clerk read as follows:

Relief of contractors: For an additional amount for the payment of claims of contractors, etc., arising under the act entitled "An act for the relief of contractors and subcontractors for the post offices and other buildings and work under the supervision of the Treasury Department, and for other purposes," approved August 25, 1919, as amended, $1,000,000.

Mr. BLANTON. Mr. Chairman, I make the point of order that this is new legislation and not authorized by law.

Mr. GOOD. The item is not subject to a point of order.

Mr. BLANTON. Almost every appropriation bill that we bring in here has an item of this kind appropriating an additional amount for these contractors. This is the third such item that we have had up here this session.

Mr. GOOD. Yes. That is because the act approved August 25, 1919, made provision to pay the contractors on public buildings their actual losses sustained because of war conditions on contracts that were let before we declared war. Now we have appropriated $1,000,000 for that purpose. The Treasury Department asked for $1,750,000, but of that amount we transferred $500,000 to the previous deficiency bill and disallowed $250,000 more, on the theory that during the next year the Treasury Department would not be able to make settlements under that act requiring more than $1,000,000. The claims aggregate something over $3,000,000 that are now pending in the Treasury Department.

Mr. GOLDFOGLE. Will the gentleman state how the amount in the bill was arrived at?

Mr. GOOD. The amount was arrived at after hearing the Supervising Architect. His office asked for $1,750,000. Because of the urgency of the matter we transferred $500,000 of that estimate to the pending deficiency bill. That left $1,250,000. The committee were of the opinion that all the pending claims would not be adjusted during the next fiscal year, and that not more than $1,000,000 would be required to pay these claims during that time. I will say to the gentleman that that must necessarily be something of a guess. It was the guess of the committee that of the amount estimated $250,000 would not be required during the next year.

Mr. GOLDFOGLE. This item is practically a claim which ordinarily would be cognizable by the Committee on Claims of the House, would it not?

Mr. GOOD. No.

Mr. GOLDFOGLE. Why not?

Mr. GOOD. Because the legislation provides that the Secretary of the Treasury shall adjust and pay these claims. The Claims Committee has nothing to do with it. We enacted legis-

lation in the last session of Congress to take care of these contractors, and the Secretary of the Treasury is given the power to adjust and settle the claims.

Mr. GOLDFOGLE. Under that act does the Secretary of the Treasury fix the amount?

Mr. GOOD. Absolutely.

Mr. GOLDFOGLE. And the amount in this bill now under consideration is the amount fixed by the Secretary of the Treasury?

Mr. GOOD. It is a lump sum, to permit the Secretary of the Treasury to pay in accordance with his awards.

Mr. GOLDFOGLE. What was the amount?

Mr. GOOD. One million dollars.

Mr. BLANTON. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn. The Clerk will read.

The Clerk read as follows:

Remodeling, etc., public buildings: For remodeling, enlarging, and extending completed and occupied public buildings, including any necessary and incidental additions to or changes in mechanical equipment thereof so as to provide or make available additional space in emergent cases, not to exceed an aggregate of $20,000 at any one building, $330,000.

Mr. BLANTON. I make a point of order against the item that it is new legislation unauthorized by law.

Mr. GOOD. Mr. Chairman, this item is not subject to a point of order.

Mr. BLANTON. Will the gentleman cite us to the law that provides for this appropriation?

Mr. GOOD. These are completed and occupied buildings, occupied in the main by the Post Office Department. I think in the interest of good administration, even if it was subject to a point of order, the gentleman would not make it. Here is a post-office building where, because of certain unusual conditions, because perhaps of a fire when Congress is not in session, because of a storm, or because of the discovery of an oil well in some small town where it was necessary——

Mr. BLANTON. I withdraw the point of order.

Mr. GOOD. I knew the gentleman would.

The CHAIRMAN. The gentleman from Texas withdraws his point of order.

Mr. HUDSPETH. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman of the committee what was done with reference to the recommendation of the Secretary that we have $50,000 for a Federal building at El Paso?

Mr. GOOD. We struck it out on the theory that some work that would be necessary at El Paso could be taken care of out of this appropriation, so as to make the first floor available for some of the other departments there, and with the general repairs of that building which are essential it would be all that was now necessary. The gentleman from Texas made a clear and forceful explanation before the committee, and the committee would have liked to have reported an appropriation to do the work, but because of the very abnormal cost and the fact that there were so many buildings in the same condition, especially new construction, where we would have to enlarge or limit the cost, we carried this basket clause to take care of cases of that kind where, in the opinion of those who have the administration of the public buildings in their charge, they can use that fund where it is most needed.

Mr. HUDSPETH. As I understand, it was the sense of the committee that El Paso should come out of this fund.

Mr. GOOD. Yes; the absolutely needed alterations.

Mr. McKEOWN. I move to strike out the last word. I want to ask the gentleman if this appropriation is made for any particular places? That is, if there are certain places that are to be included in this appropriation.

Mr. GOOD. Not in detail. It could not be. This year they have $220,000 for such purpose, and it was pointed out to the committee that by the expenditure of that money in many places great relief came to the Post Office Department.

Now, take the El Paso case. There is a case where the Government has built a new building. The old post-office building is available now for other governmental activities that are renting places in the city of El Paso. The second floor is used for a court and the third floor is used for customhouse service, I believe. The first floor ought to be made available for some of these activities, and if it is made available I do not know that it will take $20,000 or more than $10,000, but they will have to put in some temporary provision to make that big space in the old post-office room available to house some of the governmental activities, and it was pointed out that it would save several thousand dollars a year in rental. They asked for $50,000 for the work. We did not allow it. There were many places where they asked for money but we did not allow it. The department will fall back on the appropriation.

Mr. McKEOWN. The amount arrived at was an estimate made by the Treasury Department?

Mr. GOOD. Yes. We refused to grant money for specific places, except in one or two places where the health of the employees was involved, and placed all alteration items in this appropriation.

Mr. McKEOWN. I want to say to the gentleman that these amounts probably will be all right with the limitation on each particular place, but this department ought to be very careful in the amount allowed because it should remember that in rented quarters for post-office purposes throughout the United States great congestion prevails, and insanitary conditions, and that they can not get any relief from the Post Office Department or an increase of rent. Those who furnish buildings are unable to furnish adequate buildings, and so if these people who have Government buildings are kept down to the absolute and necessary repairs there can be no fault found with the bill. They ought to be held down strictly to the limit because there are thousands of post offices in the United States in rented buildings that are absolutely insanitary.

Mr. TILSON. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman if this money to be expended is entirely for buildings outside of Washington?

Mr. GOOD. They expect to spend it all outside of Washington.

Mr. TILSON. I noticed when at the Treasury the other day that they were remodeling some places in the basement of that building. A little later they had money counters in there and it seemed to me an unfit place for work to be done. I wondered if it was necessary, with all the buildings in Washington, for them to use basements where artificial light must be used all the time for such important work as counting money.

Mr. GOOD. They have a general repair fund of $20,000 that is available for that purpose, but this fund here would not be available for that purpose.

Mr. TILSON. I wondered if $240,000 for the accommodations on the fourth story was not to obviate using these places where no man ought to be called upon to work, especially as everything must be done in artificial light.

Mr. GOOD. It will make provision for 21,000 feet of space, which ought to give relief.

The Clerk read as follows:

Baltimore, Md.: For purchase of property, $176,775.

Mr. LINTHICUM. Mr. Chairman, I move to strike out the last word.

The appropriation of $176,775 contained in this bill for the payment of the quarantine station at Baltimore, which has been in the possession of the Government and operated by the Public Health Service since April of 1918, is indeed highly gratifying and deeply appreciated. On April 1, 1918, the mayor of Baltimore telegraphed the Public Health Service, saying:

A strike of the engineers and firemen at quarantine ties up our quarantine inspection. Is the Government ready to take this quarantine property over?

He asked this because the authorities of the Government had appraised it and signified the intention of the Public Health Service taking it over as far back as October, 1916. The department telegraphed the mayor, saying:

Department is willing to take over and operate Baltimore quarantine station immediately on basis of lease at nominal sum. Funds not yet available, however, for reimbursement of city for property. This item is included in pending legislation, to be effective July 1 if favorably acted upon by Congress.

The legislation was not favorably acted upon, and since that time we have been endeavoring to have the Government pay for the station as agreed upon. I was fearful for some time that the mayor had made a mistake in wiring the department on April 1; it really began to look as if it were an April fool joke, and that Congress never would appropriate the money to carry out the agreement. It is therefore very pleasing that this sundry civil bill carries the appropriation.

The amount appropriated was arrived at by appraisers appointed by the mayor of Baltimore under an ordinance passed in 1916, authorizing the sale of the Baltimore quarantine station to the National Government and by the supervising superintendent on behalf of the Secretary of the Treasury. These appraisers arrived at the sum of $176,775, as shown by the following report, duplicate of which was sent the Public Health Service:

OCTOBER 25, 1916.

The honorable the BOARD OF ESTIMATES OF BALTIMORE CITY:

GENTLEMEN: Complying with the request contained in the resolution of your honorable board, passed October 18, relative to the appraisal of land and buildings of Baltimore quarantine station, we have the

honor to report that after a careful investigation of all the property, a comparison of values thereof, we have arrived at the conclusion that the land, the buildings, and appurtenances thereon and therein are, in our judgment, worth the net sum of $176,775, divided approximately as follows:

Buildings, wharf, retaining walls, etc	$90,687
Floating property, consisting of 1 tug and 1 gasoline launch	24,500
Implements, live stock, household furniture, etc	3,138
Water, light, and power plants	8,250
20 acres of land, at $2,500 an acre	50,000
One small parcel of land	200
Total	176,775

Respectfully,

THOS. J. LINDSEY,
HARRY E. GILBERT,
On behalf of the city of Baltimore.
N. V. PERRY,
Supervising Superintendent,
On behalf of the Treasury Department.

It will be noted that the Government has been in actual control and operation of this quarantine station since April of 1918, and since October of 1916 the contract has been practically closed between the Government and the city of Baltimore. We have awaited the payment of the fund as agreed upon. This quarantine station prior to the war, and until it was turned over to the National Government, not only paid its operating expenses, but there was some considerable surplus, at times equal to a very fair return upon the investment. I am not aware as to what has taken place since the Government took it over, but rather imagine it has not made as good returns, owing to the war and conditions in reference to commerce.

Baltimore, as was shown by Surg. Gen. Blue's letter of June 13, 1918, had never been anxious for the Government to take over the quarantine station and had never pushed negotiations for the sale of it to the Government. The National Government has become the owner of some 67 quarantine stations of the country, embracing all except that at New York and Baltimore and several minor ones on the Mexican border. The purchase of the quarantine station at Baltimore is highly essential at this time. The city not being in control thereof and knowing that the Government intends to keep it, it has not been in position to make repairs and to maintain the property as it should be. The Public Health Service has not seen fit to expend money upon repairs and necessary maintenance because the National Government has not had title thereto, and for the further and more essential reason no appropriations have been made for this purpose by reason of lack of ownership.

I hope it will not take very much money to put the station in good shape, but had this condition of affairs lasted for any considerable period longer it is my firm conviction that repairs would have been absolutely necessary and money for that purpose would have had to come from some source. It is one of those cases where a stitch in time saves nine. I say, therefore, not only for the National Government but for the city of Baltimore, it is highly gratifying the Government has seen fit to close its deal and pay for the property which it purchased. Some one will ask upon what authority does the Appropriation Committee make appropriation for this purchase? In answer to this, I beg to refer to the act approved June 19, 1906, which gives full authority for the purchase of the quarantine stations of the country:

Section 5 of the act approved June 19, 1906, being an act to further protect the public health and make more effective the national quarantine, provides:

"That in any place where a quarantine station and plant is already established by State or local authorities it shall be the duty of the Secretary of the Treasury, before selecting and designating a quarantine station and grounds and anchorage for vessels, to examine such established stations and plants with a view of obtaining a transfer of the site and plants to the United States, and whenever the proper authorities shall be ready to transfer the same or surrender the use thereof to the United States, the Secretary of the Treasury is authorized to obtain title thereto or possession and use thereof, and to pay a reasonable compensation therefor, if, in his opinion, such purchase or use will be necessary to the United States for quarantine purposes and the quarantine stations established by authority of this act shall, when so established, be used to prevent the introduction of all quarantinable diseases."

Furthermore, as I have said, all the other stations of the country have been taken over and paid for some years ago, and there has never been any objection on the part of Congress to those payments.

The Clerk read as follows:

The schedule of fees and rates of charges in effect at the New York Quarantine Station at the time of the transfer of the title thereto to the United States shall be adopted and promulgated by the Secretary of the Treasury as the schedule of fees and rates of charges for the operation of the said station and all other maritime quarantine stations under the jurisdiction of the United States.

Mr. DUPRÉ. Mr. Chairman, I reserve the point of order on the paragraph. I should like to have an explanation from the chairman of the committee particularly with regard to the two last lines in the paragraph, lines 6 and 7 on page 5, in which it is provided that existing charges for the operation of the New York quarantine station shall be made applicable to all maritime quarantine stations under the jurisdiction of the United States.

Mr. GOOD. Mr. Chairman, Congress passed the act a few years ago to take over all of the quarantine stations in the United States. I think at practically all of the stations a certain schedule of fees and charges were enforced by State institutions or local authorities. For example, the State of New York for a number of years, as the gentleman knows, has been operating the quarantine station there, and they have a schedule of fees that are charged for fumigation of vessels and for other like services.

Mr. DUPRÉ. As I understand it, for instance, they have charges for inspection which are not applicable to other ports. I have no objection to this paragraph in so far as it makes effective at New York the schedule of charges that now exists there, but I do question whether, without any further information on the subject, the phraseology in lines 6 and 7 making the charges, as I read it, that now obtain in New York applicable to all other quarantine stations should be allowed to remain in the bill.

Mr. GOOD. I will say to the gentleman that if a foreign ship comes into the harbor of New York with a smallpox patient on board, the rule is that the ship must be fumigated. The quarantine station there performs that service, which costs a good deal of money. The charge that is made is not enough or more than enough to pay for the expense. If a ship of that kind should go into the harbor of New Orleans, does not the gentleman think that there should be charge for the fumigation of the ship?

Mr. DUPRÉ. Certainly. I have absolutely no objection to that, but the charges might be different in New York or Boston or Philadelphia. Incidentally I do not care to have it assumed or suggested by the gentleman that all of the smallpox that comes into this country may come into the port of New Orleans. So I adverted to Boston and Philadelphia.

Mr. GOOD. Last year at the port of New York the quarantine station received for that kind of service $362,255. We are taking over these stations, and should take them over with their assets and not their liabilities alone.

Mr. DUPRÉ. I have no intention of making the point of order against the whole paragraph. I am entirely willing that a ship coming into the port of New York should pay into the Treasury the amount that it now pays to the State of New York for the quarantine service; but without any knowledge of how this rather elastic provision is going to apply—and from a hasty reading of the hearings I found no discussion of this at all—it is my intention to make the point of order against the provisions in lines 6 and 7, extending same to other ports on the New York basis of local charges, as being unauthorized by existing law and new legislation.

Mr. GOOD. Mr. Chairman, before the gentleman does that I wish to inform him that we are taking over by this bill the New York quarantine station at a cost of $1,395,000, and that we are taking over the Baltimore station also. We have already taken over the station at Boston, and there is no objection in these localities, so far as I know, to the imposition of this charge.

Mr. DUPRÉ. But the gentleman does not understand that if the imposition of this charge were limited to those localities I would not have the slightest objection, if its representatives approved; but the way the paragraph reads it provides that the schedule of fees and rates of charges now in effect at the New York quarantine station shall be adopted and promulgated by the Secretary of the Treasury as the schedule of fees and rates of charges for the operation of all other maritime quarantine stations under the jurisdiction of the United States.

Why should the schedule effective in New York be made applicable to other ports when it may be the schedule of charges is lower in other ports? I understand, for instance, that the present schedule in New York includes inspection fees in addition to fumigation, while at other ports the inspection fees are not included in said charges.

Mr. LINTHICUM. It also includes an inspection of immigrants at $5 for the first hundred and $3 for every succeeding hundred.

Mr. DUPRÉ. I do not think the gentleman should insist upon putting through a provision of this character, and I therefore make the point of order against the language contained in lines 6 and 7 of the first paragraph at the top of page 5 as being new legislation.

Mr. GOOD. Does the gentleman make the point of order——

Mr. DUPRÉ. Yes.

Mr. GOOD. Then I hope the gentleman will make the point of order to the words in line 6, "and all other maritime quarantine stations."

Mr. DUPRÉ. Very good. Mr. Chairman, I make the point of order against the words "and all other maritime quarantine stations," in line 6, page 5.

The CHAIRMAN. The point of order is sustained.

Mr. SIEGEL. Mr. Chairman, by the acceptance of the House of the quarantine station at New York City, for the first time the Government of the United States will do the real inspecting of immigrants when they arrive from Europe. For a long number of years that burden has fallen upon the State of New York, and it has cost the State of New York several million dollars to perform the work which the Government should have been doing. Heretofore the Public Health Service has been a secondary force in inspecting arrivals at New York, and it is fitting and proper that the Federal Government should do it. The immigration law for a number of years provided the inspection should be done by the Government, but the Government relied upon the State of New York to do it under its own doctors and at its own expense. With typhus spreading, as it is in Poland, to the extent of over 150,000 cases at the present time, it is extremely important that the Public Health Service realize what is before it, and this House to-day is taking the kind of progressive action which should have been taken long ago. It is belated justice to the people of the State of New York, who have been carrying the burden of expense.

Mr. BLANTON. Will the gentleman yield?

Mr. SIEGEL. I will.

Mr. BLANTON. The responsibility that New York has suffered by reason of being a great port and a great metropolis has also had its features of benefit. For instance, every citizen of Texas who has a little more money to spend than he has use for and wants to take a trip to Europe usually has to go first to New York and spend a week or two there before he sails, and when he gets back he has to spend another week or so there and spend his money, which, after all, benefits New York.

Mr. SIEGEL. And he has a pretty good time, but New York has paid 40 per cent and still pays 40 per cent of all the taxes of this country.

Mr. BLANTON. And carries the paper of the other States upon which it makes from 4 to 6 per cent?

Mr. SIEGEL. It has also successfully carried the burden at the same time of looking out for arrivals, including our Texas friends who come from Europe and come into that great port. Once they come to New York they always want to come again.

Mr. BLANTON. I admire the great metropolis almost as much as the gentleman.

Mr. SIEGEL. I hope the gentleman will learn more about it as time goes on. They say such things and they do such things in New York, but everyone agrees that there is only one New York, as loyal and as patriotic as any city in the United States of America.

The Clerk read as follows:

PUBLIC BUILDINGS, REPAIRS, EQUIPMENT, AND GENERAL EXPENSES.

Repairs and preservation: For repairs and preservation of all completed and occupied public buildings and the grounds thereof, under the control of the Treasury Department, and for wire partitions and fly screens therefor, Government wharves and piers under the control of the Treasury Department, together with the necessary dredging adjacent thereto, buildings and wharf at Sitka, Alaska, and the Secretary of the Treasury may, in renting said wharf, require that the lessee shall make all necessary repairs thereto; care of vacant sites under the control of the Treasury Department, such as necessary fences, filling dangerous holes, cutting grass and weeds, but not for any permanent improvements thereon; repairs and preservation of buildings not reserved by vendors on sites under the control of the Treasury Department acquired for public buildings or the enlargement of public buildings, the expenditures on this account for the current fiscal year not to exceed 15 per cent of the annual rentals of such buildings: *Provided*, That of the sum herein appropriated not exceeding $200,000 may be used for Government-owned Public Health Service hospitals and quarantine stations and completed and occupied outbuildings, including wire partitions and fly screens for same, and not exceeding $25,000 for the Treasury, Treasury Annex, Treasury Annex No. 2, Arlington, Liberty Loan, Butler, Winder, and Auditors' Buildings in the District of Columbia: *Provided further*, That this sum shall not be available for the payment of personal services except for work done by contract or for temporary job labor under exigency not exceeding at one time the sum of $100 at any one building, $900,000.

Mr. WALSH. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman if there is any supervising architect at the Treasury yet?

Mr. GOOD. There is not.

Mr. WALSH. What is the need of carrying a provision in this bill "to be expended under the supervising architect" when we have not had one for the last four or five years and when there is no such official?

Mr. GOOD. We have an acting supervising architect.

Mr. WALSH. Then why do you not say acting supervising architect?

Mr. GOOD. Well, it may be that before this appropriation will be expended we will have a supervising architect and then you would have a provision in the law that the appropriation would have to be expended under the direction of an acting supervising architect.

Mr. WALSH. There does not seem to be any great danger of that, because the gentleman in charge of this bill and his predecessor on the other side made the same statement. The gentleman who is acting as supervising architect down there is the executive officer of this department. As far as I know there has been no nomination sent in of a supervising architect and there does not seem to be any likelihood there will be now. If this great department can function for three or four years without one and can draft plans for buildings and erect them without any supervising architect I think we can eliminate a supervising architect and provide that it shall be carried on by the executive officer, and I wondered if the gentleman had made any inquiry into this to ascertain whether there is ever going to be a supervising architect.

It is rather peculiar, taking into consideration the vast number of appointments that have been necessarily made under war conditions, that they have not filled this very important place. I think a little later you carry a provision for an additional salary of $1,000. And still the place remains vacant. Has the gentleman ascertained through any inquiry as to the likelihood of this place being filled?

Mr. GOOD. I have no more knowledge with regard to that than has the gentleman from Massachusetts. I know the vacancy has existed for a long time, and the Secretary of the Treasury did not come before the committee with regard to the matter. Of course, the condition ought not to continue in this way, but what was the committee to do? The committee does not appoint the Supervising Architect.

Mr. WALSH. If the committee carries $1,000 additional salary, and if there is not any official there, and there has not been for three or four years, and there is a likelihood there is not to be, why carry a provision in the bill?

Mr. GOOD. You may have a new Secretary of the Treasury on March 4, 1921, and he may appoint one, or the present Secretary of the Treasury may appoint a supervising architect, and then if he does, of course, the provision in the bill ought to be just as it is written. Now, the gentleman will realize, of course, that the committee is not acting in an administrative capacity in any sense. All we can do is to assume that the executive officials will carry out the provisions of the law and appoint the necessary officials that the law provides for. And it is on that theory that the bill was drawn.

Mr. WALSH. Well, I can see that the gentleman shows great appreciation. He knows that that assumption has not been carried out in the last three or four years?

Mr. GOOD. That is true.

Mr. BLANTON. Will the gentleman yield?

Mr. WALSH. Yes, sir.

Mr. BLANTON. If the energetic gentleman from Massachusetts has been able to find one position here in the Government which is vacant, I hope he will not insist on its being filled, because it is the only vacant position in the Government that I have ever heard of.

Mr. WALSH. I think that is quite a valuable discovery, but why make an appropriation for it here? Why make an appropriation for an increase of salary for a vacant position?

Mr. BLANTON. That is just usage and custom.

Mr. Chairman, I think we ought to have a quorum here.

Mr. GOOD. I hope the gentleman will not do that.

Mr. BLANTON. We are going to have a lot of time tomorrow.

Mr. GOOD. I will say to the gentleman that if he expects Congress to complete its work so that it could adjourn around June 5——

Mr. BLANTON. We are going to have three-day recesses while waiting on the other end of the Capitol, and we will not have anything to do.

Mr. GOOD. No; we are not.

Mr. WALSH. I hope the gentleman will permit the reading of a few more pages. There are not many controverted items.

Mr. BLANTON. Very well.

The CHAIRMAN. The gentleman from Texas withdraws the point of order, and the Clerk will read.

The Clerk read as follows:

General expenses: To enable the Secretary of the Treasury to execute and give effect to the provisions of section 6 of the act of May 30, 1908 (35 Stat., p. 537): For additional salary of $1,000 for the Supervising Architect of the Treasury for the fiscal year 1921; foremen draftsmen, artchitectural draftsmen, and apprentice draftsmen, at rates of pay from $840 to $2,500 per annum; structural engineers and draftsmen, at rates of pay from $840 to $2,500 per annum; mechanical,

sanitary, electrical, heating and ventilating, and illuminating engineers and draftsmen, at rates of pay from $1,200 to $2,400 per annum; computers and estimators, at rates of pay from $1,600 to $2,500 per annum; the expenditures under all the foregoing classes for which a minimum and maximum rate of compensation is stated, not to exceed $143,450; supervising superintendents, superintendents and junior superintendents of construction and inspectors, at rates of pay from $2,000 to $3,500 per annum, not to exceed $240,000; expenses of superintendence, including expenses of all inspectors and other officers and employees, on duty or detailed in connection with work on public buildings and the furnishing and equipment thereof, and the work of the Supervising Architect's Office, under orders from the Treasury Department; for the transportation of household goods, incident to change of headquarters of supervising superintendents, superintendents, and junior superintendents of construction, and inspectors, not in excess of 5,000 pounds at any one time, together with the necessary expense incident to packing and draying the same, not to exceed in any one year a total expenditure of $7,500; office rent and expenses of superintendents, including temporary stenographic and other assistance in the preparation of reports and the care of public property, etc.; advertising; office supplies, including drafting materials, specially prepared paper, typewriting machines, adding machines, and other mechanical labor-saving devices, and exchange of same; furniture, carpets, electric-light fixtures, and office equipment; telephone service; not to exceed $6,000 for stationery; not to exceed $1,000 for books of reference, law books, technical periodicals, and journals; not to exceed $10,000 for transporting drawings, miscellaneous supplies, etc., for public buildings under the control of the Treasury Department; contingencies of every kind and description, traveling expenses of site agents, recording deeds and other evidences of title, photographic instruments, chemicals, plates, and photographic materials, and such other articles and supplies and such minor and incidental expenses not enumerated, connected solely with work on public buildings, the acquisition of sites, and the administrative work connected with the annual appropriations under the Supervising Architect's Office as the Secretary of the Treasury may deem necessary and specially order or approve, but not including heat, light, janitor service, awnings, curtains, or any expenses for the general maintenance of the Treasury Building, or surveys, plaster models, progress photographs, test pit borings, or mill and shop inspections, $489,050.

Mr. WALSH. Mr. Chairman, I reserve a point of order on the paragraph—the language on page 8, lines 20 and 21, for additional salary of $1,000 for the Supervising Architect of the Treasury for the fiscal year 1921. Apparently there is no authorization for increasing that salary, and it has been carried for several years. We do not get any official under it. That either ought to be increased, so that they can find a man to accept the place, or else we ought to save a $1,000 appropriation in that way.

Mr. GOOD. The former Supervising Architect did receive this $1,000 additional. The legislative bill carries $5,000 for this position. You can not employ a Supervising Architect of the ability requisite to do that work for $5,000. I do not know but that the gentleman is right that $6,000 is too small. That amount has been carried for a long time. I am sure they would not be able to get a Supervising Architect if this were taken out. I do not know that they will be able to select the right kind of a man for $6,000. It is subject to a point of order; but it has been carried in the bill for a number of years, just as we are carrying it here, with the hope that a Supervising Architect could be secured and would be appointed who is capable of doing this work and doing it in a satisfactory way.

Mr. WALSH. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. WALSH. The gentleman stated it had been carried for a number of years, but they have not secured a man.

Mr. GOOD. They had a man.

Mr. WALSH. Mr. Wenderoth was the last one. That was about four or five years ago. One of the difficulties, I assume, has been that during the war they could not get a gentleman at this salary, but before the war they were not able to get a man even for $6,000. Now, in that event, does not the gentleman think we ought to provide an adequate salary, so that they can get one, or, if they do not intend to get one, to really increase the salary of the very capable and estimable gentleman down there who has been performing this work?

Mr. GOOD. Now, the Secretary of the Treasury did not appear before the committee, nor has he made an estimate that it was necessary to appropriate more money to get the right kind of a man. I do not know why the Secretary of the Treasury does not appoint a supervising architect. I will be frank with the gentleman. I do see, however, some objection to striking this out, because if in the future some Secretary of the Treasury should desire to appoint a supervising architect, by striking this $1,000 out and leaving the salary at $5,000 we might prevent his doing that very thing.

Mr. WALSH. Well, it ought either to be increased to $7,500 or $8,000, in order that an appointment might be made, or it ought to be eliminated, because I do not think it will effect anything.

Mr. GALLAGHER. Would it not be fairer to pay the salary to the man who is doing the work?

Mr. WALSH. I said that. He is not an architect, however, although he has been able to carry that office along for four years, practically doing the work.

Mr. GOOD. He is a lawyer by profession. He has been doing part of the work and is an able man. He is not an architect at all and does not profess to be one.

Mr. WALSH. I think I shall insist on the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLANTON. One of the items embraced in this $489,050 is "typewriting machines." I want to call the attention of the chairman to the fact that there is a report going around the Capitol here that within one of the departments there were lately found stored away several thousand new unused typewriting machines. Does the chairman know anything about that?

Mr. GOOD. I understand that is the case. The subcommittee on the legislative, executive, and judicial appropriation bill made that discovery.

Mr. BLANTON. Why is it necessary for us to buy new typewriting machines when there are several thousand of them stored away?

Mr. GOOD. They will have to buy them from that source. Under the law no department of the Government can buy new typewriting machines until this surplus stock is all exhausted. While it takes an appropriation to provide for their purchase, this provision must be enforced.

Mr. BLANTON. Does the gentleman know anything that would prevent a department from buying these typewriting machines from some typewriter company instead of from these departments having surplus ones?

Mr. GOOD. Not a dollar is available this year for buying new machines from an outside concern. All of the money must be appropriated for the purchase of these machines that are declared to be surplus until that stock is exhausted. This money would not be available for the purchase of machines from the outside.

Mr. BLANTON. I notice another item, "mechanical labor-saving devices." What is the necessity of Congress appropriating continually in every bill of this character in every Congress for labor-saving devices when our employees will not permit the Government to use them?

Mr. GOOD. They are using them.

Mr. BLANTON. The gentleman surely knows that we have a lot of labor-saving machines now in the Bureau of Engraving and Printing which would save much labor on the part of men and women, and yet they can not be used because the employees in that particular building will not permit the Government to use them.

Mr. GOOD. The Director of the Bureau of Engraving and Printing stated before the committee that they are using all they have down there that are in a usable condition; and with regard to these labor-saving devices they are largely punching machines and adding machines and counting machines, which are really labor-saving devices.

Mr. BLANTON. Some day, if the chairman should have an hour's time unoccupied, I would like to take him down there and show him those machines.

Mr. GOOD. I shall be very glad to go with the gentleman.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

Furniture and repairs of furniture: For furniture, carpets, and repairs of same, for completed and occupied public buildings under the control of the Treasury Department, exclusive of marine hospitals, quarantine stations, mints, branch mints, and assay offices, and for gas and electric lighting fixtures and repairs of same for completed and occupied public buildings under the control of the Treasury Department, including marine hospitals and quarantine stations, but exclusive of mints, branch mints, and assay offices, and for furniture and carpets for public buildings and extensions of public buildings in course of construction which are to remain under the custody and control of the Treasury Department, exclusive of marine hospitals, quarantine stations, mints, branch mints, and assay offices, and buildings constructed for other executive departments or establishments of the Government, $625,000: *Provided*, That the foregoing appropriation shall not be used for personal services except for work done under contract or for temporary job labor under exigency, and not exceeding at one time the sum of $100 at any one building: *Provided further*, That all furniture now owned by the United States in other public buildings or in buildings rented by the United States shall be used, so far as practicable, whether it corresponds with the present regulation plan for furniture or not.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Oklahoma moves to strike out the last word.

Mr. McKEOWN. I do so for the purpose of asking the chairman of the committee how much is estimated for the purchase of carpets in this paragraph for public buildings?

Mr. GOOD. The estimate was $18,000. There are, as I recall, about 1,200 buildings, and 9 new buildings that the Government will take possession of and occupy during the next fiscal year. The estimated amount does not seem to be excessive.

Mr. McKEOWN. I wanted to call the attention of the chairman to the fact that Members of Congress on account of the exceedingly high cost of carpets are willing to forego the purchase of new carpets in their offices, and in view of the extraordinarily high cost of carpets, which are a luxury now—very much of a luxury—these departments ought not to be permitted to spend large sums for the purchase of carpets as the price is almost prohibitive. For the House Office Building there was an appropriation granted by the gentleman's committee to put in some very much needed carpets, but the officers in charge of the building, after consulting the market, informed the Clerk of the House that the price had enormously increased, and I think the Clerk of the House is to be commended because he did not buy any carpets under those conditions. If Members of Congress are willing to put up with the old carpets, these departments ought not to be permitted to spend large sums of money for the purchase of new carpets.

Mr. GOOD. The amount in the bill would not permit the purchase of more than $15 worth of carpet for each of the 1,200 buildings, so the gentleman can see that there is not very much extravagance there.

Mr. McKEOWN. The trouble is that these gentlemen will not buy $15 carpets.

Mr. GOOD. Then they will have to do without.

The CHAIRMAN. Without objection the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

For salaries of all necessary employees, other than employees required for the administrative work of the bureau of the class provided for and specified in the legislative, executive, and judicial appropriation act for the fiscal year 1920, and plate printers and plate printers' assistants, $2,357,000, to be expended under the direction of the Secretary of the Treasury, including $8,400 for custody of dies, rolls, and plates: *Provided*, That no portion of this sum shall be expended for printing United States notes or Treasury notes of larger denomination than those that may be canceled or retired, except in so far as such printing may be necessary in executing the requirements of the act "To define and fix the standard of value, to maintain the parity of all forms of money issued or coined by the United States, to refund the public debt, and for other purposes," approved March 14, 1900

Mr. NEWTON of Missouri. Mr. Chairman——

Mr. BLANTON. Mr. Chairman, if we are going to pause on this section I will make the point of no quorum present. We can finish this to-morrow just as well as we can to-day.

Mr. GOOD. Will the gentleman withhold his point, to allow me to ask unanimous consent that the Clerk be authorized to correct the totals of the bill?

Mr. BLANTON. I withhold the point of order for a moment.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the Clerk be authorized to correct the totals of the bill. Is there objection?

There was no objection.

Mr. GOOD. I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the sundry civil appropriation bill, H. R. 13870, had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent leave of absence was granted—

To Mr. SANDERS of Indiana (at the request of Mr. PURNELL), indefinitely, on account of illness in his family.

To Mr. LAZARO, indefinitely, on account of illness in his family.

ENROLLED BILLS SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills and a joint resolution of the following titles, when the Speaker signed the same:

H. R. 12537. An act to provide for an examination and report on the condition and possible irrigation development of the Imperial Valley in California;

H. R. 6750. An act to deport certain undesirable aliens and to deny readmission to those deported;

H. R. 13139. An act for the sale of isolated tracts in the former Fort Berthold Indian Reservation, N. Dak.;

H. R. 13227. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the landing of the Pilgrims;

H. R. 9615. An act authorizing the Secretary of the Interior to correct an error in an Indian allotment;

H. R. 12460. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the admission of the State of Maine into the Union;

H. R. 8314. An act to provide for the training of officers of the Army in aeronautic engineering;

H. R. 12824. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the admission of the State of Alabama into the Union; and

H. J. Res. 80. A joint resolution to correct an error in the wording of the appropriation of $71,000 made in the act approved July 9, 1918, and to authorize the Secretary of War to pay said sum to respective parties entitled thereto.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 4286. An act to amend an act entitled "An act to authorize the incorporated town of Petersburg, Alaska, to issue bonds in any sum not exceeding $75,000 for the purpose of constructing and installing a municipal electric light and power plant and for the construction of a public-school building," approved September 29, 1919; to the Committee on the Territories.

LEAVE TO REVISE AND EXTEND REMARKS.

Mr. GREEN of Iowa. I ask unanimous consent to revise and extend my remarks which I made in the debate to-day.

The SPEAKER. The gentleman from Iowa asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. GOOD. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 26 minutes p. m.) the House adjourned until Thursday, May 6, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the chairman of the Federal Trade Commission, transmitting annual report for the fiscal year ended June 30, 1919 (H. Doc. No. 751); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Treasury Department for contingent expenses for remainder of fiscal year 1920 (H. Doc. No. 752); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Post Office Department for deficiency in the operation of the telegraph and telephone systems under Government control (H. Doc. No. 753); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Secretary of the Navy, transmitting recommendation for amendment of legislation as contained in House bill 13108; to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. SUMMERS of Washington, from the Committee on the Public Lands, to which was referred the bill (H. R. 11851) authorizing the exchange of lands within the Rainier National Forest, in the State of Washington, and for other purposes, reported the same with amendments, accompanied by a report (No. 925), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SINNOTT, from the Committee on the Public Lands, to which was referred the bill (S. 2379) to provide for the disposition of certain public lands withdrawn and improved under the provisions of the act of Congress approved June 25, 1910 (36 Stat. L., p. 847), as amended by the act of August 24, 1912 (37 Stat. L., p. 497), and which are no longer needed, reported the same with an amendment, accompanied by a report (No. 927), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SIEGEL, from the Committee on the Census, to which was referred the bill (H. R. 10011) authorizing and directing the Director of the Census to collect and publish monthly statistics concerning hides, skins, and leather, reported the same with amendments, accompanied by a report (No. 928), which said bill and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. FULLER of Illinois, from the Committee on Invalid Pensions, to which was referred sundry bills of the House, reported in lieu thereof the bill (H. R. 13944) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, accompanied by a report (No. 926), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 13922) granting a pension to Orville George; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 13852) granting an increase of pension to Lilla May Pavy; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MAGEE: A bill (H. R. 13941) to amend paragraphs 177 and 178 of an act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3, 1913, relating to the duty on sugar, molasses, and other articles; to the Committee on Ways and Means.

By Mr. CRAGO: A bill (H. R. 13942) to amend section 1342 of the Revised Statutes of the United States, known as the Articles of War, and for other purposes; to the Committee on Military Affairs.

By Mr. GARD: A bill (H. R. 13943) to regulate the employment of minors and to provide for compulsory school attendance of children within the District of Columbia; to the Committee on the District of Columbia.

By Mr. FULLER of Illinois: A bill (H. R. 13944) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; to the Committee of the Whole House and ordered to be printed.

By Mr. BRAND: A bill (H. R. 13945) authorizing the President of the United States to appoint a judge or judges to preside in the Supreme Court of the United States when any member or members thereof are disqualified; to the Committee on the Judiciary.

By Mr. TEMPLE: A bill (H. R. 13946) for the better protection of aliens and for the enforcement of their treaty rights; to the Committee on the Judiciary.

By Mr. PLATT: A bill (H. R. 13947) to amend the act approved December 23, 1913, known as the Federal reserve act; to the Committee on Banking and Currency.

By Mr. KINKAID: Resolution (H. Res. 544) for the immediate consideration of Senate bill 3477; to the Committee on Rules.

By Mr. McLANE: Resolution (H. Res. 545) to investigate mining conditions in the tenth congressional district of Pennsylvania; to the Committee on Rules.

By Mr. DOREMUS: Resolution (H. Res. 546) to pay Jane Nichols, mother of Hon. Charles A. Nichols, late a Representative from the State of Michigan, the sum of $452.05; to the Committee on Accounts.

By Mr. FLOOD: Joint resolution (H. J. Res. 350) requesting the amendment of section 6 of the act of October 15, 1914, entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," and requesting the Committee on the Judiciary to report a bill with such amendment at as early a date as possible; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BACHARACH: A bill (H. R. 13948) to complete the military record of Jacob W. Starr; to the Committee on Military Affairs.

By Mr. JONES of Pennsylvania: A bill (H. R. 13949) granting a pension to Sarah Owen; to the Committee on Pensions.

By Mr. KINKAID: A bill (H. R. 13950) granting a pension to Mary J. Kimbell; to the Committee on Invalid Pensions.

By Mr. LEHLBACH: A bill (H. R. 13951) for the relief of Margaret A. Twyman; to the Committee on Claims.

By Mr. RUBEY: A bill (H. R. 13952) granting a pension to John Henry Chandler; to the Committee on Invalid Pensions.

By Mr. SANDERS of New York: A bill (H. R. 13953) granting a pension to Mary A. Hale; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 13954) granting an increase of pension to Elias B. Hill; to the Committee on Pensions.

By Mr. VAILE: A bill (H. R. 13955) granting an increase of pension to Matthew Paul; to the Committee on Pensions.

By Mr. WEAVER: A bill (H. R. 13956) granting an increase of pension to Levi Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13957) granting an increase of pension to Nannie J. McDowell; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3443. By the SPEAKER (by request): Petition of sundry citizens of the East Side Christian Church, Portland, Oreg., favoring the granting to all American Indians the full rights of American citizenship; to the Committee on Indian Affairs.

3444. Also (by request), petition of Wool Handlers' Union, Local No. 16703, American Federation of Labor, Boston, Mass., favoring the passage of Senate joint resolution 171 and Senate bill 1233; to the Committee on the Judiciary.

3445. By Mr. BRIGGS: Petition of commissioners of agriculture of the State of Louisiana and other States, opposing the Federal regulation of fertilizers; to the Committee on Agriculture.

3446. By Mr. CULLEN: Petition of certain representatives of railroad organizations, regarding railroad legislation; to the Committee on Interstate and Foreign Commerce.

3447. Also, petition of West Side Business Men and Taxpayers' Association of Buffalo, N. Y., favoring the passage of House bill 11203, for 1-cent postage on drop letters; to the Committee on the Post Office and Post Roads.

3448. Also, petition of Augustus P. Gardner Post, No. 18, American Legion, of the District of Columbia, opposing a bonus for able-bodied soldiers and sailors and marines and favoring relief for all injured veterans and the widows and orphans of those who died as a result of service; to the Committee on Ways and Means.

3449. By Mr. DALLINGER: Petition of Wool Handlers' Union, Local No. 16703, American Federation of Labor, favoring the passage of Senate joint resolution 171 and Senate bill 1233; to the Committee on the Judiciary.

3450. By Mr. ESCH: Petition of soldier patients at Walter Reed General Hospital, Washington, D. C., opposing a cash bonus and asking for readjustment of their insurance; to the Committee on Ways and Means.

3451. By Mr. HILL: Memorial of the board of aldermen of the city of Perth Amboy, N. J., urging the passage of House bill 10518, to create a Federal urban mortgage bank; to the Committee on Banking and Currency.

3452. By Mr. LESHER: Petition of sundry citizens of Forksville, Pa., favoring the passage of House bill 1112, for the parole of Federal prisoners; to the Committee on the Judiciary.

3453. By Mr. LONERGAN: Petition of Council of Jewish Women of Hartford, Conn., favoring the passage of House bill 10925; to the Committee on Interstate and Foreign Commerce.

3454. By Mr. MERRITT: Petition of sundry citizens of New Canaan and Stamford, Conn., favoring the passage of House bill 1112, for parole of political prisoners; to the Committee on the Judiciary.

3455. By Mr. ROWE: Petition of citizens of Brooklyn, N. Y., in favor of House bill 13334; to the Committee on the Merchant Marine and Fisheries.

3456. By Mr. TEMPLE: Petition of J. D. Armstrong, D. C., New Castle, Pa., favoring the passage of House bill 12971, to

regulate the practice of chiropractic in the District of Columbia; to the Committee on the District of Columbia.

3457. By Mr. TINKHAM: Petition of Wool Handlers' Union, Local No. 16703, American Federation of Labor, of Boston, Mass., favoring the passage of Senate joint resolution 171 and Senate bill 1233; to the Committee on the Judiciary.

3458. By Mr. VARE: Petition of Philadelphia Board of Trade, opposing the passage of Senate bill 4119; to the Committee on Ways and Means.

3459. Also, petition of Philadelphia Board of Trade, opposing the passage of House bill 13090; to the Committee on Ways and Means.

3460. Also, petition of Philadelphia Board of Trade, opposing the passage of House bill 13355; to the Committee on Ways and Means.

3461. By Mr. YOUNG of North Dakota: Petition of Ernest De Nault Robertson Post, No. 14, of the American Legion, favoring the passage of legislation by Congress for a fair and equitable adjustment of compensation to the former service men and women; to the Committee on Ways and Means.

SENATE.

THURSDAY, *May 6, 1920.*

Rev. J. J. Muir, D. D., of the city of Washington, offered the following prayer:

Our Father, we bless Thee for the brightness of the morning and for all Thy continued favors. We ask for Thy guidance and help amid the problems and the discouragements of the hour. Guide us to a solution of those problems as it may be agreeable in Thy sight. Bless Thy servants to-day in all the deliberations of the hour. We ask it for Christ's sake. Amen.

The Secretary proceeded to read the Journal of yesterday's proceedings, when on request of Mr. CURTIS, and by unanimous consent, the further reading was dispensed with and the Journal was approved.

LOSSES TO CONTRACTORS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, transmitting, in further response to a resolution of June 19, 1919, certain information relative to the amount and cause of loss, if any, to contractors on contracts in the Lower St. Francis levee districts and the first and second Government districts, which, with the accompanying papers, was referred to the Committee on Commerce.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the Speaker of the House had signed the following enrolled bills and joint resolution, and they were thereupon signed by the Vice President:

H. R. 6750. An act to deport certain undesirable aliens and to deny readmission to those deported;

H. R. 8314. An act to provide for the training of officers of the Army in aeronautic engineering;

H. R. 9615. An act authorizing the Secretary of the Interior to correct an error in an Indian allotment;

H. R. 12460. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the admission of the State of Maine into the Union;

H. R. 12537. An act to provide for an examination and report on the condition and possible irrigation development of the Imperial Valley in California;

H. R. 12824. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the admission of the State of Alabama into the Union;

H. R. 13139. An act for the sale of isolated tracts in the former Fort Berthold Indian Reservation, N. Dak.;

H. R. 13227. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the landing of the Pilgrims; and

H. J. Res. 80. Joint resolution to correct an error in the wording of the appropriation of $71,000 made in the act approved July 9, 1918, and to authorize the Secretary of War to pay said sum to respective parties entitled thereto.

REFERENDUM ON PROHIBITION IN OHIO.

Mr. JONES of Washington. I have no petition to present, but I wish to make a statement that may give some information that we do not seem to get otherwise. I have seen no notice taken in any of our papers here or any of the large papers of the country as to the result of the recount being had on the prohibition amendment referendum in Ohio. I have a statement from an Ohio paper under date of April 27 saying:

Margin eliminated in the recount of the Ohio referendum on prohibition. Drys obtained lead of 96.

On the referendum of the prohibition amendment the vote on the face of the returns showed 500 or 600 majority against the amendment. A recount was asked and is now going on under the direction of one of the State judges. The above shows that the wet majority has been wiped out and the probabilities now are that a dry majority will finally be returned.

PETITIONS AND MEMORIALS.

Mr. NELSON. I present a petition of sundry citizens of Duluth, Minn., in reference to the bill introduced by the Senator from Washington [Mr. JONES] yesterday regarding salmon fisheries in the Yukon River and for the protection of the Indians of Alaska. That bill was referred to the Committee on Territories, and I move that the petition be so referred.

The motion was agreed to.

Mr. CAPPER presented a petition of the Chamber of Commerce of Columbus, Kans., praying for an increase in the salaries of postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of Local Union No. 447, International Brotherhood of Firemen and Oilers, of Marysville, Kans., praying for the parole of Federal prisoners, which was referred to the Committee on the Judiciary.

He also presented a memorial of sundry citizens of Bringhurst, Ind., remonstrating against compulsory military training and praying for the adoption of physical education in public schools and colleges of the country, which was referred to the Committee on Education and Labor.

He also presented a petition of the Kay County Wheat Growers' Association, of Blackwell, Okla., praying for the enactment of legislation providing for the reimbursement of farmers for losses sustained by action of the Government in fixing the price of wheat, which was referred to the Committee on Agriculture and Forestry.

Mr. McLEAN presented a petition of Leonard Wood Camp, No. 1, Ex-Soldiers, Sailors, and Marines' Association, of Hartford, Conn., praying for the enactment of legislation granting additional bonus to ex-service men, which was referred to the Committee on Finance.

He also presented petitions of the Chamber of Commerce and of the Republican Club of Waterbury, in the State of Connecticut, praying for the enactment of legislation to insure a just and adequate wage for postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented a petition of sundry citizens of Norwich, Conn., praying for the enactment of legislation to prohibit for the purpose of canning and export from Alaska fishing of salmon in the Yukon River, Alaska, its tributaries, and adjacent waters, which was referred to the Committee on Territories.

He also presented a petition of the Chamber of Commerce of Hartford, Conn., remonstrating against the enactment of legislation permitting banks to charge an exchange rate of 10 cents per $100, which was referred to the Committee on Banking and Currency.

He also presented a petition of Sidney V. Beach Camp, No. 10, of Branford, Conn., and a petition of the Charles L. Burdett Camp, No. 4, United Spanish War Veterans, of Hartford, Conn., praying for the enactment of legislation granting pensions to men who served in the Spanish War, the Philippine insurrection, and the China relief expedition, which were ordered to lie on the table.

He also presented a petition of the Association of Credit Men of New Haven, Conn., praying for the repeal of the excess-profits tax, which was referred to the Committee on Finance.

He also presented a petition of the Woman's Club of Wallingford, Conn., and a petition of the Cornelia Circle of Rockville, Conn., praying for the establishment of a department of education, which were ordered to lie on the table.

He also presented a petition of the James Connelly Branch, Friends of Irish Freedom, of Ansonia, Conn., praying for the recognition of the republic of Ireland, which was referred to the Committee on Foreign Relations.

He also presented a petition of Pequonnock Yacht Club, of Bridgeport, Conn., praying for the repeal of the tax on yachts and pleasure boats, which was referred to the Committee on Finance.

SABINE RIVER BRIDGE.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 13724)

to authorize the construction of a bridge across the Sabine River at or near Orange, Tex., and I submit a report (No. 577) thereon. I ask for the immediate consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the Orange Chamber of Commerce, its successors and assigns, be, and it hereby is, authorized to construct, maintain, and operate a bridge and approaches thereto across the Sabine River at a point suitable to the interests of navigation at or near the city of Orange, Tex., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

RED RIVER BRIDGE.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 13590) granting the consent of Congress to Sid Smith, of Bonham, Tex., for the construction of a bridge across the Red River between the counties of Fannin, Tex., and Bryan, Okla., and I submit a report (No. 576) thereon. I ask for the immediate consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to Sid Smith, of Bonham, Tex., and his successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Red River at a point suitable to the interests of navigation, from a point on its south bank northeast of Elwood, Fannin County, Tex., to a suitable point on the north bank of Red River lying in a northerly direction from said beginning in the county of Bryan, in the State of Oklahoma, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

DELAWARE RIVER BRIDGE.

Mr. CALDER. From the Committee on Commerce I report back favorably without amendment the bill (S. 4212) to authorize the Central Railroad Co. of New Jersey to construct a bridge across the waters of the Delaware River, between the city of Easton, in the State of Pennsylvania, and the city of Phillipsburg, in the State of New Jersey, and I submit a report (No. 578) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That authority be, and is hereby, granted to the Central Railroad Co. of New Jersey, a corporation organized and existing under the laws of the State of New Jersey, its successors and assigns, to construct, maintain, and operate a bridge, and approaches theerto, across the Delaware River, between the city of Easton, in the State of Pennsylvania, and the city of Phillipsburg, in the State of New Jersey, at a point suitable to the interests of navigation and in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NELSON:

A bill (S. 4335) granting a pension to Josephine Nickerson; to the Committee on Pensions.

By Mr. HARRISON:

A bill (S. 4336) to amend the interstate commerce act as amended; to the Committee on Interstate Commerce.

Mr. JONES of Washington:

A bill (S. 4337) providing for the deportation of aliens upon a second conviction for illegal traffic in narcotics; to the Committee on Immigration.

By Mr. CALDER:

A bill (S. 4338) for the retirement of Clarence Cappel; to the Committee on Naval Affairs.

By Mr. FRELINGHUYSEN:

A bill (S. 4339) for the relief of Percy de Marets Betts; to the Committee on Military Affairs.

By Mr. McNARY:

A bill (S. 4340) granting a pension to William G. Schwarz; to the Committee on Pensions.

By Mr. FRANCE:

A bill (S. 4341) to amend the war finance corporation act; to the Committee on Finance.

A bill (S. 4342) fixing the compensation of the United States customs guards and night inspectors; to the Committee on Commerce.

By Mr. KING:

A bill (S. 4343) making an appropriation for the purchase of property adjoining the Federal building at Salt Lake City, Utah; to the Committee on Public Buildings and Grounds.

AMENDMENTS TO SUNDRY CIVIL APPROPRIATION BILL.

Mr. MYERS submitted an amendment proposing to appropriate $9,819 to Katherine Macdonald, of Butte, Mont., for and on account of unpaid claims held by her on account of work and services performed on or supplies furnished for the construction of the Corbett Tunnell, etc., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. FRANCE submitted an amendment relative to the use of the public highway in front of any hotel, apartment hotel, railroad terminal, restaurant, theater, or other place of public amusement in the District of Columbia, intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

UNFAIR FOREIGN COMPETITION.

Mr. KING submitted an amendment intended to be proposed by him to the bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, on unfair foreign competition, and for other purposes, which was ordered to lie on the table and be printed.

CAMPAIGN EXPENDITURES.

Mr. BORAH submitted the following resolution (S. Res. 357), which was referred to the Committee on Privileges and Elections:

Resolved, That the Committee on Privileges and Elections, or any subcommittee thereof, is instructed to investigate forthwith and report to the Senate as soon as possible the campaign expenditures of the various presidential candidates in both parties, the names of the persons, firms, or corporations subscribing, the amount contributed, the method of expenditure of said sums, and all facts in relation thereto, not only as to the subscriptions of money and expenditures thereof but as to the use of any other means or influence, including the promise or use of patronage and the providing of funds for setting up contesting delegations, and all other facts in relation thereto that would not only be of public interest but would aid the Congress in remedial legislation relative to this growing evil.

That said Committee on Privileges and Elections, or any subcommittee thereof, is hereby empowered to sit and act at such time and place as it may deem necessary; to require by subpœna, or otherwise, the attendance of witnesses, the production of books, papers, and documents; to employ stenographers at a cost of not exceeding $1 per printed page. The chairman of the committee or subcommittee, or any member thereof, may administer oaths to witnesses. Subpœnas for witnesses shall be issued under the signature of the chairman of the committee or subcommittee thereof. Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States.

The expense thereof shall be paid from the contingent fund of the Senate on vouchers ordered by said committee, signed by the chairman thereof, and approved by the Committee on Contingent Expenses.

COST OF PRODUCTION OF WHEAT IN KANSAS.

Mr. CURTIS. Mr. President, I have here a statement as to the cost of the production of wheat in the State of Kansas for the year 1919. I should like to have it printed as a document, and I move that it be referred to the Committee on Printing with that view.

The motion was agreed to.

FARM-LOAN BANKS.

Mr. McLEAN. If the morning business is closed, I wish to ask unanimous consent for the consideration of the bill (S. 3897) to amend sections 16 and 26 of the act of Congress approved July 17, 1916, known as the Federal farm-loan act. The bill simply provides a method by which the joint-stock land banks may go into voluntary liquidation.

As many Senators know, when the suit was brought which attacked the act creating the Federal Farm Loan System, it suspended the operations of the joint-stock land banks, and those of them that had not reached a paying basis when the suit was brought want to go out of business. It seems to me that inasmuch as the Government invited them into this field Congress ought to provide some way by which they can go out without material loss.

Mr. SMOOT. I have no objection at all to any of the joint-stock land banks going out of business; all of them ought to

go out; but I have not had a chance to read the bill to which the Senator refers. If it simply allows the dissolution of joint-stock land banks, I have not any objection to it at all, and it ought to pass.

Mr. McLEAN. That is all it does. It proposes to retain the first section of the act as presented by the Senator from North Dakota [Mr. GRONNA]. The bill is approved by the Banking and Currency Committee and is unanimously favored by the Federal Farm Loan Board. It is also desired by the joint-stock land banks themselves. I hope there will be no opposition to immediate action upon the measure.

Mr. SMOOT. Let the Senator ask unanimous consent for its present consideration.

Mr. McLEAN. I make that request.

There being no objection, the bill was considered as in Committee of the Whole which had been reported from the Committee on Banking and Currency, with an amendment to strike out all beginning with section 2, page 2, line 21, in the following words:

SEC. 2. That section 26 of said act be amended to read as follows:

"SEC. 26. That every Federal land bank and every national farm-loan association, including the capital and reserve or surplus therein and the income derived therefrom, shall be exempt from Federal, State, municipal, and local taxation except taxes upon real estate held, purchased, or taken by said bank or association under the provisions of section 11 and section 13 of this act. First mortgages executed to Federal land banks and farm-loan bonds issued by Federal land banks, under the provisions of this act, shall be deemed and held to be instrumentalities of the Government of the United States, and as such they and the income derived therefrom shall be exempt from Federal, State, municipal, and local taxation.

"Shares in any joint-stock land bank may be included in the valuation of the personal property of the owner or holder of such shares in assessing taxes imposed by authority of the State within which the bank is located, and such assessment and taxation shall be in manner and subject to conditions and limitations contained in section 5219 of the Revised Statutes with reference to the shares of national banking associations.

"This amendment shall not apply to any farm-loan bond issued by any joint-stock land bank, or farm mortgage taken by such joint-stock land bank, prior to the taking effect of this act. Such bonds and mortgages and the income derived therefrom shall continue to be exempt from Federal, State, municipal, and local taxation: *Provided*, That as to any joint-stock land bank duly organized and doing business under this act, prior to January 1, 1920, and farm-loan bonds issued by any such joint-stock land bank, this amendment to section 26 shall not become operative until such joint-stock land bank shall have issued farm-loan bonds in amount equal to fifteen times the amount of the paid-up capital stock of such bank on January 1, 1920.

"Nothing herein shall be construed to exempt the real property of Federal land banks and national farm-loan associations from either State, county, or municipal taxes, to the same extent, according to its value, as other real property is taxed."

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend section 16 of the act of Congress approved July 17, 1916, known as the Federal farm-loan act."

UNFAIR FOREIGN COMPETITION.

The VICE PRESIDENT. Is there further morning business? There being none, it is closed.

Mr. SMOOT. I move that the Senate proceed with the consideration of the bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes.

The VICE PRESIDENT. The question is on the motion of the Senator from Utah to take up House bill 10918.

Mr. THOMAS. What is the bill?

Mr. SMOOT. It is the bill known as the antidumping bill.

Mr. THOMAS. I object.

Mr. SMOOT. I have moved that the Senate proceed to the consideration of the bill.

Mr. KENYON. Is the motion debatable?

The VICE PRESIDENT. It is not.

Mr. KENYON. I rose to make an inquiry concerning it.

The VICE PRESIDENT. Before 2 o'clock a motion to proceed to the consideration of a bill is not debatable.

Mr. HARRISON. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The roll will be called.

The Reading Clerk called the roll, and the following Senators answered to their names:

Borah	Gerry	Lodge	Sutherland
Calder	Gronna	McLean	Thomas
Capper	Harris	Nelson	Townsend
Chamberlain	Harrison	Nugent	Underwood
Comer	Henderson	Robinson	Walsh, Mass.
Culberson	Jones, N. Mex.	Sheppard	Walsh, Mont.
Curtis	Jones, Wash.	Smith, Ariz.	Warren
Dillingham	Kenyon	Smith, Ga.	
Frelinghuysen	King	Smoot	

Mr. GRONNA. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent due to illness. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Thirty-four Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. ASHURST, Mr. KENDRICK, Mr. KEYES, Mr. MCNARY, Mr. PAGE, Mr. RANSDELL, Mr. SMITH of Maryland, and Mr. WADSWORTH answered to their names when called.

Mr. SMITH of South Carolina, Mr. FERNALD, Mr. KELLOGG, Mr. ELKINS, Mr. POMERENE, Mr. KNOX, Mr. FRANCE, Mr. BALL, Mr. HARDING, Mr. BRANDEGEE, Mr. CUMMINS, Mr. COLT, Mr. HITCHCOCK, Mr. REED, Mr. MCCORMICK, Mr. GAY, Mr. HALE, Mr. MCKELLAR, Mr. MYERS, Mr. PHIPPS, Mr. PITTMAN, Mr. STERLING, and Mr. SWANSON entered the Chamber and answered to their names.

The VICE PRESIDENT. Sixty-five Senators have answered to the roll call. There is a quorum present. The question is on the motion of the Senator from Utah [Mr. SMOOT] that the Senate proceed to the consideration of House bill 10918, commonly known as the antidumping bill.

Mr. THOMAS. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Reading Clerk proceeded to call the roll.

Mr. JONES of New Mexico (when his name was called). I have a pair with the Senator from Missouri [Mr. SPENCER]. In his absence I withhold my vote, being unable to secure a transfer.

Mr. SUTHERLAND (when his name was called). I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM]. I transfer that pair to the Senator from Washington [Mr. POINDEXTER] and vote "yea."

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER]. I transfer that pair to the Senator from Tennessee [Mr. SHIELDS] and vote "nay."

The roll call was concluded.

Mr. GAY. I inquire if the Senator from New Hampshire [Mr. MOSES] has voted.

The VICE PRESIDENT. That Senator has not voted.

Mr. GAY. I have a general pair with the Senator from New Hampshire, and therefore withhold my vote.

Mr. BALL. I have a general pair with the senior Senator from Florida [Mr. FLETCHER]. I understand that Senator has not voted.

The VICE PRESIDENT. He has not voted.

Mr. BALL. I transfer my pair to the junior Senator from Wisconsin [Mr. LENROOT] and vote "yea."

Mr. GAY. I transfer my pair with the senior Senator from New Hampshire [Mr. MOSES] to the senior Senator from California [Mr. PHELAN] and vote "nay."

Mr. JONES of New Mexico. I transfer my general pair with the Senator from Missouri [Mr. SPENCER] to the Senator from Kentucky [Mr. STANLEY] and vote "nay."

Mr. KENDRICK (after having voted in the negative). I inquire whether the Senator from New Mexico [Mr. FALL] has voted.

The VICE PRESIDENT. He has not voted.

Mr. KENDRICK. I withdraw my vote, having a general pair with that Senator.

Mr. COLT (after having voted in the affirmative). I transfer my pair with the junior Senator from Florida [Mr. TRAMMELL] to the junior Senator from California [Mr. JOHNSON] and allow my vote to stand.

Mr. PHIPPS (after having voted in the affirmative). I have a general pair with the junior Senator from South Carolina [Mr. DIAL]. When I voted I was not aware of his absence. As he is not present and I can not obtain a transfer, I withdraw my vote.

Mr. WARREN (after having voted in the affirmative). I observe that the Senator from North Carolina [Mr. OVERMAN], with whom I have a general pair, has not voted. I transfer my pair so that the Senator from North Carolina will stand paired with the Senator from Nebraska [Mr. NORRIS] and will allow my vote to stand.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN];

The Senator from Wisconsin [Mr. LA FOLLETTE] with the Senator from Arkansas [Mr. KIRBY];

The Senator from Indiana [Mr. NEW] with the Senator from Oklahoma [Mr. GORE];

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS]; and

The Senator from Indiana [Mr. WATSON] with the Senator from Delaware [Mr. WOLCOTT].

The result was announced—yeas 31, nays 30, as follows:

YEAS—31.

Ball	Elkins	Kellogg	Nelson
Brandegee	Fernald	Kenyon	Page
Calder	France	Keyes	Smoot
Capper	Frelinghusen	Knox	Sterling
Colt	Gronna	Lodge	Sutherland
Cummins	Hale	McCormick	Townsend
Curtis	Harding	McLean	Warren
Dillingham	Jones, Wash.	McNary	

NAYS—30.

Ashurst	Henderson	Pomerene	Smith, S. C.
Chamberlain	Hitchcock	Ransdell	Swanson
Comer	Jones, N. Mex.	Reed	Thomas
Culberson	King	Robinson	Underwood
Gay	McKellar	Sheppard	Walsh, Mass.
Gerry	Myers	Smith, Ariz.	Walsh, Mont.
Harris	Nugent	Smith, Ga.	
Harrison	Pittman	Smith, Md.	

NOT VOTING—35.

Beckham	Johnson, S. Dak.	Norris	Simmons
Borah	Kendrick	Overman	Spencer
Dial	Kirby	Owen	Stanley
Edge	La Follette	Penrose	Trammell
Fall	Lenroot	Phelan	Wadsworth
Fletcher	McCumber	Phipps	Watson
Glass	Moses	Poindexter	Williams
Gore	New	Sherman	Wolcott
Johnson, Calif.	Newberry	Shields	

So Mr. SMOOT's motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes, which had been reported from the Committee on Finance, with an amendment to strike out all after the enacting clause and to insert:

That when used in this act—

The word "person" shall include individuals, partnerships, corporations, and associations.

The term "purchase price" shall mean the price or amount paid or to be paid for purchased merchandise as packed ready for shipment to the United States.

The term "selling price" shall mean the price or amount paid or to be paid by the person to whom imported merchandise obtained otherwise than by purchase shall be sold in the United States, not including duties, commissions, or any expenses subsequent to shipment of the merchandise to the United States.

The term "purchased merchandise" shall apply to imported merchandise, dutiable or free, when the price or amount to be paid therefor by a person in the United States to a person in a foreign country or to his agent or representative in the United States has been fixed or agreed upon at the time of or prior to the exportation of the merchandise, whether the merchandise is shipped directly to the purchaser, or to an agent of the seller, or to the seller's branch house in the United States for delivery.

The phrase "otherwise than by purchase" shall apply to imported merchandise, dutiable or free, shipped from a foreign country to the United States without a price or consideration paid or to be paid by a person in the United States to a person in a foreign country, or to his agent or representative in the United States, having been fixed or agreed upon at the time of or prior to the exportation of the merchandise.

The term "United States" shall mean the United States and any Territory or place subject to the jurisdiction thereof, except the Philippine Islands, the islands of Guam and Tutuila, the Virgin Islands, and the Isthmian Canal Zone.

SEC. 2. That whenever the purchase price of imported merchandise, dutiable or free, of a kind or class made or produced in the United States shall be less than the actual market value thereof, as defined in section 3 of an act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3, 1913; or, if there be no such actual market value, whenever the purchase price of said merchandise shall be less than the price at the time of exportation for which such merchandise shall be sold for exportation to a country other than the United States; or in case there is neither said actual market value nor said price for exportation; or in case said value or price can not be ascertained to the satisfaction of the appraising officer, whenever the purchase price of said merchandise shall be less than the cost of production, as prescribed in paragraph L of section 3 of said act of October 3, 1913, there shall be levied, collected, and paid, in addition to the duties, if any, otherwise provided by law on such imported merchandise a special or dumping duty in the amount of the difference between the purchase price and said actual market value, or between the purchase price and said price for exportation to a country other than the United States, or between the purchase price and said cost of production, as the case may be: *Provided* That such special or dumping duty shall not apply to any advance in said actual market value or in said price for exportation, as the case may be, between the time of purchase and the time of exportation of the merchandise.

SEC. 3. That whenever the selling price of imported merchandise, dutiable or free, of a kind or class made or produced in the United States shall be less than the actual market value as defined in said section of said act of October 3, 1913, or if there be no such actual market value, whenever the selling price of said merchandise shall be less than the price at the time of exportation for which such merchandise shall be sold for exportation to a country other than the United States, or in case there is neither said actual market value nor said price for exportation, or said value or price can not be ascertained to the satisfaction of the appraising officer, whenever the selling price of said merchandise shall be less than the cost of production, as prescribed in paragraph L of section 3 of said act of October 3, 1913, there shall be levied, collected, and paid, in addition to the duties, if any, otherwise provided by law on such imported merchandise, a special or dumping duty in the amount of the difference between the selling price and said actual market value, or between the selling price and said price for exportation to a country other than the United States, or between the selling price and said cost of production, as the case may be.

SEC. 4. That if any person selling, shipping, consigning, or manufacturing merchandise exported to the United States shall fail or refuse to submit to the inspection of a duly accredited investigating officer of the United States, when so requested to do, any or all of his books, records, or accounts pertaining to the value or classification of such merchandise, then the Secretary of the Treasury is hereby empowered and directed, while such failure or refusal continues, to refuse entry into the United States of any goods, wares, or merchandise sold, shipped, consigned, or manufactured by such person.

SEC. 5. That any person who shall, by rebate or concession, or by any other means, directly or indirectly, effect a reduction or diminution of the purchase price or of the selling price, whereby the purchase price or the selling price of imported merchandise, dutiable or free, covered by this act shall be less than the actual market value, or the price for exportation, or the cost of production, as the case may be; and any person importing said merchandise, or to whom said merchandise shall be consigned, who shall fail or refuse to submit to the inspection of a duly accredited investigating officer of the United States, when so requested to do, any or all of his books, records, or accounts pertaining to said merchandise, shall upon conviction be fined for each offense a sum not exceeding $5,000, or be imprisoned for a time not exceeding two years, or both, in the discretion of the court.

Mr. THOMAS. Mr. President, I desire to offer an amendment to appear at the end of the bill which is now being considered. I ask to have it read, printed, and lie on the table.

The VICE PRESIDENT. Without objection, it is so ordered.

The amendment was read, ordered to lie on the table, and be printed, as follows:

Add at end of proposed amendment of the committee the following:

"That there shall be levied, assessed, collected, and paid in respect of the excess over the sum of $1,000 which any person, firm, association, or corporation shall give, advance, pay, expend, subscribe, or contribute in the aggregate during any taxable year for the purpose, directly or indirectly, of influencing the nomination or defeat of any candidate or candidates for nomination, or the election or defeat of any candidate or candidates for office, or the success or defeat of any proposition to be voted upon at any primary election or general or special election at which candidates for Members of the House of Representatives or for United States Senator or presidential electors are to be nominated or elected, a tax equal to 100 per cent of such excess, such expenditures or contributions to include all sums in any form contributed, subscribed, advanced, expended, paid, or given to or for or against such candidate, candidates, or proposition or to or for party or other political committees or campaign funds, but not to include lawful expenditures made by such candidates or regular political committees or out of such campaign funds of moneys lawfully contributed to them.

"Every person, firm, and corporation required by law to make an income-tax return shall state therein specifically each item and the date thereof of all gifts, advances, expenditures, subscriptions, payments, and contributions made, and to whom, for the purpose of influencing the result of such primary and general elections and of all taxes due thereon under the provisions of this section. And the treasurer or chairman of all State or congressional committees and of all political committees as defined in the act of Congress approved June 25, 1910, entitled 'An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected,' and of all associations or committees organized to promote or prevent or engaged in promoting or preventing the nomination or election of any candidate for Member of the House of Representatives or of the Senate of the Congress of the United States or for presidential elector or electors, shall within 30 days after the election to be held therefor file with the collector for the district where the headquarters or other office where such committee or association is located, a return stating specifically all sums of money received, from whom received, and the date thereof."

Mr. KING. Mr. President, I desire to give notice that during the day I shall offer an amendment to the pending bill. I did not know that this measure was to be called up this morning or I should have prepared an amendment expressing definitely the point in mind; but, in substance, it will provide that the dumping duty provided for in the pending bill shall not be imposed in any case unless the collector of customs for the port at which such imported merchandise is dutiable shall first find and determine from the evidence before him that the production, manufacture, sale, or distribution of such commodity within the United States is not controlled by any corporation, association, combination, trust, or conspiracy to create a monopoly in such commodity, and that such commodity is not sold in the markets of the United States at an unfair or unreasonable price, and the burden of proof to establish the foregoing shall be upon the importer, and unless the importer shall establish the same said dumping duty shall not be imposed.

Mr. REED. Mr. President, the Republican Party, which by a strict party vote, or nearly so, has forced this bill on for consideration, is entitled to the thanks of the country for having on the eve of an election shown that while the hand is still that of Esau the voice is nevertheless the voice of Jacob.

The one thing that for years has characterized the Republican Party is its tender solicitude for big money. It still adheres to the philosophy that if you take care of big money big money will take care of the people.

We have in the United States at the present time a condition where the consumer is being plucked and robbed to a degree that requires no description by me, for the effect of that plundering is felt in every household of the land. Undoubtedly the condition is largely the result of an actual dearth of production; but growing out of that primal cause is a speculation that begins with the original producer and ends only when the product is turned over to the ultimate consumer. Enormous profits are being realized not only by the manufacturer but by every middleman of the United States. These profits can be in part measured by the huge excess-profits taxes collected by this Government, and I have no doubt that a very large percentage of excess-profits taxes that are due are never in fact returned or collected. The profits can be measured also in the rough by the advertising in the great dailies and periodicals of the country. The testimony which the Committee on Manufactures has been taking discloses the fact that these advertisements are now so excessive that they have resulted in the increase in the size of publications to a point where the print paper of this country has been exhausted and newspapers of the smaller kind are being forced out of business because they are compelled to pay as high as 16 cents a pound for white paper that a few years ago brought 2 cents or 2½ cents a pound.

Mr. THOMAS. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Colorado?

Mr. REED. I do.

Mr. THOMAS. In this connection I suppose the Senator noticed in the morning press the statement that the price is to be advanced again on the 1st of July.

Mr. REED. Newspaper proprietors tell the committee that advertisements are offered to them, perfectly legitimate in their character, in such quantities that they can not print them. These advertisements are being rejected daily in order to circumscribe to some extent the consumption of white paper. This influx of advertising has grown up chiefly since the war, and it has increased notwithstanding a steady and, in many instances, a radical advance in advertising rates. The reason given is that trade is brisk, prices are high, profits are large, and therefore advertising goes on in increasing ratio.

All this I am citing—and I might hold the floor for hours bringing forward similar evidence—to show that to-day, without using the ugly term of "profiteering," profits are being made that are excessively large. It is possible to charge the prices which realize those profits because there is an actual gap between production and consumption. There are not enough goods here to supply the market, and there will be no real relief until the goods are supplied.

Mr. President, at a time like this, with these conditions confronting us, the Republican Party by a party vote forces for consideration a bill the purpose of which is to prevent the fall of prices!

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. REED. Yes; I am glad to yield.

Mr. SMOOT. A bill passed Congress just the other day allowing paper to come into the United States free of duty up to 8 cents a pound instead of 5.

Mr. REED. Yes.

Mr. SMOOT. I suppose the Senator would not charge the Republican Party with being guilty of allowing that 8-cent paper to come in with a view to increasing its price?

Mr. REED. No, Mr. President. While that is aside from what I am talking about and is a detail, I will take it up and dispose of it in a few words.

Under the tremendous pressure of the newspapers that were being starved to death, a bill was passed permitting paper to come into the United States free of duty up to the value of 8 cents a pound; but the statement was made at the time that the only effect of the bill was to let in the paper which had previously come in free, that the price had gone up on paper to above 5 cents, and that the result of the tariff duty was to keep out paper which formerly had come in free. But the bill did not go far enough. The bill ought to have admitted all paper free of duty, of whatsoever price, because all paper, except some of the very highest classes used for only limited purposes, is made out of the same raw material substantially as newsprint paper, and if we would let all of it come in we would be better able to supply the demand which is now made for newsprint paper.

What has that to do with this case? This bill applies to everything. We have to-day a shortage of shoes. Men are paying $18 and $20 for shoes who used to get the same shoes made in the same factories for from $5 to $7. We have a shortage of clothing. Men are paying $100 to $150 for a tailor-made suit who used to pay $50 and $65 for the same suit. What I have said of these two items applies everywhere.

Under such conditions what could be better for the American people than to have that sort of a market speedily broken up? What would tend more to break it up than to have the goods of foreign countries brought here and sold so that these enormous prices could no longer be extorted from our people?

In order to take care of the manufacturers of the United States, who have been making profits beyond the dreams of Crœsus, you propose to shut the American citizen off from the only possible source of supply that will enable him to get decent prices. It is the old story of the Republican Party still bowing at the shrine of Mammon and still willing to rob the consumers of the United States for the benefit of a few overrich producers.

That is all I want to say this morning. I shall have something to say later on.

Mr. THOMAS. Mr. President, I filed what is called the minority report on this bill, and, while it bears my signature and none other, I am authorized to state that it expresses the views of several of the minority members of the Finance Committee. Hence, while it is ostensibly the objection of a single member, it is actually that of several others.

I endeavored in that report to outline as concisely as possible what seemed to be the chief objectionable features of this proposal. Briefly stated, the object of the bill is to prevent the importation into the United States of goods which seemingly command a price below that which is asked or which can be obtained for the same goods in the country of exportation; and it is designed, therefore, as stated by the Senator from Missouri [Mr. REED], to protect American manufacturers from foreign competition, upon the theory that the practice known as dumping is a species of unfair competition which may result in injury of a very serious nature to our domestic production.

It is ostensibly prompted by the enactment of a similar measure in Canada and aimed principally at manufacturers in the United States. The very fact, however, that Canada has seen fit to enact such legislation indicates that the American manufacturers have been doing to Canada, or propose to do to Canada, the very thing which the bill is designed to prevent as regards Canada and other competitive nations; and that, of course, must assume that we have been practicing, or are practicing, unfair competition against other nations, thereby provoking retaliatory legislation, of which this is a part.

But, Mr. President, I am inclined to the belief that this is one of a series of pending measures of an economic character that is designed to fasten ultimate and complete prohibition against the possibility of competition with American production.

Mr. SMOOT. Mr. President, I think, in justice to those who are listening to the Senator, he ought to say that it affects no importations if the goods are sold to American merchants or importers at the same price at which similar goods are sold in any other country. It affects only those goods which are sold in this country at a lower price than that at which they are sold in other countries. In other words, I know the Senator is well aware of the practice which Germany has exercised in the past——

Mr. THOMAS. Yes; and I am also well aware of the practices we have exercised against Germany in the past.

Mr. SMOOT. I am speaking of this particular bill now.

Mr. THOMAS. So am I.

Mr. SMOOT. Wherever the goods have been sold, Mr. President, at a less price than that at which they are sold in other countries, it is generally for the purpose of unloading a surplus amount which they may have on hand at less than cost, or else to destroy an American industry, and that has generally been the case in the past. I could stand here all day and cite cases where Germany has destroyed American industries through just that very same practice.

Mr. THOMAS. I know what is the ostensible basis of the bill, and it has just been very clearly stated by the Senator from Utah. But in the administration of this bill every manufacturer or seller of American goods, apprehensive of foreign competition, will invoke and seek to apply the inhibitory clauses of the bill to all importations of goods of a similar character, thus causing an investigation, and pending the investigation; which, of course, involves a hearing, the importer, notwithstanding he does not come within the provisions of the bill at all, may be very seriously crippled, perhaps ruined, as a result of the investigation, because goods are purchased, either from domestic or from foreign manufacturers, for but one purpose, and that is for resale, and generally speaking for rapid resale.

It is the utilization of an apprehension for the purpose of placing a conditional embargo upon foreign importations, both as to their purchase and as to their sale, and both of which incidents can be invoked against the same line of goods or the same importations.

That is bad enough; but the serious and far-reaching objection to the measure is that, under the guise of preventing injury to American manufacturers, it abolishes the free list, or tends in that direction; and if that be true, then the bill should be rejected without regard to the existence of any danger which it seeks to obviate.

Now, let us see. I call attention to sections 2 and 3 of the bill, the first relating to the purchase price, the second to the selling price. Section 2 provides—

That whenever the purchase price of imported merchandise dutiable or free of a kind or class made or produced in the United States shall be less than the actual market value thereof as defined in section 3 of an act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3, 1913.

Section 3 uses the same language, reading:

That whenever the selling price of imported merchandise dutiable or free of a kind or class made or produced in the United States shall be less than the actual market value as defined in said section of said act of October 3, 1913.

Goods which have been exempted from the operation of every tariff law that Congress ever enacted, goods which have sometimes appeared upon, sometimes have been absent from, the free list, goods which the trade experiences of this country have demonstrated should remain upon the free list, become subject to the embargo proposed by the bill the instant any American manufacturer or rival dealer desires to place obstacles in the way of imported goods of the same character. The procedure through which the administration of the bill is effected provides that—

There shall be levied, collected, and paid, in addition to the duties, if any, otherwise provided by law on such imported merchandise, a special or dumping duty in the amount of the difference between the purchase price and said actual market value, or between the purchase price and said price for exportation to a country other than the United States—

And so forth. And in the other section that—

there shall be levied, collected, and paid, in addition to the duties, if any, otherwise provided by law on such imported merchandise, a special or dumping duty in the amount of the difference between the selling price and said actual market value.

The law is drawn, in other words, upon the principle that the old darkey set his coon trap, to "ketch 'em comin' an' gwine." John Smith imports a line of goods either dutiable or free. His competitor here says that the purchase price is less than the purchase price of the same goods at the orignal home market, but he may also say that the selling price is less than the selling price here or the selling price in the country of exportation, and he may well ask, therefore, that the duty which is levied as a penalty upon the purchase and the duty which is levied as a penalty upon the selling shall both be collected from the unfortunate individual who has the temerity to import goods into this country for the very legitimate purpose of making a profit in his business.

Mr. President, we are going mad, it seems to me, in our proposed legislation consequent upon the war, as we did in our legislation during the war.

Mr. SMOOT. Of course, the Senator in referring to section 2 of the bill, which relates to the country where the goods are purchased, knows that that is the purchase price of imported merchandise, while section 3 has reference to the selling price of imported merchandise.

Mr. THOMAS. Yes; and my contention is that both sections can be applied to the same importation.

Mr. SMOOT. I thought the Senator so stated. Section 3 applies to agents of importers, goods being shipped from a foreign country to an agent in New York or any other place in the United States. The goods are not sold to them at all. The goods belong to the foreign manufacturer, and they are only held here by the agent for the sale in the United States and following importation. This provision simply means that where they are imported direct the law shall apply, or where the agent in the United States sells the goods that have been sent him as agent of the foreign manufacturer, then it shall apply. It is impossible to have both sections apply to the one sale of goods.

Mr. THOMAS. I am satisfied that that is the Senator's construction of the bill, and I am satisfied that unless that were his construction he would not have reported it favorably.

Mr. SMOOT. Of course not.

Mr. THOMAS. So I am not in any way attempting to criticize the position which the Senator occupies and has occupied regarding the bill, but I have known of a great many statutes in my time which have been enacted with a clear purpose and object in view in the administration of which great disappointments have resulted.

I was referring, when interrupted, to the tendency to enact ill-advised and ill-considered legislation in this postwar period, and in the absence very largely of adequate and satisfactory information. You will recall, sir, that during the war every bill of any consequence introduced in Congress recited in its preamble or somewhere in the body of the bill that its purpose was the more effectual and vigorous prosecution of the war.

Now, these bills of an economic character are designed upon their face, or in the discussions accompanying and following their consideration in committee, on the ground that they are necessary for safeguarding American industry against the inevitable and immediate consequences of the termination of the war.

Mr. President, the country has been flooded with literature and with assurances of other sorts of the accumulation in other great manufacturing countries of enormous quantities of merchandise designed for the American market, about to be imported, and which upon arrival will be sold at ruinous competitive prices. It is that bugaboo, that element of the distorted imagination, which lies at the basis of this bill and of the dye bill and of every one of the so-called popgun tariff bills that have been passed by the House and sent over here for consideration.

Mr. REED. Mr. President——

Mr. THOMAS. I yield to the Senator from Missouri.

Mr. REED. If it will not interrupt the Senator I should like to inquire if the pending bill was submitted to the Tariff Commission for its views and recommendation?

Mr. THOMAS. Yes, it was; and I have here, if the Senator desires to see it, a copy of their report.

Mr. REED. On the bill as now amended?

Mr. THOMAS. Upon the bill, not upon the bill as now amended. That is correct, is it not?

Mr. SMOOT. Yes. I will say to the Senator from Missouri that the Tariff Commission is virtually the author of the measure; that is, they drew the provisions of the bill as amended, at my request.

Mr. THOMAS. Yes; they drew the bill.

Mr. SMOOT. I do not say that the Tariff Commission suggested that this legislation should be passed.

Mr. THOMAS. No; they did not do that.

Mr. SMOOT. I do not want to be misunderstood. They did not do that. I understood the Senator from Missouri to ask whether their attention had been called to the bill.

I wish to say to the Senator that at my request the bill was drawn by the Tariff Commission—that is, with the exception of a few amendments that were offered to it in committee by myself before reporting it to the Senate—but the principle of the bill and the substance of it were the result of a request made by me of the Tariff Commission.

Mr. REED. What I want to ascertain is whether the Tariff Commission sponsors this legislation.

Mr. THOMAS. Oh, no; it is not permitted under the law to sponsor any legislation.

Mr. REED. Does it recommend it?

Mr. THOMAS. It is not permitted to recommend any, and has not recommended this measure. It made a report, at the request of the House committee, and that report I have just handed to the Senator.

Mr. REED. I thank the Senator, and I will examine the report.

Mr. THOMAS. Mr. President, I venture the assertion, without any hesitation, that there is no surplus stock of manufactured goods anywhere in the world outside of the United States. The manufacturing countries of the world are the United States, Canada, Japan, England, France, Italy, Germany, Belgium, and probably some others. It is those nations which furnish the 1,600,000,000 human beings in the world with the manufactured necessities of life, and in every one of them the war has not only dislocated but resulted in a practical suspension of their ordinary and essential functions. This was inevitable. The machinery engaged in the manufacture of merchandise for the world in those countries, every one of which was involved in the war, was for the most part mobilized and converted into the production of munition supplies. That is true of all of them—textile manufacturers, metal manufacturers, chemical manufacturers, and production of all sorts. Even the products of the mines were diverted from their legitimate channels to those of war, and at the same time some 20,000,000 producers, the young men of all those nations, were either entirely withdrawn from the avenues of production and placed in the ranks or else they were mobilized also for the necessary production of war material of all sorts.

Moreover, the obtaining of raw materials for manufacture for commercial purposes outside of the United States was almost completely suspended, and here, after we entered the war, they were diverted for the most part into military channels. To contend, therefore, that England or France or Germany or Japan, which is a new specter upon the protectionists' horizon, is so encumbered with the good things of the world as to induce the owners of this merchandise to seek the great American market would be a hallucination, if it were not a deliberate conspiracy. What greater boon to-day could befall the people of the United States than the importation to it of millions upon millions of dollars' worth of clothing, of foodstuffs, and of all the other items that go to make up modern civilized life? What a terrible calamity it would be to the people of the United States, in other words, if foreign competition resulted in a reduction of prices to the consumers in America!

Instead of prohibiting it we should welcome it with outstretched arms, and thereby mitigate to some degree the conditions to which the Senator from Missouri has just directed the attention of the Senate. Of course, I would not, any more than any other American, care to see such a situation prolonged to the extent of menacing the existence of American industries, but these are able to take care of themselves, their statements to the contrary notwithstanding.

The business of dumping is not peculiar to Germany. During the discussions in the Senate of the provisions of the Payne-Aldrich bill, and upon the floor of the House as well, the attention of the country was called time after time to the sale in foreign markets of American goods at percentages and prices enormously below those which were required to be paid by American consumers.

Mr. REED. And it was defended on the other side of the Chamber.

Mr. THOMAS. Yes; defended as an economic necessity, and due, of course, to the production of more goods than the domestic market could consume.

I recall, Mr. President, reading during those days of the importation from Europe to America of a line of cheap watches which the importers were able to sell to the American consumer, after paying freight twice across the Atlantic, for less than a similar article manufactured by the same institution could be secured for here. I do not defend that practice; I never did; but I am unable, Mr. President, to see wherein practices which we doubtless taught our competitors, and which certainly did exist in certain lines of industry, notably in the dye industry, and by the connivance of the textile manufacturers of the United States, should be used at this time as an argument for legislation, based, as I say, upon conditions of which we know practically nothing beyond the fact that the menace which lies at the basis of it is much more imaginary than real.

Now, Mr. President, when you take this antidumping bill, and consider also the embargo features of the dye bill—both of which are unique pieces of protective legislation, both of which are prohibitory in their character, under neither of which can the Government of the United States obtain any revenue, but which in their operation will continue war prohibitive conditions—we are driven to one conclusion, namely, that the manufacturers of the United States have discovered, through their enjoyment of absolute prohibition under war conditions a most unique method, through legislation, of continuing those conditions in times of peace; and by substituting licenses and antidumping features, which are but the entry of the head of the camel into the protection tent, those methods of so-called protection will ultimately become substitutes for tariff duties.

Why not? If importations can be stopped at the port of reception, or if before they are permitted to cross the sea a license must be secured from some bureau down here in Washington, or, what is better, if permission must be obtained from an embargo commissioner, what is the use of a system of protective tariffs? Why not do away with tariffs? They do not bring much to the Government, anyway, when they are too high; their administration is complicated and sometimes difficult, sometimes ineffectual. Constant legislation is had either to reduce or to expand them. They never have been permanently established.

If our Republican friends carry the next election, they will not "do a thing" to the Underwood-Simmons tariff bill. They are whetting their chops now over the anticipatory blessings that are to come from a change of administration. They are already proposing, in addition to these special features of protection, a line of duties for so-called war industries that will make poor old Aldrich turn over in his grave if he hears of them; and all upon the phantom apprehension that the competitive manufacturing nations of the world, with untold millions of dollars' worth of goods piled up upon the wharves of the ports of Europe, will invade the markets of the United States and accomplish what the military power of Germany failed to do.

Mr. REED. Mr. President——

The PRESIDING OFFICER (Mr. GAY in the chair). Does the Senator from Colorado yield to the Senator from Missouri?

Mr. THOMAS. I yield.

Mr. REED. And if the Senator from Colorado will permit a suggestion, at the very time that they are telling us that these vast quantities of goods are piled up and ready to be dumped in America, they are telling us that Europe is starving to death and freezing to death, and that the people of the Old World have neither clothing nor shoes nor food; and yet they would have us believe that there are vast quantities of merchandise there unconsumed and ready to be shipped to this country and sold at ridiculously low prices.

Mr. THOMAS. Yes; Mr. President, the suggestion of the Senator from Missouri is a most apt one. One or the other of these positions can not be correct, for otherwise the manufacturers of Europe are far more heartless than our manufacturers were ever charged with being, because they are permitting their own people to suffer for the necessities of life in order that they may flood the American markets with their goods.

Mr. REED. And sell them cheaply.

Mr. THOMAS. And sell them cheaply, so cheaply, indeed, that the great monopolies of America will be ruined if those goods are permitted to come.

Oh, Mr. President, I have the highest respect for my associates upon the committee; I have no intention, even indirectly, of impeaching their sincerity in the consideration and support of this and kindred measures. I can only account for their state of mind, however, by assuming that they have blindly accepted the representations which have been made by the beneficiaries of these proposed measures and would hasten legislation before this session of Congress adjourns lest panic and ruin and bankruptcy overwhelm the country between now and the occurrence of the next Presidential election.

The report of the Tariff Commission is confined principally to a discussion of the operations of the Canadian measure, which is both condemned and approved by Canadians interested in its operation. It is said that other countries have also enacted antidumping legislation, but the only other instance which is discussed in the report of the commission is that of Australia. I am in receipt of a copy of a telegram, dated the 24th day of April last, regarding the proposed Balfour dumping bill in Great Britain, which I will read:

> According to a cable from United States Commercial Attaché Hutchinson at London, made public to-day by the Bureau of Foreign and Domestic Commerce, the Balfour bill, designed to protect the tea industry and prevent dumping, has been rejected on second reading by a majority of 1.

Great Britain was in the war much longer than we, but she seems to be recovering her commercial equilibrum much more rapidly than is the United States. Doubtless her commercial agencies have long ago satisfied themselves that the evils sought to be remedied by this sort of legislation were more imaginary than actual. Whatever the reason may be, however, I can not but believe that the action of the British House of Commons upon this subejct is wise and will prove to be so by the passage of events.

I had occasion yesterday in discussing the bill relating to the dyestuffs industry, which claims to need an embargo in order to protect it against German dye competition, to direct attention to the economic condition of the German people and also to the economic features of the treaty in order to establish my contention that competition from German sources in the dye industry for the next few years is an economic and physical impossibility. I then pointed out also that the amount of German dyes on hand was not only insufficient to meet the demands, but that, because of that fact, England and France had both repealed their embargoes against German dyestuffs and were anxious to get them.

One has but to read in the magazines and in the dispatches day after day what the economic and political conditions of Germany are to form a perfectly sane and, I think, sound opinion regarding the condition of that unhappy people. The Saturday Evening Post, which I bought this morning, contains an article upon the subject from the pen of Will Irwin, who I do not think can be accused of any bias toward Germany, who represents this paper in Europe, and who says, among other things, in an article from his pen which appears in that magazine:

> The general statements heard all last winter to the effect that Germany was working while the rest of us struck and loafed, that she was piling up goods to flood our markets, circulate no longer. The allied council has somewhat tardily realized that Germany can never pay the bill unless she is granted raw materials and fed.

I might pause here to emphasize the fact that the textile manufacturers in Germany are without raw materials. She was our third best customer for them before the war. My recollection is that our annual exports of cotton to Germany prior to 1914 were about $150,000,000. She has not the credit nor the goods to exchange for that cotton to-day. If she had, I should like the Senator from Georgia [Mr. SMITH] to consider what a calamity it would be to the cotton producers of Dixie if they were compelled to accept German goods in exchange for cotton at 50 cents a pound. But she has them not. Neither has she the money, for the character of money now in Germany is also mentioned by this author:

The allied council has somewhat tardily realized that Germany can never pay the bill unless she is granted raw materials and fed; and the allied council is educating the public in order to get opinion back of certain measures that will be resisted by private interests. But from the American newspapers I cull here and there one kind of general statement which gives a most untrue picture of German life and conditions to-day. It has to do with prices in Berlin. For example, an American manufacturer, back from a flying trip, announced to the reporters that living was cheap in Berlin; he had bought there an excellent pair of shoes for $4, which couldn't be done at home. I have seen other paragraphs to the same effect. And it might be just as well to set forth here what $4 American means to the average German.

The mark is at present worth about a cent—sometimes a few mills more, sometimes a few mills less. It used to be worth a quarter. And the only fair test of living conditions is what a mark is worth to a German.

From the point of view of one who has an American income the situation is a kind of nightmare comedy, best illustrated by the present happy situation of our Army of the Rhine about Coblenz. The humblest American doughboy gets $33 a month, with free board, lodging, clothes, and medical attendance. Reenlisted men, noncommissioned officers, and those who perform special services on the side get more. Probably the average soldier in the army of occupation gets somewhat more than $40 a month over and above the necessities of life. In February the paymaster's department set the official rate of exchange at 100 marks to the dollar. An income of $40 a month became 4,000 marks a month. Let us say for the sake of easy calculation that the average pay of the enlisted men and "noncoms" is 50,000 marks a year—which is not far from the fact. Probably no salaried German in our zone of occupation gets as much. The highest salary of a German official in that region is, I believe, only 12,000 marks a year.

Fifty thousand marks a year is the interest, at the conservative rate of 5 per cent, on 1,000,000 marks—and our doughboy has food, clothes, and lodgings thrown in. By this calculation we may behold the Ameroc force as it appears to the natives of Coblenz—an army of millionaires! And so they deport themselves. In such a situation as now confronts Germany the rise in prices always lingers far behind the fall in the exchange value of money. For a long time the price of diamonds in and about Coblenz was about $100 a carat. Doughboy report has it—with what truth I know not—that the New York price is about $500 a carat. Whereupon they all saved or borrowed, and invested in diamonds. When they bought rings for themselves they wore them. When they bought rings for the girls at home they wore them also—on their little fingers. Nowadays as the drill sergeant commands "Carry arms!" a blinding glitter runs along the line.

Translating commodities back into American terms, a good razor costs 30 cents; a string of real amber beads for your girl, one to two dollars; a walking stick, from 10 cents to $1; a bottle of champagne, 40 cents.

That last item arouses recollections of the most pleasing and delightful character.

As a result of strikes and favoring Government measures workingmen's wages have been steadily advanced since the armistice. A common laborer now gets 2 marks an hour, a skilled mechanic 3½ marks or sometimes 4. The 44-hour week is now universal. Therefore the laborer, if he has steady employment, earns 88 marks a week; the skilled workman, 154 to 176 marks a week. To get American values calculate the mark as a cent.

As I have explained in the previous article, all food except game and poultry is theoretically rationed in Germany—and only theoretically. The people will not abide by the Government system of rationing, which is below the starvation line, anyway, and the Government has not the machinery of enforcement.

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To get our basis of comparison, then, let us take a common laborer with steady work. He earns at most 88 marks a week. Ignoring his necessary expense for Government-rationed bread, for rent, for fuel, for transportation if he lives far from his work, his week's pay will get 1 pound of butter at 35 marks, 1 pound of sugar at 16 marks, 2 pounds of beef at 12 marks a pound, and 6 eggs. Read the current prices in your morning newspaper, figure the total cost in current American money of a pound of butter, a pound of sugar, 2 pounds of beef and 6 eggs, and you find what a laborer's weekly salary means in Berlin.

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"Speaking economically," said a German, "our middle class at this moment is tending to disappear. Part, through speculation and graft, are rising into the economic upper class; most of the rest are fading back into the economic lower class." For a great part of the middle class, lacking the weapon of the strike, is in bad straits. Stenographers, for example, get now 400 to 600 marks a month. The lowest of these salaries is a few marks a month better than the earnings of the common laborer; the highest, lower than that of the skilled mechanic.

Of course, Mr. President, payment of a workman in marks as compared with the payment of a workman in dollars gives an apparent great advantage to the former; but when you consider that it is impossible for him, owing to the difference in exchange, to earn a decent livelihood except for Government help, and that Government help is possible only through an enormous swelling of the national debt, which not only increases the necessary annual expenditures of the Government but also tends ultimately to make that burden absolutely unbearable should the debt ever be redeemed, or should the attempt be made to redeem it, in gold, the effect upon the industrial morale of the people can be well imagined; and when to that you add the further reflection that practically every dollar of profit made by these institutions must go to pay the allied indemnities, the total amount of which will not be fixed until the 1st day of May, 1921, how is it possible for the manufacturer or the laborer or any other subject of the Empire to continue to possess those elements of enterprise, that selfish enlightenment, which prompt men to work for gain?

If every dollar made by the people of the South had been taken from them by the Government of the United States as a penalty for their throwing the country into civil war in 1861, or, to be more precise, if such a penalty had been imposed upon the southern people as a part of the reconstruction scheme, the South to-day would be as poor and as desolate as it was when Lee surrendered his army at Appomattox, for production rests upon the ambition of the individual. In its last analysis it means the desire of that individual to improve his condition; and if such improvement is impossible, regardless of his efforts to that end, there is no incentive for his exerting himself at all. Hence the lack of what might be called industrial morale from one end of the former Empire of Germany to the other.

I think I have read enough from this article to indicate its general tenor. Senators who desire to pursue it further will find it one of the most interesting contributions to the subject that have so far appeared in print in America. So the bugaboo of dumpage, when applied to Germany, has not even the substantive proportions of a nightmare.

Now, let us take France. The war rested more heavily upon France than any other nation engaged in it, certainly any other western nation, Belgium not excepted. The French occupied territory was denuded of everything of a material character that the Germans could carry off or destroy. They did not content themselves with that, for they forcibly deported a great percentage of the population. They flooded the mines, thereby demonstrating that the German war of 1914 was a war of commercial as well as of political conquest. The French people—men, women, and children—were enlisted for the war, and production was necessarily limited to the barest necessities of life. The exports from France since the war have been practically negligible. The great disproportion between her exports and her imports has presented to her people perhaps the most serious financial problem that has so far arisen from the war. In southern France there is an excess of wines and liquors. They can not very well be dumped upon the shores of the United States, nor, even if the provisions of the Volstead law were modified to the extent demanded from some sources, could they come here. Her silks, if she had any, would find competition in the mills of America, which are able to-day to manufacture a better quality at a lower price. It certainly can not be contended, therefore, that we are confronted with the danger of dumpage from France.

Italy was not so badly treated; but Italy's unfortunate lack of coal and of raw materials has so badly crippled her productive activities that she is to-day upon the very border of national bolshevism. Only a day or two ago it was announced that the Italian Government proposed to put an inhibition upon the use of gasoline in passenger automobiles because of the lack of gasoline for actually necessary purposes in that Kingdom. There is no danger of dumping from there.

Belgium is doing better than any of the other allies in the war. She has had fewer labor disturbances. She has rallied to the new conditions of the nation more universally than any other people suffering from the war. Her manufactories are showing signs of productive activity and her coal mines are working full blast. But, Mr. President, Belgium was never a serious competitor with America except in glass and one or two other commodities.

In 1913, when the Finance Committee had the Underwood bill under consideration, the glass manufacturers of the United States insisted that a reduction of the duties they were then enjoying would put them out of business; and on paper they came very near proving it. Their competitor was Belgium, where enormous quantities of glass were made with cheap labor, and whose expansion would in all probability overwhelm the American market under a low rate of duty. Congress passed the measure, however, without change, and it is a singular fact that very soon afterwards the glass manufacturers of the United States began to pay dividends. No tariff was ever yet reduced, and certainly no tariff was ever lowered, without confronting the assurance that it meant grave injury and possible destruction to the business.

England, the greatest manufacturer of all, is exporting some goods. She is exporting a great many articles of merchandise to the United States. She is restoring her lines of international traffic, and supplying some of her old customers with much-needed articles. But, Mr. President, any excess of imports from Great Britain to this country is due to our very impolitic treatment of the dye situation, and results in the importation into America of vast quantities of shirtings, dyed with German dyes, and which the American market for shirtings inexorably demands, tariff or no tariff. They are not sending them here at low prices. I ordered a couple of shirts a few days ago. Two shirts in these days is about all a man of ordinary income can afford, one to wear while the other is in the wash. I ordered two very cheap shirts, and by cheap shirts I mean shirts which at prevailing prices were of ordinary character. They will cost me $6.50 apiece. I am inclined to think, from the looks of the material, that they will be made of imported shirtings, carrying German dyes in all probability. That sort of dumping does not make me feel very comfortable, if it is dumping.

Mr. President, the proponents of this bill, in my judgment, will be unable to specify the importation in quantity of goods from any other country since the war.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Utah?

Mr. THOMAS. With pleasure.

Mr. SMOOT. If I had time, I would specify to the Senator; and if he does not object—and I do not think he will, as 2 o'clock is nearly here—I wish to say that if it were not for what I will call the danger—because I consider it danger—of the importation of aeroplanes from England at this particular time, which, to my mind, would unquestionably close the concerns manufacturing aeroplanes in this country, there would be no particular necessity for the immediate passage of this antidumping bill. I think the Senator was in the Chamber when I called it up a few days ago and made that statement.

Mr. THOMAS. No; I was in New York on that occasion. May I ask the Senator a question right there?

Mr. SMOOT. Certainly.

Mr. THOMAS. Is it not a fact that this aeroplane situation developed after this bill had reached the Senate and was under consideration?

Mr. SMOOT. Oh, no, Mr. President.

Mr. THOMAS. The first time I ever heard of it was in connection with this bill.

Mr. SMOOT. I will say to the Senator that we knew of that situation before the bill was ever reported to the Senate. The propaganda for the selling of aeroplanes in America developed, however, about the time we were considering this bill in the committee. I would like, of course, to save our manufacture of aeroplanes in the United States, if possible. I recognize that the importation of goods into the United States now is increasing each month. During the month of February of this year there was an increase of 100 per cent as compared with the importation of goods in the same month last year.

Mr. THOMAS. Does not the Senator approve of that? Is he not glad of it?

Mr. SMOOT. I was going to say, even if the Senator had not asked the question, that I am not objecting to the importation of any goods where they are imported regularly, but we have a case in hand here, and I do not know but that if some action is not taken the manufacture of aeroplanes in this country will cease for a number of years to come.

Mr. NUGENT. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Idaho?

Mr. THOMAS. I yield.

Mr. NUGENT. I desire to ask the Senator from Utah if he does not believe that the aeroplane question could be satisfactorily taken care of through a separate bill?

Mr. SMOOT. Yes; I will say to the Senator that that could be done. I have not any doubt about it at all. But I do not want to have it understood that I am opposed in any way to an antidumping law. I think, Mr. President, if we go into this far enough I can demonstrate beyond the question of a doubt that it is necessary for the future development of our industries in this country, and the industries of the country would have been a great deal better off, and I think the dyestuffs bill never would have been before the Senate of the United States at this time, if we had had a real antidumping law in effect in the years past.

Mr. NUGENT. Mr. President, I desire further to ask the Senator if he does not believe that it would be good policy to recommit this bill to the Committee on Finance, with instructions to hold hearings, in order that we may ascertain the facts in connection with the manufacture of goods throughout the entire world, so far as they can be obtained, so that when the matter is finally considered by the Senate we will have something concrete upon which to base our conclusions?

Mr. SMOOT. The Senator's suggestion would be a wise one if we did not know already that the provisions of the bill do not affect the regular channels of trade in any way, shape, or form; I mean the honest channels of trade. When I say the honest channels of trade I expect the Senator immediately to think of the exportation of American goods to foreign countries where they have been sold in the past for less than the prices at which they were sold in this country. But in many of the countries to-day that can not be done, because of the very fact that they have protected themselves through antidumping legislation. I want America to protect itself; and I will say now that with the lack of goods in the world—and I say the world because I think that there is even a lack of them in the United States—if we produce enough of them in the United States competition itself will bring the price down to a reasonable figure. But with that lack of goods I do not think there is very much immediate danger. I take the same position as that taken by the Senator from Colorado, that as long as there is a shortage of goods in the world there is not very much chance of any country undertaking to dump any great quantity or any number of lines of goods in the United States.

I thank the Senator for yielding to me.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator yield to the Senator from Missouri?

Mr. THOMAS. I yield to the Senator.

Mr. REED. Thanking the Senator from Colorado for his courtesy, I send the following amendment to the desk and ask to have it printed. It proposes to amend the pending bill by striking out the title and inserting in lieu thereof the following:

An act to perpetuate existing high prices and to encourage monopoly.

Mr. THOMAS. Mr. President, I yield the floor.

BENEFICIARIES OF VOCATIONAL TRAINING.

Mr. KENYON. Mr. President, I ask unanmous consent that the Senate take up the bill (H. R. 12266) to amend an act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, as amended by the act of July 11, 1919.

Mr. SMOOT. It will not lead to any debate?

Mr. KENYON. I think not. I will state that all there is involved in the bill is an amendment to the vocational rehabilitation act for the benefit of soldiers, increasing the amount for the maintenance of a soldier without dependents from $80 to $100 and of a soldier with dependents from $100 to $120.

While I say it increases the amounts, it is optional with the Vocational Board as to whether to allow that much. That is all there is to it. The bill has passed the House unanimously. There are a number of injured soldiers who want to take the vocational training who can not do so because the amounts allowed are not sufficient in certain cases to pay their expenses.

Mr. WARREN. I ask that the bill may go over until I may have an opportunity to examine it. I want to be certain, and I suppose the Senator would, of course, like to be certain, that the men may obtain through this Vocational Board enough to properly sustain them in every reasonable way, but not enough above the ordinary payments they would receive through their regular employment if or when well and at work, so that some men might take advantage and, instead of shirking, they might be working with those who are patriotically laboring in production for those who are not to be helped by the Vocational Board. I want men who, when well and able to work, will help in production rather than take advantage of the higher rate of pay accorded by a grateful Government to those who are in real need.

Mr. KENYON. I do not believe it is exactly an eleemosynary institution to help the men who have been disabled in this war to whom we are trying to give some chance in lines of industry which will prepare them to make a living.

Mr. SMITH of Georgia. Mr. President, if the Senator will permit me, I will state that the original bill provides that this act can only be extended to those who, on account of their physical injuries, can not pursue their original lines of work.

Mr. WARREN. But, Mr. President, I have been informed, and I wish to look it up a little, that some of the physicians who are getting $3 for each examination they make of these soldiers, and others, are passing them up for aid, examining them and reexamining them, for higher pay, and so forth, with-

out any seeming cause except, perhaps, the $3 the examiner gets. Those, of course, are not true soldiers, and it does not speak well for the profession, but I understand that until we can rid the Government of the employment of at least some of those persons we had better be a little careful how we raise the allowance.

Mr. KENYON. Had we better cease taking care of these soldiers because there may be a few unworthy doctors?

Mr. WARREN. By no means; but there is no reason because of the feeling in this country of gratitude to the soldiers, which you and I intensely feel, why we should entertain a line of some almost deadbeats, who have only in mind the grand old flag provided they can get under it an appropriation or a living without honest endeavor and action.

Mr. KENYON. Let us get rid of those deadbeats.

Mr. WARREN. Exactly. That is what I want to get at.

Mr. KENYON. But do not let the deadbeats affect justice to the soldiers.

Mr. WARREN. No; not by any means. I expect to look up the matter very soon. There are a few matters in connection with the sundry civil appropriation bill which is now in the House under debate, which bill does not bear perhaps directly upon these salaries or allowances, but it does in some particulars bear very forcibly upon the general subject.

Mr. KENYON. I shall call up the bill after a reasonable time.

THE DYE INDUSTRY.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is House bill 8078.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8078) to regulate the importation of coal-tar products, to promote the establishment of the manufacture thereof in the United States, and, as incident thereto, to amend the act of September 8, 1916, entitled "An act to increase the revenue, and for other purposes."

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Reading Clerk called the roll, and the following Senators answered to their names:

Ball	Glass	Lodge	Simmons
Borah	Gronna	McCumber	Smith, Ariz.
Brandegee	Hale	McLean	Smith, Ga.
Capper	Harding	McNary	Smith, Md.
Comer	Harris	Nelson	Smith, S. C.
Culberson	Henderson	Nugent	Smoot
Cummins	Hitchcock	Overman	Sutherland
Curtis	Jones, N. Mex.	Page	Swanson
Dillingham	Jones, Wash.	Phipps	Thomas
Elkins	Kellogg	Pittman	Trammell
France	Kendrick	Ransdell	Underwood
Frelinghuysen	Kenyon	Reed	Walsh, Mass.
Gay	Keyes	Sheppard	Warren
Gerry	King	Shields	

The PRESIDING OFFICER. Fifty-five Senators have answered to their names. There is a quorum present.

VALUE OF COTTON CONTRACTS.

Mr. COMER. Mr. President, following my discussions of March 25, 30, April 1, 3, 17, and 29, regarding the operation of the cotton-futures act, pointing particularly to the unreliableness of the exchange values with spot-cotton values and the serious loss which comes to the trade from same and pointing out methods of relief in the form of an amendment to the Smith-Lever amendment to the cotton-futures act as made in March, 1919. To this the Senator from Louisiana [Mr. RANSDELL] on April 30 interposed objections and contra reasons, and I will now endeavor to clear up his objections to the passage of the amendment and to show that the amendment to the Smith-Lever amendment of last year will simply help carry out the purpose of the entire act. The original Smith-Lever bill was enacted because of the serious irregularities practiced by the cotton exchanges in contract cotton manipulations and deliveries, which manipulations made within the law resulted in seriously depressing the cotton market and causing great losses to legitimate dealers on the exchange, making legitimate business practically impossible.

It was found that the original Smith-Lever bill did not accomplish the desired results, did not stabilize the value of cotton, and the Smith-Lever amendment of March 18, 1919, was inserted as a rider on the Agricultural bill and passed exactly like the proposed Comer amendment and for the same purpose. In other words, the Comer amendment is offered exactly like the Smith-Lever amendment of last year, and has for its sole design the enabling of the Smith-Lever amendment to accomplish the design of the amendment, which was the proper functioning of the exchange, stabilizing the exchange cotton contract with the spot-cotton price.

In the address made by the Senator from Louisiana he quoted Mr. Butler, president of the New Orleans Cotton Exchange, as objecting to the amendment because of its want of clarity. I thought Mr. Butler's objection was correct, and at my request the Senator from Georgia [Mr. SMITH] very kindly drew the following amendment to the Comer amendment, meeting Mr. Butler's objection and clarifying the proposed amendment:

Provided, That not less than one-half of each lot of cotton tendered for delivery on, under, or in settlement of a contract for the sale of basis middling made under section 5 of the cotton futures act as amended by the act approved March 4, 1919, on any sale after September 30, 1920, shall be of standard grades of middling or above, consisting of middling fair, strict good middling, good middling, strict middling, or middling.

The Senator from Louisiana [Mr. RANSDELL] also read into the RECORD a letter to Mr. Wannamaker from Mr. Thompson, ex-president of the Cotton Exchange of New Orleans, from which I quote, in part:

In times past I have made a rather close study of the future contract and I have long since come to the conclusion that its chief and, indeed, its only value lies in the protection it affords buyers and sellers of cotton and manufacturers of cotton goods.

I wish to call the Senator's particular attention that Mr. Thompson states the proper function of an exchange exactly as I have asserted all along. I read further:

When the future contract market functions normally, the owner of cotton, pending such time as he can market the same, or, if he be a farmer, before he has made the same, can insure himself against loss by selling a future contract hedge; the cotton buyer can make forward contracts with the spinner before he has any cotton in hand and protect himself against loss by buying a future contract hedge; and the manufacturer may make forward contracts for the sale of his product before he has cotton in hand or a specific grade contract with spot merchant or broker and insure himself against loss by buying a future contract hedge.

This is exactly what we have urged all along. That is a proper function of the cotton exchange. The proper function is a hedge, a legitimate hedge, either to buy or sell, which is a business proposition. Of course, under this any man can speculate if he wishes to, but he ought to speculate with even chances, just like you throw a half dollar in the air and bet whether or not it will hit the crack, just as you have done many times, but it ought to be an even chance of heads or tails, the only advantage being to the best prognosticator of the crop, large or small, as to how the supply and demand is going to be, successfully diagnosing the futures trade condition, either to buy or sell. This is legitimate and properly belongs to the best judgment.

Mr. Thompson says further:

I am opposed to the Comer amendment because, in my opinion, it so narrows the contract that its effect would be to drive out sellers, which would have the effect of running up the prices of the contract to abnormal premiums, which in turn would eventually destroy the future contract as a trade agency for hedging purposes. If this were the case, there would then be no reason for the existence of a future-contract market and it would not be tolerated.

There is where we draw the diverging line between the exchange contention and the effect of the Comer amendment. We contend that the law, amended as proposed, will stabilize the market, will make it a real insured hedge, just as he says, and beyond that no one proposes to go. The contract will go higher, of course; will promote rather than demote futures business; and the futures business will increase and grow in favor just as an honest business improves over dishonest business.

The Senator from Louisiana quoted extensively from State Senator Percy. I will say that the Senator from Mississippi [Mr. HARRISON] told me that Senator Percy was opposed to the bill, and I wrote to Senator Percy, who is a friend of mine—I am very fond of him—to know about it and inclosed a copy of the amendment in my first presentation. His reply was inserted in the RECORD by the Senator from Louisiana [Mr. RANSDELL], with my consent. I think he was very clear on the question. But I wish to call the attention of the Senator from Louisiana to the closing sentence of Senator Percy's letter:

However, I do not believe that any grave disaster would result from the adoption of the amendment.

Note that:

However, I do not believe that any grave disaster would result from the adoption of the amendment.

If that statement is true—and the Senator quoted it from him and said he was smart enough to know what he is talking about—that contradicts every statement the exchanges have made—every one. If that statement is true, if Senator Percy has diagnosed the case right—that the amendment is not sinister, that it will not hurt the exchange—then I charge that the whole argument falls to the ground as a result.

The Senator has quoted him as a guide in the matter; he has quoted him as one who is competent to guide; and yet he says the amendment is not sinister; but in every argument the exchanges have made they say the amendment is sinister; that it will destroy the cotton exchanges and do great injury to the cotton business. That is what they say. The Senator from Louisiana has quoted ex-Senator Percy injudiciously. I think he made a mistake in quoting him at all. He said:

> My own interest is as a cotton producer. I do not entertain the idea that there is anything sinister in the amendment or that it is designed to operate in favor of the spinners.

And yet these are the very things they have been asserting. The whole fabric of the opposition is based on the amendment being sinister and operating in favor of spinners. I repeat, the Senator from Louisiana quoted ex-Senator Percy injudiciously.

Mr. RANSDELL. Mr. President, will the Senator from Alabama yield to me?

The PRESIDING OFFICER (Mr. GAY in the chair). Does the Senator from Alabama yield to the Senator from Louisiana?

Mr. COMER. Certainly.

Mr. RANSDELL. Has the Senator from Alabama finished quoting the letter of ex-Senator Percy? If so, I desire to ask him a question.

Mr. COMER. Anything the Senator from Louisiana desires to ask me I shall be very glad to answer. He was very kind to me the other day, and he may ask me anything he pleases and take as much of my time as he desires.

Mr. RANSDELL. I thank the Senator from Alabama very much. The Senator says that I have quoted Senator Percy incorrectly. In reply I desire to state that I quoted ex-Senator Percy's entire letter. The Senator from Alabama will admit that, will he not?

Mr. COMER. Yes, sir.

Mr. RANSDELL. I quoted every word of the letter except a personal allusion in the closing paragraph in regard to the Senator from Alabama hunting with ex-Senator Percy, and I knew the Senator from Alabama did not desire that I should include that. However, I quoted everything that bore on this subject, and let us now see whether I quoted him incorrectly. He says:

> I believe that the amendment to the present contract would make dealings fewer, and the frequency of transactions on the exchanges is beneficial to the producer simply as affording information as to prices and their fluctuation. Since the present contract has been made—

I assume that he alludes to the Smith-Lever law contract. That law was passed in 1914, reenacted in 1916, and an amendment to it adopted in 1919. I assume that that is what he means by "present contract." I continue reading from his letter—

> there has been no breaking of the market on tenders in any considerable amount of spot cotton. To make the contract harder to fill for the seller would lessen the number of transactions, and would in all probability make the contracts reflect a higher value than the average value of spot cotton that the trade has become accustomed to; furthermore, the trade has become accustomed to the present contract, and it is the same contract which is in use in Liverpool. I do not believe it would be made a better barometer in reflecting the prices of the actual cotton by the amendment.

It seems to me words could not indicate more plainly than those that ex-Senator Percy is opposed to the amendment of the Senator from Alabama. He thinks that if the amendment should be adopted it would not afford a "better barometer." He does add the words to which the Senator refers, that he does not believe the Senator's motives were sinister, and I desire to say to the Senator from Alabama that I do not believe his motives were designing. I believe he was perfectly sincere. Ex-Senator Percy says that as a producer of cotton he does not think the contract would be bettered; that the amendment would make it more difficult of fulfillment; in consequence would lessen the number of transactions on the exchanges; and finally destroy the contract to which the trade is accustomed—the same contract used in Liverpool, the cotton center of the world. Those are the important points of his argument against the Senator's amendment and explain why I read the letter. Ex-Senator Percy, well versed in the trade practices, is a very able man and a very large producer of cotton.

Mr. COMER. Mr. President, I am very glad that the Senator from Louisiana does not think my motives were sinister or doubt my perfect sincerity in the matter.

In reference to the question as to whether or not it would reduce the number of sellers, that is not a very great factor any way. I do not myself believe there would be as many gamblers on the market; I mean that class who only go in when they have an unlawful advantage, which is not unlike a marked card or loaded dice game. I myself do not believe that there would be a greater combination to bear the market. That is the very thing against which we are fighting. If you want to encourage such gambling in cotton it can be accomplished under the present system. This is why the exchanges are fighting the amendment, but if it is desired to secure fair dealing and stabilize prices, so that anybody can go into the business with perfect safety, I mean so far as the gambling is concerned, then we should amend existing legislation; and the amendment which I have offered is not detrimental to any interest.

I am glad the Senator from Louisiana has again laid stress on the letter of ex-Senator Percy; but if the Senator will excuse me, he did not read the letter accurately. He said that I had not done anything which was sinister, but the letter itself says that the amendment is not at all sinister. Mr. Percy says the amendment is not going to hurt; he means the amendment will not hurt the exchanges themselves and nothing can hurt them so long as there is honesty in business. That is just exactly what the amendment is meant to accomplish.

Mr. RANSDELL. Will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Louisiana?

Mr. COMER. Certainly.

Mr. RANSDELL. The Senator continues to emphasize the point against gamblers. Does he mean to say that ex-Senator Percy is a gambler in cotton? Is that the purport of the Senator's argument? Ex-Senator Percy is very much opposed to the amendment of the Senator from Alabama. Now, does the Senator from Alabama pretend to say that ex-Senator Percy is a gambler? Mr. Percy says he is a producer of cotton, and he makes the point that, as a producer of cotton, he is opposed to the Senator's amendment.

Mr. COMER. Mr. Percy certainly is not the kind of gambler that this amendment is designed to checkmate.

Mr. RANSDELL. It may be that some of us who are producers of cotton also bet. I rather think the Senator from Alabama himself said he had bought some futures. He told us about a trade between himself and one of the New Orleans merchants, in which he said, in substance, that he had been treated very badly by that merchant, from whom he bought 100 bales of cotton. I tried to get the Senator to tell the Senate who sold him that 100 bales, but he failed to do so. So ex-Senator Percy may be a speculator, but he could hardly be called a gambler, I imagine. I should very much dislike to have that term applied to him.

Mr. COMER. Mr. President, I am glad the Senator from Louisiana has mentioned the transaction in New Orleans to which I formerly referred. I am going to state the figures to the Senator, if he please.

Mr. RANSDELL. I shall be delighted to hear them, but I wish the Senator would first tell me whether ex-Senator Percy is a gambler.

Mr. COMER. The Senator from Louisiana must not be personal, if he please. I will ask him, however, if he ever knew a man from the Delta of the Mississippi who was not a gambler or sportsman enough to take a chance?

Mr. RANSDELL. I can look into the mirror and see one. I live in the Delta of the Mississippi, and I am not a gambler.

Mr. COMER. The Senator must feel very lonely sometimes.

The hundred bales of cotton of which I spoke and concerning which the Senator inquires were bought through the Howell Cotton Co., of Birmingham, Ala., and were delivered through Lowrey & Co. at New Orleans. I should like to have the Senator pay particular attention to the figures I am about to read.

Mr. RANSDELL. I shall be delighted to listen.

Mr. COMER. They show exactly how the transaction was carried out. I sent a copy to Senator SMITH of South Carolina, Senator SMITH of Georgia, and to the Bureau of Markets, and I secured this copy from the Bureau of Markets yesterday. The following is a copy of the invoice as made to our company:

J. J. LOWREY & Co.,
New Orleans, La., May 14, 1918.

Statement of 97 bales of cotton received on May contracts for account of Howell Cotton Co.

Bales of cotton.	Grade.	Weight.	Off.	Amount off.
2	Low middling spots, lot 5556, Terrell	967	237	$22.92
1	Low middling, lot 5535, Terrell	727	225	16.36
3	Low middling spots, lot 5580, Terrell	1,641	237	38.89
1	Low middling tinge, lot 5580, Terrell	429	275	11.80
1	Low middling, lot 5583, Terrell	417	200	8.34

Statement of 97 bales of cotton received on May contracts for account of Howell Cotton Co.—Continued.

Bales of cotton.	Grade.	Weight.	Off.	Amount off.
1	Low middling yellow light tinge, lot 5583, Terrell	496	275	$13.64
4	Low middling spots, lot 5581, Terrell	1,977	237	46.85
1	Low middling, lot 5665, Terrell	502	200	10.04
1	Low middling yellow light tinge, lot 5635, Terrell	523	275	14.38
2	Low middling yellow light tinge, lot 5653, Terrell	907	275	24.94
2	Low middling yellow light tinge, lot 5654, Terrell	851	275	23.40
4	Low middling spot, lot 5636, Terrell	1,950	237	46.21
1	Strict low middling yellow light tinge, lot 5578, Terrell	572	163	9.32
4	Low middling spot, lot 5578, Terrell	2,225	237	52.73
2	Low middling, lot 5578, Terrell	1,013	200	20.26
1	Good middling, yellow stain, lot 5602, Terrell.	[1] 450		
1	Middling, yellow tinge, lot 5545, Terrell	480	88	4.22
1	Light to strict low middling, yellow light tinge, lot 5545, Terrell	342	219	7.49
1	Strict good ordinary to low middling, lot 5545, Terrell	559	263	14.70
1	Strict middling, off color, lot 5700, Terrell	610		
3	Strict low middling, lot 5700, Terrell	1,684	88	14.82
2	Low middling, lot 5700, Terrell	969	200	19.38
1	Middling yellow stain, lot 5621, W. H	504	125	6.30
4	Strict low middling, lot 5621, W. H	2,000	88	17.60
1	Strict low middling, off color, lot 5624, W. H.	528	113	5.97
1	Low middling, off color, lot 5627, W. H	341	225	7.67
1	Low middling, spots, lot 5627, W. H	525	237	12.44
3	Low middling, yellow light tinge, lot 5627, W. H	1,543	275	42.43
3	Low middling, off color, lot C-3918, W. H	1,520	225	34.20
4	Low middling, spotted, lot C-3918, W. H	2,263	237	53.63
3	Low middling, spots, lot 3010, W. H	1,653	237	39.18
2	Low middling, yellow light tinge, lot 3010, W. H	1,080	275	29.70
4	Low middling, lot C-2993, W. M	1,984	200	39.68
1	Low middling, lot C-2981, W. H	536	200	10.72
1	Low middling, off color, lot C-2981, W. H	476	225	10.71
2	Low middling, spotted, lot C-2981, W. H	1,034	237	24.51
2	Low middling yellow light tinge, lot C-3019 W. H	1,155	275	31.76
1	Low middling yellow tinge, lot C-3019 W. H	398	288	11.46
3	Middling yellow light tinge, lot C-2971, W. H	1,945	75	14.59
1	Middling yellow light stain, lot C-2971, W. H	536	100	5.36
1	Strict low middling yellow light tinge, lot C-3007, E. H	419	163	6.83
1	Strict low middling yellow tinge, lot C-3007, E. H	443	176	7.80
1	Low middling yellow tinge, lot C-3007, E. H	556	288	16.01
2	Low middling spots, lot C-3011, W. H	1,054	237	24.98
1	Low middling yellow light tinge, lot C-3011, W. H	478	275	13.14
2	Strict low middling yellow light tinge, lot C-2998, W. H	916	163	14.93
4	Strict good ordinary, lot C-2998, W. H	1,938	325	62.98
2	Strict good ordinary to low middling, lot C-2974, W. H	1,036	263	27.25
5	Strict good ordinary, lot C-2974, W. H	2,488	325	80.86
	Total	49,640		1,073.38

[1] Pass.

97 bales of cotton, weighing 49,640 pounds, at 25.95 cents	$12,881.58
Lot 5700, Terrell, 63 on	3.84
	12,885.42
Amount off	1,073.38
	11,812.04
Compressing 97 bales, at 50 cents	48.50
One-half certificating 46 bales of cotton, at 18¾ cents	8.63
One-half certificating 51 bales of cotton, at 25 cents	12.75
Total	11,881.92

The total was 97 bales, but the weight made it 100 bales.

Mr. SHEPPARD. From what document has the Senator been reading?

Mr. COMER. I have been reading from the absolute sales sheet from New Orleans of the 100-bale contract as delivered at New Orleans.

Mr. SHEPPARD. Under a contract which the Senator had previously made?

Mr. COMER. Yes, sir.

Mr. SHEPPARD. And what the Senator has read shows what was actually offered him on the contract?

Mr. COMER. Yes; what was actually delivered.

Mr. SHEPPARD. To the Senator on that contract?

Mr. COMER. Yes; on that contract. We shipped the cotton to the mill at Sylacauga and manufactured it. We have mills there that can manufacture any grade. What I have read shows the multiplex assembly and character of cotton that was actually delivered according to a copy of the sales sheet which has been in the Bureau of Markets since last year, I myself having secured a copy from the Bureau of Markets.

Mr. SHEPPARD. Can the Senator put in the RECORD at this point the contract which he made originally, so that we can compare the contract itself with the figures he has given?

Mr. COMER. The contract was for 100 bales of May cotton, bought under the original Smith-Lever bill as amended in 1916, and delivered within the terms of that law.

Mr. RANSDELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from Alabama yield to the Senator from Louisiana?

Mr. COMER. I yield.

Mr. RANSDELL. I should like the Senator to tell us how many bales of that cotton were not spinnable. Was not all of that cotton spinnable?

Mr. COMER. I will go into a full explanation of that. There are mills that can spin anything. In our mills, as I have stated heretofore, we can spin anything from waste to strict good middling. We have two mills which do not use anything below strict middling, and if any of this cotton were shipped to them we could not have used a bale of it. We have three such mills now, which altogether have 80,000 spindles, and if we had shipped every single bale of this cotton to those mills they could not have used a bale of it. There are many mills, Senator, that could not have used one single, solitary bale of this—not one bale—and when they tendered this cotton, made up as you see it was, it was tendered with the knowledge that it could not be used.

Mr. RANSDELL. May I ask how many mills the Senator has that he says could not use that cotton?

Mr. COMER. I say our company has three mills that could not use it.

Mr. RANSDELL. Could it be used by any of your mills?

Mr. COMER. Yes, sir.

Mr. RANSDELL. How many of your mills could use it?

Mr. COMER. My own company?

Mr. RANSDELL. Yes; or your affiliated companies. I do not know how many mills you really have. I understood that you had quite a number—8 or 10, is it not?

Mr. COMER. Our company has eight. I put that in the RECORD the other day.

Mr. RANSDELL. How many spindles?

Mr. COMER. About 200,000.

Mr. RANSDELL. You say this cotton could have been used by some of your mills?

Mr. COMER. Yes, sir.

Mr. RANSDELL. Then, Senator, could it have been very bad if some of your mills could have used it?

Mr. COMER. That is not the question. The average mill could not have used it. The average cotton mill could not have used a bale of it.

Mr. RANSDELL. But, Mr. President——

Mr. COMER. Wait a minute, please—and when you sell to the trade any industrial commodity that can not be used by the average man, it is wrong.

Mr. RANSDELL. It was all spinnable cotton, though?

Mr. COMER. Spinnable, yes.

Mr. RANSDELL. And some of your mills could have used every bale that was tendered to you?

Mr. COMER. Surely.

Mr. RANSDELL. All right.

Mr. COMER. That cotton was from New Orleans. Here is a statement of some cotton that we received from New York. It was about the same time, and I will be candid with you. The futures act was in controversy, and we made the fight two years ago, and we published statements in the different papers of Georgia, Alabama, and South Carolina, and we carried the fight to the Agricultural Department.

Mr. Houston was Secretary at the time. Anybody is at liberty to take that correspondence and print every line of it. We were fighting for the people's rights, which were being disregarded.

We took up cotton on two contracts in New York and one in New Orleans for the special purpose of showing Congress what was being done under the law of the land. That is what we did it for. We did not have to take the cotton at all, but we wanted to have you see just what was going on, and we sent copies to the Senators from South Carolina [Mr. SMITH] and Georgia [Mr. SMITH] to show Congress just what was going on; and we demanded, as citizens and representatives of the business of this country, that we should be protected in the right to do a straight, square business. That is what we did. We took up two contracts in New York. I will read from the sale sheet——

Mr. RANSDELL. Mr. President, will the Senator permit a question?

The PRESIDING OFFICER. Does the Senator from Alabama further yield to the Senator from Louisiana?

Mr. COMER. Yes, sir.

Mr. RANSDELL. In order that we may understand the matter clearly as we go along, I wish the Senator would explain whether, in getting supplies of cotton for his mills, he purchases on a specific contract, in which he sets out the exact number of bales and kind of cotton he desires, to wit, middling, or strict middling, or good middling, or strict good middling, or middling fair, or low middling, and so forth. Does he make a specific, definite, concrete contract to be delivered, so many bales of particular grade, or does he depend upon getting supplies for his mills in the future market, on which the basis of the contract is middling?

Mr. COMER. Just as you said just now, Senator. You read Mr. Thompson's letter to Wannamaker, in which he declared that the function of the exchange was not to deliver cotton, but that it was insurance to protect the transactions in cotton. That is what it is for. We buy contracts for insurance or protection, and up to this time I want to show you how closely it was done. Up to April of last year, for quite a while, the exchange market had been running pretty fairly well along with the cotton market; but commencing in May the drop was 5 cents at one time, $25 a bale. It came like a thunderclap on our business; and I say to you, Senator, that a law that allows such transactions as that is wrong.

Mr. RANSDELL. Will the Senator kindly answer my question?

Mr. COMER. Yes, sir.

Mr. RANSDELL. I say, assuming that you need 10,000 bales, or 50,000 bales—I do not know how many bales your mills would use; probably 50,000 bales—if you needed 50,000 bales, then would you make specific contracts to be delivered, those 50,000 bales of particular grades, a certain number of bales per month, or—repeating my question—would you depend upon getting them on a future contract, in the future market?

Mr. COMER. We could either ourselves hedge in the futures market, buying that much cotton for such months ahead as we would like, depending ourselves on buying direct, or from such sources as we saw proper, the spot cotton that we needed, and as the spot cotton was acquired could sell the hedge. In that event there would be no specific grade contract; again, we frequently buy specific grades from a dealer at a specific price, either made on a futures basis month or an absolute price which he has figured as based on a futures month; and this is really the "cream" of the stabilized market, because just as he can safely depend upon the futures market correlated with the spot market, then to such an extent would his contract be insured or noninsured.

Mr. RANSDELL. Then, do I understand the Senator to say that he makes specific contracts or that he does not?

Mr. COMER. We do not make specific contracts on the exchange.

Mr. RANSDELL. I do not mean on the exchange. I mean for the cotton which you need in your business, this 50,000 bales.

Mr. COMER. Thousands of bales of it; yes, sir.

Mr. RANSDELL. You make specific contracts?

Mr. COMER. Thousands of bales, yes; but not on the exchanges.

Mr. RANSDELL. You do not buy on the exchange, except, I presume, to insure or hedge against your actual transactions?

Mr. COMER. That is right.

Mr. RANSDELL. You use it, then, as a medium of insurance?

Mr. COMER. To be sure. That is what it is for. That is its function; and let me tell you, Senator, since you have brought up that question, this last year we all thought that the Smith-Lever bill was going to do. We all thought the amendment had accomplished its purpose and the contract market went along smoothly until last fall. Last summer and early fall the exchange prices were running along with the spot cotton prices, and there were thousands of dealers who sold middling and above, based on the exchange price. They sold cotton, and then bought futures; but in less than 60 days there was a revolution in the exchanges. Spot middling and above advanced from 200 to 300 points. It went up just like this; and those unfortunate dealers trusting your law for protection had sold spot cotton middling and above, basis contract middling, depending on the proper functioning of the exchanges because of the last amendment to the Smith-Lever bill lost tens of thousands of dollars, all because the exchanges failed to function as Mr. Thompson says they should.

It was wrong. It was wrong. They had insured in the exchanges. They had a right to expect the exchanges to function in the way the law intended they should function and the right to believe they were protected. Not merely in my section of the country but all through the country those people who trusted in the exchange market as it existed then, and sold the higher grades of cotton, middling and above, suffered because they did not anticipate that the exchanges would permit this great difference between the middling basis and the middling spots—a difference that was factitiously accomplished.

Mr. RANSDELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama further yield to the Senator from Louisiana?

Mr. COMER. Certainly.

Mr. RANSDELL. When you make a contract for middling and ask for specific delivery of the 100 bales under your contract, or the 1,000 bales under your 10 contracts—I believe 100 bales is called a contract, is it not?

Mr. COMER. Yes, sir.

Mr. RANSDELL. Now, assume that you have made a contract for 1,000 bales, let us say, of middling, and the New York Exchange or the New Orleans Exchange attempts to deliver you a certain percentage of that in low middling, for example, or strict low middling, will they not pay you the difference, the commercial difference or a fair difference, between the value of low middling and the value of that which they deliver?

Mr. COMER. If they paid the commercial difference, the differences as actually exist in the spot market and which the Smith-Lever bill intended, it would be right. It would straighten out the whole transaction, but they vary the differences between the grades and the actual difference in the spot market so much that no man can take account of it or guard against it.

Mr. RANSDELL. You mean the trouble is in the practical application of the matter, then?

Mr. COMER. Yes, sir: I mean when you bring it down to practical application, they are not there. That is what I mean.

Mr. RANSDELL. You mean they do not treat you fairly?

Mr. COMER. That is just exactly what I mean. The contract market as at present conducted admits of fictitious differentials between the grades of cotton tendered for delivery.

Mr. RANSDELL. If they do not treat you fairly at the present time, may I ask how you expect to get fair treatment even if your amendment should be adopted?

Mr. COMER. The amendment secures that one-half of the contract shall be middling and above, the tendency will be to make the basis of this contract on the actual spot price middling instead of basis spot price middling, as at present. The present contract basis middling is secured by getting the spot prices from actual spot sales from 10 spot markets on 10 different grades and from it compositing the differentials, making the basis middling, which is impossible.

Mr. SMITH of South Carolina. I just wanted to say, on the particular point the Senator has raised, that my object in my amendment that was adopted and is now a law was, as I take it, in the main what the Senator from Alabama is attempting to bring about, namely, not so much to make the exchanges a spot market as to regulate them in such a way as to make them reflect the real commercial value of the spot market. In other words, the object was to restrict the grades delivered to such grades that in case they are called for delivery they will have to furnish those grades that are nearest the standard of comparison, above and below, so that at all times you may know what middling is worth; and when you sell a contract or buy a contract that contract will be bought and sold upon the basis of the middle or middling grade, which has been from time immemorial the standard of comparison.

Now, I wanted to suggest to the Senator that perhaps there was an evasion of the cotton-futures act, which penalized one for not discharging his obligations when called. I was informed—just how true it was I was not in a position to know, as I was not myself then engaged in the cotton business—that New York fixed a nominal sum as a penalty for nondelivery or default on the contract in case a buyer demanded the cotton.

I think it was some absurdly low figure; but, be that as it may, markets such as New Orleans and New York should be so regulated, or should themselves so regulate themselves, that when they quote January, February, March, April, or May, or any month of the year, at a certain figure, that will represent the price of middling cotton at that time. The public at large so considers it to-day, but through some manipulation of the figures it has not reflected that price.

If the Senator will recall, when this difference between the low grades and the middle grades and between the middling

contract price and the middling spot price became so absurd, he came to Washington, and the Senator will remember that we were present with the then head of the Bureau of Markets, and I asked the question if the price then quoted for middling cotton represented the price of middling cotton, or whether it represented a composite, an average price of the grades that they would deliver. If you recall I never did get a specific and satisfactory answer to that question. Now the Senator proposes in his amendment to give the buyer the right to demand 50 per cent of any contract middling and better, so that any one selling even for a hedge will know that in case notice is given that the cotton will be taken up, he has got to go into the market or into the warehouses and get at least 50 per cent of middling and better.

In that respect it would have a tendency, in my opinion, to bring the quoted price, the board price, nearer in line with the spot price. Just what effect it will have upon the grades below is yet to be determined.

If the Senator will allow me, I think the disparity between middling grades and the low grades of cotton has been affected to a considerable degree by the unfortunate order of the Government, which the Senator recalls, that nothing should be made for a Government account, from horse collars to shirts, out of any cotton below middling, which had the effect on the market of still further lowering the difference between middling and the offgrades. But whether or not the still further restriction of the grades will intensify that difference remains to be seen.

The Senator from Louisiana [Mr. RANSDELL] called attention to the fact that all this cotton was spinnable cotton. It is true that under the tests by the Government it was shown that so far as the tensile strength, the bleaching qualities, and the cloth-making qualities of the grades of cotton were concerned, from good ordinary to middling fair, they were negligible; but there was quite a difference in the per cent of waste, the foreign matter, that was in the lower grades of cotton.

However, I want to take this occasion, because I may not be present all the time this afternoon on account of circumstances over which I have no control, being obliged to attend a committee meeting, to say that the ultimate price of cotton is going to depend upon the law of supply and demand. What I have been striving for since I have been in the Senate, and I think I have approximated it through the aid and cooperation of the friends of this article, is to bring the market to where whatever price is quoted will reflect the price of the article based upon the law of supply and demand.

Mr. COMER. That is true, Senator.

Mr. SMITH of South Carolina. How near we have approximated that is shown in the market since the operation of the amendment to the cotton-futures act passed last March. I frankly admit that there has been some disappointment on my part that the spot market was not reflected precisely in the future market, but I understood that there would necessarily be a variation from it, in view of the fact that through the unfortunate Government order and the necessary accumulation of certain low grades the preponderance of the cotton to be delivered on any contract would be taken from the lower grades that were admissible. But even that has not, in my opinion, justified the variations of the spot quotations from middling and the quotations from the spot market.

Mr. COMER. May I read to you, Senator, just what the variation is?

Mr. SMITH of South Carolina. Yes; I would like to have it.

Mr. COMER. On February 20, in New York, March cotton was 36.52; May cotton was 34.34; July cotton was 32.12.

At New Orleans March cotton the same day was 37.48; May cotton was 34.84; July cotton was 32.67.

You will observe, Senator, that at New Orleans cotton was just a cent a pound higher for the March contract than at New York.

Mr. SMITH of South Carolina. What was the spot cotton on the dates the Senator mentioned?

Mr. COMER. I think it was around 40 or 41 cents; I am not sure, but it was around 40 cents.

Mr. SMITH of South Carolina. What was the date of that report?

Mr. COMER. That was February 20. I want to give the Senator the comparisons. On March 1, March in New York was 38.25. You see, it had gone up nearly a cent. May was 34.98; July was 32.40.

At New Orleans March cotton was 39 cents; May was 35.67; July was 32.94.

On March 15—I am just giving it to you in intervals of 15 days; I am not picking out any spectacular months—on March 15, March was 40 cents in New York; May cotton was 37.09; July was 34.20.

At New Orleans March was 39.20, a cent lower than New York. They just swapped a cent. May cotton was 37.25 and July cotton was 34.55.

On March 20—I am taking these five days apart—March in New York was 40.25, nearly up to the price for middling; May was 37.57; and July was 35.10.

At New Orleans the price was 39 cents for March, a cent and a quarter lower than New York, a basis change of 2¼ cents; 37.52 for May; and 34.96 for July.

On March 23 in New York March was 42.80; May was 38.76; and July was 35.96.

In New Orleans March was 39.60; May was 38; and July was 35.

In other words, New Orleans basis middling then was 3¼ cents lower than New York, and February 20 was a cent higher. Do you not see, Senator, that that is manipulation? Do you not see that is not a hedge? Do you not see that is not insurance? Do you not see that that was destruction of the very thing Thompson said he stood for? And do you not see it destroys the entire argument of Senator Percy when he said the thing was running satisfactorily along? Do you not see it? How can you understand the change of 6 cents a pound in a month when spot cotton had not changed a cent and a half? And yet you say that is fair. Fair is not the name for it.

On the 23d of March New York did go to 43.18, and they said it was a squeeze. New York had no cotton, and has none now, and when March was 36.52 and spot 40 cents, it was too big a temptation for the man on the outside not to take advantage of, and he called for some cotton; March contracts was called, March contracts advanced in New York; advanced to the price of what it cost to carry spot cotton there and deliver it, and when you urge the danger of these conditions you must consider that the man who is selling it on the exchange can ship the cotton and deliver it. Then, besides, he has the privilege under certain conditions of settling 25 points on the closing price of the expiring month. Both these constitute an absolute safety valve.

We want a market which does not change that way. We want a market that is stabilized. Stabilized on what? On spot cotton.

The exchanges can not make a fiat value on cotton. It would be most dangerous if they could, and the claim of the exchanges establishing differences in grades and being of advantage to low grades, or any grades, is fiat and is impossible of accomplishment. We failed to establish a fiat price on silver as money, as it became dangerous, too dangerous to carry out. We can not even make a fiat value on gold, the very basis of all currency, the value of it fluctuating with the market of the world; and how contemptible becomes the position of the exchanges' argument that they establish value in cotton, the different grades of it, being inlawed or outlawed as to value according to whether or not it is tenderable on the exchange.

Mr. SMITH of South Carolina. Mr. President, I would like to ask the Senator as to the real trouble with the present situation, and I presume I should preface it by saying I presume not 1 per cent of these men use the exchanges, but they are affected by the exchanges; but the mill people, when they sell a contract for goods and have not the cotton, buy a contract on the market in order to protect themselves against the exigencies under the market. Of course, the wide fluctuations to which the Senator calls attention are unfortunate.

Mr. COMER. It is outrageous.

Mr. SMITH of South Carolina. But the trouble with the hedging business, especially with the mills, is this, that they sell or buy, as the case may be, on the exchange as a protection, a hedge, against the spot transaction; so that if they sell a contract on the board to protect the purchase of spot cotton, and there is violent fluctuation on the board and none on the spots, they are likely to be knocked out of all profit they have on the cotton.

Mr. COMER. That is just what is the matter.

Mr. SMITH of South Carolina. I say, that is the point. For instance, in the very case cited spot cotton remained practically stationary, while there was a decline in the future market of 3 or 4 cents a pound, which wiped out all protection, and yet the effect was felt by the producer only indirectly, in that it demoralized the purchasers, namely, those who were buying for mill account. So that it is not so much the fluctuation of the market that is disastrous to the hedger—that is, if spots and futures fluctuate pari passu—but it is when spots remain relatively firm and the futures go up and go down, because if I were to sell a contract on the New York Exchange today, say, at 40 cents, basis middling, intending to purchase my spot cotton, and from some manipulation of the market it should go down to 38, when spots went to 45, I would be just split wide open——

Mr. COMER. And under the law, which is wrong.

Mr. SMITH of South Carolina. The result would be that I would have no hedge, and have to do one of two things—go out to the warehouses and buy my specific cotton first hand for my future needs, or stay out of the market as a hedge.

Mr. RANSDELL. Mr. President, would the Senator from Alabama permit me to ask a question?

Mr. COMER. Certainly.

Mr. RANSDELL. I wish to ask the Senator from South Carolina what would be the effect in the case he stated if the amendment of the Senator from Alabama be agreed to? How would it materially improve the situation?

Mr. SMITH of South Carolina. The only thing in the premises, I take it, that the Senator from Alabama is striving to do is to so relate the spot and future markets that when one goes up the other goes up, and when one goes down the other goes down.

Mr. COMER. That is where they belong.

Mr. SMITH of South Carolina. I knew that was what the Senator was attempting to do. But as to what effect the amendment would have——

Mr. RANSDELL. That is what I am trying to get at.

Mr. SMITH of South Carolina. As to just what effect the amendment may have on the general price of cotton is problematical, just as it was problematical when I had it restricted to 10 grades. I expected more benefit in a way, but I had not properly discounted the effect of the Government order. However, it remains to be seen; I do not know just what use those who deal in it will put it to.

Mr. RANSDELL. May I ask one other question in line with this?

Mr. COMER. Yes.

Mr. RANSDELL. The Senator from South Carolina, I take it, has been as great a student of this subject as we have in the country—certainly the most attentive student of it in the Senate—and he says that in his opinion the effect of the amendment would be very problematical. I imagine from that statement by the Senator that although he perhaps has thought a great deal about this matter, and notwithstanding his great knowledge and mastery of the subject, he must be in the greatest doubt as to whether or not we should adopt the amendment.

Mr. SMITH of South Carolina. I frankly admit that I am a bit skeptical at this stage of the game of gratifying results from almost any law we may pass, for the reason that it seems as if there is some way found to evade the specific intent and purpose of the law.

But the purpose for which I rose was to ask the Senator from Alabama if it was his intent in the amendment to so legally bind the spot and future markets together as to make it impossible for one to rise without the other rising, pair fashion, and the decline of the same?

Mr. COMER. I can answer immediately—the very minute that this goes into effect as a law, that then the contract market would base on the middling market or very near to it. At present it is basis middling, which can, as I just showed you, be 4 or 5 cents a pound under the spot market. This will make it basis spot market and basis middling. You will have practically one basis. That is, I think it will operate that way.

Going on with my statement, on March 24 New Orleans had changed positions with New York about 4 cents a pound. Something was wrong, was it not? Then here is the 22d May, New York 40.91, July 38.85. It had changed 2 cents. Then, on April 29, May was 40.20 New York, July 38.20, and New Orleans was 39.20, a cent lower, and it had been running anywhere from three-quarters to a cent and a half higher.

The point is this: New York is now largely functioning, and functioning very close to the spot market. Is anything hurt by that fact? Do you not know it helps them; that if by any means it could be secured that New York and New Orleans should function together on the spot market, then the trouble would be over?

Mr. RANSDELL. Does the Senator think that as a result of his amendment, should it be agreed to, that the differences between the spot and the future markets would become practically the same and that we would have in the futures market substantially the same differences as in the spot market?

Mr. COMER. That is what we are trying to do.

Mr. RANSDELL. Suppose that should be the result; I ask the Senator if that would not so restrict the market that dealers would not invest in these future contracts? Would it not contract and narrow it in such a manner that people would not deal in futures, and therefore the Senator would lose the very insurance that he is seeking to secure?

In other words, he would kill the goose that lays the golden egg which seems so important to his mills. The Senator finds that he must have an insurance and an insurance medium. The exchanges are the insurance medium. If he so narrows the contract as to restrict and tie the hands of the people who wish to gamble, if you please, or to speculate, who buy contracts from time to time on the market, will they not be prevented from taking the risk of underwriting the insurance or guaranty the Senator finds so important and essential to his business prosperity?

Mr. COMER. The only business that will be restricted is the gambler who insists on a market allowing marked cards, loaded dice, with which the game is to be played. That is the man we are trying to get rid of, but it will certainly help legitimate trading. In other words, it will multiply the business men who will want to insure their business by legitimate hedging.

Mr. RANSDELL. I should like to assure the Senator that if he can convince me that the cards are marked or the dice loaded, I shall be delighted to assist him in enacting any law that will prevent such dealings, for I certainly have no more in common with transactions of that sort than he has. However, I believe the Senate ought to be assured that in attempting to eradicate this alleged unconscionable system of trading that it does not deliver a death blow to legitimate and necessary business on the exchanges, which, according to the committee report on the cotton-futures act, stand as "the only buffer between the helpless producer and the powerful buyer of his product"—the spinner.

Mr. COMER. Convince you? Here you are, sir. We sold, if you remember, 200 bales in New York. This was delivered through Carpenter & Co.; nice people. They did not buy the cotton. They were simply our brokers, our commission house. They took up for us 100 bales of cotton in New York, and here is what they took: Six bales of strict low middling, 11 bales of low middling, 22 bales of strict good ordinary, 3 bales of good ordinary, 4 bales of strict middling tinge yellow, 14 bales middling tinge, 31 bales of strict low middling tinge, 14 bales low middling tinge, 1 bale of middling stains yellow, 1 bale of strict middling stains blue, and 2 bales of middling stains blue. That makes 109 bales. What do you think of that kind of a delivery?

I will show you the sequence of that transaction. We both wrote and wired them to sell that cotton, that we could not use it, but they could neither sell nor exchange it.

We telegraphed them:

Please see if you can get offer to exchange the 109 bales spots for all white cotton, say, average middling; nothing below strict low middling.

They wired back:

Premium on white cotton probably 5 to 6 cents over July. Trying to get offer of some kind on your contract.

We wired them:

Want to know if you can exchange the 106 bales spots for all white cotton; nothing below strict low middling, and at what difference.

They replied:

Impossible to exchange your contract for white cotton.

Then we wired them:

Is there no spot dealer willing to make the exchange at a price? Would appreciate effort to get offer.

Here is what they answered:

No one willing to make such an exchange. Best thing to do deliver hundred six bales on contract and buy hundred bales of spots in open market.

"The best thing you can do is to sell contract and redeliver 106 bales of spot cotton." That is what Carpenter & Co. advised, and that is what we did. The above game was played with loaded dice.

Mr. RANSDELL. Mr. President, my only observation on that is that I know nothing whatever about the transaction to which the Senator alludes, but there is a possibility of unfairness and injustice being practiced under the terms of virtually every law. No matter how legislation may attempt to prohibit these practices in the business transactions of the world some men will conduct them in a way not equitable to all parties concerned.

As the Senator read that list, some of those bales of cotton were not deliverable under the contract. Some of them were below low middling. They actually tried to deliver some cotton which could not be delivered, which was not tenderable.

Mr. COMER. That was before the last Smith-Lever Act amendment.

Mr. RANSDELL. Perhaps so. Then good ordinary was deliverable at that time.

Mr. COMER. I have given this to you straight from the bat, and it is not business and should be unlawful. Even under the amended law the Bureau of Markets makes the exchange

prices by compositing prices as described from 10 spot markets. Think of getting reliable daily prices from 10 spot markets on 10 different types of cotton. It is absolute nonsense. It is like the new way they measure the distance to the fixed stars, as I said the other day. They guess one-fourth of the distance and multiply it by 4. When the Bureau of Markets attempts to make a basis price, or composite price, from 10 spot markets on 10 different grades it is nonsense.

Mr. RANSDELL. How ought they to do it?

Mr. COMER. I am going to ask the secretary of the Bureau of Markets to limit to five. It ought not to be over four. The fact of the business is, it ought to be delivered on the commercial price, spot price; if we are tendering on a basis price, basis price should be middling of the market and not a factitious middling. It is too contemptible to think of.

Then you talk about exchange deliveries. There is a great deal said about getting cotton from the exchanges. I have spoken here as earnestly as I knew how and made it as clear as I possibly could that cotton does not come from the exchanges. The exchange is simply an index of the price, yet we have men of fine sense who will gravely argue with you that if you put this amendment in it will be impossible for them to deliver the cotton. The exchange propaganda gravely asserts this, and they know it is moonshine of the flimsiest character.

I will tell you how much cotton New York has had certificated this year—it sold millions of bales of contracts. It certificated 7,676 bales, and yet they will gravely assert that cotton is delivered through the exchanges. There is not one of them that does not know it is not true.

Spot cotton is not bought through the exchange. A future contract is a hedge against the market, and you go where the cotton is to buy it, and you buy the spot cotton at the market price. The exchange does not make the price. It can not make the price, and it has no right to try to make value. The exchanges are going out and saying abroad in the land, "Pass this law and you outlaw a whole lot of low-grade cotton and cause thousands of people to suffer." That is the sheerest nonsense, and they know it. It does not inlaw nor outlaw any cotton. When a man gets up and gravely asserts that it is the spinners' contract, and against low-grade cotton, that man ought to have his head examined; that is, if he is a business man. It is not true, and it can not be true.

You heard the Senator from South Carolina [Mr. SMITH] say a while ago that cotton was bought and sold on the basis of supply and demand. That is true. That is the only market for cotton, and it is the only market for anything.

Mr. RANSDELL. Will the Senator yield for a further question?

Mr. COMER. Certainly.

Mr. RANSDELL. The Senator, as I understand, says that when anyone asserts that it is a spinners' contract he ought to have his head examined.

Mr. COMER. Surely.

Mr. RANSDELL. I have not made that assertion, and so, of course, I know the Senator has not applied the remark to me.

Mr. COMER. I am not applying anything to the Senator.

Mr. RANSDELL. But the assertion was made in a number of the letters and telegrams which I read several days ago. Now, I want to call the Senator's attention merely to the headlines of the Montgomery Journal of Saturday, April 10:

Senator COMER'S speech before the Senate April 3, 1920, amending the cotton-futures act, stabilizing futures values and making them approximate commercial value, discouraging violent speculations and erratic differences between contract market and spot cotton.

Senator GRONNA, who is chairman of the conference committee, in questioning Senator COMER, declared that the decision in conference will depend entirely upon the Representatives from the cotton States.

The question is, Will they favor the farmer or listen to the exchange gamblers' propaganda?

Farmers and others interested should take immediate action.

The article seems to occupy five and a little over one-half columns—practically a whole page—of the Montgomery Journal of April 10, and at the bottom I see the word "Advertisement."

I should like to ask the Senator from Alabama, without intending to be personal in the least, if that speech of his was paid for by the producers, by the cotton exchanges, or by the spinners, and in whose interest that advertisement was inserted in the Montgomery Journal?

Mr. COMER rose.

Mr. RANSDELL. If the Senator wishes, I will make one question of the whole, as I have two or three other similar articles here.

I will now read from the Montgomery Advertiser of Friday, April 16. The headline is:

Paper by B. B. COMER read before the convention of the American Cotton Association.

It occupies nearly three and a quarter columns. At the bottom it is marked "Advertisement," and purports to be an address by the Senator from Alabama, which was read before the convention of the American Cotton Association in Montgomery, Ala.

I read next from the "State," of Columbia, S. C., of Thursday morning, April 29, 1920, as follows:

SENATOR COMER'S SPEECH BEFORE THE SENATE, APRIL 17, 1920.

Senator COMER'S speech before the Senate, April 17, going very thoroughly into every objection to his proposed amendment to the cotton-futures act—trying to stabilize contract cotton with spot cotton, making the contracts more truly represent spot values—he shows that the cotton exchanges are trying to reach and prejudice Members of Congress by propaganda telegrams from various interests incited by them endeavoring by every possible means to maintain their speculative advantages by which they have gerrymandered the price of cotton for years, gathering unwarranted gains. The exchange propaganda makes all kinds of absurd statements, dogmatic and impossible of proof; using every effort to create prejudice between producer, dealer, and spinner; holding themselves up as the guardian of the farmer and trying to make the laws governing their relation to the handling of this greatest of world products. Farmers, legitimate dealers, take notice. The issue is the gamblers' interest against yours. The exchanges are using every method to control your representatives. Will you be idle?

Those are the headlines, in large letters, at the head of this article, which occupies all of one page of the "State," Columbia, S. C., of the 29th of April, except a fraction over one-half column. At the end of it is printed the word "Advertisement."

Now, I again ask the Senator whether these three advertisements—and I presume others, for I have understood that similar advertisements were published in the papers of other States as well as those of Alabama and South Carolina—were paid for by the spinners or by the cotton producers or by the cotton exchanges, and if so, what was the purpose? Whom have the producers got to meet in this propaganda?

Mr. COMER. Mr. President, I am glad the Senator from Louisiana has called attention to this matter. The Senator has not all of the papers in which this publication was made?

Mr. RANSDELL. No; there are several others, I think, but I have not the papers here.

Mr. COMER. We are trying to have similar articles published in Dallas; in Oklahoma; in Little Rock; Memphis; Atlanta; Macon; Raleigh; Greensboro, N. C.; Greenville, S. C.; and Columbia, S. C.

I will state further that last year we ourselves made the propaganda, and we published articles in the papers of Georgia, Alabama, South Carolina, and North Carolina. That is one reason why those States to-day know what they are doing; that is why they realize the situation. We did not publish articles in Louisiana, Arkansas, Mississippi, and Texas and other States, and that is one reason that the people in those States are not acquainted with the issue. If we had gone to those States last year and showed the conditions as they were, then we would not now have so much trouble.

Mr. RANSDELL rose.

Mr. COMER. The Senator will wait a moment, if he please——

Mr. RANSDELL. Certainly.

Mr. COMER. That was last year. This year we paid for the publication of the matter.

Mr. SHEPPARD. To whom does the Senator refer when he says "we"?

Mr. COMER. The Avondale mills.

Mr. RANSDELL. The Senator means his own mills?

Mr. COMER. I mean our own mills. Not one dollar was collected anywhere else.

Mr. SHEPPARD. The Senator means there were no other contributors?

Mr. COMER. I will say to the Senator that I mean we conducted the whole thing. If we get a stabilized contract it will be worth a very great deal not only to our mills but to everybody with whom we have business. As regards my own feeling about such matters it is different from that entertained by some others.

I made a fight in Alabama for a better freight rate, for better conditions for the people who live and labor in the State, to change it from a reactionary State and make it a progressive State. I have spent 10 years of my own time and $50,000 of my own money to do that. I thought it was a service well rendered, and I shall never regret a day of the time or a dollar of the money expended, nor shall I regret the effort I have made if this amendment shall be carried through, taking care as it does of every man who raises cotton, of every man who deals in cotton, or who manufactures cotton. That is the ultimate object of the amendment, and I do not care who he is who asserts to the contrary, he does not know what he is talking about.

Of course, that is the object of the amendment. From whom does the cotton mill buy the cotton? From the dealer. From whom does the dealer buy it? From the producer. When the cotton exchanges send out their propaganda to arouse prejudice against those people, why are they doing it, and what for? Is it to help the farmer, to help the dealer? They never work for those causes.

Mr. RANSDELL. May I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Louisiana?

Mr. COMER. Certainly.

Mr. RANSDELL. The Senator just stated that he carried on this propaganda last year and this year in North Carolina and South Carolina and hence the people of those States were educated.

Mr. COMER. I forgot to say that we did not get into North Carolina very much, but we got in there to some extent.

Mr. RANSDELL. You got into South Carolina?

Mr. COMER. Yes, sir.

Mr. RANSDELL. The Senator certainly had the advertisement in a Little Rock paper, in North Carolina papers, and in South Carolina papers; and yet the States that voted against his amendment at the great cotton convention in Montgomery, Ala., a short time ago were Arkansas, Louisiana, North Carolina, Mississippi, and South Carolina. So certainly those States which were educated by the Senator's articles did not go with him on that vote.

Mr. COMER. The president of that convention was Mr. Wannamaker. The first telegram I published in the RECORD in regard to this matter was from Mr. Wannamaker at the very beginning of this controversy, strongly favoring the amendment, standing for it, and wishing it success. That telegram is published in the RECORD and Senators can read it for themselves.

Mr. Wannamaker voted against the amendment at the Montgomery convention. Why did he vote against it? Because he said he did not want politics brought into a cotton convention; that is why. The day I received the telegram that the cotton convention had voted 15 to 16, I read the names of the States voting, and I asked the Senator from South Carolina [Mr. DIAL], "Is not South Carolina for the amendment?" He said, "It certainly is"; and to-day I understand that every Representative from South Carolina stands for it. By the way, I promised to read a letter concerning that convention.

Mr. RANSDELL. I will be very glad to hear it.

Mr. COMER. It is from ex-Senator White. The Senator, I think, knows who he is.

Mr. RANSDELL. I know him very well.

Mr. COMER. He is one of the nicest men I ever saw.

Mr. RANSDELL. He is a fine man.

Mr. COMER. And one of the fairest men I ever knew. He was a representative at that convention. By the way, he is a candidate to succeed the late Senator Bankhead, and a better man could not be elected.

Reading Senator White's letter:

We had a very stubborn, and, I am inclined to think, unscrupulous opposition—

Does the Senator from Louisiana hear that?

Mr. RANSDELL. Yes.

Mr. COMER. I repeat:

We had a very stubborn, and, I am inclined to think, unscrupulous opposition. The resolution indorsing the amendment was referred to the committee on resolutions, which was stopped against us. The committee lost the resolution—

He means they lost the paper—

When we learned this we got the legislative enactment committee to originate an indorsement of the amendment. Had a favorable report to the board of directors, then had the board of directors indorse it, which was accomplished with difficulty. We finally had a test vote, then on a recount we got one majority—

On a recount, on the test vote, there was one vote counted against it that did not belong there, and on the matter being called to the attention of the chair the question was brought back and carried in favor of the resolution—

After this action was obtained the resolution committee found the resolution and put in a report referring it to a committee to investigate and report at the next session of the association; this meant to chloroform it. When the committee reported I moved to amend it on the floor of the convention by inserting an indorsement of your resolution, the chairman saying that the matter would be acted on in a few minutes by the board of directors, and that then it would come up in the convention. When the board of directors reported they chloroformed it by referring it to the committee for investigation.

Did the Senator from Louisiana ever hear of that kind of procedure?

Mr. RANSDELL. I have heard of such things happening.

Mr. COMER. It does not sound like the report the Senator read the other day, does it?

I moved to amend the report by indorsing the amendment, after two or three hours' fight on the floor, in which Col. Thompson, ex-president of the New Orleans Exchange, urged that the matter be postponed, saying it would injure the association.

Mr. RANSDELL. May I ask the Senator if he wishes to pursue that line further, or shall I ask him a further question now in regard to these articles?

Mr. COMER. I want to explain them further.

Mr. RANSDELL. All right; I will not bother the Senator.

Mr. COMER. I did not answer you enough on that.

Mr. RANSDELL. I shall ask my question later, then.

Mr. COMER. Senator, I differ, I believe, with some folks on those things. Whenever I was trying to serve the public, it was not a question of expense. It was a question of whether or not service could be rendered; and if it took ten times what it cost to make this fight before the people, if they would understand, we would think it money well spent. I am one of those who do not believe that everybody has to be selfish all the time, and in reciting these facts to you, they are not dogmatic. There is no dogmatic assertion. Everything, every single, solitary thing, that I assert I can prove. What I am stating here is the result of actual experience in the proposition. I am giving you experience. I am not giving you dogmatic assertions, or propaganda, or anything of that kind.

Mr. RANSDELL. Mr. President, would the Senator mind saying how much he has expended on this propaganda? It must have cost a great deal.

Mr. COMER. How much would you think, Senator?

Mr. RANSDELL. I should think a good many thousands of dollars. If I should insert an advertisement taking up a whole page of a big daily paper, I would expect to pay a large sum of money for it. I imagine you must have spent a good many thousands of dollars.

Mr. COMER. Senator, there is this difference: When you insert anything, that is a political advertisement. This is a commercial advertisement, you understand. They are two different propositions.

Mr. RANSDELL. Perhaps so.

Mr. COMER. Anybody can see that it is a commercial advertisement. Anybody can see that this does not redound to my benefit, you understand. It is to work out a principle, for the protection of what? That thing that we ought to have had years ago—the protection of the cotton of the South, the cotton business of the world.

Mr. RANSDELL. Mr. President, will the Senator permit another question at this time? I believe the Senator agrees with me that the Baltimore Manufacturers' Record is a fair index of conditions in the South, and usually is an impartial paper, is it not?

Mr. COMER. I should think so.

Mr. RANSDELL. Has it not been a great champion of the South, especially the cotton industry of the South, for many years?

Mr. COMER. I think so.

Mr. RANSDELL. I find on page 79 of the Baltimore Manufacturers' Record for the 29th of April this statement:

ENORMOUS PROFITS OF SOUTHERN COTTON MILLS.

The Tucapau Mills, of Spartanburg, S. C., one of the big cotton manufacturers of the South, has just declared a stock dividend of 303 per cent, and the Spartanburg Herald reports that $850 a share was bid for the stock of this company. The Easley Mills, of Easley, S. C., has also declared a stock dividend of 300 per cent, payable in preferred stock, yielding 7 per cent a year. The Saxon Mills has declared a stock dividend of 100 per cent, and other mills are reported as likely to declare large stock dividends.

While the amazing prosperity of the cotton-mill industry is adding enormously to the wealth of the South, these great dividends show that the cotton mills could have paid a much higher price for cotton and still have earned enormous profits. Unquestionably, the cotton producers have not had a fair division of this prosperity.

Now, I want to ask the Senator—and if it is not a fair question I will withdraw it—if the Alabama mills have made profits in the same proportion as the South Carolina mills, and if the cotton producers of Alabama have reaped anything like the same proportion of profits that the cotton mills of Alabama have realized?

Mr. COMER. In answer to your question, Senator, I think the cotton mills everywhere have been prosperous. Referring to one of the great items that you mention there, however—the dividends declared—I wish to say that if you take a mill of 100,000 spindles erected three years ago the increase in the cost of that mill to-day is 300 per cent.

It costs four times as much to build a mill now as it used to. For the last mill we put up we paid $1.58 a spindle; to-day the price is $6.50 a spindle. The last cards we put up was $400 a card, and to-day the price is $1,400 a card; and if you happen to have any of that property the increment of increased value puts the per cent up; of course it does.

Then, besides that, you take construction: The first mill we built cost $4.50 per thousand for brick; to-day the price of brick is $20 per thousand. The price of lumber was $9 a thousand; the price now is around $80 a thousand. Those things are going along. But, Senator, I am not talking about the prosperity of the exchanges. We want the exchanges to be prosperous and we want the cotton mills to be prosperous. We want the exchanges to stabilize; to let the law of supply and demand indicate value—the value of commerce—and not a factitious and fictitious value. That is what we want. We do not begrudge them any earnings whatever. We do not care what they earn; we want to see the whole country prosperous—not one section, but every section.

Mr. RANSDELL. Mr. President, will the Senator yield for a question?

Mr. COMER. Certainly.

Mr. RANSDELL. I want to say to the Senator that I am delighted that these mills have made a big profit. I hope his mills made as big a profit in proportion as these South Carolina mills. My only regret is that the cotton growers did not make much profit. I know I did not. I certainly did not pay any income tax on my cotton crop last year.

The cotton convention which we have talked about so much passed a resolution saying—and that was unanimous, Senator; I do not think there was any dissent on that—that, while they would not attempt to specify any price for cotton, the cotton mills could well afford to pay 60 cents a pound for it instead of present prices, considering the enormous profits they have made. Now, it seems to me in all of this discussion that we ought to look a little after the producing end of this proposition as well as the spinning end.

I am standing here in my humble way not only to defend the Cotton Exchange of New Orleans, but particularly that great industry in which I myself am engaged, the production of cotton. It is my only business. As I said several days ago in speaking here, I am not connected with the exchange. I live more than 300 miles from New Orleans, and rarely get there. I have not been on the floor of the exchange in years, but I am tremendously interested in the production end of the cotton industry; and when I see the statement made by repsesentative conventions that the cotton mills could afford to pay 60 cents a pound, and when I read to the Senator a statement published in this great journal that three mills of South Carolina declared stock dividends of over 300 per cent last year, and then the Senator goes on and talks to me about the evils of the exchange, I can not help thinking that the Senator ought to explain somewhat why those mills were making that enormous per cent in this day of the high cost of living, at this time when there is so much talk about profiteering, when somebody has recently inaugurated a scheme to add further profits to the cotton mills by persuading everybody to use overalls, when everyone knows overalls are made of cotton. Of course, I know the Senator did not do anything of that kind, and I do not charge that it was done in the interest of the cotton mills, but it certainly is one of the direct results of that program. If everybody wears overalls, there will be more demand for cotton products.

Mr. COMER. All goods that are sold, Senator, even cotton goods, even overalls, are sold in the world's market on the basis of supply and demand, and the cotton mills have been doing the same thing. That is exactly what they want the exchanges to do. We want them on the supply and demand market, the world market. That is what we want. There is nothing else to it than that.

Now, to prove to the satisfaction of everybody that the exchanges do not deliver cotton, that they were never intended to deliver cotton, and the falsity of all this stuff to the effect that if you pass this amendment then the exchanges will be knocked sky-high, because they can not get the cotton to deliver—that is what they say—I am going to read you, Senator, the amount of cotton certificated in New York this year on the New York Cotton Exchange.

Mr. SHEPPARD. Mr. President, may I ask the Senator a question there?

Mr. COMER. Certainly.

Mr. SHEPPARD. Do you mean by "certified" sold through the exchange?

Mr. COMER. No; that was turned in for sale.

Mr. SHEPPARD. Was it sold?

Mr. COMER. Some of it was. Some of it was delivered. You know they had a squeeze in March, Senator. They were selling cotton the last of February at 36.52.

Mr. SHEPPARD. Who turned that in, and how did they get it?

Mr. COMER. Oh, they bought it on the markets of the world. You buy it anywhere. That is where you get cotton, on the markets.

Mr. SHEPPARD. Do you mean that the members of the exchange bought it?

Mr. COMER. I do not mean the members of the exchange. Anybody can sell cotton on the exchange, but you have got to have it there to deliver, provided you want it delivered. Most of them do not calculate on delivery.

Mr. SHEPPARD. Does some committee on the exchange do the certificating?

Mr. COMER. Oh, no; the Government does. It has to be seven-eighths of an inch staple, a certain color, and so forth. The Government does that. We bought cotton some years ago, 2,000 bales; we paid for the tender in the spring, and it was delivered to us in August. That was the time when they found this indictment against Patton, Haynes, Brown, and others. The total cotton certificated in New York in January was 2,336 bales; in February it was 666 bales; in March, 3,090 bales; in April, 1,584 bales. A total of 7,676 bales certificated for delivery. That was in New York.

I believe you read the other day, Senator, that New Orleans had 20,744 bales.

Mr. RANSDELL. I think you are correct, 20,744 bales.

Mr. COMER. Of which 15,920 are higher grade cotton.

Mr. RANSDELL. That is correct.

Mr. COMER. I want you to keep that right square in your mind.

Mr. RANSDELL. Very well.

Mr. COMER. Senator, last week we had 200 bales delivered to us through the New Orleans Exchange. We were carrying quite a bit of cotton. We did not believe they would tender, but they did tender 200 bales, and here is what they delivered. You recollect saying that two-thirds of the cotton down there was high grade. They delivered to us of the 200 bales—there were 210 bales, because of the light weight—strict good middling, 1 bale; good middling, 5 bales; strict middling, 1 bale; middling, 1 bale. That was the high-grade cotton out of that 15,000 bales they delivered. Then strict middling tinges, 3 bales; low middling, 199 bales. That made 210 bales. They gave us 8 bales of high grade, 3 bales of tinges, and 199 bales of the lowest grades. They did not disturb their higher grade cotton.

Mr. RANSDELL. Will the Senator yield?

Mr. COMER. Certainly.

Mr. RANSDELL. Will the Senator please tell us how much difference they allowed him between the values of those low grades they tendered and middling cotton on those dates?

Mr. COMER. Yes, sir; and there is where the trouble comes in, too. I am glad you asked the question. I have the comparative differences—New Orleans and New York. I am loaded for bear to-day.

This is from the Bureau of Markets. The exchange difference in New Orleans is now 9 cents between low middling and middling. The difference between middling and low middling in New York is 7.20. There is a difference of 1¾ cents between low middling in New York and low middling in New Orleans. Who ever heard of a condition like that being fair? One and three-quarters cents between the prices, according to this, of New York and New Orleans on low middling. Not only that but worse than that, because New York Exchange middling is a cent higher than New Orleans, which makes 2¾ cents difference; and, Senator, you agree to this amendment and that thing will be impossible, and it ought to be impossible.

Mr. RANSDELL. Mr. President, will the Senator answer my question?

Mr. COMER. Anything.

Mr. RANSDELL. The Senator has not answered my question yet.

Mr. COMER. What is it?

Mr. RANSDELL. I have asked the Senator what difference was allowed him by the company which tendered him these low grades of cotton of which he complains. What was paid him in the way of a difference between middling, the basis of the contract, and the cotton which they actually tendered to him?

Mr. COMER. Senator, I have just told you. I told you 9 cents in New Orleans.

Mr. RANSDELL. The Senator spoke of just one grade there. He said those were the differences between New Orleans and New York. But he has never yet said whether it was a New York contract or a New Orleans contract, and I can not tell from his statement what they did actually pay him, and whether the difference was a fair one or not. If the Senator received the full amount of money due him, I take it he certainly has no complaint to make. Was the Senator swindled in the transaction?

Was the matter negotiated so that the Senator actually lost money on his contract?

Mr. COMER. When 39.80 was the price in New Orleans, and we got the low middling at 9 cents off, that would make it 30.80 in the New Orleans exchange market for the low middling. That low-middling cotton was worth that price anywhere. The man who put that cotton through the exchange lost money. But that is not the question. It was the basis, which was 39.80, as against a spot price 2 cents higher. If the exchanges had been functioning and the differentials between low middling and middling had been the same, 9 cents, then the seller of the cotton would have gotten 2 cents a pound more and that is wherein the exchange basis price middling operates against the holders of off-grade cotton as compared with a stabilized price middling.

Mr. RANSDELL. I am trying to find out what Senator COMER and his mills lost on the transaction.

Mr. COMER. I have just read that we took 199 bales of low-middling cotton. That was the lowest grade they have. If we were getting it for higher grade mills, we would have had to resell it, because we could not use it. If we were taking it for our low-grade mills, it was cheaper than we could have bought it, as low middling was worth that price or more anywhere. I mean that it had no added value by having come to us through an exchange and had lost money because of the expense of delivery.

Mr. RANSDELL. But how much money did the Senator lose?

Mr. COMER. I do not know. We had bought this contract months before at a price of about 33½ cents. The cotton was closed out at 39.67; we made 6 cents per pound on the hedge sale and got the cotton cheaper than we could have bought it on the market.

Mr. RANSDELL. If the Senator does not know, Mr. President, I am sure I do not.

Mr. COMER. On April 19 strict good middling was quoted 275 points on middling in Memphis, 400 on at New Orleans, 288 on at New York; good middling was 200 points on in Memphis, 350 on in New Orleans, and 223 on in New York; strict middling yellow tinge was quoted 450 off in Memphis, 150 off in New Orleans, 315 off in New York; good middling yellow tinge was quoted 300 off in Memphis, 75 on in New Orleans, and 133 off in New York; and good middling yellow stains was 600 off in Memphis, 300 off in New Orleans, and 450 off in New York. I give these differences to show you that these can not be true quotations; they are fictitious, and yet out of them is composited the basis middling.

Mr. RANSDELL. Mr. President, may I ask the Senator if Memphis is an exchange market?

Mr. COMER. Sure.

Mr. RANSDELL. They have not a cotton exchange there, have they?

Mr. COMER. It is one of the markets from which we get prices. I think they have a cotton exchange there; I am sure of it.

Mr. RANSDELL. I was not aware of it. I thought there was only one big cotton exchange in the South, at New Orleans, and one at New York—two in the United States. That is my understanding.

Mr. COMER. You are wrong, because we have a letter from the Dallas exchange. Nearly all the big cotton markets have exchanges. But I am quoting you from the spot market, from which New York and New Orleans get their relations.

Mr. RANSDELL. I do not want to be misunderstood. I know they have a spot market in Memphis and these other big cities; but what I meant was that there is no future-contract market exchange in Memphis.

Mr. COMER. I think they have.

Mr. RANSDELL. Perhaps so. I understood the contrary.

Mr. COMER. They have what they call bucket shops.

I have here a telegram from New Orleans sent a few days ago to one of their correspondents in Alabama. It reads:

NEW ORLEANS.

Professional effort being made to depress the market, but offerings absorbed in good fashion. Likely require constant selling to force market down to any considerable amount.

Here is another telegram:

NEW ORLEANS.

Rumored there will be about 10,000 bales of low-grade cotton delivered on May contracts here to-day.

Spots New Orleans reported quiet, if any change likely lower. Not much business so far. Reported movement in New York to close the New York Cotton Exchange on Saturday in the future.

That was dated last week.

You yourself said that they only had 5,000 bales of low-grade cotton there, and yet here is a telegram from New Orleans that they are going to tender 10,000 bales.

Mr. RANSDELL. Mr. President, the Senator does not mean to misquote me, I am sure. He says I myself said they only had 5,000 bales. What I said is found on page 6345 of the CONGRESSIONAL RECORD of the 30th of April, and it speaks for itself. I said that the United States Bureau of Markets showed that cotton classified and certificated from March, 1919, to December 1, 1919, in the New Orleans Exchange market was 20,744 bales, of which 4,824 were low grade. I did not say they did not have a great deal more cotton there. I assume that in that enormous cotton market, which handles hundreds of thousands of bales of spots—and I could not pretend to say how many bales of futures—there are bound to be a good many more than 5,000 bales of low-grade cotton.

Mr. COMER. The way those things are managed largely is to keep them in near-by warehouses, ready to be certificated. Where New York has less than 3,000 bales, I understand that Norfolk has 70,000 bales. Suppose Norfolk was carrying this kind of cotton. That is the way those things are run. In your speech on page 6344 of the RECORD you practically make the spot market run with futures market, both running very nearly the same thing.

And, Senator, that is just exactly what we are after. I want the two to run together. They should run together, and when they do not run together they are not functioning. That is what is the trouble. The New York Exchange market and the spot market in the South have been for the last 60 days very nearly together, the thing we are after; the New York market is functioning properly.

I have here an article which some gentleman sent me, some Senator, I suppose, cut from the New York Commercial of Friday, April 23. This article from the Wall Street Journal I am going to read you says:

Kill this rider.

Mr. RANSDELL. Alluding to your amendment.

Mr. COMER. Yes. "Kill this rider."

What endless litigation is in this vague wording.

The vagueness here charged against the amendment has been eliminated by the amendment already offered.

Then, the impossibility of performance. There are now 2,262 bales of certified cotton in New York—

This is April 1, from the Wall Street Journal—

None is middling fair; 4 bales are strict good middling, 46 good, 146 strict middling, and 477 middling—altogether 27 per cent of the total amount here. But the unhappy seller must deliver 50 per cent of these grades. How easy to create a squeeze!

But the planter will be the chief sufferer—

Those blessed planters, you know, how they do favor them!

because about 40 per cent of his cotton will be outlawed. Cotton, even from the same plantation, is of different lengths, color, and quality. Until interfered with by law, the exchange made all spinnable cotton good for delivery on a contract. Thus the planter had a market for every bale of his cotton that was usable in the mills.

That man, Senators, did not know what he was writing about. He did not understand the first gist of the question at all, and even the Times-Picayune did not understand. They did not understand a single gist of the amendment. I have two letters from parties in Louisiana calling attention to that.

From the New York Commercial I read further:

The sooner Mr. COMER learns that the interests of the cotton merchant and the cotton grower are identical the sooner will he withdraw from any plan which is bound to work great hardships upon growers and merchants alike.

That man does not know what he is talking about.

"The contract market has two purposes," declared C. T. Revere, of Munds, Rogers & Stackpole, in discussing the Comer amendment. "First, it is an outlet for such merchantable and spinnable cotton as may be unsalable at a given time, and, second, it affords price insurance against market fluctuations. Hedge purchases by merchants against sales of the staple to spinners as well as hedge sales by merchants against accumulations afford insurance to be obtained in no other way."

That is from the papers. I want to read a letter from a cotton man, one of the largest in Alabama, straight as a shingle:

SELMA, ALA., *April 20, 1920.*

Hon. B. B. COMER,
Washington, D. C.

DEAR SIR: We wish to commend you in your effort to amend the law that will give to the cotton trade a just and fair contract on the cotton exchanges.

For years we have longed for a contract that would afford us a reasonable hedge. As you are aware, spot cotton is frequently offered for sale when buyers can not in turn make an actual sale; under such circumstances we as buyers would be glad to buy the cotton if we could get a hedge on the cotton exchanges that would be reasonably safe. Thus you will see the benefit that would arise in favor of the producer. He could always find a purchaser for his cotton. With conditions as have prevailed during the near past how could a buyer buy spots at, say, 40 cents and sell a future contract as a hedge at a discount of something like $25 a bale?

If we can be of any service to you, do not hesitate to call on us.

Yours, very truly,

W. P. WELCH & CO.

There is a spot man; I mean a man of actual business, a man who comes in contact with it every day, who says it is a great help to him in the business. He says it will help every farmer he comes in contact with. He can go ahead and sell anything and hedge; he can go ahead and buy and hedge, and his statements are all straight, and show business ability and comprehension of the subject.

Mr. RANSDELL. Will the Senator yield for a question?

Mr. COMER. Yes.

Mr. RANSDELL. Is that gentleman to whom you have just alluded a cotton producer?

Mr. COMER. I do not know.

Mr. RANSDELL. The Senator does not know whether he is raising cotton or not?

Mr. COMER. No.

Mr. RANSDELL. So far as the Senator knows, he may be a spinner?

Mr. COMER. No; he is not a spinner.

Mr. RANSDELL. He may be a dealer in cotton?

Mr. COMER. He is a dealer in cotton.

Mr. RANSDELL. I have in my hand, if the Senator will permit me to read it, a letter, dated April 22, from President J. A. Whitehurst, of the State Board of Agriculture of Oklahoma——

Mr. COMER. Read it in your own time to-morrow.

Mr. RANSDELL. Very well. I will not interfere with the Senator.

Mr. COMER. Here is a man that we buy thousands of bales of cotton from:

SELMA, ALA., *April 6, 1920.*

Hon. B. B. COMER,
United States Senate, Washington, D. C.:

Have wired petition to Hon. E. D. SMITH and GORDON LEE signed by prominent farmers, bankers, and merchants urging passage of the Comer cotton bill. Hope you will succeed in passing this meritorious bill, as it will, no doubt, be of great benefit to the producer and consumer and put the future trading on a more legitimate basis.

MORRIS HOHENBERG.

That is from way down in southern Alabama.

I am not printing all these in the RECORD. Here is a telegram I have to-day:

WAYCROSS, GA., *May 1, 1920.*

Senator B. B. COMER,
Washington, D. C.:

The Ware County Farmers' Union, in session, with the Satilla, Pine Grove, Mount Green, Waresboro, Lynn locals represented, indorses the Comer amendment and urges its enactment into law.

L. C. WALKER, *President.*
J. M. SOLOMON, *Secretary.*

I want to read this from the New York Commercial. This man says:

It is a spinners' bill—

He is a member of the cotton exchange—

for the benefit of the spinners, and that benefit will accrue at the expense of the man who grows cotton.

To appreciate how much of a spinners' bill this is it should be understood that low-grade cotton is far more expensive to make into fabric than is the high-grade staple.

This is the story:

Labor in the mills is largely on piecework basis. A worker can not handle low-grade material so rapidly as he can the high grade, consequently there is dissatisfaction among the workers when too large a percentage of the staple is of the lower grades. As the workers' output and pay is reduced by the low grades so the output of the mill is reduced.

That gives a very clear statement of why the mills are demanding and buying at the higher prices the high grades, and not demanding and buying at the lower prices the low grades. That is a very clear statement of it. I could not have done it better, and this is from a man who is writing against the amendment.

Under these conditions it at once becomes clear—

Of course it is clear—

why the spinner wants high-grade cotton, particularly at the present, when the demand for strictly high-grade cloths is larger than ever. The Comer amendment would make for just this condition which the spinners want. It would force the delivery of high-grade raw materials to the tremendous disadvantage of the grower whose crop can not be all strictly high grade.

That latter part is just immaculate nonsense, and I am sorry he did not know it. The high grade is made by the demand for it and the low grade is made by the demand for it, and this does not add one picayune to it either way, and the man who asserts it, as I said this afternoon, should have his head examined.

He says this about me:

He sends out telegrams about a mythical order for 5,000,000 bales of cotton from Europe waiting to be placed, if the cotton can be had, and tells the growers they can get 60 cents a pound for their cotton.

I never was accused of that before. I would never say to anybody that you could send your cotton anywhere and get more than the market price for it. When you talk about sending 5,000,000 bales of low-grade cotton anywhere, it will be done at great risk. It is the market that makes the price.

Spinners are going to send representives where? To Europe. For what purpose? To see the spinners to sell this cotton or any other cotton at the market price.

I want to call attention to this article again:

Reverting to the Comer amendment, I want to call your attention particularly to the fact that of the last crop 57 per cent was graded middling or above—

Fifty-seven per cent, and yet they have balked like the mischief when I said the average of cotton was two-thirds of the crop above, and this says that of the last crop 57 per cent was graded middling or above, and then says—

leaving 43 per cent which could not be delivered on contract. Who would take it? That is a question which the southern cotton grower must answer.

There is an everlasting answer to that. Supply and demand will take care of it just like it always has and always will do, and if every bale of it was tenderable through the exchanges it would not facilitate the sale or value a cent, and any assertion to the contrary of this would make the exchanges capable of making a fiat price on cotton.

Mr. RANSDELL. I should like to ask the Senator what is going to happen to the low-grade cotton of the South—and he admits there is a great amount of it in the South now—if his amendment is adopted? What is going to happen to all these low grades, and will they not lose their availability as an insurance for the seller and their potentiality for hedging purposes? I would like to have the Senator from Alabama explain exactly the effect of his amendment on the producer's low-grade cotton, which makes up such a large portion of his crop.

Mr. COMER. The stabilizing of the contract price making it approximate the spot price will unquestionably advance the contract price, and if the same parity between the lower grades will continue, then the lower grades to that extent will be benefited and they will also be benefited to the extent that the market reflects solvent, trustworthy business conditions.

Mr. RANSDELL. May I ask the Senator whether he thinks that we ought to repeal the cotton-futures law entirely?

Mr. COMER. No.

Mr. RANSDELL. Does the Senator believe the exchanges, properly handled, exercise a good function and one valuable to commerce and business generally?

Mr. COMER. Not only that, but I believe they will be a benefit when you make them straight and honest, when you get a business that is straight, that dealers will go there and do business more so than they will do to-day. I believe it will increase business.

Mr. RANSDELL. But the Senator thinks that men like our friend ex-Senator Percy, Mr. A. B. Learned, W. B. Thompson, and others, whom I quoted extensively, are mistaken when they say the law is functioning very well? Does the Senator think it will be very much of a benefit to the entire cotton trade if the amendment which he has proposed is adopted?

Mr. COMER. When you get back to Senator Percy, I want to explain what I said about gambling a while ago. Senator Percy is one of the nicest men I ever saw and I am very fond of him. He is not a gambler, you understand, not by any manner of means.

Mr. RANSDELL. I am very glad to have the Senator withdraw that statement. I knew that Le Roy Percy was no gambler.

Mr. COMER. Oh, no; he is no gambler; and no doubt Mr. Thompson is a nice man.

Mr. RANSDELL. He certainly is.

Mr. COMER. But when Mr. Thompson says that the present law is good, I have just shown you where it is not good.

Mr. RANSDELL. That is a difference of opinion.

Mr. COMER. There is no difference of opinion about it. I have shown you the statistics about it; I have shown you quotations themselves, and any business which makes that record, I do not care where it is, is wrong. You can not make that kind of a record and do a straight business. I read it to you a while ago. Mark you, Senator Percy was held up to the Senate as being a very smart man, and he is; but Senator Percy himself says that if this amendment goes into effect it will not have that deleterious and far-reaching effect in the exchanges that you say it will, and he is telling the truth.

Mr. RANSDELL. I believe the Senator admits that practically one-half of all the cotton is low grade, does he not?

Mr. COMER. The New York Wall Street Journal said 47 per cent was low grade last year. I say that the usual year more than two-thirds of the cotton is middling and above. Last year the New York Journal said 47 per cent was low grade.

Mr. RANSDELL. I have always understood middling was, as its name indicates, the basis of the grades; that is, one-half in round numbers were above and one-half in round numbers below. However that may be, 47 per cent of the present crop, according to those figures of the New York Journal of Commerce, is low grade. The Senator will admit that is a very large percentage of the crop, and under his amendment, as I take it, all of that is abandoned—that is, left out and is not considered at all. There can be no insurance for all of that low grade, for that 47 per cent of a crop which is worth $2,000,000,000. What has the Senator to say to that?

Mr. COMER. There is not any insured price for anything; there is nothing insured. The supply and demand market controls everything—low grade and all—and when you say the exchange insures anything, it is not an accurate statement.

Mr. RANSDELL. Then, may I ask the Senator what is the function of the exchange if it be not to hedge cotton or to insure the cotton?

Mr. COMER. The function of the exchange is to make a true index of the value of cotton; that is what it is for. It is not to make the price; it is not to increase the price; it is to be the true index of cotton; that is what it is for.

Mr. RANSDELL. Then, the Senator differs from Mr. Herbert Knox Smith. That gentleman, in a wonderfully interesting, elucidative, and exhaustive report made in 1908 as commissioner of corporations, recommended most emphatically that the exchanges were necessary because of their insurance guaranty, and the congressional committee which studied the question fundamentally and scientifically concurred in this recommendation. These capable and disinterested authorities assert they are essential to the trade.

The Senator seems to disagree with them. I showed here several days ago that the House Committee on Agriculture, in an able report, No. 765, of the Sixty-third Congress, spoke very highly of the cotton contract. It is not necessary to read it again, I imagine, and I merely quote from the report:

> It is the opinion of the committee that the abolition of the cotton exchanges would result inevitably in the monopolizing of the entire cotton crop into the hands of a very few powerful interests, with the force and means to fix the price at which the farmer would be compelled to sell his cotton. Fully 75 per cent of American-produced cotton leaves the hands of the producer during the four months of September, October, November, and December. It takes no stretch of the imagination to foresee how utterly helpless the farmer, as a class, would be in his present disorganized condition as a factor in fixing the price of his own products as against the organized genius and money of the spinners and powerful spot-cotton dealers.

As against the men who, according to the Baltimore Manufacturers' Record, made in the State of South Carolina last year over 300 per cent; as against the men who, in the opinion of the great cotton convention of the American Cotton Association, held in the city of Montgomery, the capital city of the Senator's own State, three weeks ago, said that cotton could well bring 60 cents a pound at the present time, in view of the profits which the spinners were making on it.

This is not what I say; this is not what an exchange in New York or an exchange in New Orleans says; it is what the Agricultural Committee of the House of Representatives said when they had the Smith-Lever bill before them. They show, in substance, that if it were not for the exchanges, if it were not for the insuring feature, if it were not for the hedging which comes about on the exchanges in the great markets, if it were not, if you please, for the speculation indulged in by the great number of men in this country who like to speculate, the producers would be at the mercy of the spinners and the large spot-cotton dealers.

There is a big difference of opinion, I say to the Senator from Alabama and to other Senators, on this great question, and I should like to have the Senator from Alabama explain, when he says that these things are all wrong, how he knows that the members of the great Agricultural Committee of the House were mistaken, how he knows that Mr. Herbert Knox Smith was wrong—and Mr. Smith is not a cotton man; he has no interest in cotton—and how the Senator knows that men like Mr. Percy and Mr. Thompson and all the others are wrong. Mr. President, I desire to quote just an excerpt from Mr. Smith's report—Chapter I, page 58—to wit:

> It should be emphasized that one of the great functions of a cotton exchange is the bringing together of buyers and sellers or their representatives. An exchange is a great market place. Transactions are, of course, greatly facilitated by the mere congregation of buyers and sellers and their representatives on the floor of an exchange. In the case of those exchanges on which a future business is conducted it should be noted that there are really two markets, one for future contracts and the other for spot cotton. The future market is not used to bring the producer and the spinner directly together but is rather a meeting place for cotton merchants (or their representatives) and brokers, who stand between the producer and the spinner. Spinners, for reasons explained in detail in a later part, do not ordinarily receive their supplies of cotton directly on exchange contracts but enter into private arrangements with merchants or brokers for the particular kinds of cotton which they require. These merchants, moreover, ordinarily do not obtain the cotton which they need by receiving it on exchange contracts. Such merchants, as already emphasized, use the future market mainly for hedging purposes, and the future ring to this extent becomes, as already pointed out, a great clearing house for hedging transactions. * * * The enormous advantage of such hedging transactions to the spot merchant, however, has been fully illustrated, so that it should be apparent that the future market, while not designed to bring the final consumer into direct touch with the producer of cotton, may perform quite as legitimate a function as if it accomplished this result directly.
>
> Of course, in addition to hedging transactions, a vast volume of speculative business is conducted in contracts. These, however, as just pointed out, are closely intertwined with hedging operations and may greatly facilitate the latter, although at times they undoubtedly are a source of disturbance.

Senators, a dogmatic assertion is one thing but proof is another.

Mr. COMER. I thoroughly indorse what Mr. Herbert Knox Smith has said; I quoted page after page from him, and would have quoted indefinitely had it not been for the Senator from New York [Mr. WADSWORTH], who was anxious to proceed with some bill which he had in charge. I turned the book containing the statement of Mr. Smith over to the Senator from Texas to read. It is one of the most interesting and one of the straightest stories I have even seen; and if the Senator from Louisiana will read it, he will see that what I have been contending for is based in large degree upon the result of Mr. Smith's investigation. It is not the cotton exchanges we are fighting; we want the cotton exchanges; but we want them to function properly. When the exchanges function properly, then they are just as necessary as is any other part of the business. Their proper functioning, as Mr. Welch says, is this: If a man can go on the market and buy a thousand bales of cotton which he has not sold, and then can go and sell a thousand bales on contracts and have them carried through on the basis of the market, and not on the basis of the contracts, then they accomplish their purpose and function. We are not fighting against the exchanges; we are fighting against the improper practices of the exchanges. When they practice what is right, when they function properly, then they are of great use to the country.

In reference to profits, those of you who listened to the Senator from Colorado [Mr. THOMAS] in his discussion of the dye-products bill, and those of you who go abroad in the land, anywhere and everywhere, will realize that America is not idle. I dare say that nine-tenths of the business of the country is doing well. How do you think the people could pay the taxes if they were not? It is a good thing the country is doing well along that line; but do not any of you ever get the idea that I am decrying the exchanges, for I am not; it is the evil practices of the exchanges that I am trying to correct. The amendment I have proposed, if carried through, will correct those evils. It will very nearly produce a condition, in my opinion—and that is what they fear—where the exchange price will coordinate with the spot price; and, if it does, then the exchange will gain and not lose business, and it will give every business man the opportunity to take care of his business as everyone wants it taken care of.

When farmers talk about the cotton exchanges now they say that the prices fixed are paper prices. In Alabama we have a ticker law which prohibits bucket shops because of the great losses of the people who went in and watched the ticker.

I will inquire of the Senator from Louisiana if he desires to ask me any other question?

Mr. RANSDELL. No.

Mr. COMER. I wish to thank the Senate for their courtesy; and I will say to the Senator from Louisiana that I have tried to be just as courteous to him as I could.

Mr. RANSDELL. The Senator certainly has been.

Mr. COMER. And I have tried to be as fair to him as he has been to me.

Mr. RANSDELL. I have no complaint at all.

Mr. COMER. I yield the floor.

Mr. RANSDELL. Mr. President, I merely wish to put into the RECORD one or two telegrams. I read first a very brief telegram from the Hon. I. N. McCollister, president of the Louisiana Farmers' Union. I have had it for some time; it is dated the 28th of March last, and addressed to me at Lake Providence, when I was at my home there. He says:

MANY, LA., *March 28, 1920.*

J. E. RANSDELL,
United States Senator, Lake Providence, La.:

Kill the Comer rider to the Agriculture appropriation bill, as it outlaws the majority of the cotton raised by farmers and destroys price insurance by futures.

I. N. MCCOLLISTER,
President Louisiana Farmers' Union.

Mr. McCollister lives at Many, La.; he is a farmer and lives in the hill section of north Louisiana, where he raises cotton.

I now read a telegram from Mr. H. Arthur Morgan, secretary-treasurer of the Association of State Farmers' Union Presidents. He is a farmer, living at Gonzales, La., and raises cotton and some cattle. His telegram is dated March 30, and he says:

GONZALES, LA., *March 30, 1920.*

Senator JOSEPH E. RANSDELL,
Washington, D. C.:

The rider to the Agriculture appropriation bill by COMER if permitted to become law would so restrict the contract as to be a vital blow to its usefulness to the producers, sellers, and buyers of American cotton. Briefly, the Comer rider is in the interest of the cotton spinner and opposed to the cotton producers, and if incorporated in the law would mean a deathblow to the cotton producers. I hope you will do all in your power to eliminate this Comer rider entirely. The passage of the Comer rider would place the American farmer at the mercy of the American spinners and foreign manufacturers, as they would control the price of American cotton.

H. ARTHUR MORGAN,
Secretary-Treasurer Association State Farmers' Union Presidents.

Mr. Morgan, as I have said, is a cotton grower and cattleman. He is a member of the Louisiana Legislature and lives not far from the city of Baton Rouge, the capital of the State.

I now wish to read a copy of a letter which has been furnished me from Mr. J. A. Whitehurst, president of the State board of agriculture, Oklahoma city, Okla. The letter is dated April 28, is addressed to Hon. C. S. Barrett, president of the National Farmers' Union, Atlanta, Ga., and reads as follows:

STATE BOARD OF AGRICULTURE,
Oklahoma city, April 27, 1920.

Hon. C. S. BARRETT,
President National Farmers' Union,
Atlanta, Ga.

MY DEAR SIR: I see that Mr. COMER refers to you in his rider to the Agricultural bill on cotton grades as being favorable to his proposition.

I am certainly very much surprised to know that you take this position, in which the spinners are so earnestly interested. I am sure that not only the majority but all of the farmers in the entire Southwest, where they are not influenced more or less by the spinners and dependent upon export markets for their cotton, are opposed to the Comer rider.

I am surprised at this time, when we are all trying to get together through the American Cotton Association to protect the interest of the farmer, to find such a division of opinion existing in the Atlantic States and the Southwest. I have been more surprised at the stand that Mr. Wannamaker has taken, professing such deep interest in behalf of the cotton farmer, and I feel that this move will have much to do with destroying any concrete movement on the part of the Southern States getting together in the American Cotton Association.

We are to have a State-wide meeting at the Capitol in Oklahoma city May 10 and 11, at which time we will make up our minds whether we will go ahead in the cotton business separate and independent from the Southeast States or not.

Assuring you again of the resentment felt by the cotton farmers of Texas, Oklahoma, Louisiana, and Arkansas, I am,

Very truly, yours,

J. A. WHITEHURST, *President.*

Just one word more, Mr. President. I wish to reiterate what I said several days ago, that the amendment of the Senator from Alabama, if written into law, will change a statute which was enacted by Congress in 1914 after the most earnest and sincere consideration, not for days, but for months and for years, for that measure was before Congress for several years. It is known as the Smith-Lever Cotton Futures Act. Under that act, passed in 1914, the exchanges of this country have been carrying on business since its adoption. It was amended slightly last year and restricted somewhat; the grades of "good ordinary" and "strict good ordinary" were taken out of the contract and the lowest limit was placed at "low middling."

Mr. COMER. Mr. President——

The VICE PRESIDENT. Does the Senator from Louisiana yield to the Senator from Alabama?

Mr. RANSDELL. Just a moment; let me make this statement. I think the fair and the just thing to do is to bring this matter up before the committees of Congress, and give the cotton producers and the cotton spinners and the cotton exchanges, the three great interests involved, a chance to be heard. Practically only one side was heard when this measure came up—the spinners, most ably represented by the Senator from Alabama, who has told us here to-day that he and his companies have 200,000 spindles, eight big mills, in the State of Alabama. One side was represented here, Senators. Let us have this measure presented to a special committee, if you will, or to the Agricultural Committee, to Congress in a fair, open manner; not moved for the first time on the floor of the Senate, when we are not expecting it, and changing the entire law on such a valuable product as cotton.

Of the present supply, an unduly large portion is of low-grade cotton, because of the delay in gathering last fall on account of the shortage of labor and the consequent weather injury. Obviously the immediate effect of the Comer amendment will be to upset dealings in cotton which require hedging, because a man will hesitate to sell a hedge under which he may be required to deliver more cotton above the grade of middling than he may possibly be able to command. At the same time the buyers of the large ratio of low-grade cottons still to be sold will be enabled to hammer the price upon the contention that such cottons will not be tenderable on contract. In the present situation, under the Comer amendment, it is a very reckless man who would agree to deliver, say, in September, any large volume of white middling cotton except at a price far beyond the present quotations. At the same time, a man would be equally as reckless who would agree, under that amendment, to purchase for September delivery cotton below middling at present quotations, if such cotton should be denied the privilege of tender on contract. The result to be reasonably expected from the Comer amendment is an artificial enhancement of the price of cotton above middling, and a corresponding depreciation of the price of cotton below middling.

All I ask, Mr. President, as a representative of the producers and also of the cotton exchange of my State—for I speak for it as well—is that the matter be delayed until we can study it, just as we studied the original Smith-Lever bill, and as we studied the amendment which was adopted last year. The proposed amendment goes much further and narrows and restricts the future contract far greater than the change made in 1919. .

I now yield to the Senator from Alabama.

Mr. COMER. In explanation of this amendment, I will say that two years ago a very extensive hearing was held on the conduct of the exchanges. Resulting from that, a very long discussion and investigation was held, and as a result of that the first Smith-Lever bill was passed, carrying 21 grades. The usufruct of that law did not bring the results that the makers of the bill and the people of the cotton States thought it would, and this amendment was passed; and while I am on that subject I want to tell you exactly how the amendment was passed.

It was proposed by the Senator from South Carolina [Mr. Smith] as a rider on the wheat-guaranty bill, just exactly like this was, and carried 7 grades. In the conference committee the number was changed from 7 to 10, and accepted by both sides, and it was passed. There was no examination nor anything else had at all and but very brief debate. It was passed before anybody knew it, and passed on the knowledge they had gotten from the examination of three years before.

This amendment was offered exactly like that was, with the same intent, and that was to get a reliable, safe, commercial, stabilized delivery. That was the whole intent of it, and it was the intent of the first one. The intent of this is simply to make the amendment of last year function, that is all.

You say that the subject should be gone into on a lengthy examination. Senator, I have said from the beginning that this amendment did not go as far as it ought to go. In talking with one of the Members of the House of Representatives who is on the committee, he suggested that there should be only three grades—middling, strict middling, and good middling. If this amendment fails I am going to try to have introduced somewhere, either here or in the House, a bill to make it but four grades—strict low middling, middling, strict middling, and good middling—and that will not hurt low-grade cotton. It does not "inlaw" or "outlaw" anything. It simply places the exchange on a basis where it will be an insurance on spot values, that is all.

I trust that this amendment will pass as it is. If it does not pass, and an investigation is held, I am going to go before it myself and fight for what? A more restrictive bill, because you want an exchange that will function. You can not drag all grades of cotton through an exchange or anywhere else, and you can not make the value there or anywhere else. You have got to make it on the markets of the world. The fact that we put one on here does not affect the price of cotton—I mean, it does not affect the price of that cotton. They can teeter the exchange price but they can not teeter the spot price. I am obliged to you.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After three minutes spent in executive session the doors were reopened, and (at 4 o'clock and 40 minutes p. m.) the Senate adjourned until to-morrow, Friday, May 7, 1920, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate May 6, 1920.

INTERSTATE COMMERCE COMMISSION.

Mark W. Potter, of New York, to be a member of the Interstate Commerce Commission for the term expiring December 31, 1923. (New office created by the act approved February 28, 1920.)

UNITED STATES TARIFF COMMISSION.

Samuel W. McCall, of Massachusetts, to be a member of the United States Tariff Commission for the term expiring September 7, 1928, vice Frank W. Taussig, resigned.

DIRECTOR OF BUREAU OF MINES.

Frederick G. Cottrell, of California, to be Director of the Bureau of Mines, vice Van H. Manning, resigned June 1.

RENT COMMISSION, DISTRICT OF COLUMBIA.

Mrs. Clara Sears Taylor, of the District of Columbia, to be a member of the Rent Commission of the District of Columbia, vice Guy Mason, resigned.

APPOINTMENTS AND PROMOTIONS IN THE NAVY.

Lieut. Commander Guy Whitlock to be a commander in the Navy from the 1st day of July, 1919.

The following-named lieutenants to be lieutenant commanders in the Navy from the 1st day of July, 1919:

William H. Lee.
Harold H. Ritter,
Harvey W. McCormack, and
Louis J. Gulliver.

Lieut. (Junior Grade) August Schulze to be a lieutenant in the Navy from the 30th day of July, 1919.

Ensign Bernard F. Jenkins to be a lieutenant (junior grade) in the Navy from the 3d day of June, 1919.

Passed Asst. Surg. Joseph L. Schwartz, Medical Corps, United States Naval Reserve Force, to be an assistant surgeon in the Navy with the rank of lieutenant (junior grade) from the 10th day of December, 1918, to correct error in date as previously nominated and confirmed.

Asst. Surg. Russell J. Trout to be a passed assistant surgeon in the Navy with the rank of lieutenant from the 30th day of January, 1919, to correct error in date as previously nominated and confirmed.

The following-named passed assistant paymasters to be paymasters in the Navy with the rank of lieutenant commander from the 7th day of December, 1919:

Irwin D. Coyle and
Paul A. Clarke.

Chaplain Thomas B. Thompson to be a chaplain in the Navy with the rank of lieutenant from the 28th day of February, 1920.

Naval Constructor Daniel C. Nutting to be a naval constructor in the Navy with the rank of captain from the 21st day of January, 1920.

Assistant civil engineer for temporary service Carl H. Cotter to be an assistant civil engineer in the Navy with the rank of lieutenant (junior grade) from the 1st day of July, 1918, to correct error in name as previously nominated and confirmed.

Pay Clerk Peter J. Penner to be a chief pay clerk in the Navy from the 6th day of January, 1920.

Paymaster Edward T. Hoopes to be a pay inspector in the Navy, with the rank of commander, for temporary service, from the 4th day of April, 1920.

The following-named midshipmen to be ensigns in the Navy, from the 5th day of June, 1920:

Laurence A. Abercrombie,
William V. Alexander, jr.,
William C. Allison,
Bern Anderson,
Albert S. Arkush,
Arthur De L. Ayrault, jr.,
George H. Bahm,
Harry W. Baltazzi,
Hampden O. Banks,
Morgan C. Barrett,
Virgil K. Bayless,
Edward P. Beach,
Charles H. Belcher,
Louis A. Benoist,
Wilson A. Benoist,
Burton B. Biggs,
Wesley C. Bobbitt,
Max I. Black,
Walter F. Boone,
Joseph F. Bolger,
Roscoe L. Bowman,
Charles E. Booth, jr.,
Wilbur F. Broun,
Harry A. Brandenburger,
William G. Buch,
Heber B. Brumbaugh,
Sydney S. Bunting,
Harry S. Bueche,
Carl H. Bushnell,
John G. Burrow,
Kenneth C. Caldwell,
Ralph E. Butterfield,
Guy Chadwick,
Jesse H. Carter,
Frederick G. Clay,
Nealy A. Chapin,
Oswald S. Colclough,
Howard Clark,
Oliver D. Colvin, jr.,
Sterling T. Cloughley,
William W. Cone,
Paul R. Coloney,
Allen B. Cook,
Arthur D. Condon,
John D. Corrigan,
Clarence V. Conlan,
Thomas O. Cullins, jr.,
Albert G. Cook, jr.,
Richard F. Cross, jr.,
Morton C. Hutchinson, jr.,
John J. Curley, jr.,
Arnold J. Isbell,
Duncan Curry, jr.,
Alan C. Curtiss,
Sampson G. Dalkowitz,
Thomas F. Darden, jr.,
Walter D. David,
Alan P. Davis,
Ransom K. Davis,
William S. G. Davis,
George H. De Baun,
Willard E. Dillon,
Sydney B. Dodds,
Samuel W. DuBois,
James R. Dudley,
Percy Earle,
Harold W. Eaton,
William G. Eaton,
Dew W. Eberle,
Alexander S. Edward,
Frank J. R. Eggers,
John M. Eggleston,
Edward H. Enright,
Charles F. Erck,
Thomas A. Esling, jr.,
William G. Fewel,
William F. Fitzgerald, jr.,
William B. Fletcher, jr.,
James L. Fly, jr.,
Edwin G. Fullinwider,
Daniel V. Gallery, jr.,
Gerard F. Galpin,
Kinloch N. Gardner,
Olin E. Gates,
William A. Gorry,
Alfred M. Granum,
Edwin D. Graves, jr.,
Alexander J. Gray, jr.,
Clark L. Green,
Nathan Green, jr.,
John F. Grube,
Elmon B. Guernsey,
Harry A. Guthrie,
Edward E. Haase,
Benjamin L. Hailey,
William M. Hainer,
Grover B. H. Hall,
James E. Hamilton,
Edgar W. Hampson,
Byron H. Hanlon,
Harlo H. Hardy,
Bryan C. Harper,
James C. Harris, jr.,
John W. Harris,
Walter J. Harrison,

Leonidas E. Hill, jr.,
Thaddeus B. Hopper,
Paul E. Howard,
Joseph C. Hubbard,
Howard H. Hubbell,
Roy C. Hudson,
John H. P. Hughart, jr.,
Linfield L. Hunt,
Ralph B. Hunt,
Stuart H. Ingersoll,
Virgil V. Jacomini,
William B. Jackson, jr.,
Llewellyn J. Johns,
Leon J. Jacobi,
Delamer L. Jones,
John W. Jamison,
Allan E. Julin,
Bascom S. Jones,
Frederick G. Kahn,
John G. Jones,
Marion R. Kelley,
William W. Juvenal,
Richmond K. Kelly,
Brian B. Kane,
Roland R. Killian,
William P. Kellogg, 2d,
Frederick D. Kime,
Thomas J. Kelly,
Edward T. Kline,
William M. Killingsworth,
Andrew W. Knisley,
James Kirkpatrick, jr.,
Lloyd Lafot,
Charles R. Kloman,
William G. Lalor,
Franklin B. Kohrs,
John E. Lawson, jr.,
Burton G. Lake,
Wilson D. Leggett, jr.,
Philip D. Lampert,
Maris V. Lewis,
Andrew P. Lawton,
Lawrence Litchfield, jr.,
George A. Leighton,
Harold E. McCarthy,
Gerald D. Linke,
Wayne A. McDowell,
Leonard Le B. Lyons, jr.,
William B. McHugh,
Frank C. McClure,
Renwick S. McIver,
Joseph A. McGinley,
Cecil G. McKinney,
Francis X. McInerney,
Heber H. McLean,
Francis J. McKenna,
Burns Macdonald, jr.,
Frank M. McLaury,
Atherton Macondray, jr.,
Ralph E. McShane,
Charles J. Maguire,
James S. MacKinnon,
William E. Makosky,
Charles G. Magruder, jr.,
William L. Maxson,
Artyn L. Main,
De Long Mills,
Harold L. Meadow,
Campbell H. Minckler,
William R. Millis,
Theodore O. Molloy,
Edward J. Milner,
Walter E. Moore,
Lucian A. Moebus,
Leland W. Morrow,
Gilbert B. Myers,
Thomas G. Murrell,
Christopher Noble,
Ralph O. Myers,
Timothy J. O'Brien,
Kenneth H. Noble,
John L. B. Olson,
Clarence E. Olsen,
Archie Paley,
Leo L. Pace,
George H. L. Peet,
Gordon B. Parks,
Paul E. Pihl,
Raymond C. Percival,
James C. Pollock,
John E. Pixton,
Charles R. Pratt,
William C. Powell,
William F. Ramsey,
Joe L. Raichle,
Paul J. Register,
William L. Rees,
Carl H. Reynolds, jr.,
James C. Reisinger,
Harry E. Rice, jr.,
Charles W. Rhodes,
Francis J. Riley,
George L. Richmire,
Kilburn H. Roby,
James L. Robertson,
Willis N. Rogers,
Joseph W. Rodes,
Paul E. Roswall,
David B. Rossheim,
Joe E. Rucker,
Edward E. Roth,
Thomas J. Ryan, jr.,
John C. Rule,
Joseph O. Saurette,
Ralph C. Sanson,
Norman O. Schwien,
Edwin W. Schell,
Joseph Seletski,
Malcolm E. Selby,
Burce Settle,
Mortimer E. Serat, jr.,
Eugene P. Sherman,
Glenn H. Sheldon,
Roy M. Signer,
Carleton Shugg,
Rodger W. Simpson,
Roland E. Simpson,
Edwin F. Smellie,
Barnett Sisson,
Sherwood B. Smith,
Talbot Smith,
John A. Snackenberg,
Elmer D. Snare,
Robert C. Sprague,
Ralph R. Stogsdall, jr.,
Robert Strite,
William E. Sullivan,
Fred Morris, jr.,
Ralph D. F. Sweeney,
Donald R. Tallman,
Wendell G. Switzer,
Warren F. Taylor,
Raymond D. Tarbuck,
Rufus G. Thayer,
Lyman A. Thackrey,
Edward M. Thompson,
Colin J. Thomas,
Rutledge B. Tompkins,
Carlton R. Todd,
Walter S. K. Trapnell,
Lloyd L. Tower,
Joseph C. Van Cleve,
Arnold E. True,
Claiborne J. Walker,
George van Deurs,
Richard M. Watt, jr.,
John A. Waters, jr.,
William Webster, jr.,
Thomas L. Wattles,
Charles Wellborn, jr.,
Max Welborn,
Forrest H. Wells,
Timothy F. Wellings,
Charles D. Wheelock,
Robert K. Wells,
Wilbur A. Wiedman,
Charles A. Whiteford,
John H. Willis,
Henry G. Williams,
Paul B. Wishart,

Dwight H. Wilson,
Charles P. Woodson,
John P. Womble, jr.,
George S. Young,
Ray F. Yager,
Thomas E. Zellars,
Parke G. Young,
Carl A. L. Sundberg, and
Rupert M. Zimmerli.

The following-named midshipmen to be second lieutenants in the Marine Corps from the 5th day of June, 1920:

Henry T. Birmingham,
Hjalmar A. Christensen,
Louis E. Marie, jr.,
Ivan W. Miller,
Joe N. Smith, and
James H. Strother.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 6, 1920.

DEPARTMENT OF COMMERCE.

Charles E. Herring to be Second Assistant Director, Bureau of Foreign and Domestic Commerce.

REGISTERS OF LAND OFFICE.

Victor G. Cozad, Burns, Oreg.
William H. Canon, Roseburg, Oreg.

RECEIVER OF PUBLIC MONEYS.

Andrew J. Foster, Lakeview, Oreg.

PROMOTIONS IN THE NAVY.

To be lieutenant commanders.

Lieut. Joseph R. Redman.
Lieut. Franklin G. Percival.
Lieut. Theo D. Westfall.
Lieut. Theodore D. Ruddock, jr.
Lieut. Zeno W. Wicks.
Lieut. Andrew H. Addoms.
Lieut. William H. Porter, jr.
Lieut. Sherrod H. Quarles.
Lieut. Alfred H. Balsley.
Lieut. William E. Malloy.
Lieut. Greene W. Dugger, jr.
Lieut. John M. Creighton.
Lieut. Charles D. Swain.
Lieut. Edmund W. Burrough.
Lieut. Albert H. Rooks.
Lieut. George F. Neiley.
Lieut. Russell E. Perry.
Lieut. Byron B. Ralston.
Lieut. Stanley L. Wilson.
Lieut. Herbert J. Ray.
Lieut. Charles E. Rosendahl.
Lieut. John G. Moyer.
Lieut. Richard B. Coffman.
Lieut. Emory F. Clement.
Lieut. Louis C. Scheibla.
Lieut. Patrick N. L. Bellinger.
Lieut. William T. Mallison.
Lieut. Newton H. White, jr.

To be a lieutenant.

Chief Boatswain William L. Hill.

MARINE CORPS.

To be a lieutenant colonel.

Maj. William L. Redles.

To be majors.

Capt. Ralph E. Davis.
Capt. Harry W. Weitzel.
Capt. Sidney N. Raynor.

POSTMASTERS.

GEORGIA.

Rufus G. Strickland, Reidsville.

INDIANA.

Harry R. Burns, Flora.
Theodore Hoss, Fowler.
Ernest L. Lambert, Hope.
Walter C. Farrell, Middletown.
Orville E. Steward, Rossville.
John N. Hunter, South Bend.

KANSAS.

William M. Burkholder, Anthony.
Stella B. Sizelove, Coats.
William J. Taylor, Colby.
Charles E. Schul, Grenola.
George W. Harley, McCune.
Elizabeth Newman, Towanda.

LOUISIANA.

Joseph E. Ryan, Berwick.
George D. Nash, Logansport.

MICHIGAN.

John B. Ahearn, Kinde.

MISSISSIPPI.

Ethan A. Wood, Woodville.

NEVADA.

John W. Christian, Pioche.

NEW MEXICO.

Frank Canavan, Gallup.
Arthur B. Wimberly, Hagerman.
Fred V. Conniff, Hillsboro.

NEW YORK.

E. De Lancy Walters, Bolivar.
John B. Duignan, Canastota.
George Diefendorf, Chaumont.
George H. Carley, Cooperstown.
Maurice F. Axtell, Deposit.
Addison L. Slate, Marathon.
John C. F. Walker, Newport.
Herbert G. Corey, Northville.
Mary Van de Bogart, Red Hook.

NORTH CAROLINA.

Archibald A. McKeithen, Aberdeen.
Edward P. McCoy, Pisgah Forest.

OREGON.

Leonard J. Locher, Burns.
Charles H. Skinner, Hermiston.
William C. Foster, Tillamook.

SOUTH CAROLINA.

Robert L. McNeely, Westminster.

TEXAS.

Henry J. Caldwell, Alba.
Seth W. Lawrence, Anson.
Manton W. Williams, Sinton.
Hal M. Knight, Sterling City.
John L. Brunner, Taylor.
John P. Olive, Windom.

HOUSE OF REPRESENTATIVES.

THURSDAY, *May 6, 1920.*

The House met at 12 o'clock noon.

The Rev. G. Campbell Morgan, of London, England, offered the following prayer:

Almighty God, we pause in Thy presence, remembering that Thou art all wise. We seek Thy wisdom. We thank Thee that the foundation of Thy throne is ever that of justice. Teach us to walk in the ways of justice. We bless Thee that we remember that Thy heart is the heart of infinite and unfathomable compassion. Grant unto us that all our doings may be inspired with love in response to Thy love. This day guide in the deliberation of those upon whom Thou hast set the high responsibility of leading a great people in the way of truth, honor, justice, and mercy. Hear us as we thus present our petition to Thee and grant us the answers of Thy wisdom and Thy love. We ask it in the name of our Lord and King. Amen.

The Journal of the proceedings of yesterday was read and approved.

SUNDRY CIVIL APPROPRIATION BILL.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870, the sundry civil appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. ANDERSON in the chair.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Missouri [Mr. NEWTON] pending when the committee rose.

The Clerk read as follows:

Page 18, line 3, amend by striking out the figures $2,357,000 and inserting in lieu thereof $2,569,000.

Mr. BLANTON. Mr. Chairman, I reserve a point of order.

Mr. NEWTON of Missouri. Mr. Chairman, I find that in the Bureau of Engraving and Printing there are about 2,100 employees classed as operatives. The number varies slightly from time to time. These employees do all the work toward the preparing, examining, trimming, inspecting, counting, perforating, and assorting of all the money, bonds, and postage stamps used in this country. They take the material from the time it comes from the printer and do all this until it is a finished product. These people do a class of work that requires skill and the greatest kind of concentration and attention. I do not believe there is a class of employees in the Government service whose work is as concentrated as the work of these employees. They are placed on tasks that require them to work every minute of time from 8 in the morning until 4 in the afternoon. They are not allowed to leave the building during that time. I am told that at least 50 per cent of them have dependents, and yet these people are paid, on the average, $720 to $800 a year, or $2.50 a day. I do not see how they can live on it. They do a class of work that requires skill and attention; and not only that, they are doing a class of work that requires responsibility. These people handle all the currency, bonds, and stamps of this Government; they are held responsible for every piece of paper that comes into their possession.

Mr. LAYTON. Will the gentleman yield?

Mr. NEWTON of Missouri. I will.

Mr. LAYTON. Is it not a fact that they handle such paper that a slight mistake will cause great loss to the Government?

Mr. NEWTON of Missouri. That is true. I have watched these people work. I have seen women handling six to eight thousand sheets of paper a day, putting them through the trimming and perforating machines, and they have to bring each sheet on the side and the end to a needle point. They wear shades over their eyes, and they tell me that their eyes frequently give out. When you pass by their desks they do not look up.

Mr. BLANTON. Will the gentleman yield?

Mr. NEWTON of Missouri. Yes.

Mr. BLANTON. Does the gentleman realize that the distinguished chairman of this committee handles $500,000,000 here——

Mr. NEWTON of Missouri. And he gets reasonable pay.

Mr. BLANTON. If you compare the pay of these employees and the amount of money that is handled, the gentleman will see that they are not so very far apart.

Mr. NEWTON of Missouri. Oh, the argument of the gentleman is utterly ridiculous. The only thing that this amendment does is to bring the standard of pay of these employees in the Bureau of Engraving and Printing up to the same standard that we are paying in the Printing Office. The employees there get $2.80 per day, and I do not see how they live on that. Certainly these employees ought to get equal pay with the other bureau, because they have more difficult work, they have to handle more valuable property, and they are responsible for every piece of paper. These employees, 50 per cent of them, have dependents. They get from $720 to $800 a year, or $2.50 a day.

Mr. GOOD. Will the gentleman yield?

Mr. NEWTON of Missouri. Yes.

Mr. GOOD. If the gentleman will show me 100 clerks down there—yes, if he will show me 15 clerks down there who get less than $3.13 a day, I will agree to his amendment. There is not a person down there but what gets $3.13, according to the statement of the director of the bureau.

Mr. NEWTON of Missouri. That is unfortunate, because either the gentleman from Iowa is in error or the director of the bureau this morning stated a falsehood to me. I went over these figures with the director, and he tells me that the calculation I have made will bring the pay of these employees up to what is paid to the employees of the Printing Office.

Mr. GOOD. The gentleman ought to have read the hearings. If he does he will find that the most of these employees are getting over $3.45. With the bonus they all get at least $3.13.

Mr. ROMJUE. They are receiving only $2.37 a day, and the bonus brings them to $3.13.

Mr. GOOD. And the bonus is prescribed by law as an additional compensation.

Mr. NEWTON of Missouri. I am talking about the basic pay.

Mr. GOOD. I am talking about the pay; I do not care whether it is received in one envelope or two envelopes. When the gentleman says they are not receiving $3.13 he is mistaken. The fact is that they receive $3.13 as the lowest pay. When the director made his estimate he frankly said that he made it in that way, because he did not know whether Congress would give the bonus or not. We have already carried the bonus for the next year. So we are giving them with this provision a minimum of $3.13 a day, and most of them get over $3.50 a day.

Mr. NEWTON of Missouri. With the bonus you are paying them between $900 and $1,000 a year, are you not?

Mr. GOOD. There are different rates of pay. One hundred and forty-six get $3.13 a day, 15 get $3.18 a day, 122 get $3.26, 48 get $3.32, 468 get $3.38 a day, 227 get $3.45 a day, and they range from that up to $3.76 and $3.80 a day.

Mr. NEWTON of Missouri. Is there any reason why these employees in the Bureau of Engraving and Printing should not be paid equal compensation with the employees in the Public Printing Office?

Mr. GOOD. Is there any reason why we should take out of the pockets of the taxpayers money to pay these girls that are doing this work twice as much as the gentleman would pay a girl to work about 12 hours a day in his kitchen?

Mr. NEWTON of Missouri. Does the gentleman deny that the employees in every hotel and restaurant in this town are not getting as much as these girls are?

Mr. GOOD. I will give the gentleman the minimum wage.

Mr. NEWTON of Missouri. It is $16 a week.

Mr. GOOD. And there is not one here who is not getting more than $18 a week.

Mr. NEWTON of Missouri. I beg to differ with the gentleman.

Mr. CANNON. Mr. Chairman, is this a privileged matter, or how does it come up?

The CHAIRMAN. The gentleman from Missouri has offered an amendment.

Mr. BLANTON. I ask recognition against the amendment.

The CHAIRMAN. The gentleman from California [Mr. RAKER] rose, and the Chair will recognize him first.

Mr. RAKER. Mr. Chairman, may the amendment be again reported?

Mr. GOOD. Mr. Chairman, will the gentleman yield first to me, so that I may see whether or not we can have an agreement on time for debate on amendments to this paragraph?

Mr. GALLIVAN. Mr. Chairman, I desire five minutes.

Mr. BLANTON. Mr. Chairman, I would like five minutes.

The CHAIRMAN. The Chair will state to the gentleman from Iowa that the point of order has been reserved.

Mr. BLANTON. Mr. Chairman, on the point of order——

Mr. MANN of Illinois. Mr. Chairman, I demand the regular order. Let us first dispose of the point of order.

Mr. BLANTON. I want to get a little information in regard to the point of order.

The CHAIRMAN. The gentleman from Illinois demands the regular order.

Mr. BLANTON. Mr. Chairman, will the gentleman from Illinois permit me to ask the chairman a question or two about the point of order?

Mr. MANN of Illinois. Certainly.

Mr. BLANTON. I want to find out from the chairman whether or not these salaries are fixed by law.

Mr. MANN of Illinois. It would not make any difference if they were.

Mr. GOOD. The Secretary of the Treasury is authorized to fix them.

The CHAIRMAN. The Chair overrules the point of order.

Mr. BLANTON. Then, Mr. Chairman, it is not subject to the point of order, and I withdraw it.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that all debate upon this paragraph and all amendments thereto be limited to 20 minutes, 5 minutes of that time to go to the gentleman from California [Mr. RAKER], 5 minutes to the gentleman from Massachusetts [Mr. GALLIVAN], 5 minutes to the gentleman from Texas [Mr. BLANTON], and 5 minutes to myself.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that debate upon this paragraph and all amendments thereto close in 20 minutes, to be divided in the manner indicated. Is there objection?

Mr. KELLER. I object.

Mr. GOOD. Then, Mr. Chairman, I move that all debate be limited to 20 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Iowa that all debate upon the paragraph and all amendments thereto be limited to 20 minutes.

The motion was agreed to.

Mr. RAKER. Mr. Chairman, this amendment should be adopted. In addition to what the distinguished chairman of the committee has said, you will find, on page 216 of the hearings, that of those who are receiving a base pay with a bonus there are only eight who receive $3.80 per day and only two

who receive $3.50 a day, so that it will be seen that only a very small number receive that base pay with the bonus which would correspond at all with the pay of those who are working in the Printing Office. On page 217 the director says that, considering the rigid responsibility in which these employees are held, due to the very character and nature of their work, he thinks they are underpaid in comparison with other branches of the public service here in Washington. That is the statement of the director in charge of these employees. The record shows, on the pages referred to, that the employees in the Printing Office, who do work of no higher character, work that does not require such a high technical knowledge, of no more experience, receive the same amount that the employees of this bureau would receive if the amendment offered by the gentleman from Missouri should be agreed to. Why should we provide for four or five thousand employees in the Printing Office at a certain pay, which is fairly commensurate to the employment in which they are engaged, and just across the Mall, where we have 4,000 high-class, competent women doing work that requires a higher degree of technical experience, people who are held responsible for all the material placed in their hands, we should compel them to work at a lower price than is paid for similar work in the Printing Office?

Mr. LAYTON. Do I understand that the employees in the Government Printing Office receive a bonus?

Mr. RAKER. They receive a bonus, and their pay is what the pay of these people would be if this amendment were agreed to. There can not be any distinction drawn, there should not be any distinction drawn, and to say that we are extravagant is unfounded. This is the highest technical work in the Government of that class. It is work that the Government needs, it is work that requires careful attention, and it is not work that you can do away with.

The women employees of the bureau work altogether on securities of the United States Government, and each one is personally responsible for every bond, stamp, note, coupon, and so forth, that passes through her hands. From the time the blank paper is first drawn from stock until it becomes a finished security, each person handling it must pay face value for any sheet or part of sheet that is missing at the end of the day. The women examiners who make the final count of Federal currency must make good any shortages reported by the banks. On the other hand, the women employees of the Government Printing Office engaged in the printing of books, pamphlets, and so forth, and who do not have the responsibility that these girls do, receive an entrance wage of $2.80 a day compared with the employees in the Bureau of Printing and Engraving rate of $2.37. These rates are exclusive of the temporary bonus.

You may say we have too many employees. We are paying a large sum of money for this work, but the work is necessary for the functioning of the Government. We must have this work that is turned out by these people in the Bureau of Engraving and Printing, and it is an injustice to them, it is unfair to them, that they should not be given the same pay as others in the service here in Washington are receiving, and we are not criticizing anyone. Far be it from me to criticize the members of the Committee on Appropriations or any of them, but here is a matter that is in the hands of the Committee of the Whole House on the state of the Union and the House, where the matter has been fully presented to them, where a question of injustice is being done. Private employers pay the persons whom they employ higher wages than this. The work must be done; you can not curtail it. I feel sure the House will agree that the wages of these 4,000 low-paid women employees in the Bureau of Engraving and Printing ought not be less than the wages paid the women employees of the Government Printing Office, when we find that such pay is not too large. I am for this amendment and trust the committee will agree to it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Chairman, the gentleman from Missouri [Mr. NEWTON] is a little inaccurate in having us believe that there are any employees in the Bureau of Engraving and Printing receiving as low as $2.37 a day. He should not merely take what is known as the base pay and cling to that only. As a matter of fact, they are getting not only that basic pay but an additional $240 bonus also, which every employee receiving less than $2,500 a year receives, paid proportionately every two weeks in his envelope. Now, this same table, found on page 216 of the hearings, shows the following: There are 468 employees receiving $3.38 a day; there are 227 employees receiving $3.45 a day; there are 27 employees receiving $3.51 a day; there are 136 employees receiving $3.64 a day; there are 20 employees receiving $3.60 a day; there are 6 employees receiving $3.80 a day; there are 38 employees receiving $3.32 a day; there are 181 employees receiving $3.51 a day; there are 84 employees receiving $3.64 a day; there are 59 employees receiving $3.76 a day; and there are 8 employees receiving $3.80 a day. All of these are unskilled employees.

Mr. CANNON. Will the gentleman yield for a question?

Mr. BLANTON. I will yield to the gentleman from Illinois.

Mr. CANNON. Are these employees entitled to 30 days' leave of absence with full pay, and in addition entitled to 30 days' sick leave in addition to a half Saturday?

Mr. BLANTON. No one knows that better than the distinguished gentleman from Illinois, who has had these questions before him for the last 40 years. Not all of them, as the gentleman from Missouri would have us believe, are heads of families. Most of them are unskilled, young, inexperienced girls. If the gentleman will go down and watch the employees work, he will see that many of them are young, inexperienced girls who could not get that much salary in the gentleman's district in Missouri. As said by the distinguished gentleman from Illinois, they get 30 days' leave each year, vacation on full pay, and in addition to that I feel sure they come within the class who get 30 days' sick leave additional on a doctor's certificate, and you will find some doctors in the District of Columbia who make a living in making certificates for this extra 30 days' sick leave as well as for intoxicating liquors. Not only that but they get a half holiday every Saturday in the three summer months; not only that but they get the 52 Sunday holidays; not only that but they get all the national holidays we get in various parts of the United States, and in addition to that they get a holiday on the numerous special occasions which happen so frequently in the District of Columbia.

Mr. CANNON. And will they go on the retired list at a certain age as soon as the bill which passed the House the other day becomes a law?

Mr. BLANTON. In the law passed, not by the vote of the distinguished gentleman from Illinois or myself, but passed by this House and the Senate, they will go on the retired list when they get to be 65 years of age.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LAYTON. I ask that the gentleman's time be extended for one minute to ask him a question.

The CHAIRMAN. The Chair will say to the gentleman from Delaware that the time has been limited by the committee.

Mr. GALLIVAN. Mr. Chairman, there is no occasion for any Member of Congress to throw a fit over the amendment offered by the gentleman from Missouri [Mr. NEWTON]. My friend from Texas gets unduly excited, and in getting thus excited he runs away from the facts. I am informed that these girls affected by this amendment do not receive the 30 days' leave of absence to which the gentleman referred. It is true that they get 30 days' sick leave, but so does everybody else on the Government pay roll.

The chairman of the Appropriations Committee will substantiate the statement that I now make that I have tried to support my colleagues on the subcommittee which prepared this sundry civil bill on practically the entire bill. There are but two or three items on which I have reserved my right to disagree with the majority of that subcommittee. The chairman will recall that I was interested in this proposition suggested by the gentleman from Missouri when we were considering this bill in committee. Why waste the time of this Congress and get so unduly excited over what I might term a most Christian amendment? Let us pass it now.

The women and girls in this bureau who will be benefited by this amendment work altogether on securities of the United States Government, and each of these employees is personally responsible for every bond, stamp, note, coupon, and so forth, that passes through her hands. From the time the blank paper is first drawn from stock until it becomes a finished security, each person handling it must pay face value for any sheet or part of sheet that is missing at the end of the day. The women examiners who make the final count of Federal currency must make good any shortages reported by the banks.

On the other hand, the women employees of the Government Printing Office engaged in the printing of books and pamphlets and reports of committees, and who do not have the responsibility that the women and girls in whose behalf the present amendment is offered, receive an entrance wage of $2.80 a day, compared with a rate received by the latter class of $2.37 a day. Does not this House believe that a job carrying with it the responsibility that these women and girls have on their

shoulders ought to carry a higher rate of wages? The chairman of the Appropriations Committee laid certain information before the subcommittee considering this bill which I do not believe was well founded. Because of that information the committee agreed that perhaps just now it would not be well to raise these wages.

I am heart and soul in favor of the amendment offered by the gentleman from Missouri——

Mr. LAYTON. And there is no information before this House that there are a large number of physicians in the District of Columbia who make a living falsifying and forging sick certificates.

Mr. GALLIVAN. Of course there is not, and no one believes that any such practice exists among the physicians of Washington, D. C.

Mr. ALMON. Mr. Chairman——

Mr. GALLIVAN. Mr. Chairman, my time has not yet expired. I have not finished. I know how hard this committee has had to work, and no man in the House ought to have the sympathy of his colleagues in any greater degree than the distinguished gentleman from Iowa [Mr. GOOD], our chairman. He has worked from morning until midnight on this bill, and he has done a remarkable job. Yet, as I said in opening, I dislike to see a simple proposition such as is contained in this amendment excite any Member of this House—even the gentleman from Texas [Mr. BLANTON], who seems to get excited about everything nowadays. For the life of me I can not see how these women and girls exist on the niggardly allowance they receive, and I ask the House to accept the amendment of the gentleman from Missouri [Mr. NEWTON]. [Applause.]

Mr. GOLDFOGLE. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from New York rise?

Mr. GOLDFOGLE. For the purpose of discussing the amendment and supporting it.

The CHAIRMAN. Debate has been limited, and the Chair recognizes the gentleman from Iowa [Mr. GOOD].

Mr. GOOD. Mr. Chairman, this is only one of the many demands made upon the committee to increase the wages of Government employees. The committee felt that inasmuch as the reclassification committee had recently made its report, and that action would likely be taken by Congress along the line of fixing the pay of Government employees, it was not within the province of this committee to invade that field at all. Now, the gentleman said that these employees do not receive the 30 days' leave. All I know about it is the testimony and the statement of the director who has charge of this bureau. I asked him these questions, as shown on page 217 of the hearings:

The CHAIRMAN. What leave do they have?
Mr. WILMOT. Thirty days in the year, but no sick leave.
The CHAIRMAN. They have holidays in addition to that?
Mr. WILMOT. Yes, sir. There are, counting the 14 half holidays, 13 or 14 holidays.

These girls, all of them, have about 43 or 44 days of leave with pay every year. Now, the gentleman says they are paid at a smaller rate than other employees in the District. Let us see whether they are paid a smaller rate. The minimum that the Secretary can allow them is $3.13 a day. The wages as established in the District of Columbia by the minimum-wage board of the District are as follows: For printing trades—and that is comparable to the work that these girls are doing—$15.50 minimum, or $2.58 a day, as compared with the Government wage for the same class of work of $3.13 as a minimum wage. In the mercantile trades the minimum-wage board has fixed the rate at $16.50 a week or $2.75 a day. For hotels and restaurants, the class of workmen the gentleman from Missouri classes these people with, they receive $16.50 a week, or $2.75 a day, as compared with a minimum wage here of $3.13.

But that is not all. The committee has given enough money here, with an estimate of the reduction in work, of more than 10 per cent as compared with the present year, and the reduction will be more than 10 per cent. My own opinion is that there will be money enough appropriated by this act so that if the director and the Secretary of the Treasury desire they can raise the pay of this class of employees so that no person will receive less than $3.50 a day or even more. This amendment would be making an appropriation in the dark and not in the face of all the facts. The gentleman who has made the motion and the gentlemen who have spoken in favor of it have shown by their statements that they do not know the conditions that surround these employees and did not know the wages received or the leave with pay or the other conditions of employment. They do not know what the minimum-wage board has fixed as a minimum wage for other employees. They do not know the splendid surroundings——

Mr. NEWTON of Missouri. Will the gentleman yield?

Mr. GOOD. No; I can not yield.

They do not know the splendid surroundings in which these girls work. Why, there is not a finer factory building in all the world than the Bureau of Engraving and Printing. It is a modern plant, with modern rest room, and with modern facilities, and most moderate prices for the lunches for those who buy their lunches there. And those who desire to take their lunches there have every convenience not afforded by the ordinary printing office.

I think the committee has acted very liberally with these persons, and I deplore the fact that gentlemen get excited because somebody from home, representing some organization, sends a telegram to his Member of Congress to vote for this amendment. That is the poorest of excuses for any man to act upon. That is the poorest excuse for anybody to vote money out of the Public Treasury. It seems to me that the committee in reporting this estimate, if it has been in error at all, has been on the side of liberality in the appropriation. I ask for a vote.

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The question is on the amendment of the gentleman from Missouri [Mr. NEWTON].

The question was taken; and the Chair announced that the noes seemed to have it.

Mr. NEWTON of Missouri. Division, Mr. Chairman.

The committee divided; and there were—ayes 65, noes 43.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For wages of plate printers, at piece rates to be fixed by the Secretary of the Treasury, not to exceed the rates usually paid for such work, including the wages of printers' assistants, when employed, $1,905,000, to be expended under the direction of the Secretary of the Treasury: *Provided*, That no portion of this sum shall be expended for printing United States notes or Treasury notes of larger denominations than those that may be canceled or retired, except in so far as such printing may be necessary in executing the requirements of the act to define and to fix the standard of value, to maintain the parity of all forms of money issued or coined by the United States, to refund the public debt, and for other purposes, approved March 14, 1900: *Provided further*, That no part of this sum shall be used to increase the wages of plate printers until all printers' assistants receive not less than $2.37 per day.

Mr. NEWTON of Missouri. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. NEWTON of Missouri offers the following amendment: Amend by striking out the figures "$1,905,000" after the word "employed" on line 17 of page 18, and by inserting in lieu thereof "$2,023,125."

Mr. NEWTON of Missouri. Mr. Chairman and gentlemen, the other amendment I offered was with respect to operatives in the Bureau of Engraving and Printing. There are about 2,000 of those. There are also about 1,500 printers' assistants in the bureau. If you go over there, you will find these printing machines at work, and the power presses have one man who is in charge, a printer, and as he stands there he is responsible for the operation of the machine and lays his hands over the plate to see if it is in proper condition. The women are the assistants, and they see to it that each sheet is placed on the die in the proper manner and is taken off in the proper shape. They act as assistants to the printers. The truth of the matter is the printer is paid by the piece, and, naturally, he sets a rapid pace, and these women who act as assistants are compelled to keep the pace that he sets, and the result is that they have got to stay there with tremendous concentration from 8 o'clock in the morning until 4 o'clock in the afternoon, with the exception of the 30 minutes which they are allowed for lunch.

Now, these women, together with the women provided for in the other amendment, are the only people who touch our bonds or our currency or our stamps in the Bureau of Engraving and Printing. The printers themselves do not handle the paper at all. The paper comes in and these two classes of people take hold of it—first, the printers' assistants, who print it——

Mr. BEE. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Missouri. Yes.

Mr. BEE. Will the effect of this amendment be to bring them to the same pay that they get for similar work in the Government Printing Office?

Mr. NEWTON of Missouri. No. It brings them up to the minimum pay received in the Government Printing Office.

Mr. BEE. Up to the minimum pay received in the Government Printing Office?

Mr. NEWTON of Missouri. Yes. These women are receiving $2.37 per day as base pay, and then they get their bonus;

and this will bring them up to $2.80 base pay, the amount that the women get for similar work in the Government Printing Office, and in addition to that amount they will get the bonus, I assume.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Missouri. Yes.

Mr. KNUTSON. Will these girls get the $240 in addition to their regular pay?

Mr. NEWTON of Missouri. I assume so.

Mr. KNUTSON. How much will that bring them up to?

Mr. NEWTON of Missouri. They are getting a little less than $740. That will bring them up to $860. They now get $740 per year base pay. The director tells me that about 50 per cent of the women over there have dependents, and I will tell you I do not see how they live.

The gentleman from Iowa [Mr. GOOD] talks about our getting telegrams, as if we were actuated by political influence. I have not received a single telegram, and I will tell you that I am moved solely by a sense of justice to these poor women and, knowing what I do about conditions over there, I would be ashamed of myself if I did not offer this amendment. I have seen the intense concentration with which these women work, and I know the pay that they are getting and the pay that is given elsewhere, and I know that the women in these two classes are the only ones that touch the paper from the time it goes into this plant until it comes out a finished product either as postage stamps, revenue stamps, bonds, or paper money ranging in bills from $1 to $10,000 each, and yet the employees who make these bonds and this money are paid only $2.50 per day, base pay. If I did not stand up here and speak in their behalf when I know what the cost of living in Washington is, when I myself have a hard time of it to live here upon my own salary, in the face of these facts if I did not stand up for these women, who are getting less than $1,000 a year for the hard work which they are doing and with which they must support themselves and their dependents, I would be ashamed of myself. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that the debate on this paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the debate on this paragraph and all amendments thereto close in five minutes. Is there objection?

There was no objection.

Mr. GOOD. Mr. Chairman, if the temper of the House is to remain the same as it was shown by the vote just taken, I assume that this amendment will be agreed to. But it ought not to be agreed to, and in saying that I think I speak advisedly.

The gentleman from Missouri [Mr. NEWTON] speaks in regard to the minimum wages, and on this matter we might as well understand what we are doing. Something over 75 per cent of these girls are white girls, and about 25 per cent or more are colored. The girls that are employed here in doing this work are not skilled workwomen. They are, as I am informed, the same class of girls that you and I employ as domestics in our kitchens, but of course have some training that they get at this bureau. I would hate myself the longest day of my life if I would come on the floor of this House and vote to pay a girl in one of the Government establishments—pay her out of the Federal Treasury—and vote to pay her almost twice what I would be willing to pay that same girl for work in my own kitchen. [Applause.] You gentlemen who are employing domestics are paying, as a general rule, from $10 to $12 per week. Here you propose to pay them around $21 per week.

Mr. CALDWELL. Mr. Chairman, will the gentleman yield?

Mr. GOOD. I yield for a question.

Mr. CALDWELL. Will the gentleman tell us where we can get a domestic servant for $11 a week these days? It costs $65 a month in my town.

Mr. GOOD. Now, these girls are given some advantages that you and I do not give them in private employment.

Mr. CALDWELL. Yes; in private employment——

Mr. GOOD. I am not yielding to the gentleman.

The CHAIRMAN. The gentleman declines to yield.

Mr. GOOD. These girls are working under very advantageous conditions. They are given, as I said before, 30 days' leave with pay and 13 or 14 holidays every year with pay. They are not employees, if you please, that have families to support. It is not that class of employees that you are dealing with here now. But that fact would have little weight.

When I spoke of the fact that we were receiving telegrams I spoke advisedly, because Members have come to me with their telegrams. Some of them I saw standing up voting for the amendment. I do not know what actuated them. Perhaps it was sympathy with these girls. I assume that it was a high motive that actuated them to vote for these amendments. But I say to the House and to the committee that when I receive a telegram of that kind I look upon it with suspicion, because I know that the person in my district that sends me the telegram knows nothing about the employment, nothing with regard to the wage or the conditions, and is simply doing what somebody has asked him to do.

I hope the House will pay no attention to them. We will dignify ourselves by casting such telegrams and letters of that kind into the wastebasket, where they belong. They ought not to be dignified by receiving any attention in the committee or on the floor of the House.

I think it is a mistake to raise this appropriation. If we are to take appropriations of this kind and raise them without any more justification than you have for this, you should forget all about your protestations of economy, all about cutting appropriations, and then just take the bill and grant the maximum that is demanded by a department and let the taxpayers pay the bill. Gentlemen on the other side of the aisle may justify their votes, for they are not responsible for the appropriations; but we are on this side.

Mr. WALSH. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. WALSH. What does economy amount to when you can bask in the smile and the approval of the Federal Employees' Union? [Applause.]

Mr. GOOD. Well, that is true.

Mr. EVANS of Montana. A moment ago the gentleman suggested that these employees were of the same class as employees engaged in domestic service. Is it not a fact that domestic servants get three meals a day at the expense of their employers, who pay them $40 or $50 a month besides, while these employees do not?

Mr. GOOD. Yes; that is true; and credit should be given to that extent.

Mr. EVANS of Montana. Does the gentleman think anybody can live on $60 a month in this country now?

Mr. WALSH. Yes; thousands do.

The CHAIRMAN. The time of the gentleman has expired. All time on this amendment has expired.

Mr. NOLAN. I ask unanimous consent to proceed for five minutes.

Mr. GOOD. I shall have to insist on closing debate on these amendments.

The CHAIRMAN. The gentleman from Iowa objects. The question is on the amendment of the gentleman from Missouri [Mr. NEWTON].

The question being taken, the Chairman announced that the ayes appeared to have it.

Mr. MANN of Illinois. Division, Mr. Chairman. Let us know who in the House are in favor of economy.

The committee divided; and there were—ayes 47, noes 33.

Mr. GOOD. I ask for tellers.

Tellers were ordered, and the Chairman appointed Mr. GOOD and Mr. NEWTON of Missouri.

The committee again divided; and the tellers reported—ayes 61, noes 44.

Accordingly the amendment was agreed to.

The announcement of the result was received with applause.

The Clerk read as follows:

BUREAU OF WAR RISK INSURANCE.

For expenses of the Bureau of War Risk Insurance under the act approved October 6, 1917, as amended:

Compensation: For the payment of military and naval compensation for death or disability, $125,000,000; and the unexpended balances of the appropriations for military and naval compensation for the fiscal year 1920 are continued and made available during the fiscal year 1921 for the payment of compensation for death or disability.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last word. I ask unanimous consent that I may proceed for 10 minutes.

The CHAIRMAN. The gentleman from Massachusetts moves to strike out the last word, and asks unanimous consent that he may proceed for 10 minutes. Is there objection?

There was no objection.

Mr. TREADWAY. Mr. Chairman, I heartily approve of this item of $125,000,000 for compensation for death and disability under the war-risk insurance act, and also the following item of $46,000,000 for hospital care, both items for the benefit of the veterans of the World War or the families of deceased soldiers. I believe there is also included in the lines at the top of page 20 something over $20,000,000. A little further on there is, for vocational training for disabled soldiers, an item of $90,000,000. The so-called Wason bill will within a

short time become a law, which I am informed carries something like $7,000,000. We also have an item for additional hospital construction of about $300,000 and about $10,000,000 for administrative purposes, making in all at least $300,000,000 for the next fiscal year for the benefit of the disabled soldiers, sailors, and marines of the late war, or their families. If the need existed I would very gladly vote double this sum, or any other sum to be expended for the benefit of the sick, the disabled, the needy, or the families of the disabled and the dead. We owe an obligation to those men to deal as liberally by them and by their dependents as their needs may require. I have proposed some of the legislation giving better care and assistance to this class of men, and I have favored all such legislation proposed by others when before the House. I will go just as far as any Member of Congress covering these needs, and I think the veterans in my district have realized my personal and official interest in their welfare. We can not overdo the opportunity to aid those who were disabled during the late war, and the taxpayers of the country will be back of us in every move of that kind. They will gladly pay that bill.

But I want very briefly to refer to the other class of assistance for which there is such a demand in this House at the present time. In the so-called bonus legislation this feature that I have just been referring to, of assistance to the disabled, does not appear in any shape or form. I think that if we went out and asked for the opinion of the public to-day as to what the so-called bonus legislation was expected to cover, we would find the opinion prevailing in the minds of the public that it was for the distressed and the disabled and the needy, not for the men who returned to their vocations in civil life in as good or perhaps in better physical condition than when they went into the service. When we speak of assistance to the veterans of the late war, it seems to me the sick and the disabled are the class of people whom the public expect should receive the benefit of our congressional action.

During my service in Congress no subject has been as difficult a problem to study and decide upon the proper course of action as this so-called bonus legislation. As you know, a resolution of this House referred the subject matter to the Committee on Ways and Means on February 26.

On March 2 that committee commenced hearings and held them continuously all during the month of March. During the month of April a sincere effort was made to prepare legislation. It was submitted in an informal manner to the gathering of the majority last week, and evidently did not receive the approval of that majority.

All during the preparation of this legislation I have tried to follow the views of the majority of my colleagues on the Ways and Means Committee rather than my personal judgment. I have not approved of the so-called consumption tax. I have not approved of the cash bonus payments to the soldiers as called for in the bills which we have been considering. I think my colleagues on the Ways and Means Committee will bear out the statement that I have been for most of the time in a hopeless minority as a member of the committee. I have approved of an effort to make fair compensation settlement with the veterans of the war through a certificate payment which, in a sense, is a paid-up endowment life insurance policy. In the end it would cost the Government more than a cash bonus, but it would be better for the Government and better for the men. It would extend the burden of payment by the Government over a period of 20 years and would encourage the men in the exercise of thrift.

I have no doubt that a very great majority of the ex-service men themselves favor the payment of a cash bonus, but they do it, in a sense, thoughtlessly. They do not take into consideration the results sure to follow this enormous cash payment. Why, if you approach a man and say, "Would you like $500 free for yourself for the asking?" of course he would like it; but those men were loyal, patriotic servants of this Government under the flag, and they are just as loyal citizens to-day, and they do not want to inflict on this Government any form of taxation which will depreciate the value of the dollar, which will reduce production in this country or inflate prices. That is their test of loyalty to-day, and I appeal to these men to look at the question from the broad standpoint of their American citizenship, not from the viewpoint of the selfish individual benefits of placing in their pockets for the moment a comparatively small sum of money. Their services were patriotic, their reward not measured by dollars. The dollar mark must not be put against their patriotism, their valor, or their sacrifices. Such services as they rendered must not be commercialized, and I again appeal to them not to accept any payment that would carry with it the appearance of a cash settlement. This country, I am convinced, can not stand more taxes than it is now burdened with. We can sugar-coat the taxation pill in any way we may, but nevertheless the bitterness of the consumption will come back to the people. They are the ones that will pay the bill. You can not get up a subterfuge form of taxation that will not eventually come back on the people, and until the financial condition of this country is very much better than it is to-day, until our receipts are more than our disbursements, the country can not stand it.

Although I have received many petitions from the American Legion posts and other organizations of veterans in favor of the bonus, I have also received many individual letters from veterans in opposition to it. I am confident that when gatherings of veterans study this question from the broad viewpoint of the best interest of the country they will realize that an additional tax burden of nearly two billions of dollars should not be asked for at the present time. [Applause.]

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. I ask unanimous consent to proceed out of order for five minutes.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to proceed out of order for five minutes. Is there objection?

Mr. GOOD. Reserving the right to object, I did not know that the gentleman from Massachusetts was going to speak out of order or I would have objected. But having permitted him to proceed out of order, when it was understood that, having given wide latitude to general debate, we would proceed with the bill under the five-minute rule without discussing other matters, I shall not object to the gentleman from Oklahoma proceeding. It is important that we pass this bill at a very early date if we are going to get through with the program. I hope there will be no further requests of this kind, because it is embarrassing to me. I do not want to object, but I do want to get along with the bill.

Mr. TREADWAY. May I say a word before the gentleman from Oklahoma begins?

Mr. McKEOWN. I will yield.

Mr. TREADWAY. I had not understood that there was any direct agreement as to the five-minute rule. I also felt that the item of war-risk insurance being before the committee that I was, in a large sense, in order. I do not wish to intrude upon any arrangement that has been made.

Mr. MADDEN. Regardless of any arrangement that is the rule of the House.

Mr. McKEOWN. Mr. Chairman and gentlemen of the committee, early in the session it occurred to me that this question of legislation for a bonus for the soldiers would be eventually brought to the attention of the House and that it would be a very troublesome subject when it did come up. I think whatever legislation is agreed on by this House, it ought to be legislation that will encourage economy and industry upon the part of the discharged soldiers. I believe that if this Government will enter into an arrangement by which young men who find themselves in straitened financial conditions can obtain a loan by which they can get into some business for themselves that the Government is not going to lose much on the wind-up.

So far as the home-ownership proposition is concerned, that is good for the everyday citizen, because the very thing that is threatening the Government to-day is the discontent of men who are without homes and who are not tied to this country.

The encouragement of a citizen to own his home is good legislation. It ought to be encouraged, and not merely because he is a returned soldier, but because it is good policy for the Government, for the future welfare of the country. It is an important question whether America is to become a land of home owners or tenants. [Applause.] Wherever the tenants are congregated you have there some men who are liable to explode whenever any crisis comes upon the country. If you want to find where we have had the most trouble during the war you will find it where men have lived under undesirable conditions.

You talk about men leaving the farm. Of course, they are going to leave the farm. We ought to have some legislation that will encourage the returned soldier to remain on the farm, so that he will not leave the farm for more inviting prospects in the city.

Now, the question comes up about procuring the money for this legislation. I want to say to you that the American taxpayer is going to call a halt when you undertake to raise taxes higher than they are now. What is the hue and cry that you hear from every man who pays taxes? The hue and cry is that Congress should reduce the taxes and not raise taxes. You have loaned $10,000,000,000 to the Allies, the income of which will be $450,000,000 per annum when it is paid. Why put the taxation for this soldiers' relief legislation on the American people? You

create the machinery by which the young men who returned from foreign wars are to be taken care of, but what is the necessity of putting the taxation immediately on business and stifling the business of this country? Why not make a program by which the interest on the foreign loans can be applied when it comes in? It will bring in nearly a billion dollars if paid in full this fall. Why not arrange the machinery by which you can put the same in effect, so that the service men will know that the Congress has provided for them, and that Congress is willing to do what is fair by them and at the same time not make them unpopular in their neighborhoods because of the levying of obnoxious consumption taxes for their benefit? Why not arrange our legislation so as to apply it to that purpose whenever it is collected? It will be collected. This interest on the foreign loans for two years is due and should be paid. Without the valor, without the bravery, of these soldiers, the $10,000,000,000, the amount of our foreign loans, would not amount to anything. You can take five years' interest of these foreign loans and apply it as it comes in to this relief program and it will take care of the home ownership and such things made necessary by soldiers' relief legislation. Apply it as it comes in without burdening the American taxpayer with additional taxes. [Applause.]

The Clerk read as follows:

Medical and hospital services: For medical, surgical, and hospital services, medical examinations, funeral expenses, traveling expenses, and supplies, for beneficiaries of the Bureau of War Risk Insurance, including court costs and other expenses incident to proceedings heretofore or hereafter taken for commitment of mentally incompetent persons to hospitals for the care and treatment of the insane, $46,000,000. This appropriation shall be disbursed by the Bureau of War Risk Insurance and such portion thereof as may be necessary shall be allotted from time to time to the Public Health Service and the Board of Managers of the National Home for Disabled Volunteer Soldiers and transferred to their credit for disbursement by them for the purposes set forth in this paragraph. The allotments to the said board of managers shall also include such sums as may be necessary to alter or improve existing facilities in the several branches under its jurisdiction so as to provide adequate accommodations for such beneficiaries of the Bureau of War Risk Insurance as may be committed to its care.

Mr. BEE. Mr. Chairman, I move to strike out the last word in order to ask the gentleman from Iowa a question with reference to that portion of this section which provides that the money shall be disbursed by the Bureau of War Risk Insurance and allotted from time to time to the Public Health Service and the board of managers for the National Home for Disabled Volunteer Soldiers.

Mr. GOOD. Yes.

Mr. BEE. What does the gentleman mean by the Home for Disabled Volunteer Soldiers? Are those the homes provided for soldiers of the Civil War?

Mr. GOOD. They were established after the Civil War, but those homes are now available for soldiers of all wars.

Mr. BEE. And they are being used now for soldiers of the recent war?

Mr. GOOD. Yes. Soldiers of the recent war to the number of 200 are in one of those homes; I think it is at the Dayton Home.

Mr. BEE. Heretofore those homes have been cared for by separate appropriations?

Mr. GOOD. Yes. There are appropriations for each of the homes carried in the bill.

Mr. BEE. I was trying to get at how much of the $46,000,000 to be used in this paragraph will be diverted into these homes away from the Bureau of War Risk Insurance.

Mr. GOOD. The bill carries in other provisions appropriations for each home sufficient to take care of each home for the next fiscal year on the basis of their membership. There are between nine and ten thousand vacant beds, and it was thought wise to make those beds available for the soldiers of this war.

Mr. BEE. That is, in these homes the gentleman speaks of?

Mr. GOOD. Yes. Just in proportion that the Director of the War Risk Insurance sends soldiers for treatment to these homes, he will have to allot sums to take care of them, because the other appropriations are estimated for upon the present membership only.

Mr. BEE. I am very glad to get that information.

Mr. CHINDBLOM. Mr. Chairman, as a member of the Committee on Public Buildings and Grounds, I want to congratulate the Committee on Appropriations upon this very wise provision. We have had a number of extensive hearings before the Committee on Public Buildings and Grounds with reference to hospital facilities for the men who returned from the recent war disabled and diseased. We find that the Director of the Bureau of War Risk Insurance under the present law—and I think very wisely—is charged with the sole responsibility of providing the necessary hospital facilities for these men. The question arises where he shall find the necessary buildings and institutions. This appropriation will permit him to make the proper arrangements anywhere where he can find such facilities, and particularly authorizes him to make such arrangements with the Public Health Service and the Board of Managers of the National Homes. We are informed that the Public Health Service has some hospitals and other buildings in view which will be acquired for this purpose. We have also learned that the National Homes for Disabled Volunteer Soldiers are available for the care of some of these men. Some changes will have to be made, some alterations installed in the present buildings, and some additional facilities provided, but the hearings before the Committee on Public Buildings and Grounds convinced me, and I think have convinced the committee, that the present arrangement is not only wise but entirely necessary at this time. There are particularly two classes of patients who have returned from this war who appeal to all of those who have become familiar with conditions that have arisen as a result of the war. Those are patients suffering from tuberculosis and from various mental disorders. The gas attacks during the war produced an alarming number of tuberculosis cases, which are developing from time to time and doubtless will continue to develop for years yet to come. The tremendous artillery fire of this war produced an unusual number of mental disorders, some of rather extraordinary character, which sometimes do not appear at once, but frequently develop at later periods. We must expect a very large increase, in consequence of this war, of men who are suffering from tuberculosis and from mental diseases, who will require the care of their Government. As was stated a moment ago by the gentleman from Massachusetts [Mr. TREADWAY], no greater duty has fallen upon the people of this country and upon the Congress representing the people than to take care of those men who took their lives in their hands to serve their Government in the hour of national distress, and who have now returned home shattered in body and in mind. [Applause.]

Mr. HICKS. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee a question in regard to the term "Independent Treasury," which occurs on line 16, page 21. That is a term that has been used for some time and I am wondering what the exact definition of it is, or at least the application of the word "independent." My understanding is that it embraces practically all of the fiscal arrangements of the Government outside of the District of Columbia, including subtreasuries, depositories, and activities of that kind, but I would like to be clear on the point because it is rather a singular term.

Mr. GOOD. My understanding of the term relates to subtreasuries and depositories as provided for by law, other than the Treasury of the United States.

Mr. HICKS. If the subtreasuries are to be abolished, as the law provides, would not that then do away with the term "Independent Treasury"?

Mr. GOOD. I do not know; I would have to look up the question myself to find out its ramifications and just the branches of the Treasury to which that relates. Of course, the subtreasuries will not be entirely abolished until the end of the next fiscal year. This heading has been carried in the bill for a long time; it is a term that has grown up in the service, and my information is that it attaches not only to subtreasuries but to the other special depositories of the Government.

Mr. MANN of Illinois. Mr. Chairman, this paragraph carries $46,000,000, the item just ahead of it carries in the neighborhood of $150,000,000, and there are other items in the bill carrying appropriations which I think bring the total appropriations for the benefit of those who were injured or who became diseased in the late war up to in the neighborhood of $300,000,000. Am I correct in that statement?

Mr. GOOD. Two hundred and eighty-two million five hundred thousand dollars in four items.

Mr. MANN of Illinois. I think there are some other items.

Mr. GOOD. There are some other items that are directly chargeable to the war that would perhaps bring the amount up to the sum the gentleman has indicated.

Mr. MANN of Illinois. This is purely for the benefit of men who were in the war who became diseased or were injured in the service.

I think that is a considerably larger sum than was ever appropriated at any one time in any one year to all those who served in the Civil War during a war that lasted four years when there were a great many more soldiers both injured and diseased than as a result of the recent war. I am not complaining of these appropriations. It seems to me it would hardly be charged that Congress has been niggardly in the consideration of our obligations toward the soldiers of the recent war when within two years of the actual expiration of the war, before it has theoretically expired at all, we are appropriating more money for those who were injured or dis-

eased during the war, and a short war, as far as we are concerned, than was ever appropriated for any one year for all of those of like condition during the Civil War, and more money, I believe, than the entire cost of operating the Government, including all those payments right after the Civil War. The number of men who were in actual conflict was no greater and not so great in the recent war as in the Civil War. The length of conflict was not nearly so great, yet we are frequently told that we are not beginning to do what we ought to do for the men who came out of the recent war. Maybe that is true; I will not undertake to argue that at this time. We are doing a great deal more than anybody dreamed of doing a few years ago, and I expect fully as much as anybody a few years hereafter will think there was cause for doing at this time for those who were injured and diseased. Now, we are told that we must not only do that, but we must take care of those who had a great experience and came back sound and well.

Mr. ANDREWS of Nebraska. Mr. Chairman, I move to strike out the last two words. The reference to the number of soldiers injured in the Civil War brings to my mind some figures. The most reliable statements I have been able to secure show that 110,000 soldiers on the Union side in the Civil War were killed or mortally wounded in battle; 249,000 died from disease during the period of the war, making 359,000 in all. Add to that those who returned with disabilities. Take into account the total number of enlisted men in that war and over against that note these figures: In the recent World War we are told by those who have investigated the subject in the Bureau of War Risk Insurance and the Public Health Service that 641,000 were discharged with some measure of disability; about 155,000 have been examined by the Bureau of War Risk Insurance and found entitled to hospitalization. About 39,000 have already received treatment; 13,247, on April 7, 1920, were in the institutions under the control of the Public Health Service; tuberculosis cases indicated by the examinations in the report, 15,528; mental troubles, 15,044, 5,000 of whom are already receiving treatment under Government service. General disability cases, 81,951.

I will not consume more time at present in rehearsing these facts. There are long lists of figures opening up this wonderful story and pointing out our responsibility. In a few days I hope that the Committee on Public Buildings and Grounds will be able to bring before the House a bill that will enable us to review in brief time the main parts of this story. Let me call attention to the two lines mentioned by the gentleman from Illinois [Mr. CHINDBLOM], who is also a member of the Committee on Public Buildings and Grounds engaged in the investigation of this work. The two classes of patients that appealed to me with greatest force are those afflicted with mental troubles and tuberculosis. Here are cases that will be large in number, serious in character, laying upon the Government a very heavy responsibility, which, of course, we will all be ready to meet promptly and readily as soon as exact measures can be determined. I believe that your Committee on Public Buildings and Grounds has already covered the case with sufficient investigation to disclose the material facts which we hope to bring before the House in the near future.

The Clerk read as follows:

MISCELLANEOUS OBJECTS, TREASURY DEPARTMENT.

The Secretary of the Treasury is authorized to use for, and in connection with, the enforcement of the laws relating to the Treasury Department and the several branches of the public service under its control, not exceeding at any one time four persons paid from the appropriation for the collection of customs, four persons paid from the appropriation for salaries and expenses of internal-revenue agents or from the appropriation for the foregoing purpose, and four persons paid from the appropriation for suppressing counterfeiting and other crimes, but not exceeding six persons so detailed shall be employed at any one time hereunder: *Provided*, That nothing herein contained shall be construed to deprive the Secretary of the Treasury from making any detail now otherwise authorized by existing law.

Contingent expenses, Independent Treasury: For contingent expenses under the requirements of section 3653 of the Revised Statutes, for the collection, safe-keeping, transfer, and disbursement of the public money, transportation of notes, bonds, and other securities of the United States, salaries of special agents, actual expenses of examiners detailed to examine the books, accounts, and money on hand at the several subtreasuries and depositaries, including national banks acting as depositaries under the requirements of section 3649 of the Revised Statutes, also including examinations of cash account at mints, and cost of insurance on shipments of money by registered mail when necessary, $160,000.

Mr. BEE. Mr. Chairman, I would like to ask the gentleman from Iowa with reference to this provision, page 21, enforcement of laws relating to the Treasury Department and the detailing of persons for the purpose of suppressing counterfeiting and other crimes. Now, what I would like to understand——

Mr. GOOD. We have not reached that item.

Mr. BEE. Page 21 says, "And four persons paid from the appropriation for suppressing counterfeiting and other crimes." What character of appropriation is that? Is not the general suppression of counterfeiting under the general administration of the Department of Justice through the marshal's office?

Mr. GOOD. It gives the Secretary of the Treasury authority to make the special-agent force a little more mobile.

Mr. BEE. I want to understand how it is of any value to take four persons out of the Treasury Department of the United States to investigate counterfeiting.

Mr. GOOD. While this paragraph authorizes the use of certain special agents, it is also restrictive by designating the number which may be so used.

Mr. BEE. I notice here that it says, "That nothing herein contained shall be construed to deprive the Secretary of the Treasury from making any detail now otherwise authorized by existing law." It struck me as a rather peculiar provision to take four men out of the Treasury Department to suppress counterfeiting.

Mr. GOOD. I do not know that there is any necessity for that now. Some years ago it was found they were using some of the Secret Service operatives for purposes other than the suppression of counterfeiting, and this was put on to stop that practice.

Mr. BEE. I thought the suppressing of counterfeiting was under the general administration of the Department of Justice.

Mr. GOOD. No; we have also a large appropriation for that. We carry $325,000 in the next item for suppressing counterfeiting and other crimes.

Mr. JUUL. Will the gentleman yield?

Mr. GOOD. I will.

Mr. JUUL. How long has the item, or the matter from lines 1 to 15, been carried in the general law? Is this new matter?

Mr. GOOD. No; it has been carried for some time. I could not tell the gentleman, but it is at least 8 or 10 years.

The Clerk read as follows:

Money-laundry machines: For all miscellaneous expenses in connection with the installation and maintenance of money-laundry machines, including repairs and purchase of supplies for machines in the District of Columbia and in the various Subtreasury offices, $500.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. Will the chairman advise us what is meant by these money-laundry machines?

Mr. GOOD. After the currency becomes soiled, if it is in good condition otherwise, it can be returned either to the Treasury or some of the Subtreasuries and laundered.

Mr. BLANTON. And put back into circulation?

Mr. GOOD. Put back into circulation without the necessity of having it destroyed and issuing new currency in lieu of it.

Mr. BLANTON. Is it economical to so launder it and put it back rather than to print new duplicates of it?

Mr. GOOD. That has been the judgment of the Treasury Department, that they could more economically launder some of the currency if it is not mutilated.

Mr. BLANTON. Is this item all the expense connected therewith?

Mr. GOOD. No. This is merely miscellaneous expense. The other expense is carried in the legislative bill.

The Clerk read as follows:

Suppressing counterfeiting and other crimes: For expenses incurred under the authority or with the approval of the Secretary of the Treasury in detecting, arresting, and delivering into the custody of the United States marshal having jurisdiction dealers and pretended dealers in counterfeit money and persons engaged in counterfeiting Treasury notes, bonds, national-bank notes, and other securities of the United States and of foreign Governments, as well as the coins of the United States and of foreign Governments, and other felonies committed against the laws of the United States relating to the pay and bounty laws, and for the enforcement of section 18 of the War Finance Corporation act; hire and operation of motor-propelled or horse-drawn passenger-carrying vehicles when necessary; per diem in lieu of subsistence, when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, and for no other purpose whatever, except in the protection of the person of the President and the members of his immediate family and of the person chosen to be President of the United States, $325,000: *Provided*, That no part of this amount shall be used in defraying the expenses of any person subpœnaed by the United States courts to attend any trial before a United States court or preliminary examination before any United States commissioner, which expenses shall be paid from the appropriation for "Fees of witnesses, United States courts": *Provided further*, That no person shall be employed hereunder at a compensation greater than that allowed by law, except not exceeding three persons, who may be paid not exceeding $12 per day.

Mr. GOOD. Mr. Chairman, in line 3 I move to strike out "$325,000" and insert "$375,000."

The CHAIRMAN. The gentleman from Iowa offers an amendment which the clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GOOD: Page 24, line 3, strike out the figures "$325,000" and insert in lieu thereof the figures "$375,000."

Mr. MANN of Illinois. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. MANN of Illinois. The committee had already recommended an increase of $50,000 in this appropriation over the current law. This makes it $100,000.

Mr. GOOD. The current law, with the deficiency, was $325,000, just as we had. I will explain to the gentleman the reason for it. Since writing up this bill the head of the secret service in the Treasury Department has discovered that there are two counterfeits of war savings stamps that are being circulated now. I have a set of those counterfeits here, with a set of the originals, and it is a matter that is so serious that I suppose nothing has given the Treasury Department more anxiety than those counterfeits of the war savings stamps. They are so perfect that the postmasters who are under the law given authority to redeem these war savings stamps can not tell which is the genuine and which is the counterfeit. A person desiring to surrender or cash his war savings stamps is now required to give 10 days' notice, and the department proposes because of the serious consequences that would follow this effort to require the person who desires to cash his war savings stamps to deposit them with the department and let them submit them to their experts. They will have to have experts in the larger cities, and they have felt there is no other way in which they can protect the Treasury of the United States in the redemption of millions of dollars of these war savings stamps. There [exhibiting] is the genuine stamp, and there [exhibiting] is a counterfeit stamp. The gentleman, I am sure, would hardly be able to determine, if I had not told him, which was the counterfeit and which was the genuine. The counterfeit has been splendidly executed, and Mr. Moran says that unless he has this additional fund—and the Secretary of the Treasury also says so—he can not protect the holders of these certificates and the taxpayers in this regard. I will say to the gentleman that he wanted more money than my amendment calls for, but it seemed to me it was of that serious character, dealing with a pretty important matter——

Mr. MANN of Illinois. I think the excuse given was a very good one.

Mr. BYRNS of Tennessee. I would like to ask the gentleman if he really feels that this increase of $50,000 for the purposes stated will be sufficient for this service?

Mr. GOOD. It is very hard to say.

Mr. BYRNS of Tennessee. The gentleman recalls that the original estimate was for $400,000. The committee cut that estimate to $325,000, and since that time this trouble to which the gentleman refers has arisen. I understood the chief of the secret service to insist that he would really need the full amount of the original estimate in order to cope with this trouble which threatens to cost the Government many thousands of dollars.

Mr. GOOD. I will say to the gentleman that when Mr. Moran called this matter to my attention he suggested $400,000. I did not have time to take it up with the gentleman from Tennessee, but I thought the additional $50,000 would give him an amount that would permit him to get his force organized, and, if it was necessary for him to have additional funds, he could get them.

Mr. BYRNS of Tennessee. I may be mistaken, but I understood it was thought he would need $75,000 instead of $50,000.

The CHAIRMAN. The question is on the amendment of the gentleman from Iowa [Mr. GOOD].

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

CUSTOMS SERVICE.

For collecting the revenue from customs, including not exceeding $200,000 for the detection and prevention of frauds upon the customs revenue, $10,300,000: *Provided*, That not more than one appraiser for the port of Baltimore shall be paid from this appropriation.

Mr. GARNER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARNER: At the end of line 6, page 25, strike out the period and insert: "*Provided further*, That the Secretary of the Treasury in the expenditure of this sum shall allot to the customs districts of the United States on the Mexican border such amounts as will enable those districts to perform adequately the duties authorized and required by law."

Mr. MANN of Illinois. Mr. Chairman, I reserve a point of order on the amendment.

Mr. GARNER. I do not think it is subject to a point of order, but it may be. If it is, I want to suggest to the gentleman from Illinois that this amendment only directs the Secretary of the Treasury to do now what he ought to do, to wit, enforce the customs laws along the border of Mexico.

There is $10,300,000 appropriated for this purpose in this bill, to be expended under the direction of the Secretary of the Treasury. There was $10,000,000 last year. Three hundred and fifty thousand dollars of it was used for the purpose of enforcing the customs laws along the 1,800 miles of border of this country. I do not believe it sufficient; I do not think the Congress would believe it sufficient if it had all the facts before it. I offer this amendment in order that we may suggest to the Secretary of the Treasury that he use sufficient of this appropriation to adequately enforce the customs laws along the border of Mexico.

Mr. MANN of Illinois. I do not know whether the Secretary of the Treasury would take the opportunity—I would not be surprised if he would—and thereupon ask Congress to give him four or five million dollars more in order to guard the coast of Mexico, the coast of Florida, the Canadian border, and various seacoasts of the United States with extra officials in order to prevent the importation of liquor into the United States. It may be proper to do that. I am not anxious myself to give the Secretary of the Treasury, under the collection of import duties—and there is still a duty on liquor, although we have forbidden its importation into the United States entirely, and it is a part of their duty to enforce that law—I am not anxious to have the Treasury Department have a line of officials standing but a very few feet apart, not only on the Mexican border but on the Canadian border, and possibly upon the seacoasts of the United States, to prevent the possible smuggling in of some liquor which ought not to be brought to the United States, and which I will not have the chance to consume, and would not if I had the chance.

Mr. GARNER. Let me say to my friend from Illinois that I am in perfect accord with his views in that particular.

Mr. MANN of Illinois. That is what I thought.

Mr. GARNER. So far as some of the constituents of gentlemen representing districts along our southern border are concerned, the customs laws may not be administered in such a manner as to suit them, but it is in the interest of humanity that the Treasury Department should maintain for itself a sufficient force to protect itself against the lawless element that comes in from Mexico. Recently—within the last 30 days—there have been three men killed along the border of Texas, and it can be attributed to the fact that there were not sufficient men to take care of the situation. Talk about two men going against a company of six or seven; it is very difficult, as the gentleman will realize, and their lives are constantly in jeopardy.

Mr. MANN of Illinois. We have lawlessness on both sides of the border, and no doubt men will be killed on our side of the border.

Mr. GARNER. I am not suggesting that you increase the salaries, although I do believe that the customs guards' salaries ought to be increased. I think the duty of the Treasury Department with reference to the enforcement of the liquor law on the border should be to consolidate the Internal Revenue and the Customs Services. Of course, we can not do it on this bill, but since you can not remedy the situation with reference to the internal revenue and the enforcement of the prohibition act and the Customs Service, I merely want to suggest to the Secretary of the Treasury that he furnish sufficient employees along that border in order adequately to enforce the law. I hope the gentleman from Illinois will not make a point of order.

Mr. MANN of Illinois. Well, here comes a matter where the gentleman wants to direct the Secretary of the Treasury to do something that I take it he would have the power to do now.

Mr. GARNER. Yes.

Mr. MANN of Illinois. I do not believe there is any instance where, when that was done, the executive or administrative officials did not at once, or as soon as they could, say they would do this, but that they would have to have more money to do it with.

Mr. GARNER. The gentleman will understand that in this particular item there was $1,700,000 asked for in excess of what was given to them. They were given $10,300,000, which was only $300,000 more than they received last year.

Mr. MANN of Illinois. Then they would come back and say, "You have directed us to do so-and-so, and we must have the money."

Mr. GARNER. They may say that, but I do not think it will have much weight with the committee or with the Congress.

Mr. MANN of Illinois. I noticed this morning, a while ago, that the Democrats of the House, together with a few Republicans of the House, were able to put an increased item over.

Mr. GARNER. I was not in the Chamber, and the gentleman must not shake his gory locks at me. [Laughter.]

Mr. MANN of Illinois. That thing frequently occurs. If the gentleman from Texas leads an assault upon the Treasury his colleagues will join him, and possibly some of the Members on this side, in the crusade against liquor. [Laughter.]

Mr. GARNER. I am perfectly willing to take the chastisement of the gentleman. [Laughter.]

Mr. MANN of Illinois. I am speaking of these unholy combinations of all the Democrats with a few Republicans to loot the Treasury.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MONDELL. Mr. Chairman, does the gentleman from Illinois [Mr. MANN] think that he ought to object to this indictment by Democratic Members of the Democratic administration? [Laughter.] You folks on the Democratic side resent it if on this side we call attention to the mismanagement and maladministration of public affairs; but when Democrats rise in their places and find it necessary to add to appropriation bills amendments to the effect that in expending an appropriation the administration shall comply with the law and protect the public interest—when they themselves feel called upon to do that, why should we object? [Laughter.]

It is a serious indictment. We have come to a pretty pass in the administration of the Government when gentlemen on the Democratic side would have us tag onto the end of every appropriation item a specific direction that in expending the money the department officials have a regard for the interests of the people and properly enforce the laws of the land. Do the gentlemen on that side want to tag appropriations with that kind of a provision? If they do, for my part I shall not object. I do not think we should object on this side.

Mr. GARNER. I am very glad to have the gentleman from Wyoming indorse the amendment, and I hope it will pass now. [Laughter.]

Mr. MANN of Illinois. Of course, as a general rule the gentleman from Texas never yields anything to this side of the House and gets everything he wants, Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The gentleman from Illinois withdraws the point of order.

Mr. GARNER. Question! Go ahead and put the question. [Laughter.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The amendment was agreed to.

Mr. GALLIVAN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Massachusetts moves to strike out the last word.

Mr. GALLIVAN. Mr. Chairman, I do not rise in opposition to the general provisions of this paragraph, but to call the attention of the House to the fact that a most worthy class of employees in the Customs Service, namely, the customs clerks, are not to receive a well-deserved recognition in the way of increased compensation because of the fact that the Secretary of the Treasury, in submitting his estimates to our committee, neglected to provide for such increase. These clerks recently banded themselves together to promote in all legitimate ways the welfare of the members and the efficiency of the service. They are not affiliated with any organization outside the Government service, and I mention this latter fact because I have been asked to bring it to the attention of Congress.

These clerks did not consider it wise or patriotic to make a general request for increased compensation during the war, at a time when every dollar of the revenues of the country was needed for the successful prosecution of that war. [Applause.] Of course, they were made uneasy in those days when they saw the various Government departments, and especially the newly created and expanded war bureaus, taking on employees at much higher initial salaries than long-experienced employees in the Customs Service are now receiving.

The Government showed its realization of the situation by giving a so-called bonus, first of 5 or 10 per cent, according to basic salary, then $120 per annum flat, then $240 per annum flat, which is now being received. It is obvious that under present conditions this bonus is only a slight mitigation of the serious economic situation which confronts practically every class of the customs employees of the country in view of the increased cost of living of about 100 per cent in the past five years. What is a man with a family dependent upon him to do in such circumstances? First, he may resign to seek other and more lucrative employment. This is being done in too many cases for the good of the service. But work in the Customs Service is of such a specialized nature that training and experience gained there are not particularly available in commercial lines. Second, he may obtain employment outside of office hours, which, however, are not so arranged as to make this means of increasing income possible in many cases, and when it is done it is likely to be at the expense of the health and strength of the employee who is supposed to give his whole energy to the work of the office in which he is employed. Third, he may consume past savings in the present support of his family; or, finally, he may reduce his standard of living. This is of necessity the plan adopted by the majority of customs employees.

I want to say to the House that, inasmuch as the manner of living of these customs employees in the best of days can not be lavish, any reduction in the standard of living necessitated by present conditions will not make for the contentment of the men or the morale of the service. These men realize fully the great cost of the war, and that the cost must be paid by the people of this country. They expect to pay their share of the economic loss [applause], and they are not complaining of paying even more than that share; but they do feel that the time has come when the disparity between their income and that received in other and less responsible lines of duty outside the Customs Service should be lessened.

Mr. Chairman, I would like to call to the attention of the House the conditions as they exist among the 398 employees in the collector's division at the port of Boston, and I am not including the appraiser's force. Among the various classes there are 14 officials and deputy collectors. There are also 112 customs inspectors, and others who are paid at a per diem rate. This leaves 272 civil-service employees directly in charge of Collector Edmund Billings, who, I might add, has stirred my interest in these men, who are paid yearly salaries amounting to $364,605, which is an average of $1,340.46 per annum, or $111.70 per month.

Out of a total of 525 civil-service employees in the collector's and appraiser's division, there are 228 who receive $1,200 or less; in other words, 43.4 per cent of all the employees receive $100 per month or less.

May I remind the House that the men in whose behalf I appeal, most of whom are married, secured their positions by competitive examinations? They are skilled and trained men. Twenty of them have been forced recently to accept outside positions in order to secure increased wages, and I fear that many more of these valuable public servants will be compelled to leave the Customs Service if conditions are not improved. I regret to say that the men who are leaving are among the best and the youngest of the clerks. You know as well as I do that when the force is depleted by the resignation of the best clerks it will cost the Government considerable to train a new force, and the business meanwhile will suffer, because it will be necessarily conducted by the less efficient and superannuated employees.

My associates on this committee were in sympathy, in some degree, with what these men are seeking and what I personally was anxious to have them receive, but the Treasury Department did not estimate for any increases for the customs clerks throughout the country, and as it is the practice of the committee not to report in its bill any appropriations which exceed the estimates asked for by the various bureaus of the Government, naturally my suggestion that these men ought to receive more money went by the board, but I have taken advantage of this opportunity to call the attention of the House to the fact that here is one important branch of the Government service where faithful employees, who did not at any time during the past four years ask for increased compensation, now feel that they ought to be considered. I agree with them, and I would like to see an amendment on this bill specifically providing for their betterment financially. I have hopes that perhaps somewhere else in this legislative system of ours some provision may be made for these men before this bill becomes a law. [Applause.]

The CHAIRMAN. The time of the gentleman has expired. The Clerk will read.

The Clerk read as follows:

PUBLIC HEALTH SERVICE.

For pay, allowance, and commutation of quarters for commissioned medical officers, including the Surgeon General, assistant surgeons general at large not exceeding three in number, and pharmacists, $856,000.

Mr. HICKS. Mr. Chairman, I move to strike out the last word. As most of the Members of the House know, the conferees have just decided upon a report reconciling the two bills, passed by this body and the body at the other end of the Capitol, in relation to the pay of the officers and men of the Army, Navy, Coast Guard, and Public Health Service. I believe that report will be before us to-morrow or the next day

for our consideration. Personally, I am very much in favor of that increase, and I merely want to make a statement now for the information of the committee in regard to the Public Health Service.

A day or two ago I made a brief speech on the subject of pay increases, in which I referred to the various arms of the service, and I merely wish to quote this from the public-health item in that speech:

THE PUBLIC HEALTH SERVICE.

In October, 1918, there were in the regular corps of the Public Health Service 217 commissioned officers. Since that time there have been 4 admissions to the corps, 3 deaths, and 21 resignations. Prior to that date the Public Health Service usually obtained by admission 10 to 15 officers per year and lost practically none by resignation.

The reserve of the Public Health Service was established in October, 1918. In order to obtain medical officers for the medical care and treatment of war-risk insurance patients the service commissioned 472 reserve officers who were leaving either the Army or Navy. Of the number recruited in this way 76 have resigned. It is almost impossible to secure new recruits. The importance of this service, especially to those who wore the uniform in the recent war, should appeal to us to enact legislation for relief.

The fact that it is almost impossible to secure new recruits is due essentially to the fact that the pay of these men is not sufficient to attract them, and in reference to this Public Health Service we must consider that the men in that service are doing magnificent work for the men who wore the uniform of their country in the recent war. In addition to the justice of the case on its own merits, that is another reason why I am in favor of an increase of pay for those men, in order that that service can be recruited up to its full strength, so that the ex-service men may receive the benefits they so rightfully deserve.

The Clerk read as follows:

Rural sanitation: For special studies of, and demonstration work in, rural sanitation, including personal services, and including not to exceed $5,000 for the purchase, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, $50,000: *Provided*, That no part of this appropriation shall be available for demonstration work in rural sanitation in any community unless the State, county, or municipality in which the community is located agrees to pay one-half the expense of such demonstration work.

Mr. SISSON. Mr. Chairman, I move to amend, on page 30, line 1, by striking out "$50,000" and inserting "$150,000."

The CHAIRMAN. The gentleman from Mississippi offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. SISSON: Page 30, line 1, strike out "$50,000" and insert in lieu thereof "$150,000."

Mr. SISSON. Mr. Chairman, I ask unanimous consent that I may proceed for 10 minutes.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent that he may proceed for 10 minutes. Is there objection?

There was no objection.

Mr. SISSON. Mr. Chairman and gentlemen of the committee, I want to take this occasion to congratulate the chairman of this committee and to congratulate the full committee on the splendid work that they have done. Taking the bill as a whole, I do not think it could be improved upon, and it has my entire approval, and the only item to which I made any objection was the reduction by the committee of the amount which I have offered to increase by this amendment.

The department asked for $250,000 for this purpose. Now, I am sure that all the members of the committee know that I am deeply interested in this item, because I was instrumental in getting the first appropriation for this purpose. I believe that of all the times in the history of the Government when we ought to economize this is the most urgent. I congratulate every Member of Congress who is advocating, standing for, and voting for economy; but there are wise expenditures of money that may result in the greatest economy.

In view of the fact that the great problem confronting us now is that of an ample supply of food, and since all the food must come from the farms, whatever this Congress can do within its proper constitutional power to aid and assist in making farm life more attractive, it is our duty to do. In addition to that I think it is the greatest economy.

It has been estimated by the authorities that something like $1,000,000,000 is lost each year, counting the number of days that men are out of employment by virtue of sickness due to preventable diseases. Now, there are five diseases which cause something like 70 per cent of the sickness in the United States. These five diseases are preventable. They can be controlled absolutely by sanitation. I will not go into a discussion of all of them, but take the single horrible disease of typhoid fever. It is known that this disease can be communicated from one person to another only through and by means of human feces, as repugnant as the idea may be, unless taken through the mouth. In the sanitation of our homes throughout the country it is easy for men to make the fatal mistake of putting their toilets in their gardens, where they ought not to be. It is easy to put them where the drainage will go into gardens or into pastures where cattle drink the water. I imagine no one will deny the proposition that the greatest handicap we all suffer to-day is the handicap of ignorance. The wise and well-informed man in building his premises, if he has kept up with modern laws of sanitation, does not need instruction. This appropriation was increased to $150,000 the year we got into the war. They asked then for $250,000. When Mr. Fitzgerald was chairman of the committee, I got them to report an appropriation of $150,000, but before this appropriation was used the war broke out, and then all of this money was used in those counties contiguous to the camps and cantonments to make healthy the places where we were training our boys. The next year they were given $150,000, and the money was used in the same way. Therefore the people have not had the benefit of this appropriation. It was diverted. Now, this year the committee have recommended only $50,000, thus reducing the amount $100,000. Now, this money is perfectly safeguarded by the proviso. They can not get a dollar of this money until the local authorities have put up as many dollars. If you want to do something that in my judgment is practical and economical, to say nothing of the relief that you give by removing the causes of diseases that produce 70 per cent of the sickness in the United States, which all the authorities, bacteriologists as well as physicians, say are absolutely preventable, then I ask you, gentlemen, to vote for this amendment.

You may say that the State ought to do it, but the trouble is that the county or State, those portions where they need it the most, will be the place where they resist it the most and are least able to pay. This is for the purpose of aiding the people to realize that by proper sanitation they may relieve themselves of doctors' bills and the suffering of the sick bed. [Applause.]

In addition to that, no city can be safe. Do not lay the flattering unction to your souls that because you live in the city you are not subject to the same sort of infection that the man is who lives in the country. Because all the vegetables that are eaten raw, all the milk that goes into the great cities to feed babies, that you drink yourselves, come from the farm; and when we know with absolute certainty that by proper sanitation you can prevent diseases being communicated in that way it does seem as if Congress should be willing not to stand in its own light, but to give this pitiable sum for dispensing this information.

You say that States ought to do it. Why do you maintain the health department; why do you spend such large sums on that? Look at this small item, even if you make it $150,000. Look at the sums that you give to look after the health of soldiers. I am not complaining about that; but if you would complete a proper system of sanitation you will find that you may be able to reduce the other appropriations very much more than you would spend by giving the people the proper information as to these communicable diseases. [Applause.]

So if I wanted to sustain this item as a humanitarian I could call attention to the suffering on the beds of illness throughout this country, and if I could cause men to believe and know that the failure on the part of Congress to appropriate $100,000 more than you are giving here would relieve the heartaches and suffering I do not believe that a single Member of Congress would decline to vote for the appropriation.

Ignorance of disease is what causes most diseases. Ignorance of how to take care of the health is what causes most all ill health throughout the country. So you can confer, in my judgment, great benefit on the people as a matter of cold-blooded economy estimated at about a billion dollars. When you take into consideration the doctors' bills and the suffering, you can not measure that in dollars and cents.

If this is true, the only thing necessary to convince you is whether or not the expenditure of the money will tend to do that. If I could convince every Member of Congress that the microscope and bacteriological investigations have been able to isolate all the germs that produce these five diseases with which the people are afflicted and that they can be prevented, then surely no one would oppose this increase. It seems to me that we are making progress along the right lines, not in curing the diseases but in preventing the diseases.

Every county health officer who has had an opportunity to see this trial without exception says that this is the best money expended in the United States, and I hope, gentlemen, that you will vote, with all of these other millions that you are expending for the purpose of making health laws, building new hospitals, and developing the great health department of the

Government—that you will do this much to give the people throughout the country the information that they need to assist in protecting them from disease, and a protection which will make healthier, stronger, better, and safer all the people who live in the country. [Applause.]

Mr. GOOD. Mr. Chairman, no one will deny that the gentleman from Mississippi [Mr. SISSON] is one of the real economists of the House. He is a very valuable Member of this House. No one has contributed more by hard work and industry to bring about real economy in Government expenditures than has the gentleman from Mississippi [Mr. SISSON]. He has given of his time and strength at all times to bringing about results. But, like the rest of us, he has his fads. He has not many, but he has one, and that fad is rural sanitation. It stands and abides with him.

We are all in favor of public health. We want to see a good state of public health all over the United States, but I am afraid we are not getting very far with an appropriation of this kind. I am perfectly willing to continue the work with the amount that we carry in the bill to see whether or not the public service can really accomplish something along the line that the gentleman from Mississippi has indicated that he wants to accomplish. In 1916 and 1917, during both of those years, when the gentleman's side of the House was in control, they appropriated $25,000. Then came the war, and you appropriated $150,000, and a large part of that was used because of sanitary conditions around the camps. Last year for a peace-time program you appropriated $50,000, and we have carried in this bill the same amount. I submit to the gentleman from Mississippi that after all this is an experiment.

Mr. SISSON. As a matter of fact, the estimate for the last appropriation was $500,000.

Mr. GOOD. The last estimate was $500,000, the same as the estimate for this year.

Mr. SISSON. I will state to my friend that every time the item has been refused by the committee it has met my vigorous protest.

Mr. GOOD. I know that it has. If the result which the gentleman desires, if we could reduce the death rate by a simple appropriation of $100,000 or $500,000, that would be worth while to make the appropriation. But I am afraid we are not getting very far. What is the program? It is to allot about $8,000 to a county. So far as it has been applied, wherever studies and surveys have been made, they have not been followed by the adjoining county at all. The money spent in the county, with the expenditure of Government funds, the rest of the counties do not take up the rural sanitation as advocated by the Public Health Service.

I am afraid that a good deal of the money we are carrying here in this respect is going to be wasted, but because of the fact that it is to produce a better condition with regard to the health of the rural part of our country, it seemed to the committee wise to carry the appropriation that is carried for the current year for a little while longer, to see whether or not something that is worth while can be accomplished. I do not believe that we should increase the amount.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was rejected.

The Clerk read as follows:

BOARD OF MEDIATION AND CONCILIATION.

For commissioner, $7,500; assistant commissioner, $5,000; necessary and proper expenses incurred in connection with any arbitration or with the carrying on of the work of mediation and conciliation, including rent in the District of Columbia, traveling and other necessary expenses of members or employees of boards of arbitration, furniture, office fixtures and supplies, books of reference and periodicals, salaries, traveling expenses, and other necessary expenses of members or employees of the Board of Mediation and Conciliation, to be approved by the chairman of said board, $22,500; in all, $35,000.

Authority for incurring expenses, including subsistence, by boards of arbitration shall first be obtained from the Board of Mediation and Conciliation.

Mr. CASEY. Mr. Chairman, I offer the following amendment, on page 31 and page 32, by striking out all of the language commencing on line 17, page 31, down to and including line 6, on page 32.

Mr. BLANTON. Mr. Chairman, I make the point of order against the amendment, that that part of it which relates to lines 17 to 25, inclusive, on page 31, and lines 1 to 3, inclusive, on page 32 comes too late, in that the paragraph containing it had been passed and that the Clerk had already read lines 4, 5, and 6, a new paragraph, on page 32. The gentleman's amendment comes too late.

The CHAIRMAN. The gentleman from Pennsylvania was on his feet seeking recognition when the Clerk began the reading of the paragraph beginning on line 4, and the Chair thinks it would be unfair to apply the rule strictly in the present instance.

Mr. BLANTON. The gentleman did not call on the Chairman until after the Clerk had finished the reading of lines 4, 5, and 6, which form an entirely new paragraph, on page 32.

The CHAIRMAN. The Chair thinks the gentleman is entitled to recognition. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CASEY: Page 31, beginning on line 17, strike out all of line 17 down to line 25, inclusive, and all of lines 1 to 6, inclusive, on page 32.

Mr. CASEY. Mr. Chairman, this item carries an appropriation of $35,000 for a Board of Mediation and Conciliation, as provided for in the act of July 15, 1913. I find in the hearings before the Committee on Appropriations on page 435 that Mr. William L. Chambers, a commissioner for the Board of Mediation and Conciliation, on February 10, appeared before the committee and gave testimony as to the necessity of this board. I find that on or about February 28 the Esch-Cummins railroad law was passed which provided for a labor board. Section 304 of that law provides—

That there is hereby established a board to be known as the Railroad Labor Board, and to be composed of nine members, as follows:

There is then specification as to the persons who are to constitute the board.

Section 307 of the same act provides, among other things, that the labor board shall hear and as soon as practicable, and with due diligence, try any dispute involving grievances, rules, or railroad conditions.

I also find that section 316 of the same act contains the following language:

The powers and duties of the Board of Mediation and Conciliation created by the act of July 15, 1913, shall not extend to any dispute which may be received for hearing and decision by any adjustment board or the labor board.

In the face of these facts I would like to ask the chairman of the Committee on Appropriations or some other member of that committee what are the duties of this board provided for in the bill now under consideration?

Mr. GOOD. Mr. Chairman, this board was established in 1913. Just what the conflict, if any, will be between the Board of Mediation and Conciliation and the Railway Labor Board provided for in the transportation act it is difficult to say. We took up with this Board of Mediation and Conciliation the matter of whether or not there was going to be any conflict. The chairman of the board, Mr. Chambers, said that there would be no conflict, and subsequently wrote a letter, in which he said:

It is possible that during the coming fiscal year some controversies, which might under the Newlands law come to an arbitration board appointed for that particular purpose, may be taken under the jurisdiction of the Railroad Labor Board provided for in the transportation act. The members of the Board of Mediation and Conciliation can not attempt to foretell just what course a railroad labor dispute will take before a satisfactory settlement is reached, but should a controversy of some magnitude or several cases of smaller proportions be referred by the parties to arbitration under the act of July 15, 1913, providing for mediation, conciliation, and arbitration of railroad labor controversies, the Board of Mediation and Conciliation might be compelled to appeal to Congress for a deficiency appropriation should the suggested reductions in the appropriations for 1921 be put into effect.

My understanding of the situation is this, and I am very frank to say that it is somewhat superficial. This Board of Mediation and Conciliation, given the jurisdiction to conciliate disputes that arise between railroad companies and their employees, have some powers with regard to conciliation not given to the labor board.

The committee has kept in mind the gentleman's viewpoint, that Congress has already reduced appropriations with regard to conciliation in labor disputes—and that question was raised by others—and we did not want to take the responsibility for cutting out an appropriation and destroying the usefulness of a board that might by its activities bring about a state of harmony and peace between the employer and employees in railroad transportation and thought it was best to give the reduced appropriation.

Mr. CASEY. May I ask the gentleman whether, in the face of the language contained in section 316 of the railroad act——

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CASEY. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CASEY. The language of section 316 of the railroad act is as follows:

The powers and duties of the Board of Mediation and Conciliation created by the act approved July 15, 1913, shall not extend to any dispute which may be received for hearing or decision by any adjustment board or by the labor board.

Under that language, could the gentleman imagine any dispute on the railroads over which this Board of Mediation and Conciliation would have jurisdiction?

Mr. GOOD. I think they must have thought so, or they would have repealed this.

Mr. WOOD of Indiana. Mr. Chairman, does it not repeal it anyway by implication?

Mr. GOOD. The Board of Mediation and Conciliation do not understand that they have taken over their function, and I think the President does not believe that the functions of the board has been entirely taken away from them by that act.

Mr. WOOD of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CASEY. Yes.

Mr. WOOD of Indiana. The only excuse for the continuation of this board is not for the purpose of settling any disputes that might arise between railroads and their employees but for the purpose of settling disputes that might arise between other activities.

Under the language of the statute the gentleman has just read I think it is a complete repeal of this law in so far as they would have any jurisdiction over disputes with railroads.

Mr. CASEY. What other activities has the gentleman in mind?

Mr. WOOD of Indiana. In industrial disputes——

Mr. CASEY. Oh, no; because the Board of Mediation and Conciliation created under the act of July 15, 1913, is known as the Board of Mediation and Conciliation created by the passage of the Newlands Act, which had to do absolutely and only with railroad disputes.

Mr. WOOD of Indiana. If that is true, they have exceeded their authority, because they have reported hundreds of cases of conciliation that had nothing whatever to do with railroads.

Mr. CASEY. No; I think the gentleman is mistaken, because there is a division of mediation and conciliation in the Department of Labor that has to do with all industrial disputes other than railroads.

Mr. WOOD of Indiana. What is the difference between that board and the board now under consideration?

Mr. CASEY. The difference is that the Division of Mediation and Conciliation in the Department of Labor does some real constructive work, while this board will do nothing but draw its salary and make financial reports to the Congress.

Mr. WOOD of Indiana. Then I am clearly of the opinion that if the gentleman is correct with reference to the jurisdiction that the statute he has read absolutely repeals this there is no occasion for this.

Mr. CASEY. I want to say, further, Mr. Chairman, I have read the hearings; here they are, and I think I am justified in saying it is practically only a financial report of the activities of this board. I want to say, further, that the railroad employees of the country do not recognize this board as having jurisdiction and never did recognize it to any great extent, and I am of the opinion that if we carry this item in this bill and still continue this board we are going to have a conflict of authority, and we are not going to have any centralized authority in the handling of these labor disputes, and that is essential. We must have centralized authority in the handling of those disputes. We may have decentralized administration, but when we commence to decentralize authority and decentralize administration, then you are breeding trouble and, in my opinion, that is all that this does.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. CASEY. I will.

Mr. BYRNS of Tennessee. There no doubt is a great deal in what the gentleman says, but I take issue with the statement that this Board of Mediation and Conciliation has done nothing more than submit financial reports to Congress.

Mr. CASEY. I did not mean to be understood as saying that; I mean after the passage of the railroad act. That is about all they can do.

Mr. BYRNS of Tennessee. Well, in so far as future work is concerned, there may be a good deal in what the gentleman says, but here is the situation: The transportation act, the so-called Esch law, has just been put upon the statute books and the labor board provided for under that act has just been appointed and has just taken charge——

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. I ask that the gentleman have two additional minutes.

Mr. CASEY. Make it five.

Mr. BYRNS of Tennessee. Five additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. Now, while it may be true that under the transportation act, as the gentleman has said, the board will have entire control or jurisdiction of all labor disputes that may arise between the railroads and the employees, notwithstanding that, inasmuch as that board has just taken hold, does not the gentleman think that it might prove unwise without further investigation to repeal on this bill, so to speak, the law providing for this particular Board of Mediation and Conciliation?

Mr. CASEY. I will say in reply to the gentleman——

Mr. BYRNS of Tennessee. And, if the gentleman will permit me, the committee in making this appropriation did not give them the full amount that has been carried for the current year, but cut them down to the minimum.

Mr. CASEY. I will say in reply to the gentleman that if the labor board provided by the railroad act is going to be workable and amount to anything, we must centralize the authority. We must not have any conflict of authority. That is essential in all of these labor disputes, and if we provide in this bill for one board of mediation and conciliation and provide in the Esch-Cummins Act another board to handle these labor disputes, there is an opportunity of passing the buck, so to speak. [Applause.] What we want to do is to centralize authority and make those who are charged with the responsibility under law settle these cases.

Mr. BYRNS of Tennessee. Will the gentleman yield further for just one suggestion?

Mr. CASEY. I will.

Mr. BYRNS of Tennessee. There could not possibly be any conflict as I view it, but if there were any conflict between this board having only $35,000 at its disposal to pay salaries, and so forth, and the labor board under the transportation act, then undoubtedly the labor board created under the transportation act would have the right of way, because that law has only recently been passed and would supersede any authority or jurisdiction carried in the act of 1913.

Mr. CASEY. Let me say in reply to the gentleman from Tennessee if the testimony given by Mr. Chambers is worth anything, if it is worthy of consideration at all, then we are justified in believing it would lead to a conflict of authority, because in his statement before the committee he denies the jurisdiction of the board created under the Esch-Cummins transportation law and assumes that his board of mediation and conciliation has jurisdiction in certain cases; there is a conflict right there as stated in the testimony before the committee, and I do not think that Congress should be a party to it.

Mr. LAYTON. Will the gentleman yield?

Mr. CASEY. Yes.

Mr. LAYTON. If I understand the situation, we have the railroad law just passed?

Mr. CASEY. Yes, sir.

Mr. LAYTON. As far as language can make it, it establishes a board for the settlement of railroad disputes?

Mr. CASEY. Of railroad disputes.

Mr. LAYTON. Of railroad disputes. In the Department of Labor we have a board for the settlement of industrial disputes?

Mr. CASEY. Yes, sir; the Division of Mediation and Conciliation.

Mr. LAYTON. Then, why in the name of common sense do we want to go to the expense of another board for any other purpose when that covers the whole ground?

Mr. CASEY. I am trying to strike it out of the bill, and I am trying to convince the Committee on Appropriations and the Members of the Committee of the Whole House on the state of the Union that it should go out.

Mr. LAYTON. I will vote with the gentleman.

Mr. FESS. Will the gentleman yield?

Mr. CASEY. I will.

Mr. FESS. The gentleman has impressed me with the strength of the authority he shows, and unless the committee can show me there is some situation that the adjustment board does not reach I can not vote against the amendment to strike this out.

Mr. CASEY. Let me say to the gentleman in reply—not depending entirely on my own judgment in this matter—I went to the trouble this morning of going to see Mr. Shepherd, of the

railroad conductors, and other officers of these great railroad organizations, and asked this question, in the face of the language contained in the Esch-Cummins law, what jurisdiction or functions this board would have, and they said it would have absolutely none; that it is absolutely useless; and, so far as they were concerned, we could eliminate it. That is the position of the men who are supposed to use this board.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. CASEY. I will.

Mr. MANN of Illinois. The labor board under the transportation act, as I recall, can not act except upon application. Is that correct?

Mr. CASEY. That is the labor board, but that does not prevent the other boards from acting, from which there may be an appeal to the labor board.

The CHAIRMAN. The time of the gentleman has expired.

The Chair would like to suggest to the gentleman from Pennsylvania that it would clear up the parliamentary situation somewhat if his amendment concluded with line 3 on page 32.

Mr. CASEY. If that will clarify the situation, I ask unanimous consent that I may modify my amendment to that extent.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to modify his amendment in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. To what extent?

The CHAIRMAN. The Chair suggested to the gentleman from Pennsylvania that, technically, the Chair having held that the amendment was in order, it should end on line 3 on page 32. The Clerk had only read down to and including line 3, page 32.

Mr. BLANTON. Then, as I understand, the amendment seeks to strike out from lines 1 to 6 on page 32?

The CHAIRMAN. That was the form of the amendment, and the Chair suggested the amendment be modified so that it would include only line 3.

Mr. MANN of Illinois. I was under the impression that the labor board created under the transportation act was not given authority on its own motion to enter into labor disputes or make labor investigations. It must be on application.

Mr. BLACK. My recollection of that is, if the gentleman will yield, that if an increase in wages should be given that will be sufficient to create a necessity for substantial increase in rates, then the board itself could assume jurisdiction over the dispute.

Mr. MANN of Illinois. That is the Interstate Commerce Commission.

Mr. BLACK. No; the railroad board that we speak of. In the first instance, the adjustment boards created by the men on the railroads are supposed to act, but if it comes to the knowledge of the Railroad Labor Board that the advances given by these adjustment boards are such that would probably involve a substantial increase in rates, they can assume jurisdiction, even though they may not be appealed from.

Mr. MANN of Illinois. That is where the adjustment board acts. The adjustment board, in the first place, can not act except upon application.

Mr. CASEY. My understanding of it is—and, of course, there are none of us who can be too certain about what the precedents will be as we go along—at this time, when a dispute arises on the railroad, the representatives of the workers and the representatives of the carriers get together with their bipartisan board, or local board. They have the right to handle the grievances as to wages, working conditions, and arrive at settlements. If they settle a controversy satisfactorily to both sides, that is the end of it, provided that the settlement will not force an increase in the freight rates, and if it does that, then the labor board can reach down and upon its own initiative take hold of the case; only in that case can they take the initiative, but the employees or railroad managers can go to the labor board from the local board.

Mr. MANN of Illinois. It is very likely that in every case one of those boards will be called on. What I wanted to get at was this: Suppose there was a threatened strike on the railroads. I do not think under the law, as I recall it, the labor board has any jurisdiction except it is applied to or that the adjustment board has any jurisdiction except it is applied to. The Board of Mediation and Conciliation is a "butter in."

Mr. CASEY. I think that is the danger of the whole thing.

Mr. MANN of Illinois. It may be advisable to have somebody with authority to officially "butt in." That is what I am talking about. And they have in various cases in the past, at least where strikes were threatened, tendered their services and accomplished the result of preventing a strike.

Mr. CASEY. That is true, but we did not have the board then as set up in the transportation act.

Mr. MANN of Illinois. I understand, but under the transportation act is there any authority given to the board there to "butt in"?

Mr. CASEY. It is my understanding that there is.

Mr. MANN of Illinois. I was under the impression they could only act upon application.

Mr. CASEY. My understanding is just the opposite.

Mr. GOOD. Will the gentleman from Illinois yield?

Mr. MANN of Illinois. I will.

Mr. GOOD. The labor board would take jurisdiction under dispute upon the application of 100 or more unorganized employees, but not less. Now, this board of conciliation would take cognizance of a dispute where any number of organized employees appeal for mediation.

Mr. MANN of Illinois. They do not have to appeal to the board of mediation.

Mr. GOOD. Yes; on the application of the employees.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOOD. Mr. Chairman, if this is a duplication of service, I am perfectly willing that it shall go out. I am not satisfied and was not satisfied at the time that it was a duplication of service. I would ask the gentleman from Pennsylvania [Mr. CASEY] if he is willing that this go over until to-morrow, until a little further investigation may be made in regard to the law? I intended to make a further investigation in regard to the transportation act and make a comparison. Then it can come up on his motion.

Mr. CASEY. Mr. Chairman, that is perfectly agreeable to me.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that the item be passed, with the motion to strike out pending.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the paragraph beginning with line 18 on page 31, down to and including line 6, page 32, be passed without prejudice. Is there objection?

Mr. GOLDFOGLE. Reserving the right to object, am I right in understanding the chairman of the Committee on Appropriations to say that he has no objection to this going out?

Mr. GOOD. If there is a conflict between this board of conciliation and the other board——

Mr. GOLDFOGLE. Is not the gentleman convinced by the very clear statement of the gentleman from Pennsylvania [Mr. CASEY], as I am convinced by the statement of the gentleman from Pennsylvania and by reference to the various acts that we have passed creating the boards that have already been mentioned, that there really is no necessity whatever for the maintenance of the board mentioned in the bill, and that their functions have really consisted only of drawing pay and sending a report to Congress? Now, if that is the only function, and the chairman of the Committee on Appropriations is convinced of that, as I am convinced of it, why should we hesitate? Why should not this go out?

Mr. GOOD. I am not convinced, and I do not think the membership of the House or the gentleman from Pennsylvania would want to do anything that would require that we should back up. If this board were found to be performing a service that is done by the other body, it should go out. My only point is that we ought to make an investigation and be sure we are right before we proceed.

Mr. GOLDFOGLE. Can the gentleman conceive of any actual work that this board has to do that will justify its existence?

Mr. GOOD. I can conceive of some cases, if it were left in there, where the one board would not take jurisdiction of a case and where the other board would have jurisdiction.

Mr. GOLDFOGLE. Would not the result of such a condition as that be to shirk the responsibility and "pass the buck," as has already been suggested?

Mr. GOOD. I do not think so.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the two paragraphs concerning the Board of Mediation and Conciliation, beginning on page 18 and ending with line 6 on page 32, be passed over without prejudice. Is there objection?

Mr. BLANTON. Reserving the right to object, Mr. Chairman, might not this circumstance exist, that the new railroad board recently created by Congress may not be empowered to take any initiative whatever; that they may be permitted to adjust differences only after the matters have been submitted to them by one or both of the contending parties, while the present board, when difficulties arise, may take the initiative themselves and go out and seek to adjust the difficulty? Might not that circumstance exist, which would cause the chairman very properly to desire time in which to look into the matter?

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

COMMISSION OF FINE ARTS.

For expenses made necessary by the act entitled "An act establishing a Commission of Fine Arts," approved May 17, 1910, including the purchase of periodicals, maps, and books of reference, to be disbursed on vouchers approved by the commission by the officer in charge of public buildings and grounds, who shall be the secretary and shall act as the executive officer of said commission, $10,500.

Mr. JOHNSON of Kentucky. Mr. Chairman, I reserve a point of order on the paragraph.

The CHAIRMAN. The gentleman from Kentucky reserves a point of order on the paragraph.

Mr. JOHNSON of Kentucky. I will say to the chairman of the committee that the act only authorizes an appropriation of $10,000. This carries $10,500. I would like to ask if the gentleman would not be willing to change the sum to $10,000?

Mr. GOOD. The act only provides for $10,000. The committee has simply reported the amount that has been carried for several years for this purpose.

Mr. JOHNSON of Kentucky. That is the very reason why it should not be carried further.

Mr. GOOD. If the gentleman will withdraw his point of order I am perfectly willing to offer an amendment reducing it to $10,000.

Mr. JOHNSON of Kentucky. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The gentleman from Kentucky withdraws the point of order.

Mr. GOOD. Mr. Chairman, I move to strike out, in line 14 of page 32, the figures "$10,500" and insert the figures "$10,000."

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GOOD: Page 32, line 14, strike out the figures "$10,500" and insert in lieu thereof the figures "$10,000."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

EMPLOYEES' COMPENSATION COMMISSION.

Salaries: Three commissioners, at $4,000 each; secretary, $3,000; attorney, $4,000; chief statistician, $3,500; chief of accounts, $2,500; assistant chief of accounts, $1,600; accountant, $2,250; claim examiners—chief $2,250, assistant $2,000, assistant $1,800, five assistants at $1,600 each; special agents—two at $1,800 each, two at $1,600 each; clerks—7 of class 3, 12 of class 2, 27 of class 1, 3 at $1,000 each; chief telephone operator, $1,000; messenger, $840; experts and temporary assistants in the District of Columbia and elsewhere to be paid at a rate not exceeding $8 per day, and temporary clerks, stenographers, or typewriters in the District of Columbia, to be paid at a rate not exceeding $100 per month, $10,000; in all, $124,940.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLANTON. How much additional compensation is embraced in this paragraph, I would like to ask the chairman?

Mr. GOOD. How much over the current law?

Mr. BLANTON. Yes.

Mr. GOOD. The total amount carried in this bill is $124,940, as compared with $91,290 for the current year.

Mr. BLANTON. Then there is something like $33,650 of increase?

Mr. GOOD. No. I should have said as compared with $108,240. It is between $16,000 and $17,000 increase.

Mr. BLANTON. Between $16,000 and $17,000?

Mr. GOOD. Yes.

Mr. BLANTON. There is a movement on foot now with regard to this question of increases of salary, to pay the schoolteachers in the District of Columbia an additional compensation called a "bonus" to the extent of $500. I do hope that that will pass, and I hope the chairman will permit that amendment to be offered on the bill. I intend to offer it, if no one else does, before we get through with this bill, and I hope that neither the chairman of the committee nor anyone else will make the point of order against it.

If there is any one class of employees on God's green earth that is underpaid, it is the teachers of our land, and especially the teachers in the District of Columbia. You talk about these young, unskilled girls down here who are employed in very ordinary positions in the departments, for whom we passed an increase in appropriation this morning, receiving a little less than $1,000 a year with their bonus, very ordinary positions, while you will find school-teachers in this District who are graduates of colleges and universities, who have been teaching here for years, who do not get more than $1,000; people who are highly intelligent, the very best skilled teachers in the land, and we let that item pass by here every year. We have granted them a little increase, but the little increase that we have granted them does not amount to a bagatelle by the side of some of these other increases.

Why is it that we always are willing to let it pass? Why is it that we do not give them this $500 bonus? If we are so concerned about other employees of this Government, why are we not concerned about the teachers of the District of Columbia? I hope that when the rule is brought in here that is now under contemplation, which will shortly appear from the hip pocket of the distinguished gentleman from Kansas [Mr. CAMPBELL], making in order certain items that are going to be stricken out of this bill on a point of order—I hope that when that rule is finally prepared and brought in here it will make in order this $500 for the teachers of the District of Columbia.

This is one increase that you will find me voting for with you shoulder to shoulder, and I will even vote to increase it and enlarge it over the $500, because I believe that every teacher in this District is entitled to it. [Applause.]

Mr. BARBOUR. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman.

Mr. BARBOUR. Has the gentleman received a telegram?

Mr. BLANTON. No; I have not received any telegram from a person on earth on this subject; and if I should receive one it would find its way into the wastebasket if it was propaganda. I do not pay any attention whatever to propaganda telegrams. As soon as such a telegram comes I throw it into the wastebasket and do not pay any attention to it, unless it is a telegram like those which came to me from the people of the country during the time when we were so afraid the railroad bill, which saved this country from bankruptcy, was going to be vetoed, and the people of this land waked up and began sending telegrams here to Washington asking that the President sign that bill to save this country from bankruptcy.

I did pay attention to those telegrams, and produced some from about 50 citizens that I received from the State of Michigan one morning. I merely want to say in behalf of the teachers' bonus proposition that I hope arrangements will be made in time to let it go into this bill, and that it will not be stricken out on a point of order.

The CHAIRMAN. The time of the gentleman from Texas has expired. The Clerk will read.

The Clerk read as follows:

FEDERAL BOARD FOR VOCATIONAL EDUCATION.

Vocational rehabilitation: For an additional amount for carrying out the provisions of the act entitled "An act to provide for the vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, as amended, including personal services in the District of Columbia and elsewhere, funeral and other incidental expenses (including transportation of remains) of deceased trainers of the board, printing and binding to be done at the Government Printing Office, law books, books of reference, and periodicals, $90,000,000, of which sum not exceeding $5,000 may be expended for rent of quarters in the District of Columbia if space is not provided by the Public Buildings Commission: *Provided*, That the salary limitations placed upon the appropriation for vocational rehabilitation by the sundry civil appropriation act approved July 19, 1919, shall apply to the appropriation herein made.

Mr. FESS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. FESS offers the following amendment: Page 35, line 7, strike out lines 7, 8, 9, and 10 and in lieu thereof insert as follows: "That no person be paid by said board out of the appropriation contained in this act at a rate of compensation exceeding $2,500 per annum and rates above that sum, except not to exceed the following: One at $7,500; 2 at $6,000; 4 at $5,000; 30 at not to exceed $4,000; 40 at not to exceed $3,500; 20 at not to exceed $3,250; 80 at not to exceed $3,000; 80 at not to exceed $2,750; 100 at not to exceed $2,500."

Mr. BLANTON. I reserve a point of order on the amendment.

Mr. FESS. Mr. Chairman and members of the committee, this amendment does not strike out the proviso. It retains it, because I agree that we ought not to give blanket authority to any commission to pay any sort of salary they please. I think that would be a very serious blunder. Therefore the limitation is retained, but an effort is made in the amendment to increase slightly the salaries of something like probably 150 employees of this board.

As the membership of the committee know, the Committee on Education has been holding an investigation of the Federal Board for Vocational Education every day since the 2d of

March. That investigation is going on at this moment over in the House Office Building. We have covered the ground very exhaustively as far as we have gone. Some facts have been brought to light that would indicate that there have been some mistakes made that might be regarded as more or less grievous. However, I do not want at this time to make any sort of a report of this investigation, because later on the committee will likely make a regular report when we have closed the case.

Mr. BLANTON. Will the gentleman yield?

Mr. FESS. Yes.

Mr. BLANTON. The gentleman's amendment begins with salaries at $7,500 and goes down to $3,500. The gentleman knows of the testimony given by Mr. Holder, a member of this board, to the effect that prior to the time he went on this board for two years he had been drawing $6 a day for week days and no pay for Sundays, with a travel allowance.

Mr. FESS. Yes.

Mr. BLANTON. And that when he went on the board his salary immediately went up to $5,000.

Mr. FESS. My colleague on the committee will take notice that I have not referred to the salaries of the board. I am applying this amendment simply to the salaries of the rehabilitation staff.

Mr. BLANTON. The evidence shows that men who had never dreamed of such salaries in private life in the ordinary business world had their salaries raised up to $3,500 and $4,000 and in some instances to $4,500 by the board after they were employed in this office.

Mr. FESS. I am not responsible for the appointment of any particular parties. I am sure my friend on the committee shares fully in what I am about to say, that the rehabilitation work will demand as keen an appreciation and ability as any work that we have in the country to-day; and I am constrained to believe that the work of the staff has been hopelessly crippled by the Government paying higher salaries in other work that certainly is not superior to it and that is through other departments robbing this particular division of its best men. I want the chairman of the Committee on Appropriations to note this: The testimony given by the director yesterday showed us that they are losing to the War Department, which is doing not rehabilitation but vocational work, the best men they have, and nobody would say that the vocational work under the War Department is anything like as important as the rehabilitation work of the Federal Board. This Government ought at least to forbid the robbing of the best talent in the rehabilitation work by the War Department in its vocational work. We have found great loss in the staff for rehabilitation, not only by other departments of the Government taking them but also by private industry taking them.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. FESS. I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. CONNALLY. Will the gentleman yield for a question?

Mr. FESS. I yield to the gentleman from Texas.

Mr. CONNALLY. Does the gentleman's amendment provide that there shall be this number appointed at these salaries or not exceeding this number?

Mr. FESS. Not exceeding this number. There will be one at $7,500. That will be the director. There will be two at $6,000, who will be the district vocational superintendents, one at New York and one at Chicago. Then there are 12 other superintendents in these various districts.

Let me say to the committee that there has been surprising information that has come to our committee on the character of the work that is carried on now. We have compared this work with the work in Canada and the work in other parts of the world. Up to date, gentlemen, there are registrations in this work of 206,666 soldiers. Contact has been made with 174,197. Surveys have been made of 141,953. Approvals, section 2, which carries with it compensation allowances so that expenses are paid while they are in training, 58,099. Section 3, which does not carry compensation, but does carry tuition privileges of books, etc., 36,000. There are now in training 28,800 in section 2 and 1,834 in section 3. Approved, but not in training, 29,299 and 34,166. Gentlemen of the committee, the most advanced nation outside of our own in rehabilitation is Canada. Great Britain does a good deal, but it is mostly voluntary. France appropriates but very little for this work, and that is voluntary. Italy has not done anything like Canada. Canada is the furthest advanced of all, and here are the figures for Canada: Approvals, 37,693. Begun training, 33,845. The approvals in our country, instead of 37,693 as in Canada, are 94,000. Begun training, 38,000, and the committee must keep in mind that we have been at the work two years shorter than Canada.

Mr. BEGG. Will the gentleman yield?

Mr. FESS. Certainly.

Mr. BEGG. Can the gentleman give the ratio of approvals to the number of those needing rehabilitation service?

Mr. FESS. I can not give the ratio, but it is much larger in our favor. That is largely due to the fact that our law is more liberal. There will be this question for the committee to consider, and that is whether we ought to eliminate entirely section 3 training, which does not carry compensation, but allows every soldier that has been crippled in a degree to be eligible to the training. If you do that, you are going to take in a great number that do not now embrace the opportunity. When I asked those in authority how much that would add, they said in four years it was contemplated to complete all the work and it would cost something like $455,000,000.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. FESS. I ask for two minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FESS. The four years will not include very many, because there are only a few that enter college work, for example, in a four-year course. Quite a number, however, for three years, and a larger number for two years. We have made appropriations, and I think very generously, of $90,000,000 in this bill. That is really all that has been asked.

I want now to reinforce what has been said here so many times from so many different sources, that in the case of taking the disabled man and putting him on his feet, to make him a self-supporting individual, to avoid anything like the attitude of charity, to be cared for by the Government, is one of the finest pieces of work that any Government has ever undertaken to perform.

Mr. BLANTON. Will the gentleman yield?

Mr. FESS. Certainly.

Mr. BLANTON. If we should pass the gentleman's amendment and raise these salaries, does not the gentleman know that it will simply induce officers who are now in charge to give larger salaries?

Mr. FESS. I have not the right to say that, but my judgment is that there will be some reorganization.

Mr. BLANTON. If we were sure of that, you would not find me making any point of order.

Mr. FESS. I have no right to say what the committee will recommend and I do not know what the House would do, but with all the work that is going on there have been some lapses and there is a lack of esprit de corps and breach of morale that ought to be by all means corrected.

Mr. BLAND of Missouri. Will the gentleman yield?

Mr. FESS. I will.

Mr. BLAND of Missouri. Is it not a fact that unless you do have larger salaries it will be absolutely impossible to procure these instructors?

Mr. FESS. Absolutely; and not only that, but you will lose what you have.

Mr. BRIGGS. Will the gentleman yield?

Mr. FESS. Yes.

Mr. BRIGGS. To what extent are they losing these instructors?

Mr. FESS. To an alarming extent. I want to call the attention of the chairman of the committee to the fact that I mentioned a moment ago, that we are losing these men from the rehabilitation work to the vocational work in the War Department. I have the figures that will show that this division has been losing to the War Department doing vocational work because they are paying higher salaries. If there is a limit here, there ought to be a limit there, because it is not fair and it is crippling one of the most important pieces of work that we are doing, and I hope the chairman of the committee will let this amendment go on.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. MANN of Illinois. Mr. Chairman, I ask that the gentleman have two minutes more. I would like to ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MANN of Illinois. If we should agree to the gentleman's amendment, what is there, then, to prevent the War Department continuing its depredations by increasing the pay?

Mr. FESS. There is not anything.

Mr. MANN of Illinois. Then what good will it do?

Mr. FESS. I think, gentlemen of the committee, that one of the greatest items of deterioration that this Government has ever suffered was when we voted a lump-sum appropriation to the War Department, and the War Department started out, even in the personnel organization here, to disorganize all the salaries. I have in mind one case of an assistant to a man who got a good salary, where the assistant got only two-thirds of the salary of his chief. He was taken in the War Department in this city to do some other work, somewhat similar to what he was doing, and immediately he was placed on a salary one-third higher than that of the chief that he had served under. I speak of a man who went out of the Congressional Library. That is true all along the line, and it seems to me we ought not to permit one division like this one to be continually interrupted by some other governmental division taking our best men because they pay a larger salary.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. BLANTON. Mr. Chairman, I make the point of order that it is new legislation, unauthorized by law.

The CHAIRMAN. The Chair will hear the gentleman on the point of order.

Mr. BLANTON. Mr. Chairman, there is no law which fixes a certain number of employees or attempts to fix their salary. This legislation seeks to do both. It seeks to fix one man at $7,500, two at $6,000, and some others at $5,000, and so on, and it increases in a substantial amount the present appropriation.

Mr. FESS. Mr. Chairman, I do not think this is subject to a point of order. The same item was carried in last year's bill, and it is a limitation instead of an addition.

The CHAIRMAN. The language in the bill to which the gentleman proposes his amendment is as follows:

That the salary limitations placed upon the appropriation for vocational rehabilitation by the sundry civil appropriation act approved July 19, 1919, shall apply to the appropriation herein made.

The effect of that language is to reinsert in this bill the language in the sundry civil appropriation bill to which it refers. The amendment of the gentleman from Ohio is in exactly the same language as the limitation carried in the sundry civil appropriation bill of last year, with the exception that the amendment of the gentleman from Ohio increases the salaries beyond the amounts carried by the limitation placed in the bill last year. The Chair thinks that if the language of the original limitation was in order as a limitation on the sundry civil bill last year, and if the language which is now carried in the bill is in order, as the Chair believes it is in order as a limitation, it is in order to amend the limitations in the way proposed by the gentleman from Ohio, as the amendment of the gentleman from Ohio does not change existing law, and the Chair, therefore, overrules the point of order.

Mr. GOOD. Mr. Chairman, I am in sympathy with the desire of the gentleman from Ohio [Mr. FESS] to improve the efficiency of the Federal Board for Vocational Education and to make their work more effective. I think perhaps the greatest work which Congress has authorized is the work of the rehabilitation of the soldiers injured in the recent war. It is a work that has the sympathy of all of us, and I am sure no one wants to do anything that will interfere in the slightest degree with the efficient operation of that board. What I am unable to understand is this: Originally the estimates were submitted to Congress in the regular way for $38,750,000, and the board itself asked for the very limitation which is carried in the bill. Again, on April 9 of this year, the acting chairman of the board submitted an estimate for a supplementary appropriation, and in that estimate the acting director again asked for the same limitation with regard to salaries to be carried in the appropriation for the next year. It is true that a few days later the acting chairman of the board directed a letter to the chairman of the committee asking that that limitation be removed, buf after asking $90,000,000 for next year, the fact that the acting chairman of the board, after having worked under this limitation, and knowing what the limitation was, asked that the limitation be continued for the next year.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. FESS. The director of the board, when he was originally appointed, received $10,000. The director discontinued the work the early part of last year. His position has never been filled. The man who has his work gets $6,000 a year, or $4,000 less than the director originally received. I do not want to make statements that might be misconstrued, but we can not hold that man very long, because we can not keep such men at that salary. It seems to me that the chief of the rehabilitation work ought to be paid a salary commensurate to the work that he is doing, and it is now $4,000 less than the director originally received.

Mr. GOOD. Mr. Chairman, under the present limitation we have 1 at $6,000, 2 at $5,000, 28 at $3,500 to $4,000, 70 at $3,000, 60 at $2,750, and 100 at $2,500.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. GREEN of Iowa. I am not informed as to how the War Department got the right to pay superior salaries. Can the gentleman give me the information as to that?

Mr. GOOD. It was a lump-sum appropriation carried in the Army act, and that lump sum is carried in the current law and also in the bill that passed the House recently.

Mr. GREEN of Iowa. And as usual we always find these moneys appropriated by lump sum are expended in some way that Congress does not desire.

Mr. BLANTON. And yet we keep on appropriating in that way.

Mr. GREEN of Iowa. With reference to these particular salaries of the Vocational Board, there are three of them that are better than the salaries now paid Congressmen, although nominally the salary of a Congressman might seem higher. Along the same line of reasoning we would not be able to get competent men to come to Congress. I refer now to the one who receives a salary of $6,000 and the two who receive a salary of $5,000. Because of the extra expense entailed by being a Congressman, those sums make those salaries much more desirable from a monetary standpoint than the salary of a Congressman.

Mr. FESS. The superintendent of the New York office has been changed four times, and each time the man went out on a better salary.

The present man who is there has been under fire for some time, especially during this investigation. The question is, If there is a vacancy how are you going to fill that at $5,000 a year?

Mr. GREEN of Iowa. Well, I am not sure I shall not vote for this amendment; but I will ask my friend from Ohio, if I may have his attention for a moment, if he does not know a number of prominent educators in his own State who are not getting $5,000 a year salary? I know of a good many in my own State.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GOOD. I will ask for three minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa? [After a pause.] The Chair hears none.

Mr. GOOD. Now, another thing to which my attention is directed is the rate of increase in administration expenses. For example, it is growing about as follows: In July the administrative expenses for salaries and wages were $249,000; in August, $327,000; in September, $307,000; in October, $228,000; in November, $317,000; in December, $459,000; in January, $419,000; in February, $351,000; in March, $496,000, or an average of $352,000 a month for salaries and wages when the total appropriation, including the amount paid to colleges and universities and schools for tuition, including the allowances under the law for subsistence, and so forth—the whole appropriation included thus far this year is $30,000,000, with a deficiency pending of $8,000,000. Now, I submit that the administrative expenses for this board, not for the men who train the men but the men who are examining the men for training and placing them, is out of all proportion to what it ought to be for the money expended. [Applause.] Now, I want to say in fairness to the gentleman from Ohio that the gentleman has been going into this matter, and he knows much more about it than I do, but there was no estimate made before the Committee on Appropriations for enlarging this limitation, and we assumed—and, I think, had the right to assume—that that limitation was satisfactory. We knew the work was increasing, and therefore felt that it might be unwise to cut down the limitation, and therefore left it where it is. Certainly the committee was entitled to some information if the limitation was to be removed. Notwithstanding that, I would not urge that as an argument against the amendment, for the work is too important to be judged by any such standard.

Mr. FESS. If the gentleman will permit me, one line of inquiry in this investigation brought out the fact that there were not the type of men doing the work who I think ought to be employed. I do not want at this stage to make any adverse criticism. I think the director or chief who is in charge of the work now is an unusually serviceable man, and I think every member of the committee has been wonderfully impressed with

his grasp of the work, and yet he tells us he has been crippled in the work right along the line we have been mentioning here.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. FESS. I ask that the gentleman have two minutes more.

Mr. GOOD. And I will yield that to the gentleman.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none.

Mr. FESS. Mr. Chairman, I want to say this, that the cost of the rehabilitation is most largely increased in the cost to the Government for rehabilitating the subjects and not the overhead. We took the figures yesterday of the overhead expenses. There have been some statements made that they have been somewhat startling, and we found that the overhead charge has been lessening constantly, until now it is less than 12 per cent, and if you can find any institution doing educational work where the overhead is less than that, you will do what I think can not be done.

Mr. GOOD. I know the gentleman from Ohio wants to be fair——

Mr. FESS. I do, absolutely.

Mr. GOOD. This does not include the overhead of the institutions where these boys are sent. That overhead goes on just the same, but it is an added overhead.

Mr. FESS. I mean the overhead in reference to those simply employed by the educational board.

Mr. GOOD. This is all overhead I am giving; this $350,000 a month is all overhead.

Mr. FESS. The overhead would be but 12 per cent of the total outlay for the past three months.

Mr. GOOD. That is about correct.

Mr. FESS. And that is very low.

Mr. GOOD. I should say that it is much larger than any other Government institution that I know anything about except the Public Health Service.

Mr. FESS. Let me say to my friend that the thing that is distressing us is to make a contract with the soldier, and we are trying very hard to touch every individual who needs rehabilitation, and that, quite naturally, requires a lot of traveling.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BYRNS of Tennessee. Mr. Chairman, this is a very great service, and, as some one stated a few moments ago, there is no service that is being rendered to the disabled soldier at this time which in any degree equals it, and I am sure that every Member of the House is anxious to have every reasonable appropriation made which is necessary to give to the disabled soldier the very best service. If in order to do this it is necessary to increase salaries of the various officials of the board, the House will not refuse; but I want to call the attention of the committee to this fact, that there was no estimate asking for a change or an increase of the salaries being paid to the employees of the board here in Washington. There was no request made by anyone who appeared before the committee on the hearings that those salaries be increased. There was no complaint made to the committee that they were unable to get proper and efficient service and competent supervisory officials to administer the law. Now, I am very much surprised at my distinguished friend from Ohio, whose sincerity and intense loyalty to principle everyone concedes. Time and time again he has stood upon the floor of this House and talked about the necessity of economy. Time and time again the gentleman from Ohio has spoken of the extravagance in the Government and of the necessity for curtailing our expenses to the lowest possible minimum consistent with efficiency, and I agree with him entirely. But here we have a proposition, meritorious, everyone knows that, but a proposition in which the parties themselves are not asking for an increase, so far as the hearings before this committee are concerned, a proposition on which no estimates have been submitted asking for an increase, and yet the gentleman from Ohio——

Mr. FESS. Will the gentleman yield?

Mr. BYRNS of Tennessee (continuing). Offers an amendment which will carry a considerable increase of salary to men who are now being employed in the Federal Board of Vocational Education.

Mr. FESS. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield.

Mr. FESS. The gentleman will agree with me that in our effort to economize we must not economize with respect to the crippled soldier?

Mr. BYRNS of Tennessee. Undoubtedly not. I agree with the gentleman on that.

Mr. FESS. That is one thing we all agree on. Secondly, if the gentleman were in the conduct of this work and was under fire, with a newspaper publishing articles making attacks that are very bitter, and those attacks the subject of editorials throughout the country, would the gentleman come to Congress and ask for more money?

Mr. BYRNS of Tennessee. I would if I thought I was honestly entitled to it and deserved it. But I will state to the gentleman that these estimates were submitted last October, before this criticism to which the gentleman refers had arisen; and even at that time, so far as the estimates show, these salaries were considered satisfactory, and no request was made that they be raised. We are all willing to allow every dollar necessary for the comfort, welfare, and training of the crippled soldier. But, for my part, I am unwilling to make that a reason for increasing the salaries of those who are administering the law, unless it is clearly shown that they should have it. And in saying this I am not minimizing the value of the work being done by a number of highly worthy and efficient officials of the board. But we all must agree that this is a time for the practice of rigid economy.

Mr. FESS. Let me ask this question: The director of this work was on a salary of $10,000. Why should we cut the chief of the rehabilitation service, who has the major work of this whole affair, to $6,000? Now what is the justice of that?

Mr. BYRNS of Tennessee. Well, I do not say that the former director was not worth $10,000 or that the present one is not worth it. But I assume that a year ago, when Congress fixed the salary at $6,000, and when the present official who is now occupying that position and drawing that salary accepted it, it was considered fairly sufficient for the amount of service rendered.

Mr. FESS. Then it was new work.

Mr. BYRNS of Tennessee. I have no quarrel with the proposition to give the full amount that is necessary to obtain the most efficient service in this very meritorious and highly necessary work.

Mr. FESS. I know that is true.

Mr. BYRNS of Tennessee. But here the committee is confronted with propositions to increase salaries in a great many branches of the Federal service. There was no request from this board in the hearings, but there were requests submitted from other departments and other services. Now, the committee in a spirit of economy, believing this was no time, gentlemen, to increase salaries, believing this was a time when the utmost economy should be practiced, endeavored in this bill to reduce the expenses of this Government and hold them down just as low as possible.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. Just a minute more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. Until the Committee on Education, of which the distinguished gentleman is chairman, can at least complete its investigation and make a report as to what salaries should be allowed, I hope this amendment will be rejected and that this House will not by way of an amendment offered from the floor undertake to increase these salaries and——

Mr. FESS. Will the gentleman yield for half a minute?

Mr. BYRNS of Tennessee. I yield.

Mr. FESS. The Committee on Education had a session and made this recommendation this morning.

Mr. BYRNS of Tennessee. Then I submit it ought to come by way of legislation to the House and permit the House to discuss it as a matter of legislation and not by an amendment to an appropriation bill, as is sought here.

Mr. PARRISH. Mr. Chairman, I move to strike out the last two words. I am in favor of the amendment offered by the gentleman from Ohio [Mr. FESS] which would permit certain officers and employees of the Federal Board of Vocational Education to receive greater compensation than is now being paid them. I think it would result in more efficient service and will retain men in the work who are now already fitted by training and experience to best carry out the purposes of the law providing vocational training. If we are ever going to do anything for the men who have been wounded, crippled, and disabled in the service of our country in the way of giving them vocational training, it must be done with as little delay as possible. I happen to have had experience recently in appealing a number of cases to the vocational board here, and also have had occasion to learn something of some of the men who are now working on that board. For instance, over at Baltimore there is a man working as an officer on the Vocational Training Board who left a salary of $3,300 per year as dean of one of the leading universities of this country and went into this service at

$3,000 per year. By reason of insufficient appropriation for this work his salary is, after more than a year's service, reduced to $2,500. My attention was called to this, and I was advised that he would resign from the service unless his compensation is immediately increased.

Knowing that he is a valuable man, I made inquiry at the head office here in Washington to ascertain why it was that men with the training and experience this man has were not receiving more salary than $2,500 per year. I was informed that there are about 15 other men equal in experience and training with this man who will be forced out of the service or will retire in a short time unless some additional legislation or law granting a more liberal compensation is enacted. The man I have reference to is particularly fitted for this work; he is not only a graduate of the University of Texas, from which institution he holds the degrees of Master of Arts, Bachelor of Arts, and Bachelor of Laws, but has had wide experience as a training-school director and industrial training; he has attended northern and eastern universities and has credits that would almost, if not quite, enable him to secure his doctor's degree. He has made a special study of training schools and colleges of the United States and their entrance requirements with a view to being able to place enlisted men in any particular school or institution that would best fit them for their chosen work. Mr. Chairman, I wish to emphasize that the examination and placing of these men with efficiency and quickness in the field is vitally important at this time in order that the disabled men may be placed in training now rather than allow the work to drag along and their classification and placement be delayed until some future time, because if the men find they will be delayed, and there are many delays throughout the country now, they simply will not take advantage of the law. Already the service men are complaining of the delays. I have received letters from the different posts of the American Legion complaining because they are not able to get the wounded, crippled, and disabled men in a position to get the training they should have with sufficient promptness. I think this amendment should be adopted in order that we may do for these boys what we ought to do and do it now. A year from now may be too late; many of them will be in different vocations regardless of their wounds or injuries, and they will not drop the work they then have undertaken to take up other lines in order to get the training should it be offered them later, whereas they would take it now if their applications could be promptly considered and their training made immediately available.

My interest in this amendment does not go so much to the officers who are administering this law, though I think they are entitled to just treatment, as to the wounded and disabled boys. As was indicated by the chairman, the administration of this law and the placing of these boys is indeed a large undertaking, and, according to his figures, up to date there are registrations in this work of 206,666 soldiers. Contact has been made with 174,197. Surveys have been made of 141,953. Approvals, section 2, which carries with it compensation allowances, so that expenses are paid while they are in training, 58,099; section 3, which does not carry compensation but does carry tuition privileges of books, and so forth, 36,000. There are now in training 28,800 in section 2 and 1,834 in section 3. Approved but not in training, 29,299 and 34,166. From this it will be seen at a glance that there is much work yet to be done, and it goes without saying that if the men who have been in this work from the beginning, by reason of insufficient salaries or other causes, should retire and the vocational boards be deprived of their services, the work will be greatly disorganized, and consequently there would be many and serious delays, and who, except the wounded, crippled, and disabled soldiers, will suffer by reason of this delay? I am in favor of strictest economy at all times, but I am not in favor of practicing false economy when the burden of such short-sightedness will fall on the wounded and disabled soldiers of this country. For these reasons I strongly urge the adoption of the amendment.

The CHAIRMAN. The question is on the amendment of the gentleman from Ohio [Mr. FESS].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. FESS. Mr. Chairman, I ask for a division.

The committee divided; and there were—ayes 22, noes 31.

Mr. FESS. Mr. Chairman, I ask for tellers.

The CHAIRMAN. The gentleman from Ohio asks for tellers. As many as are in favor of taking this vote by tellers will rise and stand until they are counted. [After counting.] Twelve gentlemen have arisen, not a sufficient number. Tellers are refused. On this vote the ayes are 22 and the noes are 31, and the amendment is rejected.

Mr. GOOD. Mr. Chairman, I offer an amendment on line 1, page 35, to strike out the word "trainers" and insert the word "trainees."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Iowa.

The Clerk read as follows:

Amendment offered by Mr. GOOD: Page 35, line 1, after the word "deceased," strike out the word "trainers" and insert in lieu thereof the word "trainees."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FEDERAL TRADE COMMISSION.

For five commissioners, at $10,000 each; secretary, $5,000; in all, $55,000.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Iowa moves to strike out the last word.

Mr. GREEN of Iowa. Mr. Chairman, in the course of the debate on yesterday there was some discussion of a provision pertaining to reclamation projects contained in a bill introduced by the gentleman from Michigan [Mr. FORDNEY] providing for adjusted compensation for the soldiers of the late war. This provision is as follows:

Any unit not allotted to a veteran or repatriate within one year after the public notice in respect thereto, as provided by this section, may be disposed of to qualified citizens under the provisions of the reclamation laws.

At that time the gentleman from Idaho [Mr. SMITH] stated that this provision was put in by the clerks of the drafting bureau. I have no doubt the gentleman from Idaho was so informed and believed his statement to be correct, but it happens that he is in error in this particular. I have examined into the matter and I find that the provision was contained in the original draft presented by the subcommittee which was appointed to consider this title and that this draft was presented to the drafting bureau as a basis for its work. Consequently the drafting bureau had nothing to do with its being in the bill, and I might say also, to the credit of the drafting bureau, that it never makes any changes in a bill which would alter in the slightest degree the policy of the measure unless especially directed by the committee in charge. I make this whole statement in justice to the drafting bureau, as some criticisms were expressed as a result of the remarks of the gentleman from Idaho.

And I might say further that, in my opinion, the provision is of no importance or value and might just as well be taken out of the bill.

Mr. BLANTON. Is not that water that has already gone over the stream?

Mr. GREEN of Iowa. The gentleman knows as much about that as I do. I make correction in behalf of the drafting bureau.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed without amendment bills of the following titles:

H. R. 13724. An act to authorize the construction of a bridge across the Sabine River at or near Orange, Tex.; and

H. R. 13590. An act granting the consent of Congress to Sid Smith, of Bonham, Tex., for the construction of a bridge across the Red River between the counties of Fannin, Tex., and Bryan, Okla.

SUNDRY CIVIL APPROPRIATION BILL.

The committee resumed its session.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For all other authorized expenditures of the Federal Trade Commission in performing the duties imposed by law or in pursuance of law, including personal and other services in the District of Columbia and elsewhere, supplies, and equipment, law books, books of reference, periodicals, printing and binding, traveling expenses, per diem in lieu of subsistence not to exceed $4, newspapers, foreign postage, and witness fees and mileage in accordance with section 9 of the Federal Trade Commission act, $900,000.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLANTON. Mr. Chairman, I want to ask a question of the chairman of the committee. The chairman knows something of what we call the "bunch of reds" in the United States

having crawled into this department down there; the gentleman knows a little of that proposition, does he not?

Mr. GOOD. I have seen some newspaper comment on that subject, but personally I do not know anything about it.

Mr. BLANTON. I want to ask the chairman how much of this $900,000 is to be expended by the "red element" in this Federal Trade Commission?

Mr. GOOD. Of course, none of it ought to be used in the employment of persons tinged with that color, but the chairman has no knowledge with regard to the persons employed, except what he has seen in the newspapers, and that has been denied. I have no personal knowledge of it.

Mr. BLANTON. Would the chairman object to an amendment limiting this appropriation and providing that none of this appropriation shall be paid in salary or per diem to any person who preaches the overthrow of this Government by force and violence? I think maybe that will reach some of them.

Mr. GOOD. Well, that might involve some expense in the administration of this fund. If there are any such persons employed there, of course they ought to be discharged. No administrative officer ought to think for a minute of employing people who are not loyal citizens of the United States or people who advocate the doctrines referred to by the gentleman. I can see how it might involve administrative expense to ascertain the facts in regard to the question.

Mr. KINKAID. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. KINKAID. I would like to have the chairman of the committee give us his opinion as to whether it would not be necessary to have it adjudicated that such a person was guilty of entertaining these convictions?

Mr. GOOD. Yes. You might have to constitute a court for that purpose.

Mr. KINKAID. I favor the idea, but——

Mr. GOOD. The idea is all right, but it might be difficult of execution.

Mr. BLANTON. We have just had a ruling to the effect that a member of the communist labor party in the United States who believes in that kind of doctrine is not deportable under the laws of the United States.

The CHAIRMAN. The time of the gentleman from Texas has expired. The Clerk will read.

The Clerk read as follows:

INTERDEPARTMENTAL SOCIAL HYGIENE BOARD.

The duties and powers conferred upon the Interdepartmental Social Hygiene Board by chapter 15 of the Army appropriation act approved July 9, 1918, with respect to the expenditure of the appropriations made therein are extended and made applicable to the appropriations for similar purposes made in this act.

Mr. BUCHANAN. Mr. Chairman, I make a point of order on the paragraph.

The CHAIRMAN. The gentleman from Texas makes a point of order on the paragraph.

Mr. BUCHANAN. I make the point of order on the ground that it is new legislation, and it is trying to reenact a former act of Congress carried on an appropriation bill that expires with the appropriation period covered by that bill. There is no existing law for it. If the Chair cares to hear something about it, I have got it here in front of me.

In the Army appropriation bill passed in 1918 an Interdepartmental Social Hygiene Board was created, consisting of certain officers of the Government. It was created for four purposes: First, "to recommend rules and regulations for the expenditure of moneys allotted to the States under section 5 of this chapter." Section 5 merely makes an appropriation of $100,000 for the carrying out of the purposes of the act for the prevention and cure of venereal diseases, and so forth. That is the first purpose for which it was created; therefore the duties of that board are limited to the expenditure of that $100,000 carried in the appropriation act of 1918.

Second, it was created "to select the institutions and organizations and fix the allotments to each institution under said section 5," thereby limiting and demonstrating that this was a temporary war measure to cover the period of two years.

Third, it was created "to recommend to the Secretary of the Treasury, the Secretary of War, and the Secretary of the Navy such general measures as will promote correlation and efficiency in carrying out the purposes of this chapter by their respective departments."

That relates to the protection of the cantonments of our soldiers from venereal diseases during the war.

Fourth, it was created "to direct the expenditure of the sum of $100,000 referred to in the last paragraph of section 7 of this chapter."

And this $100,000 was to be used under the direction of the Interdepartmental Hygiene Board for the purposes for which any of the appropriations made in this chapter are available.

Therefore, Mr. Chairman, every duty of this board is limited to carrying out a definite appropriation made in the Army appropriation bill. Had it been intended that this should have been permanent law it would have said "the appropriations herein and hereafter made for these purposes," but no such intention exists in any portion of the act. No idea is expressed in any clause, paragraph, or portion of it except that it was for a war measure, and to protect our boys in the cantonments, and so forth, during the war. This paragraph to which I have reserved the point of order in this bill recognizes the fact that this is not permanent law, because it attempts to reenact it. Therefore the paragraph to which I objected in the present bill is subject to the point of order as new legislation.

The CHAIRMAN. Does the gentleman from Iowa [Mr. GOOD] desire to be heard on the point of order?

Mr. GOOD. The Interdepartmental Social Hygiene Board was created by chapter 15 of the Army appropriation act of July 9, 1918. That chapter was clear, pure legislation, and nothing else. It created a permanent department of the Government.

I was somewhat of the opinion of the gentleman from Texas [Mr. BUCHANAN] when this matter was first presented. The committee went into the hearings. Men who drew the act came before us and gave us their interpretation of it. Then, after a close reading of the act, it appeared that it was the intention of Congress to create this board as a permanent board. Chapter 15 provides:

CHAPTER 15.

Interdepartmental Social Hygiene Board: That there is hereby created a board to be known as the Interdepartmental Social Hygiene Board to consist of the Secretary of War, the Secretary of the Navy, and the Secretary of the Treasury as ex officio members, and of the Surgeon General of the Army, the Surgeon General of the Navy, and the Surgeon General of the Public Health Service, or of representatives designated by the Secretary of War, the Secretary of the Navy, and the Secretary of the Treasury, respectively. The duties of the board shall be: (1) To recommend rules and regulations for the expenditure of moneys allotted to the States under section 5 of this chapter; (2) to select the institutions and organizations and fix the allotments to each institution under said section 5; (3) to recommend to the Secretary of the Treasury, the Secretary of War, and the Secretary of the Navy such general measures as will promote correlation and efficiency in carrying out the purposes of this chapter by their respective departments; and (4) to direct the expenditure of the sum of $100,000 referred to in the last paragraph of section 7 of this chapter. The board shall meet at least quarterly, and shall elect annually one of its members as chairman, and shall adopt rules and regulations for the conduct of its business.

If it was not the intention of Congress to make this board a permanent board, then why did Congress say that annually the board should elect one of its members to act as chairman?

Mr. BUCHANAN. Will the gentleman yield?

Mr. GOOD. Certainly.

Mr. BUCHANAN. Does not the gentleman know that that original act carried an appropriation for two years?

Mr. GOOD. Yes; I know it did.

Mr. BUCHANAN. Then to elect annually would cover that period.

Mr. GOOD. No; it does not say that at all. It says annually, and "annually" does not mean for a period of two years. It means annually.

Mr. BUCHANAN. It provided for one election during the meantime.

Mr. GOOD. I think that would be a very narrow construction, which the gentleman would not ask the House to make, on a law that provides what shall be done annually to say that it shall be done only for two years.

Now, it is true that that legislation was on an appropriation bill. The gentleman must recollect that many of the appropriations carried in the Army bill are specified for longer than a period of one year. Especially was that true during the war. Now, here was a cooperative work that was necessary during the war, but intended as a permanent thing. The appropriation was made to cover a period of more than one year, I assume, because of the allotment that would lapse at the end of one year, so that during the war there might not be any break in the work carried on by the board.

Mr. BUCHANAN. Will the gentleman yield further?

Mr. GOOD. Certainly.

Mr. BUCHANAN. In the paragraph to which I make the point of order you use this language:

The duties and powers conferred upon the Interdepartmental Social Hygiene Board by chapter 15 of the Army appropriation act approved July 9, 1918, with respect to the expenditure of the appropriations made therein are extended and made applicable to the appropriations for similar purposes made in this act.

Does the gentleman contend that that is not new legislation on this bill?

Mr. GOOD. Oh, that is new legislation.

Mr. BUCHANAN. Then the gentleman concedes that that point of order is well taken.

Mr. GOOD. On which bill?

Mr. BUCHANAN. On this bill, where you attempt to extend the law of 1918. The gentleman certainly does not contend that that is not legislation on this bill. Whether it is necessary or not is another question.

Mr. MANN of Illinois. Will the gentleman from Texas yield?

Mr. BUCHANAN. I have not the floor.

Mr. GOOD. I yield to the gentleman.

Mr. MANN of Illinois. If this provision were not in the bill, would there be any authority for this board under chapter 15 of the Army appropriation act of July 9, 1918?

Mr. BUCHANAN. Would there be any authority?

Mr. MANN of Illinois. Yes. I agree with the gentleman that this is purely legislation.

Mr. BUCHANAN. Yes.

Mr. MANN of Illinois. This says that the authority heretofore granted shall be extended for the future.

Mr. BUCHANAN. Yes. That is exactly my contention, and that is purely legislation on this appropriation bill.

Mr. MANN of Illinois. That is all it is. It is not an appropriation.

Mr. BUCHANAN. No; it is legislation on this appropriation bill.

Mr. MANN of Illinois. I fully agree with the gentleman.

Mr. GARNER. Put in there in order to make the appropriations available.

Mr. BUCHANAN. Yes.

Mr. GOOD. Is the gentleman's point of order to the language in lines 24 and 25 on page 35?

Mr. BUCHANAN. My point of order is to the entire paragraph and also covers that language. That is the object of that paragraph, to extend this war act of July 9, 1918, and to lay the ground for the appropriations in this bill. The chairman of the committee recognizes that this is new legislation and that there is no existing law to justify this legislation unless this paragraph is in the bill to make it available.

Mr. GOOD. I think as far as the language in this particular paragraph is concerned the point of order is well taken; but the point that I have been trying to make is that if the appropriation is justified under the act, then this language ought to be carried so far as the administrative provision is concerned.

The CHAIRMAN. The Chair is ready to rule. Chapter 15 of the Army appropriation act of July 9, 1918, contained a provision creating the Interdepartmental Social Hygiene Board. Some of the provisions of that act appear to be permanent law and some of its provisions appear to be intended to continue in force for a period of two years only. The effect of the provision to which the gentleman's point of order is made appears to be to extend not only the provisions which are permanent law and which do not need to be extended, but also to extend the provisions of the law which by its express terms expires at the end of two years into the next fiscal year. The Chair therefore thinks that the provision to which the gentleman makes a point of order is legislation, and sustains the point of order. The Clerk will read.

The Clerk read as follows:

For expenses of the board, including personal services in the District of Columbia and elsewhere, books of reference and periodicals, printing and binding, traveling, and other necessary expenses, $80,000.

Mr. BUCHANAN. Mr. Chairman, I make the point of order to that provision on the same ground as the other. Mr. Chairman, this appropriation of $80,000 covers the expenses of the hygiene board and personnel in the District of Columbia. The sole purpose of that board is to direct the distribution under the original act of an appropriation made to be distributed to the boards of health of the several States.

If you examine the original act, it provides an appropriation for two years, and by its own terms it specifically states that it expires within the period of two years. Therefore, if the original amount to be distributed among the States in the act expires in two years, it has already expired, and this board ought also to go with it. As far as that is concerned, I can not see that any portion of the act is a permanent law.

I call the Chair's attention again to the very purpose for which that act was created. It was for the purpose of directing the distribution of a specific appropriation made in a specific section of that bill. When that distribution has been accomplished, then the whole act dies with it. I hope the Chair will read the purposes for which the act was created, because it specifies and limits the activity of the board on four propositions. These four propositions are carried in this bill; and if it was intended to be permanent it would have said something to that effect.

Mr. GARRETT. Mr. Chairman, I wish, if I may, to reenforce the suggestion of the gentleman from Texas. It seems to me that the clear import of all the sections in this bill, except section 5, is to enable the administration of section 5. If the Chair will note, the purpose is, first, to recommend rules or regulations for the expenditure of moneys allotted to the States under section 5 of the act; second, to select the institutions and organizations and fix the allotments of each institution under said section 5; third, to recommend to the Secretary of the Treasury, to the Secretary of War, and the Secretary of the Navy such general measures as will promote correlation and efficiency in the carrying out of the purpose of this chapter by their respective departments; fourth, to direct the expenditure of the sum of $100,000 referred to in the last paragraph of section 7 of this chapter. Every purpose that is defined in the act is with reference to the administration of section 5, and section 5 is merely the appropriation.

It seems very clear to me. Of course, we are familiar with the circumstances out of which it was adopted. It was for the purpose of protecting those who were called into the military service during the war. It was necessary to provide some method for the administration of the fund, and therefore this machinery was provided. It all centers, it goes to the very heart of it, on section 5. All appropriations expire at the end of two years.

Now, as for the suggestion of the gentleman from Iowa that the word "annual" makes it permanent law, I can not agree to that. If I understood the gentleman correctly, his entire argument is swung around that word "annual" as a pivot.

Mr. GOOD. No; I think the first provision, where the board is created, contains language clearly of a tenor to indicate that it was a permanent board.

Mr. GARRETT. May I call the attention of the gentleman to this, and I read from the act: "The duties of the board shall be"——

Mr. GOOD. That is where they define the duties. Leaving out the question of duty, the question is whether or not there is a board here of this character. Certainly it appears to me from the reading of the language that it was the intention of Congress to create a board as a permanent board.

Mr. GARRETT. I do not agree in that opinion. I think the board was created simply to administer this fund, that there was no purpose of creating it as a permanent board, because of what use would the board be after it had administered the fund? It seems to me that there was a necessity of creating some agency to administer the fund, and this was the agency created. With the expenditure of the fund the function of the board ceased. As far as the word "annually" is concerned, of course that appropriation was to run for two years, and there could be, and I presume there were, if they obeyed the law, two elections of the chairman of the board.

The CHAIRMAN. The Chair would be inclined to admit the force of the contention of the gentleman from Tennessee and the gentleman from Texas if it were not for the fact that the act itself negatives this contention. The act, among other things, authorizes the Interdepartmental Social Hygiene Board created by it "to recommend to the Secretary of the Treasury, the Secretary of War, and the Secretary of the Navy such general measures as will promote correlation and efficiency in carrying out the purposes of this chapter by their respective departments." I emphasize the word "chapter" in this connection.

The chapter not only provides for the creation of the Interdepartmental Social Hygiene Board but also for the creation in the Bureau of Public Health of a Division of Venereal Diseases, the duties of which are in part "to study and investigate the cause, treatment, and prevention of venereal diseases; to cooperate with State boards of health," and so forth. The life of this division is not limited to any given period, and duties which are apparently intended to be performed by it are duties which may be performed after the expiration of the appropriation carried in section 5.

Again, in section 5 the proviso reads as follows:

Provided, That the appropriations herein made shall not be deemed exclusive, but shall be in addition to other appropriations of more general character which are applicable to the same or similar purposes.

That proviso indicates that the board was expected to function not only with respect to the specific appropriations carried in the act but also with respect to appropriations which might be carried in other acts or which might perhaps be carried hereafter.

In the view of the Chair, it does not appear that the existence of the board has expired by virtue of the act itself. The Chair therefore thinks that the paragraph is in order, and overrules the point of order.

The Clerk read as follows:

For assisting the States in protecting the military and naval forces of the United States against venereal diseases, $150,000; and the unexpended balance on June 30, 1920 (approximately $250,000), of the appropriation heretofore made for this purpose is continued and made available during the fiscal year 1921: *Provided*, That no part of these sums shall be expended in assisting reformatories, detention homes, hospitals, or other similar institutions in the maintenance of venereally infected persons.

Mr. BLANTON. Mr. Chairman, I reserve the point of order on the paragraph. I call the attention of the chairman of the committee to the fact that we have already passed items for the Public Health Service, one item of $856,000, another of $275,000, another of $740,000, another of $40,000, another of $135,000, another of $8,000, another of $85,000, another of $45,000, another of $625,000, another of $220,000, another of $5,000, and one of $500, aggregating $3,034,500, and to that aggregate is added the sum of $4,000,000. Does the chairman think that it is necessary to appropriate the extra $150,000 and make available also $250,000 additional?

Mr. GOOD. This is not administered by the Bureau of Public Health.

Mr. BLANTON. I know it is not.

Mr. GOOD. Of all the amounts the gentleman has indicated, there was an appropriation of $200,000 available for venereal diseases. The $150,000 which is appropriated here, together with the unexpended balance, is to be expended in those localities around Army and Navy camps, and is to protect the enlisted man.

Mr. BLANTON. The chairman recognizes that this was a wise provision during the war, when we had our boys in camps all over the country in every State in the Union, but such is not the case now. The camps are mostly abandoned now.

Mr. GOOD. There is a good deal of unrest in the United States. A good many of the boys have not gone back to work. There is a good deal of unrest around these Army and Navy camps. I do not think this ought to be a permanent thing, and I hope the time is soon coming when the whole appropriation can be elimrinated.

Mr. BLANTON. How many men have we in camps of the United States to-day as compared with November 11, 1918?

Mr. GOOD. I am not advised; but, of course, we have a great many less.

Mr. BLANTON. We have comparatively very few, and surely the States themselves can take care of this proposition, aided and assisted by the Public Health Service, with the $200,000 we have already given for this purpose. I do not think these sums ought to be appropriated, and I make the point of order against the paragraph. It contains new legislation on an appropriation bill and is unauthorized by law.

Mr. GOOD. It is not subject to the point of order.

Mr. BLANTON. There is new legislation in the paragraph.

The CHAIRMAN. The Chair would be glad to have the gentleman point out wherein it is not subject to the point of order.

Mr. BLANTON. The provisions in this paragraph are not in accordance with the provisions in the original act.

Mr. GOOD. Oh, absolutely they are.

Mr. BLANTON. How about the proviso?

Mr. GOOD. That is a limitation, and that is intended to preserve and save the appropriation. I want to say this to the gentleman from Texas: He speaks about the number of men in the service of the United States as compared with the time the armistice was signed. The number of venereally afflicted persons at the time the armistice was signed was from 20 to 30 per thousand, and that number has gone up at the present time to from 90 to 100, a very alarming increase.

Mr. BLANTON. Then we have wasted the great sums of money that we have heretofore appropriated?

Mr. GOOD. The amount here is less than $2 per man.

Mr. WALSH. Mr. Chairman, does the gentleman state that since this board began operating the Government appropriations the number of persons afflicted with these diseases has begun to increase?

Mr. GOOD. I would not say from the time the board commenced to operate. I have forgotten now the percentage of venereally infected persons who were within the draft, but it was very large. According to the statement of Dr. Storey, it would seem that since the time of the signing of the armistice the number has very largely increased. The committee was somewhat influenced by those figures. The reports show that the condition is somewhat alarming.

Mr. BEE. Mr. Chairman, I want to ask the gentleman from Iowa the reason for the provision in this bill that prohibits the use of any of these funds for reformatories or houses of detention?

Mr. GOOD. That is to prevent their use for that purpose.

Mr. BEE. In the city of San Antonio, which has a very large military establishment, it has been the custom in the past for the Public Health Service, through the Federal assistance, to render help to these institutions and detention camps near the great Army post there. We have a division there. The city has built a detention camp outside of the city limits, in which these people are kept.

Mr. GOOD. That would not fall within the provisions of this appropriation. It would come under the next provision, that has to do with the allotment to the States.

Mr. BEE. I just wanted to know whether the purpose was to withdraw from these detention camps, where these people are kept, any Federal assistance, especially when it is in the interest of the Army.

Mr. GOOD. No; the purpose of this limitation is that no part of the money shall be used for the maintenance and support of persons when they are detained, and the law does not embrace that, and the committee felt that no money should be expended; in fact, that it would be an enlargement.

Mr. BEE. The proximity of the large Army camp at San Antonio, I regret to say, is one of the things that makes necessary this large detention camp.

The CHAIRMAN. Does the gentleman from Texas insist upon the point of order?

Mr. BLANTON. No; in view of the statement made by the chairman of the committee, I withdraw the point of order.

Mr. TILLMAN. Mr. Chairman, I desire to address the House briefly on two important issues. My reason for requesting time at this juncture is that 10 members of the Indian Affairs Committee, myself included, by direction and authority of this House, will leave on May 7 for a brief trip of investigation and inquiry into important problems concerning the Nation's wards, the Indians, and vitally affecting the interests of our Government as well in its dealings with disputed and vexatious questions bearing upon our relationship to the various Indian tribes, numbering in the aggregate 300,000 souls. I have been a member of the Indian Affairs Committee since my service began here more than five years ago. Every Member of the House knows that the annual Indian appropriation bill carries an average of $11,000,000, and affects not only the Indians themselves, but hundreds of thousands of our citizens with no degree of Indian blood in their veins. If we defer this investigation until Congress begins its recess early next month, we shall not be able to visit and inspect the various Indian schools now in session, but which will then be dismissed for the summer. These schools are maintained, in part, at Government expense, and if we are to gather the information concerning these schools that this House expects us to obtain, and thus justifying the action of the House when it inserted the clause in the last Indian appropriation bill directing us to make this investigation, it is imperative that we go now.

SOLDIERS' RELIEF BILL.

Every one fully expected that the House would dispose of the soldiers' relief bill last Monday, the day agreed upon for its consideration, but the Republican caucus, which met on the evening of April 30 and which lasted far into the night, determined to postpone action on this important measure until some future time, and because of this postponement, which I personally deplore and regret, our investigating committee, composed of six Republicans and four Democrats, will be denied the privilege of being present to vote on this bill and to take part in the discussion concerning the same. My colleagues from Arkansas will secure for me a pair on this measure, and I record my vote for it. I also secured a pair with Mr. RHODES, of Missouri, a Republican and a member of the investigating committee, on all political matters that will come before the House during our enforced absence.

Reluctantly we entered the great World War. I supported every measure proposed that promised to conduct it vigorously and end it successfully. My only son, eligible for service, fought as a volunteer in France from the summer of 1917 until the last gun was fired on the 11th day of November, 1918, and came home bearing upon his body the scars of honorable wounds received while battling the Hun in the air high above the fields around Chateau-Thierry, St. Mihiel, and the Argonne Forest.

We can never repay our chivalric young men who breasted the red-tide battle on foreign shores or those who left their homes and good positions preparatory to settling our quarrels with the insolent foes of peaceful civilization, but who were denied the honor of measuring their armed strength with the

disciplined soldiery of the Central Powers. We have made and must continue to make generous provisions for our injured and disabled heroes and the dependents of our dead who sleep under the poppies of Flanders or the lilies of France.

During July and August, 1918, I had the good fortune to see the American soldier in action around and beyond the bloody trenches and shell-torn battle fields at Belleau Wood and Chateau-Thierry. I saw him in action fronting the trained veterans of the Crown Prince and driving them back at the point of his bayonet. I saw him grimly standing in line of battle, mud-bespattered or covered with the black dust of awful war. I saw him on the roadside shaking with shell shock and torn by German shells, brave, cheerful, smiling, patient, and fearless, bold as a fierce young eagle, admired and envied by all the allied soldiers, and I stood in pity and in sorrow and yet with a heart swelling with pride, hat in hand, beside the rude mound marked by a wooden cross where he slept in a new-made grave under the gray soil of France, the brave and beautiful land that he had defended with such signal gallantry. We must not hesitate to do justice to our living heroes or to make ample provision for the mothers or children or wives of those who died that civilization might not be destroyed by the ruthless militarism of Germany.

We can never fully compensate our young men who thus gamely battled under the allied flags in far-away Europe, and we should not haggle about a small recognition which will only partly express our admiration and love for the American soldiers.

I introduced a soldiers' relief bill two months ago. I earnestly hope the pending measure will pass, but I seriously object to the sales-tax feature, that seems to have the indorsement of the majority of the Republican members of the Ways and Means Committee. This unhappy provision proposes to touch with the Midas finger of Government authority every bootblack, every washerwoman, the poor widow, the hod carrier, the soldier himself—in fact, every citizen, and bleed gold from him to raise the bulk of the revenue necessary to pay the Nation's debt to its brave defenders. This money should be collected from bloated and swollen war profits, from contractors who fattened and grew lusty and purse-proud by gainful production under the careless eyes of those who were charged with the duty of rapidly procuring in the least time possible the vast equipment, supplies, food, and munitions necessary to send our troops to the front and to furnish them and help supply our allies with the swift means of winning the war. We should get this revenue—estimated to amount to a billion eight hundred million dollars—not from the weak, the poor, the small merchant, the farmer, the modest tradesman, the soldier, and the overburdened consumer—God pity him; he is suffering enough already and his back is bent with a burden of taxes and high cost of living ponderous enough to sink a Navy—but we should collect this fund from the heartless cost-plus Army contractors and from the corpulent pocketbooks of the suddenly rich millions of our stay-at-home profiteers, for whom our soldiers fought and our laboring people worked early and late that they might pile up limitless billions to waste in idleness and in luxury. They are the beneficiaries of the war which they so urgently advocated and desired, and they should now be compelled to disgorge a reasonable portion of their hastily acquired riches to compensate those who fought their battles for them. [Applause.]

THE WATER-POWER BILL.

I voted against the general water-power bill as it was finally reported by the conference committee of both Houses and passed by the House on May 4 last by a vote of 259 ayes and 30 nays. This bill has been pending many years. I am not a reactionary in any sense. I am in favor of progress and have always favored, and still favor, a proper and reasonable water-power bill, and have advocated such a bill, but the measure as finally agreed upon and passed by this House did not sufficiently safeguard the rights of the public. This bill as it finally passed violates well-established, well-settled, and wholesome principles of law, and both State and individual rights. The bill recklessly substitutes Federal interference and control over really non-navigable streams. It is proposed under this bill to erect a mighty dam in my district on a stream that is in no real sense a navigable stream at the place where the dam will be located. The farmers who own fertile sections of bottom land in Marion, Baxter, and Boone Counties in the third congressional district of Arkansas, which I have the honor to represent, those farmers who own places on White River and its tributaries above the proposed dam site, have written me numerous letters and have sent in petitions which I have filed in this House vigorously protesting against this measure, which means the destruction of farms on which they have lived for years and which they do not want to sell.

It is true that their property can not be taken or injured without compensation, but they insist that they have a right to be heard in protest and have the constitutional right to object to this legislation, and as their representative I have responded to their wishes and respected their petitions. The measure of damages to them for their loss and injury, as defined by the courts, will not, I am afraid, result in giving them just compensation for their losses. At best it is a harsh rule, under the provisions of this bill and under the general doctrine which obtains by reason of the law of eminent domain, to say to a home owner that this corporation or that, organized or financed by strangers in a far-away State, can take the home that his father carved out of the wilderness, the home where he played in childhood, the cemetery where his loved ones are buried, whether he chooses to sell or not. It is at best a rather one-sided privilege which allows to the stranger the right to institute a condemnation suit and drag a home owner to a far-away court and compel him to take his neighbors there as witnesses, force him to pay attorney's fees, and permit strangers to assess his damages and say what he should have for the home of his youth, which he prefers to keep and has no desire to sell. In response to the prayers and wishes of many of my farmer constituents, whose homes and farms will be destroyed by the dam proposed to be erected under the provisions of this bill, I joined with 29 other Members of this House and voted "no" on the passage of the bill mentioned, a record of the final vote on the same being shown on page 6539 of the CONGRESSIONAL RECORD of May 4, 1920. [Applause.]

Mr. HASTINGS. Mr. Chairman, my district had commissioned me to represent them in Congress when war was forced upon our Government on April 6, 1917. We had made every effort possible to remain neutral. However, neutral ships flying their national flag were sunk in violation of international law by the Imperial German Government. Our own ships, flying our own flag and carrying our own citizens, were sent to an untimely, watery grave, and protests sent through diplomatic channels against the murder of our citizens upon the high seas accomplished nothing.

Our Government was notified January 31, 1917, that on the following day unrestricted submarine warfare would be resumed. Diplomatic relations were severed, but we did not go to war in the hope that no further hostile, overt act would be committed.

In the meantime German spies were infesting our country in an effort to poison the minds of the people. They sought to create a sentiment in favor of Germany and to prevent our entering the war. Millions of dollars were used in securing the insertion of paid articles in the metropolitan press. Thousands of acts of sabotage were committed, and hundreds of factories of all kinds were disabled. Bridges and other public structures were blown up to delay transportation. Official intrigues were entered into with our sister Republic on the south. The German Government did everything possible to embroil us in a war with Mexico, in the hope that we should not be able to render effective assistance in the World War.

When war was declared the patriotic sons of America left their homes and joined the colors. Counting the men who entered the Army, Navy, and Marine Corps, approximately 4,800,000 responded to their country's call. No other country has such a spirit. It was the American spirit that so largely contributed to the winning of the war. It knows no obstacle and it knows no defeat.

I felt keenly the responsibility placed upon me temporarily by the people of my district. Under the circumstances I deemed it my duty to support all legislation that had for its purpose the winning of the war. We enacted:

First. A law increasing the pay of our soldiers, but everyone knew that the larger pay was not adequate compensation. They can only be fully compensated by the thought that they rendered the finest patriotic service and earned a Nation's gratitude.

Second. A law providing for the dependents left behind. It supplemented the allotment of the soldier who went to the front with an additional amount appropriated from the Federal Treasury.

Third. A law making generous provision for the soldier disabled in the service of our Nation. It is more liberal than the compensation law of any other country. The thousands who made such great sacrifices can not be too tenderly cared for.

Fourth. A law making adequate provision for vocational training and rehabilitation of the men who suffered injuries that make it impossible for them to follow the trades that were pursued by them before the war.

Fifth. A law providing that the soldier might be insured by his Government at a low rate. Insurance rates of private com-

panies were prohibitive for the average soldier who entered the service.

I voted for all of this legislation and for every appropriation recommended as necessary for munitions, food, clothing, and hospital supplies. I voted for every appropriation that would protect the soldier from disease and care for him when wounded.

Upon our entry into the war we soon appreciated that it was necessary to strengthen the defenses of Paris, and when our first troops were sent across the sea that it was essential to forward additional forces rapidly, if victory was to crown our efforts.

They won a glorious victory. We knew in advance that the spirit of America would triumph if we were only able to bridge the seas and transport our men in sufficient numbers to the battle front. Their deeds are known to all the world. At Chateau-Thierry, the St. Mihiel drive, and the bloody struggle in the Argonne Forest they won undying fame. Their gallantry will remain a cherished heritage to all the American people for centuries to come. Last year, on my trip to Europe, I went over these bloody battle fields and saw where our boys fought, struggled, and died. I stood with uncovered head by the graves of many of them. I said to myself that our Government, the greatest, the richest, and the strongest on earth, shall never be ungrateful to the men who rendered such signal service to their country, and particularly to the maimed and wounded, as well as to the dependents of those who made the supreme sacrifice and who now sleep under the poppies of France.

When the subject was being discussed as to the best means of showing our appreciation, I prepared and introduced a bill amending the Federal farm-loan act in February, 1919. I was a member of the Banking and Currency Committee when the Federal farm-loan act was passed, and have been intensely interested in the operation of this law. My amendment made an exception in favor of discharged service men. It extended him a long-time loan, if the soldier wished it, at a low rate of interest, with which to purchase a farm.

When Congress reconvened last summer I redrafted and reintroduced the bill, giving the following privileges: First, a preference right for two years to enter upon any of the public lands of the United States; and, second, the right to apply for a loan of 100 per cent of the value of the property purchased, either in the country or in a city or town. This bill, if enacted into law, would increase production and reduce the cost of living. More farm products would be thrown on the market, resulting in lower prices. It would give employment to the ex-service men. It would show a Nation's gratitude. It would have a tendency to curb unrest. This plan would not have cost the Government anything additional, unless it was for extra employees in the various farm-loan banks where the increased business would require them. I want to encourage every returned veteran to become a home owner.

Many other bills have been introduced and various propositions have been submitted for assisting ex-service men. It was urged that some would not want to buy homes, and would not, therefore, be benefited by the land-settlement provision. The bill now under consideration provides for land settlement; for the purchase of homes on long-time loans at low rates of interest; for vocational training of the soldiers in various trades and sciences; for paid-up insurance in a certain amount; and for adjusted compensation of $1.25 per day for each day of service over 60 days between April 6, 1917, and January 1, 1920. The different options provided are quite generally satisfactory to Members of the House, and, in fact, there was not much criticism of them. It is hoped that the inducements presented in the bill to purchase homes, to take vocational training, and to secure paid-up insurance will so strongly appeal to the young men who have had military training and mental discipline that many of them will be led to take advantage of these provisions.

Assuming that all might select the adjusted-compensation option, it is estimated that it would require $1,800,000,000. This would make it necessary to provide a means whereby additional revenue could be collected. It must be remembered that the funds in the Federal Treasury are replenished by taxes collected from our citizens. It was proposed that part of the money should be raised from a tax on tobacco, some from real estate transfers, a certain amount from stock-exchange transactions, and some from an increase in the income tax. In addition, a sales tax is proposed.

By means of a sales tax it is expected to collect from the people of the country approximately $400,000,000. This tax is indefensible. Of course, it is paid by the consumers. It exempts no one. The washerwoman pays it, although living expenses were never higher. Every woman who purchases a calico dress pays her part. It upsets the whole theory of taxation. It is an extremely annoying tax to collect. No tax is ever a welcome one. In our income-tax law we exempt unmarried men and women who earn less than $1,000 per annum, and married men and women up to $2,000 per annum, with a deduction of $200 additional for each child. Not so with the sales tax, as it passes the tax on to the consumer, just the same as when a show ticket is bought and the war tax is added.

Of course, if this tax is now left in the bill under the guise of aiding the soldier, it will be made a permanent part of our taxation after such need ceases to exist. The soundest theory of taxation is to take into consideration the wealth and the ability of the taxpayer to pay. This sales tax places its hand upon every person and everything and makes no exemptions.

This question should not be a partisan issue. The boys who went to the front did so from every community and from every party. During the World War we laid aside partisanship and no bills were prepared by the majority members of a committee in executive session. The party in power is attempting to make a partisan question of this bill.

It was announced that the bill would be brought up on May 3, and that it was to be passed under a suspension of the rules after 40 minutes of debate, 20 minutes on either side. None of us saw the bill until May 1. It contains 45 pages, providing in very great detail the options I have explained and the method of raising the revenue necessary to carry them out. By bringing it up under a suspension of the rules no amendment could be offered to this important bill. I do not believe that any American citizen indorses this plan. I am sure no ex-soldier can indorse it.

This bill, as every other measure, should be referred to a committee, carefully considered, and reported back for consideration under the general rules of the House, where it could be debated and amendments offered. The Members of the House would then be permitted to vote upon each amendment proposed. The boys did not fight as partisans and we should not legislate in their interest as partisans.

It has also been proposed that the revenue be raised from an additional tax on excess war profits or profiteers or from the sale of long-time bonds, payable solely out of loans, principal and interest, made our allies, which would not further depress the value of our present outstanding bonds. I favor one of these methods in preference to the sales tax. If this bill had been considered on May 3, however, the majority party was maneuvering under a suspension of the rules to prevent a vote to eliminate this objectionable sales-tax provision and the substitution of any other provision.

I am glad to know that not a single post of the American Legion in my district nor a single soldier has written me favoring the sales-tax provision. Every one of them without exception denounces this method of collecting the revenue as unfair. They appreciate that it would have the effect of bringing the soldier himself into criticism. Every small merchant or other person doing business would be required to keep books and make reports at stated intervals. I want to make it plain to the people of the country that the fight over this proposed legislation ranged around the two following propositions:

First. Opposition to the method of considering the bill, whereby only 40 minutes of general discussion was to be permitted. This is a measure of vast magnitude involving $1,800,000,000. The bill is 45 pages long, and no opportunity was to be given for amendment or adopting some other plan of raising the necessary revenue.

Second. The objection to the method of raising the revenue by a sales tax.

The country is proud of our soldiers. They rendered patriotic service of the finest order. They will always live in the hearts of our people. We can not sufficiently reward them. We can not too tenderly care for the disabled, nor can we too generously take care of the dependents left behind. We should approach these questions as patriotic representatives of a great Republic and not from a partisan standpoint. Let us be fair. Let us be just. Let us be generous. Let us be grateful. When civilization was imperiled, these men marched to the defense of humanity under the flag of our country. Let us so shape our legislation that it will be absolutely devoid of any partisan tinge. If we do not, we are unworthy of the brave, patriotic sons of America who left their homes and loved ones, willing to give all that the liberty of the world might be maintained. [Applause.]

The Clerk read as follows:

For allotment to the various States for the prevention, treatment, and control of venereal diseases, $450,000; and the unexpended balance on June 30, 1920 (approximately $300,000), of the appropriation

heretofore made for this purpose is continued and made available during the fiscal year 1921: *Provided*, That no part of this sum shall be allotted to any State unless such State, in a manner satisfactory to the board, shall have complied with, and shall have given assurance of continued compliance with, the conditions and regulations governing such allotments and the expenditures that may be made therefrom.

Mr. WALSH. Mr. Chairman, I reserve a point of order on this paragraph. If I understood the statement of the gentleman from Iowa, the chairman of the committee, when he was explaining the previous paragraph to which the point of order was made, it does not include the continuation of this work beyond the two-year period, but only contemplates perhaps the possible extension of the work relating to military protection or protection of the military and naval personnel, and it seems to me that under that statement the act to which he referred——

Mr. GOOD. The military act provides for this very service, and during the past year, I will say to the gentleman, for example, the State of Massachusetts has been one of the largest recipients under this fund, receiving $36,000 and asking for more, and Texas comes next.

Mr. WALSH. I think if that is so I shall make the point of order——

Mr. BEE. Why, because Texas comes next?

Mr. WALSH. That this particular provision is not authorized by law.

Mr. BUCHANAN. Will the gentleman yield for a question?

Mr. WALSH. It continues an appropriation of approximately $300,000 in addition to a new appropriation of $450,000.

Mr. BUCHANAN. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. BUCHANAN. I would like to state to the gentleman I do not believe in all these cooperation appropriations, and since the Chairman of the committee has held that the hygiene board was in order then under section 4 of the original act this appropriation would be in order, because it says that it is the duty of that particular State to investigate the cause, treatment, and prevention of venereal diseases; to cooperate with State boards or departments of health for the prevention and control of such diseases within the State; and that makes clear the duty of that particular cooperation; and while I would like for the whole thing to go out——

Mr. MANN of Illinois. Will the gentleman yield?

Mr. BUCHANAN. Yes, sir.

Mr. MANN of Illinois. Does the gentleman contend that the creation of a board to cooperate with a State is an authorization to pay money to the State?

Mr. BUCHANAN. Well, it seems to have been so held, but I was of the other opinion, and I think the whole appropriation is out of order.

Mr. MANN of Illinois. We create a board of the Federal Government to cooperate with the State, and does that mean that we authorize that an appropriation be given to the State? Giving money to the State is not cooperation with them; that is just giving.

Mr. BUCHANAN. I am inclined to think that the gentleman is entirely correct.

The CHAIRMAN. Does the gentleman from Illinois desire to be heard on the point of order?

Mr. MANN of Illinois. I do not see where there is any authority in this law for any appropriation to be paid to the State beyond the original appropriation, and it certainly can not be done without authority of law.

The CHAIRMAN. The provision in chapter 15 which has heretofore been referred to and which alone could sustain this appropriation, if it can be sustained at all, is as follows:

SEC. 2. That the Secretary of War and the Secretary of the Navy are hereby authorized and directed to adopt measures for the purpose of assisting the various States in caring for civilian persons whose detention, isolation, quarantine, or commitment to institutions may be found necessary for the protection of the military and naval forces of the United States against venereal diseases.

The Chair thinks that very clearly does not authorize the allotment of funds to States to be spent by them in their discretion for the prevention of venereal diseases. The other provision the Chair has in mind is section 4 of that chapter, which provides:

SEC. 4. That the duties of the Division of Venereal Diseases shall be in accordance with the rules and regulations prescribed by the Secretary of the Treasury, (1) to study and investigate the cause, treatment, and prevention of venereal diseases; (2) to cooperate with State boards or departments of health for the prevention and control of such diseases within the State—

And so forth.

Now, if this appropriation can be sustained at all it must be under that provision. The Chair does not think that an authority given to a Government board to cooperate with a State board or department of health is an authorization for an appropriation to be allotted to a State board to be expended by the State board in its discretion. Therefore the Chair sustains the point of order.

Mr. GOODYKOONTZ. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. There is nothing pending, the Chair will state to the gentleman. The Clerk will read.

The Clerk read as follows:

For payment to universities, colleges, and other suitable institutions, for scientific research for the purpose of discovering more effective medical measures in the prevention and treatment of venereal diseases, $85,000.

Mr. BLANTON. Mr. Chairman, I make a point of order on that.

Mr. BUCHANAN. Mr. Chairman, I make a point of order against that paragraph; and, for the sake of getting along faster, to include the second, which involves the same principle. Both are subject to the construction the Chair has just announced.

In addition to that there is no mention in the original act of creating a hygiene board. It does not even come within the duties of that board to cooperate with these colleges and universities throughout the country. It is nowhere prescribed in that act. It is clearly out of order in this bill as new legislation and there is no law on the statute books authorizing it.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

For payment to universities, colleges, and other suitable institutions and organizations for the purpose of discovering and developing more effective educational measures in the prevention of venereal diseases, $250,000.

Mr. BUCHANAN. Mr. Chairman, I make the same point of order on that paragraph.

The CHAIRMAN. The Chair thinks there is no authorization of law for the paragraph, and therefore sustains the point of order.

The Clerk read as follows:

No part of the respective sums contained in the two preceding paragraphs shall be paid to any university, college, institution, or organization which does not set aside an additional sum for the same purpose at least equal to twice the amount to be received from the United States.

Mr. GOOD. Mr. Chairman, I move to strike that out.

The CHAIRMAN. Without objection, the paragraph just read will be disagreed to. [After a pause.] The Chair hears no objection.

The Clerk read as follows:

In all, Interdepartmental Social Hygiene Board, $1,015,000.

Mr. BUCHANAN. Mr. Chairman, the total is radically wrong now.

The CHAIRMAN. The Chair will state to the gentleman from Texas that the Clerk has been authorized to correct the totals.

The Clerk read as follows:

Valuation of property of carriers: To enable the Interstate Commerce Commission to carry out the objects of the act entitled "An act to amend an act entitled 'An act to regulate commerce,' approved February 4, 1887, and all acts amendatory thereof," by providing for a valuation of the several classes of property of carriers subject thereto and securing information concerning their stocks, bonds, and other securities, approved March 1, 1913, including per diem in lieu of subsistence, when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, and including not exceeding $20,000 for rent of buildings in the District of Columbia, $1,750,000: *Provided*, That this appropriation shall not be available for rent of buildings in the District of Columbia if suitable space is provided by the Public Buildings Commission.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. Will the gentleman state that the progress made by this commission in carrying out this work is such as to lead us to hope that it will soon be completed?

Mr. GOOD. The field work is practically completed. It was the opinion of Judge Prouty that the entire work of valuation will be completed some time during the next year. On quite a number of the roads the surveys have been made, and they have all their figures. It has been because of certain conditions imposed by the transportation act making a little difference of computation in what they had been making before. But that is largely the work here in the office and will not involve additional field work.

Mr. WALSH. Now, does the gentleman mean that the field work, which was done several years ago, when values were lower than they are to-day, has been brought up and readjusted so that it is upon the same basis as the work done in the last few months?

Mr. GOOD. My recollection is that all calculations are based on the valuation of January 1, 1916.

Mr. WALSH. How much of a task will it be to bring that up to date after all the statistics have been gathered?

Mr. GOOD. I do not know to just what extent the commission will bring that work to date—that is, to readjust to the changing conditions because of high prices. My recollection is that it was that statement of Judge Prouty that the valuation of property would be on the basis of valuation as of January 1, 1916. Now, of course, a great deal of the equipment and the additions and betterments that have been obtained since that time are costing considerably more money, but I take it that because of the fact that most of that work was done by the Government those figures would be available.

Mr. WALSH. Can the gentleman state what will have been expended for this work when this $1,750,000 is expended?

Mr. GOOD. Something like $21,000,000.

Mr. WALSH. I withdraw the motion to strike out.

Mr. MACGREGOR. Mr. Chairman, I move to strike out the last word. Why is it necessary to spend so much money for rent of buildings? I find scattered through this—even if it is not in this bill, it is in others—there are $140,000 on two pages, when we have got acres and acres of space down here that is not occupied.

Mr. GOOD. We provide that it shall not be used if available space can be obtained from the commission.

Mr. MACGREGOR. Well, you know it will not be.

Mr. GOOD. That is a congressional commission, composed of Members of the House and of the Senate. You will have to take it up with the members of that commission. They are Members of the House and Senate.

Mr. GARNER. Who are they?

Mr. GOOD. The gentleman from Kentucky [Mr. LANGLEY] and the gentleman from Florida [Mr. CLARK], and Senators SMOOT and SWANSON are members of that commission. It is their duty under the act of Congress to allocate this space as long as it is available. Now, they find during the present year that there was no vacant space, and had to rent.

Mr. GARNER. How does the gentleman account for the statement made by the gentleman from New York [Mr. MACGREGOR] that there are "acres and acres of vacant space" and the statement of the commission that there is no space available?

Mr. GOOD. In some of these places there are long-term leases, and I hope the Government will continue to pay its obligations. When it enters into a lease at all, I hope it will pay its obligations, whether it has use for the space or not.

Mr. MACGREGOR. But the chairman of the Committee on Appropriations ought to take judicial notice of the fact, ought he not, that there are buildings down here that are practically unoccupied, with a great amount of space that is occupied by individuals spread out who could be jammed together somewhat? Now, after we have got some of these clerks out of there there ought to be some economy along that line.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For all authorized expenditures under the provisions of the act of February 17, 1911, "to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto," and amendment of March 4, 1915, extending "the same powers and duties with respect to all parts and appurtenances of the locomotive and tender," including such stenographic and clerical help to the chief inspector and his two assistants as the Interstate Commerce Commission may deem necessary, and for per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, $290,000.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Oklahoma moves to strike out the last word.

Mr. McKEOWN. I wanted to ask the chairman of the committee how much additional money is necessary for this commission to carry out the duty of determining the amount of the claims of the various railroads under the transportation act, and also for investigating the question of the increase of rates under the transportation act? How much additional is required for that purpose? Can the gentleman answer?

Mr. GOOD. My recollection is that the estimate was around $600,000 for the work connected with the general expenses of the commission and $300,000 on the carriers' account.

Mr. McKEOWN. That much increase is made necessary in order to determine the claims of these railroads against the United States accruing during the time they were under Federal control?

Mr. GOOD. Yes.

Mr. McKEOWN. And also for determining the question of increased transportation rates?

Mr. GOOD. That would include the guaranty for the six months' period under the transportation act, and other provisions carried in the transportation act. It was not all with regard to that other matter.

Mr. McKEOWN. That is approximately the amount?

Mr. GOOD. Yes.

Mr. BLANTON. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Texas moves to strike out the last two words.

Mr. BLANTON. I want to ask the chairman what provision, if any, has been made for the settlement or disposition of claims against the telephone and telegraph lines while they were under Government supervision?

Mr. GOOD. None. I think the Postmaster General has caused an estimate for a deficiency to be transmitted to Congress calling for $14,500,000 as a deficit growing out of the Federal control and operation of the telegraph, telephone, and cable lines.

Mr. BLANTON. Some of the attorneys in my district are writing me, and some have even wired me, as to how they should proceed. They are up in the air. They do not know whether to file a claim or to bring a suit against the telephone and telegraph lines themselves or against the Government agent for the recovery of claims incurred during the time the Government had the wires under its control.

Mr. GOOD. Of course, the Postmaster General was the official in charge, and I would suggest to the gentleman that he get the information from that source as to the method of procedure. I do not know.

The CHAIRMAN. The pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

For scientific research, technical investigations, and special reports in the field of aeronautics, including the necessary laboratory and technical assistants; traveling expenses of members and employees; office supplies, printing, and other miscellaneous expenses, including technical periodicals and books of reference; equipment, maintenance, and operation of research laboratory and wind tunnel, and construction of additional buildings necessary in connection therewith; maintenance and operation of one motor-propelled passenger-carrying vehicle; and purchase, maintenance, and operation of one passenger-carrying motor cycle; personal services in the field and in the District of Columbia: *Provided*, That the sum to be paid out of this appropriation for clerical, drafting, watchmen, and messenger service for the fiscal year ending June 30, 1921, shall not exceed $50,000; in all, $200,000.

Mr. TILSON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Connecticut moves to strike out the last word.

Mr. TILSON. Mr. Chairman, I find myself torn by conflicting emotions in regard to this paragraph. As a friend of aeronautics and desiring to see the Government continue the development along this line in every direction possible, I should favor reasonable appropriations for the purposes set out in this paragraph. On the other hand, I regret to see appropriations that were large during the war increased in amount in the years succeeding the war.

I find that the amount carried in this item in the sundry civil bill a year ago has been increased by $25,000, and that the amount that can be expended for clerical, drafting, watchmen, and messenger service for the year has been increased by $7,000. I should like to ask the gentleman in charge of the bill for an explanation of this.

Mr. GOOD. This is an organization that has been making a scientific study of aeronautics. My own opinion is that for every dollar appropriated for this purpose a good many dollars might be taken off from the Army bill for aeronautics. They have simply wasted money by the hundreds of millions for aeronautics in the Army, and the principal reason was that they knew nothing about it and showed a very great disinclination to learn anything about it so far as the science of it was concerned. There are third and fourth rate powers that have done more work with regard to aeronautics from a scientific standpoint than the Government of the United States has done.

Mr. BLANTON. If the gentleman is going to make a political speech we might as well have a quorum here to listen to it.

Mr. GOOD. I am not going to make a political speech. I am simply stating the actual facts with regard to this case.

One of the best things that was done was to provide for this National Advisory Committee for Aeronautics. There are on this committee a representative of the Army; a representative of the Navy; Dr. Stratton, of the Bureau of Standards; and Dr. Walcott, of the Smithsonian Institution. Men are detailed from the Army and the Navy to cooperate in this scientific investigation. They asked for $437,000 for scientific investigation, and the men on this board feel that the place for the Government of the United States to spend its money now and in the immediate future with regard to aeronautics is, first, in finding out the principles governing aeronautics, and that is what they are trying to do. I think they are doing splendid work, and the increase of $25,000 here, it seems to me, is a very slight increase

when they were asking for an increase of $262,000. The things they desired were things that they felt were absolutely essential.

Now, I submit to the gentleman that the question is a scientific one. I know very little about aeronautics. I was satisfied that they did need, for instance, a motor cycle to trail the aeroplane when it was being tried.

Mr. MACGREGOR. Will the gentleman yield?

Mr. GOOD. The time does not belong to me.

Mr. TILSON. I yield to the gentleman.

Mr. MACGREGOR. If a motor cycle is needed, why do they not get it from the War Department, which has a large number of them at Camp Holabird?

Mr. GOOD. That is what the law requires them to do.

Mr. MACGREGOR. It does not say so.

Mr. GOOD That is the law already.

Mr. TILSON. I did not intend to go into the details of the item, but into the principle involved. I am glad to hear the gentleman from Iowa [Mr. GOOD] say that this committee for the development of aeronautics is doing a good work, because I think that its members have the right idea, and that they are proceeding along the right line if they insist that those who produce aeroplanes shall know what they are doing before they expend great sums of money in the production of planes and engines not designed or constructed upon sound principles. One of the troubles during the war was that we proceeded to expend vast sums of money along untried lines before determining the scientific basis upon which to expend the money. As a result, much of it was lost. In both the Army bill and the Navy bill there is a considerable sum carried for the purpose of experimentation in aviation. Of course we wish that to go on, but we do wish to have it go on scientifically and not have the money wasted. If this is the bureau in which to do this work—and I am inclined to think it is—then the experimentation should be done under the appropriation carried in this bill along scientific lines. Without doubt much of the money we have spent for the development of aeronautics in both the Army and the Navy has been practically wasted. The right kind of work done under this appropriation ought to do much toward preventing such waste in the future.

Mr. WALSH. Mr. Chairman, I rise in opposition to the pro forma amendment to ask the gentleman if these commissioners are not men who already hold official positions under the Government?

Mr. GOOD. Yes.

Mr. WALSH. If we are paying them adequate salaries for the work they are supposed to do as the heads of departments, how can they have the time to make scientific investigations along these very important lines?

Mr. GOOD. There are more commissioners than I at first had in mind. There is Mr. Walcott, chairman; Mr. Stratton, secretary; Joseph S. Ames, Thurman H. Bane, Capt. T. T. Craven, William F. Durand, J. F. Hayford, Charles F. Marvin, Maj. Gen. Menoher, Michael I. Pupin, Rear Admiral D. W. Taylor, and Orville Wright. They are members of the commission, and none of these men who are commissioned officers or other officials of the Government who receive salaries draw any salary out of this appropriation.

Mr. WALSH. I understand that, of course.

Mr. GOOD. It is an advisory commission of scientific men, and under them are detailed officers from the Army and the Navy who have the ability to carry on scientific research.

Mr. WALSH. I do not wish to reflect on the learned gentlemen comprising this commission, but I venture the assertion that if it were confined to the last three names—to Gen. Menoher, Admiral Taylor, and Orville Wright—we would get just as valuable information and just as practical information and a little less science, and it would be of more benefit to the service and the Government which is going to use this system of aviation and aeronautics in the future. How much has this appropriation been increased?

Mr. GOOD. The amount carried in 1919 was $200,000, this year $175,000, and we carry in this bill $200,000.

Mr. WALSH. What is the necessity for the increase?

Mr. GOOD. There are quite a number of things that they asked the committee for.

Mr. WALSH. They do not include in their duties any investigation as to what became of the $680,000,000 that was appropriated, do they?

Mr. GOOD. No; I think not.

Mr. MONDELL. Mr. Chairman, at one time I was somewhat informed in regard to the activities of the National Advisory Committee on Aeronautics. I never was fully persuaded that the work done was all of it of prime importance, but I have no doubt but what the scientific gentlemen composing that committee will do some good work. I am very much in hopes that we will get value received out of that appropriation.

But in this connection, while we are discussing the advisability and necessity and warrant for an increase by $25,000 of the appropriation for this particular class of work, I want to call attention to the fact that the naval bill recently passed the Senate with an increase of $12,000,000 for aeronautics. It passed this House with an appropriation of $15,000,000, the same amount carried in the Army bill, but the Navy, of course, could not be expected to be satisfied with the measly sum as they state the Army received for this sort of enterprise, and so they raised the ante by the sum of $10,000,000—a small and inconsequential sum in the opinion of gentlemen who are interested in this class of work and who believe that a large part of the national income should be spent for that purpose.

I am willing to accept the judgment of this committee as to the advisability of adding $25,000 to this appropriation, but I do hope that when the naval bill reaches us we will, all of us and without exception, take a position in opposition to the increase of $10,000,000 for aeronautics carried in the naval bill.

Take all of our appropriations for this purpose—the Army, the Navy, the sundry civil bills—without any increase above those carried in the bill as they passed the House, and we will spend directly and indirectly for aeronautics in the neighborhood of $50,000,000. That ought to be enough for the advancement of this science for one year in times when we are trying to save the people's money. I hope this increase in the naval bill along with sundry and divers other increases will not be agreed to by the House.

The Clerk read as follows:

To enable the commission created by section 22 of the public buildings act approved March 4, 1913 (37 Stats. L., p. 885), to continue proceedings toward the acquisition of lands required for a connecting parkway between Potomac Park, the Zoological Park, and Rock Creek Park, $200,000, to be available until expended and to be payable one-half out of the Treasury of the United States and one-half out of the revenues of the District of Columbia: *Provided*, That the total area of lands finally to be acquired for said parkway shall not exceed the area and parcels described and delineated in the map No. 2, contained in House Document No. 1114 of the Sixty-fourth Congress, first session, except that the following parcels outside the said taking line shall be included, namely, 315 feet of lot 801, 398½ feet of lot 54, 5,035 feet of lots 39, 40, 41, 42, and 43, lots 826, 827, and 828, containing 4,915 feet, and lots 36, 37, and 38, containing 6,983 feet in square 2544; and lots 819, 820, 19, and 20, containing 10,626 feet, part of lots 21, 814, 815, 816, 817, and 45, containing 10,290 feet, and lots 46, 822, and 821, containing 9,146 feet, in square 2543, in all, 47,708.50 feet: *Provided further*, That the expenditure of the funds appropriated herein shall be subject to all the conditions imposed by the sundry civil appropriation act approved July 1, 1916.

Mr. MCKEOWN. Mr. Chairman, I move to strike out the last word. Why is it necessary, with the condition of the Treasury as it is, to enlarge the parks of Washington and go into this increase of acreage to make more expense for the Government to keep up?

Mr. GOOD. This is a work that was started a number of years ago, as the gentleman knows. They have purchased now about 41 acres of ground at less than the assessed value of the land. Does the gentleman have reference to the new authorization?

Mr. MCKEOWN. Yes; why is it necessary to go ahead with this? Why not let that work rest for a while?

Mr. GOOD. Mr. Chairman, I shall have to explain that I think by a map. The matter was presented to the committee by Col. Ridley. This map will show the situation. When the original survey was made, mistakes were made with regard to the contour of the land. It is proposed to buy this tract that is marked "A" and the tract marked "B," so as to permit the location of the road as indicated by this pink colored strip here. If this land is not purchased, then the road must be located farther down into Rock Creek Park, and to do that the contour of the land is such at both of those places that it will be necessary to make extensive fills and also to build extensive retaining walls. The expenditure estimated for the land is much smaller than the cost of the retaining wall and fill.

The land so far has been purchased at considerably less than the assessed value. The assessed value of the land in this area marked "A" is $17,744 and in the area marked "B" is $6,763. It was estimated that to build the retaining wall and make the fill that would be necessary to locate that road, if this land was not secured, would cost in the neighborhood of $60,000 or more. The matter was presented to the committee with other matters with regard to purchase, but it seemed to the committee that this was a business proposition that ought to commend itself to the business judgment of every Member of the House. Inasmuch as that road is to be located, authority ought to be given to purchase the land before any work is done toward building a retaining wall or making the fill.

Mr. McKEOWN. Does not the gentleman think that $200,000 appropriated for the purpose of carrying out the provisions of this section might well have been saved, even granting that the purchase of the land would be good business? Does not the gentleman think that this appropriation ought to be deferred?

Mr. GOOD. The committee considered that matter. We cut the estimate from $400,000 to $200,000. The appropriation last year was $250,000. Col. Ridley said it was absolutely necessary in order to pick up the land before houses were constructed upon it, when they could buy it for much less than the assessed value, and that they ought to have a fund available. It would have been far more economical if years ago, when this land could have been purchased for a few cents a foot, we had purchased it. The committee was not unmindful of the demands on the Treasury, and it was only to prevent speculation in the land and to pick it up when opportunity was afforded to pick it up at a fair price that we have recommended this appropriation. To purchase all of the land that it is intended to purchase under the act of Congress authorizing the purchase would require several hundred thousand dollars in excess of what we have appropriated. We have appropriated only what the committee felt was the minimum in order to permit the commission to go along in a businesslike way, only purchasing those tracts where the land was offered at a very reasonable price.

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. MONDELL. There have been some recent improvements in the vicinity of these areas that are proposed to be purchased. Have none of them been on either of the areas proposed to be purchased?

Mr. GOOD. No; not on either of those tracts.

The Clerk read as follows:

EMERGENCY SHIPPING FUND.

The authorization of $2,764,000,000, heretofore established for the construction of ships, is reduced to $2,664,000,000.

Mr. GOOD. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment by Mr. GOOD: Page 43, lines 11 and 12, strike out "$2,664,000,000" and insert "$2,614,000,000."

Mr. GOOD. Mr. Chairman, that is simply to reduce the authorization of that amount and still leave a margin of safety over present contracts.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 13870, the sundry civil appropriation bill, and had come to no resolution thereon.

BRIDGE ACROSS ARKANSAS RIVER, OKLA.

Mr. HASTINGS. Mr. Speaker, I ask unanimous consent for the consideration of two bridge bills, H. R. 13665 and 13666. Mr. Speaker, I would not do this except I am going to be absent, called away on the Indian Committee to-morrow.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent for the present consideration of the bill, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13665) granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River, between sections 16 and 21, township 15 north, range 19 east, in the State of Oklahoma.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. WALSH. I ask that the bill be reported; I do not object.

The SPEAKER. The Clerk will report the bill.

The bill was read.

The SPEAKER. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to Muskogee County, Okla., to construct, maintain, and operate a bridge and approaches thereto across the Arkansas River, at a point between sections 16 and 21, township 15 north, range 19 east, near the town of Fort Gibson, in the county of Muskogee, in the State of Oklahoma, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The committee amendment was read, as follows:

Page 1, line 6, after the word "point," insert the following: "suitable to the interests of navigation."

The question was taken, and the amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent for the present consideration of another bill, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13666) granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River, in section 18, township 12 north, range 21 east, in the State of Oklahoma.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WALSH. I ask that the bill be read.

The SPEAKER. The Clerk will read the bill.

The bill was read.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chairs hears none. The Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to Muskogee County, Okla., to construct, maintain, and operate a bridge and approaches thereto across the Arkansas River, at a point, in section 18, township 12 north, range 21 east, near the town of Webbers Falls, in the county of Muskogee, in the State of Oklahoma, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The committee amendment was read, as follows:

Page 1, line 6, after the word "point," insert "suitable to the interests of navigation."

The question was taken, and the amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. HASTINGS, a motion to reconsider the votes by which the two bills were passed was laid on the table.

CROW INDIANS.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent that the House agree to the Senate's request for a conference on the bill S. 2890, and that conferees be selected.

The SPEAKER. The gentleman from New York asks unanimous consent to insist upon the House amendments and agree to the conference asked for by the Senate on the bill, which the Clerk will report.

The Clerk read as follows:

S. 2890. An act to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Chair appoints the following conferees.

The Clerk read as follows:

Mr. SNYDER, Mr. ELSTON, Mr. RHODES, Mr. CARTER, and Mr. HAYDEN.

The SPEAKER. In reference to conferees on the bill H. R. 400, the Chair asks unanimous consent to appoint Mr. SINCLAIR and Mr. GANDY as conferees in place of Mr. ELSTON and Mr. CARTER, resigned. Is there objection? [After a pause.] The Chair hears none.

EXTENSION OF REMARKS.

Mr. GALLIVAN. Mr. Speaker, I ask unanimous consent to revised and extend my remarks on the sundry civil bill to-day.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none.

Mr. PARRISH. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that May 5 they had presented to the President of the United States, for his approval, the following bill:

H. R. 13677. An act making appropriations to supply a deficiency in the appropriations for the Federal control of transportation systems and to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1920, and for other purposes.

ENROLLED BILLS SIGNED.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 2528. An act to grant certain lands to the city of Pocatello, State of Idaho, for conserving and protecting the source of its water supply; and

S. 3016. An act to authorize the disposition of certain grazing lands in the State of Utah, and for other purposes.

ADJOURNMENT.

Mr. GOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 21 minutes p. m.) the House adjourned until to-morrow, Friday, May 7, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Secretary of the Treasury, transmitting a supplemental estimate of appropriation required by the Bureau of Internal Revenue for expenses of collecting the war revenue during the remainder of the fiscal year 1920, together with a proposed paragraph of legislation authorizing the use of certain unexpended balances (H. Doc. No. 754), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. GRAHAM of Pennsylvania, from the Committee on the Judiciary, to which was referred the bill (S. 411) to confer jurisdiction on the Court of Claims to certify certain findings of fact, and for other purposes, reported the same without amendment, accompanied by a report (No. 933), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. JOHNSON of Mississippi, from the Committee on the Public Lands, to which was referred the bill (S. 578) providing for the survey of public lands remaining unsurveyed in the State of Florida, with a view of satisfying the grant in aid of schools made to said State under the act of March 3, 1845, and other acts amendatory thereof, reported the same with an amendment, accompanied by a report (No. 934), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. PETERS, from the Committee on Naval Affairs, to which was referred the bill (H. R. 12469) to authorize the award of a medal of honor to Chief Gunner Robert Edward Cox, United States Navy, reported the same without amendment, accompanied by a report (No. 929), which said bill and report were referred to the Private Calendar.

Mr. HERNANDEZ, from the Committee on the Public Lands, to which was referred the bill (S. 3218) for the relief of Martina Sena, Luis E. Armijo, and Maria Baca de Romero, reported the same without amendment, accompanied by a report (No. 930), which said bill and report were referred to the Private Calendar.

Mr. BRITTEN, from the Committee on Naval Affairs, to which was referred the bill (H. R. 13911) for the relief of J. Henry Miller (Inc.), reported the same without amendment, accompanied by a report (No. 931), which said bill and report were referred to the Private Calendar.

Mr. FOCHT, from the Committee on War Claims, to which was referred the bill (H. R. 9843) to carry into effect the findings of the Court of Claims in favor of Myron C. Bond, Guy M. Claflin, and Edwin A. Wells, reported the same without amendment, accompanied by a report (No. 932), which said bill and report were referred to the Private Calendar.

Mr. EDMONDS, from the Committee on Claims, to which was referred the bill (S. 2861) for the relief of the Davis Construction Co., reported the same with amendments, accompanied by a report (No. 935), which said bill and report were referred to the Private Calendar.

Mr. BABKA, from the Committee on Claims, to which was referred the bill (H. R. 8142) for the relief of Anna Blumenthal, reported the same with amendments, accompanied by a report (No. 936), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. STEENERSON: A bill (H. R. 13958) to increase the revenue by imposing a tax on certain sales of newsprint paper, and for other purposes; to the Committee on Ways and Means.

By Mr. McLAUGHLIN of Michigan: A bill (H. R. 13959) to add certain lands to the Santiam National Forest; to the Committee on the Public Lands.

By Mr. MORIN: A bill (H. R. 13960) to amend an act approved February 27, 1919, entitled "An act granting the consent of the Congress to the county of Allegheny, Pa., to construct, maintain, and operate a bridge across the Ohio River at or near McKees Rocks Borough, in the county of Allegheny, in the Commonwealth of Pennsylvania"; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 13961) to amend an act approved February 27, 1919, entitled "An act granting the consent of Congress to the county of Allegheny, Pa., to construct, maintain, and operate a bridge across the Allegheny River at or near Millvale Borough, in the county of Allegheny, in the Commonwealth of Pennsylvania"; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 13962) to amend an act approved February 27, 1919, entitled "An act granting the consent of Congress to the county of Allegheny, Pa., to construct, maintain, and operate a bridge across the Monongahela River at or near the borough of Wilson, in the county of Allegheny, in the Commonwealth of Pennsylvania"; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 13963) to amend an act approved February 27, 1919, entitled "An act granting the consent of Congress to the county of Allegheny, Pa., to construct, maintain, and operate a bridge across the Allegheny River, at or near Sixteenth Street, in the city of Pittsburgh, in the county of Allegheny, in the Commonwealth of Pennsylvania"; to the Committee on Interstate and Foreign Commerce.

By Mr. HENRY T. RAINEY: A bill (H. R. 13964) to amend the war-risk insurance act; to the Committee on Interstate and Foreign Commerce.

By Mr. IRELAND: A resolution (H. Res. 547) to provide for the compensation of a substitute telephone operator; to the Committee on Accounts.

By Mr. LITTLE: A resolution (H. Res. 548) to authorize the Committee on Revision of the Laws to employ additional assistants; to the Committee on Accounts.

By Mr. RODENBERG: A resolution (H. Res. 549) requesting the Attorney General to furnish to the House of Representatives certain information; to the Committee on the Judiciary.

By Mr. PLATT: A joint resolution (H. J. Res. 351) extending the provisions of an act amending section 32 of the Federal farm loan act approved July 17, 1916, to June 30, 1921; to the Committee on Banking and Currency.

By Mr. HAMILL: A joint resolution (H. J. Res. 352) to receive Dr. Patrick McCartan as Ireland's diplomatic representative; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 13965) granting an increase of pension to Mattie Hawk; to the Committee on Pensions.

By Mr. BRITTEN: A bill (H. R. 13966) granting a pension to Minnie Baker; to the Committee on Pensions.

By Mr. COPLEY: A bill (H. R. 13967) granting a pension to George W. Richards; to the Committee on Pensions.

By Mr. GANDY: A bill (H. R. 13968) authorizing the allowance of additional homestead application of Edward E. Voedisch; to the Committee on the Public Lands.

By Mr. HICKS: A bill (H. R. 13969) granting an increase of pension to Henry Oehloff; to the Committee on Pensions.

By Mr. McFADDEN: A bill (H. R. 13970) granting a pension to Eliza E. Clink; to the Committee on Invalid Pensions.

By Mr. MOONEY: A bill (H. R. 13971) for the relief of Edwin Formhals; to the Committee on Claims.

By Mr. MONTAGUE: A bill (H. R. 13972) for the relief of the Gauley Mountain Coal Co.; to the Committee on Claims.

By Mr. HENRY T. RAINEY: A bill (H. R. 13973) granting an increase of pension to Andrew C. Shearer; to the Committee on Invalid Pensions.

By Mr. RANDALL of Wisconsin: A bill (H. R. 13974) granting a pension to Emma Phipps; to the Committee on Invalid Pensions.

By Mr. SIEGEL: A bill (H. R. 13975) for the relief of Lewis W. Flaunlacher; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3462. By Mr. CULLEN: Petition of United Engineering Societies of the Canal Zone favoring the Jones-Reavis bill; to the Committee on Expenditures in the Interior Department.

3463. By Mr. ESCH: Petition of mass meeting of workers of Milwaukee, Wis., demanding civil and human rights and release of political prisoners; to the Committee on the Judiciary.

3464. Also, petition of Local No. 416, Amalgamated Sheet Metal Workers' International Alliance, of La Crosse, Wis., favoring amnesty for political prisoners; to the Committee on the Judiciary.

3465. Also, petition of American Newspaper Publishers' Association advocating certain legislation; to the Committee on the Post Office and Post Roads.

3466. By Mr. GALLIVAN: Petition of W. J. McKeown and F. B. Densmore, of Springfield, Mass., favoring the passage of the civil-service retirement bill; to the Committee on Reform in the Civil Service.

3467. Also, petition of 44 residents of Massachusetts favoring the bonus for ex-soldiers; to the Committee on Ways and Means.

3468. Also, petition of Curtiss Airplane Co. of New England, Boston, Mass., favoring the passage of House bill 10918; to the Committee on Ways and Means.

3469. Also, petition of Chamber of Commerce of Lawrence, Mass., regarding tax legislation; to the Committee on Ways and Means.

3470. Also, petition of County Sligo Benevolent Association of Greater Boston, favoring the freedom of Ireland; to the Committee on Foreign Affairs.

3471. Also, petition of American Legion, Department of Massachusetts, favoring the passage of House bill 13407; to the Committee on Interstate and Foreign Commerce.

3472. Also, petition of Rev. B. D. Budlong, of Boston, Mass., favoring the passage of House bill 13334; to the Committee on the Merchant Marine and Fisheries.

3473. By Mr. HERSMAN: Petition of members of Fremont Post, No. 52, American Legion, Palo Alto, Calif., praying for the passage of the so-called Wason war-risk insurance bill; to the Committee on Interstate and Foreign Commerce.

3474. Also, petition of Presbytery of San Jose, Calif., favoring the passage of legislation organizing the chaplains of the United States Army; to the Committee on Military Affairs.

3475. By Mr. KAHN: Petition of County Supervisors Association of the State of California, favoring Federal contribution to the maintenance, support, and proper equipment of tubercular sanitariums for tubercular patients; to the Committee on Interstate and Foreign Commerce.

3476. Also, petition of American officers of the Great War, favoring legislation providing compensation for ex-service men; to the Committee on Ways and Means.

3477. Also, petition of American officers of the Great War, favoring compulsory military training; to the Committee on Military Affairs.

3478. By Mr. LINTHICUM: Petition of Heineman Bros., of Baltimore, Md., protesting against the proposed increased tax on cigars; to the Committee on Ways and Means.

3479. Also, petition of Columbia Graphophone Manufacturing Co., J. I. Middleton, Hutzler Bros. Co., Bernheimer Bros., Braeger Department Store, C. H. Reeves, jr., Hochschild, Kohn & Co., and Thomas H. Gaither, jr., all of Baltimore, Md., in re bonus legislation; to the Committee on Ways and Means.

3480. Also, petition of Mrs. Mary Buchanan Redwood, Baltimore, Md., in re Army bill; to the Committee on Naval Affairs.

3481. Also, petition of Miss Mary B. Stewart, secretary Children's Playground Association of Baltimore, and Dr. Francis C. Nicholas, in re Smith of Idaho bill (H. R. 12446); to the Committee on the Public Lands.

3482. By Mr. O'CONNELL: Petition of American Newspaper Publishers' Association, of New York, advocating certain legislation; to the Committee on the Post Office and Post Roads.

3483. Also, petition of T. C. Atkeson, Gray Silver, and Charles A. Lyman, in connection with the Capper-Hersman bill; to the Committee on Agriculture.

3484. By Mr. ROWAN: Petition of American Newspaper Publishers' Association, of New York, advocating adoption of certain legislation; to the Committee on Ways and Means.

3485. By Mr. TINKHAM: Petition of Bureau of Disabled Men's Service and Legislative Relief, regarding soldiers' bonus legislation; to the Committee on Ways and Means.

3486. By Mr. WELTY: Petition favoring the passage of bill (H. R. 1112) providing for the parole of Federal prisoners; to the Committee on the Judiciary.

SENATE.

FRIDAY, *May 7, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, by Thy grace alone can we achieve that greatness which is worthy of us as a Nation. Thou hast given to us marvelous resources, Thou hast instructed us through a wonderful history, and Thou dost inspire us with great ideals for the future. We turn to Thee that we may learn the way of life, and having learned the lesson from communion with the Father, that our spirits may go forward with the assurance that Thou hast a place for us worthy of the greatest nation in the earth. Help us to perform our duties as in Thy sight. For Christ's sake. Amen.

The Reading Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House insists upon its amendments to the bill (S. 2890) to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes, disagreed to by the Senate, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. SNYDER, Mr. ELSTON, Mr. RHODES, Mr. CARTER, and Mr. HAYDEN managers at the conference on the part of the House.

The message also announced that Mr. SINCLAIR and Mr. GANDY were appointed managers of the conference on the part of the House on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 400) authorizing the Sioux Tribe of Indians to submit claims to the Court of Claims in the place of Mr. ELSTON and Mr. CARTER, respectively.

The message further announced that the House disagrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11960) making appropriations for the Diplomatic and Consular Service for the fiscal year ended June 30, 1921, insists upon its disagreement to the amendments of the Senate to the bill, asks a further conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. PORTER, Mr. ROGERS, and Mr. FLOOD managers at the further conference on the part of the House.

The message also announced that the Speaker of the House had signed the following enrolled bills and joint resolution, and they were thereupon signed by the Vice President:

S. 2528. An act to grant certain lands to the city of Pocatello, State of Idaho, for conserving and protecting the source of its water supply;

S. 3016. An act to authorize the disposition of certain grazing lands in the State of Utah, and for other purposes; and

H. J. Res. 302. Joint resolution authorizing an appropriation for the participation of the United States in the observance of the three hundredth anniversary of the landing of the Pilgrims at Provincetown and Plymouth, Mass.

PETITIONS AND MEMORIALS.

Mr. CURTIS presented a memorial of sundry citizens of Lucas, Kans., remonstrating against compulsory military training, which was ordered to lie on the table.

He also presented a memorial of Local Grange No. 1622, Patrons of Husbandry, of Topeka, Kans., remonstrating against the enactment of a daylight-saving law, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of sundry citizens of Tampa, Kans., remonstrating against the establishment of a department of education, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Kansas praying for the parole of Federal prisoners, which was referred to the Committee on the Judiciary.

He also presented a petition of Local Lodge No. 447, International Brotherhood of Firemen and Oilers, of Marysville, Kans., praying for the enactment of legislation providing for the recommendation of amnesty and pardon for political prisoners in the United States, which was referred to the Committee on the Judiciary.

Mr. CAPPER presented a petition of the Federation of Women's Clubs, of Cottonwood Falls, Kans., praying for the establishment of a department of education, which was ordered to lie on the table.

He also presented a petition of the congregation of Lower Deer Creek Brethren Church, of Camden, Ind., praying for the enactment of legislation providing for physical education, which was referred to the Committee on Education and Labor.

Mr. ELKINS presented a memorial of the congregation of the Church of the Brethren, of Beaver Run, W. Va., remonstrating against compulsory military training, which was ordered to lie on the table.

He also presented the petition of George A. Hastings, of Wheeling, W. Va., praying that relief be given to the people of the country in the present sugar situation, which was referred to the Committee on Agriculture and Forestry.

Mr. TOWNSEND presented a petition of the City Commission of Wyandotte, Mich., and a petition of Local Branch No. 628, Postal Employees' Association, of Parkersburg, W. Va., praying for an increase in the salaries of postal employees, which were referred to the Committee on Post Offices and Post Roads.

REPORTS OF COMMITTEE ON PUBLIC LANDS.

Mr. SMOOT, from the Committee on Public Lands, to which was referred the bill (S. 3244) to authorize the Secretary of the Interior to issue patent to R. L. Credille, mayor of the village of Bonita, La., in trust, for certain purposes, reported it without amendment and submitted a report (No. 579) thereon.

He also, from the same committee, to which was referred the bill (H. R. 12626) for the relief of certain persons to whom, or their predecessors, patents were issued to public lands along the Snake River, in the State of Idaho, under an erroneous survey made in 1883, reported it with an amendment and submitted a report (No. 580) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPPER:

A bill (S. 4344) to authorize association of producers of agricultural products; to the Committee on the Judiciary.

By Mr. CURTIS:

A bill (S. 4345) granting a pension to Effie D. Hunter (with accompanying papers);

A bill (S. 4346) granting a pension to Arthur G. Reed (with accompanying papers);

A bill (S. 4347) granting a pension to Sue C. Tozier (with accompanying papers);

A bill (S. 4348) granting a pension to Elizabeth M. Englehardt (with accompanying papers);

A bill (S. 4349) granting a pension to James R. H. Daniels (with accompanying papers);

A bill (S. 4350) granting an increase of pension to Mattie B. Wintrode (with accompanying papers); and

A bill (S. 4351) granting an increase of pension to Alva R. Blackmore (with accompanying papers); to the Committee on Pensions.

THE DYE INDUSTRY.

The VICE PRESIDENT. The morning business is closed.

Mr. CURTIS. I move that the Senate proceed to the consideration of House bill 8078, the so-called dye bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8078) to regulate the importation of coal-tar products, to promote the establishment of the manufacture thereof in the United States, and, as incident thereto, to amend the act of September 8, 1916, entitled "An act to increase the revenue, and for other purposes."

Mr. CURTIS. I suggest the absence of a quorum.

The VICE PRESIDENT. The roll will be called.

The Reading Clerk called the roll, and the following Senators answered to their names:

Ashurst	Dillingham	Henderson	Lodge
Capper	Gay	Jones, Wash.	McCormick
Chamberlain	Gerry	Kendrick	McNary
Comer	Glass	Kenyon	Nelson
Curtis	Gronna	King	Norris
Nugent	Sheppard	Trammell	Warren
Overman	Smoot	Underwood	
Page	Thomas	Wadsworth	
Phipps	Townsend	Walsh, Mass.	

Mr. GRONNA. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent due to illness. I ask that this announcement may stand for the day.

Mr. TRAMMELL. I wish to announce that the Senator from Nevada [Mr. PITTMAN] is absent on official business.

Mr. CURTIS. I was requested to announce the absence of the Senator from Maine [Mr. HALE] on official business.

The VICE PRESIDENT. Thirty-three Senators have answered to the roll call. There is not a quorum present. The roll of absentees will be called.

The Reading Clerk called the names of the absent Senators, and Mr. CULBERSON, Mr. RANSDELL, Mr. ROBINSON, Mr. SMITH of South Carolina, Mr. STERLING, and Mr. WILLIAMS answered to their names when called.

Mr. SMITH of South Carolina. I wish to announce the unavoidable absence of my colleague [Mr. DIAL] from the Chamber. He is necessarily detained. I should have made the same announcement yesterday, but having been absent attending a committee meeting, I was unable to do so.

Mr. COLT, Mr. HARDING, Mr. JOHNSON of California, Mr. POMERENE, Mr. ELKINS, Mr. CUMMINS, Mr. HARRISON, Mr. SUTHERLAND, Mr. WALSH of Montana, Mr. BALL, Mr. OWEN, Mr. CALDER, Mr. HALE, Mr. PITTMAN, Mr. JONES of New Mexico, Mr. SHIELDS, Mr. HARRIS, and Mr. HITCHCOCK entered the Chamber and answered to their names.

The VICE PRESIDENT. Fifty-seven Senators have answered to their names; there is a quorum present.

Monday, May 3, 1920.

Mr. THOMAS. Mr. President, this is a very important measure and possessed of some unique features. It is a bill to protect the dye industry by the imposition, in addition to the existing duties which were enacted into law in 1916 for its benefit, of an embargo upon certain importations of dyes and dyestuffs for a period of three years after the enactment of the law, and, as far as I am informed, it is the first bill of the sort which invokes that weapon for the purpose of protection. The duties imposed by the bill as passed by the House, which the Senate committee rejected, and upon which the House will undoubtedly insist should the Senate take favorable action, increase the ad valorem rates by about 50 per cent and the specific rates even to a greater degree.

Another unique feature of the situation is the message of the President of the United States on the 20th day of last May, who took occasion to recommend the protection of the dye industry because of its great importance in times of war, which the future may develop, and in which event certain by-products of the industry will become of great importance. On that occasion, and about the time or immediately before the signature of the treaty at Versailles, and which, from the President's standpoint, was designed to secure an enduring peace, he advised the Congress that—

> Among the industries to which special consideration should be given is that of the manufacture of dyestuffs and related chemicals. Our complete dependence upon German supplies before the war made the interruption of trade a cause of exceptional economic disturbance. The close relation between the manufacturer of dyestuffs, on the one hand, and of explosive and poisonous gases, on the other, moreover, has given the industry an exceptional significance and value. Although the United States will gladly and unhesitatingly join in the program of international disarmament, it will, nevertheless, be a policy of obvious prudence to make certain of the successful maintenance of many strong and well-equipped chemical plants. The German chemical industry, with which we will be brought into competition, was, and may well be again, a thoroughly knit monopoly, capable of exercising a competition of a peculiarly insidious and dangerous kind.

Whether the President would approve of a bill like that reported from the committee I am unable to say, but it would surprise me exceedingly if, as the representative, in the highest office within our gift, of that great party traditionally devoted to the principle of a tariff for revenue only, he would sanction the use of the embargo whereby prohibitory war conditions are to be continued in favor of one industry in this country, for the period of three years in any event and indefinitely if the industry is subsequently able to convince Congress of the need for its prolongation.

I do not think a bill imposing an overburdensome duty upon a given article of American manufacture and invoking the exercise of the embargo power in addition ever before had the support of the senior and ranking Democratic member of the Finance Committee, together with that of the Democratic leader. Nor do I believe, Mr. President, that any such measure was ever presented at a time when the turmoil and disturbance created by the greatest war in history still prevails throughout the civilized world.

Such are some of the unusual features which attend the consideration of this bill and which are defended, first, upon the principle that the industry is an infant one and needs this added protection; and, secondly, that the threat of impending German competition will materialize in the very near future, in which event without this added protection the infant will be strangled in its cradle.

Mr. MOSES. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Colorado yield to the Senator from New Hampshire?

Mr. THOMAS. I yield.

Mr. MOSES. The Senator being himself a member of the Committee on Finance, which reported this bill, which he justly describes as a most remarkable one, I would like to ask the Senator, without wishing in any way to have him disclose anything which might be confidential with relation to the deliberations of the committee, why such a marked differentiation was made by the Finance Committee between the dye industry and the magnesite industry?

If the Senator will permit me to point out briefly, the dye industry existed in some magnitude in this country prior to the war. The magnesite industry had no existence whatever in the United States prior to the war. Magnesite was quite as essential to war processes and the success of the war as the dyestuff, and yet, in dealing with the magnesite industry, which had been created ab initio because of war necessities and because of war conditions, the committee contented itself with placing what seems to me a very moderate tariff upon magnesite, and insisted upon the absolute embargo for dyestuffs.

If the Senator from Colorado can, without doing violence to the confidences of the inner recesses of the Finance Committee, enlighten the Senate as to the reason for that differentiation, I would like to have him do it.

Mr. THOMAS. I must refer my friend from New Hampshire to the testimony which the committee received in support of the dye bill, and also that which it received to sustain the magnesite bill. I do not recall that the magnesite people asked for an embargo. I am not prepared to say whether it would have been granted or refused if they had done so. But it is perhaps a fair inference to say that the magnesite people got no more than they asked for. Had they been less modest and asked for the extension of the embargo to their industry they might have gotten it; I do not know. I know of nothing which occurred in the hearings at any time during the consideration of this and kindred bills of which the Senate should not have first-hand knowledge to the fullest extent.

Mr. MOSES. Mr. President——

The PRESIDING OFFICER. Does the Senator yield further?

Mr. THOMAS. I yield.

Mr. MOSES. I think the Senator from Colorado missed the point of my inquiry, inasmuch as the hearings, of course, are accessible to any Senator.

After the hearings had concluded and after all the testimony had been taken, the committee, of course, must have deliberated. There was conflict of opinion in the testimony taken before the committee with reference to the dyestuffs bill. There were those who advocated an embargo. As a matter of fact, the president of the largest concern engaged in the production of dyestuffs in the United States, in answer to a question which he propounded to himself, "What do we want?" frankly said to the committee, "We want, first of all, an embargo wall erected; and, in case that wall might leak at some point, behind that we want a secondary defense of tariff protection."

Of course, Mr. President, there were those who appeared before the committee who must have dissented; indeed, from my recollection of the testimony, there was dissent from that point of view, and the committee must have pursued some form of reasoning, some method of logic, which produced the result as between the two commodities of which I have been speaking.

I wish to make it perfectly clear, Mr. President, that I have no desire to force the secrets of the inner heart of any member of the Committee on Finance, but it certainly seems to me, as a distinguished old friend of mine in northern New Hampshire would say, "mysticious" that the committee has taken the diametrically opposite point of view between the two commodities, and this information I am trying to extract, with extreme difficulty and slight result, from the Senator from Colorado.

Mr. FRELINGHUYSEN. Mr. President, will the Senator permit a further interruption?

Mr. THOMAS. I yield.

Mr. FRELINGHUYSEN. I simply rise in the interest of accuracy. I object to having the RECORD cumbered with a protest of the character that there was some secret about the operations of the committee. All the hearings were in the open, they were published, and I think, contrary to the statement of the Senator from New Hampshire [Mr. MOSES], that there was considerable dye industry in this country prior to the war; they also showed that there was practically no dye industry in this country prior to the war.

Mr. THOMAS. As regards the last statement of the Senator from New Jersey, I shall attempt to show that a very formidable dye industry, prosperous and profitable, flourishing under the tariff act of 1916, and self-supporting at the time we entered the war, had been fully established in America.

Mr. MOSES. Mr. President——

Mr. THOMAS. I yield to the Senator from New Hampshire.

Mr. MOSES. I wish to trespass upon the time of the Senator from Colorado only for the purpose of saying that I think the Senator from New Jersey must have misunderstood my language, though I tried to choose my words with extreme care. I said nothing about the secrecy of the hearings. I said, indeed, that those are accessible in printed form to everyone, but I said there was a conflict in the testimony introduced in the hearings, and I wondered by what process of reasoning the committee managed to reach the result it did.

Mr. THOMAS. It may possibly comfort my friend from New Hampshire to know that I voted adversely on all these measures. I am unable, of course, to give him any information as to the facts or the arguments which convinced the majority of the committee that it should approve the bill as reported from the subcommittee, except in so far as the deliberations were held which I attended. The embargo was placed upon the dye industry because it was asserted by its proponents to be essential to its welfare and existence, but no such representation was made in my presence by the representatives of the magnesite industry.

The Senator may not have read it, but he will be entertained, if not instructed, by reading the speech of the Democratic leader of the House minority when the tungsten bill, the magnesite bill, and the pearl-button bill came before that body. Among other things he said that the dyestuffs bill having been introduced with probable favorable consideration, every other majority member of the Ways and Means Committee determined to demand similar protection for some industry in which his State was interested, and therefore took advantage of the situation to introduce a bill for the protection of some other so-called war industry which had sprung full-panoplied into existence, due to the prohibitory action of the war, and which had become essential and indispensable to the people of the United States if they wanted to be a self-contained nation both in times of peace and in times of war. Hence the Member from my State, Mr. TIMBERLAKE, introduced a bill for the protection of tungsten, some other Representative from the Southwest introduced a bill for the increase of the duties upon zinc, and still another upon magnesite, and so on.

The committee member from Iowa, not to be outdone in this exhibition of legislative generosity to the industries of their particular sections, conceived the idea that the pearl-button industry was a war industry and introduced and succeeded in securing the passage by the House of a bill largely increasing the duties upon that very humble and indispensable article of commerce, tending to our comfort in times of peace and to our defense in times of war.

Mr. MOSES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New Hampshire?

Mr. THOMAS. I think, if the Senator will permit me for a moment, that the embargo upon the pearl button at this time is quite as necessary for its protection as the embargo which this bill contains, but which is confined in its application to dyestuffs. I yield to the Senator.

Mr. MOSES. What the Senator from Colorado has said seems to me to imply a reproach to those Senators and Representatives from other States where other industries flourish that have not been looked out for in the same manner.

Mr. THOMAS. Far from it.

Mr. MOSES. If I may trespass upon the Senator's time, I take it as a reproach to myself, because there happens to be in my State an industry, small but highly necessary, the manufacture of tailors' needles, without which the armies of the Republic in the war would have found themselves dependent upon Red Cross knitting for their comfort. What the Senator has said about the activity of other Senators and Members who were looking out for special industries in their own States I take to myself, and if the Senator does not reproach me I certainly reproach myself for my remissness.

Mr. THOMAS. The Senator should not reproach himself. All he has to do is to draw an amendment for the protection of that commodity which is produced in his State and put it on this bill.

Mr. MOSES. I thank the Senator for that suggestion, and I shall take it seriously to heart.

Mr. THOMAS. The bills to which I have referred illustrate the fact that upon the tariff question the people of the United States, and particularly the Members of the two Houses of Congress, are divided into three classes. There is the high protectionist, the tariff-for-revenue-only man, and the spotted protectionist; and I am sorry to say that the spotted protectionist flourishes on the Democratic side. They are left-handed philanthropists, who believe in a lower duty upon their neighbors' commodities, but demand full protection for those in which they or their constituents are interested.

I receive letters frequently from people in my State, some in reproach, some by way of resentment, others written more in sorrow than anger, and still others more in anger than sorrow, demanding that I support the tungsten bill even though I give the rest of them "hail columbia." Unfortunately I am unable to do this. My mentality is so constructed, my intellectual make-up so narrow, that I am unable to advocate the application of a great general principle of legislation and at the same time demand exemption for something that happens to be favorable, perhaps indispensable, to my State or to some of my own constituents.

Proceeding now to a consideration of the bill, I think I stated that the measure is sustained first by its infant and undeveloped nature or character, its indispensable necessity as an industry contributing to our national defense, and also because peace having brought a revival of German competition, the industry can not survive that competition without further protective legislation.

Mr. President, I shall attempt as best I can to demonstrate that those positions are untenable, and that neither has any basis in actual fact, either past or present, and that the imposition of those duties and this embargo will inevitably lead to the establishment of another great monopoly in the United States, a key industry to the manufacture of textile fabrics, and ultimately place those great departments of American industry and production at the mercy of this monopoly. If I can do this, then I indulge the hope that the measure will not appeal to the good sense and patriotism of this body.

Mr. President, the dye industry of America was practically without existence in 1913. Several feeble efforts had been made to establish it, but, being opposed by the manufacturers of fabrics, who naturally wanted to secure their raw materials as cheaply as possible, no sufficient protection could be obtained from the American Congress. The so-called dye men applied in vain to the framers of the Wilson bill, the Dingley bill, the Payne-Aldrich bill, and the Simmons-Underwood bill for a measure of adequate protection for their industry, and on each occasion the amount demanded and said to be essential to the establishment of the industry was denied. The rates fixed by the Underwood bill were those fixed by the Payne-Aldrich bill. My impression is that the Simmons bill reduced the rates in some particulars, but they were restored, so as to be substantially those then in existence, by the committee of conference; and the bill passed in that form.

One of the proposed beneficiaries of this measure, engaged in the manufacture of dyes in a limited way, is said by some of the witnesses coming before our committee to have confederated with the owners of textiles and with the German interests to prevent the granting of adequate protection to the industry.

As a result Germany, perfecting the industry through long years of experimentation and manufacture, dominated the world and furnished to the dye men and the textile manufacturers of all countries by far the greater part of their dyestuffs, sending to America some thirty or thirty-five thousand tons per annum, yielding a revenue of about $15,000,000.

Just here let me say, lest I forget it, that the dye industry of the United States last year exported in value more dyestuffs than America ever bought from Germany.

Mr. POMERENE. Does the Senator mean in the same length of time?

Mr. THOMAS. Yes, per annum; the same relative length of time. I will come to that later.

When Germany declared war upon France and England and the British fleet placed an embargo—which was an absolute prohibition—upon the exportation of German articles of commerce, the textile industry in the United States found itself confronted by a very serious situation, so serious, indeed, that Count von Bernstoff, observing its importance, suggested that a sustained embargo on dyestuffs would throw some 4,000,000 men out of employment; and his message, by the way, is one of the bases for this bill. It was referred to by the Senator from Indiana [Mr. WATSON], having charge of the bill, on the 1st of March, at considerable length.

The situation was serious, and, of course, it gave an impetus to the industry, because the most perfect and absolute protection in the world was the Great War then pending. Dyestuff establishments began to spring up over the country, two or three of them of considerable dimensions, notably the Schoelkopffs at Buffalo. They began to supply the cheaper and more generally used dyestuffs—the browns and the blacks and other of the commonest colors—in considerable quantity. Of course they received the encouragement and cooperation of the manufacturers of cloths, woolen, silk, and cotton, all over the country, which must have dyestuffs of some sort. Vegetable indigoes and also logwood came into demand. The industries resorted to every possible method of securing the needed dyes. Some of them learned of a considerable consignment of dyestuffs to China and sent an agent across the Pacific, secured it, brought it back to the United States, and, of course, made a very generous profit out of the enterprise.

Inasmuch as no one could predict the length of the war, and inasmuch as an object lesson of the most striking character was presented to the country, it was quite natural that the representatives of this new industry should come to Congress in 1916 and demand protection. They appeared before the Ways and Means Committee of the other House and before the Committee on Finance of the Senate. There they testified at length regarding the nature of the industry, the reasons for its disappearance in America, the need for its reestablishment, both economically and from a military standpoint, and the consequent need of a generous rate of protection. The Finance Committee of the Senate, controlled at that time by the Democratic Party, finally permitted these gentlemen to write their own rates of duty in the bill, which it then enacted into law.

I thought they were very high; I thought they were prohibitive. So thinking, I resigned from the subcommittee having charge of the subject, and was succeeded by the late lamented Senator from New Jersey, Mr. Hughes. That committee finally said to these gentlemen, "We will accept your representations; it is a very serious matter; write your own duties." And they did so, repeating time after time that the rates then written were not only necessary but amply sufficient for the purpose for all time; not for the war—we had not entered it—not for two or three years, but indefinitely. They said, in substance, "Gentlemen, if you will give us this rate of duty, within three or four years we will be able to supply the American market with 80 per cent of its consumption, and when we have the industry thus far advanced, we will fear neither God nor devil; we can beat Germany in her own market; we shall make ourselves the great dye industry of the world under this line of duties." Nay, more, they said, "We agree, after we produce 60 per cent of the home demand for dyestuff, to a reduction of the specific duties which we now ask, graduated through a term of years."

I did not vote for that bill, Mr. President, and did not vote against it, for I felt under the circumstances, much as I regarded the duties as excessive, my duty to the country required that I should resolve the doubt in favor of these gentlemen, realizing to the fullest extent the tremendous importance of the industry. So the bill passed; other dyestuff institutions sprang up in different places; the manufacture of dyes increased, and within 16 months—certainly within 18 months—the American industry was furnishing more than 80 per cent of all the dyes consumed in the United States. As the Senator from Utah suggests to me, they can do it now. Of course, they can; they are doing it now; they are furnishing some 90 per cent and supplying other countries with our exports and even selling intermediates to Germany to enable her to continue her manufacture of dyes.

We took these gentlemen at their word in 1916——

Mr. POMERENE. Mr. President, will the Senator pardon an interruption?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Ohio?

Mr. THOMAS. I yield.

Mr. POMERENE. When the Senator makes the statement that we are producing 80 or 90 per cent of the dyes, does he mean—perhaps I do not express myself accurately—of each particular dye?

Mr. THOMAS. Oh, no.

Mr. POMERENE. Or the sum total?

Mr. THOMAS. Oh, no; I mean the sum total. There is a certain line of dyes which are intricate in composition and are

used for the finer lines of goods, particularly the fast blues in shirtings, and so forth, not now manufactured in this country, and it is because our manufacturers have not yet been able to produce all that class of dyes that Congress is asked to increase the duties and to levy an embargo.

Mr. POMERENE. Mr. President, let me ask a further question of the Senator.

Mr. THOMAS. Yes.

Mr. POMERENE. What is the value of the dyes which we do not produce?

Mr. THOMAS. Does the Senator mean the rate of value?

Mr. POMERENE. The value in money. I wish to get an accurate statement of the quantity and value.

Mr. THOMAS. Mr. President, I am unable to answer that question. I will go through the records again and see if I can supply the answer. The Senator from Utah [Mr. SMOOT] may be able to answer, and I yield to him for that purpose.

Mr. SMOOT. Mr. President, I did not intend to ask the Senator from Colorado to yield.

Mr. THOMAS. I gladly yield, because I think the Senator perhaps can answer the question.

Mr. SMOOT. Then I should like to say to the Senator that, taking all of the class of dyes to which the Senator from Colorado has referred as not being made in this country and which never have been successfully made here, although there is a hope that they may be made here at some time in the future—taking them, together with the delicate shades, such as light pinks and light blues, which must be made so that they are fast to scouring and fast to light, as well as other dyes that are not made in this country to-day, I suppose their value would be about fourteen or fifteen million dollars.

I do not know whether the Senator wants any further explanation as to what these dyes are and why they are not made in this country. I think the Senator from Colorado can give that information better than I can.

Mr. NUGENT. Mr. President——

The PRESIDING OFFICER (Mr. PHIPPS in the chair). Does the Senator from Colorado yield to the Senator from Idaho?

Mr. THOMAS. I yield.

Mr. NUGENT. I should like to ask the Senator from Utah to explain, if he will be kind enough to do so, whether he means that $14,000,000 or $15,000,000 represents the total value of dyes of the character he has described as consumed throughout the world or as consumed in this country.

Mr. SMOOT. As consumed in this country. I answered the question of the Senator from Ohio in accordance with the way in which I understood it.

Mr. NUGENT. I call the Senator's attention to the fact that the hearings held by the subcommittee of the Finance Committee investigating this matter showed conclusively that the value of all dyes imported into this country prior to the war was but $12,000,000.

Mr. SMOOT. Mr. President, my remarks applied to the question asked by the Senator from Ohio as to the value of the dyes included in the 20 per cent referred to by the Senator from Colorado. I call the Senator's attention to the fact that I understood the Senator from Ohio to ask the value of those dyes at this time. I wish to say that it is true that the total importation into the United States of all dyes before the war was about $12,000,000, but to-day their value if imported into this country would be three or four times that amount; and of that three or four times the amount of $12,000,000, which would be $36,000,000 to $48,000,000, there are $14,000,000 at to-day's prices of dyestuffs that are not manufactured in the country. I think the Senator will agree with me, will he not?

Mr. THOMAS. Surely; surely.

Mr. POMERENE. Mr. President, the Senator from Colorado a moment ago made the statement that as a result of our legislation and world conditions, I take it—I am not using his language—we are producing at the present time between 80 and 90 per cent of the total amount of the dyes which are consumed in this country.

Mr. SMOOT. And that statement is true. I think to-day it is 90 per cent.

Mr. POMERENE. That leaves, then, from 10 to 20 per cent of the dyes consumed in this country which are produced abroad; and my question is, what is the value—I mean the commercial value—of that 10 or 20 per cent?

Mr. SMOOT. At to-day's prices I will state again that it is about $14,000,000; and the dyes that are imported to-day are the vat dyes spoken of by the Senator from Colorado, and they are mostly colors that are used in gentlemen's shirts, and dyes of that character.

Mr. POMERENE. Let me ask, for further information, what would have been the value of these dyes that we are not producing at the rates prevailing prior to the war?

Mr. SMOOT. Just to speak offhand, without going into a detailed investigation, I should say about $8,000,000.

Mr. POMERENE. In other words, they have advanced about 50 per cent. That is, the present values are about 50 per cent greater than the values of those particular dyes prior to the war?

Mr. THOMAS. Over 100 per cent.

Mr. SMOOT. I will say to the Senator that some of them are over 100 per cent higher, but I think the average would be about as I stated—$8,000,000 as against $14,000,000.

Mr. THOMAS. The statement of the Senator from Utah was in the main correct; but we are not importing those dyes, because we can not get them.

Mr. POMERENE. Mr. President, may I ask a further question in order to develop the thought to which the Senator has just given utterance? He says we can not get these dyes. Does he mean that we can not get them because they are not being produced or because of the fact that the treaty with Germany has not been ratified?

Mr. THOMAS. We can not get them because they are not being produced, and because we have not yet been able to get that part of the amount of dyes of that character on hand in Germany, 50 per cent of which were under the treaty to go to the Reparation Commission. I will elaborate that before completing my discussion of this bill.

In consequence of the assurances received from the representatives of the industry in 1916, the Senate inserted section 501 of the revenue act of that year, which I will read:

> That on and after the day following the passage of this act, in addition to the duties provided in section 500, there shall be levied, collected, and paid upon all articles contained in Group II a special duty of 2½ cents per pound, and upon all articles contained in Group III (except natural and synthetic alizarin, and dyes obtained from alizarin, anthracene, and carbazol; natural and synthetic indigo and all indigoids, whether or not obtained from indigo; and medicinals and flavors), a special duty of 5 cents per pound.

These specific rates were very much larger at that time, relatively to the price of dyes, than they are at present, although the cost of American dyes in many instances has been very largely reduced—a fact of itself indicating the self-supporting character of the industry.

> During the period of five years beginning five years after the passage of this act such special duties shall be annually reduced by 20 per cent of the rate imposed by this section, so that at the end of such period such special duties shall no longer be assessed, levied, or collected; but if, at the expiration of five years from the date of the passage of this act, the President finds that there is not being manufactured or produced within the United States as much as 60 per cent in value of the domestic consumption of the articles mentioned in Groups II and III of section 500, he shall by proclamation so declare, whereupon the special duties imposed by this section on such articles shall no longer be assessed, levied, or collected.

Mr. POMERENE. Mr. President, is that one of the provisions which the Senator had in mind a moment ago when he said that it was drawn by the dye people themselves?

Mr. THOMAS. I do not say that this section was drawn by the dye people. I said that the duties carried by that bill were, and the Senate committee drew this section with their consent and approval because of the representations which they made; and the Senator will observe that it is a sort of guaranty that 60 per cent of the market will be supplied in five years. If the guaranty is made good, then the specific duties shall be gradually removed until at the end of 10 years they disappear. If the guaranty is not made good, then, at the end of five years, the President shall wipe out the specific duties entirely.

I take it that when an industry, ably represented, seeking specific beneficial class legislation, comes before the authorized committees of Congress and gives them the assurance that a certain rate of duty is ample for all purposes, and that when under it the industry is able to furnish the home market with 80 per cent of its demands it can then defy competition everywhere, we ought to take its representatives at their word, and particularly when the after assertion of impending overwhelming and destructive competition has no existence outside of their own excited imaginations. The Government has made good; and just here let me say that the beneficiaries of this industry are doubtless patriotic men. I would not for the world cast any imputation upon their loyalty to America, but they did not start this industry from motives of patriotism. We were not in the war then. They saw a splendid opportunity to build up a great and profitable industry, and one thing that we have not been informed of is the amount of profit which they have made since this legislation of 1916 was enacted.

Mr. NUGENT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Idaho?

Mr. THOMAS. I yield.

Mr. NUGENT. Is it not true that at the time American capitalists went into the dyestuffs manufacturing business no dyes were being imported into this country in any considerable quantity and that the textile manufacturers of the United States, as a matter of fact, were facing ruin because of the lack of dyes?

Mr. THOMAS. I will not say they were facing ruin. They were badly embarrassed because of the lack of dyes; yes.

Mr. NUGENT. They could not very well get along without them.

Mr. THOMAS. That is true.

Mr. NUGENT. And there was no place from which they could be secured at that time.

Mr. THOMAS. That is true; but in America more than anywhere else necessity is the mother of invention, and they got along somehow. They got logwood. They got a supply of indigoes. A company out in Michigan began to manufacture indigoes in 1915. They were hard run for dyes, unquestionably; and, as I said, for the first time in their lives they united in the effort to establish a dye industry in the United States, and, again, because of the needs of the times. So that when these gentlemen now say that they exhibited a great example of patriotic self-denial and came to the rescue of their country in its hour of need, and therefore should be protected from impending ruin, they do not state all of the facts by any means.

Mr. President, later on I may refer to some extracts from the testimony of 1916 in support of the assertions that I have here made, although I am satisfied that no one identified with the dye industry will deny my recital of the position which was taken in 1916 by the exponents of the industry.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Iowa?

Mr. THOMAS. I yield.

Mr. CUMMINS. The Senator from Colorado, a short while ago, made an observation that I did not fully understand, and I should be glad to have him explain it to me. Among other things, he said that the bill is defended upon the ground that it is necessary for the national defense. Will the Senator enlarge a moment upon that phase of the matter and give us his view of why it is necessary for the national defense or why it is claimed to be necessary for the national defense?

Mr. THOMAS. Mr. President, I intended going into that subject, and I perhaps might as well do it at present, as I can do by rearranging some of my notes.

Mr. CUMMINS. I do not ask the Senator to readjust his argument.

Mr. THOMAS. It is a very simple matter, and I can do it just as well as not.

I may say generally upon that subject—and I hope I shall be corrected by the advocates of the bill if I misstate anything, either with regard to this or with regard to any other phase of it—that the by-products of coal tar are the foundation of the synthetic dye industry. The by-products of coal tar are also the foundation for many of the deadly gases and explosives used in modern warfare. From the same material used to extract the beautiful and brilliant colors everywhere prevailing in our modern life come also the basic elements of trinitrotoluol, probably the most tremendous explosive thus far developed by the genius of the chemist. The gases which are known generally as mustard gas and phosgene gas and other forms of gas, including chlorine gas—although chlorine is a derivative of other than the products of coal tar, being, in other words, derivable both from coal tar and from other sources of nature—contain in very large degree the same elements that enter into the production of dyes of various colors.

There is, therefore, a very close interrelation between the two industries, and there can be no doubt that the German dye chemists, in making their various combinations to secure other and different colors, evolved the explosive and deadly qualities of some of the ingredients of the crude products of coal tar. Germany, swift to seize advantage of such a condition, utilized her dye industries, encouraged and developed them, for the double purpose of controlling the dye markets of the world and also for establishing a firm and widely developed basis for the production of deadly war material.

It followed, therefore, that the conversion of the dye factory into a manufactory of explosives and of gas was comparatively easy, needing, perhaps, but little change in the mechanisms and staff of employees for the purpose, but in any event making the transformation very easily and very rapidly.

There can be no question, and I have no question, about the interrelation of the two industries with each other, of the two purposes, and of the need, therefore, of the maintenance of the dye industry. My contention is that this bill is not necessary for that purpose.

Mr. WATSON. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Indiana?

Mr. THOMAS. I yield.

Mr. WATSON. Does the Senator from Colorado contend that the existing rates are sufficient to maintain this industry?

Mr. THOMAS. Certainly. They are either sufficient or every man who came before us intentionally or unintentionally misled us in 1916.

Mr. WATSON. What has happened since 1916 which confirms the Senator in that opinion?

Mr. THOMAS. Everything. I will come to that. We have an enormous dye industry; as the Senator from Utah suggests, we are supplying 90 per cent of our consumption. We exported last year $17,000,000 worth of dyes.

Mr. WATSON. If the Senator will yield——

Mr. THOMAS. Certainly I will yield. I always yield to the Senator from Indiana with pleasure.

Mr. WATSON. I thank the Senator. I think 90 per cent is a little high. I think 80 per cent is the right figure.

Mr. THOMAS. I am willing to split the difference between the Senator from Utah and the Senator from Indiana.

Mr. WATSON. But does the Senator maintain that the dye industry has been established because of the tariff rates of 1916?

Mr. THOMAS. I do not think so entirely.

Mr. WATSON. The war was on, having started in 1914.

Mr. THOMAS. Certainly. But the war was on when they came before us with these representations.

Mr. WATSON. That is quite true.

Mr. THOMAS. We were not in it, but the source of competition was paralyzed to the same degree by Germany.

Mr. WATSON. That is quite true; but, after all, is it not also true that it was then entirely a new business?

Mr. THOMAS. No; not entirely.

Mr. WATSON. Practically, so far as the manufacture of the great body of dyes consumed in this country was concerned, it was a new industry.

Mr. THOMAS. Oh, yes.

Mr. WATSON. And they came before us and made their statements wholly hypothetically; they did not know. There was no importation of dyes at that time from Germany. An embargo absolutely prohibited importations, and here was an industry which had not been established and was not on a working basis in the United States; and is it not true that at that time they came and made these statements, based upon no real knowledge of the facts?

Mr. THOMAS. Mr. President, we called their attention to the fact that the war operated like an absolutely prohibitive tariff at the time they made this request, and they said, "We know that. We do not need protection now. We want this for our protection when the war is over." That was their position.

I want to be just and I want to be fair. Some of them say they were mistaken. But when you compare the volume of their business, the progress of certain consolidations, and the profit, as far as we can get it, upon capital invested, we must be pardoned if some of us are obliged to accept those assurances with some degree of modification.

Let me say to the Senator from Iowa [Mr. CUMMINS] that a further contention—and this comes from the Army and from the schools—of the absolute need for a self-sustaining dye industry is that it will develop schools for synthetic chemistry, and that we are short of synthetic chemists; that Germany has an ample supply, a great staff, at every one of her centers of the dye industry; and that they are a part of the inevitable development of that industry. Hence, in order to secure a similar staff of synthetic chemists, this industry must be protected by an increased duty and by an embargo, and unless that is done we can not continue our competition, because we will then lack the scientific personal element so essential to the development of the industry.

Mr. CUMMINS. One other question, if the Senator will permit me. The by-products of coal can only be secured when coal is consumed for some other purpose. Is not that true? It is not consumed for the sole purpose of consuming it?

Mr. THOMAS. The by-product is the result of coking, the transformation of the coal.

Mr. CUMMINS. Precisely; but coal is not coked simply for the purpose of producing a by-product?

Mr. THOMAS. Oh, no.

Mr. CUMMINS. And the amount of coal that is consumed must depend upon our other industries?

Mr. THOMAS. Certainly.

Mr. CUMMINS. The national defense, therefore, is, after all, involved in the extent of our other industries?

Mr. THOMAS. Absolutely. Let me say to the Senator right there that the wool growers, I am told, are now contending that if an embargo is to be given to the dye manufacturers, it should be given to the woolgrowers, because wool is a war industry as well as an industry of peace. A soldier has to be clothed or he can not shoot.

Mr. CUMMINS. When the coal is consumed for the purpose of making coke, that coke must be consumed in some industry, and whether the by-product is gathered or preserved depends entirely upon the form in which the coal is reduced to coke, as I understand it.

Mr. THOMAS. It is also a product of the gas plants which produce artificial gas for municipal consumption.

Mr. CUMMINS. Precisely; but the principal purpose is for the production of what we know as water gas.

Mr. THOMAS. Yes; hence the term "by-product."

Mr. CUMMINS. The difficulty I have had all the time, being in entire sympathy, I do not say with the bill but with the general purpose of those who framed the bill, is that our industries are running and the coke is consumed, and the by-product necessarily forms but an incidental part in the industry in which the coal may be used. Why is it necessary to attach either an embargo or enormous duties upon that by-product? It must be simply because we have not discovered the means of converting the by-product into dyestuffs.

Mr. WATSON. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Indiana?

Mr. THOMAS. Certainly.

Mr. WATSON. That same situation is true in Germany, I will say to the Senator from Iowa. They obtain their dyes from by-products, and these by-products are obtained in coke ovens, as the Senator has well said, and also in the manufacture of gas in municipal plants. That has always been the case. It is so in Germany. We do not put a tariff on that particular by-product. We do not put a tariff on coke for the purpose of establishing a dye industry in the United States, but it is for the purpose of so protecting the industries that they can develop the great chemical industry of the United States. In other words, they have the skilled chemists over there simply because they have been producing the dyes. We have not been producing the dyes, and we have not the chemists, and we have not the knowledge; we do not know the formulæ.

Mr. CUMMINS. Is there not any way by which we can ascertain how the Germans make dyes?

Mr. NUGENT. It is being done now.

Mr. WATSON. The Alien Property Custodian, at that time Mr. Palmer, took the patents away from Germany, about 4,200 in number, as I recall, and they were sold in the United States. They had the initial steps of the requisite formulæ, but they did not have all the steps in the production of the dyes. Some important step would be left out, another important step would be omitted, and our chemists from that time to this in the manufacture of these dyes have been attempting to pick up those steps which were lost. So if we had not had the skilled chemists who were developed during the war in this industry, we would not now be making any of these dyes; but it is because we developed those chemists and that chemical knowledge since the embargo was laid by the war, which absolutely prohibited imports, that we have developed that chemical knowledge which has enabled us to make the dyes we are to-day making. We did not do it before the war came; we did not do it before we had this prohibitory tariff which was made by means of the war, and when we go back to prewar conditions we will not do it again if Germany continues to make her dyes and send them into this country in competition with what we make.

Mr. POMERENE, Mr. MOSES, and Mr. CUMMINS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Colorado yield; and if so, to whom?

Mr. THOMAS. I yield to everybody.

Mr. POMERENE. I want to address a question to the Senator from Indiana, if he will permit.

Mr. THOMAS. I yield to the Senator, if the Senator wants to ask a question.

Mr. POMERENE. I will ask the question later. I ought not to intrude in this debate in that way.

Mr. MOSES. Will the Senator yield to me to ask a question of the Senator from Indiana before this interesting phase of the discussion is passed?

Mr. THOMAS. Certainly. I play no favorites. I will yield to the Senator from New Hampshire.

Mr. WATSON. So will I.

Mr. MOSES. I ask the Senator from Indiana if it is not a fact that the visible and readily available supply of coal for the German industries has not been very much curtailed by the results of the war?

Mr. THOMAS. May I say to the Senator that I expect to go into that very fully?

Mr. MOSES. I do not want to trench upon the Senator at all.

Mr. THOMAS (to Mr. MOSES). You are not doing that. Go ahead and ask the question.

Mr. MOSES. In that event, will not the German supply of by-products available for the skilled chemists be very much reduced?

Mr. WATSON. That is partially true, but not altogether true by any manner of means.

Mr. MOSES. Does the Senator mean to indicate that by some miraculous process in four years we have developed skilled chemists out of nothing? We had a corps of skilled chemists in this country long before the war.

Mr. WATSON. We had a few only. As compared with the great number in Germany, we had comparatively a few. We have developed them in very large numbers and in an amazing manner right in this industry. If the Senator has read the testimony——

Mr. MOSES. I have.

Mr. WATSON. I assume the Senator, when he reads testimony, believes it unless he has reason to dispute it.

Mr. MOSES. Oh, yes.

Mr. WATSON. It is shown there precisely how these chemists have been developed in this industry since the war began.

Mr. MOSES. But if I understand the testimony, these chemists have not been developed in this industry since the war began. They are not the skilled chemists who take the initiative; they are the mechanicians of the chemical industry, who carry on these processes in the laboratories exactly as an operative performs in any factory.

Mr. WATSON. But where do they come from? How are they developed?

Mr. MOSES. From the technical schools, or they may have come up through the works. They may have come from any one of our institutions of learning.

Mr. WATSON. But were they not all developed by the dye industry since the war began?

Mr. MOSES. They found an opportunity in the dye industry, Mr. President, but I think the great bulk of them were on the way toward the pursuit of trained chemical research, because everyone who has paid any attention to the institutions of higher learning in the country knows that with the number of men being graduated in the chemical courses, for chemical engineers and for research chemists, employed as they were in large numbers by the great industrial establishments, there was in this country a corps of men with much more than the rudiments of practical training in these lines long before the war existed.

One small college in my State has been producing men of that character for 20 years, men who have gone out all over the world, to the rubber plantations, to the tobacco plantations in Sumatra and Java, to the jute factories in India. From one small institution in my State men of that character have gone out in the chemical line, and what is true of one little college in New Hampshire is much more true of the greater institutions elsewhere. There are research organizations which were established before the war. Few of them came into being because of the war.

Mr. WATSON. Of course, what the Senator says is partially true, and partially, I think, due to his imagination. I mean by that that a chemist who is qualified to work in a rubber plant has no sort of qualification to work in a dye plant. The dye chemist is sui generis, developed in a dye plant, and can not be developed anywhere else.

We did not have these chemists in the United States before, except in very small number. All the testimony agrees on that point.

Mr. NUGENT. Mr. President——

Mr. WATSON. I yield if the Senator from Colorado is willing.

Mr. THOMAS. Certainly.

Mr. NUGENT. Mr. President, I merely wish to direct the Senator's attention to the fact that Dr. Bogart, who is a chemist of international reputation, testified in the hearings that in order to have the United States build up a staff of great chemists, as Germany has, it would require every Ph. D. man graduated from every college and institution in the country over a period of five years.

Mr. THOMAS. Mr. President, this interesting discussion, although interfering with the course of argument I have mapped out, is nevertheless very important and very interesting. I welcome it, because I can refer to the subjects which are brought up without any serious inconvenience to the general arrangement I have made.

Mr. CUMMINS. If the Senator from Colorado will kindly yield to me once more——

Mr. THOMAS. Certainly.

Mr. CUMMINS. I wish to state, while the Senator from Indiana is here, the reason for the interruption I made a few moments ago and the question I asked the Senator from Colorado.

After a somewhat long, severe, and heartbreaking struggle in the Republican Party, we finally drifted into the position that we favor—I certainly do—protection upon every commodity that may need it, and the degree of protection ought to be measured by the difference between the cost of producing the article abroad and the cost of producing it at home. That is a sort of protection that I stand for.

Mr. THOMAS. I may say to the Senator that I do not think that element entered into this bill or in the testimony at any direction.

Mr. CUMMINS. That is just what I am trying to find out—whether we are proposing to attach something in the nature of protective duties or a tariff for protection to this particular enterprise, based upon the difference between the cost of producing it abroad and at home, or whether we are giving ourselves a breathing spell, if you please, in order to learn how to produce it at all. That is the thing that interests me more than anything else about the bill.

Mr. MOSES. I will say to the Senator that I am perfectly willing to attach to the bill an amendment exactly along the line of the suggestion he has made, and in addition an automatic and further protection of 20 per cent as against any possible form of German competition. But I have been unable to convince the friends of this measure, the proponents of the measure—because I think that there is a good deal of perturbation in the hearts of some of the proponents of the measure as to its really beneficial character—that protection which they propose will be adequate. They evidently are insistent upon an embargo, upon turning our backs upon the fundamental policy of this country in its fiscal relations with industrial development, and of embarking upon an unknown sea.

Mr. WATSON. If my friend from New Hampshire has concluded his description of the terror that pervades the hearts of the proponents of the measure, I should like to respond to the suggestion of the Senator from Iowa, if the Senator from Colorado will permit me.

Mr. THOMAS. I yield.

Mr. WATSON. I think even my friend, the Senator from Utah [Mr. SMOOT], who is entirely familiar with the proposition and who also is desirous of establishing the dye industry in the United States, would be wholly unwilling to put rates on certain imports that would make them fully protective. In many instances the particular kinds of dye, for instance, the finer shades and tints of dyes, could not be protected by a protective tariff because it would take anywhere from 1,000 to 3,000 per cent to do that. Take the particular color called Rhodamine B, for instance. The Germans sold that to the United States for 41 cents a pound before the war. When we first started to make it we sold it for $75 a pound. You could not have a tariff that would protect that product. It would mean thousands of per cent. But because we developed the chemists and have an industry in which to make that particular kind of dye, it is now selling in America for iess than $10 a pound and we are assured that if the industry is permitted to remain so that there will be no difficulty as to its continuity, we can after awhile produce that dye and all other qualities of dye just as cheaply as they are produced anywhere in the world. I take it for granted that that is true.

While I am on my feet——

Mr. NUGENT. Just a moment at that juncture, Mr. President.

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Idaho?

Mr. THOMAS. Oh, yes; I yield. I am very sorry, however, that I have aroused this ancient tariff discussion.

Mr. NUGENT. It is generally conceded to be a fact, I will say to the Senator from Iowa, that conditions throughout the world are such at this juncture that it is utterly impossible to ascertain the difference in the cost of production in Germany or in any other European country and in this country at this time.

Mr. WATSON. Precisely; and I was about to make that observation. We can not now tell what is the difference in the cost of production between this country and Germany in the manufacture of dyes. We have this incipient industry, and in order to put it on its feet absolutely beyond all peradventure we took this method of doing it until it can stand alone. This is only for three years, you must remember.

If the Senator from Colorado will pardon me further, I wish to go back to the question of chemists. I call the attention of my friend, the Senator from New Hampshire [Mr. MOSES], to this statement in the report on the progress of the American dye industry made by the United States Tariff Commission:

> Explanation of the high costs now prevailing is found in two things: (a) The inadequate technical preparation of a sufficient number of men for the staff and labor force in American plants, and (b) the imperfect organization and integration of both the manufacturing and the commercial branches of the business.
>
> (a) The chemical industry more than any other demands for success the scientific training of the personnel engaged in it. Primarily its development depends on its chemists, who must be highly trained in the fundamental principles of chemical science in order to do creative work and whose training must be supplemented by experience. Much of the work already done and much that remains to be done requires original investigation and research of the most difficult and exacting kind. Previous to 1916 few American manufacturers had any experience in dye making; provision for research in their plants was scarcely more than embryonic; and little study had been devoted to the chemical problems of an industry that had offered no prospect of successful prosecution. Even the seizure of the German patents brought only partial relief, for in them and in other technical literature the description of processes was mostly inadequate and often intentionally misleading. The most urgent need of the industry, therefore, has been, and still remains, the need for chemists. This does not mean that in training and ability American chemists are inferior to the German, but merely that there are not enough of them to meet the situation and that very few are experienced in the particular branch of chemistry involved.

I think that is sufficient answer to that question.

Mr. POMERENE. Mr. President, I am very much interested in the statement which the Senator from Indiana has just read from the hearings, but a moment ago the debate developed that we are producing in this country between 80 and 90 per cent of the entire demands of our industries.

Mr. WATSON. That is, to-day we are.

Mr. POMERENE. Yes; and the Senator has made it perfectly clear that we have received, through the Alien Custodian, the patents, and we have during this period developed the necessary chemists whereby, under the processes defined in those patents, we have been enabled to produce the 80 or 90 per cent.

Now, does it not occur to the Senator that if we have been able in this short time to develop the chemists who can produce the 80 or 90 per cent, we can probably produce the chemists who can aid us to produce the other 10 or 20 per cent?

Mr. WATSON. Why did we not do that, let me ask the Senator, before the war?

Mr. POMERENE. We have done it thus far.

Mr. WATSON. Why did we not do it before the war?

Mr. POMERENE. I do not know. It takes a little time to do these things. But I am calling attention to the Senator's own statement that we had produced the chemists, and that these chemists have been able to produce the dyes. That leads me to have a good deal of confidence in the ability of American chemists, and I do not believe that it is necessary for us to go to Germany in order to get a chemist who may know something about dyes.

Mr. WATSON. That is all right. Doubtless if we had attempted to establish a protective tariff a dozen years ago, which would have enabled us to establish this industry on a firm basis, the Senator would have taken precisely the position he is taking now.

Before the war we did not make the dyes and did not have the chemists, and after the war, when we get back to prewar conditions, then this competition from Germany will prevent the manufacture of certain types of dyes in the United States. During the war we developed some chemists, but we developed them only because of that prohibitive protective tariff. There could not be any imports at that time. We could not develop the dye industry before the war because of competition, but when we get back to prewar conditions we will have possibly the same competition, and if we could not establish the industry before the war because of competition, when after the war the competition again comes, then our industry will languish.

Mr. POMERENE. Is it the Senator's position that these chemists, even though they should be paid their salaries, will not continue to work if we do not have this—shall I say complete—protection in the form of an embargo?

Mr. WATSON. My contention is that we would quit making dyes because of the competition.

The PRESIDING OFFICER. The Senator from Colorado will proceed.

Mr. THOMAS. Mr. President, I do not know that I can recall, after this somewhat long discussion, just what branch of the subject I was about to elaborate, but I have been given ample material for the remainder of the afternoon.

It is true that one of the reasons assigned for this extraordinary legislation is that it will develop an American school of chemists, and that without it we shall have no such school. If that is true, and I have no doubt the Senator from Indiana [Mr. WATSON] believes it to be true, it furnishes the best reason so far advanced for it; but, unfortunately, it will not stand the test of examination. One of the very witnesses who maintained this position before the committee, in the enthusiasm of a particular part of his examination, declared that immediately after we went into the recent war the War Department took up the question of the manufacture of explosives and other material and within a very few days assembled in Washington the finest body of chemists the world ever saw.

Mr. KING. And the gases which we produced verified his assertion.

Mr. THOMAS. I do not use his exact words; I do not remember who it was that made the statement; I will identify him later on; but what he said was true. Dye industry or no dye industry, the chemists of America measured up to the crisis of the war. Mr. President, no finer staff of chemists can be found anywhere than those upon the permanent pay roll of the United States Steel Corporation.

Mr. POMERENE. Is it not also true that these chemists in a very short time produced more deadly gases than those which were used in Europe?

Mr. THOMAS. That is true, though the Senator is anticipating me. Not only that, but I will say to the Senator that those gases were not the product of coal tar. In 1918 I had occasion, with other Senators, to visit the great Ford manufacturing establishment in Detroit. There we encountered another staff of engineers, metallurgists, and chemists which Germany, in my judgment, could not duplicate. I am told that the great manufacturers of rubber tires and other rubber goods have each and all a most efficient staff of synthetic chemists; and synthetic rubber is among the possibilities of the future; it is only a question of expense.

No doubt the dye industry develops chemists, but to say that the United States of America with its 110,000,000 people, with the most extensive and diversified industry in the world, must place an embargo upon foreign dyes in order to get chemists for the United States, is simply, Mr. President, to exhibit the paucity of argument upon which this bill can be founded.

Alcohol is an indispensable ingredient of explosives. Every time a 13 or 14 inch gun is fired at least a barrel of alcohol is consumed. Alcohol is as indispensable as anything in the coal industry. Shall we continue to make alcohol in order to develop chemists? The distilleries of the country had their chemists up to the time they were put out of business. It is a remarkable fact, if it be true, that we have no chemists, and yet that the infant dye industry should reach such staggering proportions since 1916, during which time we were in competition with Germany, and consequently could not obtain any chemical information from her.

Mr. HARRIS. Mr. President——

Mr. THOMAS. I yield to the Senator from Georgia.

Mr. HARRIS. I should like to know from the Senator from Colorado what percentage of the dye industry of the country is controlled by a few concerns?

Mr. THOMAS. If the Senator will permit me, I will come to that a little later on; but I will now say that a very considerable proportion of the industry is so controlled.

During the hearings one witness suggested that, in his judgment, a most essential war measure was the establishment of a Government school of chemistry. That appealed to me very strongly. If we have not a sufficient staff of chemists, and if it be true—as I think it is beyond question—that modern war is an affair of chemistry quite as much as it is of military tactics, then no better appropriation could be made, no more useful institution could be founded, than a great, efficient Government school of chemistry, both analytic and synthetic. Such an institution would cost the people of the United States, Mr. President, a trifle compared to the enormous burden which this bill, should it become a law, will inflict upon the consumers of America.

The Senator from Iowa [Mr. CUMMINS] announced his conviction regarding the purpose and the basis of a protective tariff; that is to say, if the difference can be ascertained between the cost of the production of a given article abroad and its cost at home, that difference should furnish the standard of legislative procedure. The Senator from Idaho [Mr. NUGENT] took occasion at that time to say—and it is true—that the disturbed industrial conditions of the world are such that it is now impossible to ascertain that cost; and I do not know of a more eloquent reason for defeating this bill than that fact; for we are legislating in the dark, in defiance of every principle of scientific revenue laws and without regard to fundamentals, information concerning which ought to be demanded before the precedent is established in this country of substituting embargoes for protective tariffs.

We know, Mr. President, that there is no considerable production at present in Germany, all statements to the contrary notwithstanding, and we had a great many such statements before our committee, to which I will refer hereafter.

Let me say just here, lest I overlook it, that immediately after the war England and France both laid embargoes upon the importation of German dyes into their borders, believing, as is asserted here, that Germany was possessed of a vast amount of dyes manufactured during the war and intended to flood those countries at its close. Both of those nations have repealed their embargo laws, in the vain effort to secure a needed supply of dyes; and Germany, instead of having an enormous accumulation of 250,000 tons—that being the maximum figure according to the assertions before us—has only 22,000 tons, or 8,000 tons less than the amount of our importations before the war.

Perhaps I might as well state here as anywhere that the dye manufacturers of the United States have an enormously increased protection since our enactment of the law of 1916 through the Government confiscation of all German dye patents now the property of the United States and transferred to the American Chemical Institute under act of Congress, where they are available to the dye manufacturers, and the royalty upon which German dyes would have to meet if they came here manufactured under those patents which we own. The extent of that protection I do not pretend to determine, but that it is very considerable is evidence by the fact that Germany went to the expense of registering them; and there are more than 4,000 of them in the Patent Office at Washington.

Mr. HITCHCOCK. Mr. President, will the Senator explain a little more fully how that protection arises? I do not get the idea exactly in my mind.

Mr. THOMAS. It is very simple. If the Senator is the owner of a patent upon some useful article I must either buy the patent, the right to work under it, or pay him a royalty—one or the other—or I am guilty of infringement, and, if so, the courts will prevent my manufacturing it at all. So the introduction into this country of a German dye covered by a patent, once theirs, but now ours, can be excluded as infringing that patent, or it can be made to pay the royalty set by the American Chemical Institute. It is perfectly simple. That is what patents are for; and sometimes they are more complete in their protection of a given article than a tariff applying to it. So these gentlemen have not only the tariff which they demanded and which they said was sufficient, but, in addition to that, the benefit of the identical patents which must be utilized by Germany as a competitor.

Mr. HITCHCOCK. Does that mean that if German dyes are brought to this country at this time they are required not only to pay the tariff which is levied by the Government but to pay to the Chemical Institute a royalty?

Mr. THOMAS. If they have set a royalty, yes; otherwise they can be excluded as infringements of our patent rights.

The manufacturers of American dyes were not particularly keen to recognize that situation. Of course, they could not deny it, but they yet contended that it was insufficient. In fact, everything is insufficient except the theory of prohibition.

If I am correct as to that, let us see the extent—and I shall touch upon this subject very briefly—to which we are absolutely dependent upon dyestuffs or coal-tar products for military purposes.

The most deadly gas manufactured by American chemists, whatever its constituents may have been—and I do not know—according to my information is composed of elements for which we are not at all dependent upon coal-tar products. During the war a very able and competent gentleman, a self-educated chemist, a very successful man of affairs, who worked for the Government by day and by night from April, 1917, until November, 1918, at a dollar a year, which he never got, who maintained in this city a staff of assistants at his own expense, evolved from one of the commonest elements of nature an explosive far more deadly than T. N. T. and capable of production at trifling cost. He secured tests of this explosive and they were eminently satisfactory—so satisfactory, indeed, that

the doubting were not only convinced but entertained other doubts as to the ability of modern American ordnance to stand up under the terrific impact of the explosive, and he tested that satisfactorily; and while the authorities were passing him from one bureau to another in this infinite and everlasting Washington play of "pass the buck" the war ended. Of course, he has not disclosed and will not disclose his invention, but in the unfortunate event of another war I venture the prediction that his discovery will make present explosives largely obsolete, both because of the intricacy of their manufacture and the cost of their production and the inferior quality of the material.

One of the most intelligent witnesses before the committee was Mr. Wood, who went into this subject at length. On page 262 of the Senate hearings he says:

At the beginning of the war the American dye industry was admittedly of small proportions and of exceedingly narrow development. The manufacture of intermediates was upon so small a scale that it could hardly be classed as a distinct industry.

He refers now to August of 1915.

And it must be remembered that for military purposes it is the production of intermediates, rather than of finished dyes, that is important.

Notwithstanding this situation of chemical unpreparedness the outstanding fact relating to the supply of war munitions is that there was never at any time any lack of explosives.

That is a very broad statement.

Indeed, explosives were almost the only important munitions of which we had quantity production almost from the beginning and of which there was never any shortage.

Can it be said, in the face of this unqualified and uncontradicted statement, that we are dependent upon a dye industry for explosives? There is no dye industry in Rùssia, or if there it is the only industry, except butchery, that is conducted there; and yet they seem to have all the explosives they need and a great deal more than they deserve.

Mr. NUGENT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Colorado yield to the Senator from Idaho?

Mr. THOMAS. I yield; yes.

Mr. NUGENT. I ask the Senator if it is not true that the most powerful explosives of which we have any knowledge at this time, to wit, picric acid and T. N. T., are by-products derived from the manufacture of dyes and were discovered as such?

Mr. THOMAS. No; the Senator is hardly correct. They are not by-products of the manufacture of dyes, as I remember, but they are by-products of the intermediates, of which dyes are also.

Mr. NUGENT. If the Senator will pardon me again, it developed at the hearings that picric acid is manufactured from precisely the same materials and by the same process up to the final step as is the dye commonly known as sulphur black.

Mr. THOMAS. That is true.

Mr. NUGENT. And that T. N. T. is a by-product found in the manufacture of certain other dyestuffs.

Mr. THOMAS. In a sense they are by-products, because they are a part of the intermediates which are used. We manufactured T. N. T., although our dye industry was comparatively small, but we used the same intermediate for its production. Of course, the highly organized dye industry promotes the rapid production of T. N. T.; there is no doubt about that; but our chemists can make T. N. T. without making dyes. That is my proposition, and I think the testimony bears it out.

But I continue reading from Mr. Wood:

Reference has been made to the fact that for two years we were not at war. I admit that that is true, but also there is the fact that not only were our powder and high explosive needs fully supplied but at the same time great quantities of the former were provided for the Allies. Of no other kinds of munitions was this true.

There is another significant proposition—that although we had no dye industry during the two years of the war before we entered it, we had no difficulty in supplying the Allies, under American contracts, with all the explosives that they needed.

If this record was made with practically no existing dye industry to begin with, there need be no fear for the future.

In making this statement all credit is accorded to the marvelous enterprise and energy of those engaged in this business. Knowledge of what was accomplished under unfavorable circumstances is an assurance for what can be done in the future, with the advantage of greater facilities and larger experience.

Nor can it be overlooked that the United States will, in any case, have a much greater supply of the raw materials out of which explosives and the noxious gases now used in war are made than any other country; a supply so large that we shall unquestionably export abroad great amounts of these basic materials.

Mr. Wood continues:

The intimate relation of poison-gas production to the manufacture of dyes has also been referred to. Officers of the Army, Navy, and other Government officials have been called by the dye interests. But their testimony was only as to the importance of noxious gases in warfare and the value of a dye industry in furthering the production of these gases and the development of new varieties. Nothing in the testimony of these officers affords the slightest support for the contention that a policy of embargo and licensing is necessary to protect and develop the domestic manufacture of dyes.

And the witness proceeds, either here or in another connection, to state that a very great portion of the noxious gases turned out by the American Government during the war for military purposes were made without any reference to the dye industry. He quotes from Gen. Sibert upon that proposition, who says:

Shortly after the United States entered the war, and under the leadership of Mr. Manning, Director of the Bureau of Mines, there was authorized and called together a group of chemists unequaled in the history of the world—

That is what I referred to a few moments ago, and I want to emphasize it—

Shortly after the United States entered the war, and under the leadership of Mr. Manning, Director of the Bureau of Mines, there was authorized and called together a group of chemists unequaled in the history of the world in numbers and ability to take up the search for new and powerful gases.

It (the United States) had developed a production in poison gases not only in every case greater than any other nation in the world, but in nearly all cases a production equal to or greater than all the other allies and the enemy put together.

[At this point Mr. THOMAS yielded the floor for the day.]

Tuesday, May 4, 1920.

Mr. THOMAS. Mr. President, upon adjournment yesterday I was considering the contention urged in support of the bill regarding the creation of an efficient corps of synthetic chemists, and I endeavored to show that we not only had in this country a large corps of chemists possessed of the highest qualifications, and assembled in many cases under the employment of the large industrial concerns of the country, but that when the need for chemical work of the highest character was demanded by the exigencies of the war such a body of scientific men were assembled without difficulty and measured up to all the requirements of the country.

I do not know that it is necessary to pursue that feature of the discussion any further, although it might be developed indefinitely, since every division of manufacture in these days of high specialization more and more demands the services of analytical and synthetic chemists, which naturally stimulates the adoption of that profession by an increasing number of men and women and which does away with the necessity of depending upon any particular industry for the supply. It would be as logical to contend that the automobile industry of the United States should be further protected by an increase of the duties upon American-made automobiles, supplemented by an embargo upon the importation of those of foreign manufacture, in order to develop a greater and more efficient supply of mechanical engineers, as to contend that such legislation is needed for the production of American synthetic chemists. Of course, the industry, like all others, naturally tends toward efficiency, and therefore to the increase of efficiency through experience of those engaged in the chemical division of that industry.

Mr. NUGENT. Mr. President——

The PRESIDING OFFICER (Mr. HARRIS in the chair). Does the Senator from Colorado yield to the Senator from Idaho?

Mr. THOMAS. Certainly.

Mr. NUGENT. I desire to ask the Senator from Colorado if he does not believe that the efficiency of the chemists who were assembled at the time we entered the war was due in very large measure to the fact that for a period of nearly three years prior to that time large numbers of those men had been engaged in the manufacture of high explosives, in research work in the dye industry, and in other chemical establishments in the country?

Mr. THOMAS. I think there is no doubt about that. Of course, the development of the chemist is progressive, and I have not a particle of doubt that the enormous demand made by the Allies before our entrance into the war for munitions of all kinds and for equipment of every description placed American manufacturers upon their mettle and developed the chemical side of the business as it developed the other sides. But the dye industry furnished only a very small proportion, and that proportion of a technical character. That necessarily must be so, in view of the comparatively recent development of dye manufacture, which, however, was dependent in its inception not upon chemists who had received their education and development in Germany, but American chemists.

I may say to my friend, who was not a Member of this body at that time, that when the hearings were held in 1916 during the framing of the revenue bill of that year the dye men did not intimate to us—or, if they did, I do not remember it—that there

was any lack of chemists in the United States for the development of that industry. On the contrary, they assured us that they had everything except duties to protect them after the war, to enable them to enter into this business, develop it, and defy all competition of a foreign character, however well organized and efficient it might be. No, Mr. President, this is an afterthought, the outgrowth of the intimate connection of the American Chemical Institute—I think that is the correct name of it—with this industry, and because unusual arguments and conditions were very properly supposed to be necessary to justify the enactment of such extraordinary legislation as is here proposed.

This personal interest has magnified very greatly the importance of the dye industry as a war industry. I do not by that statement deny for a moment that it is important, but to give to it that importance which makes it absolutely essential to the preservation of the country in the event of another military crisis is not warranted by the facts. When I say that, I base the assertion upon the admissions and statements of the proponents of this bill. One of the ablest representatives of the dye industry of the United States, who has been identified with it from its inception, a man of splendid education, himself a scientific man of no mean order, Dr. Hesse, one of the men who presented the case of the dye men before the committee in 1916, one of those advocating the bill now under discussion, and particularly advocating what was originally its licensing but what now is its embargo feature, one of the foremost technical men on dyestuffs in the world, delivered an address in Philadelphia, before the Franklin Institute, a short time prior to the hearings before the Senate Committee on Finance, and, in all probability, what he said was without reference to the question of legislation affecting dyestuffs. The Franklin Institute is a chemical society. In that address Dr. Hesse made what I think is one of the strongest arguments that can be offered against a licensing system, notwithstanding his approval of that system. I read from the hearings, beginning at page 264, an extract from that address. This extract relates to the subject of preparedness. Dr. Hesse says:

To particularize: In the explosives industry the coal-tar portion is very simple; the testing out of new products very complex and detailed; hence the invention, development, and manufacture of explosives from coal-tar materials is properly wholly an affair of the explosives industry, so highly and efficiently productive and progressive with us, and not of the still-to-be-created dye industry.

In other words, the manufacture of explosives from coal-tar products is a developed industry and goes on regardless of the existence of the coal-tar industry. Dr. Hesse continues:

The invention, development, and distribution of photographic chemicals properly belongs to the photographic industry, now and for a long time past so well developed with us, and their manufacture belongs to our well-developed organic and fine chemical industry and not to the infant dye industry.

Photographic material, in large part, is a development of the coal-tar industry, and it has its development independently of that industry, although many of the materials are included in this bill. In fact, all products of coal tar, except certain lines of perfumery, I think, are covered by the bill. It is very natural that when a particular interest developed from a certain line of materials seeks protection, all other interests developed from the same material will seek the same protection. Dr. Hesse further says:

The discovery of new synthetic remedies is properly the function of the many medical institutes and schools of research in this country; they can be manufactured by our organic and fine chemical industry, helped out by our large pharmaceutical factories, and distributed by the latter; synthetic flavors and perfumes have for years been successfully made here at a number of establishments, and they have also conducted much of the research in this field; there is no reason, compelling or otherwise, why the struggling dye makers should share their work.

Yet much of the argument before the committee in support of the pending bill was devoted to what I may term its medical side, its perfumery side, its photographic side; all of which, according to this eminent authority, are not only not dependent upon dyestuff manufacture but exist and have flourished in this country without regard to that industry.

In the manufacture of toxic and like gases for military purposes, whose invention and development belong to the Chemical Warfare Service, the largest single material involved, and at the same time the one most difficult to transport, is chlorine, which in 1914 was normally made in 23 different factories in this country, and in an amount approximating 65,000 tons annually, while during the war we made a total of but 12,000 tons of toxic-gas war materials; their manufacture, therefore, should be linked up with our going chlorine industry.

Here the doctor eliminates from the dye industry still another important branch of the military service, and expressly declares that it should be "linked up" with a distinct line of manufactures; but the witnesses again told us that unless they could secure from Congress the increased tariff plus a license or embargo system the needs of the Nation for gas in any time of future crisis could not be supplied. I read again:

The coal-tar materials needed in any or all of these arts of peace are, and have been, obtainable if we only wanted them, in any needful quantity and quality, without in any way calling upon the dye maker for them, their total requirement being under 300 tons per year. For each of these important collateral developments we have industrial points of attachment and growth of long and firmly established competitive ability; would it not be the very height of folly to ignore them and stake our entire future in these fields wholly upon the dye industry, whose future with us is by no means established?

Bear in mind, that the good doctor here is talking to chemists and not to dye manufacturers. He is emphasizing the importance of chemists to the country by calling attention to what they have accomplished in the preparation and supplying of war material, medicines, photographic material, and of flavors and perfumeries, notwithstanding the practical absence of a dye industry in America.

I read again:

I am thoroughly convinced that no one can seriously or for long take any other view than the foregoing; we can surely have all of these other industries in the highest possible state of efficiency if we only will, whether we have a dye industry or not—

Language could not be more emphatic—

That we should have our own supply of dyes is the only reason for having a domestic dye industry. The war itself proved that conclusively and beyond question.

That is the only reason, Mr. President, why we should have a dye industry, because we should produce those articles ourselves, so that in the event we can not obtain them, even temporarily, from other sources, we shall be able to supply the needs of our textile and leather manufacturers notwithstanding.

Mr. NUGENT. Mr. President——

Mr. THOMAS. I yield.

Mr. NUGENT. I desire to ask the Senator if it is not a fact that the National Association of Chemists, which was addressed by Dr. Hesse, adopted a series of resolutions advocating the enactment of what was then known as the Longworth bill, being House bill 8078, which the Senate committee modified and amended and reported to the Senate in the shape in which it now is? I should like to ask the Senator, further, if it is not also true that this year the National Association of Chemists, made up of about 14,000 members, at their meeting held at Los Angeles, I think, again indorsed the pending measure and requested its passage?

Mr. THOMAS. Oh, yes. There is no doubt about that. Every dye industry in the country has done the same thing. A great many chambers of commerce throughout the country have done the same thing. A great many other business associations have done the same thing. That is true of every bill of any importance that Congress considers, and especially since the war. It will continue to be true of our legislation, because propaganda is more and more relied upon for the enactment or defeat of measures of public legislation. That is no reflection upon the Chemical Institute, but the fact does not and can not in the slightest degree either impugn or impeach the statements made by Dr. Hesse before one chemical association in this country.

Mr. NUGENT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Idaho?

Mr. THOMAS. I yield.

Mr. NUGENT. Would not the adoption of those resolutions have a tendency to indicate to the mind of the Senator that the chemists addressed by Dr. Hesse were not particularly impressed with the correctness of all of the statements made by him during the course of that address?

Mr. THOMAS. It would be strange if the remarks of the doctor to a large gathering of men should be universally accepted. It would be remarkable if any organization or any assembly of men, technical or otherwise, should give assent to everything brought to their attention. I think in all probability that was the case here; but up to this time no man of them has questioned a single fact which Dr. Hesse there brought to the attention of that meeting. I go further: No man acquainted with the chemical development in the United States in the last 30 or 40 years can question it.

A little while ago I received a very strong appeal from another association, composed of experienced gentlemen, good citizens, well informed, absolutely sincere, requesting my support of a measure now pending in Congress, the enactment of which would add 50 per cent to all of the public and private indebtedness of the United States. These gentlemen represent the industry to which the bill relates, and are, therefore, anxious to see its enactment. I question if that feature of the measure has been called to their attention. I question if many of the features of this measure have been brought to the attention of the Chemical Association.

It is a great deal easier to respond affirmatively to a request, and particularly one which merely requires the enactment of a resolution or the signing of a petition, than to refuse.

While I do not pretend to any particular knowledge of chemistry, I do believe that I could take this bill, together with the hearings had upon it, and sit down with the average American chemist and at least inspire him with grave doubt of the expediency of the enactment of this measure; and I think that is particularly true of its licensing or embargo feature, whose consequences, once the precedent has been established in legislation, seem to me to be of the most sinister character. I will venture the assertion that practically the only thought behind the petition to which my attention has been called has been as to its immediate effect in favor of the particular industry, and that its character as a piece of comprehensive legislation has not received very serious consideration. They are an intelligent and a splendid body of men. There are no higher specimens of American citizenship anywhere than the men who are engaged in the pursuit of that great profession, none who are more thoroughly devoted as Americans to the welfare of this country, none who are doing more to promote its material and political progress. Like busy men everywhere, they have not the time to study problems of legislation, which we have been commissioned to do, and which we must do in our legislative capacity if we are to acquit ourselves with satisfaction either to our own consciences or to the constituencies we represent. Hence we must take into consideration not only the immediate object sought to be subserved, but the resulting consequences of what we do. We must consider not only one interest, and particularly the interest involved, but the interest of the general public, and the interests of the future; and when a man like Dr. Hesse addresses his own kind upon their own profession, and wholly without regard to any specific item of proposed legislation, we can accept what he says without qualification, for his statements and his conclusions are presumably unbiased by the intrusion of any specific interest upon his consciousness.

So when we discover from that high source that the dye industry is intimately associated with but not at all essential to the manufacture of war munitions, medicines, photographic materials, flavors, and perfumery, we must take with many qualifications the assertion that the dye industry has been singled out as a subject of special and unusual favors, and ascertain, if we can, what the true reason behind this insistent demand for legislation is.

I said yesterday that if the present protection was not sufficient it was due to no fault of Congress, but was entirely because the beneficiaries of the existing legislation either did not know what they were talking about or deceived us. I do not think they were ignorant, nor do I think that they intended for a moment to deceive the committee. I am, therefore, disposed to accept their present explanation with a good deal of skepticism, and particularly when I reflect that the committee was not supplied with information regarding the profits which have been realized by this industry between 1916 and the present time.

Mr. MOSES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New Hampshire?

Mr. THOMAS. I yield.

Mr. MOSES. The Senator is referring, of course, to the testimony adduced before the committees in 1916, when the present tariff was put on and when the interested parties asserted that that was all they needed or ever would need. Does the Senator intend at any time in the course of his discussion to dwell upon the fact that those duties never have been given any trial, because of the conditions which have surrounded the industry in the meantime?

Mr. THOMAS. Oh, yes. I may say now that some of us suggested to these gentlemen that the war furnished them the most absolute protection; that the existing hostilities, a part of which was the British embargo, through its blockade of all exports from Germany, furnished a protection which was prohibitive; hence the need for a tariff under such conditions was not perceptible. That was conceded; but they said: "The war will not last always; at least, we hope it will not. Germany may win"; and I may say that in the summer of 1916 no man dared to more than hope in his heart of hearts that Germany would be beaten. They wanted to make postwar provision, and make it in ample season, for their protection; so they said: "Give it to us now. We are giving you the best of reasons why we should have it now. It is the need hereafter. Those you concede. The law can not be effective during the war, but if it is passed now it would become instantly operative once the war shall have been over, and under these rates which we have carefully prepared and now present, we can take care of this industry, whatever the result of the war may be." That is what they said.

Mr. MOSES. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from New Hampshire?

Mr. THOMAS. I yield.

Mr. MOSES. Is it not a fact that the only dyestuffs which have come into the country under the new tariff, as provided by the legislation of 1916, have been wholly negligible in quantity, consisting chiefly of those cargoes brought over by the *Deutschland* and such small quantities as have been admitted by license in the last few months?

Mr. THOMAS. I am quite sure the *Deutschland* cargo preceded the enactment of that law. Very few dyestuffs, if any, have been received by way of imports since the end of the war. I intend to elaborate that feature of the discussion later on.

Mr. NUGENT. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Idaho?

Mr. THOMAS. I will yield in just a moment. I may say now, however, that there have been no material shipments of dyes into this country for the very good reason that the existing supply, about which we have heard so much, is very largely a phantom; it does not exist either in Germany or outside of Germany, except in the heated imaginations of a few interested parties, who willingly accept, if, indeed, they do not inspire, rumors of vast quantities of these chemicals hidden away in Germany and in neighboring countries and only awaiting an opportunity to flood the market. I yield to the Senator.

Mr. NUGENT. I ask the Senator if it is not true, as disclosed by the testimony taken in the hearings, that after several years of experimental work and the expenditure of large sums of money in that work, the finer dyes, the more delicate tints, are not yet being produced in this country?

Mr. THOMAS. Yes; that is true, Mr. President. This industry can not spring into existence full fledged, like Minerva from the head of Jupiter. It is a matter of development, and as a consequence it can not be expected that by this time it shall have fully overtaken all phases of the dye industry and made itself competent to produce anything.

Mr. SMOOT. In this connection, Mr. President, it might be well to state that at no time have manufacturers in France or England or other countries undertaken to make those delicate dyes, and I have understood that the reason for that has been because the quantities of them used in the world are not large enough to make it profitable to have manufactures of that class of dyes in all parts of the world; but in the past one country manufacturing them, even in limited quantity, has furnished all that has been wanted by the world. I suppose the same policy, more than likely, will be followed in the future, although I will say that there is an endeavor on the part of American manufacturers to manufacture those delicate colors, and it may be that America can produce enough of them. However, there is not any question but that in the past one country has manufactured these delicate colors so as to furnish the trade of the world.

Mr. MOSES addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New Hampshire?

Mr. THOMAS. I will yield to the Senator.

Mr. MOSES. Mr. President, I address this question to the Senator from Utah. Are we to assume that the theory of the bill is based upon securing the maximum of protection which is required by the delicate dye which is used in small quantities, to be extended through the whole list, so that the great protection which will be required for the production of the small quantity of dye will go through all the colors produced by the American dye maker, without any attempt to equalize the protection through the list, and so that under this measure there will be applied to sulphur black, for instance, which is readily produced and which may be produced by the ton with a simple apparatus, and is being produced in many mills, where they have set up their own laboratories for it, the same degree of protection that will be applied to the fine, delicate shades, of which only a few pounds are used?

Mr. SMOOT. A provision of the bill would allow such a thing, although I do not believe it would be administered in that way. However, there is not any question but that testimony was given before the committee showing that in regard to some of these particular dyes a rate of duty of 2,000 per cent would not yield protection to the American manufacturer.

Mr. THOMAS. The House bill, as it came to the Senate, sought to do the identical thing involved in the inquiry of the Senator from New Hampshire [Mr. MOSES], because it increased the prevailing duties, both ad valorem and specific, by an average of about 50 per cent.

Mr. MOSES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield further to the Senator from New Hampshire?

Mr. THOMAS. I yield.

Mr. MOSES. I have been unable, I will say to the Senator, to convince myself, from a reading of the Senate committee bill, that such would not result under it. While, as the Senator from Utah [Mr. SMOOT] says, there is a remote chance that in the administration of the measure we might not produce that result, certainly the bill as it stands makes it possible, and I can not believe that, inasmuch as this simply involves a question of argument before commissioners, and all that sort of thing, we will not reach that result.

Mr. THOMAS. However that may be, we are continuing the duties demanded in the first instance, and they apply to from 85 to 90 per cent of American consumption, so that even under the Senate rates, which the House may or may not accept once this bill goes to conference, this 90 per cent reduction is enjoying the benefits of the highest duties ever given to the dye industry.

Let us see what was said—and I shall refer to but very few extracts—to the various committees of Congress upon this subject when from time to time it came up for consideration.

Mr. MOSES. Mr. President, is the Senator about to refer to what was said in 1916, or does he intend to go back into the earlier hearings in 1909, which have been flaunted in our faces as showing a particularly reprehensible course of conduct on the part of the dye consumer? If the Senator could institute a comparison between what the dye maker admitted in 1916, and what the dye maker now demands from us——

Mr. THOMAS. I intend to begin with 1882.

Mr. MOSES. I am glad to know that the survey which the Senator purposes ranges over a much longer period than that which I suggested.

Mr. THOMAS. It is because the résumé or representation which appears in this volume of Senate hearings begins at that date.

At that time Mr. James Hendrick, president of the Albany Aniline & Chemical Works, said:

In that case I think 35 per cent would be about a fair rate. I think we could live if it were fixed at that figure.

I suppose this gentleman then had reference to the particular branch of the dye industry he represented. He continued:

The specific duties I believe in because they are easily collectible, and men have no disposition to be dishonst, but with ad valorem duties the temptation to fraud is greater.

At that time Mr. V. G. Blolde, representing the American Aniline Works of Parkersburg, W. Va., said:

There is no reason whatever why, within 10 years, or even a much shorter period of time, if we are only able to avail ourselves, by means of a liberal protection, of our domestic wealth in crude material, all other coal-tar colors should not be in the same position.

The kind of protection to which he was referring was that of tariff duties, and he advocated as sufficient rates in specific form that had an ad valorem equivalent of 25 to 33⅓ per cent.

Mr. Schoellkopf, who is still, I think, in the dye industry, the head and front of the National Aniline Co., then said:

We must have an absolute protection, and this can be realized only by a specific duty. I would suggest the raising of the specific duty 25 to 50 cents per pound and dropping the ad valorem altogether. This would enable manufacturers to compete with foreign manufacturers.

* * * * * * *

I suggest this high duty in order to give the home manufacturers a start. After 5 or 10 years it would not matter if the duty were taken off; but we must have a large protection to enable us to start. * * *

I may parenthetically observe, Mr. President, that such was the reasoning of the witnesses who appeared before the committee in 1916, that "once give us the start, once enable us to establish the industry, once let us reach an 80 per cent consumption, and then you can reduce your specific duties proportionately so as to relieve the consuming public of all excess protection."

Mr. George C. Tichenor, special agent of the Treasury Department, said:

I am convinced that it would be advisable to retain the specific feature with an ad valorem rate sufficient only to serve as an equalizer, and not to exceed 15 per cent. I have thought that 25 cents per pound and 15 per cent ad valorem would be as high a rate as could be asked for purposes of protection.

We now come to 1888, the year of the Mills bill, at which time great attention was paid to the subject of a protective tariff, so much so that the campaign of that year was made almost entirely upon a tariff issue, resulting in the election of Gen. Harrison and the defeat of Mr. Cleveland.

After a time there appeared the joint statement of the Albany Aniline Co., Schoellkopf Aniline & Chemical Co., Heller & Merz, Hudson River Aniline Color Works recommending duties in two classes, class 1, referring to alizarin colors, and class 2, referring to nonalizarin colors. Upon the first class 25 per cent ad valorem and 10 cents per pound gross weight and upon the second class 25 per cent ad valorem and 25 cents per pound gross weight were advocated, upon the theory of sufficiency.

In 1896 and 1897 Mr. Schoellkopf advocated a duty of 35 per cent ad valorem on "coal-tar products of every description, not specially exempted by name," and crudes and intermediates to be continued on the free list. And a paper submitted by him, jointly signed by his own company, Heller & Merz Co., and the Hudson River Aniline Color Works, concluded with the statement:

We feel confident that the slight increase asked for, which makes the rate what it was under the tariff act of 1883 and 1890, will enable us, with the experience we have gained under adverse circumstances, and with the great progress in scientific chemistry, to successfully compete against the imported goods and in time supply the home market.

In 1908, at a hearing of the Ways and Means Committee, Mr. Schoellkopf, representing his own company and the Heller & Merz Co., presented a brief requesting that the duties "on colors and dyes be increased from 30 to 40 per cent ad valorem and that all coal-tar products not colors or dyes used in the manufacture of these dyes be placed on the free list." The brief further stated:

In submitting this request we do so with the understanding that it is the intention of Congress so to adjust import duties as to give the domestic manufacturer adequate protection against his foreign rival.

Congressman Hill, of Connecticut, a most eminent Member of the House, an ardent advocate of protection and a very useful man in public life, in a speech in 1912, February 20, said that when three years previously the great chemists of the country said in the public hearings:

"If you will give us an advance of 5 per cent on the finished products of coal tar, we will develop that industry in this country, provided you leave the first derivatives or raw materials for our products on the free list."

We decided to do that and raised the duty from 30 to 35 per cent. The bill went over to the Senate, and the Senate put the duty back to 30 per cent.

In 1915 Mr. I. F. Stone, in an address delivered September 22 of that year before the National Exposition of Chemical Industries, quoted with approval the opinion of Dr. Hesse that the rates in effect from 1880 to 1883 "gave ample protection to the industry," and added his own opinion that the rates then (1915) recommended by the American Chemical Society, viz, 35 per cent ad valorem and 7½ cents specific, "would not be very far out of proportion to the 1880 rates, considering the differences in methods and costs then and now."

Mr. Stone continued:

There exists a difference of opinion as to whether any advantage would result if the patent laws required manufacture in the United States. But I think it is not disputed that such a requirement could be framed that would assure a considerable development of the production in this country of colors hereafter patented. Great Britain seems to have accomplished something in that direction prior to the war.

That résumé brings us down to the important year of 1916, when for the first time in American protective tariff legislation the dye industry was given what it demanded.

In that year the New York section of the American Chemical Society appointed a select committee to make a study of the legislation necessary for this purpose and to protect the rapidly developing dye industry and to assure its continued progress under satisfactory conditions after the war. They recognized the fact of the establishment under war conditions of the industry which needed no protection, as I have heretofore stated, but which did require antecedent legislation in order to enable the new industry to survive the shock of postwar competition.

This committee was composed of Bernard C. Hesse, J. B. F. Herreshoff, I. F. Stone, J. Merritt Matthews, H. A. Metz, D. W. Jayne, and Allen Rogers.

After a thorough study of the subject, this committee recommended on intermediates 15 per cent ad valorem and 3¾ cents per pound specific; on finished dyes, 30 per cent ad valorem and 7½ cents per pound specific.

On January 7, 1916, in a letter to Hon. E. J. Hill, of the Ways and Means Committee, the committee said it was "their expectation that as the result of such duties a complete, self-contained, and independent coal-tar chemical and dye industry will eventually result in the United States."

This statement, Mr. President, emanates from the representatives of the Chemical Society of that time, and presumably the foremost men of that society, which would necessarily include Dr. Hesse.

The letter containing that assurance was presumably prepared after careful thought and after the fullest deliberation, and doubtless, too, after conference with those more directly connected with the practical side of the industry.

I am reading from the testimony of Mr. Wood, one of the best informed men who appeared before our committee, who comments upon this letter as follows:

The only changes in the general situation that have occurred since the committee made this statement are a weakening of Germany's economic condition by the cost and wastage of three years more of war and the great strengthening of the American dye industry through added experience, and the great profits earned which have made it possible to write off much of the plant cost, and to accumulate in addition large reserve funds.

I think I have said enough or have read enough to substantiate my assertion concerning the rates of duty embodied in the act of 1916. The statement of Mr. Wood is a very significant one, and it refers to conditions which I shall afterwards discuss.

I merely pause here to make the reflection that the changes which Mr. Wood emphasizes make the rates of duty already existing much more ample than otherwise. The depletion of Germany's resources and the breaking up of her industrial system, plus the enormous profits of the American manufacturers, necessarily strengthens the position of the latter and, under the existing tariff, gives them an impregnable hold upon the dye industry not only of the United States but, perhaps, of the world.

Mr. Wood calls attention to a prospectus issued for the sale of certain stock of the National Aniline & Chemical Co. in support of his assertion regarding the prosperous condition of the industry.

In this statement it is shown that the company had plant and tangible assets of "more than $18,000,000," against which it is stated that there has been especially reserved for depreciation and obsolesence out of earnings of 18 months $8,000,000, reducing the net book value of the fixed assets to approximately $10,000,000. The New York Sun on December 2 in its financial news had a report regarding this company in which it stated that the earnings for the present year are more satisfactory than during the year 1918, which, if true, would seem to enable the company to further reduce the plant investment of $10,000,000 by another $8,000,000, so that very early after the 1st of January we may reasonably expect that a plant cost of $18,000,000 will have been reduced to $2,000,000, which certainly is far less than the cost of replacement.

That is hardly an infant industry as the term is generally understood.

Referring again to the alleged interdependence of the munitions industry upon the dye industry, I wish to call attention to the fact that the by-products of the coking industry preceded the dye industry back of 1916 by several years. I now quote from Mr. Wigglesworth, another very estimable gentleman, well posted upon this subject, and one of the principal witnesses for the bill before the committee. In a letter to the commissioner of corporations dated January 2, 1915, Mr. Wigglesworth said:

The total production of coke in the United States in 1913 was nearly twice as much as that of Germany, and it is only a question of time when all the by-products resulting from the distillation of coal and the production of coke must be recovered and their utmost value obtained or the steel industry will be unable to maintain its supremacy against the competition of countries that operate more economically in that respect.

I am now reading from Mr. Wood, who continues:

The introduction of the by-product coke oven in this country preceded the war, and has no connection whatever with the demand for by-products for the manufacture of dyestuffs on a large scale, because the dyestuff business was of little magnitude and the manufacture of intermediates almost nonexistent when these ovens were being extensively installed. The replacement of the old-fashioned beehive ovens by modern by-product ovens had been begun in earnest probably five years before the beginning of the war. The change was proceeding on an extensive scale when the war began in 1914. Several of the large steel companies had experimented with the different types.

Some of the first installations were not satisfactory, and had been replaced with others of different design. Before 1914 it had become evident that a general substitution of ovens which would save the by-products, in place of the wasteful beehive type, was inevitable. The necessities of war merely accelerated the substitution. It would have gone on, although at not quite as rapid a rate, irrespective of the war or the dye industry.

It is not true, Mr. President, that the development of the by-products of coal tar in America synchronized with the establishment of the dye industry in 1916. One would imagine from listening to the discussion of this subject, and particularly before the committee, that until these gentlemen established their industry all of the by-products of coal tar in this country were wasted, and that it was due to their enterprise and their patriotism that the attention of industrial America was directed to this great source of wealth, of which it at once began to avail itself. If that were true, it would be a very strong—perhaps an unanswerable—argument to some minds of the need for giving the benefit of the doubt to this interest in all matters of proposed legislation for its protection and development; but it is not true. The dye industry has no more right to claim credit for the development of the coal-tar by-product industry in the United States than it has to claim credit for the adoption of the Constitution.

Its importance had long before that time attracted attention; as stated by Mr. Wigglesworth, the need on the part of the great steel manufacturing concerns to save the further waste of this immensely valuable by-product if they were to retain their supremacy in the steel manufacturing world was driving them to it, and, of course, would have continued had the dye industry of America never been heard of. I continue the statement of Mr. Wood on page 237:

The by-products of the distillation of coal for coke that go to the dyestuff industry are only a fraction of the total production. I am not able to tell you what that fraction is, but I asked the gentleman who testified before you, Mr. Rust, some time ago what it was. He was not prepared to say exactly. I asked him if it was 10 per cent; he thought it would be over 10. There was some discussion as to whether it would reach 20 per cent; he did not think it would. But the total consumption of the coke by-products used in the manufacture of these intermediates and dyestuffs does not probably represent as much as 20 per cent, probably a great deal less than 20 per cent, of the total output, and the total output is steadily increasing.

He then goes on to say that the United States is in an invulnerable position so far as crude coal-tar products are concerned, and that the opinion is well founded that Germany must now look to the United States for no inconsiderable proportion of her material needed for the dye industry.

Mr. SMITH of South Carolina. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from South Carolina?

Mr. THOMAS. I yield.

Mr. SMITH of South Carolina. Judging from what the Senator from Colorado has just read, the coal tar from which the dyes are taken is itself a by-product, is it not, from the coking process?

Mr. THOMAS. Oh, yes. There are several processes. There are what are called the "crudes," which are the first products of the distillation; then come what are called the "intermediates," from which all these other products are manufactured or derived through chemical combinations, such as dyes, medicines, flavors, photographic materials, and so forth.

Mr. SMITH of South Carolina. The question I desired to ask the Senator from Colorado was whether or not the by-products from which the dyes are derived are not themselves by-products of the coking process?

Mr. THOMAS. Oh, yes; unquestionably they are by-products of the coking process and the gas-making process.

Mr. SMITH of South Carolina. I can not be in the Chamber all the afternoon, but I have been studying this bill, and if it does not interrupt the Senator, I should like to know the facts. As I understand the bill, it proposes that in lieu of a high prohibitive tariff there shall be placed an embargo on all dyes that can be made in this country, leaving the tariff of 1916 to be placed upon those that must be imported into the country.

Mr. THOMAS. No; the Senator is mistaken. This bill is a joint tariff and embargo bill. As the House passed the bill, the duties were increased about 50 per cent of their present amount. Then an embargo is to be placed upon all dyes which are mnufaceured here or which can be substantially supplied by something just as good, confining the importation entirely to that small class of dyes which remain over after those two conditions shall have been complied with.

Mr. SMITH of South Carolina. But those dyes that must be imported, that per cent of the total which can not be produced in this country or approximated by something just as good, will bear the rates of duty that are imposed under the tariff law of 1916?

Mr. THOMAS. Yes; although the Senator from New Hampshire [Mr. MOSES] has proposed amendments which are designed as a substitute for the embargo system which increase very materially the rates of duty upon that class of dyes.

Mr. SMITH of South Carolina. Now, I should like to ask the Senator from Colorado a further question. I may have been unfortunate in the manner of putting my first question, although the Senator's answer was responsive, that for the protection of all dyes that can be produced in this country, or dyes approximating the imported article, there shall be an embargo against the importation of foreign dyes in competition, and only that per cent of dyes which can not be produced in this country may be imported. Has the Senator any official or authentic figures showing what per cent of dyes of the kind we need can be produced in this country?

Mr. THOMAS. The Senator from Utah [Mr. SMOOT] places the amount being produced in this country at 90 per cent of the domestic consumption. Some question was raised as to whether that figure was correct. I thought 80 per cent was within the mark, and yesterday, for my own part, I assumed, in view of

the differences, 85 per cent to represent the dyes which are actually produced, and for some time have been produced, and which are consumed in American manufacture.

Mr. SMITH of South Carolina. Has the Senator any official or authentic figures showing in what quantity they are produced? Are they being produced in sufficient quantities to meet the requirements of the American trade, or even in excess of those requirements?

Mr. THOMAS. They are being produced in excess of those requirements, because the export last year of American dyes aggregated in value about $17,000,000.

Mr. SMITH of South Carolina. Mr. President, one further question—and I ask the questions because I should like to get the facts, and I hope the Senator will place in the RECORD the sources of his information and the authority for the statements so that those of us who desire to vote on this bill intelligently may be able to do so. I wish to know if the Senator has any official or authentic information, or figures, as to the profits that are being made and as to comparative prices between this country and foreign countries.

Mr. THOMAS. The only information which I can give the Senator upon that subject I will state hereafter. It refers to one company, which controls a considerable number of subsidiary concerns. I can state to the Senator now that this company, upon the information available, made something over 100 per cent upon its capitalization within 18 months of time.

Mr. SMITH of South Carolina. That was during the period of the war?

Mr. THOMAS. That was during the period of the war, presumably; it was after the German war began.

Mr. SMITH of South Carolina. Was the manufacture of dyestuffs by American concerns, to any appreciable commercial extent, entered into previous to the World War?

Mr. THOMAS. No; there were seven or eight institutions which manufactured certain lines of dyes; that is all. All efforts to secure the tariff demanded by the dye interests were unavailing, owing to the opposition of the manufacturers of textiles. The rate in the Payne-Aldrich bill, for example, and that in the Simmons-Underwood bill was practically identical.

Mr. SMITH of South Carolina. So that they did not begin to engage in the manufacture of dyes to the extent which the industry has now gone until they were protected, either by the war itself or by legislation?

Mr. THOMAS. The first protection deemed sufficient for the development of the industry was the war itself. Immediately after the British embargo upon German exportations the need for dyes became apparent here, and that need stimulated the manufacture of dyes in America. The industry, comparatively speaking, had developed extensively up to 1916, when a tariff, written by the dye men as to rates of duty and accepted by the House and Senate committees, was enacted into law. It is under that tariff that the industry is now operating.

Mr. SMITH of South Carolina. Just one question further and then I am through. In connection with the tariff to which the Senator has just referred and which was alleged to have been written by the dye people themselves, was not the statement made then by them, or something tantamount to such a statement, that in the case that tariff was enacted that was all they would require for the perpetuation and protection of their industry?

Mr. THOMAS. That was iterated and reiterated.

Mr. KENYON. Mr. President, may I ask the Senator from Colorado a question?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Iowa?

Mr. THOMAS. I yield.

Mr. KENYON. The Senator from South Carolina asked the Senator from Colorado as to the profits, as I understood him, of the National Aniline Chemical Co. What did the Senator state about their profits?

Mr. THOMAS. Perhaps, as so many inquiries are made upon that subject, I might as well digress for a moment and present it to the Senate. I am sorry that so few Senators are present.

[At this point Mr. THOMAS yielded to Mr. KENYON, who suggested the absence of a quorum, and the roll was called.]

Mr. THOMAS. The Senator from Iowa [Mr. KENYON] inquired what information I could give him regarding the profits derived from the prosecution of the dye business in America under the present tariff. The information before the committee upon that subject consists of a single item furnished by a statement of the Sunbury Converting Works, of Sunbury, Pa., which calls attention to a copy of Bradstreet's report upon the financial condition of the National Aniline Chemical Co., based upon a report furnished by that company to that concern:

It will be noted this company was incorporated May 29, 1917, at which time, so far as can be learned, there was no reserve for depreciation, obsolescence, etc. From date of organization up to December 31, 1918 (18 months), they have been able to put into this obsolescence, etc., account $9,500,352.64. In addition, they have accumulated surplus or profits since organization of $4,134,544.79, and in reserve and other contingencies and Federal taxes they have set aside $9,188,733.68. These are evidently the earnings which this company has earned in 18 months, to say nothing of the dividends set aside in the statement payable January 2 and 15, 1919, and possibly some dividends paid prior to these dates. Eliminating the dividends, these three items alone show an undivided earning of $22,823,661.11 in 18 months upon a capital of $25,504,650. If this capital represents real value—

And I may say parenthetically that it probably does not—

the earnings are about 100 per cent in 18 months, in addition to dividends paid. If the old corporations were taken over at inflated values, it represents a much larger earning. Ordinarily 10 per cent for depreciation and 10 per cent for earnings is considered fair (it is beyond the amount permitted by our tax laws). This would mean $1,950,000 for depreciation and $2,550,000 for earnings annually, or $6,750,000 in 18 months, as against $22,823,661.11 now earned.

We submit that a tariff would be sufficient to protect this infant industry earning 100 per cent from utter ruin, and even if it would be compelled to reduce its earnings about $10,000,000 every 18 months its earnings would still be in keeping with most American industries.

It is perhaps unfair to conclude that this statement of earnings represents the average of earnings by other companies, but when we consider that this is the substance of our information upon the subject, I think it is perfectly fair to conclude that the dye industry taken as a whole is enormously profitable under existing tariff conditions. Certainly a concern like the National, earning 100 per cent in 18 months upon a stated capital of $25,000,000, of which doubtless a very cosiderable proportion represents fictitious values, would ordinarily have a hard time convincing the average man that it needed protection and embargoes in order to save it from utter and complete collapse.

I wish I had further specific information regarding both the actual amount of capital invested and the actual sums of money realized in operation. They are available. The legislators are entitled to that information. If they have received it, I am unaware of the fact.

We are told by Mr. du Pont, whose testimony I will consider later on, that his concern has not made any appreciable profit up to the present time. If so, it is one of the Du Pont branches of enterprise that differs very materially from the results of the operation of many others.

Having made this digression, let me return to a consideration of the sufficiency of the present tariff. One of the by-products of coal tar is the great remedy for syphilis, known as "606," or salvarsan. This is included in the bill because it is one of the by-products of the coal-tar industry, and therefore essential to be protected, lest with the resumption of normal conditions the German product again commands the market and the German manufacturer again possesses a monopoly of a remedy which is in enormous demand the world over. Dr. Stieglitz, one of the most eminent professional men in the United States, and one of the most intelligent, as well as one of the proponents of this measure, in discussing this subject, says:

These research chemists studied the problem and worked out their own methods, and as a result in 1917—

That is, our chemists, mind you, the need for which can only be supplied by monopolizing the American dye industry—

these research chemists studied the problem and worked out their own methods, and as a result in 1917 we were manufacturing American arsphenamine—

Which is another name for salvarsan—

under licenses from the Federal Trade Commission.

* * * * * * *

The German product sold before the war—that is, before 1914—at $3.50 a dose. The first price fixed by the Federal Trade Commission was from $1 to $1.50 a dose, which showed already the tremendous advantage of American manufacture.

In the course of these two years the following developments have occurred: In the first place, the purity of the drug has risen to such an extent that the official standard, instead of being only 60 is 100 milligrams, which is over a 50 per cent improvement. But, as a matter of fact, the American brands run now from 120 to 130. There is practically none on the market now that will not run from 120 to 130. That is twice as good as it was originally. That is the result of research work of about a year and a half.

By our chemists who are too ignorant and too deficient in capacity to measure up to the German standard—

In the second place, the drug is now being sold wholesale to hospitals at 60 cents, and I was told this noon some even at 30 cents a dose. That, of course, means that the drug is from 5 to 10 times as cheap as it was before 1914, and the blessing to the country can not be overestimated.

The doctor was asked where the crude material came from, and he said:

The original crude material should come from the dye manufacturers.

Senator WATSON. You now get your crude material for the manufacture of salvarsan from the dye plants?

Dr. STIEGLITZ. From the dye or coal-tar plants. In the second place, one of the most successful large productions has been carried out by a manufacturer who has had dye-making experience. He has put it on a large scale, producing from 8,000 to 15,000 doses in a day, in a room smaller than this one here.

Then the doctor took up a second drug, procaine, or synthetic cocaine, also a by-product, and one of the most useful drugs known to the profession.

Mr. Herman A. Metz, one of the manufacturers of salvarsan, tells the committee, in addition to what Dr. Stieglitz has stated, that he is manufacturing this drug and can sell it at this remarkably low price and defy the competition of the world; and I have no doubt that the same is true of these other drugs; yet we are told in cold blood that, since this valuable addition to the medicines of the world is a derivative of the same coal-tar by-products which are used in the manufacture of dyes, the dye industry must receive additional protection, plus an embargo, if we are to preserve the manufacture of this useful commodity in America, which is now produced at such a greatly reduced price, and as a result of experiments of chemists who are supposedly inferior to those turned out by the dyestuff manufacturers of Germany.

It seems to me, Mr. President, that a mere statement of these conditions should be sufficient to convince the average mind of the unwisdom, to say nothing of the injustice, of increasing these duties, either by way of specific increases, or by way of that indirect process which the Senator having charge of the bill calls "selected importation," but which seems to me to be the direct equivalent of an embargo.

However, there are other reasons, equally convincing to me, against the enactment of this measure and in support of the contention of the sufficiency of existing duties. Already these manufacturers are discriminating against the home consumer and exporting dyes and selling them to foreigners for less than the home manufacturer is required to pay. I again refer to the testimony of Mr. Wood, which I have nowhere seen contradicted, and I have read the testimony offered in support of and against this bill as carefully, I think, as has anyone. On page 597 of the hearings, during the examination of Mr. George B. Sanford, Mr. Wood said:

I understand that 20 per cent of the dyes in this country, both from domestic manufactures and from statistics, before the war, consisted of indigo. Is that right, Mr. Metz?

Mr. METZ. What was that?

Mr. WOOD. Twenty-five per cent of the total consumption is indigo?

Mr. METZ. At least that, before the war.

Mr. WOOD. That is a question about which more of this controversy is revolving than anything else, because it is a color which some of those chiefly anxious for a licensing system are very greatly interested in making.

I think that vegetable indigo has never heretofore been included in a tariff bill; but this one covers it. The synthetic indigo drove it out of the market long ago, and it only returned through the exigencies of the war; but this commodity, too, must now be banned by a prohibitory arrangement, notwithstanding its usefulness and the impossibility of its competition against the cheaper synthetic products.

Mr. Wood continues:

Since the last hearing I have been endeavoring to find out the present price in Europe of indigo, and the information which I obtained on Saturday was that the price at which it is being sold for import into Great Britain, France, and Belgium is 50 cents; that is, equivalent to 50 cents United States gold, not marks—50 cents a pound.

Mr. CHOATE. That is the price they can get for it, not the price they can sell it for.

Mr. WOOD. I presume that Germany is as anxious to sell her products to-day and realize upon them as any seller ever has been. I think we may, in the absence of any evidence to the contrary, assume that that is the commercial price—it is the price that they are able to get for their dye, and they are not likely to sell it for less.

Senator WATSON. What is the price here?

Mr. WOOD. A representative of the Dow Chemical Co., I think, stated that they were selling theirs for 65 cents a pound.

Mr. METZ. For export, but not for domestic use; at 75 cents a pound for domestic use.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER (Mr. OVERMAN in the chair). Does the Senator from Colorado yield to the Senator from Ohio?

Mr. THOMAS. I yield.

Mr. POMERENE. Who is Mr. Wood, from whose testimony the Senator has been reading?

Mr. THOMAS. Mr. John P. Wood.

Mr. SMOOT. Mr. John P. Wood, president of the Pequea Mills, of Philadelphia.

Mr. THOMAS. He was frankly opposed to this bill, but he was a very intelligent man—at least, I so considered him—and testified at great length. Much of the testimony which I have so far read during the consideration of this bill has been that of Mr. Wood.

There is another instance which I made a note of appearing in the hearings, but which I can not readily turn to, showing a similar discrimination.

One of the indictments against the German—and the charge was true—related to his capacity to undersell in the foreign market until competition was extinguished and then increasing the price so that the losses incurred in the process of killing competition were recouped. It would seem, on a small scale perhaps, but it would seem, nevertheless, that the American manufacturers of dyes, like other American manufacturers in the past, are indulging in the same practice; and it is incredible that they could do so if they needed additional protection from the Government in order to enable them to exist. The conclusion, to my mind, is that this is another and a most significant indication of the sufficiency of the present tariff; but there are other equally strong indications to the same effect.

I will turn to the testimony of Mr. Wigglesworth just for a moment with reference to American production, and say for the information of the Senator from Ohio that Mr. Henry Wigglesworth is on the board of the General Chemical Co.

Mr. CURTIS. Mr. President, if the Senator can not complete his remarks to-night, there are several Senators who desire an executive session, and if he will yield at this point I will move an executive session.

Mr. THOMAS. I will yield in a moment, if the Senator will permit me to continue the subject briefly. On page 87 Mr. Wigglesworth says:

I think if we knew the exact facts of the amount of interference that the textile man would suffer from a single system of control on dyes—

He is now speaking of a license system—

that it would be so utterly insignificant and that we would be really astounded to hear any opposition from the textile man. America is producing to-day more than all of the dyes the country needs.

And this, mind you, was last winter.

Senator WATSON. Not of all kinds, Mr. Wigglesworth?

Mr. WIGGLESWORTH. Not in variety, but all the dyes the country needs—I mean the quality and quantity for our domestic needs. It is only to attain the European standard——

Senator WATSON (interposing). You mean by that that we do not need to make any more dyes of any kind in the United States in order to supply the home demand?

Mr. WIGGLESWORTH. We would not need one if Germany did not exist, not one.

And I shall show before I am through with my discussion of this bill that for dye purposes Germany does not exist.

Senator WATSON. We do not need any more dyes?

Mr. WIGGLESWORTH. No more dyes if Germany did not exist. The only reason you need them is that Germany, having established a wider variety, and the dye consumers of this country having experienced that wider variety, they miss it.

Senator CURTIS. Are there not some of the varieties produced in Germany that can not be produced in this country?

Mr. WIGGLESWORTH. No; none that can not be produced in time, providing capital can be induced to invest in their production.

Senator CURTIS. How long a time would it take, in your judgment, to accomplish that?

Mr. WIGGLESWORTH. That is, to my mind, not a question of chemistry; it is a question of capital.

Senator CURTIS. Then it is your idea that if you could persuade capital to come into the business at once that it could be done in a very short time?

Mr. WIGGLESWORTH. No; I am entirely in accord with the previous witnesses on that subject. I do not think you can perfect any process in anything or in any industry in less than three to five years, or somewhere about that length of time. After you go into an industry where you are an amateur it takes time to perfect it. It is especially so in regard to dyes. But if Germany could be submerged you would not hear a word about needing any more dyes.

That is an astonishing statement from a promoter of the bill.

Of course, the Germans are ably represented over here, and it is another matter that has given me a good deal of concern. The importers should have fair play—that is to say, the dye distributor in the United States naturally employed this only source of supply for dyes.

Then, on page 88, he proceeds:

There is still in the minds of the textile consumer—I do not mean any longer the man who uses indigo in blue jeans and denims, etc.; I do not mean the man who wants blacks for hosiery, etc.; I do not mean the vast majority of dye consumers who are abundantly satisfied. I mean that fine trade that, having experienced the delight of an absolutely sun-fast color on wool, cotton, or silk has to go back to a fugitive color in a fabric that costs a hundred times as much as the dyes cost.

Senator WATSON. And can not that be done in the United States?

Mr. WIGGLESWORTH. It can be done in the United States.

Senator WATSON. But is not being done?

Mr. WIGGLESWORTH. They have not got to that point, that is all.

Senator WATSON. That is to say, in the browns and the blacks and what we call the "solid colors," we are manufacturing enough now?

Mr. WIGGLESWORTH. In all the shades, Mr. Senator. In every shade under the sun out of those 300 dyes, America is now making—you can get any shade you want, practically; but you will not get it in the more recent vat dyes—the vat dye is a simpler dyeing operation, as I understand it, and furnishes the latest color that the scientific world has developed.

Testimony supporting the sufficiency of the present rate of duties could not be made stronger. Statements like these, coming from veteran experts in the business, pivoting their demand upon the sole proposition that Germany is not submerged, and if she were they would not require this additional legislation, only leaves it necessary to show that Germany as a producer of this commodity is to-day helpless and broken, unable

to produce sufficient for more than her own purposes, and this meets the very last proposition that can be with any degree of consistency thrust forward as the basis for such legislation.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Ohio?

Mr. THOMAS. I yield.

Mr. POMERENE. Do I understand that this witness was addressing himself at the time to the embargo provisions of the present bill?

Mr. THOMAS. To the entire bill, including the embargo provision.

Mr. POMERENE. And also including the increased duties?

Mr. THOMAS. Oh, yes. This was prior to the time when the Senate rejected the increased duties.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Kansas?

Mr. THOMAS. I yield.

Mr. CURTIS. It was the license feature, I think.

Mr. THOMAS. It was the license feature that he was discussing at this particular time; but his testimony had reference to the bill in general, as I remember.

[At this point Mr. THOMAS yielded the floor for the day.]

Wednesday, May 5, 1920.

Mr. THOMAS. Mr. President, in the discussion of the pending bill I have thus far attempted to demonstrate the nonexistence of the causes that have been assigned and relied upon to support it. I have to the best of my ability sought to disprove the contention of the proponents of the bill that its enactment was essential to the preservation of the industry or to the creation of the class of scientific experts whose researches and capacity are so essential to our modern industrial life. There remains to be considered the extent of German competition, both actual and potential, that being one of the grounds upon which the enactment of the measure is so urgently demanded.

I concede that if, upon the establishment of peace, there be great reserves of dyestuffs accumulated during or before the war and at present either in or subject to the control of Germany, which may be imported to the United States and cast upon the market at prices so far below the cost of American manufacture as virtually to paralyze, if not entirely suspend, further activities of the American competitors, that some means as drastic as the situation requires should be resorted to for the purpose of preventing such a calamity. No man, whatever his opinions regarding the virtues of a protective tariff may be, would for a moment subject this great industry to such a menace in view of our experiences as a result of the war and for a part of the time during which the war was being prosecuted. Hence it is necessary to examine into and ascertain, if we can, to what extent, if at all, this apprehension is justified.

I have no doubt in my own mind that many of the witnesses who appeared before the committee, and, doubtless, a great many people in general who receive their information from reports and statements in the public press, entertain the sincere conviction that America is face to face with this sort of competition, once commercial relations are reestablished between the United States and Germany; but the men interested in the business and who are demanding this tariff, the men who have made a study of the situation, can only insist upon the existence of those conditions at the expense of their intelligence.

No limitations have been placed upon the quantity of dye materials said to be in existence and ready for an assault upon the American industry with the first opportunity that may be vouchsafed to their owners. Mr. Choate, the attorney for the dyestuffs manufacturers, the proponents of this measure, and who was also a witness before the committee, testifying at considerable length and apparently well versed in many of its phases, voiced this apprehension in the language which I shall presently read. During a discussion of the wisdom or unwisdom of licensing the would-be importers of dyestuffs—he was contending against the proposition to increase the rates of duty far beyond those contained in the present law as being entirely competent to accomplish the purpose in hand—he said:

> I think it is very difficult to pass on any such proposition without a concrete draft, but I do think that it puts the burden on the wrong party. It puts the burden on the dye industry to show that something should not come in, and, as Senator CURTIS suggested, unless it were coupled with a definite provision preventing anything coming in until the tariff commission had had a chance to pass on it, the result would be that there would be considerable free importation before the protective measure took effect, and that would ruin the industry when three shiploads came in.

Something, perhaps, may be excused in this gentleman because of the zeal which a competent counsel should exhibit in behalf of his client; but if it be true that an industry in which millions have been invested and whose output is far beyond the quantity and value of prewar imports of dyestuffs will collapse from the importation of only three shiploads of competitive material, then the industry is not worth preserving; no amount of protection, short of a prohibition as absolute as that imposed by the war itself, could avail to keep it alive; and I think every man within the sound of my voice will agree that no industry deserves to exist in any country which needs for its existence the imposition of prohibitory duties. I suppose we could raise bananas in hothouses in Boston provided we should absolutely prohibit the importation of bananas from any other country, but the expense consequent upon thus establishing the industry and the absurdity of indulging in it are apparent from the suggestion that I have made.

It is nonsense for any intelligent man to come before a committee and make such a statement. Of course, it carries the implication that the slightest imaginable competition would cause the collapse of the business, that the slightest invasion of the American market would upset this industry, paralyze its activities, and involve it in irretrievable ruin. Such, Mr. President, is not the case. Mr. Choate's statement, however, is not more absurd than the statements of his associates, assuming to inform the committee of the existence of 250,000 tons of dyestuffs available to the importers of the material, ready to invade the American markets as opportunity should offer.

Now, let me refer for a moment to some of these assertions. I first call attention to the statement of Mr. Howard on pages 65 and 66 of the hearings. This gentleman represents the Manufacturing Chemists' Association of the United States, an organization founded in 1872. He said that a license system was needed in order to protect the industry. Then he was asked why that was so, and he testified:

> At the present time if you were to try to create a tariff, according to the rule that we tried to apply in 1909 or 1910—that is, a tariff to cover the difference in cost of production at home and abroad—I do not know how it would be possible to find out what that difference would be. Who could tell what the cost of production in Germany to-day is as compared to the production in this country? And more especially in view of the perfectly extraordinary rate of exchange, and in view of the further fact that, as I understand, prices are different in different parts of Germany.

Mr. President, if the declarations of the Republican Party, which is the great advocate of protection, furnish any guide as to the standard which theoretically is to be applied to the enactment of tariff legislation—and I have no reason to discard or to repudiate those declarations—the very fact that it is impossible at present to ascertain even remotely the difference between the cost of production of dyestuffs at home and abroad constitutes the most cogent and unanswerable reason for insisting upon a postponement of all legislation like this until that fact can be established.

Protection can be defended only upon two grounds, the one being the need for revenue—and that is the Democratic ground—and the other the need for stimulating and encouraging the development of home industry regardless of revenue, which is the Republican theory. In the one instance the needs of the Government constitute the measure of the duties; in the other the needs of the protected industries constitute that measure.

In the one the estimates needed for the public expenditure furnish us with a standard; in the other the conditions against which protection must be enacted determine the rate, unless we have reached the point where it is proposed to disregard all standards and allow those insisting upon a partnership with their Government to state the amount of the duty which they desire and give it to them.

I noticed, Mr. President, during the hearings upon this and kindred bills that in almost every instance those applying for this legislative relief were asked, "How much duty do you want?" In the House the amount stated seemed to have been freely conceded, thereby discarding absolutely the Republican doctrine of a protection basis, to wit, the cost of producing the goods in question in foreign countries as compared to the cost of production in our own. When a witness informs the committee that under prevailing conditions that fact is impossible of ascertainment he ought to state himself entirely out of court; for all protection is taxation, whether it be for revenue purposes or whether it be for protective purposes, and the tax goes either to the Government or to the beneficiary. If it goes to the beneficiary, justice to the public, who bear the burden, to the consumers, who must purchase at home-fixed prices, requires that the duty shall be as small as possible, and sufficient for the purposes of encouraging and promoting the industry, not for the purpose of giving it a monopoly, and thus swelling their profits beyond all reason.

This argument, of course, was aimed not so much at the protective feature of the bill as it was to sustain the idea that

something more than protection was needed, and that the rates of duty fixed should be supplemented by the license system, so called, which was engrafted upon the bill by the House committee.

The witness goes on:

So, gentlemen of the committee, it would be hopeless to attempt to discover what would be the difference in cost of production here and in Germany. Then, again, even supposing you were able to make a tariff covering the difference between cost of production in Germany and here, you would be still confronted by the willingness of that enormous industry to pay no attention to cost of production there and proceed to stamp out the industry here at all costs that might be necessary to do it as quickly as possible before the industry here gains any more strength.

Senator CURTIS. Well, if that is the only difficulty, why could not that be prevented by an antidumping law?

Mr. HOWARD. An antidumping law, or an unfair-competition law, so far as any I have ever seen, would not act until after the dumping or the damage had been done. No antidumping law that I have ever seen would anticipate such action by Germany. It could only be brought to bear after the damage had been done. In other words, we have a situation to-day in which things are moving with almost lightninglike rapidity in these different countries. The English, as has already been pointed out, fully realize that, and they have established a license system. The French realize the situation and have done the same thing. The Italians also have foreseen what would happen and have done the same thing.

Perhaps it will not be out of place here to reiterate that these licensing precautionary measures to which our late allies resorted as a protection against German importations have been repealed. These countries want the dyes against which the licensing system was aimed and can not get them. They have discovered, to their sorrow, that they hastily enacted repressive measures because the same scarecrow was dangled before their eyes which the American manufacturer erected before ours, and the purpose of which is to continue war prohibitory conditions notwithstanding that hostilities have ceased. Now, that is human, perhaps. The man who has enjoyed a monopoly very naturally is human enough to want to continue it. The man who has ever had an annual pass over a railroad never pays his fare afterwards without a sense of personal injury. He feels imposed upon because his privilege is gone. It is a human feeling. I have entertained it myself, and hence I can speak from personal experience; and I think the illustration is a most apt one.

Senator CURTIS. You know, Mr. Howard, a licensing system is very strongly opposed in this country. I am not speaking for the other members of the committee, but according to my judgment there is not much opposition to the levying of a tariff in order to build up this business, while there is opposition to a licensing system. Therefore, so far as I am concerned, I would like to hear you people very fully on the antidumping or the tariff features of this matter.

Mr. Howard, however, continued to insist that an antidumping law would prove of little benefit to the interests which he represented.

Mr. Wigglesworth also contributed to this feature of the hearing. I read from page 85. Mr. Wigglesworth says:

Without some system of control there will be a repetition of what occurred in the case of the Benzol Products Co., now a constituent of the National Aniline Co. They started out in 1910 making aniline oil, which is the product most largely used as an intermediate in the manufacture of dyes, explosives, etc.

The manufacture of that article had been tried out way back, I think, in the seventies. At least three corporations had gone into its production and each time had been promptly hit on the head by the Germans.

In 1910 the Schoelkopfs and others represented that they were absolutely under the domination of the Germans. They were making dyes in a comparatively small way, but they were dependent upon Germany for intermediates.

They had repeatedly called our attention to the fact that any time anyone showed his head in coal-tar dyes he was hit. So finally the General Chemical Co., the Solvay Process Co., and the Barrett Co.—three of the very largest corporations in the United States—agreed that they would take a chance on aniline jointly. We did not expect to make any money. We expected to put it out as feeler in the interests of the small dye industry over here. That was in 1910.

The Germans sent an emissary over here as soon as they knew we were producing, to say that we must quit, and what would our expenses amount to, for they would reward us to keep out. We said that we would feel our way, anyway, and did not care to discuss the matter.

Subsequently Congress put a duty of 10 per cent on the article, and that showed to the Germans that we really were powerful enough to get the support of the State. Then they saw that they could not hit this little enterprise any too quick, so they immediately absorbed the duty and the price dropped 2 cents a pound as well.

This is what Mr. Wigglesworth calls a selective attack—an attack which, I think, was taught to Germany by America; a condition which, prior to the passage of the Sherman antitrust law, was a very common feature of big business in America; a practice which had its inception, I think, with the Standard Oil Co., and which, no doubt, our foreign competitors were swift to learn. It is wrong. It is not only wrong when practiced against America by foreigners, but it is wrong and indefensible when practiced by Americans upon Americans. There is no question about the prevalence of such conditions in the dye industry prior to the war; but when you tell me that such practices are not overcome by the tariff duty of 1916, I must answer: "Gentlemen, that is the tariff which you said in 1916 would not only give you the markets of America, but would give you absolute protection against any and all forms of German competition after the war should have ended. You did not tell us then about these methods of competition as the basis for an extra request for an embargo. You told us about them with a view of securing the rates of duty which we permitted you to write in the bill."

Mr. Wigglesworth, however, goes on, and on page 88 of the record he takes occasion to say:

If Germany could be submerged, you would not hear a word about needing any more dyes.

And it is the fact that Germany is not submerged that makes an embargo, as a supplement to the rates of duty, essential to their protection.

I do not know whether Mr. Wigglesworth is familiar with the terms of the German treaty or not. If he will do me the honor, however, to read my discussion of this bill, I will endeavor to give him some information regarding the operation of some clauses of the treaty upon this and other German industries before I am through.

I refer now to the testimony of Mr. Waters, page 143. This gentleman is the proprietor of the Germantown Dye Works, in Philadelphia. Speaking of German competition, he says:

Previous to the war, as you gentlemen know, we were depending entirely upon Germany for our source of supply of dyestuffs. When the war broke out there was a great hullabaloo as to what was going to be the final result of the textile industry in the United States, owing to the shortage of dyestuffs. I fussed about with some other gentlemen who are present to-day seeing what could be done in the way of getting dyestuffs from the other side. I bought all the dyestuffs I could get my hands on, and that was quite a lot, and then we set about to see if there were any way possible whereby there were any goods in Holland or any other place that we could have shipped into the United States. I remember going into one of the large importer's offices, representing a large manufacturing concern on the other side, about some dyestuffs, and I must confess that we got into a little fuss over the affair. He practically laughed at us Yankees, as they called us, and he seemed to be very cheerful over the supposed inability of the American people to ever make dyestuffs. He painted a very beautiful picture of millions of unemployed men and women walking about the streets of the United States, due to the textile industries being closed up for the want of dyestuffs. I said to him, "If the war lasts five years, you will have a different story to tell. We will be making dyestuffs in the United States in five years, so that if the men in Germany along the Rhine are blown up by our bombshells you will never know that dyestuffs were ever made other than in the United States."

Gentlemen, that is my opinion to-day. If the dyestuff industry in Germany were demolished, we would not be here to-day asking you to protect the industry that has been developed in the United States up to the present time. The majority of the American people would never know that dyestuffs ever came from any other place but the United States. To-day I am not using 1 ounce of German dyestuffs that I know of in my plant, and I am turning out 30,000 pounds of stuff a day.

This gentleman, enjoying such a marked degree of prosperity, tells us that if the dyestuff business in Germany were demolished, he would be happy; that he has not any use for it. The predictions which he made regarding American manufactures were verified in less than five years, but the specter of German competition is still before them, magnified into many dimensions and held aloft before the frightened eyes of the House and Senate as something not only ominous but actual, not only existent but menacing, not only serious but potentially destructive.

On page 145 of the hearings, Senator NUGENT asked Mr. Waters:

Do you think if the licensing plan was followed for two years it would be sufficient to protect this industry?

Mr. Waters said:

I rather think it would not be long enough, but it would be a very great advantage, sir. I am not a manufacturer of dyestuffs, but I do feel that in five years' time, with the licensing feature attached to this proposition, that we will be then in a position where it will make very little difference as to what happens on the other side, so far as dyestuffs are concerned.

How very like the assurances of 1916 that sounds. He continued:

I do not feel that Germany can furnish dyestuffs anything like as cheap as she did.

There is another very significant concession. He proceeded:

They have to pay higher wages. They also have trouble in getting coal, and that, in connection with the licensing system, I think will prolong it for years than it otherwise would be. They are not going to get back as rapidly as some of us think they will. While it is pointed out that their personnel is intact over there, their plants ready and operating, that I do not know. But if you can see your way clear to sanction a licensing of this dyestuffs proposition it will add a great deal to us in the United States in the way of getting into an independent position here to compete with Germany in the future.

It would certainly add a great deal to the profits made out of the monopoly of the American market through prices fixed at

the dictation of the dye trust that is to be when this bill becomes a law.

I now come to the testimony of Prof. Herty. Prof. Herty is the editor of the Journal of Industrial and Engineering Chemistry, published by the American Chemical Society. For a long time he was connected with one of the universities in the South, I think in the State of North Carolina. During that period of time his views regarding the protective tariff were very similar to my own. The professor subsequently saw a great light, and he became and is an ardent champion of what our Republican friends delight to designate "the American system."

The good professor, too, is an excellent illustration of the old truth that there is no zeal like the zeal of a convert. This worthy gentleman is making up for lost time by becoming as extreme as it is possible for a man to be and still keep within bounds. In his discussion of the bill to place a duty upon surgical instruments, and to deprive the educational institutions of the country of the privilege they have always enjoyed of securing those instruments free of duty, the professor thinks that the substitution of American-made instruments for the foreign instruments which are now permitted to be used duty free will cultivate a high and lofty spirit of patriotism in the students. Whenever they perceive that the instruments with which they are experimenting are made in America, and reflect upon the fact that they have to pay therefor the cost of manufacturing, plus a good profit, plus a high tariff duty, they will lay down their instruments and join in chorus of "My country, 'tis of thee, sweet land of liberty." I was surprised that he did not assure us that if we could be certain that our teeth when they ached would be pulled with American forceps we would welcome toothache as one of the joys of life.

That is carrying the principle of protection, coupled with the principle of patriotism, to the nth degree. If it be true in these degenerate times, when patriotism is sadly lacking in some sections, that the spirit can be revived and that great faculty restored through the substitution of American-protected experimental instruments in the colleges for those which they have used heretofore, by all means let us do it. I am willing to make any sacrifices, Mr. President, even to the sacrifice of principle, if I have any left—which some of my critics seem to question in these late days—if by so doing I can aid in restoring or reviving the spirit of patriotism. But as to the good doctor's suggestion, I confess I am from Missouri. I do not believe that the results which he so cheerfully predicts from the substitution of protected American-made instruments for other instruments received free of duty would have any such consequence.

I read from Dr. Herty on page 190 of the hearings, and I think those who honor me with their attention will agree with the statement I just made, that Dr. Herty is carrying the principle of protection to extremes, evidently in atonement for his past sins of free trade commission.

The doctor went over to Paris shortly after the war, representing the War Trade Board, or one of its divisions, with a view of inquiring into the dye situation, and incidentally of securng some dyes badly needed in this country. He had quite an experience over there, and, among other things, he said that he desired to give the committee the benefit of certain conversations he had during the trip which left an indelible impress upon his mind. He said that while he was abroad he talked with a number of Army and Navy officers, American, French, and British, regarding the future, and they expressed the hope that we were now entering upon an era of peace, but none of them expressed the conviction that we were not going to have more war.

Of course, more war is an essential to the demand for more duty, not more actual war, but more probable war, more possible war, and one might accept the assurances of possible wars or probable wars with some degree of doubt were he not fortified by the assurance, not of outsiders but of men in the business, of the certainty of future wars. The professor said:

> On the boat coming back home I talked with the colonel of a regiment which was at the very front in the Meuse sector on the day when the armistice was signed. He was covered with medals—he did not show them, but he had them—every medal conceivable, a man who had made a most brilliant record in the war. He told me himself, "When we had orders to charge that morning I thought we were going to be slaughtered. Our runners were being captured as fast as we would send them out."
>
> I said, "Colonel, how about in the Argonne, when you were fighting down there? How about the use of poison gas if you had had it in quantities to help you?"

And let me say, Mr. President, they did have it in quantities. It is a cruel misrepresentation, from whatever source it comes, to say that the American Army was not protected with gas, as far as the use of it may be called protection; and I may say in passing that almost from the hour we entered into the war down to the time of its conclusion there never was any scarcity of gas as an American product. We had it in vast and constantly increasing quantities. Any shortage at the front was due to the scarcity of containers, shells, and so forth, not to the chemical department of the Government. It appears in this record, and is uncontroverted, that the chemical section of the Army was up to requirements at all times, and frequently beyond them. So the contention that because of the primitive character of our dye industry we were unable to equip ourselves with gas has no foundation whatever. Yet it is made throughout this record. It is accepted almost without question, in my judgment, simply because the representation is essential to the support of this bill, and also because much of it was unavailable for the reason which I have mentioned.

The professor continued:

> He said: "There is no question about it; if we had had the gas when we were trying to break up those machine-gun nests in the Argonne, there is many a boy from my regiment sleeping there now who would be on his way back home."
>
> I had a more impressive talk still with a very distinguished Britisher, Lord Moulton, in Paris, following one of our conferences about these peace-treaty dyes. Lord Moulton is the head of British Dyes (Ltd.)—a very distinguished man, a very thoughtful man. We were discussing the dye industry in England and in America. It was late in the afternoon. As we came down the steps after that meeting he stopped on the steps and said—

Listen to this—

> "Doctor, the future peace of this world is more closely tied up in the maintenance of the dye industries in England and in America than in any other measure that is now before the world."

Here we have it from this new convert to the doctrine of protection. The whole question involves the peace of the world, and unless this embargo is placed upon the exports from Germany, which can not come, unless this duty is magnified beyond what was declared to be necessary in 1916, the hideous specter of war will again stalk forth upon all the continents of the earth, and the angel of peace, scarcely returned, will take her departure, perhaps this time forevermore. But let us continue:

> There is a peculiar thing about the peace treaty in this section.

That was greeted with laughter. The professor said:

> Mr. Chairman, I did not mean to provoke any laughter, because this is a very serious question. Through this peace treaty Germany's hands are tied as far as the usual methods of making war are concerned—battleships, aircraft, submarines, forts—but I want to call your attention to the fact—I have already written about it in my own editorials—that her means for making poison gases are not touched in the slightest. All her plants for that purpose are untouched.
>
> Senator NUGENT. Merely because those plants are connected with or used in connection with their dye industry?
>
> Dr. HERTY. In making the commercial articles; yes, sir.
>
> Senator CALDER. They were overlooked?
>
> Dr. HERTY. I do not know, Senator; but it is a fact.

Now, mark this:

> Senator NUGENT. In other words, in order to place the Germans in such a position that they would be unable to manufacture poison gases in the future it would be necessary to destroy and dismantle those dyestuff manufacturing establishments? Is that what you mean?
>
> Dr. HERTY. I think that should have been done.
>
> Senator NUGENT. That is a fact, is it not?
>
> Dr. HERTY. It is a fact; yes. I think they should have been dismantled to the extent of allowing Germany to take care only of her own domestic needs for dyes; or, if necessary, to tie her hands even in that respect.

Now, Mr. President, if that is true, I submit the query, What possible rate of duty, what character of embargo, can protect us, if that protection is incomplete without the dismantling and destruction of the competitive manufactories existing on the Rhine and in other parts of Germany? What sort of peace should have been dictated to meet this condition? Should it have stopped at the dismantling and the destruction of the German dye factories? Would not the reasons requiring that arbitrary and brutal course be equally applicable to all other manufactories in Germany, many of which were quite as potent as accessories of war as the dye manufactories were? Shall we then confess to the world that American enterprise and American genius, American chemistry, American powers of combination and of competition are so inert and so helpless that the demolition of an adversary's means of production is the essential to her successful conduct of business and production?

I know of no more brutal sentiment to be found in postwar literature than the extremes advocated by a very peaceful gentleman, a very learned gentleman, a very good citizen, suddenly gone mad in his intense advocacy of a measure which in his heart of hearts, but for his hysteria, he would recognize as unjust, indefensible, and un-American.

Dr. Herty calls attention, on page 194, to another situation which he thinks should be considered as of importance and bearing upon this subject. He was asked by his counsel whether he had any information on the subject of the remission of taxes to German chemical firms at the present time, and his reply was:

Dr. HERTY. I think I have an item here about that. Here is an extract from the letter of the managing director of dye and organic work in a factory in Germany, dated August, 1919. I might say in this connection that I have here also an affidavit as to the correctness of this. Unless the committee insists upon it I will not submit the affidavit, as the gentleman requests here that his name be not used in connection with it. I will submit it to the members of the committee, of course, but I do not care to have a record made of it, as he may suffer in his business. In that letter he says:

"Another detail to which I would like to turn your attention is that they"—

Referring to the dye plants—

"have to pay no direct Government taxes. According to an understanding with the present Government, all organic chemical productions, the companies themselves as well as all dependencies, without exception, for the next 10 years, are freed from all direct State tax. In so far as community taxes come into consideration, I believe we will obtain a remission for our profession."

It seems they are exempt.

Senator CALDER. Would that mean to you all income and property taxes of every character?

Dr. HERTY. I do not know as to that.

If it be true that the German dye manufacturers are exempt from a direct tax, they are the most fortunate Germans in the world at this time. If it be true that they are not required to bear their portion of the public burdens, then it may well be said that that fact should be taken into consideration in determining the rate of duty to be imposed for the correspondent protection of the American manufacturer.

But let me say in the first place that this is testimony twice removed. Dr. Herty reads from an affidavit which some one has furnished him, but he declines to submit the name of the affiant, who has requested that his name be not disclosed. Now, why not? If it be a fact, it is a public fact. If it be a fact, it is one which any person having an interest in knowing of it can secure. Hence I can not conceive of the motive lying behind such a request, except it be that it is a part of the propaganda created in support of the bill. I am unable to credit it.

Germany has been through the greatest war of history. Her expenditures have been appalling. She has been obliged not only to levy tax after tax, to impose burden after burden, but also to issue bonds to the extent of tens of billions and to inflate her currency 500 or 600 per cent. To contend, therefore, that a favored industry has been exempt from taxation seems to me to contend the impossible. Not only so, but in my judgment the statement, even though true up to the time of the signing of the treaty, can not be true since then.

I wish to call attention to article 241 of the treaty in connection with this branch of my discussion. It is very short and reads as follows:

Germany undertakes to pass, issue, and maintain in force any legislation, orders, and decrees that may be necessary to give complete effect to these provisions.

"These provisions" are part 8 of the treaty and the annexes connected therewith entitled "reparation." In Annex II (b) of the treaty it is provided that—

In periodically estimating Germany's capacity to pay the commission shall examine the German system of taxation: First, to the end that the sums for reparation which Germany is required to pay shall become a charge upon all her revenues prior to that for the service or discharge of any domestic loan; and, secondly, so as to satisfy itself that in general the German scheme of taxation is fully as heavy proportionately as that of any of the powers represented on the commission.

Will any man in the face of these two drastic requirements pretend to say that the reparations commission, numbering among its members a representative of France trying to establish a dye industry of its own, and a representative of England trying to establish a dye industry of its own, will for a single moment tolerate the exemption of the German dye manufacturers from the taxes essential for the carrying on of the German Government, to say nothing of the payment of these indemnities? Why, Mr. President, the proposition is too plain to justify the occupation of any further time in the discussion of it. It is on a par with practically all of the arguments and the assertions that have been advanced in behalf of the measure, and in my judgment has been resorted to because of the need of mobilizing every apprehension, every rumor, and every possible assertion in support of the monstrous requirements of this measure.

Let me refer once more to Dr. Herty, but before doing so I should perhaps state that a report was made some time before Dr. Herty's visit to Germany by Mr. Keene, who, I think, upon the occasion of his visit to Europe, acted for the manufacturing chemists of New York, that there was a shortage of supply of German dyes.

Dr. Herty criticized this statement and said in substance, although I find myself unable to turn to the citation, that it was not reliable, and that the amount of dyestuffs in storage in Germany or under Germany's control amounted to something like 250,000 tons. Other statements of similar import were submitted to us, doubtless in good faith, but with an apparently reckless disregard of easily ascertainable facts, carrying the impression that this vast accumulation was the result of the activities during the war of these huge institutions, anticipatory of the return of peace, and designed for the recapture of the American and other markets which Germany had lost, temporarily at any rate, because of the war. Dr. Herty went to the Rhine, where one of these large establishments is situated, and insisted, although he was not permitted to enter it, that it was engaged in the manufacture of dyestuffs at the time, the assertion being based upon the fact that he saw smoke coming out of 14 chimneys. Well, that is some evidence, it may be, of activity; it is some evidence of the existence of a resumption in part of peace-time conditions; but it is a very poor basis upon which to found the assertion that production was continuing in Germany as heretofore.

A number of quotations supporting the doctor's theory was introduced during his examination, and also by others; but the significant thing about the Herty visit is that, although he made arrangements for a very considerable quantity of dyes for American consumption, being dyes not manufactured at present in America, or, at least, not manufactured as yet in quantity, not one pound of those dyes has been delivered or could have been delivered from that good hour to this; not one ounce of which has been available, largely because of the scarcity of materials. I assert deliberately that the informants of the committee in making these representations, both as to the surplus accumulations of dyes in Germany and as to the reestablishment of operations in German factories, must have been almost totally unacquainted with industrial conditions in Germany, besides being totally unfamiliar with the economic features of the treaty of Versailles.

Mr. President, it has been established, as I shall show later on, that the maximum amount of dyes stored in Germany does not exceed 22,000 tons, being 8,000 tons less than the amount annually demanded from Germany by American manufacturers prior to the war. Germany has scarcely enough for her own consumption, assuming that her textile manufacturers should resume operations; she has by no means enough to meet the requirements of France, of Germany, or of Italy. Her labor market is demoralized beyond description; her Government is sadly insecure; her people are still suffering from those sinister and unfortunate consequences of a long-continued struggle which tend to idleness, to discontent, and to discouragement; she has been overwhelmingly defeated, and faces the future with a burden of indemnities imposed upon her which no nation in all the history of civilization was ever before called upon to bear. She is torn by strife and dissension; contending factions struggling for and against the government have involved many parts of the former empire in conflict and bloodshed. She still maintains a huge army for the purpose of protection and for the defense of the government against its own people. The passions engendered by the war are still acute and the animosities of the Allies as vindictive toward her as they were at the close of the war on the 11th day of November, 1918. Her merchant fleet has been surrendered and a very large percentage of the boats used upon her rivers for domestic traffic has been wrested from her. She has lost 35 per cent of her coal resources, and, if the plebiscite in Upper Silesia shall go against her, she will have lost practically 50 per cent of such resources. She is required by the terms of the treaty to deliver to Italy up to 1924 from 4,500,000 to 8,500,000 tons of coal and for each of the following 5 years 8,500,000 tons, and she is required to deliver two-thirds of this enormous amount of coal overland. She must deliver to France 7,000,000 tons of coal per year for 10 years, and in addition, "annually for a period not exceeding 10 years an amount equal to the difference between the annual production before the war of the coal mines of the Nord and Pas de Calais, destroyed as a result of the war, and the production of the mines of the same area during the years in question, such delivery not to exceed 20,000,000 tons in any 1 year of the first 5 years, and 8,000,000 tons in any 1 year of the succeeding 5 years." She is also required to deliver to Belgium annually for 10 years 8,000,000 tons of coal.

All this means that from the mines yet remaining to her Germany is obliged to yield to her former enemies annually somewhere between twenty-five and thirty million tons of coal. Coal is the foundation of the dye industry, the primitive raw material from which come all the ingredients essential to that highly specialized industry.

The other day, Mr. President, France, acting under the treaty, moved her legions from the Rhine to the city of Frankfort and holds that historic German city to-day, because, among other things, Germany has not complied with her coal

delivery requirements, her contention being that it has been absolutely impossible for her to do so.

Austria's only source of coal supply has been Germany, but Austria has neither money nor goods to exchange for coal, while Germany, under the onerous provisions of the treaty, has not the coal to deliver. Therefore the Austrians have suffered from cold during the winter just past to a degree of which we can hardly conceive. Her impoverished people have turned upon the forests of that ancient empire, and those surrounding the beautiful city of Vienna have disappeared, the Government limiting the supply to each person to 60 pounds per week. That once proud people have been beggared.

Tell me that a country like Germany is to-day, deprived of nearly 50 per cent of her coal resources and 75 per cent of her iron resources, compelled to contribute for the next 10 years at least one-half of the output of her coal mines to her ancient enemies, is about to deluge the world with a cheap supply of dyestuffs, to guard against which we must depart from every course of previous legislation and introduce the embargo system in the industries of America!

But, Mr. President, I have told but part of the story. Germany is required to do something more than this. Bear in mind that the dye industry consumes products distilled from what are called intermediates. The first extracts from coal are crudes; the extracts from the crudes are intermediates; and the extracts from the intermediates consist of those essentials needed for the manufacture of dyes, medicines, perfumes, and explosives. I read another condition of this treaty:

Germany undertakes to deliver to France——

And, mind, this is in addition to the coal requirements—

and to transport to the French frontier by rail or by water the following products, during each of the three years following the coming into force of this treaty—

These are partly intermediates:

	Tons.
Benzol	35,000
Coal tar	50,000
Sulphate of ammonia	30,000

A total of 115,000 tons of coal tar or its products and essential to the prosecution of the dye industry. It is further provided that—

All or part of the coal tar may, at the option of the French Government, be replaced by corresponding quantities of products of distillation, such as light oils, heavy oils, anthracene, naphthalene, or pitch.

That is to say, Germany can pay—to use a fairly good illustration—either in gold or in silver, but she must pay. She must give practically 50 per cent of her coal-tar product. In addition to that, she must furnish France for three years with 115,000 tons of coal tar and some of its by-products, notwithstanding, which it is here contended, that unless we virtually continue economic war conditions the poor, unfortunate Americans, inspired by the spirit of patriotism, who came forward in the hour of their country's need and invested in this business, will go into bankruptcy.

Mr. President, I can not conceive of a more cold-blooded proposition. Germany is down and out for the present and the heel of the conqueror is upon her prostrate form. She is where she deserves to be. The Allies have imposed upon her indemnities the amount of which she does not know and can not know until the reparation commission shall have taken an inventory of the Empire and determined how much blood can be taken from her without resulting in dissolution. We know of specific sums amounting to one hundred thousand million marks in gold, which is the equivalent of twenty-five thousand millions of dollars, twenty thousand millions of marks to be paid on or before the 1st day of May, 1921. She can pay these sums provided her industries are resuscitated, thus giving her articles of merchandise which she can exchange with the other nations, or the reparation commission may take whatever in their judgment can be made to realize this enormous sum. She never will pay these indemnities in the latter way. She must pay them in gold, which she has not, or merchandise, which, under the onerous terms of the treaty, she can not manufacture.

You say it serves her right. I shall engage in no quarrel upon that subject, although I do not think so; but the brutal fact is that having imposed these indemnities we propose to cut off the possibility of her reengaging in international commerce by passing a series of drastic enactments which under no circumstances would we ever have passed if there had been no war, in which case they would have been far more important and essential than they can be at present.

Mr. President, I have not yet told the whole story. It is necessary for me to recite other clauses from the treaty. The first section of Annex VI of Part VIII reads as follows:

Germany accords to the reparation commission an option to require as part of reparation the delivery by Germany of such quantities and kinds of dyestuffs and chemical drugs as the commission may designate, not exceeding 50 per cent of the total stock of each and every kind of dyestuff and chemical drug in Germany or under German control at the date of the coming into force of the present treaty.

This option shall be exercised within 60 days of the receipt by the commission of such particulars as to stocks as may be considered necessary by the commission.

Under this provision, whatever the amount of the accumulated dyes may be, 50 per cent of them, together with 50 per cent of all drugs in German possession, pass to the reparation commission for the use of the Allies. I have said that 22,000 tons represent that accumulation. Eleven thousand tons, or one-half of that amount, can not be disposed of by Germany at all under the treaty. She may dispose of the other half, but only by the consent of the reparation commission, which is required, by the terms of the treaty bringing them into existence, to take account of all of the material resources of Germany, and then to determine what the amount of her reparation should be. Can we suppose for a moment that this commission, representing great competitive nations, will not insist upon handling this valuable product so that the proceeds may be utilized for the purposes of the treaty?

Mr. President, if Germany had 250,000 tons of dyestuffs, and if she were manufacturing as much more, she could not enter into competition with the United States, or with any of the other manufacturing nations, except under conditions to be fixed by this commission, which to-day exercises a greater power than any potentate or president in existence. Under the terms of this treaty they are the receivers for the German Empire, and except as to matters of life and death they are the real rulers of that unhappy country, and they are created and empowered to enforce the duties of their office because of the enormity of the injuries inflicted upon the Allies by Germany during the war, and the need for compelling her to disclose every item of her resources and then be governed by the action of this commission. If I thirsted for power, I would rather be a member of that commission than be President of the United States. If authority is the ambition of any man, he can find its personification to a greater degree in the powers of the reparation commission than he can in those of the Kaiser before the war, or of the President of the United States at this time.

I have not yet, however, with regard to this feature of the treaty, told the whole story. I have called attention to Germany's loss of about 50 per cent of her coal resources; to the treaty requirement of delivery for the next 10 years of large quantities of her output; to the requirement that she shall, in addition, for three years deliver 115,000 tons of coal tar and two of its derivatives to France; to the fact that 50 per cent of her dyestuffs are to be taken over absolutely by the reparation commission; and that leads me to section 2 of annex 6 of part 8, which reads:

Germany further accords to the reparation commission an option to require delivery during the period from the date of the coming into force of the present treaty until January 1, 1920, and during each period of six months thereafter until January 1, 1925, of any specified kind of dyestuff and chemical drug up to an amount not exceeding 25 per cent of the German production of such dyestuffs and chemical drugs during the previous six months' period. If in any case the production during such period of six months was, in the opinion of the commission, less than normal, the amount required may be 25 per cent of the normal production—

Which would be more than 25 per cent of the actual production. We take, therefore, one-half of all accumulated dye products and at least 25 per cent for the next five years of all their manufactured dye products, leaving 75 per cent, or less than 75 per cent if during any year the production is less than normal, for their disposition.

In order to clinch this requirement, section 5 of annex 6 defines the expression "dyestuffs and chemical drugs," and this to my mind is one of the most objectionable and indefensible parts of the treaty. It reads:

The above expression, "dyestuffs and chemical drugs," includes all synthetic dyes and drugs and intermediate or other products used in connection with dyeing, so far as they are manufactured for sale. The present arrangement shall also apply to cinchona bark and salts of quinine—

Neither of which is a coal-tar product. In other words, in addition to the levy upon the dye product, we take 25 per cent of all the quinine and cinchona bark in Germany during these periods. Yet there are people who lie awake nights in America or dream horrid nightmare dreams of coming German competition, which, with the return of normal relations, will wipe industrial America from the face of the earth unless we heed these premonitory signals and continue the war embargo by the substitution of a legislative one therefor.

An old philosopher once said that avarice and greed were deaf to reason and blind to truth, and no truer sentiment, in my judgment, ever fell from the lips of man. The faculty behind this bill, the driving force which has put it through the House and threatens to carry it through the Senate, is the greed and avarice of man. Blind to justice, deaf to truth, intent only upon the continued and permanent enjoyment of monopoly in their business, they create specters of coming war, announce the overweening necessity of supporting certain lines of industry by drastic legislation imposing millions of dollars of taxes upon the people, using the passions and animosities, hatreds and vindictiveness, created by this war against Germany and other countries, as the mainspring of their action, knowing full well that unless this legislation can be accomplished before these passions shall have subsided its enactment will become absolutely and forever impossible.

So much, then, Mr. President, for the treaty and the provisions which were enacted by the congress of Versailles designed to permanently retire Germany and the German people from the theater of international commerce. I am not now criticizing the harshness of those provisions; I took occasion to do that when the treaty was before the Senate. I am merely applying them to the present situation because they seem to be conclusive of it.

I now call attention to the statement of Mr. Irving A. Keene, which appeared in the Daily News Record, of New York, on Saturday, November 8 last, at the very time when the committee was considering this bill, some six months ago, and conditions are worse now than they were then. This is dated London Bureau, 27 Cannon Street. The article reads:

"Far from being in a position to dump dyestuffs and other chemicals on American, British, and other markets, Germany is actually short, and when she has delivered to the Allies the quantities required by the peace treaty there will be little left to export. The acute shortage of coal and raw materials precludes the possibility of her becoming anything more than a weak competitor for at least a year."

That is the conclusion reached by Irving A. Keene, chairman of the advisory committee on drugs, chemicals, and dyestuffs of the American Chamber of Commerce. Mr. Keene has just returned from a month in Germany. He got through to the interior of the country and was given to understand in some of the places he visited that he was the first civilian to do so.

Mr. Keene left London in August for Paris. Through the peace commission and the commercial attaché to the American Embassy in Paris, and by virtue of his credentials from London, he obtained military passes into Germany. From Paris he proceeded to Cologne, where he was put through to Coblenz. At Coblenz, through the Rhineland High Commission, he was given a "high" German pass into the interior.

RHINELAND FACTORIES.

Mr. Keene first visited the Rhineland towns. Factories and plants in the district are working for private German account, but under control of the occupying military authorities. Practically none of them could offer goods for export. Up to 50 per cent of their output as in January, 1919, must be sold to the German Government for delivery to the Allies as indemnity, and little or nothing is left for export. All production is suffering from a serious lack of raw materials.

Bayer & Co., for instance, had nothing to offer excepting a few vat colors, and could not sell anything without instructions from the Government. Colors other than vat colors were very scarce, and supplies of medicinal chemicals extremely low.

NOTHING AT FRANKFORT.

At Frankfort Mr. Keene was shown every courtesy by the Chemische Verein. Such big firms as Meister Lucius & Brunning and Cassela had practically nothing to offer. The former's place had been bombed, and they were able only to fill their orders and supply their fixed percentage to the Government for the Allies.

The secretary of the Frankfort Chamber of Commerce showered every attention on Mr. Keene and was obviously desirous of establishing cordial business relations.

NOR AT DARMSTADT.

At Darmstadt such firms as E. Merck & Co. and the Griesheim Elektron had fine, large plants but few materials for sale. Raw materials for both medicinal chemicals and dyes are badly needed.

Let me say again that some of these raw materials are being exported to Germany from the United States.

From Darmstadt Mr. Keene went to Berlin, where he called on numerous manufacturers of consequence, such as Reidell and Schering, but here, as elsewhere, there was practically nothing to offer.

In Berlin is the export and import license department of the German Government, which is eager to stimulate Germany's foreign trade in every way. Mr. Keene was assured of its utmost cooperation in endeavoring to secure any goods he might wish to buy.

Mr. Keene speaks interestingly of the American Chamber of Commerce in Berlin, which, contrary to the general impression, was active during the entire period of the war at its headquarters, Equitable Building, Friedrichstrasse 59. The chamber naturally encountered difficulty at times, owing to the absence of old members and the lack of new ones, but Mr. Keene says it is now in a flourishing state and promises to be very active. The acting president of the association is Fred. W. King; the secretary is Arthur E. Dunning.

During his month in Germany Mr. Keene was treated with the greatest courtesy, respect, and kindness. All information was cheerfully given him, and his visits were made the subject of much comment in the local German press, the question often being put as to whether he was there as a buyer or a competitor. It was almost all courtesy, however, and no goods.

RAW MATERIALS, COAL, CREDIT.

The great demand is for raw materials, coal, and credit. Whenever a German business man started to talk to him he knew just what was coming, because these three subjects were on everybody's tongue.

A year's credit was asked in most cases, but some came down to six months, and a few even to three months, but no security was offered. The Germans, showing a surprising familiarity with the world's prices, sought to buy so closely that there was not sufficient profit to make the transaction a desirable risk.

There seems little prospect of immediate improvement in production, owing not alone to the lack of raw materials and coal, but to the prevalent attitude of discouragement.

I may say, Mr. President, that I know of nothing that can discourage a nation so completely as the consciousness that all that it earns must go to the payment of an indemnity due to a foreign enemy.

Employers complain of a lack of energy on the part of the workmen. The proportion of productivity per man was quoted from as low as 33⅓ per cent to as high as 75 per cent of the prewar normal. Mr. Keene's explanation of this is that the German workman, for the first time in his life, feels that he is equal to his employer. No other attitude is possible, because if he does not feel that way of his own accord it is drummed into him continually by his fellow workmen or by socialistic agitators. His trouble is to demonstrate his equality, and the only way he can do this is to refuse to work except when he feels like it; in other words, to order his own life.

Mr. Keene predicts, however, that this condition is a temporary one only, as the German workman will come to a different conclusion when he finds that his equality, as expressed by idleness, does not put food into his mouth.

Mr. Keene does not expect to see conditions improve until the hardships of the coming winter are over. The lack of coal will make great trouble.

It may be well to quote from authorities in support of my statement regarding the quantity of dyes on hand in Germany and accumulated during the war. On page 293 Mr. Herman A. Metz, president of the Consolidated Color & Chemical Co., of Newark, N. J., reads a letter from what he calls "one of the German big six," dated October 21:

We wrote you last on the 10th as per copy, etc. We can not come to any decision yet regarding the delivery of vat colors and helindone colors. Our stocks in entirety have been taken over, under the peace treaty, by the Entente, and our portion of 50 per cent has also been held until they exercise their option, which they have not done as yet. Until they do that we can not dispose of our 50 per cent. It is possible that after the option has been exercised by the English and they have taken their allotment we will then have colors for sale to America. But there are so many questions arising regarding quantities, which are small, that we can not say anything about distribution, because we want to take care of customers in other countries as well.

When we wrote you before about larger orders for helindone colors we had in mind new manufacture, but since that time new questions have risen, particularly the coal question, which has so sharpened itself that we have had to stop most of our plants. We will do our best, however, to supply you with vat colors as soon as we get your orders with your importation license.

We hope that after the coal question has been settled and after our producing possibilities have been extended we can take orders again.

This gentleman fixed the quantity of dyes on hand at this time at 40,000 tons, since shown to be considerably in excess of the actual facts.

Mr. Wood also discusses this subject on pages 243 and 244 of the record. I will not take the time to read all of these extracts myself, but will ask permission to insert in the RECORD the statement of the witness, beginning with the words "at a meeting of the American Manufacturers' Export Association," at the bottom of page 242, to and including the extract from the New York Evening Post of October 4, 1919, on page 244.

The PRESIDING OFFICER (Mr. MCNARY in the chair). Without objection it is so ordered.

The matter referred to is as follows:

At a meeting of the American Manufacturers' Export Association held in New York on October 16, 1919, and presided over by the vice president of the E. I. du Pont de Nemours Export Co., one of the speakers delivered an address upon "Our future trade with Russia," in the course of which he summarized the kind of Germany there will be to compete with in the world markets thus:

"In the first place, there will be a Germany whose nationally organized efficiency has been fearfully distorted, a Germany no longer united at home, a Germany whose competitors can truthfully say they love her for the enemies she has made, a Germany where wages have risen almost more than raw materials. * * * Germany has no capital, no raw material, even, to supply her own factories or her own local demands."

The New York Post, in its chemical industries section, dated October 4, 1919, published an article entitled, "This country's dyestuffs have become a world factor." This article is printed under the name of Paul Nobbee, vice president of the American Aniline Products (Inc.). From this article I quote the statements relating to the German dye industry and its comparison with ours, which I shall now read:

"One thing is certain, the old order of things has passed, never to return. Germany, once dominant in the field of dyestuffs, now has a rival, if not rivals. To be sure, Germany will continue to make dyestuffs and to ship them abroad, but she will not be able to do it on the same scale as she did before the war. Her output will be curtailed in quantity and curtailed also in kind. Many of the colors that she made before the war she will not make again, because it will no longer be profitable. Unless I should be a poor prophet, I predict that principal among the colors she will drop will be the majority of those now made in this country, the bulk of which form the backbone of the export trade.

"They are what we may call the cheaper colors, the colors of most simple dyeing method. * * * Conditions in Germany surrounding the dyestuff trade are grave, very grave. The shortage of coal of course affects all industries alike, but tenfold an industry that depends upon coal, not only as a creative force for motive power, but for the very things upon which the industry is built—coal tar. * * * The German manufacturers are now buying in the United States such raw materials as benzol, alcohol, etc. * * * I, for one, believe that it will take many years before the German dyestuffs industry will reach again that state of efficiency that made it possible to conquer the markets of the world.

"The prices of these colors and all other colors in stock, without duty, are from five to seven times that of normal, in Swiss francs; what the prices will be for goods manufactured to-day instead of in 1915 and 1916 nobody knows. For a certainty, they will not be less, but probably much higher, while at our end, with essential raw materials in abundance, increased and more economic production, prices will go lower. Even as matters stand to-day, there are certain bulk colors, such as sulphur black, indigo blue, Congo red, negrosine, acid orange, scarlet, black, and many others too numerous to be mentioned, the price level of which Germany can not possibly touch."

I have not the privilege of Mr. Nobbee's acquaintance, and am unable to state with what authority of experience and knowledge he wrote. He appears to have an intimate acquaintance with his subject, and I assume from the tenor of his article that his interest and sympathy are with the domestic industry. I venture to suggest that you can form your own opinion as to the competency of his knowledge by calling upon him to testify at your hearing.

In the Daily News Record of October 30, 1919, there appeared this article, the source of which is not given. I presume it will be attributed to German propaganda, but I present it in the belief that the assertions it contains will carry conviction irrespective of its origin:

"Keen pessimism is being expressed by German trade experts over the prospects of selling German dyes in foreign markets. This feeling is due in part to the peace terms and in part to realization of the fact that the Allies learned how to produce dyes while making explosives for the late war.

"Fear is also being expressed that foreign countries will be able to push Germany out of the market with mass production. It is further asserted that the industry has been harmed by the confiscation by France of factories for dyes and chemicals and by America's seizure of German patents and their distribution to Americans, so that Germany would be guilty of breach of patent if it attempted to sell dyes in the United States again."

Mr. George F. Sykes, of W. F. Sykes & Co., an importing firm representing dyes not made in Germany, but which have to meet whatever competition must be encountered from German dyes, upon returning from France in the latter part of October was quoted by a newspaper interviewer, thus:

"Mr. Sykes did not go to Germany, but he said a French chemist who had noted conditions in that country had brought back the report that of three dye plants visited two were shut down for a lack of fuel, while the other was working a 10-hour day."

The New York Evening Post's chemical section of October 4, 1919, contains this news item:

"HOCHST DYE WORKS TO CLOSE.

"Owing to a shortage of coal a large part of the Hochst Dye Works, in Frankfort, is to close down, according to a recent issue of the Frankfurter Zeitung. How long they will remain closed seems to depend entirely on the supply of coal available. It is said, however, that the pharmaceutical and a few other important departments will continue in operation for the present. The 1918 report of the Hochst Dye Works states that so far it has not been possible to restore the production of peace goods to any great extent. In the course of the work of renovating the peace plants it became evident, moreover, that they had suffered so severely—partly from their long inactivity, partly from their war uses—that the amounts hitherto reserved would not suffice for the depreciations effected and that additional funds must be provided. Apart from the new plant required, the restoration of the business to a peace footing will require considerable expenditure."

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Kansas?

Mr. THOMAS. Certainly.

Mr. CURTIS. I wish to ask the Senator if he knew that the importers are now sending out blank orders to the various users in the United States and urging them to order very much more than they have ever used before, and promising to supply it from Germany?

Mr. THOMAS. No; I am not aware of that; but I am aware of the fact that those dyes can not be secured under present conditions—and I mean treaty conditions—except through the reparations commission, assuming of course that they are attending to their duties, of which I have no doubt, and that it will be impossible for them to comply with any extraordinary requirements unless we have been grossly deceived concerning the actual quantities on hand. I do know, as I stated yesterday, that repressive legislation of Great Britain, France, and Italy has been repealed so as to enable them to secure such dyes as were available from the German supply, and of course they have since secured considerable amounts.

I refer now to the testimony of Mr. Pickhardt as reported on pages 398 to 401 of the hearings. Mr. Pickhardt is a stockholder and director of Kuttroff, Pickhardt & Co., dealers in dyestuffs. These gentlemen are importers, and an attack was made upon Mr. Pickhardt's Germanism, so called, shortly after he gave this testimony. Fortunately he was able to establish his Americanism, I think to the full satisfaction of any impartial citizen who is sufficiently interested to read the statements.

Mr. Pickhardt went over to England, Belgium, Holland, France, and Germany, and had just returned two days before he appeared before our committee. He went, he said, to buy dyestuffs and to find out about conditions in the market in Germany and other countries. This is an interesting statement:

Mr. PICKHARDT. In Germany I visited the Badische Anilin & Soda Fabrik, at Ludwigshafen-on-the-Rhine, in the French occupied territory, to see whether any of the dyes needed by the United States consumers could be had and under what conditions. I found stocks surprisingly small, in contradiction of the estimates which were made in the United States. Many important products were entirely lacking and others were on hand in negligible quantities. Manufacture was practically at a standstill, except of a few colors. This was due in part to shortage of raw materials and in part to uncertainty of the future. With the exception of the shipments to France, Belgium, and Italy, little could be exported, as export licenses were not obtainable. On June 4 I succeeded in obtaining offers of vat dyes, anthracene, and alizarine dyes and a few other much-needed colors from the 50 per cent of the stock on hand which was not subject to requisition under the peace treaty.

Senator CURTIS. What did the 50 per cent amount to?

Mr. PICKHARDT. They refused to give me those figures in Germany, on the ground that they had handed the figures in to the German Government and that the German Government had handed those figures in to the Allied Governments, and that they were Government figures.

Senator CURTIS. What was it, if you heard anything about it?

Mr. PICKHARDT. I was told it was, approximately, 30,000 tons.

In October arrangements were made between commissioners for the allied and associated powers and for the German Government for the fulfilling of the peace treaty requirements concerning the stocks on hand in advance of ratification and a preliminary division of the reparation lot was agreed on between the United States, French, British, Italian, and Belgian representatives. The British list was presented in a few days and included all classes of dyes with the exception of indigo. The United States list had not been presented on November 27, the day I left Germany. I am familiar with the stocks of only the Badische Anilin & Soda Fabrik, and may say that in the case of the vat dyes and most other colors of most interest to United States consumers the quantities which were available for this country are quite small. The manufacturers feel that they must make as fair a distribution as possible to consumers all over the world, and will not, therefore, favor one country at the expense of others. They are attempting to resume the manufacture of many products, but it is a slow process, and in some instances raw materials are lacking at present. Three of the German dye plants were closed down indefinitely while I was in Germany, owing to lack of coal.

I also found there serious difficulties in transportation, which means that it takes several weeks for shipments to arrive at the seaport from the works, and then, of course, after that it will take a number of weeks before they can arrive in this country.

Senator CURTIS. Did you see the Bayer & Co.'s factory over there?

Mr. PICKHARDT. No, sir; the only factory I visited was the Badische Anilin & Soda Fabrik.

Senator CURTIS. Did you go inside that factory?

Mr. PICKHARDT. Yes, sir.

Senator CURTIS. You say it was partly shut down?

Mr. PICKHARDT. They were resuming the manufacture of some colors, and a few colors they were already making. Of course, one of the largest articles of production is fixation nitrogen, which has nothing to do direct with the manufacture of dyestuffs.

He was then asked the question, and answered that he represented that company before the war in America.

On page 401 he was asked by the Senator from West Virginia [Mr. SUTHERLAND] whether these factories practically stopped making dyes during the war, and his answer is:

Mr. PICKHARDT. Yes, sir; almost entirely.

Senator SUTHERLAND. They were making gases?

Mr. PICKHARDT. Yes, sir; they were making intermediates for explosives and gases. They had no raw materials, practically speaking, with which to make dyes; and, furthermore, they had no outlet for the dyes if they had made them.

Senator SUTHERLAND. Do you think any large quantities of dyes have been shipped away to the interior of Germany from the factories and is ready for export?

Mr. PICKHARDT. I think it entirely improbable, and have every reason to believe nothing of the sort was done. I might add that two factories which are in the unoccupied territory at the present time would be able to ship their entire stocks of colors away, because there is no prohibition to doing so. Trade with Germany is allowed and there is no control over their stocks, but they have decided to do the same as the other factories—that is, to keep their stock intact and to work not only in the letter but in the spirit of the reparation clause in the peace treaty.

I think, Mr. President, that if I have not demonstrated the absence of any German competition, either potential or actual, I shall be unable to do so if I occupy the remainder of the session in a discussion of the subject. I am unable to perceive, assuming these assertions to be well-founded, how any impartial mind can refuse to accept them. I have encountered nothing except general assertions and general denials in my investigation of them. If subsequent to the war specific instances of the importation of the sort of dyes in question could have been cited, we may be sure that the advocates of this bill would have been swift to inform the committee of the fact. If consignments had been contracted for by specific agreements subject to future delivery, that fact would have been known to the War Trade Board, and particularly to its chemical branch, and would have been eagerly reported to the committee, for the War Trade Board, or that branch of it having control of this subject, is absolutely and enthusiastically committed to the enactment of this bill.

Under the provisions of the House bill, creating a license system, it is that board which will probably be intrusted with its

execution. That may have nothing to do with the attitude of its members upon the dye proposition; it may be merely an incident; I only wish to emphasize the fact that, being in direct touch with all matters of foreign trade connected with the dye industry, and, therefore, fully informed both of its actual condition and its potentialities, it would have given us information regarding importations if there had been any. The fact that they did not do so affords, to my mind, the strongest possible support of the contention that there are none to import which are at present available.

Mr. President, we can not afford to pass legislation of this kind upon mere speculation and apprehension. We can not afford to commit a great American industry to the tender mercies of a few corporations upon the theory that unless we do so it can not survive. In the absence of the most cogent proof of that fact, we can not afford, as a Government of 110,000,000 people, to go into partnership with this industry and command every citizen in the United States to pay tribute to its treasury, subject only to the discretion of those interested in the industry, unless they make out a conclusive case. If we do, then I am unable to perceive how we are properly discharging the trust which we owe to the people who sent us here. It becomes class legislation, pure and simple. God knows, we have indulged in enough legislation of that sort, both for capital and for labor, and have long ago begun to reap the harvest whose beginnings are ominous of what is to come.

The great industries of the United States, time after time, have come to Congress for favors and have received them. They have many times made representations like those I have been considering, which have been accepted. As a result, industry has concentrated itself more completely than in any other country in the world, yielding colossal fortunes to its beneficiaries and at the same time endowing them with a political power wholly inconsistent with the genius of self-government. On the other hand, the exemption of great bodies of men from the operation of laws designed for the public good has also encouraged a political development equally sinister and equally indefensible; both, however, resulting from class legislation of the sort we are now considering, and applications for which will increase from time to time just in proportion as we recognize and grant them as demanded.

Mr. President, I hope that my judgment is at fault when I say that the inevitable consequence of this legislation is to add one more to the many monopolies which have troubled the affairs of the Nation for many years. The tendency of the times in everything is to concentration.

That is true socially, economically, and politically; and there are many advantages of concentration under proper restraints, particularly as regards efficiency and economy. The misfortune is that both are cast aside when it is no longer necessary to observe them and when it is perfectly safe to disregard them—a fact which the experiences of the past quarter of a century amply sustain.

Let us see whether my apprehension has any basis in fact. There are two outstanding concerns in the dye industry, the one being the National Aniline Co. and the other the Du Ponts. The National Aniline Co. has already absorbed eight or a dozen institutions, and its net profits, so far as we know, in 18 months' time are the equivalent of 100 per cent of its capitalization, much of which is, in all probability, fictitious. It is naturally reaching out, and will continue to reach out and take under its wings other prosperous or promising institutions, as will its competitors.

Mr. Irenee Du Pont was before the committee, an enthusiastic advocate of this bill. He had a right to come, and it was perfectly proper that he should urge consideration of any measure designed, as this is designed, to encourage his business. The companies which he represents in part are among the most prosperous in the United States. During the war they numbered their profits in hundreds of millions. Taken collectively, I have no doubt that, with the exception of the Standard Oil Co. and the United States Steel Corporation, the Du Pont aggregation is the most formidable of all American enterprises; and I shall not undertake even to guess at the extent of its accumulated millions. It is in powder, and in all the collateral branches of the industry, and it is also in the dyestuffs business.

Mr. Du Pont, in reply to a question of the Senator from Idaho [Mr. NUGENT], on page 161, said:

> We must have an embargo until we learn to do it. It is up to you people; if you say two years, as the Longworth bill has it, you will prevent the very thing that you have in mind.

In reply to a question by the Senator from Kansas [Mr. CURTIS]:

> How much time do you advocate?
>
> This is for the embargo, mind you.
>
> Mr. DU PONT. I would say 10 years; 5 years may be enough, but the more time you give, the more capital will flow into it.
>
> * * * * * * *
>
> The Longworth bill is an embargo; it is a misnomer to call it a license bill; the intention is not to license imports, except in rare cases. It is substantially an embargo bill * * * on substantially everything. There are undoubtedly a few dyes to-day that would be imported, but it is substantially an embargo bill. I think in six months it won't be necessary to license at all.

On page 166, in reply to a question of the Senator from Kansas [Mr. CURTIS], Mr. Du Pont says:

> I don't know that I have touched everything I may know about. But the situation is something like this: I have touched upon the fact that this is really an embargo bill, rather than a licensing bill, because I believe that inside of a year or 18 months there will not be any licenses granted.

I think he is right about that, as I shall attempt to demonstrate later on.

Mr. Du Pont continues:

> In a preliminiary hearing we had in Senator PENROSE's office—

That was not before the committee; it was before the chairman of the committee.

> he asked a number of us to come down here and give our ideas, and asked us, "What do you want?"

That is the usual question that is put to the seeker for protective privileges.

> I say an embargo, with a permit to bring in these things we do not make for a 10-year period. I say we want, second, a tariff in addition to the embargo; the embargo may miscarry; put as high a duty as you can get behind the embargo wall. If the embargo works, it don't make any difference what the duties are.

There, Mr. President, is a wonderfully significant statement. It is true. What is the need for duties if the embargo works? Why should the Government of the United States collect duties if competition can be entirely crushed by a different system?

> But if the embargo leaks, put in the second wall, a high tariff behind; put as high tariff as you can get.
>
> I want, further, then, and at the risk of seeming to get a monopoly, to urge that you should provide that the Sherman law does not apply to the dye industry, if it is thought necessary in the opinion of some Government official.

Give us not only an embargo and a high tariff, but repeal the Sherman law in our behalf.

> But suppose some unexpected situation happens requiring that we get dye makers together on short notice to exchange information. Some Government officer ought to be designated to say the Sherman Act does not apply to the dye industries, because it is in the interests of the public need, if that time ever comes. The importance of the matter has not been exaggerated by what these gentlemen have told you. I am not going on to that question, though I feel strongly about it, because you are satisfied. That phase should be considered. It is a good deal to ask, but the situation is not without precedents.

Mr. President, I think that is one of the most astonishing declarations or demands ever made before a committee of Congress. A man representing the colossal combination known as the Du Ponts, with untold capital, not only demands an absolute embargo, but as high a tariff as possible, so that if the embargo should happen to leak they will still have another wall, amounting virtually to prohibition; and, in addition, he asks for the suspension of the Sherman antitrust law, not as affecting the entire country but only as affecting the dye industry.

I do not hesitate to say that if it is necessary in order to sustain this industry that we suspend a law universally applicable and designed to protect the people against combinations, plus an embargo, plus a prohibitory tariff, then we ought not to sustain the industry at all. It is the most monstrous proposition in legislation that has confronted me during my term of service. It is the most impudent proposal that I have encountered while serving upon the Finance Committee. Its end must needs be absolute monopoly; and I here predict, although I am not a prophet nor the son of a prophet, and may not live to see it, that if this bill becomes a law within the next five years the dye industry of the United States will be entirely in the hands of the Du Ponts and the National Aniline Co.

[At this point Mr. THOMAS yielded the floor for the day.]

Friday, May 7, 1920.

Mr. THOMAS. Mr. President, I have heretofore elaborated the claim of the supporters of the pending bill that it is of pressing importance because of the menace of German competition. I discussed that subject, possibly, with too much detail, and I should hesitate to return to it but for the fact that my attention has just been directed to a circular letter of the Textile Alliance of date April 22, and referring to it.

The Textile Alliance, Mr. President, is a semiofficial organization, closely identified with the War Trade Bureau. As its name indicates, it is a combination of men who are interested in the textile industry, with which the dye industry is completely identified. That organization has to do with the importation of dyestuffs to the United States from Germany. Hence its circular is, for all substantial purposes, of an official nature. It is a notice to the consumer, and it is so important,

as bearing upon this branch of the discussion, that I feel not only justified but required to present it to the consideration of the Senate. I shall, therefore, read it in full:

Circular No. 15. TEXTILE ALLIANCE (INC.),
New York, April 22, 1920.

NOTICE TO CONSUMERS.

GENTLEMEN: The Textile Alliance (Inc.), New York, has received from its Paris representative, Mr. Edward S. Chapin, his report covering the period from March 3, 1920, the date of his arrival in Paris, to April 7, 1920.

The following notes on the dyestuff situation are condensed from that report and supplemented by more recent cables and by the statements of Mr. A. M. Patterson, president of the Textile Alliance (Inc.), who left Paris on April 7.

The sources from which German dies are now obtainable are as follows:

1. Dyes ordered from the first distribution of dyes impounded under the peace treaty, the orders being placed through the Textile Alliance (Inc.), as the representative of the State Department, and amounting to approximately 300 tons.

2. The portion of the first distribution available for the United States not already ordered as above, amounting to approximately 1,200 tons.

3. The Herty option.

It is, perhaps, desirable that I should say, in explanation of the third item, that when Dr. Herty was in Europe he apparently secured an option from German dye manufacturers, to be furnished from the supply of dies on hand not going to the reparation commission, upon a considerable amount of dyestuffs to meet the American demand.

4. The second distribution, which is now under consideration in Paris, which will be equal in amount approximately to the first distribution, or approximately 1,500 tons.

On the 25th of March—

Not two months ago—

the status of orders was as follows:

	Pounds.
Vat colors ordered	464,700
Vat colors shipped or ready, reparation	130,765
Vat colors ready for shipment, Herty option	39,796
Total (37 per cent)	170,561

That is 37 per cent of the requirements of the American consumers of dyestuffs on file with the Textile Alliance—

	Pounds.
Nonvat colors ordered	1,242,305
Nonvat colors shipped or ready, reparation	193,347
Nonvat colors ready for shipment, Herty option	152,971
Total (28 per cent)	346,318

That is 28 per cent of the demand. It appears, then, from this official statement that the available supply for American consumers of the demand heretofore made amounts to 37 per cent of the vat colors and to only 28 per cent of the nonvat colors—less than one-half in each instance. When we recall that the agent of this alliance is in Europe upon the mission to which the circular relates, that he is charged with the duty of securing colors for the American demand, which is both insistent and persistent, notwithstanding which he has been unable up to this time to secure over 37 per cent of one part of the demand and 28 per cent of the remainder, the contention that the American dye industry is confronted with ruinous competition becomes ridiculous. But I proceed with the letter:

A cable dated April 11 and received April 13 reports that a conference was held on April 11 between Messrs. Perret and Harrold, representing the State Department; Mr. Chapin, representing the Textile Alliance (Inc.); Mr. von Weinberg, representing the Cartel; Mr. Moellnor, representing Cassella; Messrs. Bosch and Schunon, representing Badische; and Mr. Duisberg, representing Bayer.

Those, Mr. President, are the names of the dye manufacturers in Germany.

The cable states: "Badische submitted pro forma invoices additional vats 96,000 pounds, nonvats 15,000 pounds, and stated orally balance orders against Herty option, barring unexpected obstacles, would be finished inside three months. Same statement made by Weinberg for Cartel. Duisberg for Bayer, submitted additional vats 13,000 pounds, nonvats 25,000 pounds, and stated in letter:

"We hope improved state our manufacture will enable us execute remainder your orders shortly.

"Hoechst behind in filling orders. Weinberg promises to see them. Our orders now stand:

"Total vats shipped or ready, reparation and Cartel together, 280,000, equal 60 per cent poundage ordered. Total nonvats 390,000, equal 31 per cent. More coming every day."

It will be observed that the amount of importable colors ordered through the Textile Alliance (Inc.) under the first distribution was exceedingly small. The aggregate tonnage of all colors available, including those which may be imported into the United States as well as those which may not be imported, was first definitely indicated in the following cable, dated March 4, to the State Department:

"Total amount impounded stocks dyestuffs, German inventory, 15th August, in metric tons, 21,401."

The alleged enormous supply of 250,000 tons, then, has diminished to the extreme total of only 21,401 tons.

This included 790 tons intermediates and 1,300 tons mixtures at Bayer plant, Leverkusen. Net amount, 19,300 tons, also contains mixtures and doubtful colors at all other factories. Divide foregoing figures by 2 to get Allies' share. Net amount comprises over 13,000 types of dyestuffs, including duplication caused by two or more factories making same dye.

Mr. President, the Textile Alliance is the moving power behind the dye bill; the Textile Alliance is the inspiration of the dye bill; the Textile Alliance is charged with the duty of securing dyes that are absolutely indispensable to the textile industry of this country, small in amount, but which can not be furnished as yet by the local manufacturers. The Textile Alliance was, therefore, presumably behind the assumption made by witnesses before the committee that Germany during the war had accumulated 250,000 tons of dyestuffs. Yet that identical agency, on the 22d day of last month in a circular to the industry, is obliged to report, upon information furnished from Paris by its own representative, that there are 19,300 tons, of which only one-half is available to the reparation commission, out of which the United States receives only its proportion. And yet I have no doubt that the advocates of this bill will iterate and reiterate the spectacle of impending ruinous German competition in the dye industry.

But this letter is more interesting as we proceed:

It seemed to the representatives of the Textile Alliance (Inc.) in Paris unfortunate that American consumers should not receive the benefit of the large quantities of desirable importable colors, other than those already ordered, which are still available from the first distribution. There appeared to be no good reason why both importable and unimportable colors should not be taken over and dealt with on behalf of the United States Government in its own interest and in anticipation of the requirements of American consumers, in default of which American rights might have lapsed on April 15, and the colors would then have been added to the quantity available for the second distribution, thereby benefiting other countries at the expense of the United States. Both France and Great Britain proposed to exhaust their quotas in the first distribution.

Now, bear in mind that immediately after the armistice Great Britain and France imposed embargoes upon importations of German dyestuffs; that because of the conditions subsequently developed each was obliged to repeal those regulations; and that now their need is so great that they propose to exhaust their quotas in the first distribution of dyestuffs. There, too, it was represented while Germany was fighting the greatest war of her history, while she was mobilizing men, agriculture, machines, manufacturing, chemicals—in fact, all the resources of the nation—that she was at the same time engaged in the manufacture of great quantities of commercial articles with a view of deluging the world with them at cheap prices as soon as peace was declared. It was believed in England, it was credited in France, and they passed defensive legislation, when their necessities shortly after made it necessary that such legislation should be repealed.

Mr. SHEPPARD. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Texas?

Mr. THOMAS. I yield.

Mr. SHEPPARD. What interests compose this Textile Alliance?

Mr. THOMAS. The Textile Alliance is a semiofficial organization, as I stated. It is that branch of the War Trade Board having in charge the business of the board relating to textiles, of which dyestuffs is a part.

Mr. SHEPPARD. Are any American manufacturers represented in the alliance?

Mr. THOMAS. It is composed of American manufacturers.

Mr. SHEPPARD. Composed of American manufacturers of textiles?

Mr. THOMAS. Of textiles, yes; and representing the dye industry also.

I read again:

On account of the extraordinary short time at the disposal of the American representatives an emergency arrangement was made whereby the cost of the dyes remaining from the first distribution after filling the reparation orders should be underwritten, or in other words, the cost thereof guaranteed to the United States Government, through whom the order was necessarily placed. The underwriting was arranged almost to the full extent required by Mr. A. M. Patterson, the president of the Textile Alliance (Inc.), while in Paris in conjunction with the United States Treasury representative, Mr. Albert Rathbone. Simultaneously negotiations with the State Department by the Textile Alliance (Inc.) representative in New York resulted in a substantial ratification of the arrangements made in Paris. The Textile Alliance (Inc.) is thereby authorized to purchase, if necessary, in its private capacity in the interest of the people of the United States, the dyes remaining from the first distribution above referred to on conditions which are entirely satisfactory. It should be stated that in both the Paris negotiations and the American negotiations no private profit shall accrue to the underwriters.

Which is to say that the need for these dyestuffs in America is so great that the alliance, in conjunction with the representative of the Treasury of the United States, is authorized to purchase the dyes remaining after the first distribution.

I continue with the letter:

It is expected that more definite and permanent underwriting arrangements will be made in the near future, providing not only for the remainder of the first distribution but also the second distribution.

Now, listen:

Great difficulties have been experienced in connection with production and transportation. The output of the German plants has been very limited.

My friend, the Senator from Idaho [Mr. NUGENT] will recall that the subcommittee, of which he was a member, was more than once assured by representatives of the dye industry of the United States that the activities of the German plants were not only plainly noticeable, but some of them were evidently running at full capacity. I have already referred to the testimony of Dr. Herty, who, because he saw smoke coming out of 14 chimneys of the Badische plant, rushed across the Atlantic, affrighted, and hysterically announced that the only way in which to safeguard the American dye industry was to dismantle the German factories.

The VICE PRESIDENT. May the Chair inquire what Herty that is? What is the given name of the gentleman?

Mr. THOMAS. I have it here somewhere. I will give it to the Chair later.

Mr. SHEPPARD. What is his official relation to the textile industry?

Mr. THOMAS. Dr. Herty is the editor of a journal which represents and is devoted to the chemical industry of the United States. Dr. Herty was connected as an educator with the University of North Carolina for some time.

Mr. CURTIS. Mr. President, the name is Charles H. Herty.

Mr. THOMAS. Charles H. Herty; I thank the Senator.

Dr. Herty in those days when he seems to have been in a chrysalis condition was a believer in and an advocate of the doctrine of tariff for revenue only. Dr. Herty has since been converted to the protectionist principle, and he is endeavoring to make up for lost time and to cure by his present zeal the injuries which he may have inflicted upon the juvenile mind in the North Carolina University before he was fully converted. Dr. Herty, as I stated a day or two ago, is a good illustration of the reflection of Macaulay that there is no zeal like the zeal of an apostate. Dr. Herty is a most excellent gentleman, and I do not mean to reflect upon him in the slightest degree in making that comparison; but the impartial mind may judge of the value of his testimony when he is driven to declare that protection to a new American industry demands the demolition of the factories which may come in competition with them in Germany.

Other gentlemen who testified upon this subject, and who are older protectionists than Dr. Herty, were more restrained in their assurances; but they nevertheless pictured the activities of these great dye-manufacturing establishments, the formation of a consolidated trust, as we would term it over here, by these several institutions, the increase of their capitalization, and their announced determination to recover the markets of the world for the dye industry; yet the Textile Alliance tells us that the output of German plants has been very limited.

Let me continue:

There appears to be no doubt that entirely apart from any desire of the German interests to reestablish their business in the United States, they have given assurances both orally and written of their intentions to complete the deliveries on the Herty option as rapidly as the difficult conditions under which they operate will permit. Every effort has been made by the American representatives to satisfy themselves as to these conditions and they are of the opinion that political, labor, internal transportation, and coal conditions have caused and will in the future cause great delays and difficulties to the manufacturers of dyes and will limit the output, especially on the more difficult and costly colors, which are chiefly desired in the United States.

The author of this circular would have been entirely within bounds had he said that these colors are the only ones desired in the United States from foreign manufacturers, and that is true. Their use is limited, their quantity is limited, but they are indispensably necessary to the prosecution of those lines of manufacture which require them, and consequently they must be had from Germany if they are had at all. They must be received from Germany, too, in competition with the consumers in the same industry of France and Great Britain.

I read again:

The ordinary method of transportation from the dye-manufacturing districts on the Rhine is by way of Rotterdam. Since the middle of February all shipments by way of Rotterdam have been stopped by the dock strike. The Textile Alliance (Inc.) has had at Paris as one of its representatives a competent transportation man, who has carefully considered all alternative routes, such as shipments by way of Switzerland and Italy, by way of France, by way of Antwerp, and by way of Copenhagen. Each of these routes has presented difficulties that could not be overcome. Shipments by way of France, for example, although entirely safe, are subject to extraordinary delays from labor conditions or shortage of rolling stock on the railways. Apart from Rotterdam, the most feasible route is by way of Antwerp; but the circumstances attending the inability to obtain through bills of lading rendered it inadvisable to adopt this route excepting as a last resort. As the Rotterdam strike has now continued for approximately two months, with constant disappointments as to its apparently imminent end, arrangements have been made with the White Star Line to ship by way of Antwerp, and the alliance representatives are now in Germany to initiate the new routing with governmental assistance.

I now call special attention to the concluding paragraph of this letter:

Annex 6 of the peace treaty provides that for a period of years a percentage of the output of the German dye factories shall be available to the Allies.

That percentage is 25. One-quarter of all the dyes to be manufactured during the next five years in Germany goes to the reparation commission for the use of the allied and associated powers. The letter continues:

Annex 6 of the peace treaty provides that for a period of years a percentage of the output of the German dye factories shall be available to the Allies. This section of the treaty has been somewhat modified in operation by the reparation commission. In view of the uncertainties attending its interpretation and enforcement, and in view of the conditions referred to above, it is the opinion of the representatives of the Textile Alliance (Inc.) in Paris that every effort should be made to secure promptly and use economically those dyes which are not now made in the United States and are not likely to be made here in adequate quantity. The situation is fully realized by the United States Treasury and reparation representatives in Paris, to whom the alliance is indebted for their able and energetic assistance.

Mr. President, if this Textile Alliance had been holding an inquest over the dead body of its own child, for this bill is its own child, it could not have pronounced a more fitting epitaph than its reference to the need of modifying the requirements of section 6 of the annex, thereby relieving Germany from the hard conditions of yielding 25 per cent; but because of these things every effort should be made to secure and then to economically use the dyes in question, the very articles which it is designed to exclude from this country through the operation of this bill; and I say "exclude" advisedly, because in the administration of the bill, as I shall attempt to show later on, the facilities for complicating its machinery and delaying its operation are superabundant.

I also referred the other day, Mr. President, as bearing upon the inability of Germany for many years to come to compete in the markets of the world with her manufactures, whether of dyes or of other commodities, to the various provisions of the treaty. But I omitted calling attention to certain provisions in that document, under the terms of which Germany can not practice the so-called dumping methods anywhere. If in the framework of the economic features of the treaty the Allies overlooked any commercial feature having a bearing upon future German competition, I have been unable to find it. They tied her hands and feet and laid her on her back, supine upon the ground, so that if a literal application of the terms of the treaty were made in the future Germany would be eliminated from the international trade which she enjoyed before the war, or for any part of it, as far as foresight could accomplish that object.

Again let me say, I am not criticizing the treaty. I am merely stating its contents, or, to be more precise, the conclusions which I draw from them.

Part 10 of the treaty is known as the economic clauses, section 1 of which is entitled "Commercial relations." Under article 264 it is provided:

Germany undertakes that goods the produce or manufacture of any one of the allied or associated States imported into German territory, from whatsoever place arriving, shall not be subjected to other or higher duties or charges (including internal charges) than those to which the like goods the produce or manufacture of any other such State or of any other foreign country are subject.

Then follows the assurance that—

Germany will not maintain or impose any prohibition or restriction on the importation into German territory of any goods the produce or manufacture of the territories of any one of the allied or associated States, from whatsoever place arriving, which shall not equally extend to the importation of the like goods the produce or manufacture of any other such State or of any other foreign country.

It will be noted that these various requirements are not reciprocal. There is no corresponding obligation, or the remotest hint of one, resting upon the allied and associated powers.

By article 265 it is provided:

Germany further undertakes that, in the matter of the régime applicable on importation, no discrimination against the commerce of any of the allied and associated States as compared with any other of the said States or any other foreign country shall be made, even by indirect means, such as customs regulations or procedure, methods of verification or analysis conditions of payment of duties, tariff classification or interpretation, or the operation of monopolies.

We now come to German exportations. It will be perceived that she is made helpless to defend herself against importations from whatever source they may come, the only limitation being

that all the allied and associated powers shall be treated alike. It is provided in article 266 that—

In all that concerns exportation Germany undertakes that goods, natural products or manufactured articles, exported from German territory to the territories of any one of the allied or associated States shall not be subjected to other or higher duties or charges (including internal charges) than those paid on the like goods exported to any other such State or to any other foreign country.

Germany will not maintain or impose any prohibition or restriction on the exportation of any goods sent from her territory to any one of the allied or associated States which shall not equally extend to the exportation of the like goods, natural products or manufactured articles, sent to any other such State or to any other foreign country.

Article 267 is what might be called the general-welfare clause if it were contained in a statute. It certainly makes for the general welfare of the Allies. It provides that—

Every favor, immunity, or privilege in regard to the importation, exportation, or transit of goods granted by Germany to any allied or associated State or to any other foreign country whatever shall simultaneously and unconditionally, without request and without compensation, be extended to all the allied and associated States.

That would seem to be sufficient assurance to the powers in enforcing the treaty. But in order to clinch things beyond peradventure, this nail is driven through the corpse and fastened on the other side (article 281):

If the German Government engages in international trade, it shall not in respect thereof have, or be deemed to have, any rights, privileges, or immunities of sovereignty.

That is to say, it shall be treated just as one of its nationals or just as a subject of the British Empire is treated, just as any private corporation would be handled.

Mr. President, I defy the most capable champion of this bill to tell the Senate how Germany can dump goods of any kind on the shores of America without violating the terms of the treaty.

No refinement of logic, no special pleading, no ingenuities of construction, can overcome the purpose which the Allies had in mind and which they took care to incorporate in unmistakable terms in that treaty. But the melancholy fact is that the makers of dyestuffs in this country who are reaping profits equivalent, and more than equivalent, annually to their actual capitalization, deliberately come before our committee and tell us they are ruined if this bill does not pass and German dyes to the extent of some 20 per cent embargoed.

Mr. President, I thought until I investigated this bill that the officeholder anxious for reelection was the biggest coward in the world, but I have to deliver the prize now elsewhere, for a great industry which trembles with apprehension and fright in the presence of a commercial corpse and shrieks for the protection of its Government, crying aloud to the universe that without relief it will disappear from the face of the commercial world, is a greater one.

The American manufacturer is the most capable, the most enterprising, and the most successful in the world. He takes chances without hesitation; he plunges where conservatism has its sign of warning: he opens up new fields of endeavor and risks millions before he can expect to receive a cent of profit. But just mention dumping to him and he begins to shiver and shake as though he were afflicted with palsy. I think it is all pretense. It is merely designed to secure the protection of public legislation in order that if he has a monopoly it will be secured, and if he has not a monopoly he can establish one.

Mr. Du Pont, whose testimony I have had occasion to refer to, has given us an illustration of this peculiar make-up of the American manufacturing mind in a very graphic manner. Let me read it. He speaks now about the embargo:

As to the proper length of time some people have guessed five years. I do not think those fellows have been up against "the game." I think we are going to do it quicker than even Germany, but remember in arriving at the number of years that if you err on the right side no harm is done, but if you err on the wrong side you frighten capital.

What a horrible thing it would be to frighten Mr. Du Pont's capital. If some of it could be frightened right now—and I think the Senator from Idaho [Mr. BORAH] frightened a lot of it the other day—the public morality of the country would be greatly improved.

Mr. Du Pont continues:

If capital does not flow into this thing profusely, you will delay the result. It makes no difference to the public whether it is 8 years or 10 years, if we develop the industry and are then able to beat the Germans.

Of course it makes no difference to the public. Who cares anything for the public? The public does not seem to care much for itself. So let the public stand the embargo of eight or ten years.

Senator CURTIS. You could repeal it at any time.

Now listen to this:

Mr. DU PONT. Don't say that; you will frighten capital. Capital is more timid than a woman; it won't go out in the dark at all.

In a preliminary hearing we had in Senator PENROSE's office, he asked a number of us to come down here and give our ideas and asked us, "What do you want?"

There, Mr. President, is the question that the Republican chairmen of the Ways and Means Committee and of the Senate Finance Committee ask, not "What should you have?" but "What do you want?"

I say an embargo, with a permit to bring in these things we do not make for a 10-year period.

Then he goes on and advocates the repeal of the Sherman law so far as the dye industry is concerned.

If this bill becomes a law, the 3-year embargo will be extended to 10, and by that time the apprehension and the fear of Mr. Du Pont will have attached itself to some other industry which that huge combination desires, to use the common expression, to take into the fold. He will have this all right, for as sure as I stand here this bill spells monopoly to the dyestuffs industry, and if any testimony were needed upon that subject Mr. Du Pont and his associates have furnished it; but there is other testimony relating to it.

I read now from page 556 of the hearings, an extract from a letter from Mr. Lansing, Secretary of State, to Congressman PORTER, about November 10, 1919, in which he enunciated the policy of the State Department upon this subject:

I instructed the War Trade Board section to accede to the recommendation of the advisory committee to the extent of permitting importations to satisfy the six months' requirements of consumers, but to inform the committee that the department, howsoever much it desired to protect the American industry for reasons of national defense, *could not compel consumers to effect their importations exclusively through a designated official agency.*

I pause to remark that that is precisely the policy which was adopted and which is now in force.

Continuing Mr. Lansing's statement:

—that the designation of such official agency would partake of the nature of an exclusive monopoly and that such exclusive monopoly would be repugnant in that it would be a discrimination against American citizens who were engaged in the business of importing.

Not a pound of dye can be received in this country except through the Textile Alliance, and I have already shown that even they, with all their power, are unable to supply the American demand, and are urging that we get all we can as soon as we can, and then use it as economically as we can.

I turn to the testimony of Mr. Fortner on pages 335 and following. It is true that Mr. Fortner is opposed to the bill. He is engaged in the dyestuff business and in importing. He says:

Mr. FORTNER. I appear here more particularly to confirm some statements that have been made that if this licensing bill is adopted it undoubtedly—as I think has been pretty well shown—will give a few concerns practically a monopoly of the dyestuff business in this country.

Senator CURTIS. Why?

Mr. FORTNER. Well, because it amounts almost to an embargo.

It is perhaps necessary that I should here explain that at the time Mr. Fortner made this statement the licensing provisions of the House bill had not been rejected by the Senate Finance Committee. They subsequently rejected them and substituted for them what is known as the embargo provision of the bill as reported by the Senate committee.

Continuing Mr. Fortner's statement:

In fact, some of the witnesses here for the dyestuff manufacturers have expressed the opinion that it should be an embargo. I believe, as Senator SIMMONS said the other day, human nature is much the same everywhere, and if a few men get hold of the dyestuff business in this country they will get all the traffic will bear. I would say that I think it has started a little that way already. Before the war one of the American manufacturers of the dyestuffs was manufacturing a color called direct black, which, I suppose, has the largest production of any color and is the largest used color in this country. They were making this color before the war, of the same strength and quality as the Germans were producing, and previous to the war they had a convention with the Germans, which resulted in raising the price from 18 cents a pound to 28 cents a pound.

I think he is referring to the Schoelkopfs. The Schoelkopfs before the war had the largest dye factory in the United States, located at Buffalo, and it appeared that German suppression of the dye industry in this country had sympathetic cooperators in the Schoelkopf Co., which, by an arrangement with them, confined their production to certain qualities of dyes upon which they received, in consequence of their understanding, an unusually good return.

I now read from page 337, where Mr. Fortner said:

When the war came on their plant—

Referring to the Schoelkopf Co.—

was of medium size, and they were making a color of the same strength as the Germans, direct black, a very largely used color.

That company now is known as the National Aniline Co., the profits upon which for 18 months I have read from the record.

Therefore, of course, there was a great demand, when the supply was shut off from foreign sources, for an increase of production here. They were willing to increase their plants, as they knew how to make the color, and they went out to their customers and said they would enlarge their plant, but that they wanted contracts for a certain amount of color to take care of the investment—which was perfectly right—and contracts were made on a basis of 75 cents a pound.

Lest I forget it, let me here digress for a moment and refer to the contracts which were made by dye manufacturers with their consumers during the war. Provision is made in them, or most of them, that they shall not expire until two years after the war shall have ended. You can not teach these gentlemen anything about good business. Those contracts are still in force, for the war has not ended. Hostilities ceased long ago, but you know and I know that any question that may arise regarding the construction of those contracts will fix some official date whereby the war has been determined. Like the old song:

It may be for years, it may be forever.

But it must precede the beginning of the two-year limitation; hence my poor, apprehensive countrymen, who doubtless spend many a sleepless night caused by the shuddering fear of an impending bankruptcy unless this bill shall pass, may nevertheless console themselves with the reflection that they will continue to receive good war prices for their dyes two years after the war shall have ended, and that notwithstanding Germany should suddenly reveal great hidden stores of dyes manufactured during the war and send them, by submarine or some other secret method of conveyance, to American shores.

Mr. Fortner proceeds:

I can not tell you exactly the time, but either at that time or shortly afterwards the standard of strength was reduced from the standard they made previously 10 per cent.

Adulterated, in other words. He continues:

I think when the contract was mostly or partly filled, at least—and this was for a color 10 per cent less than the standard—what did they do? Now, it has been stated here that if the manufacturers had a little time on all these things, they would be prepared to get a greater yield of colors at less cost, which would allow them to compete with European manufacturers. Either the following year or the year thereafter they asked the consumers to make new contracts.

In the meantime this black had been reduced in standard of strength another 10 per cent—

making 20 per cent. They evidently were treating their product as every citizen of the United States now treats his last bottle of good liquor. He drinks a little and then adds as much water as he extracted from it. That linking of the sweetness long drawn out will sooner or later come to be H_2O, the new definition of which is said to be "Hell twice over." [Laughter.]

Mr. Fortner continued:

In the meantime this black had been reduced in standard of strength another 10 per cent. It is now about 20 per cent below the strength supplied before the war and which they were able to make. The new contracts were taken at 95 cents a pound instead of at a lesser price.

That is, the dilution of dye is compensated for in the increase of price, and, of course, that keeps the equilibrium. The weaker the dye the higher the price. That is a species of business which if practiced by a German would be denounced as petty treason, but it seems that this concern was not above it.

Mr. Fortner continues:

That is one concern which has shown an inclination to get all the profit they can.

When we consider that they made 100 per cent in 18 months upon their capitalization, both actual and fictitious, we can easily perceive the truth of Mr. Fortner's assurance. Mr. Fortner's testimony is very interesting. He continues:

Let me say that no one else in this country has made direct black in any quantity. They have no competition. At the present time there is very little being made by another concern. I have not heard of any reduction in the price.

I read now from page 338:

Gentlemen of the committee, there is one other little item that I thought might be of interest to you that will show you the tendency to take advantage of the lack of competition to secure the greatest profit. As I have said, I am an importer of Swiss dyes. There was a dye selling around about $4 a pound that I think——

Senator NUGENT (interposing). Selling now at $4 a pound?

Mr. FORTNER. It was at the time I mention.

Senator NUGENT. Before the war?

Mr. FORTNER. No, sir; not before the war.

Senator NUGENT. At what time was it selling at $4 a pound?

Mr. FORTNER. I think I will be correct if I say in 1917 and 1918 that was the price at which it was being sold in this market.

Senator NUGENT. All right.

Mr. FORTNER. An American manufacturer commenced to produce this same color——

Mr. CHOATE (interposing). What color is it?

Mr. FORTNER. Shall I give the color?

Senator CURTIS (presiding). Certainly.

Mr. FORTNER. Auramine, a color very largely used in the textile and paper trade. Up to that time it had not been made in this country. I can not tell you exactly when, but about a year and a half ago they commenced to make it, and they put it on the market at about $5 a pound. They evidently had not perfected the manufacture of this color, and they could hardly compete with the Swiss color, and finally reduced the price to $2.50 a pound.

Senator CURTIS. When was that?

Mr. FORTNER. I think in the latter part of 1918. One of the articles required in making the color was methyl alcohol. England was supplying Switzerland with a good deal of raw material, and they could not furnish them with methyl alcohol after a certain time, as it was needed in munition work, and the Swiss had to try to get it here. Our Government would not allow them at the time. For about six months the Swiss could not make auramine, and the concern here making it raised the price to $5 a pound. After a few months the Swiss auramine was again brought over here, and the price of the American product immediately began to go down, and went down to $2.50 a pound and, I believe, is $2 a pound to-day.

What would it have been, Mr. President, what would it be, if Swiss competition were again cut off? Anybody can answer that question from the record made by the company producing the article. It would, of course, be $5 a pound.

I now call attention for a moment to the testimony of Mr. MacKinney on page 599. Mr. MacKinney is an importer and manufacturer of dyes. He says:

Take the case of dimethyl anilin, which we use, and which Mr. Metz pointed out at the last hearing that I attended here that he could not get—dimethyl anilin—because certain people made it here and, apparently, did not have it for sale. Our purchasing agent got in communication with the Du Pont Co. and asked for it and they wouldn't quote him. They are our competitors, of course. We asked the National Aniline & Chemical Co.,—

That is the Schoelkopf concern again—

and they said, "We have none for sale until next March." Now, mind you, we have contracts to supply dyes made from dye methyl anilin, to consumers, and there is but one other person in this country we could get it from. We went to him, and, fortunately, were able to make a contract, and now we are perfectly safe. Suppose he had turned us down? I would like to have some recourse through German or English or Swiss importation of intermediates, for a time. I believe that the manufacture of intermediates, or of the particular intermediate I refer to, is very closely held in this country, and that it could become a monopoly very easily.

Senator WATSON. Why wouldn't those other people sell to you?

Mr. MACKINNEY. You will have to ask them; I do not know. Perhaps they did not want me to make dyes against their competition.

If anyone wishes to check up my statement regarding the extension of contracts beyond the war period, I refer him to the testimony of Mr. Bernheim, which is reported on page 355 of the Senate committee hearings.

I said the other day, Mr. President, the manufacturer of dyes was now an exporter. Let me confirm that statement by referring to a table in the Senate committee hearings furnished by Mr. Wood, which is found on page 235, giving the "Domestic exports of dyes and dyestuffs from the United States by countries during August, 1919," the total of which were $761,009. On the next page he gives the exports from the United States for 1919 of sulphuric acid, wood alcohol, coal-tar distillates, and so forth, in pounds. The total annual export value is somewhere stated as being in excess of $17,000,000 in value, a value, as I have said, exceeding the highest cost of annual dye importations from Germany prior to the war.

It is not surprising, when we consider these conditions, that the farmers, or some of them, whose attention has been called to the subject, have protested against the pending bill. I am informed that their opposition now extends beyond the ranks of those for whom Mr. T. C. Atkeson spoke, representing the National Grange. He made this statement to the subcommittee:

I want to say, Mr. Chairman and gentlemen of the committee, that I represent in a general way the real producing farmer people of this country, and we are interested in this particular question only as the general public may be interested. Further than that we are interested in it as a question of principle, as to the general policy of the Government in dealing with the tariff question.

It has been understood in a general way that farmer people were generally in favor of a low tariff. On this particular question we are in favor of any tariff that may be necessary to adequately protect the manufacturers of dyestuffs in this country in order to permit them to develop the industry here. But we have, somehow, failed to see why the extraordinary injection of the licensing proposition into this question should occur at this particular time, when we are trying to get down to normal conditions following the abnormal war conditions.

Perhaps I might read into the record a brief statement of the policy of our people and of our organization on the general question of tariff. This resolution was adopted at a meeting of our organization, held two or three weeks ago at Grand Rapids, Mich.:

TEXT OF RESOLUTIONS ADOPTED BY THE NATIONAL GRANGE IN ANNUAL SESSION AT GRAND RAPIDS, MICH., NOVEMBER 12–21, 1919.

"We declare our opposition to Government ownership and to nationalization of business or industry in any form unless clearly required in the public interest. We favor the safeguarding and protection of every right of private property on the broad ground that only by the full development of the right of private property can there be perpetuated the full measure of individual initiative and emulation upon which a democracy is based and by which its future is assured.

"So long as a protective tariff remains the policy of the Government the grange demands that in whatever readjustment is made of tariff schedules agricultural products should be given the same degree of protection as other commodities."

Then, Mr. Atkeson continued:

That, in a general way, is the position of our organization. I am satisfied that if the matter was submitted to the woolgrowers of this country and they were to speak from their personal, selfish interest,

they would say that no wool should be admitted into this country during the next two years, and that if a licensing system or some other scheme were adopted to prohibit the importation of wool it would go further toward developing the wool industry than anything else the American Congress could do. And it seems to me that such a position would be quite as logical as this proposition to license dyestuffs, the primary purpose of which, as I interpret the bill, is to absolutely prohibit the importation of certain dyestuffs if they can be produced in any measure in this country during the next few years.

I feel quite sure that the cotton growers of this country would like to have a monopoly of cotton production in America during the next few years; and the same thing would apply, perhaps, to the sugar producers, both beet and cane.

Now, if the protective tariff policy is to be permanent, and is to be a higher tariff than we have had in operation for a good many years, and it is a good thing, then we ought to consider other things in the way of having the good thing handed around.

The farmer people of the country are becoming more intensely interested in the tariff question than they have ever been before. They are a little skeptical about some of the recent movements to break down the tariff line between this country and Canada on the wheat question, and you people will hear from us before the end of this Congress, or some other Congress, on a general revision of the tariff law from a good many angles. So we are interested in the tariff question, in the protective tariff policy, if you will. And if this question of licensing, and a prohibition of importation of dyestuffs is to apply as provided in this bill, then you have not heard the last of this question in considering the tariff.

I am not alone in my concern as to the effect of this bill as a precedent upon future economic legislation.

I imagine, too, that the people interested in this particular prohibition involved in this bill think that now is the psychological time to get that sort of legislation, on the theory that anything that might be said against it may be misconstrued into pro-Germanism.

Mr. President, some of the witnesses protesting against this bill having German names were subject to that identical reflection; their patriotism, their position during the war, whether they were native or naturalized, whether before the war they represented German dye manufacturers—all those matters were subjects of question and insinuation. That was perfectly proper; I have no obection to it, but it emphasizes the suspicions of this gentleman that if anything said now against measures of an economic character and aimed at German importations, direct or indirect, becomes subject to the reproach of pro-Germanism. The witness continues:

I do not know how much the psychology of that enters into that feature of this bill, into the tariff consideration at this time; but we object to interference by the Federal Government, or any other Government, in private business any further than is absolutely necessary to protect, first, the general welfare of our own country, of our own people; and, second, to develop and protect our industries; and even then, only so far as may be absolutely necessary.

To state it in another way: The farmer people are individualists. We are going it alone, as individuals, very largely. At least, the farmers that I have the pleasure to represent are opposed to any degree of governmental interference or governmental injections into the ordinary individual conduct of business affairs. We are not internationalists or socialists or paternalists, or any other kind of "ists," that seem to be abroad in the world; and so we would eliminate from the tariff question in all its phases as far as possible the use of governmental power and governmental machinery to interfere with the normal and logical administration of business affairs of the country.

It seems to us that the licensing feature of this bill would tend to do that to a greater extent than is defensible. Opposition to it is a matter of policy with our people. We are opposed just as far as possible to licensing any kind of business if it can be avoided. There may be cases where it is defensible, but it seems to us that the machinery of the Government is now, and has been during the war, perhaps as a matter of military necessity, injected into business affairs quite as far as it ought to go, and that it ought no longer to be permitted to interfere with the normal business of the country. In fact, now that we are trying to get back to normal conditions, we ought to avoid the appearance even of governmental interference with private business affairs of any and every kind.

So spoke Mr. Atkeson, with a wisdom which commands respect, and which I think the advocates of this bill might well heed.

I labored under the impression that I had, and I still think I have somewhere in my collection of documents, another protest of the farmer; but inasmuch as I am unable to lay my hands upon it I shall not consume any time in making a search for it.

If I have spoken to any purpose, I have demonstrated—

First. That the tariff now existing, enacted into legislation in 1916 at the request of the dye manufacturers of the country, and upon their solemn assurance many times reiterated, that it would be sufficient for all their purposes, has been vindicated by the logic of events since the enactment of that law; that it has proven not only sufficient but more than sufficient, inasmuch as the dye manufacturers have been, and are now, supplying the American market with more material than they then thought possible within the intervening period.

Second. That the menace of German competition now asserted, immediate in fact and destructive in results, is a fiction of the imagination.

Third. That not only are there no surplus stocks of dyes in Germany or elsewhere in the world, but, on the contrary, there is a very serious shortage in certain lines of dyes now so sadly needed by American industries.

Fourth. That the enactment of this measure will promote a consolidation of the competitive dye-manufcaturing establishments, thereby adding another to the long list of overcapitalized and burdensome combinations controlling the business of the country.

If what I have said upon these subjects is not convincing, then anything that I may add to the discussion would be simply a waste of time.

I am, of course, aware that but little heed has been given to my contention, the seats of the Senators having been for the most part vacant and their occupants engaged either in committee work, in more congenial social intercourse in the cloakrooms, or in absences from Washington, attracted to other places by the lure of recreation, or pleasure, or health, or business, or politics, or all of them combined. That is a discouraging feature of any discussion in the Senate, unless, forsooth, it refers to some subject of foreign concern, which, being of external importance and leading to more or less controversy, prompts the visitor to the galleries and the Senator to his seat; but I indulge the hope that as my colleagues examine the various items of the measure and read the statements as they have been detailed to the committees, they will hesitate before casting their votes in the affirmative, whether what I have said seems conclusive, convincing, persuasive, or absurd.

Mr. President, before taking up the embargo features of the bill let me emphasize just one other fact. I refer to the effect upon other branches of American industry of the failure of the governmental authorities to comply with the urgent demand of American consumers made months ago, and to secure their needed dyes. Generally speaking, they are known as vat dyes, and they are used for silks, the higher class of woolens and cottons, and some of them for leather. The need for them is particularly felt in the departments of hosiery and shirting.

The permanent blue and pink colors which are predominant in shirtings now generally prevalent have not yet been produced in quantity by the American manufacturers, notwithstanding their possession of the formulæ and their access to the German patents confiscated by the Government and turned over to the Chemical Institute of America. They say they will produce them, and I have no doubt that that is true. They say they will produce them, however, only if the need for them be denied except upon stringent conditions which are virtually prohibitive. I am informed—and I have the letters here before me from textile manufacturers and dealers in high-class shirtings and the finer grades of hosiery—that the import of the raw materials for this class of goods is relatively enormous. They can not be produced here because of the lack of these dyes. The trade, however, demand what they have been accustomed to and will be satisfied with nothing else. "Something just as good" does not appeal to them. The result is that the merchants are compelled to meet this requirement by huge importations of shirtings and raw material for hosiery as well as goods made up and ready for wear from Great Britain, and this importation is being very seriously felt. I have called attention to the fact that England insists upon getting all of these dyes that she can, and all of them, if possible, under her first allotment. England very properly proposes to take advantage of this condition in the American market, and to supply the void consequent upon the absence of these dyes from America and her apparent inability to secure them. The idea that they are to be dumped upon this country at ruinous prices is as illusory as is the specter of coming German competition. On the contrary, the prices of shirtings and of the finer grades of hosiery have constantly mounted until to-day they are available only to those of the longest purses.

Mr. FRELINGHUYSEN. Mr. President——

The PRESIDING OFFICER (Mr. HALE in the chair). Does the Senator from Colorado yield to the Senator from New Jersey?

Mr. THOMAS. I do.

Mr. FRELINGHUYSEN. Would the Senator mind telling me how long he expects to continue his observations on this bill?

Mr. THOMAS. I shall discuss in a moment the embargo features of the bill, and I presume that I shall occupy two hours of the time of the Senate in concluding what I have to say upon the subject.

Mr. FRELINGHUYSEN. I am very grateful to the Senator for telling me how much time he will take, because, while we all may have different views regarding the policy of embargo, the bill has been favorably reported by a committee of the Senate, and has been recommended in a message by the President

as an urgent remedy at the present time for the menace which confronts the dye industry in regard to German importations; and I had hoped that an opportunity would be given the Senate to vote on this very important bill. The manufacturers of my State—and they are not all large trusts, as has been stated——

Mr. THOMAS. No; I did not state that.

Mr. FRELINGHUYSEN. I did not say that the Senator did.

Mr. THOMAS. I misunderstood the Senator.

Mr. FRELINGHUYSEN. Many of them are small manufacturers, with capital of one hundred thousand or two hundred and fifty thousand dollars. They have been established during the war. They have put all their earnings in the plants, and now they desire to know what the policy of this Congress is regarding their industry, whether they are to be protected against German competition or not; and I hope the Senator will join with me in an effort to get a vote on this bill, inasmuch as it has been reported to the Senate, so that we may determine for the benefit of the manufacturers, not only of my State but of 13 other States, what the policy of this Congress is going to be toward this industry, which was built up during the war, and which is so necessary as a measure of preparedness to our country.

I simply interrupted the Senator in order that I might know how long he was going to take, and I hope he will assist me in obtaining a vote upon this bill.

Mr. THOMAS. Mr. President, I shall have a number of amendments to offer to this bill before a final vote is taken—I think it is but fair to the Senator so to say—and I consider them all of importance. The President of the United States did recommend legislation upon the dye industry. That is not the only thing he recommended. He came here in person and recommended the ratification of the treaty. I am not aware that my distinguished friend from New Jersey was particularly impressed with that recommendation, and I can assure him that the President's recommendation upon this subject impressed me about as much as his recommendation of the treaty impressed my friend from New Jersey.

Mr. FRELINGHUYSEN. Mr. President, will the Senator yield further?

The PRESIDING OFFICER. Does the Senator yield to the Senator from New Jersey?

Mr. THOMAS. Certainly.

Mr. FRELINGHUYSEN. I was impressed with the necessity of it from the fact that the President's mind ran along with mine.

Mr. THOMAS. I was not impressed with it because it did not run along with mine.

Mr. FRELINGHUYSEN. I know that if there is an extended debate and an organized filibuster on this bill it can be defeated. I want to ask the Senator in all fairness if he feels that there will be any opportunity for a vote on the bill?

Mr. THOMAS. I will be perfectly candid with the Senator. I do not think so; but I have no knowledge of any organized filibuster. I am not filibustering on the bill. I am delivering an argument which I took months, off and on, of course, to prepare, and I consider it necessary that I should give the reasons for my opposition. I regard the enactment of the bill as a calamity to the country, and with all due respect to my friend, whose judgment and whose wishes I appreciate, and always comply with, when I can, I think if he had done me the honor to listen to my discussion of the bill he would have been convinced against his will that there is no more danger of German competition in dyes for the next 10 years than there is of a renewal of the war of 1914.

Mr. FRELINGHUYSEN. Mr. President, if the Senator will allow me to interrupt him further, I have better authority than the Senator has——

Mr. THOMAS. I have the authority of the officials of the United States Government and of many of those interested in the bill.

Mr. FRELINGHUYSEN. I have better authority than the Senator has, which convinces me that there is danger of competition from German dyes.

Mr. THOMAS. Of course, we can not agree upon that, so we need not discuss it.

Mr. FRELINGHUYSEN. I wish to say further to the Senator from Colorado that I have read the speech he delivered the first day, but in view of the fact that he has spoken now for three days it has been impossible for me to read all that he said. I think the difference between the Senator and myself is his belief that there is no menace of German competition and my knowledge that there is.

Mr. THOMAS. I think if the Senator would state that just the other way he would be more nearly accurate; that is, my knowledge against his belief.

Mr. FRELINGHUYSEN. It was stated to me only yesterday that one of the large German optical manufacturers had just returned from Germany. He has stated authoritatively that not only in the optical industry are the industries working to full capacity but that they have enlarged their capacity and employed many more hands, and that the same condition exists in the dye industry.

I am also informed through some of the negotiations of the peace commission that the German dyes, through the reparation commission, are to be distributed to the Allies and their associates, and that great quantities are to be shipped to this country. If that is true, it means that the market will be overstocked; that those industries in this country which have manufactured dyes during the war must cease operations; that the industry is destroyed.

But may I not say to the Senator——

Mr. BRANDEGEE. "May I not."

Mr. FRELINGHUYSEN. May I state to the Senator further——

Mr. THOMAS. The Senator just said that his mind ran along with the President's, and that is due proof of it.

Mr. FRELINGHUYSEN. There are lots of things on which my mind does not run along with the President's, I will say to the Senator.

Even if the Senator from Colorado and myself differ regarding the menace of German competition, is it not a measure of protection to see to it by an embargo that no danger of German competition shall exist? In other words, is it not better to close the doors to German dyes in order that this industry may live rather than take any chances?

Mr. THOMAS. I suppose the Senator will vote for the Knox peace resolution. I ask him whether he will or not?

Mr. FRELINGHUYSEN. I probably shall. If there is any portion of it that needs to be amended, in my opinion, I shall offer an amendment to it.

Mr. THOMAS. Then, Mr. President, the Senator proposes, by the establishment of peace, to resume full relations with Germany, of whose competition he is so fearful. It seems to me that if my constituents were sure of a coming flood of German importation which would overwhelm them in financial ruin and destroy their industries, I could better protect them by continuing the state of war as long as possible, for while it continues the menace would at least be minimized, for we can not establish actual peace without assuming all the obligations which a condition of peace imposes upon us.

Mr. President, the chemical glass industry, to which the Senator referred, has a bill giving it a practical monopoly of business in this country by a tremendous and overpowering rate of duty, and its beneficiaries, precisely like those championing this bill, came before us and made the best possible showing in behalf of their measure. But they were not then afraid of German competition, although they talked about it. Their coming commercial antagonist lay across the world from Europe. It was the cheap labor of Japan about which they were apprehensive and not the German competition.

Mr. President, of course, the Senator from New Jersey is a man of strong convictions, based upon what he believes to be competent information. I have some convictions of my own, and I flatter myself that they are similarly sustained. Our conclusions do not concur. His information may be better than mine, mine may be superior to his; but I affirm without the fear of ultimate contradiction that the political, social, moral, and industrial condition of the German people, coupled with the enormous burden which the treaty places upon their shoulders, and which I have discussed, makes her competition in the markets of the world for the next 10 years practically impossible. She is simply being used as a stalking horse by the industries which are the outgrowth of the war, which have enjoyed enormous profits, and which desire, as far as possible, to continue the monopoly given by war conditions through an appeal to the emotions of the Congress whose Members, like other citizens of the country, have not yet recovered from the shock of conflict.

In his speech on last Saturday the Senator from New Jersey [Mr. FRELINGHUYSEN] presented his side of the proposition with great ability, and after a very earnest and well-considered investigation of the subject. His indignation against Germany was very properly aroused by the information which he detailed, and his patriotism induced an eloquent protest against any dealings with Germany.

He said:

But I am still suspicious of the resourcefulness, the selfishness, the cupidity, and intrigue of the scientist and manufacturer of Germany. I do not want to return to that humiliating period which existed before the war, when the color of the dresses of the women of America, the shades of their stockings, the color scheme of their shirt waists,

when the leather in our chairs, the stripes in our clothing, the rubber in our automobile tires, the tint of the curtains at our windows, the paint on our houses, the color of our carpets, yes, even the red and blue in our Star-Spangled Banner, bore everlasting evidence that their ingredients were made in Germany.

I may say, Mr. President, that what is true of American reliance upon German dyes was equally true of every country in the world, including France, whose animosity toward Germany is age long and intensified by memories which can not be eradicated and by outrages which can not be forgotten.

The Senator closed this part of the discussion by saying:

Rely on Germany for all these articles? Never in my life, while I have the breath to vote against it! Some may wish this. Not I. Nor am I going to keep a pile of bricks under my desk to throw at the business men of this country.

With the latter part of the Senator's sentiments I fully agree, but I would like to inquire whether his animosity goes to the extent of declining to sell Germany any of our commodities. If I hate a man so badly that I decline to buy anything from him, I ought to hate him hard enough to refuse to sell anything to him. I assume that his dislike of me will be as intense as my dislike of him. I assume that if my dislike extends not only to his personality but to his property, his will be equally comprehensive.

The people of the United States produce every year more than they consume. This surplus must go abroad, and the price of the surplus abroad fixes the price of the commodity at home. Before the war Germany was our third best customer. We sold her annually in round numbers about $450,000,000 worth of our produce. She sold us about one-third that sum, making up the balance in money. Do we intend to abandon that enormous trade, that profitable commerce, because we have been at war with Germany? If so, then our folly is incomprehensible.

I recall that during the war, before our entrance into it, the envoys of the allied powers appointed for the purpose met in Paris. There they discussed what they called the war after the war, and they solemnly agreed among themselves that if the fortunes of battle should turn their way and they should triumph in that conflict, they would establish an everlasting and permanent boycott on German trade; as for them, she would be a pariah among the nations, an outcast from the fellowship of all peoples. Russia and Italy, England and France, Serbia, and Belgium, solemnly and mutually covenanted that such should be the commercial consequence of the war.

In less than six months after the armistice this profound and far-reaching policy was both forgotten and abandoned. Since then, every nation, including our own, seeks the commercial invasion of Germany anxious to resume the old relations, exchange commodities with her—for that is what international trade means in its first and last analysis—thereby demonstrating that trade and the selfish impulses of human nature will always overcome the higher virtues. Revenge may not be forgotten, but it will not be permitted very long to interfere with gain. Denunciation of atrocities may continue, but if the atrocious one possesses goods attractive to the world which can be secured at a bargain, the impulses which go for commercial activity will assert themselves over every other consideration.

So Senators may upon this floor denounce Germany, forswear her, resolve never to have any intercourse with her, but inevitably the laws regulating commerce, as fixed, permanent, and unalterable as the laws of nature, will sooner or later assert themselves and commercial relations will be established. So, while the Senator himself may abstain from all commercial connection of any sort with Germany, his great constituent manufacturing interests even now are eager to secure the trade they once had with the people of that fallen empire.

Mr. FRELINGHUYSEN. Mr. President, will the Senator yield?

Mr. THOMAS. I yield.

Mr. FRELINGHUYSEN. I should like to read for the benefit of the Senator part of an article translated from Chemie, which is a chemical daily published in Berlin, in October, 1919. It says:

So far as the chemical industry is concerned, let me say, in the first place, that the aniline-dye industry and the pharmaceutical industry have now so thoroughly recovered that there can be no thought whatever of outside financial assistance. Even to-day the German chemical industry is again in a position to take up at once the leading rôle in the world's markets.

Mr. THOMAS. From what did the Senator read?

Mr. FRELINGHUYSEN. This was from Chemie, a chemical daily, published in Berlin in October, 1919. I also wish to read from the Frankfurter Zeitung.

Mr. THOMAS. What is the date of that?

Mr. FRELINGHUYSEN. This is dated February 23, 1920, and is a prospectus, published in the Frankfurter Zeitung, of the great Badische Anilin & Soda-Fabrik Co. in Ludwigshafen. In describing the plants of the company and the equipment, it speaks of the number of employees as follows:

The principal plants of the company are located at Ludwigshafen, Oppau, and Leuna, near Merseburg. They employ at present in the German plants 21,113 workmen and foremen—

I am informed that that is 11,000 more than they employed during the war—

852 superintendents and master chemists, 308 chemists, 495 engineers and technical men, and 1,680 commercial employees. The company owned branch factories in Butirki, near Moscow, and in Neuville, near Lyon.

The prospectus shows not only an increased number of employees, a great and large personnel, but also a tremendous increase in capitalization for the expansion of this business. This concern was one of the big six. The great German cartel, with which the Senator is undoubtedly familiar, which not only controls the dye industry of this country but practically all over the world, through a system not only of methodical selling of their products, but also through a system of graft and bribery, which probably the Senator has observed in the testimony which was given at the hearings——

Mr. THOMAS. Yes; they have been imitating American practices.

Mr. FRELINGHUYSEN. Possibly the Senator is more familiar with graft than I am, but I want to say, so far as those industries in my State are concerned, that they know nothing of that. It might exist within the confines of Colorado, but not New Jersey.

I simply make this point because I believe that the German cartel are now operating in this country and that their influence and efforts are behind the efforts to defeat this bill. Of course I do not accuse the Senator of anything of that character whatsoever. I know that he is impelled only by his belief that it is an unwise policy, and I know that through certain agencies at this time the effort is being made to defeat the bill. One of the German importers made the public statement before he sailed for Europe that the bill, if it were not beaten on the Senate floor, would be beaten in conference.

If Germany succeeded in preventing the dye industry in this country before the war by reason of these methods, and is allowed to return here with them, she will destroy the dye industry in this country. In my opinion we should through this legislation close the door to Germany. I adhere to that, because it is either the United States and the industry which we have captured during the war or Germany.

Mr. THOMAS. The first document to which the Senator calls my attention is dated last October, since which time Germany has gone through the throes of a revolt, which resulted in a temporary overthrow of the Government.

The other is dated in February, since which time France has taken possession of Frankfort and other cities. Since that time the labor conditions in Germany have been aggravated, and, God knows, they were bad enough then. It may be that there are thousands of men at work in the Badische works, but it is a remarkable fact, if that be so, that the letter from the Textile Alliance, which I read into the RECORD this morning, and which the Senator did not hear, calling attention to the practical impossibility of securing dyes for the United States and to the dismal outlook of German production, and advised the American users of German dyes to use them as sparingly and as economically as possible, should have been sent here.

I put that letter of the Textile Alliance—an official organization—based upon the investigations of their own official representative, in conjunction with a representative of the United States Treasury, against all of the announcements of Germans regarding their industry. Of course, they advertise to the world that they will soon begin to supply their own customers as they did before; of course, they are making desperate efforts to manufacture something that they can export in order to get the money necessary to meet the indemnities imposed upon them by the treaty.

Mr. KENYON. Mr. President, may I ask the Senator a question?

Mr. THOMAS. Certainly.

Mr. KENYON. The Senator speaks of the dye monopoly in the United States. I think perhaps he has discussed the question, but who would control the dye business of the United States?

Mr. THOMAS. I said day before yesterday that in my judgment the dye business would be controlled by the National Aniline Co. and the Du Pont interests.

Mr. KENYON. In that connection the Senator from New Jersey [Mr. FRELINGHUYSEN], who has left the Chamber, has spoken of the influences that were at work to defeat this bill. Has the Senator from Colorado any knowledge of the influences that are at work to secure the passage of the bill?

Mr. THOMAS. I have been informed, Mr. President, that such influences are active, but having no definite information upon the subject, I did not feel justified in so asserting.

Mr. KENYON. I will say to the Senator that the influences apparently are not all on one side. I have in my hand a letter addressed to a certain United States Senator who is opposing this bill and is also one of the managers of the candidacy of a certain gentleman for President of the United States, which letter is certainly in the nature of a threat to the Senator referred to in relation to that candidacy if he does not cease his opposition to this bill. That letter is from the publicity bureau of the Du Pont Co. at Wilmington, Del., and if it will not disturb the Senator's meditations I think it might be well to have it read.

Mr. THOMAS. Mr. President, I shall be more than pleased to yield for that purpose.

Mr. KENYON. I desire to say that the letter is addressed to the Senator from New Hampshire [Mr. MOSES], and is used with the full knowledge and consent of the Senator from New Hampshire, who resents it, and I am sure that I ought to say also that the candidate for President whom the Senator from New Hampshire is supporting, Gen. Leonard Wood, also resents the letter; but it shows the methods that are used to try to pass this bill.

Mr. THOMAS. I ask that the letter may be read by the Secretary.

The PRESIDING OFFICER (Mr. NORRIS in the chair). Without objection, the Secretary will read as requested.

The Reading Clerk read as follows:

E. I. DU PONT DE NEMOURS & Co.,
Wilmington, Del., April 16, 1920.

Hon. GEORGE H. MOSES,
United States Senate, Washington, D. C.

DEAR SENATOR MOSES: I was among the gathering of Republicans at the Playhouse in Wilmington on the evening of April 15, and listened with great interest to your address in support of the candidacy of Gen. Leonard Wood.

Your exposition of your candidate's attitude on national preparedness was particularly interesting, inasmuch as it showed the general to be in thorough accord with all of the principles involved in the pending legislation for the development of a self-contained coal-tar chemical industry. Wilmington is interested deeply in this industry, for no community had closer contact with the vital questions of preparedness or more intimate knowledge of the unpreparedness of the country when the late war broke.

The amendment which you have offered and your active opposition to the preparedness features of the dye bill, seem to some of us to be not in accord with your candidate's position or with your fervent appeals to us to support him, because of his stand for national preparedness.

Personally, I want to support Gen. Wood, but I find it difficult to reconcile the two attitudes of one of his important campaign managers—the one on the floor of the Senate and the other on the public platform—sufficiently to have full faith in his cause.

I am outlining a publicity campaign to inform the public concerning the present status of the proposed dye legislation. May I ask you to set me straight as to the apparent contradiction in your attitude toward Gen. Wood's candidacy and your attitude on the dye bill so that I may be perfectly accurate in what I write?

Very truly, yours,

CHARLES K. WESTON,
Publicity Bureau.

Mr. KENYON. Mr. President, I will say to the Senator that Mr. Weston, who wrote another letter, which I have here, addressed to the Senator from New Hampshire [Mr. MOSES], is stated to be by the Du Pont Co. in charge of the publicity department of that company. So we have the remarkable spectacle of a United States Senator who is engaged in managing a presidential campaign practically threatened as to what may happen to that campaign if he does not withdraw his opposition to this bill.

I will say to the Senator further, that in line with the publicity campaign that the Du Pont people are carrying on for this bill, in the Manufacturers' Record of April 22, 1920—and bear in mind the letter to the Senator from New Hampshire is dated April 16, 1920—is an article entitled:

Gen. Wood is for preparedness, but his chief backer is strangling the dye bill.

And then follows an assault on the Senator from New Hampshire for his opposition to this bill. I wish to repeat what I have already said, so that there may be no misunderstanding about this matter, and so that the presentation of the letter may not be in any way considered as an attack upon Gen. Wood; that, as I am informed, he resents the letter as the Senator from New Hampshire resents it, and the Senator has given me the liberty to use this remarkable letter in this debate.

Now, that the charges are made of the influences trying to defeat this bill, it might be well to find out the influences that are trying to pass it.

Mr. THOMAS. Mr. President, I am obliged to the Senator for his contribution to this discussion. Rumors of secret and corrupt activity on the part of some beneficiaries of the bill have reached me, but I am always disinclined to make a charge or, if I can avoid it, an inuendo of misconduct in the absence of some definite, responsible statement or of the personal assurance of some responsible individual. The belief of the Senator from New Jersey [Mr. FRELINGHUYSEN] may be well founded that German interests and influences are opposing this bill; I do not know as to that; but it seems now to be unquestionably true that the threat of political displeasure, at least, has ranged itself behind the supporters of this bill, and a Republican United States Senator is virtually threatened with the defeat of the candidate whom he is pleased to support for the nomination for President of the United States by the Republican convention because, forsooth, he believes that this bill is inimical to the public welfare and has the courage and manhood to say so.

Mr. President, my conviction that this bill, if it becomes law, will prove to be the foundation of a great, overwhelming, and oppressive monopoly, has now received early confirmation from an authentic source.

Of course the Du Pont interests want this bill passed. They propose to add the dye industry, under its operation, to their already attractive collection of monopolies in America. It is a key industry, and, if placed in the control of such able hands, it means eventually the domination of the textile industries, which are as dependent upon dyes for their existence as the locomotives upon our railroads are dependent upon coal.

Just one more reflection relating to the interruption of the Senator from New Jersey. He called my attention to the practices of the German monopoly before the war for the purpose of overcoming American competition. I replied that they were good imitators; whereupon the Senator defended the industries of his own State from an imputation I had not made and reminded me that my information regarding such matters was probably based upon the practices of manufacturers in Colorado. We have few manufacturers in Colorado. The railroad interests have seen to that very effectually. We have always been treated as the stepchild of the Nation by the transportation interests, and the State of Utah and the State of Colorado and the adjoining States have been compelled, in consequence, to bear the burden of oppressive rates which make manufacture on any large scale practically impossible. What I referred to was the disclosures which have been made from time to time—nobody denies them—regarding the methods by which the Standard Oil Co. acquired its domination of the oil industry of the world, and the practice of huge American industries, exposed years ago, of selling their products to foreigners cheaper than Americans could secure them. It is common knowledge. We may not have initiated the practice; I do not claim that; but I do not think anybody can gainsay the proposition that the business immorality of great American combinations has long been too obvious to escape notice. I am neither its discoverer nor its defender.

But, Mr. President, I promised to consider the embargo features of this bill.

Unless I misstate the facts, when this bill was introduced in the House by Rrepresentative LONGWORTH it contained no license feature. Let me ask the Senator from Utah [Mr. SMOOT] if I am correct about that?

Mr. SMOOT. I am not sure, Mr. President, but I think the Senator's recollection is correct, and that the license feature was put upon the bill on the floor of the House.

Mr. THOMAS. That is my recollection. If I am correct—and I think I am—the so-called license or embargo feature of this bill had its birth in the Ways and Means Committee, and was doubtless suggested by the attorney for the dye interests, or by themselves, or both. The House committee, therefore, added four sections to the bill, which provide:

SEC. 503 (a). During the period of two years after the date of the approval of this act it shall be unlawful for any person or persons or corporation to import or bring into the United States, or any of its possessions, except under license previously obtained, as hereinafter provided, from the United States Tariff Commission, any of the products enumerated in section 500 of this act, or any product derived directly or indirectly from coal tar, including crude products and intermediate products, as well as dyestuffs, medicinals, and other finished products, and including mixtures and compounds of such products and other products.

To meet the reasonable expenses of the United States Tariff Commission in the execution of the duties imposed upon it by this act, the cost of maintenance of a suitable office at a place to be designated by the commission, the commission may charge a reasonable fee for the issue of each license. Should the moneys received from such fees in any year be less than the said expenses the deficiency shall be paid out

of the appropriation for 'expenses of collecting the revenue from customs.'

SEC. 503 (b). The said United States Tariff Commission shall issue licenses to import for domestic consumption such of the products covered by section 503 (a) of this act as may be unobtainable from domestic sources and also such, and such only, of the said products as may, though obtainable from domestic sources, be unobtainable on reasonable terms as to price, quality, and delivery. The commission shall limit the issue of licenses to import any product as nearly as may be to the quantities required by the actual current needs of the consuming industries in the United States, having regard to the necessities of such industries as are unable to determine beforehand their requirements. Nothing herein contained shall authorize the commission to refuse a license to a manufacturer, person, or agent to import for actual use by the manufacturer a foreign dye when such domestic dye of equal quality is not immediately available for his use. The commission in passing upon applications for such licenses may regulate its own practice and procedure, but shall so regulate the same as to prevent all avoidable delay.

SEC. 503 (c). Any product described in section 503 (a) of this act which shall be imported into the United States or any of its possessions without license, as provided in said section 503 (a), shall be forfeited and shall be destroyed whenever and wherever found.

SEC. 503 (d). Any person subject to the jurisdiction of the United States who shall, either as principal or as accessory, import or attempt to import or aid in importing any product described in section 503 (a) of this act without license as therein provided shall be fined not exceeding $5,000 or the value of such product at the time of importation, whichever shall be greater, or shall be imprisoned for not more than one year, or both.

These sections did not address themselves to the best judgment of the Senate Committee on Finance. A majority of that committee, therefore, struck them out, and in place of the stricken sections substituted an embargo plan, to be enforced by the Tariff Commission, and to run for a period of three years. It provides—and the gist of it is in the first and second sections—

That * * * no article enumerated in Group II or Group III—

Which are the intermediates and the finished products—

of section 500 of this act shall be admitted to entry or delivered from customs custody in the United States or in any of its possessions unless the United States Tariff Commission shall determine that such article or a satisfactory substitute therefor—

Something just as good—

is not obtainable in the United States or in any of its possessions on reasonable terms as to quality, price, and delivery, and that such article is required for use by an actual consumer in the United States or in any of its possessions.

That under this act an article shall be deemed to be of reasonable quality if such article, in the judgment of the United States Tariff Commission, is capable of giving results in use substantially equal to a corresponding article of foreign origin.

The first criticism which I have to offer to this part of the bill relates to the agency which it selects for its administration. The Tariff Commission is that agency. The Tariff Commission was created by the act of 1916, as I remember, for what seemed to be a very essential purpose—a purpose very clearly defined in the act creating the commission. They are authorized and required to investigate the so-called tariff question in all of its phases, and specifically to investigate any part or portion thereof as may be desired for the information of Congress. They are stripped of all executive authority. They are not even permitted to recommend a measure to the Congress. The only advice and counsel that they can give is indirect, and any recommendations must consist of deductions to be drawn from their reports.

That is an enormous task, Mr. President, for any commission, and, if properly performed, it will require all the time of all the members.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Utah?

Mr. THOMAS. I yield.

Mr. SMOOT. In further answer to the question asked by the Senator from Colorado, I will state that Representative LONGWORTH introduced in the House H. R. 2706 on May 23, 1919, and that bill was referred to the Committee on Ways and Means and ordered to be printed on that date. That is the Longworth dye bill. In that bill there is no license provision whatever.

Mr. THOMAS. I thank the Senator very much. That confirms my recollection.

I venture the assertion that no thought ever occurred to the mind of a Member of either House of the Congress, whether advocating or opposing the creation of that commission, that it would or should be used for any other purpose, that it would or should be transformed into a Government bureau and charged with the execution of duties wholly foreign, or practically so, to the purposes of its creation, and I am unable to perceive how any man can reach any other conclusion than that when this new duty is imposed upon it the requirements of that duty will practically destroy it as a tariff commission. Sitting as a court convened to entertain applications for the import of dyes, to listen to testimony for and against the application, to require the presence of witnesses, books, and documents, would be such a task of itself as to virtually monopolize the time of all its members, and that may occur, Mr. President, in some exigency when the needs for this commission and the exercise of its legitimate powers of investigation are overwhelming.

Confronted with the duty of passing upon these applications as soon as possible on the one hand, and discharging its functions as a Tariff Commission upon the other, it would seem that the first would be the more insistent since it directly affects private rights, private interests, and private business, the consequences of the neglect of which may be extremely serious to the parties interested. I feel very sure that if I were a member of that commission, and confronted with these opposite and conflicting requirements, I should feel impelled to listen to the applications of my fellow citizens directly concerned about applications of great importance, and allow the larger and possibly less insistent duties to go their way for a convenient season, which would perhaps mean indefinitely.

So I protest, ab initio, against the perversion of this commission and its transformation from a commission of investigation into a Federal bureau. If this law must be passed, if the need for it is as insistent as the Senator from New Jersey [Mr. FRELINGHUYSEN] declares, and if the consequences of its failure are one-half as serious as he thinks, then it is sufficiently important to justify the creation of an independent commission to administer it. If I were an enemy of that commission, which I am not, if I wanted to paralyze its activities and destroy its usefulness as at present constituted, I could think of no better way of doing it than to enact this bill into law and charge the commission with the duty of its administration.

I was amazed, on first reading this bill, to find that the Tariff Commission was the agency selected to carry its terms into effect; and I want to impress upon the mind of every friend of that commission—by which I mean every man who believes that it should have been constituted to perform the work assigned to it—that it ceases and must cease to function as a Tariff Commission the moment this law goes into effect. Do you want that? If so, vote for the bill. Do you want the bill, and are you impressed with the fact that no other agency can be found to properly administer it? If so, vote for the bill. But I want to impress upon you the fact, as earnestly as it is possible for me to do so, that the enactment of this measure means the destruction of the Tariff Commission.

But, Mr. President, assuming that some bureau must be endowed with jurisdiction to enforce its terms, let us see just what the duties are.

John Smith, a consumer of dyestuffs, having immediate and insistent demand for certain lines of dyes covered by this bill, makes an estimate of his needs, and then takes the train, hies himself to Washington, puts up at the Willard, or some other modern Du Pont Hotel, gets a room for $10 or $15 a day, and spends as much more for two square meals and one lunch, and files his application before this commission. Under the regulations, and the necessary regulations, of the commission, he would be required to show that the particular dye needed is not manufactured in this country, nor is there something just as good which he can secure.

The Tariff Commission notifies all the dye manufacturers in the country. That will be easy, because every one, until there becomes only one, will be represented down here by competent agents, which would add to the expense of the proceeding, which, of course, the consumer would be obliged to meet ultimately. Then a hearing is ordered, witnesses come from their homes and testify for and against each other. There is all the ceremonial of a trial and an investigation.

The Robert Jones Dye Co. contends that, while it does not manufacture this particular dyestuff, it has something just as good, substantially. The applicant denies that. Who shall determine the issue, and how? It must be referred to the chemists, and the chemists proceed by practical demonstration to ascertain which of the contentions is correct. Of course, that means the application of the particular dye to that sort of fabric for which the applicant needs it. How long that will take, I do not know; I am no dye man. How competent the chemists may be, I do not know, although I am assured that if this bill does not pass, God have mercy on the chemical business of the United States. But that is the necessary preliminary of a final determination of the application.

Multiply that one application by several thousand, and then tell me, if you can, what time would elapse between the application, however urgent, and the final determination of this board, whether it shall be granted or refused.

There is a provision in the bill which limits the amount applied for to the needs of six months, but I predict, Mr. President, that is will require more than six months, once this bill gets in full operation, to enable the Tariff Commission to determine for or against the applicant, during which time the styles requiring

the particular dye may have changed, during which time the insistent need for the dyes may have disappeared, during which time the purpose for which they are required may have been forgotten, and at the end of it the chances are 10 to 1 that the American producer of something just as good will get the verdict, for men will then shrink, as they do now, from doing anything that would seem to patronize a German producer, however insistent the need may be at the time for the thing which he, and he only, can produce.

It amounts to a complete embargo, in effect. The users of these dyes came before our committee and without a single exception protested against a law which seemingly gave opportunity to get what they needed, but which in practice would prove most disappointing. Some of them called attention to the fickle tastes of the public. It is pretty well illustrated by the pending overall craze, which is prone to run toward a particular color at a given time, making an enormous demand for goods of that color, but disappearing in the course of a few months quite as rapidly as it came, because fashion, in her varying moods, has turned her face toward some other color.

It is precisely at those times when the demand is great that those dyes are needed, and under this bill at those times when they can not be obtained. The Senator from New Jersey [Mr. FRELINGHUYSEN] talks about his loyalty to American industries. I praise him for it, but I wish he could see that there are some industries in this country besides those which are devoted to the manufacture of dyes, for in his vigorous effort to protect them to the limit of the law, even against the possibility of a doubt, he unfortunately loses sight of the other industries which, ranged against this measure, called attention to the consequences to them and to the public if it shall become a law.

There is not a manufacturer in the world—certainly not in the United States—who will deliberately admit that the thing he is trying to put upon the market lacks any of the qualifications which he claims for it. As a consequence, he will be the first to challenge the right of importation under the bill. He will go the furthest to establish the soundness and purity of his own particular manufacture and, as a consequence, he will overwhelm the consumer before this commission, with his own tests; with his own testimony; with his own counsel; and, what is more, with his ability to interpose technicality after technicality, delay after delay, to the final determination of the proposition, and he can do it. We all know what is the fate of practically every problem which goes to a Federal bureau for determination.

Way back in the seventies Mark Twain contributed an article to one of the magazines descriptive of the efforts of some unfortunate individual who had a claim against the Government of the United States. It was a burlesque of an actual fact. His claimant began as a young man, died penniless as an old one, and transmitted the curse of his existence to his heirs who would doubtless follow his footsteps with the same result.

It would seem as though a bureau, as soon as created by Congress, becomes instantaneously prolific in red tape. The average Federal bureau can concoct more rules, think of more regulations, and can prescribe more ways of how not to do it than any other combination in the world. There is no exception to this. We created a number of them during the war and the next morning they were swathed in red tape as completely as though they had been in existence for over a century. The man having a claim against the United States or a petition or application to one of its bureaus is entitled to public sympathy. The ancient game of battledore and shuttlecock is a very fair illustration of the future that awaits him and the ball is generally lost long before the end of the game.

It will follow, as the day follows the night, that when this bureau has been established it will take the same course that all its predecessors have taken. Rules, regulations, methods of practice, and procedure will increase and multiply until the simplest application will be so shrouded in technicalities as to require the genius of a Philadelphia lawyer to comply with them in making the application, to say nothing of subsequent proceedings.

Mr. President, it means the practical destruction of that part of the business of the United States which has to do with the manufacture of or the dealing in goods of high quality requiring permanent colors and available only from the foreign markets.

But that is not the only objection nor, indeed, is it the most important one. I shall therefore speak for a few moments upon the fundamental change which this measure will introduce into the revenue legislation of America, for it is the entering wedge of a policy bound to expand in amazing proportion and with incredible rapidity into a fixed economic policy. It will mean, and mean pretty soon, the substitution of the embargo for the protective tariff. It will mean the abandonment of a traditional revenue policy and the substitution in its place of measures of restrictive character ultimately leading to prohibition of imports.

Mr. SHEPPARD. Mr. President——

Mr. THOMAS. I yield to the Senator from Texas.

Mr. SHEPPARD. Does the Senator consider that the dyestuff industry can from any standpoint be considered as what is called an infant industry?

Mr. THOMAS. No. I stated day before yesterday and prior to that time that it was not only not an infant industry but that it had more than fulfilled its assurance to the Finance Committee in 1916, which allowed them to write their own duties in the tariff bill of that year. It is not a very old industry, but it is not an infant industry, in the sense in which that term is frequently used.

Now, Mr. President, what is the purpose of a protective duty? I will enter into no discussion of the old question of protection and free trade. It is not necessary, although, like the poor, it is always with us. It is not essential to occupy the time of the Senate with its consideration. I shall refer briefly to its outstanding features.

Fundamentally, the object of a protective tariff, from the standpoint of the protectionist, is to safeguard home industries by the imposition of a line of duties sufficiently high for that purpose, and with revenues to the Government as its incident. In other words, it is the exercise of the Federal power of taxation carried beyond its normal purpose to the extent to which the encouragement of home industries may require. Revenue, in other words, is fundamentally behind all forms of protective legislation. I do not care whether you call them tariff for revenue, tariff for protection, or by any other name, the exercise of the power can be justifiable only as the exercise of the right to tax for public purposes. Heretofore protectionists have been as eager as Democrats to emphasize revenue and to abstain from carrying the theory of protection to the point that it becomes prohibitive of revenue. The question has divided parties in this country since the first Congress met after the ratification of the Constitution. Its threads are interwoven in the fabric of national legislation from the very birth of the Republic, but now a method of protection is proposed by this bill which, wholly ignoring any element of revenue, proposes through the operation of an embargo between the domestic manufacturer and his foreign competitor, to use the strong arm of the Government by incorporating it as a partner—a dominant partner—in all the business interests of the country; to extend its authority over all the pursuits of men and bar our shores from the possibility of relief from conditions at home, however oppressive they may become.

This is the entering wedge of that policy. It will, of course, appeal to every other industry in the Nation—and ought to do so—for, if the Government of the United States is justified in the enactment of this measure for the dye industry, then it becomes the duty of the Government to extend similar favors to all the other pursuits of the country.

As was said by Mr. Atkeson, representing the farmers of the country, if it is a good thing it must be passed around. The wool people have already suggested that theirs is a war industry as well; that the soldier who needs explosives stands quite as much in need of warm clothing; and that in times of war warm clothing is as much an equipment as any explosives that can be manufactured. Who can answer that proposition?

The automobilists may make the same contention, so may the steel manufacturer—aye, Mr. President, the very individuals who are to be injuriously affected by this measure are entitled to the extension of the principle to their industries, that they may not suffer, all of which means that our disputations over the tariff, either as regards a question of principle or a question of proposed rates of duty, may soon become entirely unimportant either to the American people or to the commercial interests.

The constituent of the Senator from New Jersey interested in the protection of chemical glassware, if this bill becomes a law, should insist upon its extension to his product, and contend that wherever he can present anything just as good the foreigner should be excluded from our market.

Mr. President, if this contention is not the logical deduction from the operation of this measure, then I am entirely at fault in my construction of it. If it is possible that the operation of the embargo will through the coming years be confined to the particular thing which gave it birth, then it will be a unique feature in the legislative history of the Nation. I defy the student to place his finger upon any protective measure which has not been followed by imitation until it finally has ripened into the general proposition and displaced previous principles of legislation in conflict with it. I am certain that if I were engaged in some industry enjoying the benefits of absolute prohibition during the war, whether I began that

industry during that period or before, I would, as a citizen of the United States paying taxes for the support of the Government, protest against any discrimination in the legislation of the country and demand my speedy inclusion in the benefits of such statutes as Congress had seen fit to enact; and I do not arrogate to myself any particular business sagacity; certainly none superior to the experiences of those who have devoted their lives to production. So we are confronted by this bill with a situation so far-reaching in its importance and so revolutionary in its character as, in my opinion, to justify the most earnest and exhaustive discussion.

Oh, I know it will be said, and has been said, that this measure is merely designed to meet a great exigency; that its operation is limited to three years; that at the end of that time it will disappear and doubtless in a very few years the incident will have been wholly forgotten. Not so, Mr. President. The present law provides that if at the end of five years the domestic producers of dyes shall supply the market with 60 per cent of consumption the specific duties shall be reduced at the rate of 5 per cent per annum until they shall disappear at the end of 20 years. That law is in force. Production is from 85 to 90 per cent of our consumption, and that statute should become operative within the next 18 months. At the time it was enacted its limitation was intended to be effective, particularly as it was further provided that if, after the end of five years, the manufacturers of dyes in the United States did not produce 60 per cent of the consumption the specific duty should disappear. This bill, of course, repeals that provision of the act of 1916, not directly but by implication, because the two can not coexist, and this will be the last expression of the legislative will.

Mr. President, the three years of time allowed under the pending bill will only feed the appetite for fresh demands to be granted for the reasons which were advanced in the first instance. Let us see. I make no doubt that German industry three years from now will have greatly improved. At the risk of being called a German sympathizer, I indulge the hope that it will be, for no greater disaster can come to civilization than the existence of a nation of 60,000,000 paupers. Every country in the world, jealous of its own independence and anxious for its own prosperity, from motives of pure self-interest should not only hope but pray for the commercial rehabilitation of that country, whose continued impoverishment must lead to multiplied disaster. I am prompted to say that by a spirit of pure selfishness and, I hope, of patriotism.

If we assume that there will be a substantial increase of dyestuffs from Germany three years from now these identical people will come before the Congress and say, "We must have an extension of this prohibition; matters are worse than they were when we first got it; Germany is now producing great quantities of dyes; they are being smuggled into this country; and many people prefer some of their colors to ours. We told you at the time of the enactment of the law in 1920 that we should have 10 years instead of 3. We could only get 3. If this provision is not extended for 7 more years the dye industry of the United States is gone; the capital that we have invested in it will be lost; tens of thousands of men and women whom we employ in the industry will be turned on the streets to beg or starve. Germany is again resuming her onward march to world commercial supremacy." When we remind them, as we now remind them, that at the time they wanted this legislation they declared that it would be only temporary they will say, "Well, we were mistaken; we did not properly interpret the events of the future. The menace to our well-being is more formidable than ever. Save us or we perish." And the same arguments will be made upon the floor of this body at that time in advocacy of the extension of this extraordinary provision that are being made in its favor to-day.

The same dire predictions of ruin to American industry will be voiced in sonorous tones from this floor, and the same expressions of suspicious interference by German interests in the passage of the bill will reappear in discussion.

No, Mr. President, we are embarking upon an unknown and an uncharted sea; we are abandoning all the landmarks of the past; we are establishing a precedent that will rise to sting us in the future, one which will diminish the revenues of the Government by the abandonment of every constitutional theory of protection and by a total disregard of the financial welfare of the United States as contrasted with that of some of its manufacturers.

Mr. President, a less important feature, but an important one nevertheless, of this proposed embargo lies in the expense of its administration. I have said that another bureau would be established through the transformation of the Tariff Commission into a sort of commercial court, having control of one of the greatest industries in America. To administer properly the duties imposed upon it with any degree of satisfaction will require an enormous staff of new employees, both ordinary and scientific—the ordinary ones to transact the usual affairs of the bureau, the extraordinary ones to determine the intricate questions of a material or scientific nature which must be investigated with every application for the importation of dyes. We must have chemists galore, and as these applications multiply they must be increased. As the applications multiply, the general staff must be increased. The bill starts with an appropriation of $100,000 for this purpose. That is a modest beginning. One hundred thousand dollars is so infinitesimal in the administration of Federal affairs to-day that I would dignify it if I were to refer to it as "chicken feed." It is of no consequence whatever. It is like a needle in the haystack of modern appropriations—a good deal harder to find than it is worth after you find it. So $100,000 is nothing, except as a significant beginning; and if any of these beginnings have ever failed to swell in their proportions, and particularly as regards appropriations, with the passage of time I should like to be informed of it.

No, Mr. President, next year we will have $250,000 at least, and, as the Senator from Utah [Mr. KING] suggests, plus a deficit. The next year it will in all probability be a half million dollars, and then a million; and once a Federal appropriation strikes the million-dollar gait you can not stop it with a 13-inch cannon.

It becomes respectable when it can command a million, and from there its advance to ten millions, twenty-five millions, fifty millions, and a hundred millions is practically an easy experience. I predict—and you will notice that I am getting to be something of a prophet in this discussion—that the cost of the operation of this bureau will exceed the value of the dyes which are intended by this bill to be disposed of. It is inevitable.

Embargoes are un-American, to begin with, and even when they are universal they are unjust. During the administration of Mr. Jefferson an embargo was laid upon all foreign commerce. The majority of intelligent sentiment at that time, in my judgment, very properly denounced the policy as a grave and intolerable injustice, but it was at least impartial. Like the dews of heaven, it fell upon the just and the unjust. This embargo involves one, and one only, of the industries of the country, and leaves the others to go their way until in good time and due to considerations material, political, and otherwise, the terms of the legislation shall be widened and its wings extended that it may shelter other industries seemingly needing that method of protection.

Mr. President, I think I have said all that I care to say upon this bill. As I stated some time ago, during the progress of the bill through the Senate I expect to offer two or three amendments, and it is only fair to the Senator having charge of the bill that I should outline them. One is the amendment which I offered yesterday to the antidumping bill, and which proposes an income tax upon political contributions in excess of $1,000. Another will be the repeal of the excess-profit tax and the substitution in its place of a consumers' tax. The others will be comparatively unimportant. I shall, of course, when the occasion is appropriate, offer these amendments, and have something to say to the Senate regarding them.

Before I take my seat, Mr. President, I wish, without introducing them in the RECORD, to refer to a number of protests which have reached me from industries affected by this measure. I have here a long letter from the American Association of Woolen and Worsted Manufacturers, containing an argumentative discussion of the injurious consequences of this bill as affecting the industry represented by that association; another from the National Association of Worsted and Woolen Spinners, shorter than the first, but equally emphatic; a letter from the law offices of Knight & Taggart, of Sunbury, Pa.; another from the National Association of Hosiery and Underwear Manufacturers, Philadelphia, dated the 4th day of February, 1920; and still another, embodying a series of resolutions, of date April 30, 1920, which I ask leave to insert in the RECORD without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

NATIONAL ASSOCIATION OF HOSIERY AND UNDERWEAR MANUFACTURERS (INC.),
Philadelphia, Pa., April 30, 1920.

Hon. CHARLES S. THOMAS,
Senate Chamber, District of Columbia.

DEAR SENATOR THOMAS: On behalf of this association, I beg to invite your attention to the inclosed copy of a resolution in relation to H. R. 8078.

Very truly, yours,
C. B. CARTER,
Secretary.

[Inclosure.]

Whereas the dye licensing bill, known as H. R. 8078, has been reported favorably to the Senate by its Finance Committee with all the objectionable embargo and licensing provisions still intact; and

Whereas the practical application of this bill, should it be enacted into law, will be to create an absolute dye monopoly in this country, which will fatten, first, on all of our American industries that are users of dyestuffs, and, secondly, on every user and consumer of dyestuffs, from the buyer of a nursery rag doll to the purchaser of an American flag; and

Whereas the recent report of the official representative of the Textile Alliance, which body bears an official relation to the War Trade Board, conclusively shows that there are no accumulated stocks of dyes in Europe, either in Germany or in any of the other countries; and that only a small fraction of the needed dyes to be allotted under the treaty of peace, and to be bought for the United States in addition to the allotment under the treaty, are obtainable; and that there is no indication that a change will be made in these conditions for an indefinite length of time; and

Whereas the British commission of textile experts, financed by the British Government, after an exhaustive study in Germany of first-hand conditions, has recently returned with only a small percentage of the dyestuffs they hope to purchase in Germany; and

Whereas these facts conclusively show the fallacy of the argument that demands the passage of this bill in order to prevent Germany dumping dyestuffs in this country, to the injury of the American dye manufacturer; and

Whereas the British Parliament has quite recently refused to pass a dye-licensing bill, thereby disposing of the other stock argument of the sponsors of this bill in the United States to the effect that we should follow the sound British policy in its attitude toward the German dyes; and

Whereas the passage of the dye-licensing bill by the United States Government would result in our own country being the only Government establishing dye restrictions, just as by the refusal of the State Department at the present time to license the general importation of dyes we are the only country now unable to secure necessary foreign dyes; and

Whereas if the users of dyestuffs in the United States are denied access to purchase dyes in the free markets of the world because of a dye-licensing barrier it will result in all of their products being handicapped in competition for the trade of the world in both foreign and domestic markets; and

Whereas the method of restricting commerce by commissions empowered to lay the heavy hand of favoritism and inertia on business is an unprecedented experiment in American methods of Government and utterly uncalled for by any economic or industrial conditions, and wholly foreign to the fundamental basis of all American institutions: Now, therefore, be it

Resolved, That we, the National Association of Hosiery and Underwear Manufacturers, in sixteenth annual convention assembled, in the city of Philadelphia April 28, 1920, representing more than 1,000 textile factories producing annually more than $700,000,000 of manufactured products, and paying to American labor more than $200,000,000, emphatically protest against the passage of the dye-licensing bill and call upon our members generally to oppose by every lawful means in their power the stifling of American business, the suppression of American enterprise, and the strangling of American initiative, which this bill if passed will inevitably cause, with no resulting benefits save of a monopoly already grown strong enough to invade the halls of the American Congress with their insolent, threatening, selfish, and un-American demands.

Mr. THOMAS. These are representative of scores of communications of similar import selected without much discrimination and indicative of the general tenor of the whole. I had another letter, which I cherished with undue appreciation, but which unfortunately I have lost. The letter was addressed to me by Hulton & Co., of Philadelphia. That firm protested most earnestly and eloquently against this bill, and ended by assuring me that the Senator from Pennsylvania [Mr. PENROSE], to whom they generally appealed for help in crises of this kind, was unfortunately absent and ill. These gentlemen, therefore, appealed to me to take his place as far as I could as regards this bill, and exert myself for their welfare.

It is always a pleasure to appear as the substitute of the distinguished senior Senator from Pennsylvania, because it is upon very rare occasions that our minds may be said to "run along together." It is due to him and to my correspondent to say that in this instance obedience to that request I have considered both as a pleasure and as a duty.

DIPLOMATIC AND CONSULAR APPROPRIATIONS—CONFERENCE REPORT.

During the delivery of Mr. THOMAS's speech,

Mr. LODGE. May I interrupt the Senator from Colorado for a small matter of business?

Mr. THOMAS. Certainly. The Senator can interrupt me with either a large or a small matter of business.

Mr. LODGE. I ask the Chair to lay before the Senate the action of the House of Representatives on the Diplomatic and Consular appropriation bill.

The PRESIDING OFFICER (Mr. HALE in the chair) laid before the Senate the action of the House of Representatives disagreeing to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11960) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921, and requesting a further conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. LODGE. The conferees agreed to report some time ago. The House disagreed to the conference report and it comes back to the Senate because a point of order was made in the House against one item, as I understand it, relating to the Mexican commission. I think it can be disposed of very readily by a further conference.

I move that the Senate insist upon its amendments, agree to the request of the House for a further conference, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. LODGE, Mr. BORAH, and Mr. HITCHCOCK managers at the further conference on the part of the Senate.

After the conclusion of Mr. THOMAS's speech,

THE DYE INDUSTRY.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8078) to regulate the importation of coal-tar products, to promote the establishment of the manufacture thereof in the United States, and, as incident thereto, to amend the act of September 8, 1916, entitled "An act to increase the revenue, and for other purposes."

Mr. KING. May I inquire whether any of the proponents of this proposed legislation desire to occupy some time this afternoon?

Mr. CURTIS. Mr. President, I understand there is no Senator who wishes to talk this afternoon. I understand that there is one Senator who may want to talk upon the bill to-morrow.

Mr. KING. It occurs to me, in view of the very——

Mr. LODGE. Mr. President——

Mr. KING. I yield to the Senator from Massachusetts.

Mr. LODGE. I think, if we are not going to discuss the bill, we had better vote upon it.

Mr. KING. Oh, the Senator knows that there is going to be discussion. I do not yield for anything further. The Senator upon the other side having the bill in charge announced that some Senator proposed to discuss it to-morrow; and it is rather unparliamentary upon the part of the distinguished Senator from Massachusetts——

Mr. LODGE. Mr. President——

Mr. KING. I do not yield.

Mr. LODGE. The Senator need not yield.

Mr. KING. It is rather unparliamentary, I say, for the Senator from Massachusetts to interrupt for the purpose of suggesting that we should vote upon the bill.

Mr. LODGE. Mr. President——

Mr. KING. Now I yield to my friend.

Mr. LODGE. I do not ask the Senator to yield. When he yields the floor, I will take it in my own time.

Mr. KING. The Senator may take it for a moment. Then I shall follow him, if it becomes necessary.

Mr. LODGE. The Senator is perfectly able to follow me, and perfectly willing.

Mr. KING. I have no doubt of it.

Mr. LODGE. I only wanted to say this: The Senator from Utah, of course to the pleasure of everybody, is ready to make a long, long speech. Why should he not make it at this time? It is only 20 minutes before 4. All I want to know is why we should adjourn in order to aid the obstruction of the bill? That is my question, and my only one.

Mr. KING. Mr. President, the Senator from Massachusetts knows that the Senator from New Hampshire [Mr. MOSES] is necessarily absent from the Senate to-day. The Senator knows that the Senator from New Hampshire not only intends but desires to discuss the bill. He is opposed to the measure. I think it is a very gratuitous statement, and wholly unwarranted upon the part of the Senator from Massachusetts, to say that because discussion is desired on the bill it is obstruction.

If the Senator from Massachusetts desired to discuss the peace treaty, as he did for hours, that was not obstruction; it was elucidation or enlightenment.

Mr. FRELINGHUYSEN. Mr. President——

The PRESIDING OFFICER (Mr. NORRIS in the chair). Does the Senator from Utah yield to the Senator from New Jersey?

Mr. KING. I yield to the Senator.

Mr. FRELINGHUYSEN. Does the Senator from Utah know whether the Senator from New Hampshire [Mr. MOSES] is absent on public or personal business?

Mr. KING. I am not the keeper of the Senator from New Hampshire. I know he is one of the most diligent attendants

upon the work of the Senate, and I have no doubt that for being absent to-day he has a valid and legitimate excuse.

Mr. FRELINGHUYSEN. May I ask the Senator further——

The PRESIDING OFFICER. Does the Senator from Utah yield further to the Senator from New Jersey?

Mr. KING. I yield to the Senator.

Mr. FRELINGHUYSEN. As the bill is before the Senate and the Senate is convened for the purpose of conducting public business, why should it not conduct it and go on? Why does the Senator appeal for the Senator from New Hampshire when he does not know whether he is absent on public or personal business?

Mr. KING. Mr. President, the Senator from New Jersey manifests a vast amount of solicitude now for the public business. Will the clerks at the desk please send me the letter that was read this morning, written to the Senator from New Hampshire [Mr. MOSES]?

Mr. HARRISON. Will the Senator yield?

Mr. KING. I yield.

Mr. HARRISON. It may be that the Senator from New Hampshire is away trying to adjust the differences between the campaign managers of Gen. Wood.

Mr. KING. The statement of the Senator from New Jersey perhaps is not intended as such, but it is an implication that he, the Senator from New Jersey, is always here and always ready to attend to public business, whereas the Senator from New Hampshire has been derelict in being absent from the Senate Chamber for a little while.

Mr. FRELINGHUYSEN. I will say to the Senator from Utah that if I am interested in a bill, or if I intend to object to a bill, I intend to be here and I always am here to look after it. I would under no circumstances delay the passage of any bill by my absence. I do not feel that I have a right to be absent from the Senate and hold up public business by my absence unless I am compelled to leave the Senate on public business. The Senator also is solicitous of the interests of the Senator from New Hampshire. I wonder why.

Mr. KING. It is very obvious, Mr. President, why I am solicitous, using the Senator's expression. Common decency, not to say common courtesy, would prompt any Senator to interpose to prevent the passage of a bill when another Senator is deeply and profoundly interested in it, and has given notice, if not publicly, at least privately, that he desires to speak upon it and to discuss it at length.

Mr. THOMAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Capper	Jones, N. Mex.	Nelson	Smoot
Chamberlain	Kendrick	Norris	Sterling
Curtis	Kenyon	Nugent	Sutherland
Dillingham	Keyes	Overman	Swanson
France	King	Page	Thomas
Frelinghuysen	Lodge	Phipps	Trammell
Gronna	McCormick	Ransdell	Wadsworth
Harris	McCumber	Sheppard	Walsh, Mass.
Harrison	McKellar	Simmons	Warren

The PRESIDING OFFICER. Thirty-eight Senators have answered to the roll call. There is not a quorum present. The Assistant Secretary will call the names of the absent Senators.

The names of the absent Senators were called, and Mr. GLASS answered to his name when called.

The PRESIDING OFFICER. Thirty-nine Senators have answered to their names. There is still no quorum present.

Mr. CURTIS. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Mr. COLT, Mr. FALL, Mr. CALDER, Mr. BRANDEGEE, Mr. BALL, Mr. REED, Mr. BORAH, Mr. POMERENE, Mr. TOWNSEND, and Mr. WALSH of Montana entered the Chamber and answered to their names.

The PRESIDING OFFICER. Forty-nine Senators have answered to their names. There is a quorum present.

RECESS.

Mr. CURTIS. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 4 o'clock and 20 minutes p. m.) the Senate took a recess until to-morrow, Saturday, May 8, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

FRIDAY, *May 7, 1920.*

The House met at 12 o'clock noon.

Rev. J. W. Daily, Catholic Chaplain, Walter Reed Hospital, offered the following prayer:

O God of infinite wisdom, by whom all law is enacted and judgments decreed, we humbly beseech Thee to enlighten the minds of this Congress that their legislation may be for the spiritual and temporal welfare of our people, and that it may redound to Thy greater honor and glory. Amen.

The Journal of the proceedings of yesterday was read and approved.

APPOINTMENT OF HOUSE MEMBERS TO POSTAL COMMISSION.

The SPEAKER. The Speaker is authorized by the Post Office appropriation bill to appoint five members of a joint commission created to investigate and report to Congress on the methods and systems of handling, transporting, and delivering the mails, and the facilities therefor. The chairman of the committee, the gentleman from Minnesota [Mr. STEENERSON], is specified as one. The Chair appoints as the other four members on the part of the House the ranking members of the committee, the gentleman from Illinois [Mr. MADDEN], the gentleman from Pennsylvania [Mr. GRIEST], the gentleman from Tennessee [Mr. MOON], and the gentleman from Georgia [Mr. BELL].

ENROLLED JOINT RESOLUTION SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled joint resolution of the following title, when the Speaker signed the same:

H. J. Res. 302. Joint resolution authorizing an appropriation for the participation of the United States in the observance of the three hundredth anniversary of the landing of the Pilgrims at Provincetown and Plymouth, Mass.

EIGHTY-FOURTH BIRTHDAY OF HON. JOSEPH G. CANNON.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent for opportunity to announce an important anniversary.

The SPEAKER. The gentleman from Wyoming asks unanimous consent to address the House for one minute. Is there objection? [After a pause.] The Chair hears none.

Mr. MONDELL. Mr. Speaker, our honored colleague whom I have in mind would be the very first to protest were I to halt the public business for any considerable length of time for the purpose of making a personal reference to him, for his long and honorable life has been peculiarly characterized by modesty, efficiency, and constant attention to the public business. Notwithstanding all this, Mr. Speaker, I can not resist the temptation to remind the Members that their colleague, "Uncle JOE" CANNON [long-continued applause, the Members rising]——

In view of this enthusiasm, Mr. Speaker, how could I possibly resist the temptation of reminding gentlemen that "Uncle JOE" is 84 years young to-day [loud applause], and on their behalf to wish him many further returns of the day [applause], and for a continuation of that mental alertness, that physical vigor, and that kindly philosophy with which he is this day so richly endowed. [Loud applause.] And I am just reminded that "Uncle JOE" will soon receive his twenty-fifth nomination for Congress. [Long-continued applause.]

Mr. Speaker, the following delightfully expressed telegram to "Uncle JOE" from one who has solved the problem of passing gracefully from an active life of splendid service into the serene calm of advanced age has just been handed me:

NEW YORK, *May 7, 1920.*

Hon. JOSEPH G. CANNON,
Washington, D. C.:

Cordial congratulations on your eighty-fourth. I beckon you on to the eighty-sixth milestone, which I am holding for you. It is a beautiful journey and glorious position.

CHAUNCEY M. DEPEW.

DIPLOMATIC AND CONSULAR APPROPRIATIONS—CONFERENCE REPORT.

Mr. PORTER. Mr. Speaker, I ask to take from the Speaker's table the conference report on the bill H. R. 11960, the Diplomatic and Consular appropriation bill, making appropriations for the fiscal year ending June 30, 1921.

The SPEAKER. The gentleman from Pennsylvania calls up the conference report on the Diplomatic and Consular appropriation bill.

Mr. GARNER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARNER. Under the ruling of the Speaker, is it necessary to make a point of order now or would it be proper at the end of the reading of the report?

The SPEAKER. At the end of the reading of the report.

Mr. PORTER. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

Mr. GARNER. Now, Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARNER. If unanimous consent is given that the statement be read in lieu of the report, could a point of order then be made against the report?

The SPEAKER. Of course, the statement is in the nature of debate. The Chair will state that on that the point of order should be made now.

Mr. GARNER. It has been a little complicated as to when a point of order should be made.

Mr. MANN of Illinois. I suggest that the gentleman ask unanimous consent that it may be in order to make the point of order after the statement has been read.

Mr. GARNER. I merely wanted to get the matter in the mind of the House. I have no objection to the reading of the statement in lieu of the report, but I ask unanimous consent that a point of order may be made at that time against the report instead of being made now.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the statement.

The statement was read.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11960) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 10, and 13.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 7, 8, 9, 11, 12, and 14.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$480,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$900,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the folowing:

"PURCHASE OF EMBASSY BUILDING AND GROUNDS AT SANTIAGO, CHILE.

"For the purchase of an embassy building and grounds at Santiago, Chile, and for making necessary minor repairs and alterations in the building to put it into proper condition, $130,000."

And the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: Insert at the end of the proposed amendment a colon and the following: "*Provided, however*, That this is to be considered as the final appropriation under existing treaties for the maintenance of said commission, and the President is hereby requested to notify the Republic of Mexico that the United States desires to dissolve the commission from and after six months from July 1, 1920"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"FEES FOR PASSPORTS AND VISÉS.

"SECTION 1. From and after the 1st day of June, 1920, there shall be collected and paid into the Treasury of the United States quarterly a fee of $1 for executing each application for a passport and $9 for each passport issued to a citizen or person owing allegiance to or entitled to the protection of the United States: *Provided*, That nothing herein contained shall be construed to limit the right of the Secretary of State by regulation to authorize the retention by State officials of the fee of $1 for executing an application for a passport: *And provided further*, That no fee shall be collected for passports issued to officers or employees of the United States proceeding abroad in the discharge of their official duties, or to members of their immediate families accompanying them, or to seamen, or to widows, children, parents, brothers, and sisters of American soldiers, sailors, or marines buried abroad, whose journey is undertaken for the purpose and with the intent of visiting the graves of such soldiers, sailors, or marines, which facts shall be made a part of the application for the passport.

"SEC. 2. From and after the 1st day of June, 1920, there shall be collected and paid into the Treasury of the United States quarterly a fee of $1 for executing each application of an alien for a visé and $9 for each visé of the passport of an alien: *Provided*, That no fee shall be collected from any officer of any foreign Government, its armed forces, or of any State, district, or municipality thereof, traveling to or through the United States, or of any soldiers coming within the terms of public resolution approved October 19, 1918 (40 Stat. L., pt. 1, p. 1014).

"SEC. 3. The visé of a passport of an alien may, under regulations prescribed by the Secretary of State, be refused if the applicant would be dangerous to the public safety or obviously be liable to exclusion if allowed to present himself at a port of the United States for admission: *Provided*, That such applicant, if rejected by the officer of the United States to whom the application was originally made, may appeal to the Secretary of State: *And provided further*, That the issuance of a visé to an alien by a person duly authorized to issue such visé on behalf of the United States shall not relieve said alien or the steamship company transporting him from the operation of any provision of the laws of the United States.

"SEC. 4. From and after the 1st day of June, 1920, it shall be unlawful for any alien, other than a seaman, to enter or attempt to enter the United States without a passport duly viséd by a person duly authorized by the Secretary of State to issue such visé: *Provided*, That this section shall not apply to nationals of Great Britain domiciled in the Dominion of Canada, Newfoundland, the Bermudas, or the Bahamas, or to nationals of France domiciled in St. Pierre and Miquelon, or to citizens of Cuba, Panama, or Mexico.

"SEC. 5. From and after the passage of this act every citizen or person, other than a seaman, owing allegiance to or entitled to the protection of the United States and departing from the United States or any of the possessions thereof for any foreign country, except the Dominion of Canada, Newfoundland, St. Pierre, and Miquelon, Panama, the Bermudas, the Bahamas, Mexico, and Cuba, or departing from the United States or any of the possessions thereof by way of any of said countries for any other country shall be required to bear a valid passport.

"SEC. 6. The validity of a passport or visé shall be limited to two years, unless the Secretary of State shall by regulation limit the validity of such passport or visé to a shorter period.

"SEC. 7. Whenever the appropriate officer within the United States of any foreign country refuses to visé a passport issued by the United States, the Department of State is hereby authorized upon request in writing and the return of the unused passport within six months from the date of issue to refund to the person to whom the passport was issued the fees which have been paid to Federal officials, and the money for that purpose is hereby appropriated and directed to be paid upon the order of the Secretary of State.

"SEC. 8. Section 1 of the act approved March 2, 1907, entitled 'An act in reference to the expatriation of citizens and their protection abroad' (34 Statutes at Large, pt. 1, p. 1228), authorizing the Secretary of State to issue passports to certain persons not citizens of the United States, is hereby repealed."

And the Senate agree to the same.

STEPHEN G. PORTER,
JOHN JACOB ROGERS,
H. D. FLOOD,
Managers on the part of the House.

H. C. LODGE,
WM. E. BORAH,
G. M. HITCHCOCK,
Managers on the part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE.

The managers on the part of the House at the conference on the disagreement of the House to the amendments of the Senate on H. R. 11960, entitled "An act making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921," submit the following written statement in explanation of the effect of the action agreed upon by the conference as to each of the said amendments:

The Senate recedes from its amendments Nos. 4, 10, and 13.

On amendment No. 4: Appropriating funds for emergencies arising in the Diplomatic and Consular Service, increases the appropriation from $400,000 to $500,000.

On amendment No. 10: Providing for the expenses of the International High Commission, struck out the word "State" and inserted the words "the Treasury."

On amendment No. 13: Under post allowances to consular and diplomatic officers, added a proviso limiting the expenditure of the appropriation.

Senate amendments Nos. 5, 7, 8, 9, 11, 12, and 14 were agreed to by the managers on the part of the House.

On amendment No. 5: Inserts a new paragraph appropriating $4,500 for the relief of Mrs. Winifred T. Magelssen.

On amendment No. 7: Inserts a new paragraph appropriating $9,000 for expenses in connection with the Pan Pacific Union.

On amendments Nos. 8 and 9: Changes the word "International" to "Inter-American."

On amendment No. 11: Changes the appropriation for the International Joint Commission on Waterways treaty, United States and Great Britain, from $25,000 to $40,000.

On amendment No. 12: Struck out the last proviso limiting the expenditure of the appropriation.

On amendment No. 14: Changes the appropriation for contingent expenses for the United States consulates from $900,000 to $1,000,000.

On amendment No. 1: Fixes the amount for clerks at embassies and legations at $480,000 instead of $688,000 as proposed by the Senate amendment.

On amendment No. 2: Increases the appropriation for contingent expenses, foreign missions, to $900,000 instead of $1,000,000, as proposed by the Senate amendment.

On amendment No. 3: Providing for the purchase of embassy building and grounds at Santiago, Chile; changes the language but leaves the appropriation of $130,000 the same.

On amendment No. 6: Changes the language and makes this the final appropriation under existing treaties for the maintenance of the International Boundary Commission, United States and Mexico, and dissolves the commission from and after six months from July 1, 1920.

On amendment No. 15: Relating to fees for passports and visés, struck out the amendment submitted by the Senate and inserts new matter.

STEPHEN G. PORTER,
JOHN JACOB ROGERS,
H. D. FLOOD,
Managers on the part of the House.

Mr. CONNALLY. Mr. Speaker, I make a point of order against the conference report on the Diplomatic and Consular appropriation bill, and especially that part that has to do with Senate amendment No. 6, on the ground that the conferees exceeded their authority by incorporating in the report matter which was not in disagreement between the two Houses. I desire to direct the attention of the Chair to that portion of the report which reads as follows:

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: Insert at the end of the proposed amendment a colon and the following:

"*Provided, however,* That this is to be considered as the final appropriation under existing treaties for the maintenance of said commission, and the President is hereby requested to notify the Republic of Mexico that the United States desires to dissolve the commission from and after six months from July 1, 1920."

I desire to call the Speaker's attention to the fact that the House provision in the original bill reads as follows:

To enable the President to perform the obligations of the United States under the treaties of 1884, 1889, 1905, and 1906 between the United States and Mexico, $5,000.

My contention is that that is simply an appropriating clause, that the House had authority to appropriate or not to appropriate, as it saw fit, and that under the rules of the House it could not legislate had a point of order been made. The Senate did not strike out the House provision. It left it intact, but added to it. In addition to the $5,000 which the House appropriated, the Senate appropriated the unexpended balance for 1920, as follows:

The unexpended balance of the appropriation for the fiscal year ending July 1, 1920, is hereby made available for the fiscal year ending July 1, 1921, and for the objects and purposes designated by said act of appropriation.

And so the only question in disagreement between the two Houses is the language of the Senate just quoted, making available the unexpended balance of appropriations for 1920, because the Senate adopted the House provision as to $5,000.

Now, the conferees neither struck out the House provision nor the Senate provision, but adopted both of the provisions, which amounted to an appropriation of $5,000 and, in addition, the unexpended balance for 1920. But the conferees did not stop there. The conferees went further and added to the Senate amendment a provision which is legislative in its character and which provides that, under the treaties between the United States and Mexico, this appropriation shall be the final appropriation, and requests the President to notify Mexico, in effect, that these treaties are to be terminated and abrogated. The clause is as follows:

Provided, however, That this is to be considered as the final appropriation under existing treaties for the maintenance of said commission, and the President is hereby requested to notify the Republic of Mexico that the United States desires to dissolve the commission from and after six months from July 1, 1920.

Both the House and the Senate proposals were confined simply to the function of making appropriations. Neither undertook to legislate or in any wise to change existing law as such law is defined in the existing treaties between the United States and Mexico.

Had either the House proviso or the Senate amendment in any wise undertaken to abrogate the treaties, the conference committee would have had the power to report an amendment germane to either of such provisions, but the proposition of legislation and the proposition of abrogating the treaties with Mexico are not germane to either the House or the Senate bill.

It will not be disputed that the general rule is that the members of a conference may not in their report include subjects not within the disagreements submitted to them by the two Houses. This rule has been well established by a long line of precedents. I beg to call the attention of the Speaker to Hinds' Precedents, volume 5, section 6410, where may be found a ruling by Mr. Speaker Reed. On May 2, 1898, the conference report on H. R. 5975, extending the homestead laws and providing for right of way of railroads in the District of Alaska, was before the House. A point of order was made against the report. It developed that among the Senate amendments was a provision relating to the fisheries question between Canada and the United States. The conferees added a provision for a commission to consider the differences between Canada and the United States in regard to trade relations. The Speaker ruled that the conferees transcended their authority because that matter was not one in dispute between the two Houses. In the same section may be found another decision by Mr. Speaker Reed to the same effect.

Hinds' Precedents, volume 5, section 6418, contains a ruling by Mr. Speaker CANNON to which I desire to direct the attention of the Speaker, and I desire to quote an excerpt from the decision in that case:

Under the act first referred to, of 1882, which is existing law, such detail is prohibited. In the Senate amendment there is no legislative provision repealing the act of 1882 or covering the detail of paymasters' clerks for duty in the Paymaster General's office, nor does anything of that kind appear in the House text which was stricken out by the Senate. It seems quite plain to the Chair that the subject matter of a repeal of the law of 1882 by an express provision or by implication, which contravenes the law of 1882, was not submitted to the conferees as a matter of difference between the House and the Senate. The Chair, therefore, will sustain the point of order as to that amendment.

It will be ascertained from a careful examination of the ruling just referred to that the disagreement of the two Houses on an Army appropriation bill was before the House, and a point of order was made that the conferees had exceeded their authority in including matters in the conference report not in disagreement between the two Houses. The matter agreed upon by the conferees included a provision changing existing law. Mr. Speaker CANNON ruled that there was nothing in the Senate amendment to the House bill containing a legislative provision repealing the then existing law, and that nothing of a legislative character repealing the existing law was contained in the House text which was stricken out by the Senate, and held that the subject matter of a repeal of existing law by an express provision or by implication was not submitted to the conferees as a matter of difference between the House and the Senate, and sustained the point of order.

So in the instant case the terms of the treaties between the United States and Mexico with reference to the International Boundary Commission constitute existing law. They are made so by the very terms of the Constitution and are binding upon the United States and its citizens. The House bill did not undertake to repeal such existing laws through the abrogation of the treaties; neither did the Senate bill. It is thus made to appear that the subject matter of legislation to terminate or abrogate the treaties was considered neither by the House nor by the Senate. Having been considered by neither House, this subject matter could not become the basis of a disagreement between the two Houses, and therefore is not a proper subject for the operation of the powers of the conference committee.

In section 6419, Hinds' Precedents, appears a ruling by Mr. Speaker Henderson which will be found somewhat in point. The House had passed a so-called omnibus claims bill. The Sen-

ate had struck out all after the enacting clause and inserted a new text in the nature of a new omnibus claim bill. The conferees had inserted in their report items for the payment of claims not found in either the House bill or Senate amendment. The Speaker sustained the point of order and held that these items could not be inserted on the theory that they were germane to the general subject matter of claims, but held that since they were contained in neither bill they were not within the scope of the disagreement of the two Houses, and the point of order should be sustained.

It should be clearly borne in mind, however, that in the present case the Senate did not strike out the language of the House bill and substitute entirely new matter in lieu thereof. Under circumstances of that character greater latitude and liberality are allowed. In the present case the Senate simply added language to the House bill. In that state of the record there remains nothing in disagreement between the two Houses except the Senate addition, which was of an appropriating character and in no wise undertook to abrogate a treaty.

Mr. Speaker CLARK, on August 17, 1912, second session, Sixty-second Congress, House Manual, section 942–a, sustained a point of order to a conference report on the naval appropriation bill on the ground that the conferees exceeded their authority by including in the report matters not in disagreement between the two Houses by the addition to a Senate amendmen of the following words: "Of the Navy or Marine Corps," and also by the insertion of the words "with his consent."

On March 2, 1915, third session Sixty-third Congress, House Manual, 942–b, Mr. Speaker CLARK sustained a point of order to a conference committee report on the ship purchase bill, and in doing so said:

> If there is anything settled about conferences between the two Houses it is this: Where two amounts are named and the question is referred to the conferees, they may oscillate as much as they please between the two extremes, but they can not go below the lower amount and they can not go above the higher amount. That applies to sums of money in appropriation bills. This has been ruled so often that it is as familiar as the multiplication table. In tariff bills, where the House suggests one rate on any given article and the other House suggests another rate, the conferees can not go below the lower and they can not go above the higher rate.

The RECORD discloses that the difference between the two Houses was as to the matter of time. The limit of time was fixed at two years and the conferees extended it to three years. The Speaker held that their limit was from zero to two years and that the conferees might agree upon any time between zero and two years but not upon a greater time.

So in this case the House bill contained an appropriation for $5,000. The Senate amendment added to the $5,000 the unexpended balance for the fiscal year 1920. These were the limits of the power of the conferees. They could neither agree upon a sum less than $5,000 nor greater than $5,000 plus the unexpended balance. All that was really in disagreement between the two Houses was the appropriation contained in the Senate amendment of the unexpended balance. The real matter in disagreement was thus restricted to the adoption of the additional appropriation of the unexpended balance, or an agreement upon a sum less than such unexpended balance.

The attention of the Chair is also directed to a ruling by Mr. Speaker CANNON, Hinds' Precedents, volume 5, section 6417. The headlines of this ruling read as follows:

> The managers of a conference must confine themselves to the differences committed to them. Managers of a conference may not change the text to which both Houses have agreed.

At this point I also desire to quote the language of Mr. Speaker Reed, cited in Hinds' Precedents, volume 5, section 6410. It was contended that the introduction by Senate amendment of a subject matter warranted the agreement by the conferees of any matter within the scope of such subject matter, even beyond the disagreement of the two Houses. Mr. Speaker Reed answered that contention in the following language:

> If we were to adopt the idea that when once the subject matter was introduced that was to control, and not the difference between the two bodies, we should be likely to enlarge the powers of the committee of conference rather beyond what was intended by the House. To the Chair it seems the point of order is well taken, and therefore the Chair sustains it.

It is respectfully submitted that the point of order should be sustained, both upon the ground that the report contains matter not considered by either House, and therefore not within the disagreement between the two Houses, and that it attaches legislation to an appropriation bill changing existing law, which is not germane to the Senate amendment.

Mr. PORTER. Will the gentleman yield?

Mr. CONNALLY. I will.

Mr. PORTER. I can probably save the time of the House by conceding the point of order.

Mr. CONNALLY. Very well. If the gentleman concedes the point of order, I presume the Chair will not care to hear further argument.

The SPEAKER. Unless some gentleman wishes to be heard against the point of order the Chair will sustain the point of order. The point of order is sustained.

Mr. PORTER. Mr. Speaker, I move that the House further insist on the disagreement of the House to the Senate amendment to the bill H. R. 11960, the Diplomatic and Consular appropriation bill, and ask for a further conference.

The SPEAKER. The gentleman from Pennsylvania moves that the House further insist on its disagreement to the Senate amendment to the Diplomatic and Consular appropriation bill. The question is on agreeing to that motion.

The motion was agreed to; and the Speaker announced as the conferees on the part of the House Mr. PORTER, Mr. ROGERS, and Mr. FLOOD.

SUNDRY CIVIL APPROPRIATION BILL.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870, the sundry civil appropriation bill.

The SPEAKER. The gentleman from Iowa moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the sundry civil bill. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Minnesota [Mr. ANDERSON] will please take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870, the sundry civil appropriation bill, with Mr. ANDERSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the sundry civil appropriation bill, which the Clerk will report by title.

The Clerk read as follows:

> A bill (H. R. 13870) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes.

The CHAIRMAN. The Clerk will read.

Mr. GOOD. Mr. Chairman, on yesterday we passed over the item in regard to the Board of Mediation and Conciliation on page 31, to be called up to-day. The gentleman from Wisconsin [Mr. ESCH] is present now, and inasmuch as he had as much, perhaps, if not more to do than any other man with the writing of the transportation act, I would like to have him make a statement with regard to this provision that is carried in the bill and the necessity for its continuation, if any.

The CHAIRMAN. The Chair will recognize the gentleman from Wisconsin [Mr. ESCH] on a pro forma amendment to strike out the last word.

Mr. CASEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CASEY. What is the parliamentary situation at present as regards the time and recognition to discuss the question?

The CHAIRMAN. We are now working under the five-minute rule.

Mr. CASEY. We are now proceeding under the five-minute rule?

The CHAIRMAN. Yes.

Mr. CASEY. And the gentleman from Wisconsin is recognized?

The CHAIRMAN. Yes; he will be.

Mr. ESCH. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wisconsin is recognized.

Mr. ESCH. Mr. Chairman, I was not on the floor when the discussion was had yesterday on the motion of the gentleman from Pennsylvania [Mr. CASEY] to strike out the provision in the sundry civil bill for the Board of Mediation and Conciliation. During the consideration of the transportation act in the committee, in subcommittee, and also in conference, this very matter was given very careful consideration. As a result of our deliberations we felt that it would not be wise at this time to put a provision in the transportation act repealing the act creating the Board of Mediation and Conciliation, due to the fact that there are some duties that that board could perform, notwithstanding the provisions in the transportation act creating the Railway Labor Board.

As to the necessity of continuing the Board of Mediation and Conciliation, permit me to read a portion of the testimony

presented before our committee by Mr. W. N. Doak, one of the legislative representatives of the brotherhood, and one who, perhaps, has given more study to the subject of labor disputes on railroads than any other man. In his testimony of July 25, last year, he stated:

> I was asked the other day what I would suggest to be done with the Newlands Act and the Board of Mediation and Conciliation. I stated at that time that I would not interfere with it at all; that there might be cases, there might be times, and certain conditions under which the parties would desire to invoke mediation. If such is the case, I would let it continue. That law has adjusted more disputes, gentlemen, than any other piece of legislation that was ever passed on the face of the earth.
>
> In the Railroad Administration I understand they have mediators that go out in certain cases and use their good offices to bring about adjustments of schedule revision cases, or to make new schedules with some of the railroads where the employees were not organized and had no agreement prior to the period of Government control, and I think it would be just as well to let the Board of Mediation and Conciliation, as provided in the Newlands Act, continue to function in cases of private ownership of railroads after this period of Government control ceases.

That was the statement made by Mr. Doak before our Committee on Interstate and Foreign Commerce on the 25th day of July, and in the consideration of the bill in conference, weighing these words of Mr. Doak and also other testimony, and receiving a written communication from Mr. Chambers, who is at the head of the Board of Mediation and Conciliation, we concluded not to repeal that act but to specifically state in the transportation act that "the powers and duties of the Board of Mediation and Conciliation created by the act approved July 15, 1913, shall not extend to any dispute which may be received for hearing and decision by any adjustment board or the labor board.

It may be inferred from that language that nothing was left to the Board of Mediation and Conciliation. Let me remind you that the act creating the Board of Mediation and Conciliation is confined to common carriers engaged in interstate and foreign commerce, excepting therefrom street car companies. Now, listen to the first section of the labor title, namely, section 300, paragraph 1:

> The term "carrier" includes any express company, sleeping car company, and any carrier by railroad, subject to the interstate-commerce act, except a street, interurban, or suburban electric railway not operating as a part of a general steam railroad system of transportation.

So that if you repeal the act creating the Board of Mediation and Conciliation, you leave no tribunal for the hearing of disputes arising on interurban or suburban electric railways not operating as a part of a steam railroad system.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. ESCH. I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. The gentleman from Wisconsin asks for two minutes more. Is there objection?

There was no objection.

Mr. ESCH. Some of the most intensive strikes in the United States occur upon the electric and interurban lines, and for that reason we felt that we would be justified in leaving that jurisdiction where it has been, under the Board of Mediation and Conciliation.

Mr. CASEY. Mr. Chairman, will the gentleman yield?

Mr. ESCH. Yes; I yield.

Mr. CASEY. Are the railroads just mentioned by the gentleman from Wisconsin engaged in interstate and foreign commerce?

Mr. ESCH. Very many of them are. Many of these interurban lines cross the State boundary lines. Many of them connect large commercial centers with the outlying country in another State. The gentleman has only to consider the case of Toledo, and of Detroit, and of Chicago, and of Kansas City, and of Omaha, and of many eastern cities. There are many electric lines that are interurban, and now if you repeal the act creating the Board of Mediation and Conciliation, you deny them any authority in law to appear before a board and adjust their disputes, because the transportation act specifically excludes them. It seems to me, Mr. Chairman, that there is sufficient for the board to do to justify its existence.

Mr. CASEY. Mr. Chairman, will the gentleman yield again?

Mr. ESCH. I do.

Mr. CASEY. I would like to ask the gentleman from Wisconsin what kind of a dispute may be considered by this Board of Mediation and Conciliation, inasmuch as section 316 of the transportation act provides that they shall not extend to any dispute which may be received for hearing and decision. It does not say "which has been," but "which may be received."

Mr. ESCH. It can not be received if the dispute arises on an interurban or suburban electric line. The act specifically excludes employees on such lines.

Mr. MANN of Illinois. It does not say they might be received.

Mr. ESCH. No. For these reasons the conference committee on the transportation act framed the language as contained in section 316, and believed that there was enough work to do to justify the continuation of the Board of Mediation and Conciliation.

Mr. CASEY. Mr. Chairman, I am not going to intrude on the time of the House to any great extent in discussing this matter further. I said about all I cared to say on this subject yesterday afternoon. Judge Chambers called at my office about 11.30 this morning and left with me a memorandum, which I have read over hurriedly. I talked with him about the points that came out in the discussion in the consideration of this matter yesterday, and after discussing it with him for about 30 minutes I am more strongly impressed than I was yesterday that there is conflict between these two boards, and that there are bound to be conflicts from time to time.

Judge Chambers cited to me order No. 1 and decision No. 1 of the labor board about a case that would not be considered by the board until they had used all available means. I asked him to kindly cite to me the case he had in mind, and he said that they had offered their services to an organization in Buffalo, of which Mr. Heberling, of the switchmen, is president. I asked him what would be their position, what functions their board could exercise in that case. He said, "Our first move would be to try to get the men who left Mr. Heberling's organization back into it as a matter of conciliation." I asked him if he believed that was a proper function of a governmental board—to go out and tell men who left an organization to go back into it.

I also asked him why, if his statement was correct, the labor board is now considering the grievances of the railroad employees of the country directly without going to his Board of Mediation and Conciliation. Of course, there is no answer to that question. What happened? The bipartisan board provided for in the transportation act met. They could not come to an agreement, and the railroad executive refused to proceed further with the negotiations and took an appeal direct to the labor board, as provided for in the transportation act. They did not go to the Board of Mediation and Conciliation, which, we are told, they must go to before they have exhausted all available means, and I am satisfied in my own mind that there is a conflict between these two boards which is bound to cause trouble; and, as I stated yesterday, if this labor board is going to amount to anything, if it is going to be able to function properly, then all authority over these disputes should be centered in that board. Otherwise I am of the opinion that we are going to have trouble.

I asked Judge Chambers this further question: "Do I understand that your board takes the position that if their employees and the railroad executives, after negotiations for several days or weeks, finally arrive at the conclusion that they can not come to a settlement, and either or both sides then appeal directly to the labor board, that the labor board will refuse to accept jurisdiction and will say to those people, 'You have not exhausted all available means. You must go to the Board of Mediation and Conciliation?'" He left me under the impression that that was the interpretation that they placed upon the order and decision of the labor board.

I asked him further, if that were true, what authority this Board of Mediation and Conciliation had to handle the question of wages. Then he said that he could readily see where there would be use for the Board of Mediation and Conciliation in settling disputes after an award had been made, as to whether or not the wages as granted in that award were being paid and the award complied with.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CASEY. I ask unanimous consent that I may proceed for five minutes more.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. CASEY. I wanted to know from him what authority they had to administer an award made by the labor board. I asked him if he did not think that the best tribunal to administer an award was the board that rendered the decision after hearing the testimony in the case.

So I say to you frankly, my friends, that, notwithstanding the conference I had with Judge Chambers this morning, I am still of the opinion that there is a useless duplication of work and conflict of authority that will breed discontent and

trouble on the railroads of the country; and in the face of the language of the transportation act, as I understand it, in the face of the facts as presented, and in the face of the statements made by the gentleman from Wyoming [Mr. MONDELL] and the gentleman from Iowa [Mr. GOOD] as to the economy plan of this Congress, I am satisfied if you believe that this is a part of your economy plan to appropriate $35,000 for a board that will do no good but just cause conflict and trouble in the country, you may do it if you wish, but you shall not do it with my vote.

Mr. MANN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CASEY. Yes.

Mr. MANN of Illinois. Does the gentleman know of any instance where a Government commission or board having been created and then another one created to do the same work, the first one was abolished?

Mr. CASEY. I do not know of such a case, but I think it is about time we were doing just that thing.

Mr. MANN of Illinois. That may be, but I just wondered if it was ever possible to abolish a useless office.

Mr. CASEY. I am trying to do it.

Mr. MANN of Illinois. Well, I agree with the gentleman.

Mr. MAGEE. Mr. Chairman, I would like to say a few words upon this proposition.

The CHAIRMAN. The gentleman from New York moves to strike out the last two words.

Mr. MAGEE. Mr. Chairman, this matter is very important, and I would be the last one to say a word in behalf of the Board of Mediation and Conciliation if I were convinced that there are no duties for such board to perform.

I called up the Board of Mediation and Conciliation, and I have here a statement which has been submitted by the board, which I would like to have go into the RECORD as a part of my remarks.

The documents herewith show the outline and to a considerable extent the details of the work of the board since its creation. Practically every railroad in the country and all employees connected with transportation have been directly involved in this work. Investigation will show the comprehensiveness, the speed, and the generally satisfactory way in which the work has been accomplished. The work has been peculiarly in the public interests, and during the six years or more of the life of the law and its administration there have been less than a half dozen strikes resulting in the cessation of train movement. The work of the board representing the public interests and accomplishing these results has no doubt incurred the hostility of certain interests at times.

There is no conflict between this law and this board and the recently enacted Esch-Cummins law and the board established under it. Section 301 of the "transportation act" provides:

> It shall be the duty of all carriers and their officers, employees, and agents to exert every reasonable effort and adopt every available means to avoid any interruption to the operation of any carrier growing out of any dispute between the carrier and the employees or subordinate officials thereof.

It is clear from this language that the parties to a railroad labor controversy must be able to show to the Railroad Labor Board whenever a complaint reaches that board that they have directly exerted "every reasonable effort" and if those direct efforts have failed that they have adopted "every available means" to avoid any interruption, and so forth. The words "every reasonable effort" undoubtedly apply to the direct negotiations between employer and employees. The words "adopt every available means" include the employment of every and all agencies authorized by law to assist in these adjustments; and it is in this connection that the services of the Board of Mediation and Conciliation are most effective. The records of the board show that more than nine-tenths of the controversies which have been settled in the past have never gone beyond the mediation stage. Arbitration is only resorted to as a final expedient.

This statement is also in conformity with the view of the law as interpreted and announced by the United States Railroad Labor Board in Order No. 1 of that board, dated April 19, 1920, in the first clause of which it is stated:

> As it is further contemplated and provided by the law that pending such conference, reference to and hearing by this board it shall be the duty of all carriers, their officers, their employees, and agents to exert every reasonable effort and adopt every available means to avoid any interruption to the operation of any carrier growing out of any such dispute; therefore this board will not receive, entertain, or consider any application or complaint from or by any party, parties, or their representatives who have not complied with or who are not complying with the provisions of the law or who are not exerting every reasonable effort and adopting every available means to avoid any interruption to the operation of any carrier growing out of any dispute between the carrier and employees.

Decision No. 1 of the United States Railroad Labor Board declining an application for hearing recites the following:

> It does not show that the applicant had exerted every reasonable effort and adopted every available means to avoid any interruption to the operation of the carriers.

There is no reason to anticipate any conflict between the two boards, and there is every reason to anticipate that they will work in harmony, which has already been indicated in conferences between certain members of the respective boards, and it is recognized that the Railroad Labor Board, if applied to by the parties to the controversy, can take up the case which the mediation board has not been able to adjust through its assistance in direct negotiation.

The CHAIRMAN. The gentleman from New York asks unanimous consent to insert in the RECORD as a part of his remarks the statement referred to. Is there objection?

There was no objection.

Mr. MAGEE. I took the matter up with the gentleman from Wisconsin [Mr. ESCH], chairman of the Committee on Interstate and Foreign Commerce, and he stated to me, as he has stated in the House, that in his opinion sufficient reason exists for the continuation of this board. I also called up the Railway Labor Board and talked with Mr. Hanger, a member of that board, and asked him if he would give me a statement to present to the House of their views on the matter. He took it up with the board and afterwards stated to me that the position of the board is that, the matter not having been called to their attention before so that they could give it sufficient consideration, the board is reluctant to make any expression at all in the matter. He stated to me that the members of the board think that the House ought to get this information from the committees of Congress which had charge of the railroad bill.

The gentleman from Wisconsin [Mr. ESCH] has given his views in the premises. So far as we are concerned the fact remains that the Congress created a Board of Mediation and Conciliation and the act has not been repealed.

Mr. NOLAN. Will the gentleman yield?

Mr. MAGEE. I will.

Mr. NOLAN. Did Judge Chambers give you any idea of any considerable number of strikes or controversies settled between interurban lines or suburban lines?

Mr. MAGEE. I did not talk with Judge Chambers, but his communication refers to certain tables which I understand show a record of their work. The judge said in his statement that the records of the board show that more than nine-tenths of the controversies which have been settled in the past have never gone beyond the mediation stage, and that arbitration was the last resort.

Mr. NOLAN. The reason why I ask the question is that we have another board that deals with street railways, whether they are in the limits of the State or outside the State. That is the board connected with the Department of Labor.

Mr. MAGEE. I understand that. My point is that it seems to me that as far as the House is concerned we ought to proceed in a logical and orderly manner. Two great committees of Congress had under consideration railroad legislation, and the members of those committees ought to know more about the proposition than other Members who have not given it study, and I admit that I am not competent to speak on the proposition.

Mr. BEGG. Will the gentleman yield?

Mr. MAGEE. Certainly.

Mr. BEGG. Can the gentleman tell us why the railroad bill excluded the interurban lines; why the trouble on the interurban lines could not be settled the same as on the steam lines?

Mr. MAGEE. The gentleman had better put his question to the gentleman from Wisconsin [Mr. ESCH].

Mr. ESCH. If the gentleman will yield, we eliminated the interurban lines all through the bill, because we did not want them subjected to some other provision, like extending it to the provision for securities issues.

Mr. BEGG. The gentleman has hardly answered my question, other than to say that they were included on account of other provisions. Since they are eliminated, is it necessary to maintain two governmental agencies, at a big expense, to do the same piece of work?

Mr. ESCH. We knew that the Board of Mediation and Conciliation had jurisdiction.

Mr. BEGG. Could not the Labor Adjustment Board provided for in the steam-railroad bill settle the railroad problem on the interurban lines?

Mr. ESCH. If they were given the job, they would tackle it, I have no doubt; but they have enough to do as it is.

Mr. MAGEE. The members of the two committees of Congress having charge of railroad legislation in their wisdom have

seen fit not to repeal the act creating the Board of Mediation and Conciliation, but to continue it. Section 11 of the act creating the Board of Mediation and Conciliation provides that there shall be a Commissioner of Mediation and Conciliation, who shall be appointed by the President, by and with the advice and consent of the Senate, whose salary shall be $7,500 per annum, who shall hold office for a term of seven years, and until a successor qualifies, and who shall be removable by the President only for misconduct in office.

Mr. CASEY. Will the gentleman yield?

Mr. MAGEE. Yes.

Mr. CASEY. Does the gentleman mean to say that because of the act creating this position that Congress could not do away with this position when they provide another tribunal to do the work?

Mr. MAGEE. The gentleman certainly does not mean to intimate that he does not fully appreciate what his proposition means. I am giving facts. I have been seeking information, and I am giving that information to the House; that is all.

Mr. BEE. Will the gentleman yield?

Mr. MAGEE. Yes.

Mr. BEE. Is this man Mahany, that we see so much about in the papers, a member of this board?

Mr. MAGEE. No; he is on an entirely different board. I understand there is a Board of Mediation and Conciliation in the Department of Labor that has jurisdiction of industrial disputes. But this board has jurisdiction only in railroad matters.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MAGEE. Mr. Chairman, I ask for three additional minutes.

The CHAIRMAN. The gentleman from New York asks for three minutes more. Is there objection?

There was no objection.

Mr. MAGEE. The proposition is a complex one, and I am not competent to say, as the distinguished chairman of the Committee on Interstate and Foreign Commerce can say, whether it is wise to strike the proposed paragraphs from this bill. What I do say is that if you do, then your action amounts to this, that you starve a duly constituted body to death, one created by statute, one preserved and continued by the railroad act which you supported and voted for.

Mr. LAYTON. The gentleman's idea is that we should have three governmental functions for the settlement of labor disputes?

Mr. MAGEE. That is not my idea at all. My idea is that if we do not believe that there is sufficient cause for the existence of this board, then we should proceed in the usual and orderly way and repeal the act, which has been especially preserved in the railroad act.

Mr. LAYTON. If we do not sustain the motion to strike out of this bill that provision, then, in effect, we will have three governmental agencies for the settlement of disputes—one for the railroads, one for the trolley lines, and, I suppose, one for industrial matters in the Labor Department.

Mr. MAGEE. They settle different kinds of disputes, as was pointed out by the gentleman from Wisconsin [Mr. ESCH].

Mr. LAYTON. If that is a good idea, why not have a special conciliation board for the cotton workers and another for the woolen workers, and so on?

Mr. MAGEE. The gentleman is considering one phase of the proposition and I am considering another. What I say is that this is not the proper way, in my judgment, to get rid of the Board of Mediation and Conciliation, if we consider that there is no longer reason for its continuance. The proper way, if you are going to do it, is to repeal the act that created it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. CASEY) there were—ayes 35, noes 57.

Mr. CASEY. Mr. Chairman, I demand tellers.

The CHAIRMAN. The gentleman from Pennsylvania demands tellers. Those in favor of taking this vote by tellers will rise and stand until counted. [After counting.] Sixteen Members have risen, not a sufficient number, and tellers are refused.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read the second paragraph of the matter that was reverted to.

The Clerk read as follows:

Authority for incurring expenses, including subsistence, by boards of arbitration shall first be obtained from the Board of Mediation and Conciliation.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

The expenses of the United States Shipping Board Emergency Fleet Corporation, during the fiscal year ending June 30, 1921, for administrative purposes, the payment of claims arising from the cancellation of contracts, damage charges and miscellaneous adjustments, maintenance and operation of vessels, and the completion of vessels now under construction, shall be paid from the following sources: (a) The amount on hand July 1, 1920; (b) the amount received during the fiscal year 1921 from the operation of ships; (c) not to exceed $15,000,000 from deferred payments on ships sold prior to the approval of this act; (d) not to exceed $25,000,000 from plant and material sold during the fiscal year 1921; and (e) not to exceed $30,000,000 from ships sold during the fiscal year 1921: *Provided*, That, after the approval of this act, no contract shall be entered into or work undertaken for the construction of any additional vessels for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation.

Mr. BYRNS of Tennessee. Mr. Chairman, I offer the following amendment which I send to the desk and ask to have read:

The Clerk read as follows:

Amendment offered by Mr. BYRNS of Tennessee: Strike out the paragraph and insert the following:

"For expenses of United States Shipping Board Emergency Fleet Corporation, for administrative purposes, the payment of claims arising from the cancellation of contracts, damage charges, and miscellaneous adjustments, maintenance and operation of vessels, and the completion of vessels now under consideration, $197,500,000, which sum, together with the amount of the cash on hand on June 30, 1920, shall constitute the amounts which may be expended by the said corporation during the fiscal year 1921 for the purpose herein set forth: *Provided*, That all moneys received by the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation during the fiscal year 1921 and thereafter, shall not be available for expenditure for any purpose whatsoever, and shall be covered into the Treasury of the United States as miscellaneous receipts."

Mr. BLANTON. Mr. Chairman, I make the point of order on the amendment.

Mr. GOOD. Mr. Chairman, I reserve the point of order.

Mr. BYRNS of Tennessee. Mr. Chairman, let us have the point of order disposed of first.

Mr. BLANTON. I make the point of order.

The CHAIRMAN. Does the gentleman from Tennessee desire to be heard on the point of order?

Mr. BYRNS of Tennessee. I do not think there is any portion of the amendment that is subject to the point of order.

Mr. BLANTON. It is new legislation on an appropriation bill, unauthorized by law.

Mr. BYRNS of Tennessee. It simply means an appropriation for the expenses of the Shipping Board, which is authorized by law.

Mr. JUUL. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk again reported the amendment.

Mr. GOOD. Mr. Chairman, I withdraw the reservation of the point of order. The only portion of the amendment that is subject to the point of order is the proviso, and if the amendment should be agreed to, I think the proviso ought to be agreed to also.

The CHAIRMAN. The gentleman from Texas made the point of order.

Mr. BLANTON. Mr. Chairman, I understand that the distinguished gentleman from Tennessee [Mr. BYRNS] and the distinguished gentleman from Massachusetts [Mr. GALLIVAN] made strenuous efforts before the committee to get this amendment in the bill. The committee saw fit to vote them down and not permit it to go into the bill. I do not know what change of heart has come over the distinguished chairman of the committee.

Mr. BYRNS of Tennessee. I think the chairman is not in favor of this amendment.

Mr. GOOD. Not at all.

Mr. BYRNS of Tennessee. And even if I were to concede what the gentleman says, this is in the nature of an appeal from the committee to the House.

Mr. GOOD. I am opposed to the amendment.

Mr. BLANTON. The gentleman knows, if he is opposed to the amendment, that the proviso is subject to the point of order, and that because of that fact the whole amendment is subject to the point of order.

Mr. GOOD. But the gentleman from Tennessee could offer the amendment again without the proviso, and if the amendment should prevail certainly the proviso ought to prevail.

Mr. BLANTON. Does the gentleman believe that he has force enough to vote it down?

Mr. GOOD. Oh, I think so, unquestionably.

Mr. BLANTON. Mr. Chairman, I withdraw the point of order.

Mr. JUUL. Mr. Chairman, I desire to ask the gentleman from Tennessee a question, as a plain Member of the House who has to vote on this bill. I want the gentleman to state

to the House what will be the difference in dollars between the amendment of the gentleman and the bill as now printed.

Mr. BYRNS of Tennessee. I shall undertake to state that.

Mr. GOOD. Mr. Chairman, can we not agree as to time for debate on the gentleman's amendment?

Mr. BYRNS of Tennessee. I think there are several gentlemen who want to discuss it one way or the other.

Mr. GOOD. The gentleman realizes that we have read so far only 43 pages of the bill.

Mr. BYRNS of Tennessee. I think if the gentleman will let us proceed for a little while, we could then come to some agreement. I do not think there will be much discussion over here.

Mr. GOOD. Can we agree on 20 minutes of debate, 10 minutes on a side?

Mr. BYRNS of Tennessee. I would like to have 10 minutes myself, and that is all I shall ask. The gentleman from Massachusetts [Mr. GALLIVAN], a member of the subcommittee, and the gentleman from New Jersey [Mr. EAGAN], a member of the committee, want to discuss it, and I understand the gentleman from Texas [Mr. BEE] desires five minutes.

Mr. WALSH. Oh, we can not have two or three hours of debate upon this one amendment. There ought to be five minutes of debate for and five minutes of debate against.

Mr. BYRNS of Tennessee. I think the matter is of a great deal more importance than the gentleman from Massachusetts seems to indicate.

Mr. GOOD. I realize the fact that the gentleman's amendment carries about $197,000,000 and is of enough importance to take a little time in debate.

I ask unanimous consent that debate on this paragraph and all amendments thereto be limited to 30 minutes.

Mr. BYRNS of Tennessee. But I would like to have 10 minutes——

Mr. GOOD. Say 40 minutes.

Mr. BYRNS of Tennessee. I think, in view of this amendment and the appropriation carried for the Shipping Board, involving about $200,000,000, to undertake to limit debate upon what I conceive is a question of policy on the part of this House as to the manner in which appropriations shall be made for the Shipping Board is asking too much to limit debate merely to 30 minutes upon the amendment. I would like to have at least 10 minutes.

Mr. GOOD. Will the gentleman agree to 40 minutes?

Mr. BYRNS of Tennessee. I would like to have 10 minutes myself, and I propose to ask the House to give me that time, and here are several gentlemen who desire to get time.

Mr. GOOD. Will the gentleman agree to 40 minutes—20 minutes to a side?

Mr. BYRNS of Tennessee. I can not agree to that with these gentlemen here who desire to discuss the matter.

Mr. GOOD. The gentleman will realize that we must get along. I have no desire to cut down——

Mr. BYRNS of Tennessee. Can the gentleman give 30 minutes to this side?

Mr. GOOD. Yes. Mr. Chairman, I ask unanimous consent that debate upon this paragraph and all amendments thereto be limited to one hour, one-half the time to be controlled by the gentleman from Tennessee and one-half by myself.

Mr. HARDY of Texas. Mr. Chairman, I would like to ask that the time be made an hour and 10 minutes so that the gentleman from Tennessee may have 10 minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that debate upon this paragraph and all amendments thereto be limited to one hour, one-half of that time to be controlled by the gentleman from Iowa and one-half by the gentleman from Tennessee. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. Mr. Chairman, I approach the discussion of this amendment with some little degree of diffidence, in view of the statement made by the gentleman from Iowa [Mr. GOOD] that it will unquestionably be voted down, for I presume he speaks with authority from his side. I have offered this amendment in the interest of what some of us believe to be a proper administrative policy with reference to appropriations made not only in behalf of the Shipping Board but in behalf of all other governmental activities. I am sure that all of us will concede that it is good administration and good business to make direct appropriations for governmental agencies where it can be done rather than to give those agencies an opportunity to reach into various reservoirs and receipts for the money necessary to carry them on during the fiscal year, and that is one of my principal objections to the provisions of this bill in reference to the Shipping Board.

Now, if the gentleman from Iowa is correct in his figures he set forth in the speech which he made under general debate upon this bill, there is very little difference in the amount that is proposed to be appropriated by this amendment and the amount carried by the bill. For instance, the gentleman from Iowa makes available the unexpended balance upon July 1, which, according to him, will amount to $61,000,000. He then makes available all receipts during the next fiscal year by way of operation, and, according to his statement, that will include something like $70,000,000, which the Shipping Board states will be collected from the War Department on account of services heretofore rendered. It may amount to more, for it is claimed that the War Department owes the board over $100,000,000. In addition to that, the provisions in the bill make available $15,000,000, which they say they will collect during the next fiscal year on deferred payments on ships heretofore sold. In addition to that, it makes available not exceeding $25,000,000, which the Shipping Board expects to derive through the sale of surplus material in plants, and so forth, in various parts of the country. In addition to that, the provisions in the bill make available $30,000,000, or not exceeding that amount, from the sale of ships which will be made during the next fiscal year. The total amount as set forth by the gentleman from Iowa as carried in this bill under this kind of appropriation is $200,000,000, and there may be added to that such net income as the Shipping Board may receive during the fiscal year from its operations. Now, they made $8,000,000 during the first three months of this year. It is true, as Mr. Gillan states, that they may not realize that much during the next fiscal year; but if they have a net income at that rate during the next fiscal year they will derive from that source $32,000,000. So if you concede that they will make something out of their operations during the next fiscal year, taking that with what is set forth by the gentleman from Iowa, then the provisions of this bill make available the sum of at least $232,000,000, and a greater amount if the collections from the War Department should exceed $70,000,000. Now, the amendment proposed seeks to appropriate directly the sum of $197,500,000 and whatever balance they may have on July 1. I have offered this amendment, as I say, simply in the interest of what I believe to be good administration. I do not believe, gentlemen, that it makes for efficiency and economy, I do not believe that it makes for good conduct in office, to make indirect appropriations and permit a department or any other agency of the Government to reach into this reservoir and into that reservoir for the amount of money necessary to expend during the next fiscal year when Congress can determine what they should have. Certainly this Shipping Board has been in existence long enough to determine what it will need, and we ought to appropriate for it whatever money it needs and say to it that any receipts received during the fiscal year shall be covered into the Treasury as part of its miscellaneous receipts. In no other way can you keep a proper check upon governmental expenditures. As I understand, it has always been the policy of the Congress in all of its appropriations to make direct appropriations and let the Government and the people know just what amount of money is appropriated and what amount will be expended in order that, if a request is made for more money or when they come back to give an account of what money they have spent, the Congress may know what money they have had and know how to check them up. Now, there is another objection I have to the provision as offered by the gentleman. I am in favor of the sale of all these ships. I think we all agree upon that. I want to see these ships sold just as soon as it is possible to sell them, providing a fair and reasonable price is obtained for them and provided there is a guaranty that they will fly the American flag. The people of this country have spent about $3,000,000,000 in building up a great and magnificent merchant marine. I do not want anybody to say that Congress has taken action which may result in depriving the people of the advantages of a merchant marine which the people of this country have desired for so long a time and which means so much in the development of our wealth and resources.

Now, what do you do? You do just what one gentleman who appeared before the committee said he wanted done. He said, "We want you to put us in a position to force the sale of these ships and force us to make the money with which to carry us on." I do not object, as I say, to selling the ships. On the contrary, I want to see these ships sold, but I do not want to put them in a position where they will be compelled to sacrifice those ships at a small value in order to derive the money necessary to carry them on during the next fiscal year. I would dislike very much to see the Shipping Board in a position where it would be compelled to sell ships at a less value than it ought to obtain for them in order to secure the necessary revenue and permit the board to say to the country if criticism results,

"We had to do it because Congress did not give us the money; we had to sell in order to get the money to carry on our operations and the various activities of the board." And that is one of the great objections I have to this form of appropriations. I believe we ought to appropriate directly what money they will need, and then say to them to proceed with the operation and the sales of these ships, and hold them responsible.

Now, it is unfortunate, exceedingly unfortunate, that this Congress has not established a shipping policy. Since the armistice was signed possibly $1,600,000,000 has been spent or appropriated for this Shipping Board, if I mistake not. Congress has been in session for practically a year, and some shipping policy should have been heretofore adopted by Congress with reference to the sales of ships and with reference to what course shall be followed by the Shipping Board in the maintenance of those ships. But that has not been done, just as Congress has failed to act on many other needful reconstruction measures. There has been a bill introduced recently in the Senate, with the approval of the Senate Commerce Committee, which proposes to establish a policy for this Shipping Board. But until that is done, until Congress has established such a policy, it seems to me the wisest course and the most economical course, the most efficient course, is to appropriate whatever money is necessary for this Shipping Board to maintain itself during the next fiscal year. I understand that the bill introduced in the Senate provides for the sale of all these ships at the earliest practicable date. That proposition, I am sure, will meet with little if any opposition, but we by this method of appropriation are about to put the Shipping Board in a position where they will not have discretion to wait for a reasonable price or a practicable time in the event their money runs short. It is for these reasons that I have offered this amendment, and I hope it will be adopted. [Applause.]

Mr. JUUL. Mr. Chairman, I rise to a point of order.

Mr. GOOD. Will the gentleman from Tennessee use some more time on that side?

Mr. JUUL. Mr. Chairman, we are trying here to appropriate $200,000,000 to establish a policy for the Shipping Board. I raise the point of order that there is no quorum present. I think the Members ought to be here.

Mr. GOOD. I hope the gentleman will not do that.

The CHAIRMAN. The Chair will count. [The Chairman proceeded to count.]

Mr. JUUL. Mr. Chairman, if I may, I withdraw the point of order. I see gentlemen coming in.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GOOD].

Mr. GOOD. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. MAGEE].

Mr. MAGEE. Mr. Chairman, the subcommittee on the sundry civil bill gave pretty full hearings upon this proposition. Representatives of the Shipping Board appeared before the subcommittee and stated their views. After full consideration of the matter the committee acted as seemed best to them and in the public interest. We think that these ships ought to be sold by the Shipping Board as rapidly as sales in the public interest can be made, and I think that the distinguished gentleman from Tennessee [Mr. BYRNS] agrees with me in this contention.

We have provided in this bill what we consider reasonable amounts for the expenditures of the board. It seemed better to us to provide in the ways mentioned in the bill than to make a lump-sum appropriation. In other words, it will require a good many millions of dollars for the continuation of the work of this board for the coming fiscal year. We thought that it would be much better to have the Shipping Board active, especially as to sales of these ships, while there is a good market and before that market becomes depressed, than to make a large appropriation to be paid by the taxpayers of the country.

The plan provided in this bill is along the line of economy adopted by the House. We believe that in every possible way we should economize in public expenditures and should impress this view of economy in every way that we can upon every board and upon every department of the Government. And, so far as I am personally concerned, in the matter of taxation I think that if we are to do anything, we should revise taxation downward and not upward.

If we can encourage the board to adopt the policy of selling these ships upon the present market, we think that is the best way to subserve the public interest, and it has been that policy of economy that has controlled the judgment of the committee in making the provisions that are contained in this bill.

Mr. HARDY of Texas. Will the gentleman yield for a question?

Mr. MAGEE. Yes.

Mr. HARDY of Texas. Does not the gentleman think they ought to be limited in the sale of these vessels to obtaining an amount that would at least be equal to what it would require to replace the vessels? And if under the conditions of this bill you have forced a sale which is an emergency sale, and they should sacrifice the ships in order to continue their operations, would not Congress be much to blame for it?

Mr. MAGEE. Well, I do not agree with the gentleman, because we have not only in this country, but in Great Britain, I would suggest to the distinguished gentleman from Texas, a standard of cost of production which is constanly varying. We can not expect to sell our ships above the standard of cost of production.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JUUL. Mr. Chairman, I desire that the gentleman have a minute more in order to answer a question.

Mr. GOOD. I yield another minute to the gentleman.

Mr. JUUL. The committee's report here shows that you are reducing by $100,000,000 the authorization for construction of ships. Could the gentleman tell me what proportion of this amount of money is now expended and what proportion is still to be expended for construction?

Mr. MAGEE. The question as to that particular item should be addressed to the chairman of the committee.

Mr. JUUL. The committee report shows that you are reducing the appropriation by $100,000,000.

Mr. GOOD. Those are contract authorizations, where the contracts have not been let for new ships.

Mr. JUUL. What proportion of this amount is yet to be expended?

Mr. GOOD. All of that will not be expended. It has been cut out. We have passed on that.

Mr. GALLIVAN. I am very sorry that my distinguished colleague [Mr. MAGEE], who is my associate on the subcommittee on this sundry civil bill, evidently does not quite grasp the full meaning of the amendment offered by the gentleman from Tennessee [Mr. BYRNS]. That amendment takes no money out of the Treasury of the United States, and there is no question of economy involved, as the remarks of my friend who has just spoken would indicate. We are dealing solely with a question of policy, and I fear that the House does not as yet understand this to be a fact.

During the fiscal year ending June 30, 1921, the Emergency Fleet Corporation will need at least the amount specified in the Byrns amendment in order to complete the construction program, to adjust cancellation claims and other claims, for all other administrative purposes, and to recondition the former owned German liners, if the Shipping Board decides to change its present attitude with reference to this class of ships. I am one of those who never were and who are not yet satisfied with the manner in which the expenses of that board are provided for in the language of the bill before us. I prefer the amendment offered by my colleague, and if the House would give it nonpartisan consideration, I have not the slightest doubt but that it would be adopted overwhelmingly.

I regret that debate on this amendment has been limited, because there are many things that could be said for the proposed change in the bill which must remain unsaid. While I am on my feet, however, I want to go on record as one of those who are not in agreement with what some of the previous speakers have alleged to be the prevalent sentiment in this House, and that is that all these ships, including the German liners, should be sold now.

I do not believe in a forced sale, and I fear that we are up against that very thing if we proceed to put these German liners on the market. I know that the Shipping Board has not asked Congress to give it any money for reconditioning these ships, but the Byrns amendment provides a very substantial amount for this very purpose, and that is one reason why I advocate its adoption. These ships ought to be reconditioned before they are put on the market, so that they shall not be sold at a sacrifice.

Let us not forget, my colleagues, that these ships were considered the best of their kind in the world before the war. They were taken from an enemy. We spent millions of dollars on them, and they carried hundreds of thousands of our boys over to France and then brought them back from the battle fields of Europe in safety. These ships contributed in no mean degree in saving modern civilization from the militarism of the Kaiser. Naturally these facts have had much to do with creating a pronounced sentiment among the American people against the sale of the ships to any foreign corporation.

If the Government continues to own and operate these ships, I feel confident that we will help to develop a genuine service,

and we will soon have it on a paying basis. Then the ships can be disposed of at least for all they have cost us, if not more, under such restrictions and upon such terms as will not only insure the maintenance of the service, but their continuance under our flag.

I am one of those who believe that we should make a renewed effort to develop our trade and extend our commerce. England has already started to do everything possible to aid her business interests and to maintain her former trade. America can and ought to have a large portion of the world's trade in the hands of her people if she will only make a determined effort to get it. This is not the time to hamper the Shipping Board, which, although it may have made mistakes, is now trying to recover from those mistakes and to do its level best to develop the trade of this Republic. [Applause.]

The CHAIRMAN. The gentleman from Massachusetts yields back two minutes. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. GOOD. Mr. Chairman, will the gentleman from Tennessee use some more of his time?

Mr. BYRNS of Tennessee. How many more speeches have you on that side?

Mr. GOOD. Two or three.

Mr. GALLIVAN. Let us have one of them.

Mr. GOOD. I yield to the gentleman from Wyoming [Mr. MONDELL] five minutes.

The CHAIRMAN. The gentleman from Wyoming is recognized for five minutes.

Mr. MONDELL. Mr. Chairman, I can readily understand the hesitation of the gentlemen on the other side. There is no argument to be made on the amendment. The gentlemen are therefore reluctant to appear in support of it. I am not surprised at that. There is still virtue on that side of the House. [Laughter.] Perhaps not so much, but some.

Mr. GALLIVAN. It has absolutely disappeared on the other side. [Laughter.]

Mr. MONDELL. There are two fundamental and conclusive objections to this amendment. First, it places in the hands of the Shipping Board about $100,000,000 more than it ought to have. That is the first objection—$100,000,000 more than it needs. Many of the Members on the Democratic side have heretofore patriotically supported us; the majority of them have supported us in our plan and purpose of economy. The gentleman from Tennessee [Mr. BYRNS] in the main has, but he has suddenly broken out in extravagances at this late hour in the session and wants to give the Shipping Board $100,000,000 more than it needs and more than it ought to have.

That is the first objection. The second objection to the amendment is that instead of putting the Shipping Board on its metal, instead of compelling the Shipping Board to collect the sums due it, instead of compelling the Shipping Board to do business in a businesslike way in order to get the money needed for its operations, it is proposed to go down into the pockets of the American people for a couple of hundred millions of dollars and leave the Shipping Board without incentive to either collect the sums due it or to make the ordinary efforts that should be made in the course of business and secure in that way sums needed for expenditure.

Now, either of those objections is conclusive. First, the appropriation is excessive in the sum of about $100,000,000. It may not seem so much to some gentlemen, but we are finally waking up to a realization of the fact that $100,000,000 is a sum worthy of consideration.

Mr. BYRNS of Tennessee. Now, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. BYRNS of Tennessee. This bill as reported by the committee, and for which the gentleman stands, carried a possibility of $232,000,000 in itself. Does the gentleman propose to offer an amendment to cut that down?

Mr. MONDELL. The amendment offered by the gentleman would carry with it the possibility of an expenditure of more than $325,000,000.

Mr. BYRNS of Tennessee. Oh, I beg the gentleman's pardon.

Mr. MONDELL. There is no question about that.

Mr. BYRNS of Tennessee. It is a question of mathematics.

Mr. MONDELL. I am entirely right; if I had the time I could give the details. The chairman of the committee will give the gentleman the details. I am sure he will do that. I could do it if I had the time.

It is $100,000,000 more than is necessary. Then it takes it all out of the pockets of the American people and leaves the Shipping Board free to pursue the even tenor of its way, without collecting the sums due it from the Army, without collecting the sums due it from other sources, without making any sales or transfers, safe, secure, serene, floating on the boundless sea of Federal munificence, dragging hundreds of millions of dollars out of the pockets of the people, instead of doing business and getting its money in a businesslike way. Now, just why in a momentary lapse of virtue the gentleman from Tennessee [Mr. BYRNS] should take this peculiar shift of view I do not understand; but I am satisfied that no gentleman on either side who understands the facts in the case will vote for the amendment.

Mr. BYRNS of Tennessee. I yield five minutes to the gentleman from South Carolina [Mr. BYRNES].

Mr. BYRNES of South Carolina. Mr. Chairman, the gentleman from Wyoming [Mr. MONDELL], in saying that we had a little virtue left on this side of the House, said a great deal more than could be said for his side of the House this morning. [Laughter.] The truth is that among his virtues to-day the virtue of accuracy can not be included. In fact I believe if he were pressed to tell the truth, he would state that he was not in the House when the amendment of the gentleman from Tennessee [Mr. BYRNS] was read and that he had not read the provision in the bill. He proved the correctness of my statement when he said to the House that the amendment of the gentleman from Tennessee [Mr. BYRNS] involved an expenditure of $332,000,000.

Mr. MONDELL. No; I said $325,000,000, but I stand corrected. I think it probably would involve that.

Mr. BYRNES of South Carolina. I will take it at $325,000,000. The amendment of the gentleman from Tennessee [Mr. BYRNS] provides a specific appropriation of $197,000,000 and the balance on hand, and if the gentleman from Wyoming says there will be a balance on hand of $150,000,000, I challenge him to point out any testimony in justification of his statement.

Mr. MONDELL. Does the gentleman claim there is anything in the amendment of the gentleman from Tennessee that would prevent them from collecting the sums due from the Army and using those sums?

Mr. BYRNES of South Carolina. There is absolutely nothing in the amendment of the gentleman from Tennessee that would justify the expenditure of more than $197,000,000 and the balance on hand, which amounts to $55,000,000. Then turn to the statement of the gentleman from Iowa [Mr. GOOD] made in the general debate, and you will find on page 6416 of the RECORD that he stated that this bill as it now stands carries $200,000,000. Then where is the economy? Certainly there can be no economy except as to the difference between the amount that is carried in this bill of $200,000,000 and the amount that the balance on hand causes the total under the amendment to exceed $200,000,000.

But here is the position that we take: It is the position that has always been taken by the gentleman from Wyoming [Mr. MONDELL] as long as he was a member of the Committee on Appropriations. He never before contended that it was wise legislation to establish revolving funds in Government departments and authorize them to spend money as it was turned in. Why, at the beginning of this session of Congress you brought into the House a proposition to take away from the Housing Corporation this very power, because we knew it was a dangerous power to leave in the hands of any department.

You caused the Housing Corporation to turn its revenues into the Treasury and secure its money by direct appropriations from the Congress, in order that we may keep our finger upon the appropriations and determine how the money is being spent. It was good business for you to do that. Then your Committee on the Merchant Marine and Fisheries came in, and the gentleman from Massachusetts [Mr. GREENE], chairman of that committee, reported a bill which passed this House, and the gentleman from Wyoming [Mr. MONDELL] voted for it, requiring the Shipping Board to do exactly what we say now that they ought to do, to turn into the Treasury of the United States the proceeds from the sale of ships and from every other activity, and then appropriate to them the money that they need to pay their obligations.

Now you are reversing your position, and the position which the Merchant Marine Committee and this House said was right, the gentleman from New York [Mr. ROWE] and every other man who served on that committee. You say now they were wrong, and you authorize the Shipping Board to use its revenues to pay its obligations, so that the Congress of the United States can never tell how much they have spent or what has become of the money, and you call that good business. No excuse is offered us for this sudden change of front and this presentation to us of an unbusinesslike system never before considered. What is the effect of it? There is no economy in it. The gentleman from Iowa [Mr. GOOD] says this bill appro-

priates $200,000,000. The gentleman from Tennessee [Mr. BYRNS] asks for a direct appropriation of $197,000,000. Where is there any economy in the proposition of the gentleman from Iowa? The only difference is one of policy. The bills and obligations of the Shipping Board under the amendment of the gentleman from Tennessee [Mr. BYRNS] will be paid out of the direct appropriation, and all the money received from any source will be turned into the Treasury. Under the proposition contained in the bill they are foot-loose to secure money from any source and invest it in anything that they need. The source from which it is expected that they will receive it is the sale of ships, and the gentleman from Wyoming [Mr. MONDELL] and every other gentleman on this floor knows that if the Shipping Board can sell its ships in the open market at such time as best prices can be obtained, they can receive a greater amount of money for them than they can if they are forced to sell at any time when their obligations become due. Those who seek to buy these ships know the situation. They know that if a ship is to be launched from some plant in this country and the Shipping Board has to pay for the ship and has not the funds, they have got to sell some ships in order to get them, and bidders will make lower bids than they would under other circumstances. If you adopt the amendment of the gentleman from Tennessee [Mr. BYRNS] and the bids are too low, the Shipping Board will reject those bids, but if you do not adopt this amendment and follow the provisions of the bill, they can not reject the bids which are made. They must accept them no matter how low they are in order to meet their obligations. Is that good business? [Applause.]

Mr. GOOD. I yield five minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN of Illinois. Mr. Chairman, the statement has been made by gentlemen supporting the amendment that the original bill provides for a revolving fund, and I think the gentleman from South Carolina [Mr. BYRNES], to whom I am always delighted to listen, made most of his speech on that idea. I do not think that is correct. The item in the bill provides for the expenditure of certain moneys if they are received by the Shipping Board, but it does not provide what is called a revolving fund at all, and it authorizes the expenditure of, I think, at least $50,000,000 less than the amendment.

Now, to say that we on our side are going back on the theory of the House in reference to indefinite appropriations out of the revolving fund is an assertion that I can not let go unchallenged. I have sat here for years and opposed as a general thing, not always, expenditures of money on the revolving-fund plan. But here is an actual limitation in the bill. In one case $15,000,000 is authorized, in another case $25,000,000 is authorized, in another case $30,000,000 is authorized, but only if the money is received. The gentleman from South Carolina said they could spend the money for any purpose they pleased. They can spend it for no purpose under the language of the bill that they could not spend it for under the language of the amendment. In that respect there is no difference.

The amendment proposes an expenditure and invites an expenditure of $197,000,000, plus the balance on hand, which, I am told, amounts to in the neighborhood of $60,000,000. The original provision authorized the expenditure of $70,000,000, plus the amount that is on hand and the amount that may be received from the operation of the ships. I do not know how much may be received from the operation of the ships, but if we can judge of the future by the past it will not be a very considerable sum of money.

The amount of money which has been expended by the Shipping Board on capital investment and the amount received from operation would make an interest profit so small that it would be almost infinitesimal. The Shipping Board has been regarded as the most extravagant in some respects of all the commissions that we have created. More unseaworthy ships have been constructed by the Shipping Board, probably, than by all other concerns in the world for years past.

Now, I am not disposed myself to criticize any of the operations of these war activities. I can understand that in the desire of this country to prepare for and win the war it undertook many things which did not turn out profitably. But it was desirable, and they proceeded to do something. So I am not disposed to criticize what they have done. I can see no excuse for Congress to authorize under the amendment proposed at least $50,000,000 more to be wasted by this board than would otherwise be permitted to be used by them. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. HARDY].

Mr. HARDY of Texas. Mr. Chairman, there is a large amount of difference of opinion on this amendment that does not grow out of any question about economy. The amendment proposed by the gentleman from Tennessee will not add to the expenses of the Shipping Board. The trouble with the bill in the shape that it is is that it provides a revolving fund to be constituted of the total assets and income that from any source comes into the hands of the Shipping Board, which may be expended without any limitation, except only that it must be derived from the sources named.

The amendment of the gentleman from Tennessee follows a policy that has been pursued by this Government always requiring its functionaries to spend a certain legally appropriated sum and account for it, and that any sums coming in from its activities to be covered into the Treasury of the United States. That is the practice of the Post Office. This bill, as it now stands, forces the Shipping Board to go to its own sources of income alone in order to pay its current expenses; it places the Shipping Board in a condition where it must make sales in the emergency market. A great portion of the funds to run the Shipping Board and meet certain obligations must come from the sale of ships, and a certain element in this country, if ship sales are forced, would be able to press down the price of ships and make such sales slaughter sales.

When a ship is sold only a very small per cent is paid. Under the bill as written the board is authorized to raise $30,000,000 from the sale of ships. And to meet all the payments they must make under this very law they may be forced to sell. The proposition has been to sell the ships on a 10 per cent cash payment, and to raise $30,000,000 would require a sale of $300,000,000 worth of ships. Certain great interests might place the Shipping Board in a situation where it would feel constrained to sell at a sacrifice the ships of our country, and the Government would suffer. The amendment of the gentleman from Tennessee relieves the Government from the possibility of having its ships sacrificed in slaughter sales in order to raise funds to pay the essential current expenses of the Shipping Board. [Applause.]

Mr. JUUL. Will the gentleman yield?

Mr. HARDY of Texas. I have not the time; I have but five minutes. If the gentleman will give me two minutes more, I would be glad to answer. Why, gentlemen, there will be $125,000,000 to pay to the contractors for cancellation of contracts. There will be $84,000,000 to pay for the completion of ships under contracts that we have already made and are bound by. As this goes along the Government of the United States ought to have the money in hand to pay its indebtedness and not feel that they are required to sell ships to do it or to sell other property owned by the Shipping Board at a sacrifice or else default in payment.

This bill may require the Shipping Board, in order to obtain funds to meet obligations as it goes along, to sacrifice the property of the United States for a song. It violates every principle we have ever thought was essential to economy in administration by giving a carte blanche to the Shipping Board. You say to them, "Do as you please; sell the ships; sell this property; get the money"; and then it is unlimited in another respect. They are authorized to apply all of the earnings after it comes into their hands from the operation. Under the amendment of the gentleman from Tennessee [Mr. BYRNS] if an excess or a profit is made from the operations it will go into the Treasury; in fact, all it makes, whether it be much or little, will be covered into the Treasury, and I am hoping that under an administration such as has been installed since the time that John Barton Payne came into charge of the Shipping Board and which has continued under Admiral Benson this merchant marine of ours, owned by the Government, will make big profits during the fiscal year 1921. If they should do so, they are authorized to squander it all under the bill as it is written. I think economy requires that we should adopt the amendment of the gentleman from Tennessee.

The real "nigger in the woodpile," in my belief, is that by the terms used in the bill the Republicans seem to make no appropriations for the Shipping Board and have boasted that they reduced the estimate for expenditures of the Shipping Board. You mark what I say. When they come to tell the country what amounts they appropriated they will have no item for the Shipping Board. It is a cheap way of trying to fool the people.

Mr. BYRNS of Tennessee. Mr. Chairman, this is a very simple proposition. The gentleman from Wyoming [Mr. MONDELL] undertook to say that it meant an expenditure of an additional $100,000,000. I am quite sure that the gentleman from Wyoming has not read the amendment or heard it read, nor has the gentleman read the provision in this bill. It will

not add an additional sum to the amount carried in this bill, as has already been clearly demonstrated.

Mr. MONDELL. "The gentleman from Wyoming" has read the amendment carefully.

Mr. BYRNS of Tennessee. Then I am very much surprised that the gentleman made such a statement on the floor of this House, because he is entirely mistaken.

Mr. GALLIVAN. Perhaps the gentleman from Wyoming read the amendment after he made the statement.

Mr. BYRNS of Tennessee. The gentleman from Iowa [Mr. GOOD], as appears from the RECORD, made the statement that, according to the provisions of the bill, it carries $200,000,000 for the Shipping Board, and that that did not take into consideration any possible receipts from operations for the next year or any additional amount that may be collected from the War Department. This amendment carries $197,500,000 as a direct appropriation, plus whatever balance may be on hand, and it was stated in the hearings that the balance would possibly be $55,000,000 on July 1; but I was told by Mr. Dean yesterday that their figures were probably too high, and he doubted that they would have more than twenty-five or thirty million dollars on July 1. What do they need? They need $84,000,000 to complete construction of 400 ships on the ways and nearly all of them will be completed in October; they need $24,000,000, so they say, for administration. Then, as the gentleman from Texas [Mr. HARDY] says, there are $250,000,000 of claims on file now growing out of the cancellation of contracts, and they figure that they will be settled for $125,000,000. Those claims ought to be settled during the next fiscal year. In addition to that, they ask the committee for $44,000,000, the amount necessary to complete the reconditioning of the German ships taken over during the war. This amendment, if they have a balance of $55,000,000, will provide $252,000,000 for the Shipping Board for the next fiscal year. I call the attention of the gentleman from Wyoming to one fact that he forgot, if he read the amendment prior to his speech, and that is that this amendment covers every dollar of the receipts of the Shipping Board during the next fiscal year into the Treasury, and that is good business. That is proper administration. That is the kind of legislation this Congress has adopted always in matters of this kind in the past. That is something this bill does not do. [Applause.]

Mr. GOOD. Mr. Chairman, it is true that the House bill makes provisions whereby $200,000,000 will be available for the Shipping Board and the Emergency Fleet Corporation, assuming that they will make the sales which the Shipping Board themselves have said can safely be relied upon without sacrifice. Complaint is made with regard to the statement of the gentleman from Wyoming [Mr. MONDELL], and in all fairness I want to call the attention of the House to the amendment of the gentleman from Tennessee. The Shipping Board stated they had on hand, or would have on hand July 1, in cash, approximately $61,000,000. They further said that the Army owed the Shipping Board something around $120,000,000 or $130,000,000 for services already rendered, and that they expected to receive approximately $70,000,000 from that source.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. BYRNS of Tennessee. I think the gentleman is mistaken about the amount on hand. It is $55,596,000.

Mr. GOOD. It is $61,000,000, assuming that they do not expend anything in the meantime on the reconditioning of the German ships.

Mr. BYRNS of Tennessee. But they said they were going to spend that.

Mr. GOOD. They should not, and I trust they will not. It was admitted that the War Department, or the Army, owed the Shipping Board a large amount of money, and they have agreed on $70,000,000. Suppose that is paid before the 1st day of July, and they have the money to do that, what would be available under the gentleman's amendment? Not $61,000,000, not $55,000,000, but just as the gentleman from Wyoming [Mr. MONDELL] stated, there would be of cash on hand $131,000,000 that would be available for this purpose, because the gentleman seeks to appropriate by this amendment $197,500,000, and then provides—

> which sum, together with the amount on hand on June 30, 1920, shall be available—

And so forth.

Now, if the Army pays the $70,000,000, they will have $131,000,000 of cash on hand, which, added to the $197,500,000 provided for in the amendment, would give them $338,000,000 available, as against an estimate—the wildest estimate of the Shipping Board—of $306,000,000. If any complaint can be made because this Congress has not done the right thing with the Shipping Board, it is because we have appropriated too much money.

The House was right in its bill of last year, and when it went to the Senate we were obliged to add $60,000,000 more, and now the Shipping Board comes and says that they have $61,000,000 more than they will expend. What did the gentleman who represented the Shipping Board say regarding this item? We do not act without advice. Mr. Gillen, the special representative of the chairman, the man who came before the Committee on Appropriations, explaining this item, said:

> This being a liquidating job, we should be told that there were not any appropriations for us, and that we should see to it that out of our liquidations we get enough money to do the job.

We have taken the Shipping Board at its word. We have given them, with some limitations, just what they said they would get in liquidations, without selling a single house or a single ship at a sacrifice. If you had a house to sell, when would you offer it for sale? Now, when prices are high and material is high, and there is a scarcity of houses, or would you hold it for two or three years, when labor will come down and material will come down, and when, perhaps, there may be an overflow of houses, and sell it then? It was the opinion of the officers representing the Shipping Board that these assets that the Government had to sell and that the Congress said they should sell should be sold when there was a market for them, and not wait until the market was passed.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. HARDY of Texas. Does not the gentleman know that the Shipping Board has received bids for a very small percentage of their ships?

Mr. GOOD. I know that they have some ships they never will get any bids for. I know that they have a lot of wooden ships that they do not know what to do with, and nobody wants them, and we never should have possessed them.

Mr. JUUL. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. JUUL. Will the gentleman state to the House whether or not there has been a tremendous pressure by the Shipping Board to have the Byrns amendment adopted?

Mr. GOOD. No; I think not. We have done in the bill just what the representative of the chairman of the Shipping Board asked for—that is to say that this is a liquidating proposition, except that we said that they should not expend to exceed these specified amounts, which are practically all that the Shipping Board asked for.

I submit if there has been a department of Government during the war that has been run without applying business principles, has been run along in the most wasteful, extravagant way, that concern is the Shipping Board and Emergency Fleet Corporation. They do not know to-day where they stand; they do not know anything about their authorizations; they do not know how much cash they have; they do not know how much is owing them; they do not know about their earnings; yet the gentleman from Tennessee, out of an empty Treasury and from the pockets of the taxpayers of the country, would take $197,500,000 and turn it over to this board! We say to the board, "Execute the law, sell these ships while there is a demand for them; do not sacrifice the ships, but sell them for what they are reasonably worth." Why, out of the total amount required they only estimate they will receive for ships sold $25,000,000 during the next year, so there can not be very much sacrifice when they only propose to receive $25,000,000 by the sale of ships next year. Now, what is the committee trying to do? The committee has recognized the fact that this organization—and not a member of the organization itself but what will say they do not know very much about the business; it has run away from them; they are lost in the mazes of the work of the Shipping Board; they know little about it—we simply say to them, "You will have to cut your goods according to the cloth. You will have to go out and do the things that Congress has asked you to do."

Now, I know there is pressure being brought to bear by certain shipping interests that do not want these ships sold at all. They want to continue building more ships for shipowners, and they do not want the Government to interfere with the market. [Applause.] I am looking not after their interests but after the Treasury of the United States in this matter, and I believe that the provisions we carry in the bill are along the lines that a business man would adopt if he were spending his own money. Now, gentlemen, there may be some advantage in raising this bill from $428,000,000 to over $600,000,000, as is proposed by this amendment, and taking the $197,000,000 out of

the pockets of the taxpayers of the American people rather than to require——

Mr. BYRNS of Tennessee. The gentleman does not want to make a statement that might possibly mislead——

Mr. GOOD. No; not at all.

Mr. BYRNS of Tennessee. The gentleman does not contend that the money he authorizes to be used here will not go into the Treasury under this amendment. He is simply——

Mr. GOOD. I do not yield further. I say it is an inefficient board, that has done its work very poorly, and nobody knows it better than the gentleman from Tennessee, and he is with me in that—there is no difference of opinion between us on that—and I think their duties first should be to adopt a business policy, to get the money out of the things they own and that Congress has said to them they should sell, and not go to the taxpayers and get the money out of their pockets. For reasons I have expressed and for the further reason that this Congress should exercise the strictest economy in the appropriation of money, that we should not add to this bill $197,500,000 for any such purpose as the gentleman has expressed, I hope the amendment will not be agreed to. [Applause.]

The CHAIRMAN. The time of the gentleman from Iowa has expired. All time has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, the Shipping Board said they would not collect the War Department claims until next year; and in view of the statement of the gentleman from Iowa I wish to ask unanimous consent to modify the amendment so as to meet this particular objection and add, after the word "that," in line 7 of the amendment, the words "not exceeding $55,000,000 of."

Mr. WALSH. Mr. Chairman, I object to any modification of the amendment.

Mr. BYRNS of Tennessee. Then I shall reoffer it.

Mr. GALLIVAN. Mr. Chairman, then I raise the point of order that there is no quorum present.

Mr. BYRNS of Tennessee. And the gentleman has to keep a quorum the balance of the day.

Mr. GALLIVAN. And you will have to keep a quorum here the rest of the day and all the rest of the reading of the bill.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to modify his amendment in the manner indicated and the gentleman from Massachusetts objects, and the gentleman from Massachusetts makes the point of order that there is no quorum present.

Mr. MONDELL. Mr. Chairman, I do not think the gentleman should object to the minority side confessing that their amendment has no virtue and needs to be modified.

Mr. GALLIVAN. Mr. Chairman, I make the point of order that there is no quorum present.

Mr. MANN of Illinois. The gentleman from Massachusetts [Mr. GALLIVAN] gets excited.

Mr. GALLIVAN. No; not in the slightest; that never happens to the gentleman from Massachusetts when the gentleman from Illinois is present.

Mr. BLANTON. Mr. Chairman, I demand the regular order.

Mr. GOOD. I hope the gentleman will withdraw it.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and four Members are present.

Mr. BYRNS of Tennessee. Mr. Chairman, I withdraw my request for a modification.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The question was taken, and the Chair announced that the noes seemed to have it.

On a division (demanded by Mr. BYRNS of Tennessee) there were—ayes 35, noes 71.

Mr. BYRNS of Tennessee. Mr. Chairman, I offer a further amendment, the same amendment with the words "not exceeding $55,000,000 of" inserted after the word "that."

The Clerk read as follows:

Strike out the paragraph and insert the following:

"For expenses of the United States Shipping Board Emergency Fleet Corporation for administrative purposes, the payment of claims arising from the cancellation of contracts, damage charges and miscellaneous adjustments, maintenance and operation of vessels, and the completion of vessels now under construction, $197,500,000, which sum, together with not exceeding $55,000,000 of the amount of cash on hand on June 30, 1920, shall constitute the amounts which may be expended by the said corporation during the fiscal year 1921 for the purposes hereinbefore set forth: *Provided*, That all moneys received by the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation during the fiscal year 1921 and thereafter shall not be available for expenditure for any purpose whatsoever and shall be covered into the Treasury of the United States as miscellaneous receipts."

Mr. BLANTON. Mr. Chairman, I reserve a point of order.

Mr. BYRNS of Tennessee. Mr. Chairman, I want to discuss the amendment.

Mr. GOOD. Mr. Chairman, debate is closed.

Mr. BYRNS of Tennessee. Debate was closed on the other amendment, and I appeal to the RECORD.

Mr. GOOD. I will say to the gentleman we were very fair, and the request was on the paragraph and all amendments thereto.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

Mr. LAYTON. I object, Mr. Chairman.

Mr. GOOD. I hope the gentleman will let the gentleman from Tennessee proceed.

Mr. LAYTON. I withdraw the objection, Mr. Chairman.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. Mr. Chairman, I have offered this amendment simply to meet the objections that were raised by the gentleman from Iowa [Mr. GOOD]. I made the statement in the discussion of the preceding amendment that if that amendment was adopted it would not allow exceeding $252,000,000, in round numbers, for the Shipping Board during the next fiscal year.

The gentleman from Iowa called attention to the fact that there is $70,000,000 due from the War Department, and there is a possibility it might be collected between now and July 1. I appeal to the record of the hearings, gentlemen, to sustain me in my statement that the Shipping Board stated that it was expected that they might possibly derive $60,000,000 or $70,000,000 from the War Department during the next fiscal year. I am sure that no member of the Shipping Board expects to collect a dollar of that sum between now and July 1. But in view of his objection, and the possibility, as he says, of the payment between now and that time, I have introduced this amendment in order to carry out the intention of myself and those who favor this amendment of not permitting this Shipping Board to have one dollar over the sum I have named. This amendment is offered because we believe it is the best policy for this Congress to pursue. This Congress and no other Congress has ever adopted the policy of making appropriations and giving governmental agencies the right to draw upon certain indefinite and undetermined sums in order to carry them through the fiscal year. What Congress should do, what we seek to do by this amendment, is to make an appropriation for the amount we think they ought to have and will need during the next fiscal year, and then require every dollar by way of receipts, whether it is $70,000,000 or $200,000,000, to be paid into the Treasury to the credit of the Treasury as a part of the miscellaneous receipts.

I submit that the remarks made by the gentleman from Iowa to the effect that this was an effort to increase the appropriation carried in this bill are incorrect. He is mistaken in that. It is true—and that may be the idea of the majority of the committee in proposing this provision in the bill—that on paper the provision of the bill reduces the amount, or, rather, it results in a further reduction in the estimates, but when it comes to paying the money out of the Treasury it does not save the people one dollar. And for my part I believe it is better to be fair with the people, fair with the public, and make direct appropriations and hold the Shipping Board to strict account for the amount of money received by them rather than by a sort of camouflage to seek to make the public believe that we have reduced this appropriation in the sum of $200,000,000, when we have not saved them one dollar.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. BYRNS].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. BYRNES of South Carolina. Division, Mr. Chairman.

The committee divided; and there were—ayes 35, noes 68.

So the amendment was rejected.

Mr. HARDY of Texas. Mr. Chairman, I wish to ask leave for those who have spoken on this amendment to revise and extend their remarks.

The CHAIRMAN. The Chair thinks that request is not in order in the committee.

Mr. HARDY of Texas. Then I ask leave to revise and extend my own remarks.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. GALLIVAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GALLIVAN. I would like a verification of the fact that all debate on this paragraph and all amendments thereto is now closed. My recollection is that the gentleman from Iowa asked that all debate on the amendment offered by the

gentleman from Tennessee [Mr. BYRNS] be closed in one hour. That is my recollection.

The CHAIRMAN. The Chair will state to the gentleman from Massachusetts that the Chair is very clear that the question was put as follows: "The gentleman from Iowa [Mr. GOOD] asks unanimous consent that all debate on this paragraph and all amendments thereto close at the end of one hour." And that was provided as stated.

Mr. TAGUE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and gentlemen of the committee, a few days ago I introduced a resolution, House resolution 543, bearing upon the section that is now before this body—the question of cost-plus contracts. It is in relation to the contract for repairs on the *Leviathan*. The *Leviathan*, as is known by many members of this committee, is a ship over 970 feet long, and drawing 37.9 feet of water. There is not a harbor in the country with a dock large enough to take this ship in to repair except the dock that is now owned by the United States Government in Boston Harbor. Yet the specifications that were sent out for the repair of this ship are now in the hands of the corporation known as the International Mercantile Marine, and if you want a set of specifications in order to bid upon the reconditioning of this ship you are obliged to go to the office of this corporation in New York.

[Senate hearings, S. J. Res. 155, p. 91.]

At least some of the members of the United States Shipping Board are known to have urged the acceptance of this offer. We are informed that the International Mercantile Marine was so confident last week that its offer would be accepted, at least for the *Leviathan*, that some of its employees were sent to the ship, now in this port, to make arrangements for taking her over.

The chairman of the board of the International Mercantile Marine Co. is Harold A. Sanderson, a British subject, resident of London. The president is P. A. S. Franklin, a citizen of New York. The finance committee includes Mr. Sanderson, of London; J. P. Morgan; Charles Steel (Mr. Morgan's partner); and Mr. E. C. Grenfell (Mr. Morgan's London partner), another British subject and resident of London.

The net profits of the International Mercantile Marine (after paying British excess war profits, which one year amounted to more than $80,000,000), have averaged in the past five years about $22,000,000, the lowest being $15,000,000 and the highest $33,000,000 in any year.

The most valuable asset of the International Mercantile Marine are the fine steamers of the White Star Line, every share of whose stock is deposited in the treasury of the Interantional Mercantile Marine, the so-called American holding company; but the executive committee, in absolute control of the operations of this company, are Harold Sanderson, chairman and managing director; E. C. Grenfell (Morgan's London partner); Lord Pirrie; and Alexander Kerr, all four being British subjects. There is not an American on the board.

There you will be told whether or not you can have a set of the specifications, and unless they say so it is impossible for any shipbuilder in this country to bid on the ship. For this work the Shipping Board agree to pay $30,000 per month.

[From the New York Sun and Herald, May 7, 1920.]

NO BIG PROFITS IN "LEVIATHAN" REPAIRS.

W. F. Gibbs, chief constructor of the International Mercantile Marine Co., said yesterday that Representative TAGUE, of Massachusetts, who said in the House that certain shipyards had planned to make immense profits over the reconditioning of the *Leviathan*, biggest steamship afloat, evidently had been misinformed.

"Cost-plus bids," Mr. Gibbs said, "will not be entertained, notwithstanding Representative TAGUE'S reported declaration. The reconditioning of the *Leviathan* will be the greatest task of its kind ever attempted in this country, and because of its magnitude we, acting as agents of the United States Shipping Board, have determined to have the work done at as low a cost as possible. After a committee of the best constructing representatives of the various shipyards of the country had thoroughly inspected the ship lying at Hoboken the plans and specifications for the reconditioning were drawn up. When completed the ship will be the finest in the world, superior to what she was under the German flag, and may cost between five million and ten million dollars."

Mr. Gibbs said that among those asked to bid were the Bethlehem Shipbuilding Corporation, the New York Shipbuilding Co., the Todd Ship Yards Corporation, and the Morse Dry Dock & Repair Co.

In the hearings before the Senate committee it was brought out in the examination of Mr. Hague, head of the Division of Construction and Repair, United States Shipping Board, that what I have said of the Boston Harbor he also said, that in order to repair this ship properly it could be done at the one port in this country on the Atlantic seaboard, and that was Boston.

The CHAIRMAN. Haven't we built any dock in this country where she could dock? Are we building such a dock?

Mr. HAGUE. She could come in at Norfolk in case the channel was dredged.

The CHAIRMAN. I mean, are we building any dry docks where there is ample channel to get up so that she can be docked?

Mr. HAGUE. The dry dock at Hunters Point at San Francisco would take her, and also the dock, the new naval dock at Boston, if she could get up the channel. Those were the three docks that the Navy Department told me about.

The hearings I have quoted were held before the Senate Committee on Commerce, relative to Senate joint resolution 155. You will note that Mr. Hague states that the Commonwealth Dock at Boston could dock the *Leviathan* if she could be brought into the dock, but he rather deplores the fact that such could not be done. It is apparent to me that Mr. Hague has not studied the situation at Boston or he would know that we have a 40-foot channel there and can bring this vessel into the Commonwealth Dock with plenty of room in almost any tide. In addition, there are all facilities at the Commonwealth Dock for the reconditioning of the *Leviathan*, and it is therefore going to unheard-of limits for private interests to undertake these repairs when to do the work at any other place than Boston unnecessary extravagance will be caused by the necessary erection of workshops, machinery, and so forth, besides the recruiting of workmen, which can be avoided if the vessel is sent to Boston.

Seven concerns have been called upon to bid on the work upon this ship, and seven concerns only, and only one of the seven asked to bid on the ship has depth enough of water at its docks to accommodate it, and not one a dry dock large enough to dock this ship. It has been said in the Senate committee hearings, page 12, part 1, that the Shipping Board has asked these gentlemen to make up the specifications for the repairs on this ship.

Senator CHAMBERLAIN. How much did you say it would cost to recondition that ship?

Mr. FERGUSON. Judge Payne said $7,500,000. We did not bid on it ourselves, for the reason that we could not get her into our harbor. We, however, assisted, as these other shipbuilders should, in preparing plans and specifications for reconditioning and fitting her as an oil burner. We have all joined together, and I think at least five of those shipyards loaned technical engineers and experts for the purpose of making these plans and specifications for reconditioning. It is a tremendous job, almost as big a job as designing and planning and building a ship in the first place.

In other words, they make up their own specifications, and then they make their own bids and figures, and no one outside of that little coterie is able to figure, and even though he did he would be unable to compete with these seven corporations that have drawn up the specifications. In other words, they would be working in the dark.

Now, the Government has purchased the big dock in Boston Harbor. We appropriated a large amount of money for the great shops and machinery at that dock, and in order to repair the *Leviathan* it must be sent to Boston for repair; and if she is going to Boston for repair, under the specifications drawn for the Shipping Board, or rather by the International Mercantile Marine, you are going to repair this ship in a dock owned by the United States Government and pay private capital for doing it.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. TAGUE. Yes.

Mr. BLANTON. Who is responsible for this?

Mr. TAGUE. I suppose the Shipping Board.

Mr. BLANTON. Did not the gentleman just vote to put about $150,000,000 more into their hands?

Mr. TAGUE. I shall vote to give them any amount of money they want and to see that it is judiciously expended; and that is what I am trying to do here.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TAGUE. I ask unanimous consent to proceed for five minutes more.

Mr. GALLIVAN. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Massachusetts makes the point of order that there is no quorum present.

Mr. MANN of Illinois. There will be no more unanimous consents granted on this side if that is going to be your procedure.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and two gentlemen are present, a quorum. The gentleman from Massachusetts [Mr. TAGUE] asks unanimous consent to proceed for five minutes more. Is there objection?

There was no objection.

Mr. TAGUE. Now, Mr. Chairman, my objection to this kind of work is the fact that the Government can do this work in its own yard and save the Government almost $2,000,000 in the performance of the work. This work under the present arrangements is to be done at a price that is to be set by the men drawing the specifications, with no competition whatsoever.

Now, further than that, there were hundreds of thousands of dollars' worth of material taken out of the *Leviathan* when she was made into a transport, and these fittings are supposed to be stored somewhere in Hoboken. No one knows whether they are to be used over again. No one can tell just where those fittings are; but still they are the fittings which came out of the ship. They were good coming out; they are in good condition now; and they should be put back into the ship. But the specifications, so far as I know, do not call for that.

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. TAGUE. Yes.

Mr. MONDELL. Does the gentleman realize that he is framing a pretty serious indictment of the Shipping Board; that he is reviving here the scandals that are going about as to the way in which contracts for repairs are being made?

Mr. TAGUE. I would say to the gentleman that I am just stating what was told before the Senate Committee on Commerce by Mr. Hague, who said that the Shipping Board had selected experts from certain corporations to draw the specifications, and that he expected three bids.

Mr. MONDELL. The same corporations that were to do the work?

Mr. TAGUE. The same corporations that are now bidding on the work, so I understand, loaned their experts to prepare the specifications.

Mr. MONDELL. And while the material that would be needed is available, Uncle Sam is supposed to buy new material and allow that other material to be junked?

Mr. TAGUE. I have not stated that; but I said there is no mention as to whether these fittings are to be used or not.

Mr. MONDELL. That is the usual practice, I presume, of the Shipping Board on matters of that kind.

Mr. TAGUE. I am not an expert on that. What I am speaking for is to have this work done where it should properly be done and where the Government would save money. We have a splendidly equipped yard in Boston—the navy yard—and the Government has spent millions of dollars in equipping it to do this kind of work. The work on this ship is to be paid for by the Government. The repairs must of necessity be made in a Government yard and in a Government dock.

Mr. JUUL. Mr. Chairman, will the gentleman yield for a question?

Mr. TAGUE. Yes.

Mr. JUUL. Does it require legislation to enable the board in charge to take this ship to Boston and repair it there?

Mr. TAGUE. No; they have complete authority over the ship.

Mr. JUUL. Then, if they have complete authority over the ship, all that is necessary is for the Shipping Board to act.

Mr. TAGUE. I have asked a committee of this House to investigate it, and have presented a resolution to that end, and the resolution is now pending before the Committee on Rules.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. TAGUE. Yes.

Mr. GOOD. By the action taken by the committee to-day in reducing authorizations and restricting the appropriation, if that is to be the action and judgment of Congress, there will be no money to expend on that vessel in that way unless it is expended by some private purchaser or some one who may lease the *Leviathan* and recondition her. Whatever is expended in reconditioning this and other of the ex-German ships should be expended by the purchasers.

Mr. TAGUE. Mr. Chairman, I do not care whether the money is expended or not. I believe it should be expended, and that the ship should be put in condition for sale if it is to be sold.

Mr. BROWNE. Mr. Chairman, will the gentleman yield?

Mr. TAGUE. Yes.

Mr. BROWNE. Is it not a fact that the dry dock at Norfolk could do this work that you claim could be done only in Boston?

Mr. TAGUE. No.

Mr. BROWNE. It is the largest dry dock in the world.

Mr. TAGUE. I know they have less than 35 feet of water there, and this vessel draws over 37 feet. Boston has a 40-foot channel, so that it is the only port on this coast that could dock her, and it has the only dock that could do the work.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. TAGUE. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. BROWNE. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wisconsin moves to strike out the last word.

Mr. BROWNE. I wish, Mr. Chairman, to digress for just one minute to call the attention of the Members present to one of the most distinguished living soldiers of the Civil War, who is now in the gallery. I refer to ex-Gov. William H. Upham, of Wisconsin. [Applause, the Members rising.]

I want to say this, that Gov. Upham, in April, 1861, when a boy of 19 years of age, enlisted in the Union Army. He was wounded at the Battle of Bull Run and was left on the battle field as dead, and funeral services were held in his memory by the people in his own town and vicinity, they thinking he was dead. He was taken by the enemy to Libby Prison, where he was confined for seven months. At the end of that period he was exchanged and came to the city of Washington, where he called upon Senator James Doolittle, of Wisconsin, whom he accompanied to the White House, where he was introduced to President Abraham Lincoln. President Lincoln talked with young Upham and said that he was going to send him to school, and thereupon appointed him to the United States Military Academy at West Point, where he was graduated in 1866. He served in the United States Army after graduation until 1869, and then resigned and retired to private life. Maj. Upham then went up into northern Wisconsin, which was at that time a wilderness, locating at Marshfield, where he built up a large and extensive business, which is in existence to-day. He never asked for office, but the people of Wisconsin, in 1894, elected him governor of the State of Wisconsin, in which capacity he served with honor to himself and the State of Wisconsin.

While stationed at Fortress Monroe, Va., soon after the close of the Civil War, he had the pleasure of meeting the Confederate President, Jefferson Davis, while Davis was a prisoner of the United States, and was the officer who had the custody of President Davis. To-day he is over 79 years of age, hale and hearty, and I am proud of the opportunity of introducing my distinguished constituent, William H. Upham, to the Members of the House of Representatives. We call him "the Grand Old Man of Wisconsin." [Applause.]

Mr. UPSHAW. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Georgia is recognized in opposition to the pro forma amendment.

Mr. UPSHAW. Mr. Chairman and gentlemen of the House, I think it is a beautiful commentary on our present American fellowship to see both sides of the House, Republicans and Democrats, northerners and southerners, rise to do honor to this brave man, Gov. Upham, of Wisconsin, who refused to die on the battle field and lived for the good of his country.

But I rise to call attention to persons not in the gallery but in some of the operating offices of the Federal prisons of this country—to some of the civil soldiers of the present war against high prices and the daily problem of comfortable living.

They are the clerks in these Federal prisons whose salaries were not raised last fall when we raised the salaries of the guards; and because I must leave in a few moments to keep an engagement that I made a year ago to deliver a patriotic address I simply want to register my conviction that when the gentleman from Kansas [Mr. ANTHONY] offers his amendment to raise their salaries from $75 a month to $100 a month I believe every friend of these faithful, hard-working servants of the Government will vote for that amendment.

Mr. BLANTON. Will the gentleman yield?

Mr. UPSHAW. Yes.

Mr. BLANTON. I want my distinguished friend from Georgia at the same time to remember the thousands of patriotic farmers down in the goober-grabbling State who are now staggering under a load of taxation which they can hardly bear. [Applause.]

Mr. UPSHAW. And I will take my place beside those farmers and help them to see the point, and they will applaud my efforts to help these clerks who are taking care of these Federal prisons and doing the necessary work for the safety of this country, and who are working for the same salaries that they got several years ago, when these farmers were getting for their cotton and others for their food products all over the land about one-third of what they are getting now.

Mr. BLANTON. And when the gentleman was wearing his overalls. [Laughter and applause.]

Mr. UPSHAW. Yes; and I want to say to the gentleman concerning the overalls, inasmuch as he has introduced an irrelevant matter, that when I spoke here the other day with overalls on I mentioned both overalls and old-clothes clubs, and every day since then I have worn either overalls or old clothes on the floor of this House and in my office, and sometimes in speaking to public audiences. And I have been assured by a newspaper man who has watched the trend of things, that the thought of the Nation was arrested by it, and much practical good has come. Not only has John Wanamaker since that time made a sweeping reduction of 20 per cent in the necessities of life, but shoes in another city have been reduced about 33⅓ per cent, and the papers every day tell that there has been a general

reduction and a lessening of the burdens on the struggling masses of this country.

Mr. BLANTON. Oh, the gentleman got a first-page notice in every newspaper in the land.

Mr. UPSHAW. I decline to yield further. Any man who has sense enough to get out of a shower of rain knows that I put on that suit of overalls, along with thousands of others, purely in a spirit of rollicking fun, and yet with a very definite purpose to shake my fist at the high cost of living and the wild delirium of extravagance. If somebody complains that the price of the workingman's necessary apparel was raised by the experiment, I answer that the slight rise there is far more than offset by the greater reduction in things that cost a great deal more. I stand squarely by my purpose to express my fellowship for the man who, unsung and uncrowned, does the world's manual labor every day. And I stand without apology, with many of my congressional colleagues, in a purpose to wear old clothes the whole summer and thus set a wholesome example in sane economy for the whole country.

Mr. KNUTSON. Will the gentleman yield?

Mr. UPSHAW. I decline to yield—I must catch my train in a few minutes.

Mr. JUUL. I rise to a point of order, Mr. Chairman.

Mr. UPSHAW. I decline to yield.

Mr. BLANTON. Mr. Chairman, I ask that a delegation be sent down to hold the train. [Laughter.]

Mr. UPSHAW. All right. If they do I want to say this, that these men who are working now, in these times of unspeakably high prices, for the same salaries that they got five years ago will meet me at the train when I get to Atlanta and thank me for being a friend of the men in overalls. [Applause.]

Mr. GALLIVAN. Will the gentleman yield?

Mr. UPSHAW. Not just now; and I want to say that neither the gentleman from Texas nor the gentleman from Massachusetts nor any other man on the floor of this House ought to be content to go to the office of the Sergeant at Arms and draw $625 for his month's services if he is unwilling to vote for this amendment that raises the salaries of these hard-working Government clerks from $75 to $100 a month. [Applause.]

The Clerk read as follows:

In all, National Museum, $415,120.

Mr. HICKS. Mr. Chairman, I move to strike out the last word. I do so for the purpose of asking the chairman of the committee a question.

As all the Members know, while the war was on the publications of the Bureau of Ethnology have been limited, and in some cases completely stopped. I am wondering if this appropriation provides for the continued publication of those reports. As one who is somewhat interested in that subject I know that those reports are splendid documents, and there is a great demand for them by those who appreciate their value and know of them; and while I realize the shortage of paper and the desire to economize, I am wondering whether or not, in the interest of education and of the general desire for knowledge on this subject, the bureau will continue to print these publications, which were suspended on account of the war. And I am asking if these publications are provided for out of this appropriation?

Mr. GOOD. These publications are not provided for out of this appropriation. They are paid for out of the appropriations for printing and binding, which are carried further on in the bill, on page 171, where an amount is carried which is thought to be sufficient to continue them. The committee believe, as the gentleman has expressed, that these publications are of great value, and they have carried an appropriation sufficient for their continuance.

Mr. HICKS. And they will be continued from now on?

Mr. GOOD. There is no question about that.

The Clerk read as follows:

Aberdeen Proving Ground, Md.: For the construction of a steel hangar to accommodate one United States Navy type "C-2" airship, $125,000.

Mr. HICKS. I move to strike out the last word for the purpose of asking the gentleman a question in regard to this item. Coming, as I see it does, under the head of armories and arsenals, I presume, of course, it is for the use of the Army. I am wondering what is the special need of putting that in this bill, because I thought that the Army bill provided for all aviation for the Army.

Mr. GOOD. Not for proving grounds or arsenals or armories. The sundry civil bill carries the appropriations for such purposes.

Mr. HICKS. I understand that; but just why do we need a great hangar out there for a naval type of airship to cost $125,000, in addition to what both the Army and Navy already have?

Mr. GOOD. This is now practically the ordnance proving ground of the Army. It is a great proving ground, and they have there an airship, but they have no hangar. What they are trying to develop now is bombing sites. They can not develop a bombing site unless they use the airship itself and the bomb in the experiments, and they have no hangar for the ship that is there. The gentleman must remember that for a ship of this kind, designed to carry a bomb weighing about 4,000 pounds, it means a pretty large ship, and will require something of a structure to house it.

Mr. HICKS. I am not surprised at the largeness of the amount. I am surprised at the smallness of it; but my query was why we needed it at all, because I supposed all that experimental work would be carried on by the air division of the Army.

Mr. GOOD. Not this work, and at the same time they are working there to develop this new site. The committee had no desire to put in an item of this kind, but it was very forcefully presented to the committee and urgently requested, and inasmuch as we have the airship and have no hangar, it did seem to the committee that we ought to make some provision for the preservation of the little we have in the way of airships and airplanes.

Mr. HICKS. I will say to the gentleman that I am greatly in favor of the experimental work for aviation. I do not regard the sum spent for development wasted, because I believe there is where the real service can be had. The reason I said $125,000 was a small sum for a hangar is because they are constructing a very large one at Lakehurst which will cost many times that.

Mr. LAYTON. Mr. Chairman, I move to strike out the last word. My profession alone, if there were no other intelligent reason, would lead me to an ardent advocacy of a Public Health Service. There are few greater problems for a civilized people to solve than that of its public health. It comprehends the conservation not only of the public happiness, but of public energy, of public activity, and of every form of production. There is no argument against the supreme desirability involved in such a problem. But I am afraid the Public Health Service as now constituted and administered is more of a soft berth than of a public benefit. Even the slight investigation I have made reveals 2,300 physicians on the pay rolls of this service at an annual salary of $2,000, amounting to $4,600,000 per year. This does not include, as I understand it, the salaries of certain superiors and many subordinates, as well as all the other expenses of this service. In addition, I also understand that the expenses of the Public Health Service do not include any of the moneys appropriated for medical and surgical purposes in the Army, in the Navy, or in the Quarantine Service. I find also that the Public Health Service has a large number of other physicians who are designated as national public health physicians, located in our cities and towns and engaged in private practice, but who receive a compensation only for individual and sporadic services, receiving no fixed salary. My judgment is, Mr. Chairman, that this department of the Government is essentially wrong as it is now conceived and extravagantly wrong in its administration. I am of the opinion that the whole question of the Public Health Service should be carefully inquired into at the very earliest moment with a view of making such a service an efficient factor in our civilization and a certain blessing to all the people. If such an investigation is made I would not take the opinions of those engaged in the Public Health Service itself. My limited observation of governmental matters leads me to the conclusion that Government employees are generallly and naturally prejudiced witnesses. I would embrace in the scope of such an inquiry the medical scientists of the country, whose opinions would have quite as much scientific weight and less personal consideration. My belief is that a large part of these employees now upon the pay roll of the Public Health Service should be dismissed, the service contracted as now conducted, and in place of the present activities a real scientific agency created that will secure real and inexpressible benefits to the whole people. I find on page 30 of this bill the following:

Biologic products: To regulate the propagation and sale of viruses, serums, toxins, and analogous products, and for the preparation of curative and diagnostic biologic products, including personal service, $35,000.

What a pitiful sum—$35,000—to be expended in what seems to be biologic work, including personal service! What we need is to revolutionize this whole service. We should get rid of its padded pay rolls and establish the finest biological and bacteriological laboratories in the world by spending money enough to attract and secure the ablest and most devoted scientists who are engaged in this sort of work and allow them to devote their constant effort to the discoveries of serums,

viruses, antitoxins, and any other products that will prove to be specific to the fatal diseases of man and beast. And when such discoveries are made their preparation should be left to the various laboratories in the country conducted by private enterprise, and their administration to the individual physicians, whether men or women, engaged in civil practice. If I had my way I would get rid at once of this army of peripatetic doctors rambling over the country, doing little or no good that is not already done by the local physicians and boards of health. And, moreover, I would put no limit to the salary sufficient to secure a great scientist, whether English or French, whether German or Italian, famed in biological or bacteriological work. The only prerequisites I would require would be his acknowledged attainment, his character, and, above all, his devotion to such research. You are all familiar with that unutterable blessing, the diphtheria antitoxin. The Public Health Service did not discover this boon to humanity, nor, in my judgment, could it do so in a thousand years as now constituted. Before its discovery death was the universal apprehension in every household where diphtheria revealed itself. Often whole families were nearly depleted. To-day this disease is regarded almost with indifference if the antitoxin is at hand and is used properly. There is no way of computing the human happiness this remedial agent has brought to the world, nor the vast material gain as well, by the saving of the young life of humanity. What was possible in this direction can be made possible, I believe, in pneumonia, typhoid fever, syphilis, tuberculosis, cancer, and other fatal diseases of the human family, as well as in those diseases which destroy the domestic animals with such a fearful resulting loss to the public. I have a vision—a great laboratory that shall excel the world in resulting discoveries, because we have concentrated our efforts and our wealth to this end by obtaining the devotion and the intellect regardless of cost. Money spent in this way would yield an incalculable return if only one specific remedy for one fatal disease, either of man or beast, were discovered in a century. [Applause.]

Mr. DALLINGER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. DALLINGER: Page 48, line 3, after the figures "$17,000," insert a new paragraph, as follows:

"For the construction of a physical and testing laboratory, for the procurement and installation of equipment for same, including necessary alterations to existing buildings forming a part of the project, $300,000."

Mr. GOOD. Mr. Chairman, I reserve the point of order.

Mr. DALLINGER. Mr. Chairman, I was very much surprised and disappointed to discover when this bill was reported that the item covered by the amendment which I have offered was not included in the bill, because I thought that the chairman of the committee, the distinguished gentleman from Iowa [Mr. GOOD], and the other members of the subcommittee had been favorably impressed at the hearings by the testimony as to the necessity of providing adequate facilities at the Watertown Arsenal for carrying on experiments with war materials in order that the lessons arising out of the Great War can be taken advantage of for the benefit of our country in the future. As I understand it, the argument against putting in this $300,000 item, which was strenuously advocated by all of the officials of the Ordnance Department, is that this laboratory had been the only laboratory at the Watertown Arsenal, and that the Government has gotten along with it up to the present time. That argument falls to the ground, in my opinion, because we never have had adequate laboratory facilities, and the experiments which, it is admitted even by the committee, are all important are to-day being made and have always been made under a great handicap. This laboratory is now in a building that was constructed during the War of 1812—over 100 years ago. It has been totally inadequate for a generation. The unnecessary expense to the Government of using this totally inadequate building has been very great and will continue to be very great. The taxpayers of the country have spent between $20,000,000 and $30,000,000 upon this arsenal at Watertown, and the plant is modern and up to date, with the exception of this laboratory and an old blacksmith shop, which is equipped with inadequate machinery. They are the only two buildings that are not up to date in this entire plant. Even admitting that we are not going to manufacture munitions of war at Watertown to any extent in the near future, it must be evident to anyone that it is of vital importance that experimental work shall be carried on there.

Mr. Chairman, it is not good business and it is not sound economy to continue to use these old buildings, that were constructed during the War of 1812 I sincerely trust that the chairman of the committee will not press his point of order and will agree that this absolutely necessary item shall go into the bill. [Applause.]

Mr. GOOD. Mr. Chairman, I regret that I can not take that course. I make the point of order that the amendment is not germane.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

For continuing the work of furnishing headstones of durable stone or other durable material for unmarked graves of Union and Confederate soldiers, sailors, and marines in national, post, city, town, and village cemeteries, naval cemeteries at navy yards and stations of the United States, and other burial places, under the acts of March 3, 1873, Februray 3, 1879, and March 9, 1906; continuing the work of furnishing headstones for unmarked graves of civilians interred in post cemeteries under the acts of April 28, 1904, and June 30, 1906; and furnishing headstones for the unmarked graves of Confederate soldiers, sailors, and marines in national cemeteries, $100,000.

Mr. McKEOWN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. MCKEOWN: Page 50, line 12, after the period, insert a new paragraph, as follows:

"For furnishing headstones of durable stone or other durable material for the graves of soldiers, sailors, and marines of the war with Germany in national, city, town, and village cemeteries, naval cemeteries, at navy yards and stations of the United States, where, on account of the financial condition of relatives or other circumstances, no headstones can be erected, $50,000."

Mr. GOOD. Mr. Chairman, I reserve the point of order on the amendment.

Mr. McKEOWN. Mr. Chairman, I want to state to the committee that it occurred to me that this ought to be done. This matter was called to my attention by a letter recently received from a constituent—a poor family whose son was lost in the war. They asked if there would be any markers for those boys' graves, and stated that they did not have money enough to mark their son's grave when his body was returned. This will require a very small amount, and will be needed only in those cases where, on account of poverty of the immediate family or relatives, there would be no suitable marker of the grave.

Mr. GOOD. Mr. Chairman, that is taken care of in the preceding paragraph.

Mr. McKEOWN. Does the gentleman think the language in the preceding paragraph will cover that?

Mr. GOOD. That is my understanding. That was the opinion of the officer who will have charge of the administration of the funds.

Mr. McKEOWN. Upon that assurance, then, I will withdraw the amendment, because I do not want to have it inserted if it is unnecessary.

Mr. GOOD. The committee made inquiry with regard to that very matter, and Col. Lemley said that the appropriation would be used not only to purchase headstones for the deceased soldiers of former wars but also for the war with Germany.

Mr. McKEOWN. If that is true, I will not compel the gentleman to make the point of order, but will withdraw the amendment.

Mr. MILLER. Mr. Chairman, will the gentleman from Oklahoma yield so that I may ask the chairman of the committee a question?

Mr. McKEOWN. Yes.

Mr. MILLER. Why not place the language in the text of the bill, so that it will be beyond the construction of any individual officer and show the intention of the appropriation in the written law of the land? That could be done by a very slight amendment to the section.

Mr. GOOD. Yes; by striking out, in line 3, the words "Union and Confederate."

Mr. McKEOWN. The word "Union" there is used primarily to mean those who lost their lives in the Civil War.

Mr. GOOD. Yes; but under that term they are providing headstones for the graves of soldiers of the Spanish-American War and, I understand, the late war.

Mr. McKEOWN. Yes; under the broad language, if it is given a broad interpretation, the word "Union" would include soldiers of the Spanish-American War and also these soldiers, but it ought to be absolutely plain, as suggested by the gentleman from Washington [Mr. MILLER]. There seems to be an opinion that it does not cover it now.

Mr. GOOD. Mr. Chairman, I have not had time to look up the hearings since the gentleman called my attention to it, but my recollection is that out of the $21,549,000 they expect to spend something for headstones in connection with the interment of soldiers of this war, but as to that I am not certain.

Mr. McKEOWN. Would the gentleman have any objection to passing this question until he can look into it further?

Mr. GOOD. No; I have not. Mr. Chairman, I ask unanimous consent that the paragraph, commencing with line 1 and ending with line 12, page 50, be passed over temporarily.

Mr. MANN of Illinois. The paragraph and the amendment both?

Mr. GOOD. The paragraph and the amendment offered by the gentleman from Oklahoma.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the paragraph, beginning at the top of page 50 and ending with line 12, and the amendment of the gentleman from Oklahoma pending, shall be passed over without prejudice. Is there objection? [After a pause.] The Chair hears none.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. DOWELL having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 4212. An act to authorize the Central Railroad Co. of New Jersey to construct a bridge across the waters of the Delaware River, between the city of Easton, in the State of Pennsylvania, and the city of Phillipsburg, in the State of New Jersey; and

S. 3897. An act to amend sections 16 and 26 of the act of Congress approved July 17, 1916, known as the Federal farm-loan act. The bill simply provides a method by which the joint-stock land banks may go into voluntary liquidation.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 11960) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921, disagreed to by the House of Representatives, had agreed to the further conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. LODGE, Mr. BORAH, and Mr. HITCHCOCK as the conferees on the part of the Senate.

SUNDRY CIVIL APPROPRIATION BILL.

The committee resumed its session.

The Clerk read as follows:

No part of any appropriation for national cemeteries or the repair of roadways thereto shall be expended in the maintenance of more than a single approach to any national cemetery.

Mr. HICKS. Mr. Chairman, I move to strike out the last word merely to ask the chairman of the committee just why that proviso was put in there, that there should be but one approach to a national cemetery? I can conceive of a situation where it might be necessary to have two approaches.

Mr. GOOD. The trouble was a practice was growing up whereby roadways were being paved and repaired over private roads leading to national cemeteries, and there were abuses. Now, it was thought one entrance was sufficient. Some of these roadways extend some distance over State roads and county roads. County and State roads were being repaired out of the appropriation, and this provision was put in to prevent that sort of thing, and it has been carried for some time in the interest of economy and efficiency.

Mr. HICKS. I merely ask for information, because it seemed a rather unusual proviso. I withdraw the pro forma amendment.

The Clerk read as follows:

Disposition of remains of officers, soldiers, and civilian employees: For internment, cremation (only upon request from relatives of the deceased), or of preparation and transportation to their homes or to such national cemeteries as may be designated by proper authority, in the discretion of the Secretary of War, of the remains of officers, cadets, United States Military Academy, including acting assistant surgeons and enlisted men in active service, and accepted applicants for enlistment; internment, or of preparation and transportation to their homes, of the remains of civil employees of the Army in the employ of the War Department who die abroad, in Alaska, in the Canal Zone, or on Army transports, or who die while on duty in the field or at military posts within the limits of the United States; interment of military prisoners who die at military posts; for the interment and shipment to their homes of remains of enlisted men who are discharged in hospitals in the United States and continue as inmates of said hospitals to the date of their death, and for interment of prisoners of war and interned alien enemies who die at prison camps in the United States; removal of remains from abandoned posts to permanent military posts or national cemeteries, including the remains of Federal soldiers, sailors, or marines, interred in fields or abandoned private and city cemeteries; and in any case where the expenses of burial or shipment of the remains of officers or enlisted men of the Army who die on the active list are borne by individuals, where such expenses would have been lawful claims against the Government, reimbursement to such individuals may be made of the amount allowed by the Government for such services out of this sum, but no reimbursement shall be made of such expenses incurred prior to July 1, 1910; expenses of the segregation of bodies in permanent American cemeteries in France; in all, $21,549,000: *Provided*, That the above provisions shall be applicable in the cases of officers and enlisted men on the retired list of the Army who have died or may hereafter die while on active duty by proper assignment and also to citizens of the United States who may have died while serving in the armies of the allies associated with the American forces: *Provided further*, That, in addition to the foregoing sum, the unobligated balance of the appropriation "Disposition of remains of officers, soldiers, and civil employees," for the fiscal year 1920 is made available during the fiscal year 1921 for the care and maintenance of graves of officers, soldiers, and civilian employees of the Army abroad, and for the preparation and shipment of their remains to their homes or to national cemeteries: *Provided further*, That there may be expended from and after the approval of this act and until June 30, 1921, from this appropriation and the appropriation for this purpose for the fiscal year 1920, a total amount not exceeding $100,000 for personal services in the Cemeterial Division, Office of the Quartermaster General, War Department, for compiling, recording, preparing, and transmitting data incident to the disposition of the remains referred to herein; this sum may be expended notwithstanding the third proviso of the paragraph entitled "Temporary employees, War Department," contained in the legislative, executive, and judicial appropriation act for the fiscal year 1921.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that the word "internment," line 25, page 51, be changed to "interment." It is a typographical error. Also that the word "of," in line 1, page 52, be stricken out after the word "or," and the word "interment" be correctly spelled in line 7, and that the word "of," in line 7, after the word "or," be stricken out.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the corrections be made to the text of the bill, which the Clerk will report.

The Clerk read as follows:

Page 51, line 25, strike out the word "internment" and insert in lieu thereof the word "interment"; page 52, line 1, strike out the word "of" after the word "or"; page 52, line 7, strike out the word "internment" and insert in lieu thereof the word "interment"; page 52, line 7, after the word "or" strike out the word "of."

The question was taken, and the amendments were agreed to.

Mr. GOOD. Mr. Chairman, I also ask to return to page 43, line 22, for the purpose of correcting the spelling of the word "fiscal" in that line.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 43, line 22, correct the spelling of the word "fiscal."

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa? [After a pause.] The Chair hears none.

Mr. DICKINSON of Missouri. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 53, line 24, after the word "exceeding" strike out "$100,000" and insert "$500,000."

Mr. DICKINSON of Missouri. Mr. Chairman, I hope I may have the listening ear of the members of the Committee on Appropriations and the attention of the members of this Committee of the Whole House on the state of the Union. On page 53, I seek to amend, in line 24, by striking out "$100,000" and substituting "$500,000." This relates to the provision in the bill which takes care of the soldier dead and also some civilians in different sections of the world. The largest part of it relates to the care of the soldier dead buried in France and the return to this country of their remains. Every Member of this House is familiar with the fact that by reason of the World War there are now buried abroad over 75,000 soldiers in France. It had been expected that they would be returned to this country, wherever the relatives of the dead have requested it, and at an earlier period than now, but there was some objection on the part of the French Government. That objection has been removed. There has been an absolute agreement on the part of the authorities of the French Government and the authorities of this country—the Secretary of War and the Secretary of State. There is no longer any controversy.

The work is now going on. The only delay is the question of time. Permission has been given and the work has been going on with reference to all the dead except where they are within the war zone. The time has been postponed for going into the war zone to the 15th of September. The estimate made by the War Department carried in this bill—and I hope I may have the attention of every member of the committee—the estimate carried in this bill in the aggregate is $30,000,000 for all the purposes mentioned in the two pages or more covering all the items and all of the expense. There is now no controversy about it. At one time it looked as if no part of this appropriation could be made available for the work of the personnel here in the District of Columbia because of a provision in the legislative bill, and an amendment was inserted in this bill to meet that provision so that a part of the $30,000,000 in the aggregate could be used to pay the personnel here in the District of Columbia. But in the final analysis the Committee on Appropriations limited that expenditure to $100,000. This work abroad can not be done unless the force here is paid. There is no use having in this appropriation bill $30,000,000 or more provided for this great service if you do not permit it to be expended, and a sufficient amount to be expended, to do this work here; $100,000 is $1 for every $300 of the entire amount. The department states that that would only last for about three months.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. DICKINSON of Missouri. I yield.

Mr. JOHNSON of Mississippi. How much did the War Department ask?

Mr. DICKINSON of Missouri. I was going to get to that in one moment, if the gentleman will pardon me. This bill provides for a period of about 13½ months, from now until the 1st of July, 1921. The $8,000,000 and over of this fiscal year is made available for the fiscal year ending the 30th day of June, 1921. The War Department has said that it will take approximately $100,000 for each three months, or approximately $500,000 for the entire period to July, 1921, nearly 14 months, and that if it is limited to $100,000 then the work will stop, because the offices here will have to close or the force be cut down and the work delayed. It is true that it is possible that they might move their offices to some other town under the technical authority of law, but it would be an additional expense, and it would be a delay, and it would be a loss of a portion of those employed in this work here who could not follow the service.

I want to call your attention to a statement made in a letter by the Secretary of War:

I have already called to the attention of Congress one matter which should be corrected, in view of the probable disruption of this project as the result of a clause in the legislative, executive, and judicial appropriation bill for the year ending June 30, 1921. This bill prohibits the payment of civilian personnel in the bureaus or offices of the War Department in the District of Columbia, with certain exceptions. It is noted that part of the Quartermaster Corps, known as the graves registration service, which is supervising the disposition of the remains of soldiers buried overseas because the necessary data for field operations could not be turned out by the central office, upon which the field force in France is dependent for its official and revised information, I have suggested that a certain amendment may be made to the sundry civil bill whereby this particular feature of work may be excepted from prohibition against the use of civilian employees in the District of Columbia, so that the work may normally progress and the department may be relieved from the possibility of a great public clamor, in case the progress of that work is unnecessarily interrupted. This is one of the most pressing difficulties by which the project is menaced at the present time.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. DICKINSON of Missouri. Mr. Chairman, I ask unanimous consent that I may proceed for 10 minutes more.

The CHAIRMAN. Is there objection?

Mr. GOOD. I will ask the gentleman if he can not get through in five minutes?

Mr. DICKINSON of Missouri. I will try to do so. There are so many who do not understand this that I want to read what the Secretary of War says.

Mr. GOOD. I do not want to object, but we have read only 10 pages of the bill to-day, and I hope the gentleman can get through in five minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. DICKINSON of Missouri. I was going to read what the Secretary said, but I will omit that in order to get on further.

To be more specific, I will read and insert a fuller statement:

1. Your attention is invited to the proviso in the sundry civil bill (H. R. 13870), introduced April 30, 1920, lines 20 to 26, inclusive, page 53, and lines 1 to 6, inclusive, on page 54. This proviso contains a new provision, which is intended to authorize payment of civilian force in the cemeterial division of this office from funds appropriated for bringing home remains of our soldier dead, but it limits the amount to $100,000. The cemeterial division is the activity of this office heretofore generally known to the public and spoken of as the "graves registration service."

2. One hundred thousand dollars is not sufficient for clerical hire necessary in the District of Columbia in connection with the clerical work incident to returning American military dead from present burial places in Europe. The authorized clerical strength of the cemeterial division, this office, is 285, and the monthly pay roll amounts to $32,384.32. In view of the provision in the legislative, executive, and judicial bill, which the proviso referred to above was designed to offset, the authorization for clerical hire in the District of Columbia to be paid from the total of $21,549,000 estimated for under the appropriation for "disposition of remains," etc., should cover the last three months of the current fiscal year and the entire fiscal year 1921, which would make a total of 15 months, with a possible expenditure of $485,764.80. Funds for the payment of clerical hire are included in the total of the estimate as submitted. If, therefore, a limit to the amount to be used for clerical hire in the District of Columbia is to be incorporated in the law, it should be "not to exceed $500,000."

3. It should, however, be made clear to Congress that this is not a request for additional funds, but a request that suitable authority be granted by legislative enactment to permit the use of funds in the District of Columbia, that have already been estimated for and are about to be appropriated, for the disposition of the remains of our soldier dead, and for the care of their foreign burial places, the use of which funds for clerical hire in the District of Columbia will be expressly forbidden in the legislative, executive, and judicial act, but is desired to be authorized in the sundry civil appropriation act.

4. It is deemed absolutely essential to the efficient prosecution of this work of returning the remains of American soldier dead that the organization of the cemeterial division of the office of the Quartermaster General be not disturbed or broken up because of failure to grant suitable authority for its maintenance. The increased clerical expenses of the cemeterial division were included in the estimate for $21,549,000 submitted in connection with the appropriations for the "disposition of remains," etc., of our soldier dead and were not and have not been included in the estimates for the operations of the Quartermaster General of the Army or any other War Department activity. If a sufficient sum is not authorized for this continuance of the cemeterial division in the office of the Quartermaster General, it will become necessary to transfer this organization to some other city, with a view of avoiding the prohibition against the pay of its clerical force in the District of Columbia. This will mean an interruption in the supply of necessary data to our field forces abroad and a consequent serious delay in their operations, the loss of a very considerable number of the trained clerks now engaged in this work, the expense of the move, and the additional and unnecessary rental of office space, which is not available in the office of the Quartermaster General. All the foregoing would be an additional and unnecessary expense to the taxpayers.

5. It should be especially borne in mind that the prosecution of the work in Europe is absolutely dependent upon the supply of data from the records here in the United States, and that any delay in the supply of such data will increase the total cost of the work through idle time on the part of the working forces abroad or through inability to proceed with the work in accordance with plans made for its early completion.

6. It should also be borne in mind that the relatives in this country who desire the return of their dead are very insistent that this object be accomplished with the least possible delay, and will undoubtedly become clamorous should any delay occur through the lack of sufficient appropriation to prosecute the work. They are already very impatient at the delay caused by the unavoidable obstacles of distance, lack of transportation, and difficulty in securing and forwarding caskets and other supplies.

The work of this board here is an immense one. When the pay stops the work stops, and the force is discharged or reduced and delay follows. There is no use of making available this large amount already agreed on for all the estimated expense if the personnel conducting the work is to be discharged. Now, will you do that which will stop the work and prevent this large amount of money from being made available? Mark you, it does not add $1 to the amount of this appropriation, but it permits that amount to be used for personnel here in the District of Columbia which is absolutely necessary in order to carry on this work. Mark you further, it is stated that this Congress is liable to adjourn within 30 days. If it does, and you should not meet here until next December, or if you should meet at an earlier date, even, then there being no authority of law, it being forbidden to use any amount of this money, the work stops. Is there a Member of this House, after there has been an absolute agreement between the authorities over yonder and here, who believes that this great work should stop because of a prohibition in this bill?

I do not believe that this matter was thoroughly viewed from every standpoint by every member of the Appropriations Committee. I do not believe that they want to postpone the time in which this work shall be completed. It is the hope and desire of everyone in this country that the work shall be expedited and that the anxiety of those interested be not continued. If it were an increased appropriation it might be difficult, but it is only setting aside a necessary part for absolutely necessary work to be done through the personnel here. The commendable desire on the part of the chairman of this committee for economy we all appreciate, but when you understand that it does not add a single dollar but that it permits the War Department to use a sufficient amount of this fund in order to carry on this work——

Mr. OLIVER. May I ask what inquiry the gentleman has made to ascertain that this number of clerks is absolutely required?

Mr. DICKINSON of Missouri. I can say this, that the Committee on Appropriations has relied entirely upon the War Department in the estimate necessary to bring back not only the dead but to care for those who are over there, and to care for and remove the dead in over a thousand cemeteries scattered through France and England and Germany, and other parts of the world. I know nothing except what the War Department says, and the reliance on the part of this House on its estimate. I read the statement that 256 employees in this department here in Washington are engaged in this great work, and the monthly expenditure is $32,000 and more per month.

Mr. BLAND of Missouri. Is it not probable that when the work reaches its fullest development a larger number of employees will be necessary and expenses will be greater?

Mr. DICKINSON of Missouri. In all probability; and I understand they are gathering the employees in order to hasten the work going on over yonder. It is said that it is necessary in this work to not only search the data brought from Europe by the graves registration service, but also the answers received by the office of The Adjutant General in response to the questions sent therefrom. But data must also be obtained, through correspondence or personal inquiry from The Adjutant General's office, from the records abroad. I quote from data furnished me:

I am inclosing you herewith data in explanation of the need of the cemeterial division (graves registration service, O. Q. M. G.) for an authorization of approximately $500,000 under the appropriation, "disposition of remains," etc., sundry civil bill, for "the pay of the clerical

force in the District of Columbia necessary to compile, record, prepare, and transmit data incident to the remains of the American military dead from European burial places."

It is necessary in this work to not only search the data brought from Europe by the graves registration service but also the answers received by the office of The Adjutant General in response to the questionnaires sent therefrom. Much data must also be obtained through correspondence or personal inquiry from The Adjutant General's office from records brought from Europe by the central records office, A. E. F.; the Surgeon General's office; the Bureau of War Risk Insurance; etc. Besides this, there is a constant stream of inquiries from relatives, friends, Members of Congress, officers, Federal and State officials, and others interested in individual cases or this work in general, which must be answered.

Another point, which is perhaps of minor consideration, is the position in which the United States Government would be placed if, after obtaining through very firm diplomatic pressure on the French Government entire exception from the prohibition against the removal of remains of military dead, Congress should by an inadequate provision for clerical force paralyze the work at this end and thereby compel its cessation in Europe.

It is absolutely necessary to have a force sufficient to attend to all of these details in order to prevent mistakes being made in the identification, and for the sending daily of thousands of letters here and there and receiving the necessary information. The only way in which we can do it is to get the information, and I rely absolutely on the estimates as furnished by the department. I sincerely hope, inasmuch as it adds not one dollar additional to the entire amount, that it may meet the kindly judgment of those who have charge of this bill, and that they will consent to amounts sufficient to cover the entire 15 months, and that "not exceeding $100,000" be changed to "not exceeding $500,000."

Mr. RAMSEYER. Mr. Chairman, I ask unanimous consent to extend the remarks I made in the Committee of the Whole on this bill.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to extend the remarks which he has made in the committee on this bill. Is there objection? [After a pause.] The Chair hears none.

Mr. WOOD of Indiana. Mr. Chairman and gentlemen of the committee, I do not think there is anyone here who has any knowledge as to the efforts made for the bringing back of our soldier dead that will say that I have any other motives in the remarks I shall make except those that are goodly. I introduced the first resolution looking to the bringing back of our soldier dead, asking that the Government of the United States make some arrangement with the French Government whereby their old laws forbidding the exhumation and removal of bodies might be modified. And I have been following it up and doing all I could toward the bringing about of this desirable end. But I want to impress upon the committee that this is another attempt of the War Department to keep up this army of useless employees in the District of Columbia. Ever since the passage of the legislative bill, whereby we sought to retrench and cut down expenditures by releasing from the pay roll a great many of these unnecessary clerks they have been resorting to every possible means to circumvent the action of that committee and the action of this House in adopting it, in order to keep up their rolls, and that is what they are here trying to do. They are even using the sacred name of our heroic dead to keep up the pay roll in the city of Washington. I think I can demonstrate how useless it would be to have this additional authorization made. They have 256 clerks now in the cemeterial division of the Quartermaster Corps.

They have no use for one-half of that number at present. They could get along perfectly well with this number and do every bit of the work that would be required of them when these bodies begin to come back from across the sea.

Mr. JOHNSON of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. JOHNSON of Mississippi. Are these people employed in the city of Washington, all of these 256?

Mr. WOOD of Indiana. Yes; all of the 256 are employed in the city of Washington; and it is intended that these additional people shall be employed also in the city of Washington. It is for the clerical force in the city of Washington. They have 256 clerks there now, and one-fourth of them could do all the work that is required of them.

Now, suppose we agreed to the amendment offered by the gentleman from Missouri [Mr. DICKINSON], for whom I have the greatest sympathy and compassion? What does it mean? It means the addition down in that department, now overcrowded with useless help, of 416 more clerks. What will they do with them? What will they have to do? The gentleman has already stated, from the interviews and correspondence that he has had with the War Department, that the only purpose of these clerks is to take care of the correspondence made necessary by the bringing back of these bodies. If you allow them the $100,000 provided for in this bill, this sum will provide for 80 additional clerks, and I think 80 clerks would be sufficient to do all the correspondence that will be necessary.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. McKEOWN. Has the gentleman any information as to how rapidly they can be returned—as to the availability of the shipping?

Mr. WOOD of Indiana. That will depend entirely on the number of ships that are available. But there will be not more than 200 or 300 bodies coming back at a time.

Mr. McKEOWN. Has any estimate been furnished to the committee as to the amount of shipping that will be available to cover this number?

Mr. WOOD of Indiana. I have heard of none, although I have made some inquiry in that respect. That is entirely problematical. It will depend on how many ships they will be able to get and when they can get them. But at most only 250 or 300 of these bodies can be returned at one time. Imagine a force of 416 clerks, and 256 clerks in addition, taking care of the correspondence made necessary and imperative by reason of the bringing back of 250 or 300 bodies at one time! There is nobody here who wants in the least to interfere with bringing these bodies back; but I say this proposal is a mere subterfuge and an imposition on this Congress, an attempt—not the first one they have made, because they have made two or three heretofore—to retain and to increase the present clerk roll in the War Department.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. WOOD of Indiana. Mr. Chairman, I ask to proceed for two minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. WOOD of Indiana. If I felt that they needed an additional clerk for the object in view, I would be the last man to keep them from getting him.

Mr. PARRISH. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. PARRISH. I am sure we all have in mind the purpose that the gentleman from Missouri [Mr. DICKINSON] has, and that the gentleman from Indiana [Mr. WOOD] has, but I understand at present about $32,000 a month is being expended in clerical assistance there. Whether it is necessary or not, I do not know. At that rate, $32,000 a month, $100,000 would permit this service to continue only about three months, after which time, unless some other provision is made, the work will have to stop. Is that true?

Mr. WOOD of Indiana. It is not true. The clerical work for the 256 that they have down there now will go on. We have made provision for this. This is in addition. In my opinion they could get along without a single additional clerk. They do not need them for this purpose, and that is not the reason why they are trying to get them, and that is not the purpose for which they are trying to get them.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. OLIVER. Recently we had an estimate submitted to the Committee on Naval Affairs to the effect that they could compile all the records and make complete reports concerning the 500,000 men engaged in the Navy during the war for $300,000. That would embrace machines and all that kind of thing.

Mr. WOOD of Indiana. Yes. We gave the Navy Department in our legislative, executive, and judicial bill every cent they asked for for this service, but notwithstanding that fact, I am informed that another body has added $300,000 for this very purpose.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. I will yield.

Mr. BUTLER. I will ask to have the gentleman's time extended in order that I may get from him his views.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

Mr. BUTLER. Mr. Chairman, I ask unanimous consent that the gentleman from Indiana may have five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. BUTLER. My colleague [Mr. OLIVER] is entirely right. The first estimate they made was for $750,000, to make up the records of the sailors of the Navy in this war. We declined to make an appropriation of $750,000. Then a young man appeared, the chief of a division which has these records, and he said that for less than $300,000 he would make up these

records within 11 months. We were disposed to think that that was quite reasonable. Now, I discover that the Committee on Appropriations has in the legislative bill furnished sufficient money to enable them to do this work.

I want to say to the gentleman from Indiana that if I should be on the conference committee and that item appears before me, before agreeing to it I will see to it that no more than the amount that is written in the bill shall be allowed for this purpose. I do not want any more duplication. I understand the gentleman was going to speak to me about it. Is that satisfactory to the gentleman?

Mr. WOOD of Indiana. Yes.

Mr. BUTLER. I ask that all the hearings bearing on this subject be investigated as to what has been allowed or should be allowed for this purpose.

Mr. DICKINSON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. DICKINSON of Missouri. But the legislative bill prohibits any of it, and this bill only authorizes $100,000 of this amount.

Mr. BUTLER. I am referring to the item in the naval appropriation bill. An amendment has been added by the Senate, to which the gentleman from Indiana [Mr. WOOD] referred a moment ago and as to which the gentleman from Alabama [Mr. OLIVER] replied.

Mr. JOHNSON of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. BUTLER. Yes.

Mr. JOHNSON of Mississippi. How much was that?

Mr. BUTLER. Three hundred thousand dollars is the Senate amendment. In view of the fact that $750,000 was asked for the same work, we considered that that $300,000 was quite reasonable; but the amendment has not yet been agreed to.

Mr. WOOD of Indiana. I will say to the gentleman from Missouri [Mr. DICKINSON] that it is my purpose to do everything in my power to help in bringing back the remains of these boys, which ought to have been brought back long ago; but I assume that the gentleman from Missouri will be opposed to the Quartermaster Corps or any other division of the Army taking advantage of this sacred subject for the purpose of keeping up their pay roll and adding to it after appropriation for such purpose has been denied them by other legislation.

Mr. BLAND of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BLAND of Missouri. Upon what facts or evidence does the gentleman make that statement?

Mr. WOOD of Indiana. I make it on the basis of the evidence produced at the hearings that were had not only in the consideration of this bill, but before the subcommittee of the Committee on Appropriations having to do with the legislative, executive, and judicial appropriation bill.

Now, then, can you imagine, as a common-sense business man, the necessity for 416 additional clerks for the purpose of attending to the correspondence necessary and incident to the bringing back the remains of these soldier dead?

Mr. BLAND of Missouri. If the gentleman will yield further, I understand that the amount that is appropriated in the present bill, $100,000, will cover the operations as the personnel is now constituted.

Mr. WOOD of Indiana. That has not anything to do with it. They have a personnel of 256 down there now that is provided for in other legislation.

Mr. BLAND of Missouri. What bill?

Mr. WOOD of Indiana. The legislative, executive, and judicial bill appropriates $3,000,000 for additional clerk hire in the War Department. Out of this sum ample provision can be made for all the clerks necessary to do this work, in my opinion, without the authorization of a single additional dollar, but we are allowing them $100,000 more by this measure. Certainly with this increase they can get along if they so desire.

Mr. HUDSPETH. What is the reason for providing in this bill $100,000 additional for these clerks that had already been taken care of in another bill?

Mr. WOOD of Indiana. I am free to say to the gentleman that I was opposed to authorizing a dollar additional; but in obedience to the majority rule the committee thought it was better that we give them an additional $100,000, so that they might not have even an excuse. With the appropriations that have been authorized they can employ 80 additional clerks, which will be more than sufficient. Let us save as much of this money as we can for the purpose of bringing back our soldier dead and waste as little as possible of it in useless clerk hire.

Mr. BYRNS of Tennessee. Mr. Chairman, I am very much in sympathy with all that the gentleman from Indiana [Mr. WOOD] has said with reference to doing away with useless and unnecessary employees in the War Department, and, in fact, in every department of the Government, and I want to take this occasion to say that the subcommittee of which the gentleman from Indiana was chairman rendered a very great service in the reduction of estimates that were submitted for employees in the departments, and I was very glad to give my hearty support to the bill which was prepared under his direction.

But I am not prepared to agree with what the gentleman had to say to the effect that some one in the War Department is using the names of our soldier dead for the purpose of padding estimates and securing additional or unnecessary clerks in the War Department. I am not prepared to say that the amendment of the gentleman from Missouri does not call for too much money. As a matter of fact the expenditure for this purpose in the War Department now is at the rate of about $388,611 a year. I was talking with Mr. Davis, who is connected with the Quartermaster's Department, several days ago, and I asked him particularly as to the present pay roll, and also as to how long he thought it would be necessary to maintain it at its present rate, and he told me he thought that under ordinary circumstances, possibly in October or November they would be able to reduce the number of the clerks, but that it would be impossible, if Congress and the people of this country expected prompt action in bringing back the remains of the boys, to reduce the number in July.

Now, I think the gentleman from Indiana [Mr. WOOD] is mistaken in his statement that this means an additional force in the War Department for this purpose. On the contrary, the money carried in this bill will be the only appropriation that will be provided for the employment of these clerks, who are necessary to carry on the work incident to the bringing back from France of the remains of our soldier dead; and I have as authority for that statement no less a person than the Secretary of War himself. I know that the Secretary of War is interested only in securing the necessary number of clerks, and no more, for this purpose, and I want to take the liberty of reading to you just what the Secretary of War says as to the necessity of some additional force in order to provide for this very important and very essential service. Now, listen to this. He says:

WAR DEPARTMENT,
Washington, April 30, 1920.

HON. JOSEPH W. BYRNS,
House of Representatives.

MY DEAR MR. BYRNS: Referring to your inquiry concerning the estimated sum required from the estimate for an appropriation of $21,549,000 for the disposition of remains, for the payment of civilian personnel in the District of Columbia engaged to compile, record, prepare, and transmit data to the field force in Europe, upon which to base their operations for the return of the bodies of American soldier dead, you are advised that the present pay roll amounts to $32,384.32 per month. In view of the provision in the legislative, executive, and judicial bill, which the amendment requested is desired to offset, the authorization for clerical hire, to be paid from the total estimated, as stated above, under the appropriation, "disposition of remains," should cover the three months of the current fiscal year and the entire fiscal year of 1921. This would make a total of 15 months, with a possible expenditure of $485,764.80. The inclusion of the three months of the current fiscal year is in order to provide against any question the auditor might raise as to the provision in the legislative, executive, and judicial bill applying to disbursements prior to June 30, 1920.

If, therefore, the Committee on Appropriations should feel it their duty to limit the amount of money to be expended for clerical hire in the District of Columbia for this purpose, it might be placed at not to exceed $500,000. It should, however, be clearly understood by the committee that this is not a request for additional funds, but a request that suitable authority be granted by legislative enactment to permit the use of funds in the District of Columbia—funds that have already been appropriated or are about to be appropriated for the disposition of the remains of our soldier dead and care of their foreign burial places, the use of which funds in the District of Columbia will be expressly forbidden in the legislative, executive, and judicial act.

It is deemed absolutely essential to the efficient prosecution of this work that the organization of the cemeterial division of the Office of the Quartermaster General be not disturbed or broken up because of failure to grant suitable authority for its maintenance. The expenses of the cemeterial division were included in the estimate for $21,549,000—

The amount carried in this bill—

submitted in connection with the appropriation for the "disposition of remains," etc., of our soldier dead and were not and have not been included in the estimates for the operation of the Office of the Quartermaster General of the Army or any other War Department activity. If authority is not obtained for the continuance of the cemeterial division in the Office of the Quartermaster General, it will become necessary to transfer this organization to some other city, with a view to avoiding the prohibition against the pay of its clerical force in the District of Columbia. This will mean a serious delay in the work of our field forces abroad, the loss of a very considerable number of the

trained clerks now engaged in this work, the expenses of the move, and the additional and unnecessary rental of office space and which office space is available in the Office of the Quartermaster General. All the foregoing would be an additional and unnecessary expense to the taxpayers.

It should also be borne in mind that the prosecution of the work in Europe is absolutely dependent upon the supply of data from the records here in the United States, and that any delay in the supply of such data will increase the total cost of the work through idle time on the part of the working forces abroad or through inability to proceed with the work in accordance with plans made for its early completion.

It should also be borne in mind that the relatives in this country who desire the return of their dead are very insistent that this object be accomplished with the least possible delay, and will undoubtedly become clamorous should any delay occur through the lack of sufficient appropriation to prosecute the work. They are already very impatient at the delay caused by the unavoidable obstacles of distance, lack of transportation, and difficulty in securing and forwarding caskets and other supplies.

Very truly, yours, NEWTON D. BAKER,
Secretary of War.

That letter was written to me upon my request for some information as to the necessity for these clerks.

This amendment of the gentleman from Missouri does not add one dollar to the appropriation carried in this bill. I have said elsewhere that possibly $300,000 might be all that was necessary to carry them through the next fiscal year, because the peak will have been reached in the early part of the fiscal year, and in October or November they will be in a position to release some of their clerks; but in this matter of bringing back the remains of those boys who fought for their flag and died for our country in France, I had rather appropriate ten times more than the amount needed than be in the position of not giving them enough [applause]; and for that reason, rather than run the risk of delaying even for one day the bringing back of the remains of the beloved boy of some good mother, I would give the full amount that they ask and trust to the War Department to administer the law as it ought to be administered in an economical way. [Applause.]

Mr. GOOD. Mr. Chairman, I ask unanimous consent that the debate on this paragraph and all amendments thereto be limited to 25 minutes, 5 minutes to the gentleman from Missouri [Mr. DICKINSON], 2 minutes to the gentleman from Missouri [Mr. BLAND], 3 minutes to the gentleman from Texas [Mr. BEE], 5 minutes to the gentleman from Texas [Mr. BLANTON], 5 minutes to the gentleman from Minnesota [Mr. KNUTSON], and 5 minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. DICKINSON of Missouri. Can not the gentleman limit that simply to this amendment?

Mr. GOOD. I hope the gentleman will not make any objection to my request. That will make a total of over an hour on this paragraph. It seems to me we must proceed.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on this paragraph and all amendments thereto close at the end of 25 minutes, to be divided as stated by him. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman, I want to indorse and to emphasize part of what the gentleman from Indiana [Mr. WOOD] said, to the extent of asserting that Government employees' organization propaganda is even going into the sacred precincts of the resting places of our beloved dead in France in an attempt to keep some of the 100,000 emergency war clerks still on the pay roll. I have received a letter from one of the Government clerks here protesting at the action of what is known as the employees' union in collecting from their members 50 cents a month in order to carry on legislative propaganda here before the Congress—50 cents a month from each and every one of the employees affiliated with those local unions; and he sent me various printed communications from several locals attempting to change their constitutions, increasing the amount of the monthly assessments or dues. Let me show you how active some are. In this morning's Washington Post appears an article headed "Federal Employees' Union, Local No. 2, appoints a committee to urge Congress on." Let me read excerpts from one communication sent to its members by this Federal Employees' Local No. 2, being the same Local No. 2 mentioned in the Washington Post. Let me read:

There can be no valid objection to giving the national federation 25 cents per month. It should be clearly understood that Local No. 2 and the national are not two separate organizations; they are merely different parts of the same organization. It is the national that organizes and conducts our legislative campaigns; and legislative campaigns are the means which, in the main, bring us results we are working for. The national also organizes locals all over the country (we now have 128 scattered over 41 States), and it is from these locals, in large part at least, that we obtain our power; and the help of these locals is vital in every legislative program.

The increased dues do not begin until after July 1, and then the new bonus will also be in effect. The attention of all members who are so situated that they can do little of the real work of the union is called to the fact that they are profiteering handsomely from the investment made by joining the union, for not only are they getting 313 hours of added leizure this year, but, as one member expressed it, they are also able to drop 35 cents in the slot and draw out $10 each month. What they are asked to do during the next fiscal year is to "drop 50 cents in the slot" and draw out the new bonus and also a real reclassification program.

There is no other labor union in the country paying less than 50 cents dues per month; most of the unions pay dues of $1 or more, and they get satisfactory results because they have adequate means for every campaign.

The above, Mr. Chairman, indicates the modus operandi of these unions of Government employees in forcing money from its members to use in operating on Congress. They reach us through every angle. They seek an unlimited amount of money to bring influence to bear upon us from every available point of the compass. They have the strongest, most pernicious lobby constantly maintained here ever known to the oldest inhabitants of this Capital. And we fall for them every year, month, week, day, hour, and almost every minute. They find some way to influence us, and always get what they want.

The Post says that this particular Local No. 2 has appointed committees "to urge Congress on." Fifty cents a month! The newspapers stated the other day that these Government employees now have 168 locals. Suppose every one of the Government employees here in Washington belonged to the union—100,000. That would be $50,000 a month income for a slush fund for these Government unions to use in a legislative campaign "to urge Congress on," and we are being urged on right now. We are getting these communications from the clerks. They come from our own districts sometimes in the way of letters, petitions, and telegrams. They say in the communication I read that it is the locals in our district from which they get most of their power. We are being urged on and on and on, and even driven. I want to say that the time has come when we want to do everything we can and everything that is necessary to bring the bodies of our hero soldiers back from France. I have been in favor of that ever since the armistice. I have insisted for it on the floor many times and will vote to appropriate every dollar necessary, but I am also in favor of cutting loose from the pay roll every unnecessary idle clerk put on through the civil service that is not needed, and who every day are ding-donging us in order to raise the money to keep them. We ought to cut them loose and send them home. [Applause.]

Mr. BEE. Mr. Chairman, before I use the three minutes allotted to me I want to make a short statement. As we know, to-day is Uncle JOE CANNON's birthday. As I came into the House Building this morning I saw a bust of ex-Speaker CANNON back in an out-of-the-way place near the majority room. I do not know who is responsible for putting it there but they ought to put it where every Member of the House can see it when he comes into the building as an inspiration. [Applause.]

I hope whoever has charge will take it and put it in a prominent place where Members can get the benefit of it.

Gentlemen, I can not agree with my friend from Indiana. I do not believe there is any man in the Quartermaster's Department, subject to the influence that the gentleman from Texas, Mr. BLANTON, talked about, who is willfully padding the pay roll to keep the men in its employ. I do not know how much money they ought to have to bring back the bodies of the boys in France, but so far as I am concerned, when I have a letter from a mother in my district asking information as to how soon the body of her son will be returned and her son will be buried in her own cemetery, I want to answer that letter, and I want enough clerks in the Quartermaster's Department so I can get the information at once without having to wait. If there is one question that this Congress has before it that ought not to be brought into the range of economy it is the question of the expenditure of money for the return of the boys whose bodies lie in France. [Applause.] I do not want extravagance, but I want sufficient clerks in the office attending to this correspondence to get up the necessary documents and enable these bodies to be returned as soon as possible. I want to register my protest against the statement of the gentleman from Indiana that there is an effort on the part of the officers of the Army in the Quartermaster's Department to pad the pay rolls and keep useless men and women at work in order to magnify their position on a sacred subject. [Applause.]

Mr. BLAND of Missouri. Mr. Chairman, the amendment offered by the gentleman from Missouri [Mr. DICKINSON] is to increase the amount of $100,000 to $500,000 of the third proviso, appearing on page 53:

Provided further, That there may be expended from and after the approval of this act and until June 30, 1921, from this appropriation and the appropriation for this purpose for the fiscal year 1920, a total amount not exceeding $100,000 for personal services in the Cemeterial Division, Office of the Quartermaster, War Department—

and so forth, and relating to the disposition abroad and the return to and the disposition in this country of the bodies of the

American boys who lost their lives in the World War. If the increase from $100,000 to $500,000 is necessary for the return of the bodies of our dead, the amendment should be adopted without objection, and the only question to determine is whether or not such increase is necessary. I believe it to be absolutely so, and without it there will be serious and long-continued delay.

I can hardly understand the declaration of men that they are in favor of bringing back the boys from France and other foreign lands to their homeland and at the same time opposing an essential and necessary allotment of money for that purpose. The propaganda referred to by the gentleman from Texas [Mr. BLANTON], which prompted the amendment offered by the gentleman from Missouri, does not come from the direction indicated by him, but from the wives, the mothers, fathers, and close relatives of our boys buried in foreign lands. I venture the statement that most, if not all, Members of Congress have received letters of this character. I know of my personal knowledge that the gentleman from Missouri [Mr. DICKINSON], who offers this amendment, has for many months been most active in urging that adequate provision be made by appropriation for the return of our soldier dead, whose relatives desire their return, and for the segregation in cemeteries in France of the bodies of those whose relatives desire that they remain abroad, and that he is prompted to-day by the single purpose that this great work, which rests upon this Government as a solemn obligation, be accomplished without delay. The statement has been made during the argument upon this amendment by the gentleman from Indiana [Mr. WOOD] that the amendment should be defeated, because it is unnecessary to increase the amount from $100,000 to $500,000 to carry on the work of the Cemeterial Division, and I feel sure that the claim of the gentleman from Indiana, as to the facts and as stated by him, is based upon erroneous information. During his discussion of the amendment, in order that the definite reason for his opposition might be developed and assigned, the following occurred:

Mr. WOOD of Indiana. I will say to the gentleman from Missouri [Mr. DICKINSON] that it is my purpose to do everything in my power to help in bringing back the remains of these boys, which ought to have been brought back long ago; but I assume that the gentleman from Missouri will be opposed to the Quartermaster Corps or any other division of the Army taking advantage of this sacred subject for the purpose of keeping up their pay roll and adding to it after appropriation for such purpose has been denied them by other legislation.

Mr. BLAND of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BLAND of Missouri. Upon what facts or evidence does the gentleman make that statement?

Mr. WOOD of Indiana. I make it on the basis of the evidence produced at the hearings that were had not only in the consideration of this bill, but before the subcommittee of the Committee on Appropriations having to do with the legislative, executive, and judicial appropriation bill.

Now, then, can you imagine, as a common-sense business man, the necessity for 416 additional clerks for the purpose of attending to the correspondence necessary and incident to the bringing back the remains of these soldier dead?

Mr. BLAND of Missouri. If the gentleman will yield further, I understand that the amount that is appropriated in the present bill, $100,000, will cover the operations as the personnel is now constituted.

Mr. WOOD of Indiana. That has not anything to do with it. They have a personnel of 256 down there now that is provided for in other legislation.

Mr. BLAND of Missouri. What bill?

Mr. WOOD of Indiana. The legislative, executive, and judicial bill appropriates $3,000,000 for additional clerk hire in the War Department. Out of this sum ample provision can be made for all the clerks necessary to do this work, in my opinion, without the authorization of a single additional dollar, but we are allowing them $100,000 more by this measure. Certainly with this increase they can get along if they so desire.

Mr. HUDSPETH. What is the reason for providing in this bill $100,000 additional for these clerks that had already been taken care of in another bill,

Mr. WOOD of Indiana. I am free to say to the gentleman that I was opposed to authorizing a dollar additional; but in obedience to the majority rule the committee thought it was better that we give them an additional $100,000, so that they might not have even an excuse. With the appropriations that have been authorized they can employ 80 additional clerks, which will be more than sufficient. Let us save as much of this money as we can for the purpose of bringing back our soldier dead and waste as little as possible of it in useless clerk hire.

Let the facts speak for themselves and they provide a sufficient and conclusive answer. The committee, in its report on the present bill, page 4, states:

It is estimated by the War Department that approximately 50,000 bodies will be returned to the United States at an average cost of $500, and that approximately 25,000 bodies will be segregated in permanent American cemeteries in France at an average cost of $200, making a total approximated cost for both purposes of $30,000,000. There has been previously appropriated for this purpose approximately $8,500,000 which is continued available for the next year by this bill and an additional appropriation of $21,500,000 is recommended, thus placing at the disposal of the War Department the entire estimated cost for this purpose.

And I may say, in this connection, in the estimate of the War Department of $30,000,000 there was included the expenses of the cemeterial division at the sum of $500,000. The Secretary of War, in his letter to Mr. BYRNS of Tennessee, states: "The expenses of the cemeterial division were included in the estimate for $21,549,000, submitted in connection with the appropriation for the 'disposition of remains,' and so forth, of our soldier dead, and were not and have not been included in the estimates for the operation of the office of the Quartermaster General of the Army or any other War Department activity." Therefore, if the amendment is not carried, the cemeterial division will be without funds to prosecute the work, and to make wise and effective expenditure of the appropriation provided by this bill. The letter by the Secretary of War to Mr. BYRNS is as follows:

WAR DEPARTMENT,
Washington, April 30, 1920.

Hon. JOSEPH W. BYRNS,
House of Representatives.

MY DEAR MR. BYRNS: Referring to your inquiry concerning the estimated sum required from the estimate for an appropriation of $21,549,000 for the disposition of remains, for the payment of civilian personnel in the District of Columbia engaged to compile, record, prepare, and transmit data to the field force in Europe, upon which to base their operations for the return of the bodies of American soldier dead, you are advised that the present pay roll amounts to $32,384.32 per month. In view of the provision in the legislative, executive, and judicial bill, which the amendment requested is desired to offset, the authorization for clerical hire, to be paid from the total estimated, as stated above, under the appropriation, "disposition of remains," should cover the three months of the current fiscal year and the entire fiscal year of 1921. This would make a total of 15 months, with a possible expenditure of $485,764.80. The inclusion of the three months of the current fiscal year is in order to provide against any question the auditor might raise as to the provision in the legislative, executive, and judicial bill applying to disbursements prior to June 30, 1920.

If, therefore, the Committee on Appropriations should feel it their duty to limit the amount of money to be expended for clerical hire in the District of Columbia for this purpose, it might be placed at not to exceed $500,000. It should, however, be clearly understood by the committee that this is not a request for additional funds, but a request that suitable authority be granted by legislative enactment to permit the use of funds in the District of Columbia—funds that have already been appropriated or are about to be appropriated for the disposition of the remains of our soldier dead and care of their foreign burial places, the use of which funds in the District of Columbia will be expressly forbidden in the legislative, executive, and judicial act.

It is deemed absolutely essential to the efficient prosecution of this work that the organization of the cemeterial division of the office of the Quartermaster General be not disturbed or broken up because of failure to grant suitable authority for its maintenance. The expenses of the cemeterial division were included in the estimate for $21,549,000 submitted in connection with the appropriation for the "disposition of remains," etc., of our soldier dead and were not and have not been included in the estimates for the operation of the office of the Quartermaster General of the Army or any other War Department activity. If authority is not obtained for the continuance of the cemeterial division in the office of the Quartermaster General, it will become necessary to transfer this organization to some other city, with a view to avoiding the prohibition against the pay of its clerical force in the District of Columbia. This will mean a serious delay in the work of our field forces abroad, the loss of a very considerable number of the trained clerks now engaged in this work, the expenses of the move, and the additional and unnecessary rental of office space, and which office space is available in the office of the Quartermaster General. All the foregoing would be an additional and unnecessary expense to the taxpayers.

It should also be borne in mind that the prosecution of the work in Europe is absolutely dependent upon the supply of data from the records here in the United States, and that any delay in the supply of such data will increase the total cost of the work through idle time on the part of the working forces abroad or through inability to proceed with the work in accordance with plans made for its early completion.

It should also be borne in mind that the relatives in this country who desire the return of their dead are very insistent that this object be accomplished with the least possible delay, and will undoubtedly become clamorous should any delay occur through the lack of sufficient appropriation to prosecute the work. They are already very impatient at the delay caused by the unavoidable obstacles of distance, lack of transportation, and difficulty in securing and forwarding caskets and other supplies.

Very truly, yours,

NEWTON D. BAKER,
Secretary of War.

It would seem—and most reasonably and justly so—that the letter of the Secretary of War is sufficient answer to the contention made by the gentleman from Indiana [Mr. WOOD]; but when the further facts bearing upon this question are considered, they show conclusively that the gentleman from Indiana is mistaken in his statement. He has stated that the legislative, executive, and judicial bill provides $3,000,000 for additional clerk hire in the War Department, and "out of this some ample provision can be made for all the clerks necessary to do this work." The legislative bill referred to by the gentleman is H. R. 12610, introduced April 5, 1920, passed by the House and Senate, which appropriated $3,000,000 for the entire War Department, and the same bill, in the proviso, at the top of page 79, declared:

Provided further, That $1,850,000 of the foregoing sum shall be allotted to the office of The Adjutant General, and such portion thereof as may not be needed in that office shall not be allotted to any other office, but shall lapse and be covered into the Treasury.

It will not be contended, therefore, that any portion of the $1,850,000 could be used by the cemeterial division, and after

deducting that sum from the total appropriation $1,150,000 would be left for the use of the entire War Department, and of the remainder $1,150,000 tentative allotment has been made by the Secretary of War, I learned by investigation, as follows:

Four hundred and seven thousand five hundred dollars to the Quartermaster General's office, of which one of the activities is the cemeterial branch.

Two hundred and seventeen thousand dollars to the Director of Finance.

One hundred and sixteen thousand five hundred dollars to the office of the Chief of Ordnance.

Seventy thousand dollars to the Surgeon General's office.

And the remaining $338,300 has been tentatively allotted to the office of the Secretary of War, to the office of the Chief of Staff—including Military Information Division—to the office of the Director of Purchase, Storage and Traffic, to the Inspector General's office, to the office of the Judge Advocate General, to the office of the Chief Signal Officer, to the office of the Chief of Engineers, to the Militia Bureau, to the office of the Chief of Coast Artillery, to the Chemical Warfare Service, to the Motor Transport Corps, to the office of the Director of Real Estate Service, and to the office of the Director of the Transportation Service, thus exhausting the entire amount of the appropriation. In this connection I may say that the allotment of $407,500 to the Quartermaster General's office—which is the maximum allotment, and reduction thereof may be necessitated by the imperative demands of other departments—has compelled and will immediately compel the discharge of 1,010 clerks in the Quartermaster General's office, and further reduction may interfere seriously, in fact most seriously, with the functioning of the department. I may further say that the cemeterial division, in the District of Columbia, of the Quartermaster General's office, which includes the administration branch thereof, and the graves registration service, will be unable to receive a dollar of the $407,500, not only for the reasons assigned in the letter of the Secretary of War to Mr. BYRNS, growing out of the legislative limitations, but because the total amount of $1,150,000 did not provide sufficient funds. Certainly it could not be taken out of the $407,500 allotted to the Quartermaster General for his entire department, as his department includes the general administrative division, general service division, cemeterial division, personnel division, remount service, purchase service, surplus property division, storage service, and with many subdivisions having direct charge of different activities. The cemeterial division has never received a dollar from the Quartermaster General's office, and the expenses heretofore of the cemeterial division were included in the estimate of $8,500,000 heretofore appropriated, and referred to in the report of the Committee on Appropriations, report No. 905.

The Secretary of War, in his letter of April 30, states that in his estimate of $485,764.80 he has included three months of the current fiscal year—

in order to provide against any question the auditor might raise as to the provision in the legislative, executive, and judicial bill applying to disbursements prior to June 30, 1920.

The gentleman from Indiana [Mr. WOOD] is again mistaken when he states that the increase contemplated in the amendment offered is for the purpose of increasing the number of clerks in the cemeterial division, either by the number of 80 or to the force of 416, as he seemed to think. The present monthly pay roll of the cemeterial division is $32,384.32, and if that sum is multiplied by the 15 months included in the estimate by the War Department it will be found that it results in the exact sum of $485,764.80, as set forth by the Secretary of War, and the Secretary, in order to provide a safe margin to care for contingencies and increased demands upon the cemeterial division, suggests that a total amount not exceeding $500,000 be authorized for personal services in the division. Or, in other words, that the use of that sum for the purpose indicated be permitted out of the total appropriation of $30,000,000.

Impartial investigation will show conclusively that, as now organized and if the work is to be conducted efficiently, expeditiously, and accurately, the sum of $100,000 provided in the present bill under consideration will supply sufficient funds only for the period of three months, and that the failure to increase the amount to the sum of $500,000 as provided in the amendment of the gentleman from Missouri [Mr. DICKINSON] will mean serious and disastrous delay in the work of segregating the American dead in cemeteries in France and in returning to this country the remains of the 52,000, as has been determined by the relatives.

The necessity for the adoption of the amendment is further disclosed and emphasized by a communication, under date May 7, 1920, from the Secretary of War to the gentleman from Missouri presenting the amendment, Mr. DICKINSON. It is as follows:

WAR DEPARTMENT,
Washington, May 7, 1920.

Hon. C. C. DICKINSON,
House of Representatives.

MY DEAR MR. DICKINSON: I am in receipt of your letter of the 3d instant and desire to express my hearty appreciation of the interest taken by yourself and Mr. BYRNS in securing an amendment to the appropriation "Disposition of remains," etc., in the sundry civil bill, authorizing the payment of the necessary clerical force to properly conduct the graves registration service work in the District of Columbia. As you well understand, the maintenance of this force is essential in the compilation of data which must be furnished the overseas organization before they can proceed with their duties of disinterring and shipping the remains of our soldier dead to their homes in the United States.

It is unfortunate that the House Appropriations Committee determined to limit the amount to be expended to $100,000. The pay roll for the authorized strength of the cemeterial division in the Quartermaster General's office now amounts to $32,384.32 per month. It was estimated that any limitation placed upon the amount to be expended for clerical hire should include the last quarter of the current fiscal year for the reason that the question has arisen as to whether if immediately passed the provision of the legislative, executive, and judicial bill prohibiting payment of clerical employees from the appropriation "Disposition of remains," etc., might affect this period. The total sum, therefore, estimated as a charge against the appropriation "Disposition of remains," etc., would be the pay roll for 15 months, amounting to $485,764.80. The committee was asked, if a limitation was deemed necessary, to pass it at $500,000, in order to leave a margin of safety for possible emergency, not with the intention, however, of necessarily expending this sum for clerical hire.

The provision for clerical hire for the cemeterial division, as it now reads, considered in connection with the provision relating to pay of temporary employees in the District of Columbia, and that of No. 3679 Revised Statutes, as amended by acts of March 3, 1905 (33 Stat., 1257), and February 27, 1906 (34 Stat., 49), will, it is considered, absolutely limit the sum that can be expended for said clerical hire to $100,000 from and after the date that pending sundry civil bill becomes a law to the end of the fiscal year 1921. This would be $100,000 for about 13½ months, or $7,407.40 per month, a reduction of $24,976.92, or approximately 75 per cent per month. The effect of so drastic a reduction in an essential feature of this activity at this time certainly needs no argument to be understood.

I sincerely trust that the limit will be increased if not by amendment on the floor of the House, then by the Senate Appropriations Committee, as it would greatly retard the work and in the end increase the expense of the project should it become necessary to remove the clerical force employed in this work out of the District of Columbia.

Again thanking you for your interest in this matter and for the important assistance you have rendered, I am,

Very sincerely, yours,

NEWTON D. BAKER,
Secretary of War.

The letter refers to the legislative limitation which I have mentioned as limiting the sum to be expended in the cemeterial division for clerk hire to $100,000, and discloses in no uncertain terms the serious result which will be brought about, and delay the carrying on of the work of returning our soldier dead. The section of the statute referred to by the Secretary reads as follows:

For contingent expenses; how apportioned: All appropriations made for contingent expenses or other general purposes, except appropriations made in fulfillment of contract obligations expressly authorized by law, or for objects authorized or required by law, without reference to the amounts annually appropriated therefor, shall, on or before the beginning of each fiscal year, be so apportioned by monthly or other allotments as to prevent expenditures in one portion of the year which may necessitate deficiency or additional appropriations to complete the service of the fiscal year for which said appropriations are made; and all such apportionments shall be adhered to and shall not be waived or modified except upon the happening of some extraordinary emergency or unusual circumstance which could not be anticipated at the time of making such apportionment, but this provision shall not apply to the contingent appropriations of the Senate or House of Representatives, and in case said apportionments are waived or modified as herein provided the same shall be waived or modified in writing by the head of such executive department or other Government establishment having control of the expenditure, and the reason therefor shall be fully set forth in each particular case and communicated to Congress in connection with estimates for any additional appropriations required on account thereof. Any person violating any provision of the section shall be summarily removed from office and may also be punished by a fine of not less than $100 or by imprisonment for not less than a month. (Sec. 3679, R. S., as amended by acts of Mar. 3, 1905 (33 Stat., 1257), and Feb. 27, 1906 (34 Stat., 49).)

The proposed sum of $100,000, and as provided by the bill unless the amendment is adopted, is grossly inadequate and insufficient. It is not a time to match dollars or indulge a false idea of economy, in fulfilling and discharging the solemn obligation resting upon Congress—yes, upon the entire Nation—to return to the wives and the mothers and fathers the bodies of their dear ones, of those who so freely and heroically gave their lives.

The work of the cemeterial division is now progressing rapidly, efficiently, and, when the immense task before it is considered, economically.

As supplying some of the information and detail of the work which is now being accomplished, I desire to direct attention

to a letter just received by me from the office of the Quartermaster General of the Army, and which is as follows:

Hon. WM. T. BLAND,
House of Representatives.

MY DEAR MR. BLAND: Referring to your telephonic conversation with Col. Jones of our cemeterial division late Saturday afternoon.

The work of this division is progressing in a really very gratifying manner. Considering a total of 75,490 bodies to be cared for the final data on 12,855 has been completed and is ready for dispatch overseas, 8,563 has actually been dispatched, and some 26,887 are in the process of preparation.

When we stop to consider that 51,773 bodies are in the so-called zone of the armies, it will be seen that not only have we completed Great Britain and some of the other smaller countries but we are well on the way toward the completion of the zone of the interior of France and are starting on the zone of the armies. To date we have sent out some 10,392 requests to the nearest relatives for final confirmation of the shipping instructions.

The following bodies have been returned to the United States:

March	18
April	440
Waiting transport April 30	650

The return of bodies has been almost entirely dependent on the supply to our field forces overseas of caskets. To date the following caskets have been shipped overseas:

December	200
February	773
March	1,532
April	3,366

It is thought that the above data is sufficient to illustrate the progress that is being made in this most important work. We are just about getting into our stride. The strike recently of the railroad employees has seriously delayed, first, the delivery of completed caskets, and, secondly, and what is most important, the delivery of raw materials to the casket manufacturers. As a result, there have been delays, but which can not be attributed to this division or its field forces. We asked for the following deliveries of caskets:

March	3,000
April	4,500
May	4,625
June	5,000
July	6,000
August	7,000
Each month thereafter	7,500

The situation at present, as refers to caskets, is somewhat as follows, probable deliveries:

May and June, each	2,500
July	3,500
Thereafter, per month	5,000

Very truly, yours,

CHARLES C. PIERCE,
Colonel, United States Army, Chief Cemeterial Division.
By E. E. DAVIS,
Executive Assistant.

As the work of the cemeterial division is now thoroughly organized and under good headway, it would be disastrous indeed if the realization of the hopes of those who are anxiously and impatiently waiting for the return of their dead should be disappointed or blasted. It is unspeakable, it is unthinkable, and unbelievable that such a result should be brought about by a failure of Congress to make adequate appropriation.

The casualties numbered approximately 79,000, of which 75,490 have been accurately identified. There are in addition about 900 graves in which the remains have not yet been identified and concerning which careful investigation is being made. Of the remainder of the casualties the remains or the graves have not been located, and concerning these every source of information is being exhausted. When it is remembered that in the national cemeteries, 82 of which are in the United States and 1 in Mexico, the remains equaling 44 per cent have been unidentified, the work of the cemeterial division here and overseas is remarkable. Many of our boys fell in the dark forests of the Argonne and in the forests along the Meuse, in the battle fields extending hundreds of miles, beneath the awful din of explosives, in the craters of shell holes, and were buried beneath an avalanche of débris, midst the haste and struggle of battle, sometimes intermingled or brigaded with foreign troops, and the fact that the records of identification have been completed to the extent already obtained is evidence of the important and vitally necessary work which is being done by the cemeterial division.

The complex and intricate character of the work of segregating and identifying the American dead to remain in France and returning the dead to this country imposes a serious responsibility, demanding thoroughness and accuracy; none must be lost or identity remain unascertained where human effort can avoid it. Sometimes the work relative to the identity of even one body imposes weeks and weeks and months of inquiry and investigation. Thousands and tens of thousands and hundreds of thousands of letters of investigation and relating to other matters must be written and inquiries answered, and while mistakes must occur, they must be avoided if humanly possible. The personnel of the cemeterial division must not be crippled; skilled and experienced employees must be retained, and the organization of the division must continue, but can not do so unless funds are provided.

The sum of $100,000 proposed in the bill is, under the facts, as they actually exist, patently insufficient. The $500,000 provided in the amendment offered will safeguard and continue the work of the division, and I feel as the gentleman from Tennessee [Mr. BYRNS] expressed himself, that I would prefer to appropriate too much rather than to appropriate less than is needed and thus refuse a sufficient amount. The sentiment which demands the return of the dead is one that can not be denied. I realize that considerable propaganda has been sent abroad to induce consent that the dead be left to rest in the land in which they died, but no propaganda, no logic, if it existed, no cold reasoning, if it could be made, can answer the demand of the mothers, the wives, the fathers, that their dead be returned to them; and if, by so doing, we can indulge their sentiment, if we can lessen their grief, assuage their sorrow, and can permit their loved ones to rest near them, it is our duty and our solemn obligation so to do.

Opposition has arisen here under the claim of economy, under the claim that it will afford employment to clerks. The gentleman from Wyoming [Mr. MONDELL] has declared that an appropriation of $3,000,000 was made to the War Department, and that it was at least a million too much, but when the real facts are considered, as I have frankly and fairly attempted to outline them, his position is wholly untenable.

The gentleman from Minnesota [Mr. KNUTSON] has objected to the amendment because he claims that we are appropriating money that is earned by sweat and toil, and paid by the taxpayer, and I venture the assertion that there is not a taxpayer, with a soul and a heart, and who possesses gratitude and patriotism, who would object to this amendment, if conversant with the facts as they actually exist.

I do not believe and can not believe that the majority party will prevent the passage of this amendment. The men who support this amendment have never given a thought to the question of supplying some one with a job, except to the extent that that some one may be necessary to accomplish the purposes for which the $30,000,000 has been appropriated—return their dead to the sorrowing ones, to whom we must discharge our solemn obligation. I hope the chairman of the Appropriations Committee will withdraw his opposition to the amendment.

When the head of a great department assumes the responsibility and writes a letter, as did the Secretary of War to the gentleman from Tennessee [Mr. BYRNS], a member of the Appropriations Committee, and a former chairman thereof, and over his signature makes the statement, a serious and solemn statement, because it relates to a serious and solemn matter, I am not willing to discount that statement upon the mere declaration of any man on the floor of this House that sufficient appropriation has heretofore been made.

The truth of the matter is that the statement of the Secretary of War is fully and absolutely supported by the facts, and to deny his request and to refuse to supply sufficient funds, as will be provided by the amendment offered, is to deny to the mothers, wives, and fathers, and other close relatives, the right, when they have so elected, to have return made of the bodies of their loved ones, and at the earliest possible, practicable moment. The work should be carried on without delay. It has been delayed to an extent by the inability to secure caskets in sufficient number. The Secretary of War has declared that if necessary he would requisition ships for transport purposes.

The work of supplying final data, as has been disclosed, has been completed in South England, North England, Scotland, Ireland, Wales, and some of the smaller countries, and the work is nearly completed for the zone of interior France and is now being carried on for the zone of the armies.

To defeat the amendment of the gentleman from Missouri means delay that can well be, and should be, avoided, and is the assumption of a responsibility which no man should be willing to shoulder in the face of the insistence and the prayers of those who are demanding the return of their dead.

Mr. DICKINSON of Missouri. Mr. Chairman, I do not want to talk any longer. I regret that my friend and colleague from Indiana [Mr. WOOD] should have made any personal reference. It was not a pleasant matter for me. After keeping posted on the data before the Committee on Appropriations and the final action of the committee, I concluded to move this amendment. I have not the same feeling toward public officials that my friend from Indiana has. I have felt that there should not have been so much delay and that this Government should earlier have made a more positive demand upon French authorities, and should have reached an agreement earlier. I

thought there would not be any obstacle in this House, where the representatives of the people are, and that when the agreement had been reached between the foreign Government of France and the Secretary of State and the War Department, then I regarded it as a settled matter. The estimate is made and it has been agreed to by the War Department and accepted by the Appropriations Committee, and they make an additional estimate in which they state that a certain portion of this is necessary for the work to be done here by the personnel in the district, and that ought to have been accepted—not one dollar more of added appropriation, but as you have limited it, you allow only $1 out of $300 of the estimated cost, while $1 out of $60 will be needed for this necessary work in Washington.

Mr. WOOD of Indiana. The gentleman says that there is not an appropriation of a single dollar more if we allow his amendment, but it takes away from the appropriation of $21,000,000 just that much money intended to bring these bodies back.

Mr. DICKINSON of Missouri. But we will save it all out of the work to be done here, to carry it on. You can save the entire $30,000,000 for all purposes relating to the care of their graves and the return of those to be brought back by throwing a monkey wrench into it and saying that we appropriate the money in this bill, but will not permit its use, and will not give this force here, this necessary and directing force, opportunity to direct them in every detail, so that mistakes may not be made, and furnish all necessary data. This is necessary to be done. You seek to cripple the head of the work—the directing agency.

You rely upon the War Department for its full estimate, and then you criticize them. I do not believe that those men are less honest or less sincere than the representatives of the people here. The wrong about to be done is to be done by this body, if there is any wrong about to be done. They say that this work can not be carried on unless you permit them to use enough of it in order to communicate with all sections of the world where these bodies are, and give their directions. They have given you the estimates. If you fail to increase this as I have asked, then you have delayed it, I fear, for another fiscal year. [Applause.]

Or possibly if you fail to permit this necessary amendment, it may be taken and understood by the War Department as an instruction by Congress not to carry out the positive and solemn agreement made to the relatives of the soldier dead buried in France, or to further delay the bringing them back to this country. There should be no partisanship in this matter, nor unjust criticism. It is too sacred a matter to invite or cause partisan discussion or party differences. I desire to impugn no man's motive, but I hope you may lay aside your prejudices and permit this work to be done. In further explanation of this important matter I desire to insert here under the leave given me a letter from the Secretary of War of May 7, and inclosed extracts from acts referred to in said letter, all relative to this matter.

WAR DEPARTMENT,
Washington, May 7, 1920.

Hon. C. C. DICKINSON,
House of Representatives.

MY DEAR MR. DICKINSON: I am in receipt of your letter of the 3d instant and desire to express my hearty appreciation of the interest taken by yourself and Mr. BYRNES in securing an amendment to the appropriation, "Disposition of remains," etc., in the sundry civil bill authorizing the payment of the necessary clerical force to properly conduct the graves registration service work in the District of Columbia. As you well understand, the maintenance of this force is essential in the compilation of data which must be furnished the overseas organization before they can proceed with their duties of disinterring and shipping the remains of our soldier dead to their homes in the United States.

It is unfortunate that the House Appropriation Committee determined to limit the amount to be expended to $100,000. The pay roll for the authorized strength of the cemeterial division in the Quartermaster General's office now amounts to $32,384.32 per month. It was estimated that any limitation placed upon the amount to be expended for clerical hire should include the last quarter of the current fiscal year for the reason that the question has arisen as to whether if immediately passed the provision of the legislative, executive, and judicial bill prohibiting payment of clerical employees from the appropriation, "Disposition of remains," etc., might affect this period. The total sum, therefore, estimated as a charge against the appropriation, "Disposition of remains," etc., would be the pay roll for 15 months amounting to $485,764.80. The committee was asked, if a limitation was deemed necessary, to pass it at $500,000 in order to leave a margin of safety for possible emergency, not with the intention, however, of necessarily expending this sum for clerical hire.

The provision for clerical hire for the cemeterial division, as it now reads, considered in connection with the provision relating to pay of temporary employees in the District of Columbia, and that of Revised Statutes 3679, as amended by acts of March 3, 1905 (33 Stat., 1257), and February 27, 1906 (34 Stat., 49), will, it is considered, absolutely limit the sum that can be expended for said clerical hire to $100,000 from and after the date that the pending sundry civil bill becomes a law, to the end of the fiscal year 1921. This would be $100,000 for about 13½ months, or $7,407.40 per month, a reduction of $24,976.92, or approximately 75 per cent per month. The effect of a drastic reduction in an essential feature of this activity at this time certainly needs no argument to be understood.

I sincerely trust that the limit will be increased, if not by amendment on the floor of the House, then by the Senate Appropriations Committee, as it would greatly retard the work, and in the end increase the expense of the project, should it become necessary to remove the clerical force employed in this work out of the District of Columbia.

Again thanking you for your interest in this matter and for the important assistance you have rendered, I am,

Very sincerely, yours,

NEWTON D. BAKER.

[Extract from an act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes.]

Provided further, That appropriations contained in any other act for the fiscal year 1921 shall not be used for the payment of civilian personnel in the bureaus or offices of the War Department in the District of Columbia except such as may be authorized by this act or as may be appropriated for the Army War College and Office of the Chief of Staff in the Army appropriation act and the Board of Ordnance and Fortifications in the fortification appropriation act.

For contingent expenses; how apportioned: All appropriations made for contingent expenses or other general purposes, except appropriations made in fulfillment of contract obligations expressly authorized by law or for objects required or authorized by law without reference to the amounts annually appropriated therefor, shall, on or before the beginning of each fiscal year, be so apportioned by monthly or other allotments as to prevent expenditures in one portion of the year which may necessitate deficiency or additional appropriations to complete the service of the fiscal year for which said appropriations are made; and all such apportionments shall be adhered to and shall not be waived or modified except upon the happenings of some extraordinary emergency or unusual circumstance which could not be anticipated at the time of making such apportionment, but this provision shall not apply to the contingent appropriations of the Senate or House of Representatives, and in case said apportionments are waived or modified as herein provided the same shall be waived or modified in writing by the head of such executive department or other Government establishment having control of the expenditure, and the reasons therefor shall be fully set forth in each particular case and communicated to Congress in connection with estimates for any additional appropriations required on account thereof. Any person violating any provisions of the section shall be summarily removed from office and may also be punished by a fine of not less than $100 or by imprisonment for not less than one month. Sec. 3679, R. S., as amended by acts of Mar. 3, 1905 (33 Stat., 1257), and Feb. 27, 1906 (34 Stat., 49).

Mr. KNUTSON. Mr. Chairman, I sympathize with anyone who lost a loved one in the late war. I can well understand the desire of those who have near and dear ones buried in France to have the remains brought back to the land of their birth that they may rest under the banner for which they fought and died, but we must not be actuated in matters of this sort by the dictates of our hearts alone, because we must not lose sight of the fact that, after all, it is the people's money that we are appropriating, money that is being wrung out of the taxpayers by every conceivable means, money that is earned by sweat and toil. It is my understanding that no hearings were held upon this particular feature of the bill by the Committee on Appropriations, and, therefore, if we are to legislate at this time upon this matter we must do so blindly and be guided altogether by sentiment rather than by cold facts. There is not a man on the floor of this House who would refuse to give every dollar necessary to carry on the work which the gentleman from Missouri [Mr. DICKINSON] has in mind.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. Yes.

Mr. HUDSPETH. Is my friend from Minnesota prepared to state to the House that the appropriation out of this $31,000,000 asked for by the gentleman from Missouri is not necessary? Is the gentleman prepared to state that it is not necessary to carry on the work of bringing those bodies back home?

Mr. KNUTSON. I will ask the gentleman a question. Is he prepared to state that it is necessary?

Mr. HUDSPETH. I am not on the witness stand.

Mr. MOORE of Virginia. Mr. Chairman, may I interrupt the gentleman?

Mr. KNUTSON. Yes.

Mr. MOORE of Virginia. Does the gentleman not think, in respect to a matter of this sort, if there is any doubt, the doubt ought to be resolved in favor of the appropriation? Can he bring himself, alluding to his observation a moment ago, to decide such a matter "upon the cold facts"?

Mr. KNUTSON. Is the gentleman in favor of spending money lavishly when he does not know that such money is actually needed? Has not the time come for this Congress to legislate on facts rather than on sentiment?

Mr. MOORE of Virginia. I have sat here and witnessed the most lavish appropriations for all sorts of things, and when a grief-stricken father stands before us, after having made all of the investigation that he finds possible, and pleads for this money to provide for the return of the bodies of the soldiers, I, for one, propose to heed his plea and vote for the appropriation. [Applause.]

Mr. KNUTSON. I will say to the gentleman that there is absolutely nothing to show that this money is necessary.

Mr. HUDSPETH. There is the estimate of the Secretary of War.

Mr. KNUTSON. The figures of the Committee on Appropriations show that a sufficient appropriation has been made to carry this work on, and if you gentlemen feel that you can spend this money which belongs to the taxpayers of the country when it has not been proven that it is necessary, of course the responsibility must be yours.

Mr. HUDSPETH. The Secretary of War made his estimate.

The CHAIRMAN. The gentleman from Wyoming [Mr. MONDELL] is recognized for five minutes. [Applause.]

Mr. MONDELL. Mr. Chairman, there seems to be no limit to the length that some people will go in their endeavor to preserve the jobs of certain superfluous and unnecessary employees of the Federal Government. [Applause.] We have now reached a point when the sacred name of our heroic dead is being invoked for the purpose of holding swivel-chair artists in their jobs. We gave the War Department $3,000,000 for temporary clerks. It is at least a million dollars too much [applause], at least a million dollars more than is necessary, and yet it is the best that we can do in the face of the everlastingly continuous insistence of the administration that these superfluous employees shall be retained. The gentleman from Missouri [Mr. DICKINSON], by reason of his own very great loss, with which we all sympathize, is naturally susceptible to the claims of those who are endeavoring to keep the public pay rolls padded in the name of a sacred and patriotic purpose——

Mr. DICKINSON of Missouri. If the gentleman will permit me just a moment——

Mr. MONDELL. I will yield to the gentleman.

Mr. DICKINSON of Missouri. I do not think the gentleman ought to make that statement. Nobody asked me to introduce anything of this kind and I am not influenced. My name ought not to be brought into this, and please keep my name out of it.

Mr. MONDELL. We sympathize with the gentleman's interest in all this sort of thing and we sympathize with his very great loss, but I do not think that the American people would be very much pleased if they heard that we had taken from the appropriations for the return of our heroic dead, intended and purposed to bring about the return of their bodies, a half million dollars to give to clerks in large, comfortable, well-ventilated offices here in Washington, working seven hours a day in a very leisurely way beneath fans in constant motion to keep the temperature just what it ought to be for those people during the period of their service.

Mr. BLACK. Will the gentleman yield?

Mr. MONDELL. I will yield.

Mr. BLACK. Speaking of the seven-hour-a-day period, I recall that the gentleman led the fight to preserve that, and I saw one of the most beautiful bouquets I ever saw in the lobby of the House presented to the gentleman from Wyoming by Government clerks. [Laughter and applause.]

Mr. MONDELL. I do not know that that has anything to do with the question now before us. The fact remains that gentlemen are proposing to take from the appropriation made for the purpose of bringing back the remains of the soldier boys an additional $400,000 to furnish jobs here in Washington for clerks who are not needed. No one who is at all familiar with this fact, who has investigated carefully——

Mr. CALDWELL rose.

Mr. MONDELL. I have not the time to yield—can believe that any such number of clerks are needed for this service. It is just another attempt, and a reprehensible attempt, in the name of a great obligation on the part of the American people, to keep superfluous clerks attached to the public pay roll. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. MADDEN. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Illinois makes the point of order that there is no quorum present. The Chair will count. [After counting.] Eighty-two gentlemen are present, not a quorum, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Andrews, Md.	Butler	Crowther	Doremus
Ayres	Cantrill	Cullen	Drane
Bacharach	Caraway	Curry, Calif.	Dupré
Bankhead	Carew	Davey	Dyer
Benson	Casey	Davis, Tenn.	Echols
Blackmon	Christopherson	Dempsey	Edmonds
Bland, Ind.	Clark, Fla.	Denison	Ellsworth
Bowers	Cleary	Dent	Elston
Brinson	Cooper	Dewalt	Emerson
Brumbaugh	Costello	Donovan	Esch
Burke	Cramton	Dooling	Ferris
Fields	Juul	Morin	Siegel
Fordney	Kelley, Mich.	Nicholls.	Sisson
Gard	Kelly, Pa.	Nolan	Slemp
Garland	Kendall	O'Connell	Small
Goldfogle	Kennedy, Iowa	Olney	Smith, Ill.
Goodykoontz	Kennedy, R. I.	Pell	Smith, N. Y.
Gould	Kettner	Peters	Snell
Graham, Pa.	Kiess	Porter	Snyder
Greene, Vt.	Kitchin	Radcliffe	Steagall
Griest	Kreider	Rainey, Ala.	Steele
Hamill	Langley	Ramsey	Stephens, Miss.
Hamilton	Lankford	Rayburn	Stephens, Ohio
Harrison	Lazaro	Reavis	Stiness
Hastings	Lee, Ga.	Reber	Strong, Pa.
Haugen	Lesher	Rhodes	Sullivan
Hayden	Little	Riordan	Summers, Wash.
Hays	Lonergan	Robinson, N. C.	Taylor, Tenn.
Heflin	Longworth	Rodenberg	Temple
Hernandez	Lufkin	Rose	Tillman
Hersman	McCulloch	Rowan	Tinkham
Hill	McFadden	Rucker	Upshaw
Houghton	McKenzie	Sabath	Vaile
Howard	McKinley	Sanders, Ind.	Vare
Hulings	Maher	Sanders, La.	Vestal
Hutchinson	Mann, S. C.	Sanders, N. Y.	Voigt
Johnson, S. Dak.	Mansfield	Scott	Ward
Johnson, Wash.	Mason	Scully	Wheeler
Johnston, N. Y.	Mays	Sears	Williams
Jones, Pa.	Mead	Sells	Wilson, Pa.
Jones, Tex.	Merritt	Shreve	Yates

The committee rose; and the Speaker having resumed the chair, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill H. R. 13870, the sundry civil appropriation bill, finding itself without a quorum, under the rule he caused the roll to be called, whereupon 259 Members answered to their names, a quorum, and he presented herewith the list of absentees to be entered upon the Journal.

The SPEAKER. The committee will resume its session.

Mr. CALDWELL. Mr. Chairman, I ask unanimous consent that the debate upon this section be extended for a further period of five minutes. Mr. Chairman, I do this because this is a very vital matter, one on which the Military Affairs Committee has had some information, and no member of the Committee on Military Affairs has spoken upon the subject, and the only speech that remains——

Mr. GOOD. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from Iowa objects.

Mr. CALDWELL. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The gentleman from New York is not recognized for that purpose. The question is on the amendment of the gentleman from Missouri [Mr. DICKINSON].

Mr. CALDWELL. Mr. Chairman, it is always in order——

The CHAIRMAN. The Chair stated the question. The question is on the amendment of the gentleman from Missouri [Mr. DICKINSON].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. CALDWELL. Division, Mr. Chairman.

The CHAIRMAN. The gentleman demands a division.

Mr. CALDWELL. May we have the amendment reported?

The CHAIRMAN. Without objection, it will be again reported.

Mr. GOOD. Mr. Chairman, I object.

The CHAIRMAN. The question is on the amendment of the gentleman from Missouri.

The committee divided; and there were—ayes 87, noes 109.

Mr. CALDWELL. Tellers, Mr. Chairman.

Tellers were ordered, and Mr. CALDWELL and Mr. GOOD took their places as tellers.

The committee again divided; and there were—ayes 80, noes 118.

So the amendment was rejected.

Mr. DICKINSON of Missouri. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON of Missouri: Page 53, line 24, strike out the figures "$100,000" and insert in lieu thereof the figures "$400,000."

Mr. DICKINSON of Missouri. Mr. Chairman, I want to speak on that amendment.

The CHAIRMAN. The Chair will state that debate has been closed on the paragraph and amendments thereto by order of the committee. The question is on the amendment of the gentleman from Missouri [Mr. DICKINSON].

Mr. DICKINSON of Missouri. I ask unanimous consent to speak on the amendment.

Mr. WOOD of Indiana. Mr. Chairman, I object.

Mr. CLARK of Missouri. Mr. Chairman, it does not need any unanimous consent for a man to speak for five minutes on an amendment.

The CHAIRMAN. The debate was closed on the paragraph and all amendments thereto by the order of the committee, by unanimous consent. The question is on the amendment of the gentleman from Missouri.

The question was taken, and the amendment was rejected.

Mr. DICKINSON of Missouri. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from Missouri offers a further amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON of Missouri: Page 53, line 24, after the word "exceeding," strike out the figures "$100,000" and insert in lieu thereof the figures "$300,000."

The CHAIRMAN. The question is on the amendment of the gentleman from Missouri.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. DICKINSON of Missouri. Division, Mr. Chairman.

The committee divided; and there were—ayes 67, noes 102.

So the amendment was rejected.

Mr. McKEOWN. Mr. Chairman, there is an amendment pending at the Clerk's desk.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McKEOWN: Page 53, line 20, after the word "cemeteries," insert "and for paying storage costs and expenses for returning the effects of deceased soldiers and enlisted men."

Mr. GOOD. Mr. Chairman, I make a point of order on that.

Mr. McKEOWN. I do not think it is subject to a point of order.

Mr. GOOD. Oh, yes; it is. The item in the bill provides for the bringing back of the remains and not bringing back the effects. It is not germane to the proposition.

Mr. McKEOWN. I will state to the gentleman that it does not increase the appropriation any, and it permits them to pay these expenses. These families and relatives of the deceased have to pay these storage charges that have accumulated over in Paris.

Mr. GOOD. That is the language asked for by the War Department.

Mr. McKEOWN. I do not care for that.

Mr. GOOD. And they have an appropriation for that purpose.

Mr. MADDEN. Regular order, Mr. Chairman.

The CHAIRMAN. The Chair is ready to rule.

Mr. McKEOWN. The gentleman from Illinois asks for the regular order. I was presenting a point of order. The point of order is made that this is an appropriation to bring back the bodies of deceased officers and soldiers. That is true. But this provision in the amendment is to bring back the effects also, and I do not think the point of order is well taken.

Mr. GOOD. That is all provided for in the Army bill.

Mr. McKEOWN. They are not paying it. They are charging these people up with these expenses, and I have introduced a bill——

Mr. GOOD. If that is the case, there is no authority for it, and that clearly establishes the provision. The point I am making is that the gentleman's amendment would be subject to a point of order.

The CHAIRMAN. The Chair is ready to rule. The paragraph under consideration appears to provide for the preparation, return, and transportation of the bodies of service men who died abroad. There appears to be no provision in the paragraph which relates either to the storage of or expenses for returning the effects of the deceased officers and enlisted men. The Chair thinks the amendment of the gentleman from Oklahoma is not germane to the paragraph, and therefore sustains the point of order. The Clerk will read.

The Clerk read as follows:

Confederate Mound, Oakwood Cemetery, Chicago: For care, protection, and maintenance of the plat of ground known as "Confederate Mound" in Oakwood Cemetery, Chicago, $500.

Mr. CALDWELL. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from New York moves to strike out the last word.

Mr. CALDWELL. Mr. Chairman, I asked, a few moments ago, unanimous consent in order that I might call the attention of the House to what the amendment of the gentleman from Missouri [Mr. DICKINSON] really was. It seems that this body has just divided purely upon political grounds, when the question at issue——

Mr. GOOD. Mr. Chairman, I make the point of order that the gentleman is not speaking to the amendment.

The CHAIRMAN. The Chair would state that the Chair does not think the gentleman has proceeded far enough to enable the Chair to judge of that.

Mr. CALDWELL. This issue is one away above the question of partisan politics. It is a question of humanity, just as the provision that has been read by the Clerk here is a question of humanity. The gentleman from Missouri [Mr. DICKINSON], it so happened, lost a boy in battle in the great World War, and his remains now lie buried——

Mr. GOOD. Mr. Chairman, I make the point of order that the gentleman is not speaking to the paragraph under consideration.

The CHAIRMAN. The gentleman from New York is not speaking to the paragraph under consideration.

Mr. CALDWELL. Mr. Chairman, the paragraph under consideration has a clause in it, "For the care of the Oakwood Cemetery at Chicago," and it is expected that a number of bodies that are brought across from the other side will be buried in that cemetery, and I was trying to call the attention of the House to the fact that our honored colleague, who has served for many years in the Congress of the United States——

Mr. GOOD. Mr. Chairman, I make the point of order that the gentleman is not speaking to the motion—the motion to strike out the "$500."

The CHAIRMAN. The Chair sustains the point of order.

Mr. CALDWELL. Mr. Chairman, it is, of course, not to be expected that men who would put through a gag resolution, such as was put through here a few minutes ago, would submit to the placing in the RECORD of a statement of just what had been done.

Mr. GOOD. Mr. Chairman, I submit that the gentleman is not speaking to his motion.

The CHAIRMAN. The Chair sustains the point of order. The gentleman from New York will take his seat.

Mr. CALDWELL. I moved to strike out the figures "$500," and I desire to speak to that.

The CHAIRMAN. The gentleman is not speaking to it. A point of order has been made, and the Chair sustains the point of order, and the gentleman from New York will take his seat.

Mr. CALDWELL. All right.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For care, protection, and maintenance of Confederate Stockade Cemetery, Johnstons Island, in Sandusky Bay, Ohio, $350.

Mr. CALDWELL. Mr. Chairman, I move to strike out, in line 13, page 54, the figures "$350."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from New York.

The Clerk read as follows:

Amendment offered by Mr. CALDWELL: Page 54, line 13, strike out the figures "$350."

Mr. CALDWELL. Now, Mr. Chairman, I have moved to strike out the figures "$350," because a few moments ago, when I was acting as a teller in this House on the motion of the gentleman from Missouri [Mr. DICKINSON], I noticed that there was not a single Republican in this House that voted for that amendment.

Mr. GOOD. Mr. Chairman, I make the point of order that the gentleman is not speaking to his motion.

Mr. CALDWELL. Now, I propose to give the Republicans the opportunity at this time to go a little bit further in the matter of partisanship and strike out the "$350."

The CHAIRMAN. The gentleman will proceed in order.

Mr. CALDWELL. I am proceeding in order, and I propose now to give the Republicans a chance to strike out "$350" for the care of another cemetery, when they a few minutes ago voted solidly, to a man, against the amendment offered by the gentleman from Missouri [Mr. DICKINSON]. There was but one Democrat who voted against that amendment, and I do not believe that this question of the care of soldier dead is one upon which this House should divide upon partisan lines. [Applause on the Democratic side.] It is a scandal; it is an outrage; and it is a shame. Mr. Chairman, I move to withdraw the amendment.

Mr. MADDEN. Mr. Chairman, I rise in opposition to the motion.

Mr. CALDWELL. I have withdrawn the amendment.

Mr. MADDEN. I object to the gentleman withdrawing it, because I want to discuss it.

The CHAIRMAN. The amendment can not be withdrawn if there is objection. The Chair will recognize the gentleman from Illinois.

Mr. MADDEN. Mr. Chairman, the gentleman from New York is trying to make it appear that the Republicans of the House voted against the care of some cemetery.

Mr. CALDWELL. Mr. Chairman, I make the point of order that the gentleman is not in order. If a Democrat can not talk upon this issue, surely a Republican has no right to. They have no right to live, anyhow! [Laughter.]

The CHAIRMAN. The Chair will admonish the gentleman from Illinois to proceed in order.

Mr. MADDEN. I will do that. I am opposed to striking out the figures "$350," proposed to be stricken out by the gentleman from New York, because I believe that the Confederate cemetery should be cared for, and the gentleman wants it stricken out because he thinks the cemetery ought not to be cared for.

Mr. CALDWELL. Mr. Chairman, I make the point of order that the gentleman is not in order.

Mr. MADDEN. If the motion of the gentleman from Missouri had proposed to care for a cemetery, I would have been for his motion; but what did it provide for? It provided that $500,000 should be expended out of the appropriation for the removal of remains of ex-service men who died in France and that the money be expended in order that they might be able to keep a lot of Democrats on the pay roll.

Mr. CALDWELL. Mr. Chairman, I make the point of order that the gentleman from Illinois is not in order, and I demand that the official reporters do not take down what he is saying.

Mr. MADDEN. The gentleman from New York does not want this cemetery cared for, because he has moved to strike out the appropriation for the care of it.

Mr. CALDWELL. I make the point of order that the gentleman from Illinois is not in order, and I demand that the Republican Chairman of this committee comply with the rules of this House and rule that the gentleman is not in order. It was only a little while ago that this House was treated to an exhibition of gag rule and partisanship, when the Republican Chairman ordered me to take my seat, and I demand that the Chair rule on the point of order I have made, that the gentleman from Illinois is not in order.

The CHAIRMAN. The gentleman from Illinois will proceed in order.

Mr. CALDWELL. Yes; but a point of order, Mr. Chairman——

Mr. MADDEN. I propose to proceed in order.

Mr. CALDWELL. When I was ruled out of order the Chairman ordered me to take my seat. Now I demand that the Chair enforce the same rule against a Republican that he enforced against a Democrat.

The CHAIRMAN. The committee will be in order. The Chair desires——

Mr. CANNON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CANNON. When a gentleman is proceeding to yell out of order, and all that kind of thing, is it not the duty of the Chair to instruct the official reporters not to insert it in the RECORD?

Mr. CALDWELL. Ah——

Mr. CANNON. Oh, well, the gentleman says "Ah." I am making a parliamentary inquiry.

The CHAIRMAN. Gentlemen will be in order, and the Chair will make a statement. The Chair permitted the gentleman from New York [Mr. CALDWELL] to proceed until it was clearly demonstrated that his remarks were not in order. Although the point of order was made that his remarks were not in order, the Chair permitted him to proceed, and admonished him to proceed in order, until it was clearly demonstrated that the gentleman's remarks were not in order, and the Chair was following exactly the same procedure in the case of the gentleman from Illinois. If the gentleman from Illinois transgresses the rule and proceeds out of order, the Chair will sustain the point of order and direct the gentleman from Illinois to take his seat. The gentleman from Illinois will proceed in order.

Mr. MADDEN. I was about to say, Mr. Chairman, when the gentleman from New York interrupted me, that he seems to be very solicitous about saving $350, which is about to be appropriated for the care of a cemetery in which some of the Confederate dead are buried, whereas he was not at all solicitous about an appropriation of $500,000 for the purpose of keeping a lot of clerks on the pay roll, which was to be taken out of the money proposed to be used for the return of the soldier dead.

Mr. CALDWELL. Mr. Chairman, I make the point of order that the gentleman is not in order, and I demand that the Chair rule on my point of order.

The CHAIRMAN. The Chair thinks the gentleman from Illinois is in order. The gentleman from Illinois will proceed in order.

Mr. MADDEN. I was only illustrating, Mr. Chairman. Now, on the contrary, I am in favor of appropriating this $350 or any other sum necessary for the care of a cemetery, but at the same time I am in favor of saving $500,000 or any other unnecessary sum, and my interest is in the public service and not in padding the Government pay roll with unnecessary employees in order that a few Democrats who are not needed may be able to retain their positions on the pay roll.

Mr. CALDWELL. Mr. Chairman, I make the point of order that the gentleman is not in order.

Mr. MADDEN. That is all I desire to say, Mr. Chairman.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

Mr. CALDWELL. I object.

The CHAIRMAN. The question is on the amendment of the gentleman from New York [Mr. CALDWELL].

The question being taken, the amendment was rejected.

The Clerk read as follows:

Monuments or tablets in Cuba and China: For repairs and preservation of monuments, tablets, roads, fences, etc., made and constructed by the United States in Cuba and China to mark the places where American soldiers fell, $1,000.

Mr. SINCLAIR. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on the soldiers' bonus.

The CHAIRMAN. The gentleman from North Dakota asks unanimous consent to extend his remarks in the RECORD on the soldiers' bonus. Is there objection?

Mr. CALDWELL. I object.

The Clerk read as follows:

Gettysburg National Military Park: For continuing the establishment of the park; acquisition of lands, surveys, and maps; constructing, improving, and maintaining avenues, roads, and bridges thereon; fences and gates; marking the lines of battle with tablets and guns, each tablet bearing a brief legend giving historic facts and compiled without censure and without praise; preserving the features of the battle field and the monuments thereon; compensation of civilian commissioner, clerical and other services, expenses, and labor; purchase and preparation of tablets and gun carriages and placing them in position; maintenance, repair, and operation of a motor-propelled passenger-carrying vehicle, and all other expenses incident to the foregoing, $65,000.

Mr. BROOKS of Pennsylvania. Mr. Chairman, I am very much in favor of the item of $65,000 carried in this bill for maintenance and improvements on the Gettysburg National Park, especially because it is in my district. Gettysburg is a sacred place in the hearts and memories of thousands of hoary veterans who wore the blue and the gray, and no battle field in the whole world is more widely known for its history, fine monuments, beautiful scenery, and good roads. It is a mecca for a hundred thousand tourists each year from every State and every land. Before our States took up the building of good roads Gettysburg had them. In 1895 the Commonwealth of Pennsylvania ceded to the United States 14 miles of road within the Gettysburg Park, but a gap three-fourths of a mile long in the Taneytown Road still remains unimproved. It is in the direct road leading to Round Top and Little Round Top, two important points of interest visited by all strangers, and for nine months of the year is practically impassable. Efforts have been made in previous Congresses to secure appropriation for this very much needed improvement, but each time in vain. I also presented the appeals of Col. J. P. Nicholson, chairman of Gettysburg National Park Commission, and citizens of Gettysburg, also the indorsement of the Secretary of War, to the Committee on Appropriations.

I would now like to ask the chairman of the committee whether any amount is included in this appropriation for that purpose?

Mr. GOOD. The appropriation is $15,000 more than for the current year, and in granting that the committee took into consideration that it was necessary to macadamize this small stretch of road. It is ample for that purpose, and it is included in this appropriation.

The Clerk read as follows:

Shiloh National Military Park: For continuing the establishment of the park; compensation of civilian commissioner; secretary and superintendent; clerical and other services; labor; historical tablets; maps and surveys; roads; purchase and transportation of supplies, implements, and materials; foundations for monuments; office and other necessary expenses, including maintenance, repair, and operation of a motor-propelled passenger-carrying vehicle, $25,435.

Mr. GOOD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 56, lines 23 and 24, strike out the word "civilian commissioner," and on page 57, line 3, strike out the sum "$25,435" and insert in lieu thereof the sum of "$22,435."

Mr. GOOD. Mr. Chairman, since this bill was acted upon by the committee the only civilian commissioner of this park has died, and therefore the words "civilian commissioner" should be elminated and $3,000 of the amount appropriated should be eliminated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Nothing contained in the provision regarding the making and enforcing of regulations governing the speed of motor vehicles in the District of Columbia found in section 1 of the District of Columbia act approved March 3, 1917, shall be construed to interfere with the exclusive charge and control heretofore committed to the Chief of Engineers over the park system of the District of Columbia, and he is hereby authorized and empowered to make and enforce all regulations for the control of vehicles and traffic, and limiting the speed thereof on roads, highways, and bridges within the public grounds in the District of Columbia, under his control, subject to the penalties prescribed in the act entitled "An act regulating the speed of automobiles in the District of Columbia, and for other purposes," approved June 29, 1906.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that in line 7, page 59, the spelling of the word "Columbia" may be corrected.

The CHAIRMAN. Without objection, it will be so ordered.

There was no objection.

The Clerk read as follows:

Executive Mansion: For ordinary care, repair, and refurnishing of Executive Mansion, and for purchase, maintenance, and driving of horses and vehicles for official purposes, to be expended by contract or otherwise, as the President may determine, $45,000.

Mr. BLANTON. Mr. Chairman, I move to strike out the amount of $45,000.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 62, line 16, strike out "$45,000."

Mr. BLANTON. Mr. Chairman, I am one Democrat who believes that when it is proper to make a certain retrenchment in the affairs of our Government, controlled either by Democrats or Republicans, it is the duty of Congress to require that retrenchment.

I want to call attention to some of these extravagant items for our respective departments, Executive Mansion—the White House and grounds—that has been going on every year in this sundry civil bill without let or hindrance, without anyone saying yea or nay, but passing them on.

Let us compare the various items in this bill with the items passed in the last sundry civil bill, and you will then ascertain that all of these items are annual appropriations, paid out and expended each year:

Passed in the last sundry civil bill for fiscal year ending June 30, 1920.	
Improvement of grounds, etc	$5,000
Employment of engineer	2,400
Machinery, tools, etc	1,000
Care, repair mansion, etc	40,000
Fuel, mansion and greenhouses	8,000
Care and maintenance of greenhouses	9,000
Repair to greenhouses	3,000
Reconstructing one greenhouse	4,000
Traveling expenses of President	25,000
Lighting mansion, etc	8,600
Lighting grounds, watchmen lodges, offices, and greenhouses, etc	23,000
Heating offices, watchmen lodges, and greenhouses, etc	4,500
Contained in present sundry civil bill for fiscal year ending June 30, 1921.	
Improvement of grounds, etc	$5,000
Employment of engineer	2,400
Machinery, tools, etc	1,000
Care, repair mansion, etc	45,000
Fuel, mansion and greenhouses	8,000
Care and maintenance of greenhouses	9,000
Repair to greenhouses	3,000
Reconstructing one greenhouse	4,000
Traveling expenses of President	25,000
Lighting mansion, etc	8,600
Lighting grounds, watchmen lodges, offices, and greenhouses, etc	24,000
Heating offices, watchmen lodges, greenhouses, etc	6,500

Now, Mr. Chairman, is it necessary to spend all of the above each and every year? Is it necessary to spend $4,000 every year for reconstructing one greenhouse? Is it absolutely necessary to spend from $40,000 to $45,000 each and every year for care and maintenance of this White House building alone? I say that it is ridiculous. None of this $45,000 goes to pay the horde of servants, guards, and watchmen. They are all paid out of other appropriations. No citizen ever has his private residence painted and gone over every year, no matter how rich he is, or how much unneeded money he has to spend. Eight thousand dollars for fuel each year is ridiculous. Nine thousand dollars for care of greenhouses each year is ridiculous. Eight thousand six hundred dollars for lighting mansion each year is ridiculous. We ought to wake up and stop some of this extravagance. It is our extravagance, after all, and we can not charge it up to anybody but Congress, and we are each and all of us guilty if we permit it to continue.

For drainage back of the iron fence at the north front of the Executive Mansion grounds $1,500. That, however, was not in the last year's sundry civil bill, but to offset this item there was an appropriation in the last sundry civil bill of $1,000 for a new roof on the storehouse in the White House propagating gardens. Committee after committee has been copying these same extravagant items of appropriation into the sundry civil bill for years and years and it ought to be stopped.

Mr. MONDELL. Will the gentleman yield?

Mr. BLANTON. Yes; I yield.

Mr. MONDELL. Does not the gentleman realize that in items of this sort relating to the Executive Mansion, the home of the President, the committee can not inquire quite so closely as it might in some other cases? It seems to me we must take the word of the persons in charge.

Mr. BLANTON. Oh, it is not the present Democratic President who is asking for this money. He has no idea these items are in this bill. All of these items have been carried here each year in the sundry civil appropriation bill for each of your Republican Presidents, and the trouble of it all is that you do not stop to inquire into the necessity of the items, but because a Republican President occupied the White House you appropriated, and the money was spent, and you can not get out of the habit and can not stop these appropriations.

Mr. MONDELL. But they were never quite so large.

Mr. BLANTON. It is a custom and a usage that has been indulged in here by the committee year after year. I do not know but that the committee has too many other things to do on the outside and that they have not time to look into these items of public business.

Mr. MONDELL. But the sums were never quite so large as they have been lately.

Mr. BLANTON. Oh, they have been just about the same size every single year, and if the distinguished gentleman from Wyoming [Mr. MONDELL] will take time from his office on political matters to look into the other sundry civil bills, he will find that they are almost exactly in the same amount each year. I do not care whether the committee feels that it can not inquire into it or not, I am one Democrat who stands in this House and says that if these items are too large and are extravagantly unnecessary, even if there is a Democratic President in the White House, the people of America and the President, who know they have got to economize, do not want this extravagance kept up here in the city of Washington year after year.

Mr. MILLER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MILLER. On the last item of these, what has the gentleman to say—I refer to the $25,000 item for traveling expenses of the President, to be expended only upon his certificate?

Mr. BLANTON. I want to see that $25,000 item cut out of this bill. That is too much annual money for traveling expenses.

Mr. MILLER. Will the gentleman move that that be stricken out?

Mr. BLANTON. I will, if the gentleman will stand with me and help vote it out.

Mr. MILLER. I will stand right with the gentleman.

Mr. BLANTON. Our distinguished President does not have to spend any such sum for traveling.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BYRNS of Tennessee. In view of the statement made by the gentleman from Wyoming [Mr. MONDELL], I think the gentleman from Texas should make the matter clear that there has been no increase in that item in recent years.

Mr. BLANTON. No; it has been carried here year after year, and the committee just blindly follows the old custom of putting these items back in the bill. I dare say there is not a person from the White House who has ever asked for one of these items. It is just keeping up this old Republican custom for the last 25 years. But the money is expended and goes each year.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. KING. Does not the gentleman realize that the high cost of living affects the White House and the surroundings the same as it does other people?

Mr. BLANTON. Oh, we pay the President of the United States $75,000, and that is some money for a democratic Republic to pay, and we make him every kind of a liberal allow-

ance for the necessities of the White House. I want to say to you that $45,000 a year is too much money for the ordinary care and repair of the White House.

Mr. GOOD. Does the gentleman understand that there are 80 rooms in the Executive Mansion, and that this takes care of the rooms, the mechanical care of the building, and the furnishing of the buildings, the repainting, the redecorating of the rooms, and all that sort of thing?

Mr. BLANTON. I want the distinguished gentleman from Iowa to go back to his State and ask his people whether these thousands and thousands of dollars that have been carried in the sundry civil appropriation bill under this heading for years and years represent what they want to expend in a Republic for such items.

Mr. GOOD. I do not believe there is a man in my State who is opposed to that appropriation for that purpose.

Mr. BLANTON. I think we ought to practice economy from the President's White House down to our own homes, because we have got to do it if we ever get this Republic out of debt.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WALSH. Mr. Chairman, I have listened with a great deal of interest to the plea for economy on the part of the active member of the Committee of the Whole House on the state of the Union, and I agree that there is need for economy; but I believe that the American people are interested in seeing to it that the Executive Mansion and the surrounding grounds are kept in the best of order. I think they are willing that sufficient money should be expended in order that the President and his family, both his private family and the official family, may live and have every necessary comfort and convenience. In the care that is bestowed upon this part of the District we have to contend with the increases in the cost of labor and material, the same as we do to other sections of the District.

I think the increases in these items because of that may have been very considerable, but I believe that the people who come to Washington want to see the Executive Mansion and grounds kept up in proper order and in splendid condition. Of course, they are interested in that. They are so interested in it, I will say, that at times they see to it that different people occupy that Executive Mansion, and I think their interest is so intense and sufficiently deep that at the next available opportunity they will see to it that there will be another occupant after the 4th of March of next year [applause on the Republican side], and I trust the gentleman will not seek to eliminate these appropriations so that in case there should be a different occupant at the expiration of the term of the present one we should have to bring in a deficiency in order to tidy up the place and keep it up to the standard that has heretofore been maintained during all these years.

Mr. KEARNS. Will the gentleman yield?

Mr. WALSH. I will.

Mr. KEARNS. The gentleman has spoken of the interior decorations of the White House——

Mr. WALSH. No; I did not speak about that.

Mr. KEARNS. It has been mentioned here on the floor of the House; I thought it was the gentleman.

Mr. WALSH. No; I did not mention it.

Mr. KEARNS. I was just wondering and want to know, and I know a great many people in the United States are anxious to know, why it is more than three years since anyone has seen the inside of that part of the Executive Mansion that is not used by the President and his immediate family.

Mr. WALSH. Well, I do not know as to that. I think there are certain parts of the Executive Mansion that have been open from time to time——

Mr. KEARNS. Why, certainly, but not within three years.

Mr. BLANTON. Why, there were at least 100 Texas people who saw the interior last summer.

Mr. KEARNS. I want to ask the gentleman from Texas about that.

Mr. BLANTON. There were three months in which the White House was open, and every single constituent you sent down there with a card had the privilege of going in there.

Mr. KEARNS. When was that?

Mr. BLANTON. Three months, while the President was gone to France.

Mr. KEARNS. He was away eight months.

Mr. BLANTON. There were three months in Washington when you could send a constituent down there at any time.

Mr. KEARNS. What I want to know, and what I think the people want to know, is why the people of the United States were barred from it for two years and nine months. They own that building——

Mr. BLANTON. Oh, they own this building, but they are barred from here whenever you hold a Republican caucus here.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. WALSH. I will say that may be the very reason for the increase in the appropriation.

Mr. BYRNS of Tennessee. I want to say, if the gentleman will permit me to reply to the gentleman from Ohio, that up until the time of the illness of the President there was never a time when visitors were not admitted to the East Room of the White House. During the war they were restricted to a certain extent in going into the rooms of the White House on the first floor, not the East Room——

Mr. KEARNS. I want to say to the gentleman from Tennessee that it has not been open to all the constituency of the United States. I do not know about the people from Texas or the gentleman's district, but I do know that the people from other parts of the United States have been barred from the White House for three years, unless, possibly, the three months' interval mentioned by the gentleman from Texas.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. I ask that the gentleman have five additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. The gentleman knows that immediately after the declaration of war every public building, practically, in the city of Washington was closed to visitors, and the White House was also closed during that period to visitors, and with that exception there has not been a time up until the illness of the President that the public were not freely admitted to the East Room and also to the rooms on the first floor of the White House upon the card of a Member of Congress.

Mr. KEARNS. When was that?

Mr. BYRNS of Tennessee. It was before the war, as I have just stated.

Mr. KEARNS. Before the war?

Mr. BYRNS of Tennessee. Yes.

Mr. KEARNS. Of course, anybody could get in before the war.

Mr. BYRNS of Tennessee. The gentleman knows that the public were not admitted indiscriminately to the Treasury Department, the Bureau of Engraving and Printing, and other public buildings during the war.

During other periods admission to the White House was as freely extended under this administration as under preceding administrations, up until the time of the illness of the President.

Mr. KEARNS. Any man could get in there if he was properly vouched for, but you can not get into the Executive Mansion now unless you have a special privilege. I would like to know if there were special privileges handed out here as to admittance to the White House?

Mr. BYRNS of Tennessee. Of course not.

Mr. KEARNS. Then I want to say that the public has been excluded from the White House at least two years and nine months.

Mr. BYRNS of Tennessee. I have just stated to the gentleman that they were excluded from the White House during the war, and the war began in 1917.

Mr. KEARNS. But the war closed on the 11th day of November, 1918.

Mr. BYRNS of Tennessee. And the gentleman from Texas [Mr. BLANTON] has just pointed out that during the time following that, when the President was in France, the public were freely admitted to all portions of the first floor of the White House.

Mr. KEARNS. And the gentleman from Texas, on closer examination, says they were admitted only three months of that time. He was away six months—I think eight months.

Mr. BYRNS of Tennessee. There was a part of the time, the gentleman will recall, when they were repairing the White House and were making considerable changes in it with the money that was appropriated for that purpose.

Mr. KEARNS. May I ask the gentleman from Tennessee another question?

Mr. BYRNS of Tennessee. I have not the floor.

Mr. KEARNS. You were granted it.

Mr. BYRNS of Tennessee. No. The gentleman from Massachusetts has the floor.

Mr. WALSH. I will yield for one additional question.

Mr. KEARNS. I want to ask the gentleman from Tennessee if the gentleman's constituency has had free access to the White House at all times since November 11, 1918, with the exception of three months?

Mr. BYRNS of Tennessee. I want to say to the gentleman that my constituency has had no freer access to the White House than the constituency of the gentleman from Ohio. I can not remember the exact dates when they were excluded from the White House.

Mr. KEARNS. I will say to the gentleman that my constituency, and the constituency of the entire State of Ohio, has been barred from the White House, with the exception of possibly three months, since the 6th day of April, 1917.

Mr. BLANTON. And one of them will be barred for the next four years.

Mr. CONNALLY. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. There is an amendment pending.

Mr. CONNALLY. I oppose the amendment.

The CHAIRMAN. That amendment is not now in order.

Mr. BLANTON. Mr. Chairman, I withdraw the amendment. There is no chance in the world to pass it, and so I withdraw it.

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] asks unanimous consent to withdraw the amendment. Is there objection? [After a pause.] The Chair hears none. The Clerk will read.

The Clerk read as follows:

For fuel for the Executive Mansion and greenhouses, $8,000.

Mr. KEARNS. Mr. Chairman, I move to strike out the last word. I rise to oppose the amendment.

Mr. GOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 13870) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes, had come to no resolution thereon.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 2792. An act to enlarge the boundaries of the Oregon National Forest.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills and joint resolution:

H. R. 6750. An act to deport certain undesirable aliens and to deny readmission to those deported;

H. R. 9615. An act authorizing the Secretary of the Interior to correct an error in an Indian allotment;

H. R. 12460. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the admission of the State of Maine into the Union;

H. R. 12537. An act to provide for an examination and report on the condition and possible irrigation development of the Imperial Valley in California;

H. R. 12824. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the admission of the State of Alabama into the Union;

H. R. 13139. An act for the sale of isolated tracts in the former Fort Berthold Indian Reservation, N. Dak.;

H. R. 13227. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the landing of the Pilgrims;

H. J. Res. 80. Joint resolution to correct an error in the wording of the appropriation of $71,000 made in the act approved July 9, 1918, and to authorize the Secretary of War to pay said sum to respective parties entitled thereto; and

H. R. 8314. An act to provide for the training of officers of the Army in aeronautic engineering.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 4212. An act to authorize the Central Railroad Co. of New Jersey to construct a bridge across the waters of the Delaware River between the city of Easton, in the State of Pennsylvania, and the city of Phillipsburg, in the State of New Jersey; to the Committee on Interstate and Foreign Commerce.

RETIREMENT OF EMPLOYEES IN THE CLASSIFIED SERVICE.

Mr. LEHLBACH, from the Committee on Reform in the Civil Service, presented for printing, under the rule, the conference report and statement on the bill (S. 1699) providing for the retirement of employees in the civil service.

EXTENSION OF REMARKS.

Mr. SINCLAIR. Mr. Speaker, I ask unanimous consent to extend my remarks on the soldiers' bonus legislation.

The SPEAKER. The gentleman from North Dakota asks unanimous consent to extend his remarks on the soldiers' bonus legislation. Is there objection?

There was no objection.

Mr. EVANS of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks on revenue taxation.

The SPEAKER. Is there objection to the gentleman's request?

There was no objection.

Mr. BLAND of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks on the Dickinson amendment to the sundry civil bill.

The SPEAKER. Is there objection to the gentleman's request?

There was no objection.

Mr. DICKINSON of Missouri. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the sundry civil bill.

The SPEAKER. Is there objection to the gentleman's request?

There was no objection.

Mr. ACKERMAN. Mr. Speaker, I ask unanimous consent to extend my remarks on the soldiers' bonus.

The SPEAKER. The gentleman from New Jersey asks unanimous consent to extend his remarks on the soldiers' bonus. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. GOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 45 minutes p. m.) the House adjourned until to-morrow, Saturday, May 8, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting request for legislation to permit the correction of the general account of the Treasurer of the United States (H. Doc. No. 756); to the Committee on Claims and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting an estimate of appropriation providing for the relief of the Treasurer of the United States; to the Committee on Claims.

3. A letter from the Secretary of War, transmitting a tentative draft of legislation providing for the return of the wives of soldiers to the United States; to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. GANDY, from the Committee on the Public Lands, to which was referred the bill (S. 2964) providing additional time for the payment of purchase money under homestead entries of lands within the former Fort Assinniboine Military Reservation, in Montana, reported the same with an amendment, accompanied by a report (No. 938), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. DOREMUS, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 13606) granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River, reported the same without amendment, accompanied by a report (No. 937), which said bill and report were referred to the House Calendar.

Mr. VOLSTEAD, from the Committee on the Judiciary, to which was referred the bill (H. R. 13931) to authorize the association of producers of agricultural products, reported the same without amendment, accompanied by a report (No. 939), which said bill and report were referred to the House Calendar.

Mr. CRAGO, from the Committee on Military Affairs, to which was referred the bill (H. R. 13942) to amend section 1342 of the Revised Statutes of the United States, known as the Articles of War, and for other purposes, reported the same with amendments, accompanied by a report (No. 940), which said bill and report were referred to the House Calendar.

Mr. PLATT, from the Committee on Banking and Currency, to which was referred the bill (H. R. 13908) to amend section 16 of the act of Congress approved July 17, 1916, known as the Federal farm-loan act, reported the same without amendment, accompanied by a report (No. 941), which said bill and report were referred to the House Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 13755) granting an increase of pension to Phoebe A. Rawles, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. PORTER: A bill (H. R. 13976) to amend an act approved February 27, 1919, entitled "An act granting consent of Congress to the county of Allegheny, Pa., to construct, maintain, and operate a bridge across the Allegheny River, at or near Sixteenth Street, in the city of Pittsburgh, county of Allegheny, in the Commonwealth of Pennsylvania"; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 13977) to amend an act approved February 27, 1919, entitled "An act granting the consent of Congress to the county of Allegheny, Pa., to construct, maintain, and operate a bridge across the Allegheny River, at or near Millvale Borough, in the county of Allegheny, in the Commonwealth of Pennsylvania"; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 13978) to amend an act approved February 27, 1919, entitled "An act granting the consent of Congress to the county of Allegheny, Pa., to construct, maintain, and operate a bridge across the Ohio River, at or near McKees Rocks Borough, in the county of Allegheny, in the Commonwealth of Pennsylvania"; to the Committee on Interstate and Foreign Commerce.

By Mr. TINKHAM: A bill (H. R. 13979) to provide allowances for mothers with children under 16 dependent upon them for support in the District of Columbia; to the Committee on the District of Columbia.

By Mr. JOHNSON of Washington: A bill (H. R. 13980) providing for the deportation of aliens upon a second conviction for illegal traffic in narcotics; to the Committee on Immigration and Naturalization.

By Mr. MORGAN: A bill (H. R. 13981) to authorize the issue of United States bonds to be used in the purchase of farm-loan bonds, and for other purposes; to the Committee on Banking and Currency.

By Mr. CURRY of California: A bill (H. R. 13982) to make a preliminary survey of the Calaveras River in California, with a view to the control of its floods; to the Committee on Flood Control.

By Mr. MADDEN: Joint resolution (H. J. Res. 353) to create a joint committee on the reorganization of the administrative branch of the Government; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 13983) granting a pension to Eliza Oldham; to the Committee on Invalid Pensions.

By Mr. GANLY: A bill (H. R. 13984) granting an increase of pension to Henry P. Niebuhr; to the Committee on Invalid Pensions.

By Mr. HARRELD: A bill (H. R. 13985) granting a pension to Joseph A. Branstetter; to the Committee on Invalid Pensions.

By Mr. JOHNSTON of New York: A bill (H. R. 13986) for the relief of Theresa M. Shea; to the Committee on Claims.

By Mr. KING: A bill (H. R. 13987) granting an increase of pension to James D. Silman; to the Committee on Pensions.

Also, a bill (H. R. 13988) granting an increase of pension to Joseph J. Johnson; to the Committee on Pensions.

By Mr. McKINIRY: A bill (H. R. 13989) granting a pension to Charles I. Winans; to the Committee on Invalid Pensions.

By Mr. NEWTON of Minnesota: A bill (H. R. 13990) granting a pension to Christian Hess; to the Committee on Pensions.

By Mr. SELLS: A bill (H. R. 13991) granting a pension to Hugh E. Murphy; to the Committee on Pensions.

By Mr. SHREVE: A bill (H. R. 13992) granting a pension to Mary A. Crate; to the Committee on Pensions.

By Mr. WHITE of Maine: A bill (H. R. 13993) granting a pension to Michael Burns; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3487. By Mr. BARBOUR: Petition of citizens of Stanislaus County, Calif., indorsing House bill 1112, providing for the parole of Federal prisoners; to the Committee on the Judiciary.

3488. By Mr. DYER: Petition of Missouri State Dental Association and Northwest Missouri Dental Association, protesting against the proposed tariff on dental instruments; to the Committee on Ways and Means.

3489. Also, petition of Great Lakes Engineering Works and N. R. Leavitt, favoring adoption of the bill increasing the concurrent jurisdiction of the Court of Claims; to the Committee on the Judiciary.

3490. Also, petition of Hess & Culbertson Jewelry Co., protesting against the proposed tax on advertising; to the Committee on Ways and Means.

3491. Also, petition of Jennings & Cushman, protesting against the proposed excise tax on gold used in the arts; to the Committee on Ways and Means.

3492. Also, petition of Edward Byrnes, protesting against the McNary shoe-branding bill; to the Committee on Interstate and Foreign Commerce.

3493. By Mr. FULLER of Illinois: Petition of Rockford (Ill.) Real Estate Board, protesting against the passage of House bill 12397; to the Committee on Ways and Means.

3494. Also, petition of the Asko Co., of Chicago, Ill., protesting against the passage of House bill 12976; to the Committee on Ways and Means.

3495. By Mr. GLYNN: Petition of sundry citizens of Torrington, Conn., favoring the passage of House bill 1112, for the parole of Federal prisoners; to the Committee on the Judiciary.

3496. By Mr. JOHNSTON of New York: Petition of American Newspaper Publishers' Association, advocating certain legislation; to the Committee on Ways and Means.

3497. By Mr. McGLENNON: Petition of Joseph Plunkett Branch, Friends of Irish Freedom, of Harrison, N. J., favoring the passage of House resolution 520; to the Committee on Foreign Affairs.

3498. Also, petition of Charles Carroll Branch, Friends of Irish Freedom, Carrollton, N. J., favoring the establishment of a consular service with the republic of Ireland; to the Committee on Foreign Affairs.

3499. Also, petition of patients of the Walter Reed Hospital, opposing a cash bonus and asking for readjustment of insurance; to the Committee on Ways and Means.

3500. Also, petition of American Newspaper Publishers' Association, advocating adoption of certain legislation; to the Committee on Ways and Means.

3501. By Mr. MICHENER: Petitions of Leland E. Gorton, Ypsilanti; Grace Geiger, secretary Salem Farmers' Club, Salem; A. P. Mitchell, secretary Sand Creek Milk Producers' Association, Sand Creek; Aubrey Pocklington, secretary Britton Dairy Association, Britton; DeForest Thompson, secretary Salem Milk Producers' Association, Salem; C. V. Ballard, county agricultural agent, Jackson; Luther Clark, Milan; George Gill, Ypsilanti; A. L. Wilbur, route No. 3, Ypsilanti; Ralph Dunham, route No. 3, Ypsilanti; Fred W. Wenk, Chelsea; W. S. Rooke, Ypsilanti; R. A. Trowbridge, Ypsilanti; Ennis Twist, Ypsilanti; L. A. Seamans, secretary Washtenaw County Farm Bureau, Belleville; A. C. Stein, Ann Arbor; F. E. Spafard, Manchester; F. E. Rawson, Manchester; Fred R. Rice, Ann Arbor; Lena Rice, Ann Arbor; Fred Nickel, Monroe; George W. Miller, Ypsilanti; George W. McCalla, Ypsilanti; August Lesser, secretary-treasurer Dexter Agricultural Association, Dexter; Homer P. Lehman, Manchester; C. R. Leland, Ann Arbor; John Kraft, Ypsilanti; C. D. Finkbeiner, Clinton; W. A. Freeman, Ypsilanti; W. S. Draper, Ypsilanti; E. M. Eiseman, Chelsea; Mort Crittenden, Ypsilanti; William Clements & Son, Saline; Charles E. Clark & Sons, Chelsea; Edwin Conklin, Ypsilanti; Herman Bauer, Ann Arbor; G. E. Douglas, Ypsilanti; Edith S. Townsend, Harriott Shankland, Delilah Shankland, and Ransom S. Townsend, Ann Arbor; Charles P. Knight, Ann Arbor; E. E. Whitney, Ann Arbor; Herman Haas, Ann Arbor; A. W. MacFarlane, Ypsilanti; L. H. Kirtland, president Monroe County Farm Bureau, Erie; F. D. Jackson, Milan; W. H.

Every, Manchester; Elmer Wisnor, Ann Arbor; W. E. Baker, Clayton; Edward P. Yost, Belleville; William Heller, secretary Pittsfield Union Grange, Ann Arbor; Arthur H. Perrine, secretary E. Tompkins and Rives Farmers' Club, Rives; and Salem Milk Producers' Association, Salem, all in the State of Michigan, favoring Capper-Hersman bill; to the Committee on the Judiciary.

3502. By Mr. O'CONNELL: Petition of William H. C. D'Antignac, chairman of the D'Antignac Protective Political League (Inc.), favoring an increase in salary for trained employees in the Post Office Department; to the Committee on the Post Office and Post Roads.

3503. By Mr. RAKER: Petition of board of directors of the Chamber of Commerce of San Francisco, Calif., urging that the jurisdictional limit of the district courts be raised from $10,000 to $250,000; to the Committee on the Judiciary.

3504. Also, petition of Commonwealth Club of California, urging the establishment of a department of public works; to the Committee on the Budget.

3505. By Mr. ROWAN: Petition of Augustus P. Gardner Post, No. 18, American Legion, Washington, D. C., opposing bonus for soldiers not disabled in the World War; to the Committee on Ways and Means.

3506. By Mr. SINCLAIR: Petition of the Women's Federated Club of Garrison, N. Dak., indorsing the Smith-Towner educational bill; to the Committee on Education.

3507. By Mr. TAGUE: Petition of H. E. Hagan, Boston, Mass., protesting against the passage of the McNary bill; to the Committee on Interstate and Foreign Commerce.

3508. Also, petition of joint postal organization of Boston, Mass., favoring immediate action on increased pay for postal employees; to the Committee on the Post Office and Post Roads.

3509. Also, petition of Charles E. Cheever, Joseph F. Gusick, Edw. F. Dalton, and Walter L. Murphy, of Boston, Mass., urging the inclusion of field clerks in the Army pay bill; to the Committee on Military Affairs.

SENATE.

SATURDAY, *May 8, 1920.*

(Legislative day of Friday, May 7, 1920.)

The Senate met at 12 o'clock noon, on the expiration of the recess.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1690) for the retirement of employees in the classified civil service, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 13665. An act granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River, between sections 16 and 21, township 15 north, range 19 east, in the State of Oklahoma; and

H. R. 13666. An act granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River, in section 18, township 12 north, range 21 east, in the State of Oklahoma.

The message further announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

S. 2792. An act to enlarge the boundaries of the Oregon National Forest;

H. R. 13590. An act granting the consent of Congress to Sid Smith, of Bonham, Tex., for the construction of a bridge across the Red River between the counties of Fannin, Tex., and Bryan, Okla.; and

H. R. 13724. An act to authorize the construction of a bridge across the Sabine River at or near Orange, Tex.

PETITIONS AND MEMORIALS.

Mr. CAPPER presented a petition of the Ministerial Union of the Central Young Men's Christian Association, of Topeka, Kans., praying for the enactment of legislation to create in the Army a chaplain corps, which was referred to the Committee on Military Affairs.

He also presented a memorial of the National Association for the Advancement of Colored People, of Leavenworth, Kans., remonstrating against the passage of the so-called sedition bill, which was referred to the Committee on the Judiciary.

Mr. SMITH of Maryland presented a petition of sundry citizens of Frederick, Md., praying for an increase in the salaries of postal employees, which was referred to the Committee on Post Offices and Post Roads.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GRONNA:

A bill (S. 4352) authorizing the Indians residing on or belonging to the Turtle Mountain Reservation, N. Dak., to submit claims to the Court of Claims, and for other purposes; to the Committee on Indian Affairs.

By Mr. PHELAN:

A bill (S. 4353) to authorize the President to appoint Henry S. Kiersted a major in the Medical Corps of the Army of the United States on the retired list (with accompanying papers); to the Committee on Military Affairs.

By Mr. McKELLAR:

A bill (S. 4354) for the relief of Roach, Stansell, Lowrance Bros. & Co., of Memphis, Tenn.; to the Committee on Claims.

INSCRIPTIONS ON ARLINGTON AMPHITHEATER.

Mr. OVERMAN. I ask unanimous consent to introduce a short joint resolution. I will state that it is a copy of the joint resolution introduced in the House of Representatives by that brave old leader, Gen. SHERWOOD, of Ohio, one of the few veterans of the Civil War left in the House. I should like to have it passed to-day, if possible. I do not think any Senator will object to it. I ask that it be read for information.

The joint resolution (S. J. Res. 194) to include the names of southern military leaders in the inscriptions on the amphitheater at Arlington was read the first time by its title, and the second time at length, as follows:

Whereas the Congress of the United States made provision for the erection of the Arlington Memorial Amphitheater; and

Whereas the commission provided for by Congress for the construction of the memorial includes a representative of the United Confederate Veterans; and

Whereas the commission is unable to construe the law to include the names of Confederate leaders to be inscribed on the memorial; and

Whereas, by act of Congress, a Confederate section has been set apart at Arlington for Confederate dead; and

Whereas the Confederate Veterans and their sons and grandsons, in peace and in active military service during the War with Spain, and on every field in Europe in the World War, demonstrated their fealty to the United States: Therefore be it

Resolved, etc., That the commission created by act of Congress having in charge the construction of the Arlington Memorial Amphitheater be hereby authorized, at their discretion, to make provision to include the names of southern military leaders in the inscriptions on the amphitheater.

Mr. SMOOT. I understand that this is a joint resolution?

The VICE PRESIDENT. It is.

Mr. SMOOT. I will ask the Senator from North Carolina whether it has passed the House?

Mr. OVERMAN. No; it has not. It is pending in the House. It was introduced in the House by Gen. SHERWOOD, of Ohio.

Mr. SMOOT. As it is a joint resolution, it seems to me it ought to go to the committee and be reported back to the Senate.

Mr. OVERMAN. Technically that would be the orderly way, but I do not see any use of that procedure. The joint resolution is only six lines in length and gives the commission discretion which protects the provision.

Mr. SMOOT. I am aware of that.

Mr. OVERMAN. It authorizes them and gives them the discretion. I want to say that they have submitted to some of the great educators of the country the names that should be inscribed on the amphitheater, and one of the commission called attention to the fact that the great generals of the South, such as Lee and Jackson, were Americans, and all Americans were proud of them. Union soldiers wanted these names put on; and it is the right thing also to select a few names from the Confederates, together with names of Revolutionary heroes, Spanish-American War heroes, and others. The commission want to do it, but they have not the discretion to do it. The joint resolution only allows them the discretion if in their opinion it should be done. That is all the joint resolution provides.

Mr. SMOOT. It is not a question of what the joint resolution provides, Mr. President. I am simply saying that it is a joint resolution, not a simple Senate resolution, and that it ought to go to a committee, and the committee should report it out.

Mr. OVERMAN. It can only be considered by unanimous consent, of course; and I hope the Senator will not object, because it has to be acted upon immediately, if at all. The sons and grandsons of these men have fallen in recent battle, together with the sons and grandsons of Union soldiers; and everybody recognizes that these were great generals. They were Americans. They are a heritage that everybody is proud of. Why should not the names of one or two of these distinguished men be inscribed on this amphitheater? Unless it is done at once, it can not be done at all. That is the reason why I ask that the joint resolution be passed at once.

Mr. SMOOT. I recognize that they were great generals, and that the committee perhaps will report the measure out the way it is; if not, with slight amendments. It does seem to me, however, that if it is proposed in the form of a joint resolution it ought to be referred to the committee, and let the committee report it back. I therefore ask that it be sent to the committee.

Mr. OVERMAN. Of course, I am helpless if objection is made.

The VICE PRESIDENT. To what committee does the Senator ask to have it referred?

Mr. SMOOT. The Committee on the Library, I think. That committee had this subject in hand before.

The VICE PRESIDENT. The joint resolution will be referred to the Committee on the Library.

AMENDMENT TO ARMY APPROPRIATION BILL.

Mr. PHELAN submitted an amendment proposing to appropriate $1,500,000 for the maintenance, support, and development of the manufacturing industries and facilities at the Benicia Arsenal, Calif., intended to be proposed by him to the Army appropriation bill, which was referred to the Committee on Military Affairs and ordered to be printed.

LANDS WITHDRAWN UNDER RECLAMATION LAWS.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 795) to provide for the disposition of public lands withdrawn and improved under the provisions of the reclamation laws, and which are no longer needed in connection with said laws, which were, on page 1, line 5, to strike out "or" and insert "of"; on page 1, line 8, after "thereto," to insert "which are not otherwise reserved"; and on page 2, line 8, after "per centum," to insert "per annum, payable annually."

Mr. MYERS. I move that the Senate concur in the House amendments.

Mr. CURTIS. With the understanding that it does not interfere with the unfinished business, and that it is done by unanimous consent.

Mr. MYERS. I ask unanimous consent that the amendments be concurred in, without interfering with the unfinished business.

The VICE PRESIDENT. The amendments of the House will be, without objection, concurred in. The Chair hears no objection.

RETIREMENT OF CIVIL-SERVICE EMPLOYEES—CONFERENCE REPORT.

Mr. STERLING. I present the report of the conferees on Senate bill 1699, known as the civil-service retirement bill. I ask that the report lie on the table and be printed, and I give notice that on Monday next I shall call it up for consideration.

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1699) for the retirement of employees in the classified civil service, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 2, 4, 8, 9, and 15.

That the Senate recede from its disagreement to the amendments of the House numbered 1, 5, 6, 10, 11, 13, 14, 16, and 19, and agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment as follows: Strike out the words "sixty-two" and "sixty" where they occur and insert in lieu thereof the words "sixty-five" and "sixty-two," respectively, so that the amendment shall read: "*Provided*, That mechanics, city and rural letter carriers, and post-office clerks shall be eligible for retirement at 65 years of age, and railway postal clerks at 62 years of age, if said mechanics, city and rural letter carriers, post-office clerks, and railway postal clerks shall have rendered at least 15 years of service computed as prescribed in section 3 of this act"; and the House agree to the same.

Amendment numbered 7: That the Senate recede from its disagreement to the amendment of the House numbered 7, and agree to the same with an amendment as follows: Restore the original language stricken out, adding thereto the words "or by other competent authority," so that the amendment shall read: "appointed directly by the commissioners or by other competent authority"; and the House agree to the same.

Amendment numbered 12: That the Senate recede from its disagreement to the amendment of the House numbered 12, and agree to the same with an amendment as follows: In lieu of the language proposed by the House insert the following: "*Provided*, That no person employed in the executive departments within the District of Columbia, retired under the provisions of this act during the fiscal year ending June 30, 1921, shall be replaced by additional employees, but if the exigencies of the service so require, places made vacant by such retirement may be filled by promotion or transfer of eligible employees already in the service"; and the House agree to the same.

Amendment numbered 17: That the Senate recede from its disagreement to the amendment of the House numbered 17, and agree to the same with an amendment as follows: After the word "redeposited," insert the words "with interest," so that the amendment shall read: "*Provided*, That all moneys so returned to an employee must be redeposited with interest before such employee may derive any benefit under the provisions of this act, upon reinstatement or retransfer to a classified position"; and the House agree to the same.

Amendment numbered 18: That the Senate recede from its disagreement to the amendment of the House numbered 18, and agree to the same with an amendment as follows: Between the words "be" and "entitled," in line 8 of the amendment, insert the word "legally," so that the amendment shall read: "*Provided*, That if in case of death the amount of deductions to be paid under the provisions of this section does not exceed $300, and if there has been no demand upon the Commissioner of Pensions by a duly appointed executor or administrator, the payment may be made, after the expiration of three months from date of death, to such person or persons as may appear in the judgment of the Commissioner of Pensions to be legally entitled to the proceeds of the estate, and such payment shall be a bar to recovery by any other person"; and the House agree to the same.

THOMAS STERLING,
ALBERT B. CUMMINS,
KENNETH MCKELLAR,
Managers on the part of the Senate.
FREDERICK R. LEHLBACH,
LOUIS W. FAIRFIELD,
HANNIBAL L. GODWIN,
Managers on the part of the House.

THE MERCHANT MARINE.

Mr. JONES of Washington. Mr. President, I desire to give notice that at the conclusion of the routine morning business on Monday next I shall ask unanimous consent that the Senate proceed to the consideration of House bill 10378, known as the shipping bill.

HOUSE BILLS REFERRED.

The following bills were each read twice by their titles and referred to the Committee on Commerce:

H. R. 13665. An act granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River, between sections 16 and 21, township 15 north, range 19 east, in the State of Oklahoma; and

H. R. 13666. An act granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River, in section 18, township 12 north, range 21 east, in the State of Oklahoma.

DIPLOMATIC AND CONSULAR APPROPRIATIONS—CONFERENCE REPORT.

Mr. LODGE. I desire to present the conference report on House bill 11960, the Diplomatic and Consular appropriation bill. I explained the other day that it came back from the House owing to the fact that there was a point of order made against one of the amendments in the House, and the point of order was sustained. The conference report came back, and, of course, the conferees met and removed the clause against which the point of order was made. I present the report—it was not presented in the Senate before—and ask for action upon it. It is a full agreement.

The report was read, as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11960) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 10, and 13.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 6, 7, 8, 9, 11, 12, and 14.

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$480,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$900,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"PURCHASE OF EMBASSY BUILDING AND GROUNDS AT SANTIAGO, CHILE.

"For the purchase of an embassy building and grounds at Santiago, Chile, and for making necessary minor repairs and alterations in the building to put it into proper condition, $130,000."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 15 and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"FEES FOR PASSPORTS AND VISÉS.

"SECTION 1. From and after the 1st day of June, 1920, there shall be collected and paid into the Treasury of the United States quarterly a fee of $1 for executing each application for a passport and $9 for each passport issued to a citizen or person owing allegiance to or entitled to the protection of the United States: *Provided*, That nothing herein contained shall be construed to limit the right of the Secretary of State by regulation to authorize the retention by State officials of the fee of $1 for executing an application for a passport: *And provided further*, That no fee shall be collected for passports issued to officers or employees of the United States proceeding abroad in the discharge of their official duties, or to members of their immediate families accompanying them, or to seamen, or to widows, children, parents, brothers, and sisters of American soldiers, sailors, or marines, buried abroad whose journey is undertaken for the purpose and with the intent of visiting the graves of such soldiers, sailors, or marines, which facts shall be made a part of the application for the passport.

"SEC. 2. From and after the 1st day of June, 1920, there shall be collected and paid into the Treasury of the United States quarterly a fee of $1 for executing each application of an alien for a visé and $9 for each visé of the passport of an alien: *Provided*, That no fee shall be collected from any officer of any foreign Government, its armed forces, or of any State, district, or municipality thereof, traveling to or through the United States, or of any soldiers coming within the terms of public resolution approved October 19, 1918 (40 Stat. L., pt. 1, p. 1014).

"SEC. 3. The visé of a passport of an alien may, under regulations prescribed by the Secretary of State, be refused if the applicant would be dangerous to the public safety or obviously be liable to exclusion if allowed to present himself at a port of the United States for admission: *Provided*, That such applicant, if rejected by the officer of the United States to whom the application was originally made, may appeal to the Secretary of State: *And provided further*, That the issuance of a visé to an alien by a person duly authorized to issue such visé on behalf of the United States shall not relieve said alien or the steamship company transporting him from the operation of any provision of the laws of the United States.

"SEC. 4. From and after the 1st day of June, 1920, it shall be unlawful for any alien, other than a seaman, to enter or attempt to enter the United States without a passport duly viséd by a person duly authorized by the Secretary of State to issue such visé: *Provided*, That this section shall not apply to nationals of Great Britain domiciled in the Dominion of Canada, Newfoundland, the Bermudas, or the Bahamas, or to nationals of France domiciled in St. Pierre and Miquelon, or to citizens of Cuba, Panama, or Mexico.

"SEC. 5. From and after the passage of this act every citizen or person, other than a seaman, owing allegiance to or entitled to the protection of the United States and departing from the United States or any of the possessions thereof for any foreign country, except the Dominion of Canada, Newfoundland, St. Pierre, and Miquelon, Panama, the Bermudas, the Bahamas, Mexico, and Cuba, or departing from the United States or any of the possessions thereof by way of any of said countries for any other country shall be required to bear a valid passport.

"SEC. 6. The validity of a passport or visé shall be limited to two years, unless the Secretary of State shall by regulation limit the validity of such passport or visé to a shorter period.

"SEC. 7. Whenever the appropriate officer within the United States of any foreign country refuses to visé a passport issued by the United States, the Department of State is hereby authorized upon request in writing and the return of the unused passport within six months from the date of issue to refund to the person to whom the passport was issued the fees which have been paid to Federal officials, and the money for that purpose is hereby appropriated and directed to be paid upon the order of the Secretary of State.

"SEC. 8. Section 1 of the act approved March 2, 1907, entitled 'An act in reference to the expatriation of citizens and their protection abroad' (34 Stats. L., pt. 1, p. 1228), authorizing the Secretary of State to issue passports to certain persons not citizens of the United States is hereby repealed."

And the Senate agree to the same.

H. C. LODGE,
WM. E. BORAH,
G. M. HITCHCOCK,
Managers on the part of the Senate.

STEPHEN G. PORTER,
JOHN JACOB ROGERS,
H. D. FLOOD,
Managers on the part of the House.

Mr. UNDERWOOD. Mr. President, I should like to ask the Senator from Massachusetts what was the clause in the bill that went out on a point of order?

Mr. LODGE. There was a clause in the bill, put in by the House, which cut down the appropriation for the Mexican Commission to $5,000. That meant, of course, the stoppage of all work. The Senate put in an amendment providing that the $15,000 unexpended balance of the last appropriation should be available for the coming fiscal year. Of course there was no point of order against that, but as there was a good deal of controversy over it the conferees added at the end of the Senate amendment, which made the unexpended balance available for the coming year, making a total appropriation of $20,000 instead of $45,000, which it was in the last bill, the following proviso:

Provided, however, That this is to be considered as the final appropriation under existing treaties for the maintenance of said commission, and the President is hereby requested to notify the Republic of Mexico that the United States desires to dissolve the commission from and after six months from July 1, 1920.

That proviso goes out.

Mr. UNDERWOOD. Was that the Senate provision or was it inserted by the conferees?

Mr. LODGE. It was inserted by the conferees.

Mr. UNDERWOOD. And therefore it was new matter.

Mr. LODGE. They held it in the House to be new matter, which I think is doubtful, but still they so held.

Mr. UNDERWOOD. Otherwise the report is not affected?

Mr. LODGE. Not in the least. It leaves the Senate amendment just as it was, with the appropriation of $15,000, the unexpended balance. It is just what the Senate adopted.

Mr. UNDERWOOD. In other words, as I understand it, the conferees sought to close this proposition finally in conference, but the House held that the conferees had exceeded their authority. Now the situation is that the bill is practically as it left the Senate.

Mr. LODGE. Practically as it left the Senate. There is a great controversy about that commission. It has been going on since 1892, and it has been costing the Government on an average $50,000 a year. The line is not run, and, in my judgment, it never can be run, except as an arbitrary line, because the Rio Grande shifts its bed every little while. Then they have what are called bancos, and it has to be decided to which country those belong, and it has all to be done over again. There are over 400 miles still open, and it is an endless business.

Mr. UNDERWOOD. I am in accord with the Senator's view on that subject. There may come a day in the future when the proposal to fix the boundary line will be renewed and worked out, but certainly we are wasting money now to attempt it.

Mr. LODGE. We are. What the committees wanted to bring about, both in the House and the Senate, was to make a new arrangement with Mexico by which an arbitrary line should be run and the thing finally decided. It has come up against a point of order, but it leaves the bill practically as it left the Senate.

Mr. UNDERWOOD. I suppose the question of establishing new boundary lines between this country and Mexico is somewhat delicate at the present time.

Mr. LODGE. It is. Mexico has had no commissioner there for some time. The fact is that nothing much has been done, but there were two very excellent citizens who held positions on the commission, and it was not desired to cut them off too suddenly.

Mr. UNDERWOOD. I have no objection to agreeing to the report. I merely wanted to understand the attitude in which it leaves the bill.

The VICE PRESIDENT. The Chair would like to know whether the point of order sustained by the House was a point of order against the insertion made by the conferees or whether it was against an amendment inserted by the Senate?

Mr. LODGE. It was an amendment to the amendment of the Senate. The point of order lay only against the part inserted by the conferees.

The VICE PRESIDENT. By the conferees?

Mr. LODGE. That is all. No point of order could be made against the Senate amendment.

The VICE PRESIDENT. The Chair understood that it was a point of order against the amendment by the Senate, and the Chair thought that such action would lead to some trouble in the future.

Mr. LODGE. No; that is not the form it took. Of course, the addition made by the conferees was an addition to the Senate amendment. The only part of it that was out of order was that which was added by the conferees.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

THE DYE INDUSTRY.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8078) to regulate the importation of coal-tar products, to promote the establishment of the manufacture thereof in the United States, and, as incident thereto, to amend the act of September 8, 1916, entitled "An act to increase the revenue, and for other purposes."

Mr. THOMAS. Mr. President, I crave the indulgence of the Senate for a very brief time this morning. In explanation of my request I may say that since the recess of yesterday I have received a very important communication directly in line with some portions of my discussion of the dye bill, and therefore I think it of prime importance to the Senate. This document consists of a circular to the drug and chemical markets, from Boston, and is entitled:

SUES DU PONT CO. FOR $1,000,000—DISCLOSING SECRET AGREEMENT—EDGAR LEVINSTEIN ALLEGES BREACH OF CONTRACT, AND CITES ARRANGEMENT WHEREBY DU PONTS AND LEVINSTEIN EXCHANGE PATENTS AND SECRET PROCESSES—AGREEMENT TO DIVIDE WORLD'S MARKETS.

(Special to Drug and Chemical Markets.)

BOSTON, MASS., *May 13.*

Suit for $1,000,000 damages, alleging breach of contract, was filed in the United States district court, Boston, May 7, by Edgar Levinstein, of Nahant, against E. I. du Pont de Nemours & Co., of Wilmington, Del.

The complaint alleges that the Du Pont Co. in 1916 bought of Levinstein (Ltd.), of Manchester, England, the exclusive right to manufacture and sell the Levinstein dyes in America, with the agreement that Edgar Levinstein, who had for many years been the sole representative of Levinstein (Ltd.) in the United States, with headquarters in Boston, should be continued as a selling medium for those dyes.

It is also alleged that the Du Pont Co. undertook to reserve for him an annual supply of Levinstein dyes, and also Du Pont's own dye products, on which he was guaranteed a profit, and agreed that it would make every effort to enable him to retain the customers obtained by him while he was representing Levinstein (Ltd.) and doing business under the name of I. Levinstein & Co. (Inc.).

The Du Pont Co. is alleged to have solicited and induced plaintiff's customers, by unfair methods, to transfer their trade and customs in dyes from him to itself and to have violated its contract in other respects with the deliberate purpose of driving the plaintiff out of business.

R. M. Morse and Frank H. Stewart, No. 6 Beacon Street, Boston, counsel for the plaintiff, say in their complaint:

TERMS OF THE AGREEMENT.

The plaintiff says that for a long time prior to November 30, 1916, as sole representative of Levinstein (Ltd.), a corporation duly organized and established by law and having its principal place of business at Manchester, England, and I. Levinstein & Co. (Inc.), a corporation duly organized and established under the laws of the Commonwealth of Massachusetts, and having its principal place of business at Boston, within said district, he had been engaged in building up and carrying on in the United States a large and profitable dyestuffs business, especially as a selling medium for the dye products and manufactured under the processes and brands of Levinstein (Ltd.) and had obtained a large number of important and profitable customers.

That on March 27, 1918, the plaintiff and defendant entered into a written contract, by the terms whereof the defendant, among other things, agreed in substance and effect with the plaintiff to protect the trade and good will so built up by him in dyestuffs as aforesaid, and in particular agreed to reserve for him from its manufacture and production of both Levinstein and Du Pont dyes, so called, a supply of 600 tons in each and every consecutive 12 months at a price to enable him to sell to his customers at the defendant's usual prices.

ALLEGES BREACH OF CONTRACT.

That the defendant did not reserve for him from its manufacture and production of both Levinstein and Du Pont dyes, so called, a supply of 600 tons in each and every consecutive 12 months at a price to enable him to sell to his customers at the defendant's usual prices and leave him a reasonable profit; but that, on the contrary, the defendant, in violation of its contract with the plaintiff and with the deliberate purpose and intent of obtaining for itself the plaintiff's established trade, custom, and good will, and depriving the plaintiff of the same and embarrassing him and driving him out of his long-established business, has intentionally and deliberately failed, neglected, and refused, and still refuses, to supply him on order with dyes for his customers; has withheld and delayed, and still withholds and delays, shipments to him after accepting his orders for dyes, and has concealed prices and changes in prices from him; has obstructed, hindered, and delayed him, and still obstructs, hinders, and delays him, in obtaining orders from his customers and in placing orders with itself and in obtaining a fair selection of colors from it, and the plaintiff further says that the defendant, by divers inducements, devices, means, and unfair methods and practices has covertly, secretly, and persistently solicited, canvassed, importuned, persuaded, and induced the customers of the plaintiff to transfer and divert their trade and custom in dyes from the plaintiff to the defendant.

Then follows the agreement between the Du Pont Co. and Levinstein (Ltd.). It is that to which I crave the attention of the Senate. What I have so far read is merely introductory.

The agreement between E. I. du Pont de Nemours & Co., of Wilmington, Del., and Levinstein (Ltd.), of Manchester, England, makes the following arrangements for an exchange of information regarding patented or secret processes and the apparatus, machinery, and plant necessary for the manufacture of dyes, intermediates, and raw materials.

LEVINSTEIN AND DU PONT AGREEMENT.

The parties shall be entitled to the following rights in respect to all patented inventions and secret processes mentioned in clause 1 hereof videlicit:

(a) Levinsteins shall have exclusive rights for the use, manufacture, and sale under its own and the Du Pont Co.'s patented inventions and secret processes throughout Great Britain, Ireland, India, and all British possessions, colonies, and dependencies (except Canada), France, Italy, Spain, Belgium, Holland, Portugal, Switzerland, Denmark, Norway, and Sweden, and nonexclusive rights throughout Canada and all other countries except those for which the Du Pont Co. is to have exclusive rights.

(b) The Du Pont Co. shall have exclusive rights for the use, manufacture, and sale under its own and Levinstein's patented inventions and secret processes throughout the United States of America and all its possessions, present and future, Mexico and Central and South America, and nonexclusive rights throughout all other countries except those for which Levinsteins is to have exclusive rights.

Here is a partition of the world between two huge institutions which are engaged in the same business and which finds its analogy in that historical incident centuries ago, when the Pope, by arbitrary decree, divided the world into two portions, assigning the eastern to Spain and the western to Portugal.

LEVINSTEIN PAYMENTS.

If the information to be furnished by Levinsteins to the Du Pont Co. shall be capable of turning out finished products of the standard of the products from time to time sold by Levinsteins, and if the synthetic indigo produced by such processes shall be up to the commercial standard heretofore ruling in the United States, the Du Pont Co. shall pay to Levinsteins £25,000 in each of the 10 years from July 1, 1917, to July 1, 1927, the first payment to be made on July 1, 1918. The condition for such payment shall be deemed conclusively to be performed if Levinsteins shall at their works produce finished products and synthetic indigo of the before-mentioned standards and shall prove that they furnished the Du Pont Co. with the information and instruction necessary to produce the same, whether in fact the Du Pont Co. are or are not able to produce the same or do or do not produce the same.

That is to say, the Du Ponts may, without violating the contract, suspend production if the mutual interests of those two world-dominant corporations should find that course the more profitable.

PROVISION FOR ROYALTIES.

The royalties payable by the party accepting the license shall be 5 per cent on the selling value of the finished product delivered in the country of manufacture. In the case of a patented invention the royalty shall not be payable beyond the existence of the patent and in the case of secret process shall be payable only during the continuance of this agreement. The royalties payable to Levinsteins under this clause shall be additional to the £25,000 a year mentioned in clause 3 hereof.

It is intended to hold in June, 1917—

The dates in this document seem to be inconsistent, but I presume that is due to errors in copying—

in America a meeting by representatives of the parties hereto for the purpose of arranging selling facilities for nonexclusive Asiatic territory, particularly Japan and China, the intention being to arrange if

possible a joint selling company, the capital of which is to be subscribed and its sales to be divided as nearly as possible in equal parts by the parties hereto.

Let me ask here, Mr. President, if it be true that this industry is to perish unless the pending bill shall be enacted, how is it that the Du Pont Co., a principal beneficiary under it, should assume the risk in July, 1918, of making a contract with the Levinsteins, under which the two agreed to organize a corporation as a medium for securing and controlling the dye business of Japan and China?. Where is there in this document the slightest expression which would indicate apprehension of a drastic and destructive German competition?

Bear in mind, Mr. President, that this contract was made during the war, under the then existing duties in America upon dyestuffs, nearly one year before the President recommended further legislation in behalf of the industry, and long before anyone could assume what the character of that legislation might be or even the form it might assume.

Mr. NUGENT. Mr. President——

Mr. THOMAS. I yield to the Senator from Idaho.

Mr. NUGENT. I rise merely to ask a question for information. I desire to ask the Senator from Colorado whether or not he understands that the contract which he has read is applicable only to dyes that have been patented by the Du Ponts and the Levinsteins?

Mr. THOMAS. And also to secret processes which are controlled by the two corporations.

Mr. NUGENT. It applies also to secret processes?

Mr. THOMAS. Yes; as may be devised by either of the two contracting parties. It does apply to that class of dyes. However, Mr. President, it is the commencement, the initiation, of the monopolistic condition to which I directed the attention of the Senate on yesterday.

Mr. NUGENT. Mr. President, does the Senator from Colorado understand that that contract has to do with patents for dyes that are not produced in Germany?

Mr. THOMAS. It has to do with all patents for dyes which are controlled by either of the contracting parties and with such secret processes as either may have devised or may devise during the life of the contract; it is an agreement of world-wide dimensions, and must necessarily, therefore, have to do with the dye industry as a whole, for I assume that through and by means of such an enormous combination of the great dye house of England and the great dye house of America control of the industry will be ultimately acquired. I proceed:

> If any difference or dispute shall arise between the parties hereto in respect of this agreement or any matter or thing relating thereto, the same shall be referred to the President for the time being of the Du Pone Co. or his nominee and the chairman for the time being of the Levinsteins or his nominee, who shall arbitrate the same and whose award shall be final.

Mr. SIMMONS. Mr. President, will the Senator permit me to ask him a question?

Mr. THOMAS. I yield to the Senator.

Mr. SIMMONS. I do not understand from the reading by the Senator of the contract whether or not the United States was apportioned exclusively to the Du Ponts.

Mr. THOMAS. The United States as it now exists and all territory or dominions which it may hereafter acquire.

Mr. SIMMONS. And the English house is not permitted to sell under that contract within such territory?

Mr. THOMAS. Evidently not, unless this contract, this partnership arrangement, this executory arrangement, is ultimately to be applied to the remainder of the world.

Mr. SIMMONS. Does it also provide that the Du Ponts shall not sell in Great Britain?

Mr. THOMAS. Yes. The Senator perhaps was not present when I read that part of the document virtually dividing the world into halves. I will read it again for the benefit of the Senator:

> (a) Levinsteins shall have exclusive rights for the use, manufacture, and sale under its own and the Du Pont Co.'s patented inventions and secret processes throughout Great Britain, Ireland, India, and all British possessions, colonies, and dependencies (except Canada), France, Italy, Spain, Belgium, Holland, Portugal, Switzerland, Denmark, Norway, and Sweden, and nonexclusive rights throughout Canada and all other countries except those for which the Du Pont Co. is to have exclusive rights.

It is a partition of the entire globe. Just what the proportions are I have not attempted to calculate; I have not had time to do so; but the Du Pont Co. shall have exclusive rights as to its part and the Levinstein Co. shall have exclusive rights as to its part, subject to the executory contract to be drawn between them for dividing the spoils in China and Japan.

Mr. TOWNSEND. Mr. President——

Mr. THOMAS. I yield.

Mr. TOWNSEND. I regret to say that I was not present when the Senator commenced reading the document, and I should like to ask him from what he is reading.

Mr. THOMAS. I will hand that portion of the document which I have read to the Senator so that he can see for himself, and I will proceed:

> The contract between the Du Pont Co. and Levinstein (Ltd.) was signed by J. Amory Haskell, vice president of E. I. du Pont de Nemours & Co., and John B. Lonsdale, chairman, and Herbert Levinstein, managing director of Levinstein (Ltd.).

We now come to the contract for the alleged breach of which the suit was brought which exposed the whole thing to the public.

EDGAR LEVINSTEIN'S CONTRACT.

> A second agreement made by E. I. du Pont de Nemours & Co. with Edgar Levinstein, of Boston, says in part:
>
> First. The Du Pont Co. agrees to sell to Edgar Levinstein from time to time, to an aggregate amount of not more than 600 tons in each consecutive 12 months, such finished dyes as he may select, including synthetic indigo, of the standard types, shades, and strength as heretofore or hereafter established, if and as the same are prepared or manufactured and offered to the trade by the Du Pont Co. (or by any subsidiary now or hereafter to be organized by it) under the patented or unpatented inventions or processes heretofore or hereafter acquired by the Du Pont Co. from or through Levinstein (Ltd.).
>
> Second. The Du Pont Co. further agrees to sell and deliver to said Edgar Levinstein such dyes as he may select and order f. o. b. cars at its works, Carneys Point, N. J., at the lowest net price current charged by Du Pont Co. or its subsidiary for the same article to its most favored customer in the United States (except subsidiaries or sales agency branches of the Du Pont Co.) less 15 per cent, which allowance of 15 per cent shall cover all expenses and profit of said Levinstein for handling said dyes purchased and resold.
>
> Third. The Du Pont Co. further agrees that it will reserve for Edgar Levinstein from its manufacture and production of such dyes as aforesaid a supply of 600 tons in each and every consecutive 12 months, and that it will make every effort to enable said Edgar Levinstein to continue to supply the dyes aforesaid to the customers obtained by him in the United States while he was doing business under the name and style of I. Levinstein & Co. (Inc.).

It is that policy which the Du Pont Co. has declined to carry out. It is that contract the benefits of which it proposes to secure by the usual monopolistic methods—that is to say, by ignoring its covenants and defying the injured party.

The last page of this communication recites:

DU PONT CO. CHANGES.

> In the reorganization of the Du Pont Co., C. W. Phellis, sales director of the explosives department, has been appointed general director of sales, which position carries with it the supervision of the various sales departments, each of which has its separate director. The new position has just been established by the new executive committee, and is one of great importance, in view of the rapidly increasing peace-time activities of the company's various departments.
>
> Mr. Phellis has been with the Du Pont Co. since January, 1901, and has had wide experience with the sales department. For his first year and a half of service he was connected with the shotgun smokeless-powder division, with headquarters at Cincinnati. Then he was made a salesman in the explosives sales department with the Middle Eastern States as his territory. In 1906 he was made a district manager, with headquarters at Huntington, Pa. After 10 years of successful work in the district he was transferred to the Denver office as district manager, to take charge of the important sales work in the Rocky Mountain States. In November, 1918, he was again advanced, and went to Wilmington as the director of sales in the explosives branch of the Du Pont business.

I presume the significance of this change as regards the suit to which this document refers is that the new sales manager will be the representative of the Du Pont Co. in the absorption of the business of Edgar Levenstein.

Mr. President, just one word of comment. My information is the institution of this suit came at a most appropriate time. It immediately succeeds the letter of the publicity agent of the Du Pont Co. to the Senator from New Hampshire [Mr. MOSES], which the Senator from Iowa [Mr. KENYON] yesterday placed in the RECORD, and which indicates the absorbing interest of the Du Pont Co. in the pending legislation, and virtually amounts to an assurance that unless the Senator from New Hampshire withdraws his objection to the bill the Du Pont Co. will withdraw its support of Gen. Wood; and what that support is, every Senator knows as well as I. This exposition of a step taken during the existence of the war, when the Allies were fighting for their lives, by which a great American monopoly combined with a great British monopoly to dominate the dye industry of the world, is, to my mind, convincing proof of the influences and the interests which are behind this bill, which initiated this legislation, which framed the language of the measure, which induced additions regarding license and embargo, and which depend upon this legislation as a valuable asset in the development of their ambitions and the accomplishment of their purposes.

Mr. President, if I am correct, it must follow that the remote purpose of this bill is little short of infamous, and that it should be rejected by the deliberate and indignant judgment of every Member of this body.

Mr. NUGENT obtained the floor.

Mr. KING. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Gronna	McNary	Simmons
Ball	Hale	Myers	Smith, Ariz.
Borah	Harding	Nelson	Smith, Md.
Capper	Harris	Norris	Smith, S. C.
Chamberlain	Harrison	Nugent	Smoot
Colt	Henderson	Overman	Sterling
Comer	Jones, N. Mex.	Owen	Sutherland
Culberson	Jones, Wash.	Phelan	Thomas
Cummins	Kendrick	Phipps	Townsend
Curtis	Kenyon	Pomerene	Trammell
Dillingham	Keyes	Ransdell	Wadsworth
Fernald	King	Reed	Walsh, Mass.
Gay	Lodge	Robinson	Walsh, Mont.
Gerry	McCumber	Sheppard	Warren
Glass	McKellar	Shields	

Mr. GRONNA. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent, due to illness. I ask that this announcement may stand for the day.

Mr. SMITH of South Carolina. I wish to state that my colleague [Mr. DIAL] is unavoidably absent on important business.

The VICE PRESIDENT. Fifty-nine Senators have answered to the roll call. There is a quorum present.

Mr. NUGENT. Mr. President, in my opinion the pending measure, which is commonly known as the dyestuffs bill, is one of the most important that has been considered by the Senate since I became one of its Members. I believe that the health of our people, the prosperity of our country, the very safety of the Republic, are inseparably connected with it.

At the time the so-called Longworth bill, H. R. 8078, passed the House and was presented to the Senate, it was, of course, referred to the Finance Committee. The acting chairman of that committee appointed a subcommittee for the purpose of holding hearings relative to the subject matter of the legislation. I was a member of that subcommittee, and the hearings held continued over a very considerable period of time and were exhaustive in their nature. Many witnesses were examined and a mass of documentary evidence was introduced.

I am candid enough to say that I entered upon those hearings prejudiced against the Longworth bill. As a Democrat, I was opposed to its high-protective tariff provisions and did not view its licensing features with very much favor.

It is true that I was entirely unfamiliar with the facts connected with the dyestuffs industry, and it was for that reason that I endeavored to retain an open mind in the matter. As the witnesses were examined and the facts were disclosed my prejudice was dissipated, and I concurred with the other members of the subcommittee in the unanimous report to the full Finance Committee recommending the passage of this bill, and the Finance Committee, with the exception of one member, ordered the favorable report of the measure now pending.

For the benefit of those Senators who are not familiar with the history of the dyestuffs industry, I shall endeavor to sketch it briefly. It appears from the hearings and from other sources of information that about 1865 the Germans embarked upon the manufacture of dyestuffs. The business gradually developed and expanded until it finally became a very important industry.

Some time prior to the war the dyestuffs industry of the world, to all intents and purposes, was controlled by six large German companies, which were known to the trade as the "big six." For a number of years those companies were in bitter rivalry. They were in keen competition with each other. They had agents not only in this country but in practically every other nation on the face of the earth. They endeavored by every means to put their competitors out of business. They engaged in price cutting; they engaged in dumping; they indulged in cutthroat competition, and in bribery and corruption, in order that they might accomplish their ends. The record in this matter demonstrates conclusively that there were tens of thousands of dollars expended in the United States by the different companies for the purpose of bribing and corrupting confidential employees of the textile manufacturers, particularly those employees who purchased the dyestuffs which were used by the firms they represented, and still more particularly the men who had absolute charge and control of the dyeing itself in the various establishments.

That condition continued for a number of years. Some time prior to the war, however, it ceased, in a large measure at least, and the six German companies were organized into two cartels, as they were called, and at the outbreak of the war they practically dominated the dyestuffs market, and, according to the record, it appears that when the war broke out they were manufacturing probably 90 per cent of all the dyestuffs consumed throughout the world.

They exchanged information, they absorbed losses, they divided profits, and they exerted themselves to the very limit of their ability and their influence to secure a monopoly of the dye and the chemical markets of the earth, and, as before stated, they succeeded to the extent of about 90 per cent of the consumption, so far as dyestuffs were concerned.

At this time those great dyestuff manufacturing companies have been organized into one great trust, known as the "I. G.," and they are supported by the German Government.

Mr. SIMMONS. Will the Senator state in what way they are supported by the German Government?

Mr. NUGENT. According to my information, Mr. President, that Government has guaranteed to the trust sufficient funds to enable it to pay all losses, or rather such losses as might be sustained in the effort to bring back to Germany the monopoly of the dye and chemical industry which was enjoyed prior to 1914.

About 1878, if my recollection serves me aright, certain Americans engaged in the manufacture of dyestuffs. It very rapidly developed into an exceedingly important industry, and about 1879 or 1880 there were nine flourishing dyestuff manufacturing establishments in this country.

The undisputed testimony of witnesses who were heard by the subcommittee demonstrates beyond peradventure of a doubt that the industry was killed in the United States because of a coalition entered into between certain of the textile manufacturers and the German dye manufacturers, acting through their agents in the United States, who were the dye importers. Those gentlemen did all they could to prevent the imposition of a sufficient tariff on dyes to protect the American industry, and about 1883 five American establishments were obliged to suspend operations.

In order that Senators may more fully understand the matter, I shall read a portion of the testimony of E. C. Klipstein, taken during the hearings before the subcommittee:

Mr. KLIPSTEIN. I have been in the business of importing dyestuffs in connection with A. Klipstein & Co., of New York, ever since 1880, beginning with the importation of dyes when there were not more than a dozen of them on the market, and I have been in that business ever since. For something like that same time we have been the agent of the Society of Chemical Industry, the Swiss manufacturers of dyes, and I have had the handling of all they produced in those 40 years. Consequently I know the importation side of the business pretty well.

I have been on both sides, and this whole thing, in my mind, comes down to two or three very simple propositions. There has been a great deal of talk and fuss made about all sorts of things—German influence, and this, that, and the other, but when we cipher it all down it comes to a very few plain propositions.

In the first place, you have got to take into consideration the fact that the buyer and the seller are natural enemies of each other. The man that wants to buy wants to get it as cheap as he can, and the man who wants to sell wants to get as much as he can. You have got it back in the Proverbs of Solomon: "It is naught, saith the buyer. Then he goeth away and boasteth thereof." It is the same principle; it does not make any difference who wants to buy dyestuffs, he is going to get them as cheaply as he can.

Senator NUGENT. And the man who sells them is going to get as much as he can.

Mr. KLIPSTEIN. He is going to get as much as he can, and he has to if he wants to live. He has to get enough to make a profit, or go out of existence.

What I was going to say is that when this class of business commenced prices were ten times higher than they are at present, and yet the consumer went on using them. They bought them and found a use for them at that time. Then the Germans—they are accused of committing a heinous crime by coming in here and trying to get things on the free list. But they understood human nature perfectly, and they used it. That is all you can blame them for. They knew that an American textile manufacturer wanted to buy—at that time the great thing was alizarin; he wanted to buy it as cheaply as he could get it. They had no influence with the United States Congress at all, but the Senators and the Representatives live in the different States, and the Germans simply went to those States and found the consumers in those States and said, "Look here; you go down to Washington; you can fix it up with your Senators and they will work for your interests." And they did, and the result of it was they put alizarin on the free list, and that was the first big dye that came in.

Other things followed in natural order ever since, so that when this war began 45 per cent of all the dyes were on the free list, and that 45 per cent included alizarin and all its products; it included indigo, but not the products of it, because they did not happen to be made by this German concern that had engineered this deal through its consumers. That was perfectly natural. You could not blame the Germans for doing it, and nobody else can blame them for doing it.

The final result was that we were in this position here: We had no raw materials at all. The raw materials for the dye industry are the products of coking. You make coke when you want to make steel. Now, in order to make these by-products, you have got to put up very expensive coke ovens. We could make coke over here without the coke ovens; we could just go and take an old beehive oven that cost hardly anything. But what was the use of making these by-products? You could not sell them if you made them. There was no industry over here to use them. England, France, and Germany were already producing all that the dyestuff industry could consume, and nobdy would think of going to work and putting in a coke oven to make these by-products, because it would not pay. They were not going to put money into a coke oven for nothing, just for the glory of having that stuff made here in the United States. The consequence was that when we came into the war we did not have any coke ovens, and we did not have any of these by-products at all.

Now, to illustrate what those by-products mean. I started into the manufacture of dyes about 35 years ago. I had to buy all the intermediates, so called, all these by-products; I had to buy them in Germany from the other dye makers. Well, I ran along for four or five years, and one lucky day for me the plant caught fire and burned down. I took the insurance money and put it in my pocket, very much to the disgust of the people we were employing; and I went over to Europe and looked around to buy the things that we had been making. I found that I could buy them—I figured it all out at the time—20 per cent cheaper than we could make them, and we could make them by the same processes as they. But, as you can very readily understand, the German dye maker was not going to sell raw materials to a competitor over here in the United States behind a tariff wall cheap enough to create competition.

Three or four other concerns kept on all those years, but I never heard of them making any money. The Schoelkopfs kept it up for the longest time, but I think it finally worried old man Schoelkopf to death.

It is true that when the war broke out in 1914 there were about six so-called dyestuffs manufacturing establishments in the United States, but they were not such establishments in the ordinary acceptation of that term, for the reason they were mere assembling plants; that is, they merely put together the intermediates that were imported from Germany. They employed all told somewhere in the neighborhood of about 500 men. To-day there are approximately 180 dyestuff manufacturing plants in our country.

I have already called attention to the fact that the German manufacturers at the outbreak of the war had a monopoly to the extent of 90 per cent of all the dyestuffs consumed in the world, and yet the value of those dyestuffs was only about $68,000,000. It is not the value of the dyestuffs themselves that is so vitally important, but it is the things that they go into, the things for which they can be and are used.

It may interest Senators to know that prior to the war the value of dyestuffs imported into this country from Germany was approximately $12,000,000. By the time those dyestuffs reached the consumers, the textile manufacturer and the manufacturer of leather goods, after having been assembled, after having the transportation charges on them paid, I apprehend, and after the payment of the charges of the importer, they cost probably $20,000,000. But those dyestuffs went into the manufacture of between three and four billion dollars' worth of goods in the United States, including leather goods of the value of about $750,000,000.

Senators will remember that when the war broke out Germany placed an embargo on the exportation of dyestuffs. She raised that embargo, however, within a very short period of time. That fact, however, made no particular difference so far as the general situation was concerned, because the allied blockade of Germany was sufficient to prevent the exportation of dyestuffs, and the result was that American manufacturers of textiles found themselves face to face with ruin. There were no dyes obtainable in this country. But American capitalists, American business men, came to the rescue. They immediately built plants and entered upon the manufacture of dyestuffs. The Chemical Foundation took over, by purchase from the Alien Property Custodian, about 4,000 patents for German dyestuffs that had been taken out in this country, so that the American dye manufacturer had from the very beginning those patents from which he could work in the manufacture of this vitally essential product.

Mr. REED. May I ask the Senator a question?

Mr. NUGENT. Certainly.

Mr. REED. What became of those patents?

Mr. NUGENT. They are now the property of a corporation known as the Chemical Foundation.

Mr. REED. Does the Senator know what was paid for them when they were sold under the alien-property act?

Mr. NUGENT. My recollection is—I am not certain in respect to this matter—that they were sold for $250,000.

Mr. REED. That was an American company?

Mr. NUGENT. That company is composed of Americans.

Mr. REED. And has those patents?

Mr. NUGENT. Yes.

Mr. REED. I thank the Senator.

Mr. NUGENT. I gather that one of the principal premises on which the arguments in opposition to the bill are based—and I gather this impression not only from speeches that have been delivered in the Senate, but from resolutions adopted by different commercial bodies and from newspaper statements—that there is a fear in the minds of a great many well-meaning men that if the pending bill becomes a law it will mean that the people of the United States will be unconscionably robbed because of the tremendous increase that there will be in the price of dyestuffs.

Mr. REED. Will the Senator permit me to ask another question?

Mr. NUGENT. Certainly.

Mr. REED. The Senator has stated that some 4,000 of the German patents which have been registered in this country have been sold. Did they embrace substantially all of the German processes?

Mr. NUGENT. I think they did. So far as the process itself was concerned, I think those patents set it out, but there were many things in connection with it that were not set out in the patents, and while it is true that the dye that was patented could be produced, it was in very small quantities, as there were certain steps in different processes that were not specified in the patents themselves and which our dye manufacturers could only ascertain after long months of experimental work.

Mr. REED. Just one further question, if the Senator will permit me. Have they now ascertained what those missing links or missing processes are?

Mr. NUGENT. In answer to the Senator's question I will say that to-day 90 per cent approximately of all dyes consumed in this country are of American manufacture. I will say, furthermore, that there are approximately 10 per cent of the dyes consumed in this country that are not now manufactured here. Those dyes are the particularly delicate dyes; they are dyes such as go into fine shirtings and things of that character, and notwithstanding the fact that very large sums of money have been expended in experimental work for the purpose of manufacturing those dyes, success has not yet attended the efforts of the manufacturers with respect to them to any very great extent, due to their lack of experience in dye manufacture and due to the lack of experience of their chemists. The Senator will readily appreciate the fact that those discoveries were due to research work on the part of German chemists that has extended over a period of 50 or 60 years.

Mr. REED. I thank the Senator. I am asking these questions because I am honestly seeking light.

Mr. NUGENT. I understand.

Mr. REED. The Senator spoke of the expenditure of large sums of money in order to develop the industry and perfect the processes. Has the money been made back?

Mr. NUGENT. I apprehend that the manufacturers charge it to cost of production, but it has not been returned out of those particular dyes, because even now there are many of them that are not being produced in the United States.

Mr. SIMMONS. Mr. President——

Mr. NUGENT. I yield to the Senator from North Carolina.

Mr. SIMMONS. The Senator stated that some 4,000 patents had been sold by the Alien Property Custodian to a corporation in this country for the very small sum of $250,000. I wish to ask the Senator if they were not sold to that corporation with a trust attached by which any American producer of dyestuffs might secure, upon complying with certain conditions and at a reasonable price, the use of any of those patents?

Mr. NUGENT. I will say to the Senator, in answer to that question, that I think he is substantially correct. In any event, any American manufacturer who desires to use one of these patents has the absolute right to go to the Chemical Foundation and secure the patent formula, whatever it may be. If I remember correctly, the stock of that corporation is distributed among the manufacturers of dyestuffs and chemicals throughout this country, not to exceed two shares of the voting stock to any particular individual or to any particular concern.

The officers of the Chemical Foundation, including the directors, are men of nation-wide prominence who volunteer their services. There is no salary paid to a man among them, according to my recollection. The principal reason that actuates those gentlemen, as I gather from the record, is to do all that it is possible for them to do to advance American interests by firmly establishing a dyestuff manufacturing industry in our country.

Mr. REED. The purpose of my question—and I say this lest I be misunderstood—is not to show that any concern in this country gained any special advantage, but to bring out the point that the use of these dye formulas is now available to some one in America at a very nominal price.

Mr. NUGENT. In order to illustrate the matter of the cost of these dyestuffs, I will say that one gentleman, who has been for many years the owner of a dyeing plant, testified before the subcommittee. On the particular day on which he testified I was wearing the coat and vest which I am now wearing. All of you, I presume, understand that it requires about 3¼ or 3¾ yards of woolen cloth to make a suit of clothes for a man. This witness testified that the cost of the dye necessary to dye the 3¾ yards of woolen cloth that went into this suit of clothes is 32 cents. He also testified that the cost of the black dye necessary to dye a dozen pairs of cotton hose is 1¾ cents. So it will be very readily perceived that the cost of the dyestuff

is ridiculously low; and I contend that, so far as the masses of the American people are concerned, it will not make a particle of difference to them if this bill become a law, as the cost of the textiles which they consume would not be increased because of the price paid for the dye entering into them. That cuts absolutely no figure at all.

It may also be of interest to you to know that although we had no dyestuff industry in America when the recent war broke out, in 1917 there were manufactured in the United States about 46,000,000 pounds of dyestuffs, and they were sold at an average price of about $1.25 a pound, or about $57,000,000. In 1918 there were produced in the United States approximately 58,000,000 pounds of dyestuffs, selling at an average rate per pound of $1.07, making an aggregate value of about $62,000,000.

You will realize the significant fact that the dyestuffs sold in 1918 were sold at a price about 20 cents a pound lower, on the average, than in 1917; and I have been advised that the dyestuffs sold in this country during 1919 were sold at an average price of about 85 cents a pound, which is a still further decrease. Mr. John P. Wood, of Philadelphia, one of the witnesses appearing before the subcommittee, and from whose testimony the distinguished Senator from Colorado [Mr. THOMAS] quoted quite extensively, testified that there were certain dyes that are selling in the United States for a less price than they were sold before the war.

In order that you may have some idea of the tremendous importance of this industry, I desire to call attention to the following facts: There are 11,037 establishments in the United States, employing 1,070,460 people, which are directly dependent on dyestuffs; and there are 56,949 establishments, employing 1,037,183 people, which are indirectly dependent on dyestuffs.

There was a time a few months after the outbreak of the war in Europe when, because of lack of dyestuffs, there was a very strong probability that several millions of our people would be thrown out of employment. That probability appealed with such tremendous force to Count von Bernstorff, who was the German ambassador to this country, that he wired his Government on March 13, 1915, to that effect. It appears that he took that action in the belief that there was such a dire and crying need for dyestuffs here that, rather than have our factories closed and millions of people thrown out of employment, the American Government would take such action as might be necessary to induce Great Britain to permit free access to Germany and her markets and permit Germany to trade with the other nations of the earth, or, in any event, to cause Great Britain to lift her blockade to such an extent as to permit the exportation of large quantities of German dyestuffs.

Mr. President, there are now about $200,000,000 invested in the dyestuff manufacturing business in America; and I desire particularly to impress this fact upon the minds of Senators: The consumption of dyestuffs in this country is approximately 30,000 tons per annum, and the importation of that quantity of dyestuffs from any nation or all other nations will, to all intents and purposes, destroy the industry here.

I contend, with all the vigor of which I am capable, that it is vitally necessary to the well-being and prosperity of our country that there be an uninterrupted and adequate supply of dyestuffs for use in the manufacture of textiles, etc., and that if that supply is at any time or for any reason cut off, not only will the textile manufacturer face ruin but the cotton grower and the wool grower will likewise be disastrously affected, except in the event the people consent to wear white clothing only.

There is another matter to which I desire to call attention, which, in my judgment, is very important: Germany's condition of terrible preparedness at the outbreak of the war was based primarily on her dyestuffs industry. The hearings disclosed, and it is a conceded fact, that great quantities of chlorine and phosgene are used in the manufacture of dyes. It is also a conceded fact that many of the constituent elements entering into high explosives are derived from the dyestuffs industry. T. N. T. is a by-product obtained from the manufacture of certain dyes, and picric acid is manufactured by the same processes and out of the same materials, up to the very last step in the operation, as is the well known dye, sulphur black.

Mr. REED. Mr. President——

Mr. NUGENT. I yield.

Mr. REED. The Senator has said that if there are any dyestuffs imported from abroad that means the destruction of all the American institutions engaged in making dyestuffs. The Senator did not tell us why.

Mr. NUGENT. Perhaps I did not make myself clear. What I intended to say was that 30,000 tons of dyes are adequate to supply the needs of our people for the period of one year, and that if that quantity of dyes came into this country, in sufficient variety, of course, it would be sufficient to cause the dyestuff manufacturers in the United States to close their establishments because, as a matter of course, they would have no market for their product.

Mr. REED. Exactly; but they would have the same market that the 30,000 tons that came in would have, and all the domestic manufacturers would have to do would be to meet the price of the foreign product, and then the 30,000 tons of foreign dyes could not be sold. Are there anywhere in the world 30,000 tons of dyes to be shipped here and take our market? Why is it that our manufacturers can not compete?

Mr. NUGENT. If the Senator will bear with me for a short time it is my purpose to discuss that matter in some detail.

Mr. President, there can be no question in respect to the matter of which I am about to speak. The record clearly discloses that, so far as the dyestuff manufacturing establishments of Germany are concerned, they are absolutely intact; they were not injured in any way, shape, or form during the war; and they are even now in a condition to commence production in quantity lots. Bear in mind, furthermore, and at all times, that Germany furnished 90 per cent, approximately, of all the dyestuffs consumed in the world at the outbreak of the war.

Mr. RANSDELL. Mr. President, will the Senator yield?

Mr. NUGENT. I yield.

Mr. RANSDELL. I should like the Senator to say whether the statement I have often seen published is correct, to the effect that the Germans did not allow any of their chemists to engage in actual warfare, but held them all at home to carry on in the most energetic manner the famous investigations which they had been conducting before the war?

Mr. NUGENT. I have just reached that point in my discussion.

Mr. RANSDELL. I did not mean to break in upon the sequence of the Senator's argument.

Mr. NUGENT. It appears from all the evidence taken by the subcommittee, from the testimony of naval officers, from the testimony of Army officers, from the testimony of some of the most distinguished chemists in the world, that one of the primary things in which we should be interested is the training of an adequate number of efficient chemists. The remarkable achievements commercially and in war of the German Empire were due very largely to the 30,000 highly trained, splendidly efficient chemists that she had, a very large proportion of whom had for years been engaged in research work in the dyestuffs manufacturing establishments.

Mr. RANSDELL. Does the Senator intend to answer that part of my question concerning the action of the German Government in relieving their chemists from service in the army? Does the evidence disclose that to be the fact?

Mr. NUGENT. According to the hearings, a chemist in Germany is considered a very highly important personage; according to the testimony of witnesses as dislosed by the record, there were about 30,000 chemists in Germany at the outbreak of the war; and the services of those men were considered so vitally necessary and of such an essential character by the German Government that they were withheld from all service in the trenches, and, as a matter of fact, remained in the rear, and during the war were engaged in experimental and research work to advance the interests of the empire.

Mr. RANSDELL. So that there are practically as many, if not more, chemists in Germany now than there were when the war broke out, so far as the evidence discloses?

Mr. NUGENT. I should naturally assume that that statement is correct.

I desire to call the attention of the Senate to the testimony given before the subcommittee by Maj. Gen. W. L. Sibert, Director United States Chemical Warfare Service. I read now from page 10 of the hearings:

> Gen. SIBERT. I have been very much impressed during the war by a statement which I read somewhere that every great chemical industry was a potential arsenal. If you examine the products of any large chemical plant you will find that some one or other of its products is necessary in the production of high explosives, toxic gases, medicines, or some other substance essential in war. This is more nearly true in the dyestuffs industry than in any other industry. In the destructive distillation of coal incident to the manufacture of dyestuffs we find that certain products are obtained which are essential to the manufacture of high explosives. Five of our most important gases have, as one of their constituent elements, either a by-product or an intermediate product formed in the manufacture of dyestuffs.
>
> We found in the beginning of this war that only about 30 per cent of the ovens engaged in the production of coke were using the by-product method. During the war that increased to 50 per cent—that is, we were utilizing and saving at the end of the war about one-half of the by-product from the destructive distillation of coal in the manufacture of coke, and 50 per cent of it was still going to waste and not being used.

Germany, as I understand, furnished about 90 per cent of the dyestuffs of the world at the beginning of this war. That meant that she had available all the material that she could possibly utilize in the manufacture of high explosives for shells; it meant that she had available all the material she needed in the manufacture of certain gases—in the manufacture of many of her dyes she utilized chlorine, which is not a direct product of the distillation of coal, but is essential to the dyestuffs industry. Chlorine is the basis of more than half of our gases; and the five I mentioned must have as an element one of the direct products of the distillation of coal.

One may readily see, therefore, that a nation which has no dye industry is weak in high explosives, weak as to its capability to manufacture gases, medicines, and many other products. This Nation was especially weak in this respect at the beginning of the war.

The value of these great chemical plants is threefold: First, the phase that I have covered; second, the plants themselves are of great military value, because nearly all of them can, with slight changes, be made to manufacture things needed in war; and, third, the plant personnel is a great war asset.

After the spring drive of the Germans in 1918—which, by the way, almost defeated the Allies through the unexpected use of gas in quantities that had never been dreamed of before—it was decided to increase by 800 per cent our program in the manufacture of mustard gas in this country. Col. Walker, who had charge of our gas production division, held a meeting at Baltimore, at which I was present, to determine how we could meet the situation. Mustard gas is made from salt, sulphur, and alcohol—that is, these are the basic materials used in the manufacture of this gas. We found that we could get the sulphur, and we could make the chlorine and we could get the alcohol, but when the question was put up to manufacturers as to the actual making of mustard gas none of them wanted to attempt it, because they said they had no trained personnel. They did not have men who had the necessary experience to justify their attempting to make such a dangerous substance. So the Government concluded that it would have to make this material itself. However, later on two or three manufacturers decided to try it. I mention this experience to show the value that such personnel would have in this country. If we had great chemical industries, such trained personnel would be always available.

Senator WATSON. Does the manufacture of mustard gas have anything to do with the dyestuffs industry itself? In other words, is there any relation between those two industries, aside from personnel?

Gen. SIBERT. Not directly.

Nevertheless, in the manufacture of many of the dyes chlorine is essential, which would mean that chlorine plants would have to be developed in our country along with the dye industry.

Senator WATSON. To what extent did our dye industries in this country manufacture high explosives at the close of the war that were used in warfare?

Gen. SIBERT. I can not give you the figure, but it was an immense amount, and it met the situation at the close of the war. We were meeting the situation then.

Senator WATSON. That is to say, you were supplying the demand of the American Expeditionary Forces?

Gen. SIBERT. We had plants and had started production that would do it.

Senator WATSON. How soon?

Gen. SIBERT. I think you better ask the Ordnance Department that question. I can answer that question with respect to gas better than I can with respect to high explosives.

Senator WATSON. Very well; what do you say about it with reference to gas?

Gen. SIBERT. We were manufacturing gas at the end of the war faster than Germany, England, and France all put together. We did not have the projectiles in which to put this gas, but we shipped to France nearly 4,000 tons of gas in containers that went into shells that were made in France and England, and we got our shells from France primarily.

Senator WATSON. Was that gas made in the dye plants in the United States?

Gen. SIBERT. No, sir.

Senator WATSON. What is the relation, then, between the manufacture of dyes and the manufacture of gas?

Gen. SIBERT. Five of our gases have as one of their constituent parts material produced in the manufacture of dyestuffs. In the preparation of toxic gases, high explosives, and dyestuffs up to a certain point the same substances are produced. The process, in other words, is the same up to this point when these substances become the raw materials used in the production of either a toxic gas, a high explosive, or one of the dye materials, as the need may be. The dyestuff industry, therefore, may be said to furnish the necessary ingredients for either toxic gases or high explosives.

Senator SIMMONS. A chemical plant furnishes the material and then you use that material so as to produce high explosives or gas; is that it?

Gen. SIBERT. Yes. The distillation of coal or of coal tar produces materials which are constituents of gases, of high explosives, or of the dyes. Toluol is an example of such a material. This is one of the principal ingredients used in making such an explosive as T. N. T., which we had adopted for use in our shells.

I now desire to call attention to the testimony of Admiral Earle, commencing on page 13 of the hearings:

Admiral EARLE. My name is Ralph Earle; I am Chief of the Bureau of Ordnance, Navy Department, and have been since December, 1916.

Senator WATSON. You may proceed with your statement.

Admiral EARLE. Mr. Chairman, I have been asked to explain what influence the protection of the dye industry would have upon the production of explosives, etc., in time of war. As Gen. Sibert has stated, a large number of explosives depend upon coal tar and its derivatives for their main body. Practically all the substances that we use in our high explosives work, for loading shells, loading our torpedo war heads, and loading our mines, depend upon the nitration of some form of these distillates.

During the war we used as much toluol as could be obtained, but the production of that material was not sufficient, so that we were led to adopt other substances, one of which was xylol; but the main reason why we were short in this country, or one of the main reasons, and I think the main one, was the fact that we had no well developed dye plants in existence. Had we had such plants in existence we would not have been forced to build plants during the war, at a tremendous expense to the Government and at great loss of time, in order to produce toluol and xylol, not to mention phenols and various other substances.

Senator WATSON. In other words, if we had had a dye industry at that time it would not have been necessary to build special plants to make that product; is that it?

Admiral EARLE. Well, it would take only about three weeks to convert the most of the dye-making industries of the country directly into war use, and, of course, without building plants. The Navy had to build one for the manufacture of xylol—one alone, and the Army helped and encouraged everybody to produce a larger amount of toluol from illuminating gas, etc.

Time is a very important element in these things, I mean in reference to war. Of course, we had time in this last war; there was no invasion of our country threatened at any time, and therefore we had time to do it. But from the standpoint of national defense we do not think we ought to be put in that position again, and I think it would be wise in time of peace to have industries fostered in this country, by regulation or otherwise, so that we would be ready at any time in the future.

As to the present situation, the war having concluded, these war plants must, quite naturally, go out of existence, and the only way to get distillation of by-products, etc., including coal tars and gases, and increase production in this country, is by protecting the dye industries.

Again, Admiral Earle says, on page 15:

Of course, to develop a dye industry would give you a large body of trained men, who are essential from the standpoint of military and naval preparedness. For instance, you must have them if you are going to develop plants for either the manufacture of gas or explosives. You must have trained and experienced men for that purpose.

Again, on page 16:

Senator NUGENT. Is there any reason why the governmental institutions can not continue in being; that is, any particular reason?

I referred there to the plants that had been constructed during the war for the manufacture of gases, and so forth. The Admiral replied:

There will be no incentive to manufacture or to increase distillation of toluol and xylol, for instance, if they are not wanted.

Senator NUGENT. Can not they be stored?

Admiral EARLE. No, sir; there is no way we can pay for it or have them stored.

Senator WATSON. Is that all you have to say, Admiral Earle?

Admiral EARLE. There is only one more point. I have brought out two points, but want to call attention to another point, and that is the fact that the industry is of——

Senator SIMMONS (interposing). Before you leave that let me ask: You say the Navy had to build these plants?

Admiral EARLE. Yes, sir.

Senator SIMMONS. How long did it require you to build and equip these plants?

Admiral EARLE. Well, it took us a little over a year to get the xylol plants going in the Navy. The toluol that we had been able to obtain up to that time had been sufficient; and the xylol plant came into production in time, which was one year.

Senator NUGENT. Well, do the constituent elements of those high explosives, etc., you have mentioned deteriorate if they are kept for any length of time?

Admiral EARLE. Not necessarily so; no, sir.

Senator NUGENT. Could not they be stored in containers after having been manufactured in one of these Government plants?

Admiral EARLE. Yes, sir. What was left we have stored, of course.

Senator NUGENT. Could not they be manufactured in such quantities in these Government plants as to supply what might reasonably be determined to be a sufficient quantity to meet emergency?

Admiral EARLE. That could be done, yes, sir; there is no doubt about that. But, of course, a great many of the plants—and I am speaking of the one the Navy built more particularly—that has been dismantled already and its machinery diverted to other uses.

Senator NUGENT. Then it is your judgment that, so far as the manufacture of these various elements that enter into high explosives, etc., is concerned, the Government could manufacture them at the plants which are now in existence, or which were in existence at the close of the war, and that the matter of their manufacture is not solely dependent upon the dyestuffs industry?

Admiral EARLE. No, sir; not wholly. Of course——

Senator SIMMONS (interposing). Aren't you dependent upon the dyestuffs industry for your basic material?

Admiral EARLE. We are dependent upon it for our chemists and trained men.

Again:

There is only one other point I wanted to speak about, and that was that the manufacture of dyes is a very intricate chemical work, and in its manufacture it calls for men of the very highest skill and chemical knowledge, and in that way it tends to research work and a study in many abstruse and intricate problems, which will be covered by having a large body of chemists engaged on the subject, a service we could not hope to obtain in any other way. But, having in this country a basic industry like the dye industry, these men will naturally be lined up with the industry and available on call.

I also desire to refer to the testimony of Col. Fries, commencing on page 25. Col. Fries was Chief of the Chemical Warfare Service of the American Expeditionary Forces throughout the war, with rank in the latter part of the war and until afterwards of brigadier general. Col. Fries was asked by the Senator from Indiana [Mr. WATSON] whether or not he had had any experience in gas prior to the time he went to France in July, 1917, and he replied:

I had not. When they made me Chief of the Gas Service we had no masks over there, we had no gases, we had no determined policy as to masks or other defensive appliances or gases, and we had developed no trained personnel.

I desire at this point to call attention to the fact that all of these gentlemen frequently refer to the supreme importance of a trained personnel, made up of trained chemists, men who

have had years of experience, men who are thoroughly familiar with research work, men who are continually engaged in experimental work along chemical lines generally. Here is the third witness who has laid stress upon the vital necessity for having a trained personnel in this country, particularly for preparedness purposes, and each and every one of them is of the unqualified opinion that that trained personnel can be developed only through the medium of a dyestuffs industry.

I continue to read from the testimony of Col. Fries, page 25:

The first thing done was to get masks, because we had 10,000 or 12,000 troops within 30 or 40 miles of the German lines without masks and without any training in other gas defensive measures. We adopted the English type of mask, which, in a measure, was adopted a little before, and efforts were being made in this country to produce them. We immediately ordered 100,000.

I immediately set to work to get a trained personnel, and that was throughout the war one of my most difficult problems. We could not get chemists enough even at the end of the war. We finally got a general order issued in the A. E. F. to have every man with chemical training reported to us, and we made every effort to get each of them into the Chemical Warfare Service. It was very difficult to get them many times, as many of them did not want to change the service they were in, while the commanding officers of many others did not want to let them go. In that connection we only wanted about one out of four of the Chemical Warfare Service officers as chemists, because a great deal of the training and a great deal of the questions of supply and many other questions could be handled by men who were not chemists—better if they were chemists, but even at that we could not get them.

As an example of the difficulties we had with the question of personnel, I desire to state that during the last week in December or the first week of January, 1918, we received a cable from the United States requesting that we send a half dozen expert glass blowers to the United States to make the glass-lined shell needed for certain tear gases. I took it up with the French at once, and they said, "We can not do it; we have not got enough trained men of our own. But if you will send technical men over here we will put them into our factories and research laboratories, or any other place, and train them." We cabled back promptly for 50, so that we could put them into the French factories. To that we got no answer. We cabled again, but we never got an answer and we never got the men. They were just as short over here.

That, to my mind, is one of the most serious problems connected with this dyestuff industry or any industry that will build up the chemical industry and provide us with a trained personnel for war. You can not train a chemist in six weeks, six months, or a year. We had to have men who were experts. If the Germans put over a new gas or if they used an old gas in a new way, or used a new mixture, we got hold of the "duds" or unexploded shells and opened them—which we had trained men to do—and we rushed them to the laboratory. There we made an investigation to see if there might be a new gas, and if it turned out to be a new gas we tried to find out methods to protect ourselves against it, because various gases have various effects on the human body, as they also have varied abilities in going through the masks.

Senator WATSON. How many different kinds of gases did the Germans employ?

Col. FRIES. I do not know; probably 15 or 20. They made a great many experiments on us, and toward the last when they began to run a little short of supplies we figured out they were using anything in that line they could get hold of. But their dye industry afforded them plants and personnel that put us at a terrible handicap; for instance, they began using mustard gas on the nights of the 12th and 13th of July, just a month before I arrived in France. I made a visit to the British gas headquarters, which was close to where they first used the gas, on August 25, 26, and 27, 1917.

The British were terribly worried over this mustard gas. They had some 20,000 casualties within six weeks, and they did not know just what they were going to do. But they knew within 48 hours what the gas was by opening shells and testing their contents, and they found where Victor Mayer gave a description of how he made it in 1886, and they knew the old German method of making it, and they knew the general symptoms it produced in the human body, because Victor Mayer had stated that he stopped experiments because it produced the same effect on the men experimenting with it as it did on animals.

We cabled back right away to start investigations as to the quantity of glycol chlorhydrin that could be gotten in this country, that being one of the essential elements needed in the manufacture of mustard gas by the only method then known.

The Germans produced this in their big plants, I think probably for photographic and similar supplies more than in the dyestuff industry; and they proceeded to make their glycol chlorhydrin by that method.

Senator WATSON. Was that related to or did it grow out of the dye industry in Germany?

Col. FRIES. I imagine it grew out of it. There is another very important point right here; that is, the discovery of mustard gas was made by one of the great chemists undoubtedly while investigating dyestuff materials.

We have got to depend in the future on research men in the colleges and in the great laboratories of manufacturing plants and other places for the discovery of new things. The Government can not afford to build up and maintain a big enough research institution for that purpose.

Let me say, by way of digression, that the Senator from Colorado [Mr. THOMAS] during his discussion of this bill evidently took the same position I took when I entered upon the hearings in this matter. The Senator from Colorado, if I remember correctly, made a statement to the effect that it was not necessary to build up the dyestuffs industry for the purpose of training chemists; that that work could be done by the Government at a far lesser expense.

I entertained the same view, and I sought to weaken the statements made by the witnesses before the subcommittee and endeavored to demonstrate what I at that time believed to be a fact, that a separate department, if necessary, could be established at the Military Academy and the Naval Academy for the purpose of educating chemists. The witnesses, of course, agreed that it was possible to do that. Dr. Bogert, a chemist of international reputation, stated, however, that it required six years to graduate a chemist after a boy left the high school, and all of said witnesses testified, in substance and effect, that it was not the education of the chemist that counted for so much as it was the continued research and experimental work after graduation. As a matter of course, when the facts were presented it at once became plain to me that the mere education of a chemist could not accomplish the result desired; that in order that he keep up with the times, keep abreast of conditions, it was imperatively necessary that he be engaged in some industry which would enable him to prosecute research work.

Col. Fries continues:

Just as in ordnance, where perhaps two-thirds of all inventions come from men in civil life, just so we must expect our progress in chemical warfare to come in the future, because there will be a thousand men in these plants to one the Government can afford to maintain.

Senator WATSON. Have you any idea how many expert chemists were at work in the dye plants of Germany seeking to discover new methods of manufacture of dyes or some of the constituent elements of dyes?

Col. FRIES. I have no idea. Those figures are probably available. They undoubtedly had a very great many.

But they took these dye plants and converted them right into poisonous-gas plants. I want to give you a few more facts about mustard gas.

Dr. STEPHENS, of the Federal Health Service. May I interrupt? I understand they had 1,500 expert gas men, well-trained doctors of philosophy in the universities and technical high schools.

Col. FRIES. We could not manufacture mustard gas by the German or glycol-chlorhydrin process, because we did not have the production of those essential materials; neither could the French or British, because they had not the production of those materials in the dyestuff industry. So all three nations started out to develop a new process. We manufactured ours eventually by the sulphur monochloride method, which does not depend very greatly on dyestuff materials. Since we had to build our own plants, we lost 11 extremely valuable months. When the great German drive started in the latter part of March, 1918, I have not any hesitation in saying that 5,000 tons of mustard gas would have absolutely stopped them—yes; 1,000 tons probably would have stopped them—but we did not have it, and neither did the British or French have it. We did not have any mustard gas until June, 1918, 11 months afterwards. During that time there were probably over 300,000 casualties caused among the British, French, and Americans by that one gas alone. We had to develop an entirely new method. But the first efficient development of that new sulphuric monochloride method was in a French chemical plant, the Usine du Rhone, where I think they made dyestuffs.

Again:

Senator NUGENT. Then the mustard gas manufactured by the Government of the United States was not only a better gas, if I may use that word, than that employed by the Germans, but it was not dependent upon the dyestuff industry for its constituent elements?

Col. FRIES. I do not know that it was a better gas, but we were dependent on the chemists who had been in the chemical industries and, as I say, we lost a year of extremely valuable time because we did not have that knowledge and trained personnel to start in with, and that is where we would be in another war if we did not have a big industry which could furnish this personnel, plants, and material.

Senator NUGENT. Then, as I understand you, it was merely a question of personnel

Col. FRIES. It was a question of plants, also; because all these plants had to be built. We have, for instance, at Edgewood, a 100-ton chlorine plant available—25 tons were operating, 25 tons were all ready to put into operation, though held up because we got our gas production ahead of the production of shells—and another 50-ton chlorine plant ready.

If there had been enough peace-time uses for chlorine the Government would not have had to build a 100-ton chlorine plant to furnish chlorine.

Then, of course, in the future there are two or three gases that may become equally important with mustard but which were not used in this war by us because we could not get around to making them. Moreover, we did not develop—neither did the Germans—efficient ways of putting them over. They put over a gas in 1917–18 that went through our masks like water through a sieve. We spent some exceedingly anxious months in 1918 endeavoring to develop a method of stopping that gas, though, fortunately, the Germans never succeeded in putting it over in sufficient quantity to be troublesome. We learned how to put it over in sufficient quantity, and we were afraid they would learn how to do it first. That gas, which is well known, may have a very great use in the future. One of its main constituents is a product of the dyestuff industry. Moreover, that series of gases is apt to be more greatly developed than any other.

Other military witnesses testified along the same line, but I shall not take up the time of the Senate by reading the testimony of those gentlemen, as I think I have already read sufficient to demonstrate absolutely the vital necessity of the establishment of a dyestuff industry in this country on a firm and enduring basis, in order that we may be prepared, in a measure, at least, to defend ourselves should another war come upon us, which I fervently hope will not happen.

I now desire to call attention to another branch of this subject, that relating to chemistry generally, and medicines, and I shall read a portion of the testimony of Dr. Bogert.

At the time of the hearing Dr. Bogert was professor of organic chemistry in Columbia University, also senior professor of the chemistry department. He had been president of the American Chemical Society for two terms; president of the International Chemical Society; a member of the Raw Materials Division of the War Industries Board; organized the division of chemistry and chemical technology of the National Research

Council, with its 32 divisions, and remained its chairman until he entered the Army. He had been consulting chemist for a number of the Federal departments. Also a member of the United States Board on Gas Warfare from its organization to its disbanding. He was appointed a lieutenant colonel in the Army, chief of the Chemical Service section, being acting director of the Gas Service in this country until the organization of the Chemical Warfare Service under Gen. Sibert, at which time he became a full colonel in the Army and remained such until his honorable discharge in May of last year.

Dr. Bogert said:

The dyestuff industry is tremendously important, but it serves to supply the necessary material for these collateral industries, notably the drugs, the canning materials, and photographic materials. May I illustrate that to show how these different lines are locked up together and to what extent they are dependent upon the dyestuff industry?

I might say, in the first place, that the extensive distillation of coal tar is dependent primarily upon its demand in this industry. When tar is heated for distillation and these various products pass through, they are separated by fractional distillation, taking the temperature up to a certain temperature and then changing the receiver, and the tar is first separated into the rough portions and then each one distilled, and that process is carried on until we get certain material, and each one of these materials, like benzol—I am embarrassed by the amount of material I have to draw upon for illustration—that benzol can be converted into a host of other materials; that is, into what is known as phenol, known to the layman as carbolic acid. That carbolic acid is then treated with a dilating acid and converted into a compound, one of which through a series of processes becomes phenacetin, a drug we are all familiar with. Or, if that carbolic acid is subjected to another treatment, if it is dilated still more, it becomes a nitric or sulphuric acid, and then it is converted into a picric acid, a powerful explosive; and the picric acid is also developed through a series of processes to become chloro-picrin, one of the poisonous gases used on the western front.

If the carbolic acid is treated in a little different way, if it is chloroformed, it is converted into a substance known as salicylate fluorid. And by the use of a sodium and acetic acid there is derived a valuable perfume known as coumarin, which is the base of many of our best perfumes, particularly the new-mown hay—which is as near as it gets to new-mown hay. On the other hand, if that is treated with carbon dioxide, which is taken from the air, it is converted into salicylic acid, which may be developed into aspirin, which we were in need of and could not develop, and Gen. Ireland, the Surgeon General of the Army, will tell you that if you ask him.

And so I might go on and elaborate and extend this story out; but I am taking only one of a host of materials. Each one of these cases, as I could show you, is dependent upon an interlocking and interrelated to the coal-tar industry, out of which Germany has made its great profit; the coal-tar industry is the way Germany has opened the way to her dye trade. And Germany has recognized that in its contribution, not only in chemistry but to the advancement and security of her industry and civilization, there is no more potent factor than a well-developed dyestuff industry.

Senator WATSON. In other words, it has taken years of research to bring about the present situation.

Dr. BOGERT. Forty years they have been working at that problem over there, and have been able to look up the various lines of the product so that one material goes on to another.

Senator WATSON. But the basic industry of all is the dye industry.

Dr. BOGERT. The dye industry is the basic industry of all; and it was the necessity for these dyes, Mr. Chairman, which was responsible for all kinds of developments, not only in applied sciences but in pure science itself.

Again, on page 41:

One or two questions have also been asked here concerning the direct dependence of gas upon dyestuffs. I would like to point out, as I have already pointed out, that chlorine is a very essential ingredient, and is, in fact, the backbone of most of our toxic gases; and that it was the development of the dyestuff industry which provided Germany with an immense amount of chlorine, particularly of liquid chlorine, which she had, and which she was in a position to use at the time of the first gas attack, which was at the beginning of the second Battle of Ypres, on the afternoon and evening of the 22d of April, 1915.

They had, in the second place, phosgene, of which Col. Fries has spoken, which was a common product of the German dyestuff industries, because they were using phosgene for the synthesis of certain important dyestuffs and intermediates. An important intermediate which is known as Mechler's ketone, for example, is the basis of at least a dozen valuable dyestuffs. Phosgene was also being used as the basis for the synthesis of certain useful synthetic drugs. In the case of mustard gas, these dyestuff factories had also prepared what was known as chlorohydrin, which Col. Fries has also mentioned. So they were ready in a moment to start in to make mustard gas by that process. It was the presence of these dyestuff industries with their large personnel which made possible these things which, if we had had them, would have saved American lives in the early days of our participation in the war.

A complete dyestuff industry needs an enormous staff of research men. It has already been pointed out that in the case of the Badische, which is one of the largest concerns on the other side—the Badische and the Elberfeldt being, probably, the two largest—an enormous number of research men are necessary. In the Badische, for example, there were before the war probably in the neighborhood of from 500 to 1,000 university-trained men, Ph. D. men, men of the highest kind of training. For us before the war to have produced that number of men over here would have meant the output of at least five years of all the Ph. D. graduates of chemistry in the country.

It is that reflex action of the industry upon the whole field of synthetic organic chemistry, with which all of these things are locked up, which means so much not only to our lives and happiness, but to the security of the whole Nation. It is that with which I am concerned, Mr. Chairman, and which brings me here to testify in the hope that I may be able to convince you and the other members of the Senate committee and enable you to see this imperative need as I see it for the development of a full-fledged synthetic color industry in this country.

Again, on page 43—

At the beginning of the war we figured that we had about 15,000 trained chemists in this country. According to our information Germany had in the neighborhood of 30,000 skilled chemists ready to carry on this work. Those men, if we are correctly informed, were maintained as the last line of reserve by the German general staff; they were kept back of the lines; they were kept at work there because it was felt that they were of the utmost importance to the safety of the country.

Again—

The importance of research to this kind of work, where we are dependent upon trained men, can not be overestimated. The wars of the future—my military colleagues will disagree with me, perhaps, on this—are going to be determined more and more in the laboratories, and scientific research institutions of the country, by the scientists of the country, and unless we are in a position to meet those weapons with similar weapons or adequate means of defense, we are absolutely at the mercy of the other nation.

It is perfectly possible at any moment for a scientific organic chemist, in the quiet of his own laboratory, to discover a new gas which, in point of toxicity, will surpass anything we now have and which will go through the masks of any other nation. If he does that the armies of the other nation are absolutely at our mercy. That is what I mean by "research." To that extent we are dependent upon the maintenance of an adequate supply of men of this type.

I also request the consideration of Senators of the testimony of Dr. Stieglitz. At the time he testified Dr. Stieglitz stated:

I am professor of chemistry at the University of Chicago and chairman of the department at the university. I have been chairman of the committee on synthetic drugs of the National Research Council during the war, and am still chairman of that. For 15 years I have been connected with the council of chemistry and pharmacy of the American Medical Association.

I am here to-day to tell you the relation of the synthetic drug work to the dye industry. As chairman of the committee on synthetic drugs of the National Research Council I had to find out what drugs were absolutely necessary and could not be obtained during the war in this country and to determine which men in the country could manufacture such drugs and help them develop methods for preparing these drugs.

Senator WATSON. This organization of which you speak was a war organization?

Dr. STIEGLITZ. Yes; a war organization—the National Research Council.

As a result of that experience I have come to the conclusion that we would have saved a great deal of suffering and a great many lives in this country if we had had an organic chemical industry, as they have in Germany, before we started in the war.

This organic chemical industry involves three branches—one, the explosives and the poison gases, which are used only in warfare; the second, the dyes; and, the third, the synthetic drugs and synthetic medicaments and related finer organic chemicals, such as photographic developers and the like. The bulk of the work in peace times must be in dyes, because we require huge quantities of dyes; but, in my judgment, the really important feature of the synthetic work is in the synthetic drug line, because that involves the health and the future of the people of the country. It requires, however, the materials that come with the manufacture of dyes, it requires research facilities, and it requires the research men that we can get through a thriving dye industry.

Each citizen of this country, I imagine, spends not more than 50 cents or a dollar a year on dyes. He spends quite a little more on synthetic drugs, and his health and the health of his family are involved. That is a far more vital question, and I think I can do best by giving you a specific illustration of the development of two or three drugs in this country, especially of arsphenamine, 606, or salvarsan—three different names for the same product. As you know, this is a specific for the cure of syphilis, and it is insisted on by the physician and by the patient.

Even before we started in the war importations were prevented, and the demand was so enormous that for a time absolutely fancy prices were paid for the drug. As soon as it was seen that there would be such a shortage some of the research chemists of the country started preparing arsphenamine, and the results at first, following the patent specifications, were so poor that some of these men thought of appearing in court to have the patents annulled, stating that the product could not be prepared according to the patent specifications. That was wrong: one can prepare arsphenamine according to patent specifications, but just about enough to look at, not enough to use. It is altogether a question of yield.

Again, on page 52:

This drug is exceedingly poisonous. It is injected directly into the veins of the patient, and unless it is quite pure it is likely to lead to severe reactions and even to death. Government control was instituted at an early date, and the maximum toxicity which was permitted to go into trade was 60 milligrams; that is, about a grain for 2 pounds of white rat. That was the original quality of the American product.

The German product sold before the war—that is, before 1914—at $3.50 a dose. The first price fixed by the Federal Trade Commission was from $1 to $1.50 a dose, which showed already the tremendous advantage of American manufacture.

In the course of these two years the following developments have occurred: In the first place, the purity of the drug has risen to such an extent that the official standard instead of being only 60 is 100 milligrams, which is over a 50 per cent improvement. But, as a matter of fact, the American brands run now from 120 to 130. There is practically none on the market now that will not run from 120 to 130. That is twice as good as it was originally. That is the result of research work of about a year and a half. In the second place, the drug is now being sold wholesale to hospitals at 60 cents and I was told this noon some even at 30 cents a dose. That, of course, means that the drug is from five to ten times as cheap as it was before 1914, and the blessing to the country can not be overestimated.

Again, on page 53, the Senator from Indiana [Mr. WATSON] asked:

Is there enough being made in this country to supply the home demand?

Dr. STIEGLITZ. I think there is enough made even to supply the markets in South America, Mr. Chairman. One manufacturer can make in one day some 15,000 doses.

Senator WATSON. What has the manufacture of this drug to do with the dye industry in this country at this time? How are they related, if at all?

Dr. STIEGLITZ. The original crude material should come from the dye manufacturers.

Senator WATSON. You now get your crude material for the manufacture of salvarsan from the dye plants?

Dr. STIEGLITZ. From the dye or coal-tar plants. In the second place, one of the most successful large productions has been carried out by a manufacturer who has had dye-making experience. He has put it on a large scale, producing from 8,000 to 15,000 doses in a day, in a room smaller than this one here.

I would like to turn to a second drug, procaine, or novo cocaine. During quite a long period in the war we had no local anesthetics for our hospital work in surgery—that is, anesthetics injected under the skin for local operations, and we had what we called among ourselves "Bulgarian" operations; that is, operations without anesthetic, throwing us back some 50 to 70 years in civilization.

Senator WATSON. You mean by that that you had no cocaine?

Dr. STIEGLITZ. Very little; and cocaine is exceedingly expensive. This drug procaine, or novo cocaine, which is a substitute for cocaine, is manufactured from coal-tar products. It is better and less dangerous. The injection of cocaine occasionally causes death—a few cases, but sufficient to make the doctor often unwilling to use it unless he is absolutely compelled to use it.

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The third drug that I would like to mention is atophan. That is the sovereign remedy for gout.

* * * * * * *

Now, I want to make two points, to draw two lessons from our experience with synthetic drugs. The first is this: It is only a question of time until we can succeed in solving all the intricate problems connected with any compound whatsoever, whether it is a drug or a dye. Probably it would take only two years with any individual dye, which would be my estimate, to produce it in quantity, so that we could even export it. The difficulty with the manufacture of dyes is that there are not half a dozen dyes, as there are essential drugs, but a large number. They can not take hold of them all at the same time; they must solve one problem after another. But taking up one problem after the other, I think it is probably a matter of only two or, perhaps, three years on an average before production on a commercial scale can be successful.

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The second lesson I want to bring out is this: If we have brought into being a sovereign remedy for syphilis; if we can at least remove the pain of gout; if we can produce a local anesthetic better than cocaine; if we have in quinine a natural drug and specific for malaria—then we have every reason to believe that with proper research we will find remedies for the other great diseases from which humanity is suffering, notably tuberculosis, pneumonia, and cancer. Those are the three great diseases which, with syphilis, cause the greatest loss of life.

In fact, we already have something for the pneumococcus externally; for instance, in a pneumococcus infection of the eye. If we had had a remedy like arsphemanine for pneumonia during the influenza epidemic, we would probably have saved from 100,000 to 150,000 lives in this country alone.

That means that there is a tremendous amount of most important research necessary to develop new remedies, and that research can be stimulated best, I think, through a thriving commercial industry in fine organic chemicals like the dye industry. That will give us the resources; it will be a going thing. We will have the output of the dyes, and as an additional gain for the country we will have this research work. We will have research work not only on dyes, which will be valuable, but research work on medicaments, which I think will be invaluable, of far greater value than any work on dyes, no matter how great the income therefrom may be. That is the way I look at the future.

Such work is going on now, but in order to find a remedy you have got to have concentrated effort. The more workers there are, the quicker we will get the result. For instance, I find people now saying, "If we had only had arsphemanine 10, 15, or 20 years ago, how many lives we could have saved, how much suffering we could have prevented." The only way to accomplish this is to intensify research, to have a great many more men working than we possibly can have at present. Every year saved means lives saved and suffering saved and the Nation put on a better footing.

Now, Mr. President, it is a well-known fact that each dye that is manufactured is the product of many separate and distinct steps or operations, and in each of those steps not only is the material desired obtained, but material that is not desired. When the fact is taken into consideration that thousands and thousands of distinct and separate dyes are manufactured and that from each one of those dyes there are certain by-products produced from every single step and operation in the process of their manufacture, the further fact will be appreciated that there is an inexhaustible field for research on the part of chemists. In view of the tremendously important materials that have been discovered during the past quarter of a century because of the research work conducted in the dyestuffs industry, no man can say what the future may have in store, either from a preparedness standpoint or from a commercial standpoint, or from the standpoint of drugs. I have long since reached the conclusion that nothing is longer impossible; and, provided we continue the dyestuffs industry in the United States, knowing as I do that American chemists can not be excelled by the chemists of any other nation on the face of the earth, I shall not be surprised if within the next few years, as a matter of fact and as Dr. Stieglitz hopes, a cure shall be found for cancer, for pneumonia, for tuberculosis, and for other dread diseases which occasion the greatest mortality in this country.

There is another thing in connection with this matter to which I invite attention: We are indebted to the coal-tar industry for many of the constituent elements of high explosives, for certain poisonous gases, for photographic materials and commodities of similar character, also for tar, for materials used in road building, for pharmaceuticals, for waterproofing, and for many other articles of commerce.

The record also discloses, Mr. President, as I have heretofore stated, that the German dye-making establishments are in perfect order; that they are in a position almost immediately to proceed with quantity production. At the time the hearings were held the statement was made—and was not contradicted—that even then Germany was shipping dyes to Brazil and to Spain, and I was advised recently—whether correctly or incorrectly I do not know, and I have failed to secure official verification of the rumor—that an investigation of the licenses issued by the Rhineland Commission showed that during the past several months Germany has exported about 10,000 tons of dyestuffs.

The testimony taken by the subcommittee is decidedly unsatisfactory with regard to the dyestuff situation in Germany at the time the hearings were held. The statements made concerning it were based very largely on rumor. One gentleman asserted that he had been informed by somebody that, as a matter of fact, there was no accumulation of dyestuffs; another gentleman testified that he had been informed by a French officer of the army of occupation that there were 250,000 tons of dyestuffs stored in the interior of Germany. I am candid enough to say to the Senate, as I said in the committee, that so far as I am personally concerned I do not believe that there is a large accumulation of dyes in Germany. I do not believe it, because of the fact that practically all of the dye-manufacturing establishments are within territory which has been occupied by allied forces since the armistice was signed, and it is a certainty that prior to that time those factories were engaged in the manufacture of the constituent elements of high explosives and in the manufacture of poisonous gases. So I very much doubt that there is now, or was at the time of the hearings, any great quantity of dyes in Germany.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER (Mr. SMITH of South Carolina in the chair). Does the Senator from Idaho yield to the Senator from North Carolina?

Mr. NUGENT. I yield.

Mr. SIMMONS. The Senator was a member of the subcommittee before which the witnesses who were presented on behalf of the proponents of this measure testified. I wish to ask the Senator if it is not a fact that the witnesses whom they brought before the committee, in the beginning of the hearings at least, all represented to the committee that after full and thorough investigation it was well established that there was in Germany at that time a great accumulation of dyestuffs already prepared and awaiting the termination of the embargo in order to flood this market?

Mr. NUGENT. In answer to the Senator, I will say that there were certain witnesses who, if I remember correctly, testified that that condition existed. Their statements were based largely on hearsay, and I am very strongly inclined to the belief that as a matter of fact no such condition did exist.

Mr. SIMMONS. I agree with the Senator that it has been thoroughly disclosed since that no such situation exists; but the point I am trying to bring out is whether, in their efforts to secure favorable action from the committee and from the Congress, it was not persistently recommended to the committee holding these hearings that investigations had been made, and that these great stores of dyestuffs, ready to be dumped upon this market, were in actual existence in Germany.

Mr. NUGENT. There is no question that that was the situation believed to exist, and I do not doubt that the gentlemen who so testified were acting in absolute good faith in the matter. I disagreed with them, however.

Mr. SIMMONS. I am not impugning their good faith at all; but I wish to ask the Senator further if the committee, in the favorable consideration that it gave to this proposition, was not largely influenced by these representations that have since turned out to be unfounded?

Mr. NUGENT. I can not say that the committee was largely influenced by reason of those representations. I am very strongly of the opinion that those representations did have some effect on all of us, and that there was a disposition on the part of certain of us not to take any chances for fear that as a matter of fact that situation did exist. So far as I am personally concerned, I am frank enough to say that I was actuated by that fear in a measure. I believed that the conditions were such that I could not afford to take the chance that the situation portrayed by some of the witnesses prevailed in Germany. Furthermore, I believed from the testimony of the witnesses, taken as a whole, that it is a matter of supreme im-

portance, not only from the standpoint of the health of our people but from the standpoint of the prosperity and security of the Nation, that a dyestuffs manufacturing industry should be firmly and enduringly established in this country in order that we might not ever again be placed in the precarious position from an industrial and a preparedness and a medicinal standpoint that we occupied at the outbreak of the war.

Mr. SIMMONS. In all of those considerations I entirely agree with the Senator. I simply wanted to develop the fact that those representations were made and believed; but I think it is now thoroughly understood that those representations were not based upon the actual facts with reference to the amount of dyestuffs in Germany that were available for importation into this country.

Mr. NUGENT. I am strongly inclined to agree with the Senator in the latter part of his statement.

I shall now read from the testimony of Dr. Herty, who visited Germany in an official capacity for the purpose of securing certain dyestuffs which were to be distributed, if I remember correctly, under the direction of the reparation commission and through the medium of the Textile Alliance of the War Trade Board. Dr. Herty said, on page 186:

I would like to submit for insertion in the record two rather startling things. One you have doubtless seen before. The other I have seen no discussion of in this country. It is in regard to the capital being invested in Germany in two lines. The one article appeared in the New York Times of December 8, an article by George Renwick, from Berlin, regarding the enormous expansion of the capital of the dye plants of Germany.

(The article referred to is here printed in full as follows:)

"GERMAN DYE TRUST TO FIGHT FOR WORLD TRADE—DOUBLES ITS CAPITAL AND WILL PRODUCE NITRATE.

"[By George Renwick.]

"BERLIN, *December* 1.

"The firms composing the German dye trust have decided to increase their capital to an extent without parallel, I believe, in the history of German industry. The trust, which consists of three great and four minor concerns in the industry, valued at, roughly, 15,000,000,000 marks, is extending for two reasons: It is determined to reassert German supremacy in the dye industry; in the second place, there is the question of nitrate, so important for the agricultural life of the country.

"The trust is aiming at making the fatherland independent of foreign supplies and to increase production so that it will be able to export large quantities.

"Before the war the seven main concerns which form the industry were constantly drawing closer together. The Badische Anilin und Soda Fabrik of Ludwigshaven linked up with Elberfelder Ferbstoffwerke, while the Hoechster Farbwerks, the third of the large concerns, came to similar agreement with Messrs. Leopold Cassella & Co., of Frankfort-on-Maine, a private company. With the first-mentioned combine the Anilin-Fabrikation of Treptow entered into trust relationships shortly afterwards. In 1916 these five firms were joined by the Griesheim Elektron and Weilertermeer companies. In 1917 the three leading companies each increased its capital from 54,000,000 to 90,000,000 marks.

"The six public companies are now not only going to double their capital to 716,800,000 marks, but will also issue preference shares to the value of 286,700,000 marks to the holders of the ordinary shares. As only a quarter of the amount of the preference shares is to be called up, and as the holders will have a double vote, control of the trust, with a nominal capital of 1,000,000,000 marks, will be in the hands of the old shareholders, who exercise that authority by virtue of having paid a little more than 70,000,000 marks for their preference shares. By this it is hoped to keep out all foreign influence.

"With this vastly increased capital the trust will at the earliest moment begin a vigorous onslaught in the markets of the world.

"The trust also intends to pay particular attention to the production of nitrate. Before the war Germany's agriculture required 222,500 tons of nitrate, half of which came from Chile, but the trust calculates that, as soon as the whole of the present and projected plant is working, there will be something like 250,000 tons for export."

And let me say, parenthetically, that the testimony shows that the Badische plant alone during the war produced nitrates sufficient in quantity to make up the amount lost because of failure to secure importation into Germany of the nitrates theretofore had from Chile.

I also read a translation of an article appearing in the Cologne Gazette, November 16, 1919, to be found at page 188 of the hearings:

[From the Koelnische Zeitung (Cologne Gazette), Nov. 16, 1919.]

INCREASES OF CAPITAL IN THE CHEMICAL INDUSTRY.

The extraordinary (special) general meeting of the Dye Works, formerly Meister Lucius and Bruening, in Hoechst-on-the-Main, in which 26 stockholders represented 45.14 million marks of capital stock, sanctioned the proposed increase of the original stock from 90 to 252 million marks by the issuance of 90 million marks of original (common) stock and 72 million marks of 3½ per cent preferred stock with double voting power. The new common shares are being taken over by a group of banks at 107 per cent and are offered at the same rate to the old shareholders. The preferred stock is being exchanged within the group of those interested (or community of interests). The board of management in rather lengthy arguments established the necessity for the financial measures of the community of (combined) interests and then remarked apropos of the present daily business routine of their own enterprise that this, on account of the scarcity of coal, was not satisfactory. The works have for weeks been shut down for the most part, yet they have succeeded in keeping the pharmaceutical plants in operation. Similar conditions are to be found in the case of the other firms in the group of combined interests. The management nevertheless believes that it is possible to hold out the prospect of the declaration of a moderate dividend under certain circumstances by making use of the reserve amassed earlier. If the coal famine is eliminated and railway traffic should improve, there is hope, in view of the whole market and world situation, that satisfactory, if not large, earnings would be realized. For technical reasons Dr. Walter von Bruening and Dr. Adolf von Bruening retired from the board of overseers; they are to be elected members again later.

At the extraordinary general meeting of the "Badische Anilin und Sodafabrik" (Baden Aniline and Soda Factory) in Ludwigshafen, in which 14.97 million marks of capital stock were represented by 68,292 votes, the proposed increase of capital stock from 90 million marks to 252 million marks by the issuance of 90 million marks of common stock and 72 millions of 3½ per cent preferred stock was sanctioned unanimously. The common stock is being taken over by the Deutsche Bank as the leader of a group of banks and is being offered to the old stockholders at 107 per cent in such a way that for every 1,200 marks of old stock the same amount of new stock can be acquired. In other respects the conditions of issuance for both kinds of stock agree with those of the other companies in the group of combined interests.

The extraordinary general meeting of the "Chemische Fabrik Griesheim-Elektron" (the Chemical Factory Griesheim-Electron) in Frankfort-on-the-Main, in which 14 shareholders represented 6,524 votes, likewise sanctioned the proposed increase of the original capital stock from 25 to 45 million marks and the issuance of 18 million marks of 3½ per cent preferred stock. The new common stock is being taken over at 107 per cent by a group of banks under the direction of the "Bank für Handel und Industrie" (Bank for Trade and Industry), Branch Frankfurt, and is being offered to the old shareholders at the same rate. In regard to the business situation the management states that, so far as it can be surveyed at the present time, an unfavorable result is to be expected in consequence of the difficult conditions generally known. The management nevertheless hopes to be able to make declaration of a dividend, although not so high as those in previous years, under certain circumstances by making use of former reserves.

(Translated by J. P. Hoskins, E. B.)

I also read what purports to be a translation of an article printed in the Frankfurt Nachrichten (the Frankfurt News) of October 28, 1919, under the caption "Doubling of capital in the explosive group," to be found at page 189 of the hearings:

[From the Frankfurt Nachrichten (Frankfurt News), Oct. 28, 1919.]

DOUBLING OF CAPITAL IN THE EXPLOSIVE GROUP.

The German explosive companies combined in the Rhine-Siegen group in common with their Hamburg Kartell (confederated) Works, are proposing to double their capital stock. Concerned are the Cologne-Rottweil Stock Co. (capital stock 33,000,000 marks), the Rhine-Westphalian Explosive Stock Co. (capital 13,000,000 marks), the Siegen Dynamite Factory in Siegen (capital 600,000 marks), and the Dynamite Stock Co., formerly Alfred Nobel (capital 36,000,000 marks). All these companies are doubling their capital stock and issuing the new shares at the rate of 110 per cent. The reasoning for this runs as follows: The concerns are in need of very considerable new means in order, in view of the extraordinary high prices, to carry through the important program of transformation already set on foot and further in order to be able to acquire the plants necessary for the development of the concern.

(Translated by J. P. Hoskins, E. B.)

Now, Mr. President, I desire to call attention for a moment to the size of some of the German dyestuffs manufacturing establishments that were not injured in any way, shape, or form during the war—the dye plants that up to 1914 produced practically 90 per cent of all the dyestuffs consumed in the world. I read from an article appearing in a publication known as the Chemical Foundation (Inc.), purporting to have been taken from the report of the Alien Property Custodian, page 12:

It will be noted that all of these establishments, with the single exception of Berlin, are concentrated in a narrow strip of territory near the Rhine and its tributaries. Their growth may be illustrated by a few figures as to two of the largest. Hoechst was organized in 1863, and started with 5 workmen. By 1880 it employed 1,860 workmen and 57 chemists, using 1,840 horsepower. It then produced 1,750 different colors. In 1912 it employed 7,680 workmen, 374 foremen, 307 chemists, and 74 engineers, and used 30,000 horsepower. The number of colors reached 11,000. The works of the Badische, which was organized in 1865, covered, in 1914, 500 acres, with a water front of a mile and a half on the Rhine. There were 100 acres of buildings, 42 miles of railway within the works, and the power plants comprised 368 steam engines and 472 motors; 11,000 workmen were employed, and the company was capitalized at 54,000,000 marks.

Incidentally, let me say that I was advised a day or two ago—whether correctly or incorrectly I have no means of knowing—that a statement was recently published in a Berlin paper to the effect that at that time there were twenty-four thousand and some hundred workmen employed in the Badische plant and 850 chemists.

Mr. President, it is contended that there is absolutely no necessity for the enactment of this legislation, because of the alleged fact that Germany is in no position to supply dyes in any very considerable quantities to this or any other country. It is asserted very vigorously, and I agree with the contention, that there are not, as a matter of fact, any large quantities of dyestuffs stored in Germany. Such dyes as will be exported will be manufactured after this time, in all human probability, as I am quite inclined to believe that the quantity manufactured heretofore has been, comparatively speaking, small.

Those of us who favor this legislation are not doing so in the belief that our dyestuffs industry will be destroyed this month unless this bill is enacted; we are not doing so in the belief that it will be destroyed next month, or in six months. But if the other Senators who are supporting the bill view the

matter from the standpoint from which I do, they are supporting it because they believe it is a matter of prime necessity that this industry shall be firmly established in the United States, and that the only way in which that can be done is to prevent, for a specified time, the importation of dyestuffs into the United States in the event similar articles or satisfactory substitutes therefor are being manufactured here.

That Germany will be in a position in the comparatively near future to produce a sufficient quantity of dyestuffs to enable her to again take her place as the monopolizer of the world in that very necessary article is, in my judgment, beyond question; she is in that position.

I have in my hand a copy of a circular letter bearing date March 22, and sent out by St. John Perret, chief of the War Trade Board Section of the Department of State. It reads as follows:

Pursuant to the terms of an arrangement which is now in contemplation between the allied and associated Governments and the German Government under the provisions of paragraphs 2, 3, and 5 of Annex VI of part 8 of the treaty of peace with Germany, Germany agrees to deliver for a period of five years from stocks to be produced by her, beginning May 1, 1920, dyes and intermediates used in the manufacture of dyes in quantities sufficient to satisfy the total bona fide requirements of the respective allied and associated countries for domestic consumption irrespective of whether or not these requirements are in excess of 25 per cent of the German daily production.

Senators will remember that under the treaty Germany was to place at the disposal of the reparation commission 25 per cent of all dyes manufactured by her for the period of five years, commencing, if I remember correctly, with the 1st day of January of this year. Evidently, from this letter, there is to be a revision of the treaty provision in respect to dye matters, and I will say that I have been advised that such revision was agreed upon by a subcommittee of the reparation commission, and I have been further advised that it was approved by the commission itself, and a statement was read yesterday to the effect that such approval was given over the protest of the American representative.

Every man familiar with this industry knows that Germany, because of the intimate knowledge of the manufacture of dyes, because of the fact that she has experienced chemists and workmen, has at all times been in a position to manufacture dyestuffs more cheaply than any other country on the face of the earth, and I do not entertain the most remote doubt that she is in that position to-day.

What is the situation, according to this letter? The German Government agrees, beginning August 1 next, to furnish all dyes and the intermediates which enter into the composition of dyes sufficient to supply the bona fide requirements of all of the allied and associated powers for a period of five years. Of course, Mr. President, if that agreement has been entered into, it necessarily follows that a certain proportion of those dyes will be turned over to American consumers. It also means that upon the proclamation of peace, when the war legislation will be wiped off the books, when the War Trade Board and its rules and regulations relative to the importation of dyestuffs cease to exist, the consumers of dyestuffs in this country will be at liberty to import from Germany, or from any other country manufacturing dyes, all they desire. Regardless of their actual requirements, no matter whether they desire a supply for six years or for six months, they will be entitled to bring it into the United States upon the payment of certain charges, in the nature of tariffs, under the law of 1916.

What will that mean? I have already pointed out that it is a conceded fact that 30,000 tons of dyestuffs will meet our consumption needs for the period of 12 months, and I again make the assertion that if that quantity of dyestuffs, in sufficient variety, is brought into this country our dyestuffs industry will again be killed.

It is true, Mr. President, that the dyes which are being manufactured to-day in the United States are the same dyes that are being manufactured in Germany, because in very large measure the dyes being produced in this country are being produced in accordance with the specifications contained in the German patents which were taken over by the Chemical Foundation.

Mr. THOMAS rose.

Mr. NUGENT. There are certain dyes, however, about 10 per cent of those used, which are not now being manufactured here, notwithstanding the expenditure of large sums of money in experimental work in that behalf, but they will be made here eventually, and they can be manufactured in Germany now, and if the agreement outlined in this letter is carried out the consumers in the United States of those particular dyes can, as a matter of course, secure all they desire, sufficient to supply their needs for years, by paying the tariff provided by the act of 1916 plus the amount of royalty fixed by the Chemical Foundation. I yield to the Senator from Colorado.

Mr. THOMAS. The Senator has in his last statement covered a point I was going to suggest, that in addition to the tariff duties now in existence, the manufacturer of all these dyes will be required as well to pay whatever royalty or imposition the Chemical Foundation, as the owner of these patents, may see fit to impose.

Mr. NUGENT. That is true. But, Mr. President, that fact cuts absolutely no figure, in my judgment. The imposition of no tariff, the imposition of no royalty, will protect the industry in this country for this reason: It was stated by witness after witness during the hearings that he did not care what rate of tariff was imposed on dyestuffs being imported into the United States. They do not, because they would pass along that tariff to the ultimate consumer, and then some, in amount sufficient to permit them to undersell their competitors in the European markets.

Mr. THOMAS. Mr. President——

Mr. NUGENT. I yield to the Senator.

Mr. THOMAS. Did not those insistences regarding the ability or the purpose of dye consumers to obtain these dyes, if possible, regardless of the amount of duty, apply to the small class of dyes included in the 10 or 15 per cent which are not manufactured here?

Mr. NUGENT. That, Mr. President, is true in a measure, although the statement was general and included all dyes. It is that comparatively small percentage of dyes which is particularly desired.

It developed during the progress of the hearings that nearly all dyes sold in this country are bringing a much higher price than before the war. In other words, every consumer of dyestuffs in the United States is now obliged to pay a considerably higher price for them than he was compelled to pay when the war broke out, and a higher price than would be charged by a German manufacturer to-day, in my judgment.

To proceed with this letter:

In making deliveries under the terms of this arrangement, Germany will give priority to the needs of the allied and associated countries over the needs of every other country, but due consideration will be given to the requirements of the German textile industry. The dyes and intermediates delivered by Germany under the terms of this arrangement will be invoiced at prices which will not exceed the lowest prices quoted, article for article, by Germany during the month of delivery to any other purchaser, German, neutral, or allied.

I state again, Mr. President, what I have heretofore said, that it is a fact that Germany can manufacture these dyes at a much lower cost, and has manufactured them at a lesser cost, than it was or is possible for an American manufacturer to make them for. Therefore, Germany will be able to dispose of her dyes to the consumers in this country at a considerably lesser figure than they can purchase those same dyes for from American producers, and a large number of American consumers will, of course, buy where they can buy the cheapest.

The letter proceeds:

Under the terms of the contemplated arrangement, the allied and associated Governments will give assurances to the German Government that the dyes and intermediates delivered to them under the terms of the arrangement will not be reexported as such. If the arrangement is completed all stocks of dyes and intermediates produced by Germany, beginning May 1, 1920, will be subject to the option of each allied and associated country to the extent to which those stocks may be required to satisfy the requirements of each allied and associated country.

In order that Germany may be apprised of the dyes and intermediates which the allied and associated countries will require to satisfy their requirements for domestic consumption, and in order that Germany may enter upon the production of those particular dyes and intermediates, the allied and associated Governments will immediately furnish to Germany a program of manufacture detailing the kinds of dyes and intermediates and the quantities of each which each allied associated country will require to satisfy its own particular requirements.

The United States has already furnished a list of dyes which will serve as a basis for production by Germany of dyes required by consumers in this country.

Mr. SIMMONS. May I ask the Senator if there is anything in that agreement which relates to the price that is to be paid?

Mr. NUGENT. Nothing that I am aware of, except that the price shall be the lowest price quoted to any other country, even to the German textile manufacturers.

Mr. THOMAS. Mr. President——

Mr. NUGENT. I yield to the Senator from Colorado.

Mr. THOMAS. I think that is in accord with the requirements of the treaty.

Mr. NUGENT. I apprehend that that is true.

Mr. NORRIS. Mr. President——

Mr. NUGENT. I yield to the Senator from Nebraska.

Mr. NORRIS. I think I understand what the treaty provides, but I should like to see whether it accords with the Senator's idea. My recollection is that the treaty provides that this cost to our Government, for instance, or any other allied or associated power, shall not exceed the lowest price at which

Germany offers the dyes or quotes the dyes to any other manufacturer or any other country, including her own people. Is that correct?

Mr. NUGENT. That is it in substance.

Mr. NORRIS. I understand that that in substance is the agreement.

Mr. NUGENT. The Senator is correct.

Mr. Perret continues:

It now becomes necessary to furnish immediately to Germany a similar program of manufacture covering the intermediates used in the manufacture of dyes, which will be required to satisfy the requirements of users thereof in the United States.

Accordingly, you are requested to advise the War Trade Board Section of the Department of State, on or before the 31st day of March, 1920, of the kinds and quantities of German intermediates which will be required by you for your own consumption during the six months' period beginning August 1, 1920, and ending January 31, 1921.

I will say, in relation to that particular paragraph, that under the rules and regulations promulgated by the War Trade Board there can be imported into this country dyes in sufficient quantity to satisfy the needs of a particular consumer for a period of six months only.

It is regretted that so short a period of time is accorded to you for reporting your requirements, but inasmuch as the arrangement referred to above will be discussed by the allied and associated Governments and the German Government during the first week of April, the program of manufacture of intermediates must be cabled to Paris not later than April 1, 1920.

August 1, 1920, has been selected as the date on which the period for consumption shall begin to operate on the assumption that Germany will be able to manufacture within the two months' period beginning May 1, 1920, and ending July 1, 1920, such quantities of the necessary intermediates as will be required to satisfy the immediate requirements of users thereof in this country. Should Germany be in a position to make earlier deliveries from stocks, the production of which will begin May 1, 1920, the initial date of the period of consumption will be advanced correspondingly.

In reporting to the War Trade Board Section of the Department of State the German intermediates which will be required by you to satisfy your requirements for consumption for the six months' period, you are requested to limit yourself to those intermediates which are not obtainable from United States sources on reasonable terms as to price, quality, and delivery.

The program of manufacture to be submitted will not constitute orders or obligations on your part to accept any part of your estimate.

If, and as soon as the representatives of the allied and associated Governments and of the German Government agree to the arrangement referred to above, you will be advised of the fact by the War Trade Board Section of the Department of State in order that you may avail yourself of the opportunity thus created to satisfy your requirements from that source.

The War Trade Board Section of the Department of State will continue to license the importation of intermediates of German origin when the same are not obtainable from United States sources on reasonable terms as to price, quality, and delivery.

Very truly, yours,

ST. JOHN PERRET,
Chief War Trade Board Section,
Department of State.
By C. S. HAWES.

The bill, Mr. President, is not directed against Germany alone, but is directed against all nations in which dyestuffs are manufactured. The subcommttee, by a unanimous vote, recommended the enactment of the bill now before the Senate in the belief, as I said, that it is vitally important from very many standpoints to establish a dyestuffs manufacturing industry in this country, and the full Finance Committee adopted the recommendation of the subcommittee.

Section 504 of the pending bill is the all-important one, and it provides, in substance, that no dyestuff shall be imported into the United States during the period of three years, unless the Tariff Commission shall determine that the particular dyestuff or a satisfactory substitute therefor can not be obtained here on reasonable terms as to price, quality, and delivery.

Mr. NORRIS. May I interrupt the Senator again?

Mr. NUGENT. Certainly.

Mr. NORRIS. I have not been able to be in the Chamber all the time during the Senator's discussion, and it may be that he has answered the question I rose to ask. If he has and will so state, it will be satisfactory. This idea has occurred to me from what the Senator said.

Suppose we pass the bill and the dyestuffs are kept out of the country, and, for instance, England or some other country—but taking England as an illustration—should take her share of the dyestuffs that Germay may furnish and use them and thus enable her then to supply the clothing or the material or the shirting or the hosiery—whatever it may be—upon which the dyestuffs are used and send them into this country. In order to protect the American manufacturers would it not be necessary practically to place an embargo on such materials as come from other countries that had been treated with German dyes?

Mr. NUGENT. No; I think not, for two reasons——

Mr. NORRIS. Would there be any danger of such a condition existing?

Mr. NUGENT. I do not think so. In the first place, under the law of 1916, if I remember correctly, a duty is imposed on certain textiles. Cotton and wool are on the free list, but there is a duty on very many of the manufactures of cotton and of wool.

In the next place, the pending bill only prohibits importation into this country of dyestuffs when the same article or a satisfactory substitute therefor is manufactured in America, so that if the article, the particular dye or dyes desired by the consumer, or a satisfactory substitute therefor, is not manufactured in this country he is at liberty to import such quantity as will satisfy his needs for a period of six months. In addition to that, even though the dyes that he desires or satisfactory substitutes for them are manufactured here, if they are unobtainable by him on reasonable terms as to price, quality, and delivery, he is entitled to import.

Mr. NORRIS. That last provision would probably fix it all right, but who would determine what would be reasonable terms and a reasonable price?

Mr. NUGENT. The Tariff Commission will administer the law. I know that some Senators take the position that that is an unsatisfactory arrangement. I am aware of the fact that some dye consumers contend that it is entirely unsatisfactory, that no man or body of men should be permitted to determine whether an article which they desire is manufactured in this country, or whether a satisfactory substitute for that article is manufactured in this country. But I submit that we must trust some one. Every law must be administered by some man or some body of men. It may be the Attorney General, or the Interstate Commerce Commission, or the Tariff Commission, or the Federal Trade Commission. Furthermore, I desire to say that no monopoly, in my opinion, can be created in this country in the manufacture of dyestuffs under the provisions of the pending bill unless the members of the Tariff Commission, who are to administer the law, permit it to be organized or created, and I am firmly convinced that the members of the commission will not do that.

Mr. President, on May 20, 1919, President Wilson delivered a message to the Congress relative to a number of important matters, and included among them is a recommendation with respect to the enactment of legislation for the protection of the dyestuffs industry. I ask that there be printed, without reading, the first and second paragraphs on page 8 of the President's message, both of which paragraphs relate to the dyestuffs industry.

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Without objection, leave is granted.

The matter referred to is as follows:

There is, fortunately, no occasion for undertaking in the immediate future any general revision of our system of import duties. No serious danger of foreign competition now threatens American industries. Our country has emerged from the war less disturbed and less weakened than any of the European countries which are our competitors in manufacture. Their industrial establishments have been subjected to greater strain than ours, their labor force to a more serious disorganization, and this is clearly not the time to seek an organized advantage. The work of mere reconstruction will, I am afraid, tax the capacity and the resources of their people for years to come. So far from there being any danger or need of accentuated foreign competition, it is likely that the conditions of the next few years will greatly facilitate the marketing of American manufactures abroad. Least of all should we depart from the policy adopted in the tariff act of 1913, of permitting the free entry into the United States of the raw materials needed to supplement and enrich our own abundant supplies.

Nevertheless, there are parts of our tariff system which need prompt attention. The experiences of the war have made it plain that in some cases too great reliance on foreign supply is dangerous, and that in determining certain parts of our tariff policy domestic considerations must be borne in mind which are political as well as economic. Among the industries to which special consideration should be given is that of the manufacture of dyestuffs and related chemicals. Our complete dependence upon German supplies before the war made the interruption of trade a cause of exceptional economic disturbance. The close relation between the manufacturer of dyestuffs, on the one hand, and of explosives and poisonous gases on the other, moreover, has given the industry an exceptional significance and value. Although the United States will gladly and unhesitatingly join in the program of international disarmament, it will, nevertheless, be a policy of obvious prudence to make certain of the successful maintenance of many strong and well-equipped chemical plants. The German chemical industry, with which we will be brought into competition, was and may well be again a thoroughly knit monopoly capable of exercising a competition of a peculiarly insidious and dangerous kind.

Mr. NUGENT. The Council of the American Chemical Society, representing more than 15,000 chemists from every State in the Union, held a meeting at St. Louis, Mo., on April 13 and adopted certain resolutions in which they earnestly urge that the Congress of the United States enact the pending bill. I ask that the resolutions be incorporated in the RECORD without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolutions are as follows:

The American Chemical Society, through its representative council, urges upon our Senators the necessity of prompt passage of the Longworth bill in the form reported by the Senate Finance Committee. Under the absolute protection afforded by the blockade of German ports and encouraged by the favorable legislation of the preceding Congress, the coal-tar chemical industry has grown by leaps and bounds, but to meet the unusual competition threatened from the present unified German industry far greater safeguards must be established than were formerly considered necessary. The delay in enacting such legislation has caused the withholding of large amounts of capital and the creation of an atmosphere demoralizing to research and to the technical development of the industry. We feel that the fate of this industry lies now with the United States Senate, and we urge the enactment of the bill as originally reported to the Senate by its Finance Committee, convinced that this legislative support will speed the industry's complete development, thereby assuring American consuming interests freedom from outside domination and providing a powerful factor in national defense.

CHAS. L. PARSONS, *Secretary.*

Mr. NUGENT. Mr. President, it is contended that no disastrous results will flow to the men in this country who have invested $200,000,000 in the dyestuffs industry, even though this bill were defeated, even though no legislation were enacted to give them protection aside from that afforded through the medium of a tariff. It is contended by some people that even though the doors were thrown wide open to the importation of dyes from other countries into the United States in sufficient quantities to supply all our demands American textile manufacturers would not purchase them. I should like to believe that that is a fact, but I do not believe it is.

We must judge the future by the past, and the undisputed testimony in this matter shows beyond question that certain of the textile manufacturers of the United States did, as a matter of fact, enter into a conspiracy with German dye manufacturers in 1882 to destroy the dyestuffs industry in this country. They succeeded in their efforts in that direction, and they have seen to it that it has since remained dead.

To-day there are certain of these dye consumers who are pursuing precisely the same policy that was pursued in 1882 and 1883, and in the years that have since intervened. They are doing all that lies in their power, through the adoption of resolutions and otherwise, to induce Members of Congress to vote against this bill. In other words, I am entirely convinced that certain of those gentlemen believe that it is vital to their interests to kill this industry in order that they may be enabled, without restraint of law, to purchase their dyes at a lesser price than they are obliged to pay to American manufacturers.

Permit me to say, parenthetically, that I hold no brief for the manufacturers of dyestuffs. The only interest I have in this matter is that of an American citizen. I am fully conscious of the fact that there are many most estimable men in the Congress who disagree with me in toto so far as my conclusions concerning this legislation go. I am not criticizing them. They are honest men; they are good Americans; and they, as a matter of course, have the same right to their opinions as have I. But I am entirely convinced that it is absolutely necessary to see to it that this industry is not destroyed, in order that we may never again be placed in such a position as we occupied in 1914, and I am willing to go to very considerable lengths to see to it that the view I have just expressed is carried out.

Now, Mr. President, it may be said that my statement relative to the attitude of certain textile manufacturers toward this bill is rather broad in its scope, and that it is based entirely upon a wrong premise; that I do not understand the situation; but I do know this, as it is disclosed by the record, that certain textile manufacturers are bitterly opposed to the bill. I apprehend that probably every Member of the Senate received a copy of the resolutions recently adopted by the National Association of Hosiery and Underwear Manufacturers at a convention at Philadelphia on April 28, 1920.

I will read the resolution which they adopted. It is as follows:

Therefore be it resolved, That we, the National Association of Hosiery and Underwear Manufacturers, in sixteenth annual convention assembled, in the city of Philadelphia, April 28, 1920, representing more than 1,000 textile factories, producing annually more than $700,000,000 of manufactured products, and paying to American labor more than $200,000,000, emphatically protest against the passage of the dye-licensing bill, and call upon our members generally to oppose by every lawful means in their power the stifling of American business, the suppression of American enterprise, and the strangling of American initiative, which this bill, if passed, will inevitably cause, with no resulting benefits save to a monopoly already grown strong enough to invade the halls of the American Congress with their insolent, threatening, selfish, and un-American demands.

Those gentleman, Mr. President, in my opinion, at the outbreak of the war, were faced by a situation that probably spelled something in the nature of disaster to them. They were without the dyes necessary to dye the goods the manufacture of which was essential to the life of their business. American business men invested capital, erected plants, entered upon the manufacture of dyes, and probably saved these self-same gentlemen from loss of very large sums of money. And yet they adopt a resolution which, in substance and effect, gives the people of the country to understand that they have no use for the men who in a large measure saved them and their business in 1915 and during the war. They abuse them to the extent of referring to them as "a monopoly," as "insolent, threatening, selfish," and say that the "demands" they are making on Congress are "un-American."

I do not care the snap of my fingers for the Du Pont Co.; I do not care the snap of my fingers for the National Aniline Co., or any of the other corporations or individuals engaged in the manufacture of dyestuffs; I am not interested in them in any way, shape, or form, directly or indirectly, except as, in my view, every American citizen should be interested in the perpetuation of the vitally important industry they have established here. I submit, Mr. President, that it is at least reasonable to assume that if the gentlemen, or very many of them, who go to make up the National Association of Hosiery and Underwear Manufacturers at any time find themselves in a position where they can buy their dyes in other countries cheaper, even a fraction of a cent per pound cheaper, than they can purchase them from American manufacturers, they will not hesitate a single, solitary moment to buy from the foreigner, utterly regardless of what the results may be to the dyestuff industry in the United States.

It is my desire to assist the dye makers here, for the important reasons I have stated, until such time as they have a trained personnel and are sufficiently experienced in the manufacture of dyes to produce them at a minimum cost and are able to compete with foreigners who have been in the business for 50 years.

Judging from the tone of the resolution referred to, I doubt very much that those gentlemen would not be willing to pay the same price for dyes to some foreign manufacturer rather than patronize the men who saved them in their hour of need and of whom they now speak as "selfish," "insolent," and as making "un-American demands."

There is another concern, Mr. President, that is in opposition to this bill. Its attorney appeared before the subcommittee. I refer to the Amoskeag Manufacturing Co., which is located in the State of New Hampshire. I shall read into the RECORD the following article from the Evening World of March 12, 1920, under the caption "Is this profiteering?":

Cotton and worsted goods could be reduced in price, still beat prewar profits.

Amoskeag Manufacturing Co. had common dividend balance of $4.71 per share in 1917; in 1919 it was $42.92.

With the cost of shoes and other necessities mounting higher and higher 18 months after the armistice was declared, the Evening World to-day continues a survey of the increased profits of corporations engaged in the manufacturing and handling of clothing and food.

The attention of Attorney General Palmer, especially, is called to the Evening World's articles.

AMOSKEAG MANUFACTURING CO.

In recent months there have been few necessities that have shown such sharp advances in price as cotton and worsted goods. Manufacturers have complained that current high prices have been forced by the higher price of raw material and higher operating costs. They have laid great stress on the perpendicular rise in the price of raw cotton, as shown by the New York Cotton Exchange quotations; on wage advances, higher machinery costs, and the so-called "burdensome" taxes of the Government.

This explanation will not stand close investigation. How one big manufacturer has "suffered" by these adverse conditions is shown by the accounts of the Amoskeag Manufacturing Co. Not only has it shifted the burden of higher taxes, wage increases, etc., to the consumer through the medium of increased prices, but it has at the same time and through the same medium, been able to swell its profits in a manner that is not short of being sensational.

The Amoskeag Manufacturing Co.'s mills are located at Manchester, N. H. Their equipment consists of 660,000 spindles, 21,500 cotton looms, and 1,700 worsted looms. It produces ginghams, ticks, denims, and women's worsted dress goods. To show what a big factor the company is in the industry, it should be cited that in 1917 it produced over 200,000,000 yards of cotton and worsted cloth and 1,203,000 cotton bags.

In 1917, or before prices of cotton and worsted goods began to aviate so alarmingly, the Amoskeag Manufacturing Co. did a gross business of $30,439,215, and its ratio of manufacturing costs to gross sales was 97.14 per cent. In that year, after deducting expenses of every kind, including the dividend on the preferred stock, the surplus remaining equaled $4.71 for each share of common stock.

That present prices of cotton and worsted goods are inordinately high and have been established simply for the purpose of offsetting higher operating costs but to immoderately expand profits as well would seem to be proved by the following:

(1) Although the amount of cotton and worsted cloth sold by the Amoskeag Manufacturing Co. in 1919 was 24 per cent less than in 1917 and the amount of cotton bags sold in 1919 was 47 per cent less than in 1917, receipts from sales in 1919 were more than 44 per cent larger than in 1917.

(2) Higher prices charged for its output not only offset higher manufacturing costs, but permitted the company to save for operating income 15.66 cents out of every dollar of sales, compared with 2.8 cents in 1917. In other words, the margin of profit on its business expanded nearly six times within the span of two years.

I ask that the remainder of the article be printed in the RECORD without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

(3) Whereas gross sales for 1919 showed an expansion of 44 per cent over 1917, net profits from sales during the same period increased from $869,843 to $6,891,833, or 681 per cent.

(4) In 1917 the common dividend balance, as previously stated, amounted to $4.71 per share. The average annual common dividend balance for the preceding five years was $3.31 per share. But the common dividend balance, thanks to greatly increased prices, jumped to $26.24 per share in 1918 and $42.92 in 1919. This is graphically shown by the following:

	Ratio of manufacturing costs to gross sales.	Operating income.	Earned on common stock per share.
	Per cent.		
1919	84.34	$6,891,833	$42.92
1918	88.81	5,535,125	26.24
1917	97.14	869,843	4.71

Also, during this time the company has increased its net working capital, including the value of its inventories, from $10,543,000 to $35,480,000.

The more these figures are studied the more it appears that present record prices for cotton and worsted goods can be substantially reduced and still give the manufacturer a handsome profit on invested capital.

Mr. NUGENT. Mr. President, in connection with the same matter, I will say that since the decision of the Supreme Court in the stock-dividend case on or about March 8, the Amoskeag Co. has declared a stock dividend of 100 per cent.

I now quote from the New York World of April 29, 1920, under the caption "Living costs soar 21 per cent in year," the following:

Clothing is the budget item for which greater price increases were recorded. The advance of 177 per cent between July, 1914, and March, 1920, represents a rise of 18 per cent since November, 1919, and of 53 per cent since March, 1919. These estimates are based on replies to questionnaires returned by 209 dry goods dealers in 72 cities.

The largest advances since 1914 continued to be for cotton yard goods. Percale, formerly selling for 7½ cents a yard, in March, 1920, brought an average of 39 cents; this is an increase of 422 per cent. Muslin underwear and women's blouses, on the other hand, had advanced in price only 142.5 per cent and 139.2 per cent, respectively. Other important increases noted were 230.2 per cent for men's overcoats, 204.4 per cent for women's coats, 230 per cent for women's knit vests, 211.6 per cent for men's union suits; 247.2 per cent for overalls, 228.4 per cent for men's work shirts, 209.4 per cent for women's shoes, and 217.1 per cent for women's cape kid gloves.

Since November, 1919, average advances of 25 per cent or more were reported for percale, gingham, longcloth, knit underwear, women's stockings, coats, gloves, and hats.

The Senator from Louisiana [Mr. RANSDELL] a day or two ago called attention to the fact that there were a number of cotton manufacturing establishments in the South which recently declared stock dividends of from 100 per cent to 300 per cent. The same thing is true with respect to other cotton manufacturing establishments, particularly in the State of New Hampshire. In addition to the Amoskeag, the Nonquit and the Nashua companies, also in New Hampshire, have very recently declared 100 per cent stock dividends.

So it must be apparent, Mr. President, that, so far as the cotton manufacturers of the country are concerned, they have not been particularly adversely affected in their profits because of the fact that they are obliged to purchase and have for several years past been obliged to purchase from American manufacturers the dyes they use in the manufacture of their goods.

I will say also that the profits of manufacturers of woolen goods have not been quite wiped out because they, too, have been required to purchase dyes from American producers. I quote from the New York World of April 28 the caption: "American Woolen common earned $40 a share in 1919 compared to $14 in 1918; $14,500,000 to surplus after all taxes and expenses; net profits footing $15,613,414."

It may be interesting in this connection to refer to a speech delivered in the Senate on January 24 last by the Senator from Kansas [Mr. CAPPER], during the course of which he made the following statement:

The net profits of the American Woolen Co., after Federal taxes had been deducted, were $2,778,600 in 1914, $5,160,295 in 1915, $8,210,761 in 1916, $15,664,985 in 1917, and $12,324,084 in 1918. All on an invested capital of twenty-two millions. The earnings of its common stock were $10.80 a share in 1915, $27.05 a share in 1916, $47.62 a share in 1917, and this year, according to best Wall Street information, will exceed $100 a share, or more than the stock's par value. A year ago the watered stock of the American Woolen Co., the chief textile company in the United States, was quoted on the stock exchange at 45. To-day it is close to 150, and in recent weeks has been quoted at 156.

For the wool that goes into a suit of clothes which sells for $100 the woolgrower receives $7.37, says the Wool Growers' Association. This makes the finished garment cost the consumer more than twelve times the price of the raw material. The price of clothing has made enormous advances and is still advancing notwithstanding the American Woolen Co. cleaned up net profits of 56 per cent in 1917 and in 1918—or $2,000,000 more than the $20,000,000 total of the company's authorized outstanding stock.

The profits stated by the Senator from Kansas for the five years mentioned by him, in addition to the net profits of $15,513,414 for 1919, earned by the American Woolen Co., disclose the astounding fact that the net profits of that company in six years, commencing with 1914 and ending the 1st of last January, were $59,652,139 on an authorized outstanding stock of $20,000,000 and an actual invested capital of $22,000,000; or, to put it another way, during the past six years—when, with the exception of possibly a portion of last year, all dyes used by that company, in all probability, were purchased from American dye manufacturers—the American Woolen Co. made net profits to the extent of very nearly three times the capital it had invested in its business. So I say again that the textile manufacturers of this country have not suffered to any material extent because of the fact they were obliged to buy their dyes in the United States.

Mr. President, I apprehend that every man of intelligence will concede that in the event another war afflicts the world—which God forbid—it will be a chemical war to a far greater extent than was the Great War. I am a man of peace, and the RECORD will disclose that I have done about all that lay in my power to bring peace to a war-torn world. Notwithstnding those facts, however, I am of the opinion that I would be untrue to my country and to myself if I did not do everything that a reasonable man can be expected to do to see to it that never again shall my country be placed in such an absolutely defenseless, unprepared, helpless position from a chemical standpoint as she occupied in 1914. Believing, as I do, that the enactment of this bill is of transcendent importance, not only from the standpoint of national defense but from the standpoint of the health of our people and our continued prosperity, I earnestly hope that it will pass.

Mr. President, I desire to incorporate in the RECORD, without reading, a speech delivered by Hon. Francis P. Garvan before the National Cotton Manufacturers' Association.

Mr. SMOOT. Does the Senator make that a part of his speech?

Mr. NUGENT. Yes.

Mr. SMOOT. That is the only way I should like to have it go in.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

THE GERMAN MENACE.

[Address delivered by Francis P. Garvan, Alien Property Custodian, before National Cotton Manufacturers' Association on Apr. 25, 1919, at the Biltmore, New York City.]

For 19 months I have been engaged in a study of German industrial life and its manifestations and activities in the United States, and I come here to give you as briefly as I may a few of the incontrovertible facts which my experience has made clear.

First and foremost, be it understood that this was an industrial war, brought on by industrial Germany in her lust-mad haste to capture the markets of the world. Industrial Germany, in its arrogance and pride, preferred the formidable hazard of battle to the progressive and sure infiltration which within 10 or 20 years might well have given her the world domination she sought from complacent and unthinking peoples.

Industrial Germany was in control of imperial Germany. Industrial Germany sympathized and participated in the preparation for this war. Industrial Germany waged this war. Industrial Germany was the first to see defeat, and forced the military peace in order that with her industrial equipment intact she might continue that same war by intensified and concentrated economic measures.

Her ambitions are the same in peace and in war. Her methods are the same in peace and in war. Destroy your business competitor by State aid, cartel combination, dumping, full-line forcing, bribery, theft of patents or inventions, espionage, and propaganda. Destroy your military adversary by tearing up sacred treaties; by unlicensed and unbridled submarine and poisonous gas warfare; by the destruction of factories, mines, and vineyards; by terrorism and vandalism.

You or I have yet to hear one word of a change of heart or purpose; one word of regret or shame; one word of dispraise for any leader in the past holocaust. On the other hand, hold to the fact that at this moment the four men best fitted to conduct a ruthless economic war upon his country, the four men who planned, instigated, and paid for all the black history of lawlessness under which we suffered for two and a half years—Dr. Albert, Dr. Dernburg, Capt. Boy-Ed, and Von Bernstorff, are the helmsmen of the present German Government. Dr. Heinrich Albert is now undersecretary of state; Herr Bernhard Dernburg is now minister of finance; Boy-Ed is director of the intelligence section of the foreign office, the espionage and propaganda division; and that archcriminal, Bernstorff, is over them all, directing and leading the new Government.

Has the war ended for you?

It was Germany's chemical supremacy that gave her confidence in her avaricious dream of world empire. It was Germany's chemical supremacy that enabled her to wage four years of pitiless warfare. And it is Germany's chemical supremacy upon which she relies to con-

tinue this war; and for that supremacy she pays homage to her dye industry, and counts upon that dye industry to maintain it.

Since 1866 Germany has recognized the fact that upon the development of the dye industry rested her entire development of organic chemistry; that upon the development of organic chemistry rested, in an ever-increasing measure, all the development of modern business and modern warfare.

And so she cherished the industry with wisdom and prevision while it was still in its childhood, and by her patience, by her persistence, by the willingness of her people to sacrifice in unselfish cooperation, she has gradually transformed the plans made in the year 1866 into the reality of to-day.

And now she realizes that her dye industry constitutes her keenest wedge with which to force her way back into the world trade. She calls the dye industry her chief "protective industry," and has laid out for it a program of State protection and aid which should startle us. She proposes to use the alleged necessities of the world for her dyes to force all her other exports. In other words, she proposes to use it as a club with which to fight her way back into commercial society.

Prior to the war the German dye industry was united into three cartels with some independent companies outside. All are now united into one monster cartel, the I. G. Co., with Mr. Weinberg, the old head of the Cassella Color Co., as its president, and a capitalization of hundreds of millions of dollars. Germany has taken it under State aid and protection; she has decided to establish a guaranty fund whereby all industries share the losses the cartel may be compelled to face through dumping, bribery, or other expense incurred in reasserting her dye monopoly of the world. She looks forward to granting it trade export premiums, freight rebates, intensified consular service, and State guaranties against labor troubles.

As a result, our young but vigorous industry stands here to-day in direct competition, not only with the great cartel I. G., but with that great cartel sustained and supported and subsidized by the entire strength and wealth of the German Kingdom.

Over $3,000,000,000 of annual business in America, including yours, are dependent upon the dye industry. Is there any doubt that the destruction of the American industry means your enslavement to that cartel, and your destruction when it becomes the whim of that cartel?

For years that $3,000,000,000 of annual business was dependent upon the graciousness of German ambition. The time had not come when it seemed to their self-interest to cripple or destroy it, but when the war came on, in an instant Germany felt the force of your dependence and attempted to use your necessities to influence the policies of your Government. There was a considerable period when Germany could have relieved your distress; but would not. There was a period thereafter when her branches here might have assisted you; but they would not.

Listen! April 25, 1915, Boy-Ed, of ill-smelling fame, writes to Albert: "Very Honorable Privy Counsellor: To-day's World prints the inclosed short article on the alleged erection of dye factories in New Jersey by Germans. In case you are not able to take any steps to prevent an undertaking of this kind, I am requesting you to indicate to whose attention I could call the matter. With greetings, etc." Signed, Boy-Ed.

Albert answers, April 28, 1915: "Very Honorable Captain: With regard to dyes, I got into touch with local experts in order to determine what truth there is in the news. According to my knowledge of things, the matter is a fake inasmuch as our factories have bound themselves orally and by word of honor to do nothing in the present situation which might help the United States."

Thank God! That day your independence began. That day our industry was born. And supported by you with loyalty, patience, and sacrifice, it has grown until to-day $450,000,000 is enlisted in the cause, and we see the end forever of the past slavery and we stand unafraid in the face of any threat.

But even greater than the importance of the dye industry in commercial life is its absolute necessity in modern warfare. I quote from Dr. Schweitzer:

"In no other field has German efficiency proven its superiority as in that of chemistry. While this was anticipated before the present war, it is no exaggeration to state that the German chemist has so far contributed as much, if not more, to the success of the campaign than the strategist, the army, and the navy, and that, therefore, the present holocaust may be justly called the 'chemists' war'."

Eighty per cent of her explosives, and all her poisoned gases, were manufactured by Germany's dye factories.

And does anyone for a moment imagine that you are going to handle, or that the women of America are going to buy or wear, the by-product of the destruction of their 70,000 sons?

A commission appointed by the allied Governments has just reported to their respective Governments: "At first, chlorine and phosgene were the main requirements, but afterwards a variety of organic substances were employed, all of which were made by the factories of the I. G. combination, and many of these substances were new and difficult to prepare, and rapid production was only possible owing to the speed with which the peaceful organization of the dye factories could be utilized for these purposes. When the Government wished to introduce a new gas, a conference of the various firms was held at Berlin to determine how the manufacture should be subdivided in order to use the existing plant to the best advantage. For instance, the initial stages of the manufacture of mustard gas were carried on at Ludwigshafen and the final stage at Leverkusen."

They go on: "In the future it is clear that every chemical factory must be regarded as a potential arsenal, and other nations can not, therefore, submit to the domination of certain sections of chemical industry which Germany exercised before the war. For military security it is essential that each country should have its chemical industry firmly established, otherwise we are leaving Germany in possession of a weapon which will be a permanent menace to the peace of the world.

"The key to Germany's war production of explosives was the Haber process for the production of ammonia from atmospheric nitrogen. Without such a process Germany could not have made the nitric acid required for her explosive program nor obtained fertilizers for food production after the supply of Chile saltpeter had been stopped by your blockade, and it is probable that she could not have continued the war after 1916. In the event of another war we might be cut off from supplies of saltpeter, while Germany would be independent of them."

Gas warfare and its development, even if forbidden by the League of Nations, can not safely be left in German hands, and organic substances will be employed which we do not know to-day. Any country without a well-developed chemical industry is in danger.

Useless your armies and your navies, your U-boats and your aeroplanes, unless by means of a developed dye industry you keep abreast with modern chemical warfare.

But this industry has had, and now has, another great function in Germany's machine. It was, and is, the basis of her espionage and propaganda system.

True it is that we had in this country the Orenstein Arthur-Koppel Co., a German concern, owning a large plant at Koppel, near Pittsburgh. The chief business of that company was the manufacture and installation of what is known as "inside transportation"; that is, narrow-gauge railways, dump cars, traveling cranes, and machinery of a similar sort used in large industrial plants. It was the American branch of a great German house with connections in all the great countries of the world. For 20 years it has put in bids based upon the plans and specifications of every big industrial plant built in this country; and for that same 20 years blue prints of these specifications and floor plans and elevations have gone on file in the Government office in Berlin.

True it is that in this country we had 18 branches of German insurance companies, largely engaged in the reinsurance business; and that these companies collected for their own use detailed plans of all property insured by them, with especial reference to the hazard of the insured buildings from fire, explosion, or other causes; and duplicates of these plans and drawings also found their resting place in the Berlin office. And we wondered at the accuracy of our factory fires and explosions!

True it is that Germany, through the Bosch Magneto Co., the Eisemann Magneto Co., and the Boonton Rubber Co., had a practical monopoly of the ignition systems in America, and through this combination the files of the central office in Berlin were kept up to date with all plans for improvements in military trucks, gasoline boats, and aeroplanes.

Let me read you Manager Otto Heins's report to Dr. Albert of the activities of the Bosch Magneto Co. in this your country, at that time neutral:

"Honored Mr. Albert: In connection with the obstruction policy upon which we agreed at the beginning of the war in matters concerning deliveries of our products, especially the special magneto apparatus, I should like in the following to make several statements, from which one will clearly see that the accomplished obstruction policy has in every way been successful. In short, we had great difficulty at the beginning of the war in withholding the much-needed special aeroplane apparatuses from the Allies, and in preventing the Allies, especially the English, from immediately attempting to manufacture them for themselves. Special apparatuses are involved in flying machines, airships, and speed boats. These apparatuses are very different from the normal apparatus used on automobiles and motorcycles. We have freely supplied them with ordinary apparatuses; but, in accordance with our agreement, we have entered into apparent negotiations with the representatives of the Allies, creating in their minds the impression that they would receive also the special apparatuses at the present time. These negotiations began immediately after the first declaration of war, and it was possible, on account of their technical character, to extend them many months into the war. Our policy lulled them into the certainty that they would receive the special apparatus, and only now, November 30, 15 months after war began, have they realized our duplicity."

He goes on to state that this policy has been carried out despite the fact that these contracts were in many instances subcontracts with American firms; and he gloatingly continues that as a result of his activities in this country England, in October, 1915, found herself unable to defend London against their air raids, and states that France was in a much better position to protect herself against air raids because of her confiscation of the Bosch factories in Paris at the beginning of the war. I wonder how many women and children were killed!

True it is that the Hamburg-American Line and the Nord Deutsche Lloyd kept faithful tab for Berlin on a thousand details of our business life which came under their observation; that not a ship left our harbors, not a cargo was loaded or unloaded, but that some member of its organization watched and reported every detail to be sent by code to the German Government.

But greater than all, and forming the foundation of her entire espionage and propaganda system, stood the dye industry. Her trained observers enjoyed full access to the business they supplied and regularly and faithfully reported each and every detail of the $3,000,000,000 of annual business dependent upon the dye industry in this country. As long as you were supplied by the "Big Six," your business had no secret unknown to Berlin. In Berlin you will find a card index system which recites every fact connected with each and every one of your concerns that can be of any possible value to your rivals over there.

The head of that system in this country for years before the war was Dr. Hugo Schweitzer, president of the Bayer Co. Right here you will be glad to know that the Bayer Co. is now 100 per cent American, having been bought by loyal Americans. He was given his secret service number by the imperial minister of war, 96319637. He came to this country, became a citizen on the instruction of the German Government, eventually was made the head of the Bayer Co., and led the espionage and propagandist movements here down to the day of his sudden death in November, 1917. His regular reports to Germany are the story of your prewar slavery and the story of the activity of each and every representative connected with the old "Big Six" to perpetuate that slavery. When Albert came here to assume the leadership of that system it is to Schweitzer he first turns. And then we find Schweitzer bringing to Albert's office from day to day those other smiling gentlemen who sold you the "peerless dyes" in the past. From that moment Germany's trade outposts in this country were turned into ministers of lawlessness and destruction.

A word or two of his activities: Schweitzer was the inventor of the idea of the purchase of the New York Evening Mail. Schweitzer was the inventor of the idea of the German Publication Society, formed to publish, for our delectation, the literature of German kultur. Schweitzer, with Henry Weissmann, president of the German-American Alliance, we see forming the Printers and Publishers' Association, another attempt to create an English-language newspaper to present Germany's side of the war. Over 30 trained chemists, his lieutenants, are now interned.

We find Albert about to go home in January, 1917, turning over to Schweitzer $1,178,882.08; and again, on February 2, $300,000, all to be spent in espionage and propaganda. We find Schweitzer using the chemical branches of the "Big Six" in this country to form the

Chemical Exchange, by which all available phenol supply in America was turned away from the manufacture of picric acid for explosives for the Allies, with a profit, out of America's pocket, to Germany of $1,650,000.

Listen to Albert's praise:

"The breadth of high-mindedness with which you at that time immediately entered into the plan has borne fruit as follows: One and a half million pounds of carbolic acid have been kept from the Allies. Out of this 1,500,000 pounds of carbolic acid 4,500,000 pounds of picric acid can be produced. This tremendous quantity of explosive stuffs has been withheld from the Allies by your contract. In order to give one an idea of this enormous quantity the following figures are of interest:

"Four million five hundred thousand pounds equals 2,250 tons of explosives. A railroad freight car is loaded with 20 tons of explosives. The 2,250 tons would therefore fill 112 railways cars. A freight train with explosives consists chiefly of 40 freight cars, so that the 4,500,000 pounds of explosives would fill three railroad trains with 40 cars each.

"Now, one should picture to himself what a military coup would be accomplished by an army leader if he should succeed in destroying 3 railroad trains of 40 cars, containing four and a half million pounds of explosives.

"Of still greater and more beneficial effect is the support which you have afforded to the purchase of bromine. We have a well-founded hope that, with the exclusion of perhaps small quantities, we shall be in a position to buy up the total production of the country. Bromine, together with chloral, is used in making nitric gases, which are of such great importance in trench warfare. Without bromine these nitric gases are of slight effect; in connection with bromine, they are of terrible effect. Bromine is produced only in the United States and Germany. While, therefore, the material is on hand in satisfactory quantities for the Germans, the Allies are entirely dependent upon importation from America."

Gentlemen, did you intend by your support of the German dye industry to leave the Allies defenseless against the poison gas made by that German dye industry?

But that is not the worst. At Bogota, N. J., in the New Jersey Agriculture Chemical Co., Dr. Schweitzer employed Dr. Walter Scheele, who was the inventor, in that little town of New Jersey, in 1913, of mustard gas, the formula of which he transmitted through Capt. von Papen to Germany as soon as the war broke out. This is the mustard gas which laid low your brothers on the plains of France. And for Scheele Dr. Schweitzer laid out the plans for the preparation of the bombs which destroyed your ships in your harbors.

Untold millions were spent by this man in propaganda and espionage in the United States. In the two years before we entered the war the Bayer Co. drew $2,000,000 from the profits of its Orient and South American houses, which money was spent here, for what purposes we can well imagine. Practically all the dye salesmen you saw were only nominally in the employ of the branches here; all had secret and personal contracts with the home office.

All that I have said of Schweitzer is typical of practically all representatives of German dye houses in this country. Wherever we have found espionage or propaganda activity, there you will find those names so familiar to you in the days of your slavery. You will find the same gang returning, decrying our dyes, selling apparently Swiss or unmarked dyes, telling you tales of German distress, serving as ever their Fatherland. Be on your guard.

Coincident with the development of Germany's dye industry came the general development of her chemical strength. It offered great incentives to young men. It developed a large body of trained scientists. It encouraged and fostered the spirit of research in all lines and added to the effectiveness of practically every industry in the Empire. Nowhere is this more striking than in the supremacy Germany was attaining in chemical medicine.

One other thought I want you to have in mind is this: For four years now the chemical science developed by the dye industry of Germany has focussed its mind largely upon substitutes for the raw material she has hitherto received from the outside world. The leader of her chemical industry in this country, Dr. Hugo Schweitzer, of whom I will have more to say later on, wrote to his Government:

"All these endeavors to substitute cotton may appear ridiculous to us who have been brought up with the idea that cotton is king and that America has been designed by fate to supply this fiber to the civilized world. The farmers who cultivated the madder root, and the planters who raised indigo, were also inclined to jest when they were apprised of the fact that German chemists had succeeded in reproducing in the laboratories the dyes which their crops furnished; but when the manufactured materials drove the natural products from the market and left the farmers and planters without a job hilarity ceased. History may repeat itself and willow-bark and nettle, or some other substitute, raised on German soil, may in the near future depose King Cotton. The German chemist has a duty to perform, and with his perseverance and application he does not shrink from any problem, however difficult it may appear to outsiders."

Gradually Germany was obtaining control of the pharmaceutical industry of the world, and gradually it was dawning upon her that this development, too, might put in her hands an even more powerful weapon than explosives or poisonous gas in her conscienceless conquest of the world. Most of the great discoveries in chemical medicine came directly from the dye laboratories. Are you content that the development of chemical medicine shall remain the exclusive possession of the German Nation as we now know it?

Briefly, then, I have tried to give you a picture of the situation of this country in its relation to the dye industry as our daily experience of the past 18 months unrolled it before us. Do you wonder that A. Mitchell Palmer and all those who fought under him were shocked beyond measure and could not rest until Congress had amended the act and had given us the power under which we have rooted out each and every branch of that system and sold it into the hands of patriotic Americans?

But that was not enough. Germany had misused our patent system, just as she had misused and violated our Sherman law, our antidumping laws, our antibribery acts, our business code, and our common code of honesty. She had taken out patents for all her developments, covering in many instances not only the processes to prevent manufacture here but also the product, to prevent our taking advantage of any possible development in the dye industry of other countries.

Four thousand five hundred of these patents which applied to chemistry Mr. Palmer has sold for the benefit of American industries to a quasi-trustee corporation called the Chemical Foundation. This company is capitalized for $500,000, $400,000 being 6 per cent preferred stock and $100,000 common stock, also limited to dividends of 6 per cent.

The stock has been all underwritten by members of the Dye Institute, each and all taking their share, and is now in process of distribution through the dye producers and eventually through the consumers. It is the intention that ultimately no one will own more than a thousand dollars' worth of stock, eight hundred preferred and two hundred common.

All license fees accruing to the foundation will be used first to pay back the preferred stock. All surplus then above the 6 per cent actually invested will be expended for the development of research and the encouragement of the chemical industry of America.

Its executives serve with enthusiasm and without pay. All its stock is trusteed for a period of 17 years. Its management and its policies are controlled by a board of trustees, consisting of Otto Bannard, president of the New York Trust Co., chairman; Cleveland H. Dodge; George L. Ingraham, late presiding justice of the appellate division of the New York Supreme Court; Ralph Stone, president of the Detroit Trust Co.; and Benjamin Griswold, of Brown & Son, Baltimore. These gentlemen have been serving as the advisory sales committee of the Alien Property Custodian for over a year. They represent the highest standard of American patriotism and disinterestedness. Long lives of manifest ability, long lives of unselfish service to their country, guarantee the character of the Chemical Foundation.

Its counsel is Joseph H. Choate, who as a dollar-a-year man has given 18 months of tireless and efficient service in the exclusive study of the chemical situation. Its patent counsel is the fighting Ramsay Hoguet.

This foundation proposes to license to any competent, equipped, and patriotic American individual, firm, or corporation such of these patents as, with the help and encouragement of the foundation, may be utilized. This foundation proposes to begin to fight at the customs gate against any violation of the patents now owned by it, whether they appear as denationalized or camouflaged products seeking to enter through neutral sources. It proposes to establish an intelligence department which will coordinate, preserve, and utilize all the chemical information gathered by every department of the Government during the war and make that information available to the American public, that they may know the exact truth as to the past and may be kept apprised of all German activity, either through its own agents or its American connections during every stage in the coming struggle.

It proposes to match with watchfulness and pitiless publicity all future attempts at espionage or propaganda in our land. It proposes to expose all unfounded criticism directed against our productions, and, on the other hand, to do what it can to prevent producers or dealers here casting reflection upon our industry by the marketing of inferior or dishonestly described products.

It proposes to encourage and foster chemical research by cooperation with the forces already at work; by offering some hope of protection and reward to the loyal research men in the United States Government service, who now by department rule have to dedicate their inventions to the public, a course which results only in Germany transferring these inventions to her own laboratory system for development or exploitation.

It proposes to bring about a closer union of the university and the factory. It has taken over all German copyrights, and will thus free much scientific literature from the shackles of the German language. It proposes to place all possible information on our situation before Congress, and ask the passage of a law establishing a license system governing all chemical importations for a period of 10 years. It is intended that this license system shall act at one and the same time as a guaranty to you and all other dependent industries for proper importations to enable you to meet the competition of other lands, and to protect and guard our growing chemical independence. In this we ask no more than England, France, Italy, and Japan have already decided to grant on behalf of their own independence. This request we base upon the following grounds:

1. Fairness to the $450,000,000 invested in the chemical business by loyal Americans in the hour of our need.
2. Independence and freedom of the textile, leather, paper, paint and varnish, pharmaceutical $3,000,000,000 essential American business.
3. The necessity of our national defense.
4. The destruction and prevention of the German system of propaganda and espionage in our land.
5. The advancement of pure science and research.
6. The advancement of medical science.

The granting of this license system is not a question of conflicting economic schools. It is the question of our national independence, safety, and education.

Once we are assured time in which to work out our salvation, we hope to turn to our dearest objective. Already we have started to make a survey of our laboratory equipment—governmental, university, and factory. Already company after company have passed resolutions through their boards of directors placing at the disposal of our trustees, under such terms and conditions as those trustees may dictate, their entire research capacity. Government laboratories and university laboratories have also been assured us. Gentlemen, we know that offer will be unanimous.

We will soon be able to go to the medical profession of America and offer to them the entire capacity of the country for experiment and research for the betterment of mankind. One medical chemist in one dye factory in Germany discovered the cure for syphilis, the deadliest enemy of mankind. The same medical chemist, in the same dye factory, discovered the cure for the sleeping sickness of Africa which made a continent habitable. What can we not hope for when the American medical profession is given unbounded scope and opportunity?

We are assured that somewhere within that realm lies the hope of the cure for consumption, cancer, and many of the seizures which rob us of our little ones. Can it be that herein lies the opportunity of converting the forces which up to now have been directed only toward desolation and destruction into the channels of alleviation and helpfulness to humanity? Can it be that through this medium idealist America may snatch the torch of misapplied science from the barbarian and place it in the hands of an enlightened civilization?

Gentlemen, Drs. Albert and Bernstorff reported to their Government that America could never establish the dye and pharmaceutical industry in this country, as we lacked the moral power for the creation of such an industry: that here each party pursued its own selfish interests, but nobody kept the whole in mind; that this problem could only be solved through regard for all points of view, and that the conflicting selfishnesses of this country rendered that solution impossible.

The Chemical Foundation answers this statement with a challenge, and if it can only become the coordinating forum for American patriotism, American sacrifice, and American ability, it awaits the issue with serenity.

Gentlemen, we are the boys who stayed at home. True, the reasons seemed sound and sufficient yesterday. But to-day they seem only excuses, ever decreasingly satisfying. It is not enough that with envious tears we cheer their homecoming.

Would they know our admiration, they must sit by our fireside and listen to us teach our children the character-building tales of their sacrifice. Would they know our love, they must lean over the cribs of those little ones and listen to the prayers of gratitude those little lips are lisping in their behalf. Would they know the depth of the realization of our obligations, and the strength of our resolve that they shall not have suffered and died in vain, we call upon their spirits to watch us in this fight. Peace, peace, and there is no peace!

Mr. NUGENT. I desire to insert in the RECORD the article to which I referred a short time ago, as appearing in a publication known as the Chemical Foundation (Inc.), under the caption "How Germany dominated the American chemical and dyestuff industry," purporting to have been taken from the report of the Alien Property Custodian.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

[From the Alien Property Custodian's Report.]

HOW GERMANY DOMINATED THE AMERICAN CHEMICAL AND DYESTUFF INDUSTRY.

The great field of chemical industry presented, at the outset, perhaps the most difficult of the many problems which the Alien Property Custodian was expected to solve. It was, or had been until importations ceased, saturated through and through with German influence. In regard to no branch of human endeavor was the myth of German invincibility more firmly fixed in the public mind. The country was flooded with German chemists; and those who were not German by origin were mostly German, directly or indirectly, by training. A vast proportion of the persons engaged in the business bore German names. Connections more or less close between American and German houses were frequent and obvious. There was unquestionably a considerable German interest in such manufacturing as was being carried on. In view of the well-known and uniform policy of the great German Government-aided combinations to embark in foreign manufacture only when export from Germany was not feasible, this interest seemed unlikely to be large; but, unless it could be discovered and rooted out, no substantial Americanization of the industry was possible. The German chemical industry, which had so thoroughly penetrated and permeated our own, was gigantic, perhaps the strongest, and certainly the most remunerative of all Teutonic industries. The task of identifying and taking over its property in the United States was thus a direct attack upon a most formidable opponent; while the information on which the work had to be based, had to be derived, to an exceptional extent, from men hostile by birth or tradition.

In order to give a fair understanding of the situation, it is necessary to sketch briefly the history of the German chemical industry. From about the middle of the nineteenth century the practical application of chemical science began to occupy the attention of a constantly increasing number of the best scientific and industrial minds of Germany. A combination of natural advantages and national characteristics led to rapid advance. The industrial district in which the necessary materials and other facilities were found or developed was exceptionally compact. Distances were short and transportation easy. Labor was cheap, docile, and stable. On the other hand, the national habit of mind was peculiarly fitted for chemical research work, and particularly for the interminable tasks presented by such research, in the way of exhausting the immensely numerous possible combinations available within a particular field. From the first scientific attainment, and particularly accomplishment in the field of research, appealed strongly to the public mind. Men of science, and particularly research workers, were more highly regarded than in other countries. This tendency was strongly fostered by the Government, which, by conferring honors and titles, did everything possible to exalt the position of the successful scientist.

As a consequence of these conditions, the universities were at an early date provided with the most elaborate and advanced equipment for research work, and attracted to themselves an extraordinary proportion of the ablest young men of the nation. They accordingly proceeded to turn out a constantly increasing number of highly trained technical men, whose services were available to the rising chemical industry. The number of these men was such that the inevitable competition between them for places made the average salaries exceedingly small. Highly skilled service was, therefore, available to the German chemical manufacturer at an extraordinarily low cost. In this respect he had a marked advantage over the manufacturers of any and every other country in the world.

These advantages were made use of to an extent nowhere else approached, because from a comparatively early date the importance of research work to practical industry was firmly grasped by both the industrial and governmental ruling classes. The alliance of the manufacturer and the university professor became constantly closer and more complete. To meet the needs pointed out by the industrial leaders, armies of plodding, but nevertheless skillful, chemists completed hundreds of thousands of separate researches. The results of these kept the German chemical manufacturers constantly in the van—always somewhat ahead of their competitors in other countries in the way of new processes and products.

While all that has been said above applies in a measure to every form of chemical activity, the German advantages were naturally less in the manufacture of the heavy chemicals than in the more difficult and complicated processes involved in other forms of the industry. Chemicals which are consumed in great quantities, like sulphuric acid or soda ash, are produced at prices so low that costs of transportation are often a controlling factor. Accordingly, in this branch of the trade the Germans never attained supremacy. The natural tendency was for each country to supply itself with these essential materials, and this natural tendency had not, at least so far as the United States was concerned, been overcome.

In two other great branches of chemical industry, however, the Germans had attained not only the first place but to all intents and purposes a world monopoly—that is to say, in the practical application of organic chemistry to the manufacture of dyestuffs and medicinals. Although the first coal-tar dye was made in England by an English chemist and the next important step in the development of the industry—the production of fuchsine, or magenta—was the work of a Frenchman, the Germans almost immediately advanced beyond the rest of the world in the development of this infinitely complex industry.

This complexity of the manufacture of dyestuffs as a business proposition is almost beyond belief. Tens of thousands of distinct dyes were produced in the German factories, and over 900 of these were actually sold in appreciable quantities in the American market alone before the war. Each of these nine hundred and odd products required a separate and distinct process of manufacture, one differing from the next, in many cases as widely as if the products had been those of unrelated industries. While all these dyestuffs and a host of pharmaceuticals have a common source, in that they are derived originally from coal tar, they descend from this common ancestor by an enormous number of separate family lines. From the hundreds of distinct substances found in coal tar, 10 so-called crudes form the starting points of substantially all the processes which result in dyes. From these more than 300 so-called intermediates are produced by a variety of more or less complex chemical reactions. Most of these reactions require the use of large quantities of acids and other chemicals not produced from coal tar. From the intermediates thus obtained an infinite number of possible dyestuffs can be produced. Many thousand such dyestuffs have been actually produced and marketed.

In carrying out the processes which result in the extraction of the crudes from coal tar, the conversion of crudes into intermediates, and of intermediates into dyes, the quantities of each substance produced depend not upon the will of the manufacturer but upon the inexorable laws of chemistry. The proportion of the various substances obtained can be varied slightly by skillful manipulation, but only to a small extent. The manufacturer can not avoid producing large quantities of certain materials in order to secure perhaps smaller quantities of others. Again, at the very starting point of the industry, in extracting the crudes from the original coal tar, an analogous situation arises. The tar's content of anthracene, from which the most valuable of all modern dyes are derived, is relatively small; that of naphthalene, for instance, is immensely larger. The tar distiller can not obtain anthracene without producing or wasting much greater quantities of naphthalene, benzol, and other crudes. The same truth holds good in every subsequent step of the immensely complex processes of dye manufacture. At each step by-products are produced in addition to the products sought. The obvious result is that, unless the final product can be sold at a colossal price, uses or markets must be found for most of these innumerable by-products. Many of them, fortunately, are useful in the manufacture of intermediates and dyes. Many have been found to have important medicinal effects and have taken permanent rank as pharmaceuticals. For others no use has been found, and the unavoidable production of these represents pure waste.

The most important feature, however, of this production of by-products is the relation which it bears to the explosive industry.

All the most important explosives of the present day are either coal-tar products or the result of chemical processes requiring the use of coal-tar products. In a large dyestuff factory there is an unavoidable production of considerable quantities of substances which are directly available for conversion into explosives. Moreover, in addition to these by-products which can be used for manufacture of explosives, many of the materials which are not by-products but are directly useful for the production of dyes, can also, by slight alterations in the processes employed, be converted into explosives. For example, in the production of sulphur black, one of the most important black dyes, a slight variation in the final step of the long and complicated process of manufacture will transform the ultimate product into picric acid. A still more striking example is that of paramononitrotoluol. This is an intermediate necessarily made in quantities often beyond the needs of the dye makers. To the end of the last century many thousand tons of this substance had accumulated in the German dye works, which were making frantic efforts to find uses for it in dye making. About 1904 these efforts suddenly ceased. Trinitrotoluol (T. N. T.) had been adopted as a military explosive, and every pound of the accumulation was directly available for easy conversion into this most formidable of high explosives. More important still, however, than this unavoidable production of materials for explosive manufacture is the fact that the technical skill required for the manufacture of explosives is precisely that possessed by the chemical staff of a successful dye works and is to be found nowhere else.

Three things are apparent in regard to a business conducted under such conditions. One is that unless limited to the manufacture of a very few carefully selected products, it must be carried out on a large scale with the aid of immense resources in the way of capital and technique. Another is that, if carried out on a large scale, one of its most important features will inevitably be the maintenance of large research laboratories to work out the infinite problems raised by the necessity of disposing of by-products. A third is that the connection with the explosive industry is so close that no Government which gave any serious consideration to the possibilities of war could fail to see the necessity of aiding and controlling the industry. The truth of each of these propositions was at once demonstrated in the history of the German dyestuff industry. From an early period, the manufacture became concentrated in a few important companies.

These companies, ultimately six in number, developed into enormous establishments producing practically complete lines of dyes and manufacturing most of their own crudes and intermediates, as well as many of their acids and heavy chemicals. Several of these establishments also became large producers of pharmaceuticals in order to procure an outlet for their by-products. Outside of these very large houses, the industry was confined for the most part to small establishments producing only a limited number of carefully selected dyes, so chosen as to minimize the by-product difficulty, and so organized as to enable the owners to save most of the overhead expense by themselves furnishing the required technical skill and superintendence. These, indeed, were mostly little more than asembling plants. In the great establishments the research laboratories became large and highly efficient institutions. In these laboratories hundreds of chemists were constantly employed. Their facilities were placed at the disposal of research chemists from universities—often men who had no connection with the dye industry whatever. Many of the manufacturers' own chemists were allowed and encouraged to proceed with researches which had no probable immediate commercial utility, but which tended to increase the existing supply of knowledge in those general regions of the world of organic chemistry in which the dyestuff concerns were operating. The result of all this inevitably was the accumulation of an immense mass of scientific data which usually afforded a quick and easy solution to

each industrial problem as it arose. The results were sometimes startling. The most striking instance, perhaps, is the case of the Pfleger patent. The invention covered by this patent solved, by the use of sodium amide, of which an overproduction was available, the problem of producing indigo direct from aniline, and thus afforded a process far simpler than and at least as cheap as any theretofore known. As an instance of how closely such matters are followed by the German public, it may be noted that the announcement of the purchase of this patent by the great Hoechst works, one of the largest German dye manufacturers, advanced the company's stock 150 points on the stock exchange in a single day. The importance of this research branch of the industry is thus hard to overestimate. Finally, the connection with the explosives industry resulted, as is well known, in constant governmental assistance to and control of the dye industry. Much was done by the German Government to insure the prosperity of the dye industry and its immediate convertibility to the production of munitions.

These conditions soon produced in the dye industry certain results similar to those which occurred in all the other important German industries during the great period of expansion at the end of the nineteenth century. The improvements in processes brought about by research laid heavy emphasis on the value of quantity production. Quantity production, carried on by competing houses, led to overproduction. Overproduction led to a determined effort to establish and maintain a large export trade. The natural advantages of the German industry, as compared to the industry in other countries, prevented serious competition in Germany itself. The Government's tariff and other policies enabled home prices to be kept up. It was then evidently to the advantage of any manufacturer to produce far more than he could sell in the home market, even if his export trade had to be carried on at a loss, when by doing so he could use a process so economical that his profits on home trade would be largely increased. Accordingly, German dyestuffs began to appear in every country at prices which domestic manufacturers could not meet. The inevitable result was that in country after country the domestic manufacture was destroyed or stifled in its cradle. As soon as this had been accomplished it was no longer necessary for the German exporters to sell at or below cost. Prices were immediately raised and handsome profits realized. The tendency to this result was recognized by the German Government from the first and every facility was afforded to the growing export trade. It was fully realized by both the civil and military authorities that if a world monopoly in the dyestuff industry could be built up the military strength of Germany would be colossally enhanced, since it alone of all the great powers would then be in a position to secure immediate supplies of the vast quantities of munitions likely to be needed in a modern war.

The methods under which this dumping policy was conducted and its extent may be illustrated by a few specific instances. Most of these occurred in branches of the chemical industry other than the manufacture of dyes, for the simple and sufficient reason that in this country, at least, the dyestuff industry never reached a point where it required much discouragement. When, however, in 1910 the first determined effort was made in this country to establish the manufacture of an important intermediate, when, that is to say, the Benzol Products Co. was organized by a group of men interested in the heavy chemical industry, to manufacture aniline oil on a large scale, the German hand was immediately shown. The price of aniline oil at the time of the establishment of this company averaged 11¼ cents. As soon as its manufacture was fairly under way the German exporters commenced to cut the price. Apparently no definite prices were made by the Germans, but they adopted the simple policy of offering any customer of the new concern supplies at less than the price he was paying. For example, one of their most important customers refused an advantageous contract at 8½ cents, stating that he had assurance from the Germans that whatever price the Benzol Products Co. made would be met and bettered by them. Accordingly, the new company struggled on, conducting its operations without profit and only because it was supported by a group of men of exceptional determination and insight was it able to survive until the war gave it an opportunity to establish its business on a firm foundation. Among other examples are the following: In 1903 there were in the United States five manufacturers of salicylic acid. By 1913 three of these had failed. Of the two survivors one was the Heyden Chemical Co., a mere branch of a German house, which, as such, I have since taken over. During the latter part of the decade referred to salicylic acid was selling in Germany at from 26¼ to 30¼ cents. During the same period the German houses were selling it in this country, after paying a duty of 5 cents, at 25 cents, or from 6 to 10 cents below what they were getting at home.

A similar situation developed in the manufacture of oxalic acid. In 1901, when there was no American manufacture, it was sold by the Germans at 6 cents. In 1903, when the works of the American Acid & Alkali Co. were started, the price was immediately dropped to 4.7 cents, at about which figure it remained until 1907, when the American factory was shut down for a number of months. During this shutdown period the price was instantly raised to 9 cents. When the factory reopened the price was again dropped until 1908, when the company failed. It was then reorganized and in 1909 secured the imposition of a 2-cent duty on the acid, from which time up to the beginning of the war the price ran at about 7½ cents a pound. The same process was carried on in regard to bicarbonate of potash. In 1900 there was no American manufacture and imports ran about 160,000 pounds. In 1901 American manufacture began. This succeeded so well that in 1906 imports had dropped to 45,000 pounds. At this time the American manufacturer's price was 6½ cents, while the import value was given at 4.9 cents. In the following year the Germans made a determined and successful onslaught. Their import value was lowered to 2.2 cents, with a result that, instead of 45,000 pounds, 310,000 pounds were imported. Accordingly, in 1908, the American manufacturer failed. The price was immediately raised to 7½ cents and remained thereabouts thereafter until the war. Many similar instances might be cited, but these sufficiently indicate the method and its results.

This determined onslaught upon the competing industries of other countries, this definite attempt to secure world monopoly naturally created a strong tendency toward combination. As has been stated, by the end of the nineteenth century the real manufacture of dyes on a large scale was concentrated almost exclusively in six great firms. These were the following:

Badische Anilin und Soda Fabrik, Ludwigshafen on the Rhine, hereinafter known as Badische; Farbenfabriken vorm. Friedr. Bayer & Co. in Leverkusen, hereinafter referred to as Bayer; Actien-Gesellschaft für Anilin-Fabrikation in Berlin, hereinafter referred to as Berlin; Farbwerke vorm. Meister Lucius & Brüning in Hoechst am Main, hereinafter referred to as Hoechst, Leopold Cassella G.m.b.H. in Frankfort; and Kalle & Co. Aktien-Gesellschaft in Biebrich.

Each of these six great companies had attained enormous proportions long before the war. Only two other concerns have carried on manufacture on a scale in any sense comparable. These are the following: Chemische Fabrik Griesheim Elektron of Frankfort A. M., a company which has absorbed a number of smaller manufacturers, and Chemische Fabriken vormals Weiler-ter-Meer, Uerdingen.

It will be noted that all of these establishments with the single exception of Berlin are concentrated in a narrow strip of territory near the Rhine and its tributaries. Their growth may be illustrated by a few figures as to two of the largest. Hoechst was organized in 1863 and started with 5 workmen. By 1880 it employed 1,860 workmen and 57 chemists, using 1,840 horsepower. It then produced 1,750 different colors. In 1912 it employed 7,680 workmen, 374 foremen, 307 chemists, and 74 engineers and used 30,000 horsepower. The number of colors reached 11,000. The works of the Badische, which was organized in 1865, covered, in 1914, 500 acres, with a water front of a mile and a half on the Rhine. There were 100 acres of buildings, 42 miles of railway within the works, and the power plants comprised 368 steam engines and 472 motors; 11,000 workmen were employed and the company was capitalized at 54,000,000 marks. The establishment of Bayer was on a scale entirely comparable with these two giants of the industry. The works of Cassella and Berlin were slightly smaller, while those of Kalle were the least important of the six. Weiler-ter-Meer was important largely because of its connection with the great Swiss house of Geigy & Co. Griesheim Elektron, prior to the war, had enormous works chiefly devoted to the manufacture of electrolytic chemicals and became an important factor in the dyestuff business only within recent years, when by absorption of the Oehler Works and the Chemikalien Werke Griesheim its color production reached a scale approaching that of the larger houses. Of these eight great concerns each had active agent houses in the United States, which were among the most important factors in the American industry and accordingly in the work of the Alien Property Custodian in connection therewith.

The tendency toward combination, however, by no means exhausted itself in the creation of these giant enterprises. The same causes which produced the enormous concentrations of capital in other German industries in the form of cartels were also working in the chemical industry. By 1904 two such immense combinations had been formed in the dyestuff industry, each including three of the largest six houses. One of these comprised Bayer, Badische, and Berlin; the other Hoechst, Cassella, and Kalle. Indirectly, through their financial transactions with the great banks, and also directly, each of these cartels was aided and guided by the Imperial Government. By pooling profits, by so arranging capitalization that each company held stock in the other companies of its own cartel, and by other familiar means, the risks incident to the enormous expansion of the business and the immense increases of export trade were minimized. The centripetal tendency, however, did not stop here. In 1916 the two preexisting cartels were combined with Griesheim Elektron, Weiler-ter-Meer, and various smaller companies in one gigantic cartel, representing a nationalization of the entire German dye and pharmaceutical industry. The combination is extremely close. Profits of the companies are pooled and after being ascertained each year on common principles are divided according to agreed percentages. Each factory maintains an independent administration, but they keep each other informed as to processes and experiences. To stimulate and keep up a spirit of competition between the factories it has been arranged that each product shall be manufactured by two or more factories. There is also an agreement that in order to circumvent tariff obstacles in other countries materials are to be produced outside of Germany by common action and at common expense whenever and wherever desirable.

At the time of the formation of this enormous organization the capitalization of each of the principal component companies was largely increased. Hoechst, Badische, and Bayer each increased their capitalization by 36,000,000 marks, bringing the capital of each up to 90,000,000 marks. The new stock was offered to the old stockholders at 107, which was a melon of some magnitude, since the last available quotations for the stock of one at least of these companies at the end of 1916 was 490. Berlin increased its capital from 19,800,000 to 33,000,000 marks. Other increases brought the total nominal capital of the group to over 383,000,000 marks. For many years a large part of the enormous profits of these concerns has been put back into the works with the result indicated by the stock quotations. The real capitalization is thus much greater than this nominal figure. In fact, it is estimated that the actual investment in the works comprising the cartel is not less than $400,000,000. It can not be doubted that this enormous engine of commercial warfare has been created expressly for the expected war after the war, and that it is intended to undertake still more efficiently and on a larger scale the various methods by which German attacks upon all competition were carried on.

In addition to the favorable effects of the foregoing factors, an important aid to the success of German export trade in dyes and pharmaceuticals was the advantage taken of the patent laws of the several countries. Owing to the immensely greater number of research chemists engaged in this work in Germany than in other countries, far more patentable inventions in organic chemistry were made by the Germans than by the chemists of any other nation. In the United States alone they took out patents by the thousand. For example, Bayer alone accumulated in the neighborhood of 1,200 such patents which were placed in the hands of one of its subsidiary companies. The Badische had approximately 500 such patents, while each of the other members of the cartel held patents by the score. As there was substantially no effort (with small exceptions) by any of the German concerns to manufacture in the United States, these patents were obviously obtained and held in order to prevent the formation of an American dye industry and to make impossible importation from other countries. The latter of these two purposes seems to have been the more important in the German mind. They seem to have had no fear that any American industry could be established on a competing basis. They had, however, some respect for the Swiss, French, and English industries, though at the time of the commencement of the European war Germany was supplying approximately nine-tenths of the world's needs in dyes. With the aid of the patents, especially the product patents, they could and did exclude all importations of competing dyes in the most important classes.

As if the legitimate advantages of the German industry, supplemented by the ruthless if legal tactics of dumping and destructive underselling, were not enough, the methods of the great German houses in carrying on their business in this country were from the first honeycombed with corruption. Bribery of dyers was carried on almost universally and on a large scale. The head dyers of the various mills and other chief customers of the dye manufacturers were subsidized in many direct and indirect ways. These dyers frequently controlled the situation, since if anyone of them wished to

have his superiors cease using the dye of one manufacturer and buy instead the dye made by some other company, nothing was easier than to control the complicated process of dyeing in such a way that the dyes furnished by the house which was the least liberal to the dyer would produce wretched results. It would then be an easy matter for the dyer to get the manager of his mill to try the dyes offered by the more liberal briber, and with the exercise of a little care the new dye would be sure to produce satisfactory results. So extensive was this corruption that I came across only one American consumer that had escaped its ill effects. This concern, the United Piece Dye Works, of Lodi, N. J., avoided the difficulty by having all its dyes purchased by the head of the company himself under contracts providing that no barrel or package should show the name of the manufacturer. The company was thus able to designate the dyes which its dyers were to use solely by its own arbitrary numbers, and the dyers were thus unable to determine whose dyes they were using and to whom they should look for their graft. Against these illegitimate methods practiced by concerns having such resources and compelled by such an imperious necessity to seek and maintain supremacy in foreign fields, honest domestic competition found the utmost difficulty in maintaining itself and it is therefore not strange that until the outbreak of the war the American industry was of little importance.

Besides the obstacles, legitimate and illegitimate, thus placed by the Germans in the way of the establishment of an American industry, it would appear that there was considerable organized propaganda intended to discourage American attempts. It seems to have been regarded as the duty of a good German chemist in the United States to preach the doctrine of the invincibility of the German chemical industry, the impossible difficulty of the processes involved in the manufacture of many important dyes, and the hopelessness of procuring the necessary technically trained men and skilled labor outside of Germany. How far this was an intentionally organized movement and how far merely a sample of the prevalent German megalomania, it is difficult to say, but the results were analogous to those of the well-known potash propaganda, by which it would seem that the farmers, and to some extent even the scientific men, of the United States were persuaded that far more potash was required for our soil than was actually needed. Whether intentional or not, this propaganda had its effects. At all events prior to the war only a few Americans had the temerity to believe that anything could be done in this country against the German advantages in the way of technical skill, cheap labor, governmental support, and unscrupulous methods.

Indeed, up to August, 1914, the American industry in dyestuffs and medicines consisted of little more than a series of rather small assembling plants. In spite of the fact that enormous supplies of coal tar were available and that several of the crudes could be secured in this country under most advantageous conditions, hardly any of the necessary intermediates were made here, and the manufacture of dyes was almost entirely confined to working upon intermediates imported from Germany.

At one time the industry seemed to have taken a real start. Between 1879 and 1883 nine establishments had commenced the manufacture of dyes and were apparently prospering. In 1883, however, there was a sudden reversal of conditions, and within a year five of the nine shut down. The other four continued on a close margin and were still in existence at the outbreak of the war. Of these by far the largest was the Schoellkopf Aniline & Chemical Works, of Buffalo. This company, organized and maintained by an American family of German origin, which had at its disposal very large resources derived from other business, had continuously made a strenuous and honest effort to establish a real dye industry. From time to time they commenced the manufacture of various intermediates, including at one period aniline oil, which was manufactured on a large scale.

In every instance, however, the manufacture was almost immediately brought to an end by German price cutting, and at the time of the war the dyes made by this establishment were the product of intermediates imported from Germany. The company, nevertheless, had established a considerable business and, while operating on a very small ratio of profit, supplied the greater part of the non-German dyes consumed by the trade. Of the other three concerns Heller & Merz had likewise established a fair business in a few colors also made from German intermediates. The same may be said of the Central Dye Works and the Consolidated Color & Chemical Co., which were operating on a still smaller scale. The latter of these companies, it may be noted, was owned almost exclusively by Mr. Herman A. Metz, the American representative of Hoechst, one of the largest German dye works, and since the outbreak of the war Mr. Metz has likewise become the controlling factor in the Central Dye Works. In addition to these four, a fifth plant was established a few years before the outbreak of the war at Albany by the American subsidiary of the great German house of Bayer.

These five concerns comprised the entire American industry, and it will readily be seen that operating as they did on German intermediates they existed purely on sufferance, and were absolutely at the mercy of the German producers. They made neither alizarin nor anthracene colors nor synthetic indigo, which being the fastest known dyes are the most valuable product of the industry. The exclusive ability to provide these fast colors, most of which were protected by patents, would have placed the entire trade in the hands of the Germans, even if no other factors favorable to them had been present. These dyes were indispensable to the textile manufacturers, and by refusing to supply them except to houses which would buy their other supplies from the German manufacturers—that is, by the familiar process of "full-line forcing"—the latter could have retained complete control of our market, even if our manufacturers had been otherwise fully able to compete in the manufacture of the simpler colors. The 30 per cent duty payable on almost all of the coal-tar colors apparently afforded no real protection, nor, as will be shown, was it possible for the American industry to secure any relief under the Sherman Act.

The condition of the other branches of the American chemical industry was, as has been stated, not quite so bad. The manufacture of acids and heavy chemicals was well established on a profitable basis, though even in this manufacture the employment of numerous German chemists and processes gave a certain Teutonic color to the industry. In the manufacture of fertilizers there was, in a measure, a balance of power. The Germans had a complete monopoly of potash and its salts owing to their ownership of the only considerable known easily worked potash deposits. This was somewhat offset by our possession of phosphates of which the Germans had no considerable supply. There was a certain amount of German ownership in companies operating in the phosphate field, most of which ownership has been unearthed and taken over. In nitrates, of course, the United States, like the rest of the world, was mostly dependent upon the Chilean supply.

In the manufacture of chemicals in which electrical processes, requiring large and cheap supplies of electric power, played an important part, the situation was such that the Germans had been induced to enter to some extent into the manufacture in this country. They had organized and owned the Niagara Alkali Co., which, utilizing the cheap electric power of Niagara, became the largest domestic manufacturer of caustic potash, the latter produced from German raw materials. This company also supplied the chlorine gas which was the raw material used by the only considerable American manufacturer of liquid chlorine. In the same way the great Frankfurt chemical works known as the Deutsche Gold und Silber Scheide Anstalt, had, through its American subsidiaries, the Roessler & Hasslacher Chemical Co., the Niagara Electric Chemical Co., and the Perth Amboy Chemical Works, established the only large American production of cyanides and the largest American production of formaldehdye and wood distillation products.

The importance of these industries will be recognized when it is remembered that cyanides are indispensable to the mining and electrotyping industries, while formaldehyde is the basis of the only new and important chemical industry of American origin, the manufacture of synthetic resin products such as bakelite, condensite, and redmanol.

In medicinals very little real American manufacture existed. A few of the coal-tar pharmaceutical products were produced by two American houses in St. Louis, the Mallinkrodt Chemical Works and the Monsanto Chemical Works. By far the most important factor in this field, however, was the New York house of Merck & Co., which was a branch of the world-famous firm of E. Merck, of Darmstadt, and has accordingly as such been taken over. The enormous dispensing and distributing business of such firms as Parke, Davis & Co., Lilly & Co., and Powers-Weightman-Rosengarten Co., successful and efficient as it was beyond comparison with similar businesses in any other country, seems to have involved very little real manufacture, and the materials used were largely imported. There seems to have been but little, if any, German interest in this branch of the industry, except among small brokers and dealers.

From all the foregoing it will be seen that the all-important portion of the chemical industry, the branch in which the work of the Alien Property Custodian would necessarily be most arduous and in which its results might be most beneficial, was the dye industry. The vital character of that industry was due not to its financial importance, since the consumption of dyes in the United States at the time of the outbreak of the war did not exceed $25,000,000 a year in cost to the consuming industries, nor to the fact that these dyes were absolute essentials to industries producing perhaps $2,500,000,000 of goods annually, but most of all to the fact that the technical skill and equipment provided by a successful dye industry furnished the means, and almost the sole means, to which every nation must look for advances in the application of chemical science to practical undertakings. No other industry offers a livelihood to any such large numbers of highly-trained scientific chemists nor any such incentive to continuous and extended research.

As has been stated, the opening of the year 1914 found nine-tenths of the dyes used in our industries supplied by German houses and the great bulk of these by the largest six German houses. At this time each of these six giants was represented in this country by a subsidiary American corporation. The agent of Bayer was Bayer & Co. (Inc.), a New York corporation, while in the Synthetic Patents Co. (Inc.), another subsidiary, was vested the ownership of the 1,200 American patents taken out by the parent house. This New York company also owned other subsidiaries, including the Hudson River Aniline Works, through which it had established its Albany factory. Berlin was represented by the Berlin Aniline Works, also a New York corporation. Kalle & Co. were operating through a third New York corporation, also called Kalle & Co. In these three cases all of the stock of the American house was admittedly owned outright by the parent organization. All three were accordingly taken over at the outset. The great Badische Co. acted through the Badische Co., of New York, the stock of which appeared on the books to be owned by Messrs. Adolph Kuttroff, Carl Pickhardt, and their chief employees. Leopold Cassella & Co. were represented by the Cassella Co., also a New York corporation, the stock of which appeared to be owned by its president, Mr. William J. Matheson, and its vice president, Mr. Shaw. Hoechst operated through a New York company known as Farbwerke Hoechst, of which the stock stood in the name of its president, Mr. Herman A. Metz. Of these gentlemen Messrs. Kuttroff and Pickhardt were Germans by birth and Americans by naturalization, Messrs. Matheson and Shaw American by birth and tradition, and Mr. Metz American by birth. An extensive investigation was instituted by my bureau of investigation under the direction of Mr. Francis P. Garvan, and as the result of a long-continued and strenuous effort it was at last shown that the ostensible ownership of the stock of these three branches was not genuine, but that each remained in fact owned by its German progenitor. As will hereinafter appear in the detailed accounts of these proceedings, each of these three companies has also been taken over.

The outbreak of the war cut off the importation of dyes from Germany.

There immediately sprang up a number of American companies, mostly small, organized to embark in the manufacturing business. By strenuous efforts these companies contrived to avert the threatened dye famine which the curtailment of the German supply apparently rendered inevitable. Commencing with those dyes which were easiest to produce and gradually extending to a limited number of the more essential and well known of the nonpatented colors, the production increased until at the time when I took office the requirements of the textile trade were being met and a considerable export business had sprung up. The quality of dyes produced was, except in the matter of standardization, comparable with the German dyes of similar character, but the fast alizarin and anthracene colors were not being produced, nor was synthetic indigo, the consumption of which is larger than that of any other dye. The largest of the existing producers, that is to say Schoellkopf Aniline & Chemical Works, W. Beckers Aniline Co., and the Standard Aniline Co., of Wappingers Falls, have been combined with the aniline oil works of the Benzol Products Co. and with the appropriate portions of the business of the General Chemical Co., the Semet Solvay Co., and the Barrett Co. into a single large corporation known as the National Aniline & Chemical Co. This combination has since produced considerably more than half of the dyes consumed in America. During the same period the Du Pont Co. had begun to construct an enormous plant at Deepwater, Del., established an immense laboratory employing approximately 200 chemists, and had bought the plant of the United Piece Dye Works, in which the latter company had succeeded in producing a number of the most valuable dyes applicable to silk. Among other important concerns, the Dow Chemical Co., Messrs. Ault & Wiborg, the Sherwin-Williams Co., and the Newport Chemical Works were preparing for the production of

colors on a large scale, while many other companies were turning out appreciable quantities. The prices, of course, rose enormously and the results for a time were correspodingly profitable.

In the meantime the German agencies had been making every effort to retain their organization and their customers. They had on hand in 1914 a considerable stock of German materials. One or two of the companies, notably Bayer & Co. (Inc.), sold out at once at a colossal profit. The others, apparently determined to retain their customers and their German connection at whatever cost, peddled out what they had in limited quantities, allowing each customer only a small quantity per month. These concerns made their sales at slight advances in price, hoping by this treatment to retain their customers' good will until the resumption of imports could be brought about. This process was assisted by the two voyages of the submarine *Deutschland*, each of which brought to the representatives of the six great houses a supply of the most essential dyes. Bayer & Co. (Inc.) increased its production somewhat, as did Mr. Metz (the American agent of Hoechst) in his Consolidated Color & Chemical Plant, while the Cassella Co. organized a new subsidiary known as the Century Color Co. to commence manufacture under the familiar C. C. C. trade-mark, under which it had sold the goods of its parent German house.

At the time when I took office, therefore, the American dye industry was active and profitable and in almost undisturbed possession of the field; but it required only the slightest investigation to show that the new-born industry's hold on life was of the most insecure description. The supply of crudes had been so expanded by the needs of the explosive industry and the consequent increase in the number of by-product coke plants and recovery installations in gas works that our supply of raw materials was unsurpassed. We were, however, producing only a few of the essential intermediates. We had a plentiful lack of even such technical knowledge as was required to produce dyes in the laboratory, to say nothing of the vastly greater amount of similar knowledge required to translate laboratory into commercial production. In the case of all the faster dyes Germany's patents had prevented every attempt at American production, and while the trading with the enemy act authorized issuance of licenses under these patents, the terms were such that no licensee could hope to continue the manufacture in competition with the Germans after the war. In the meantime the representatives of the great German houses were holding their organizations together and keeping their trade as best they could by doling out their remaining stocks and by selling under their own names American products, sometimes mixed with their own German goods.

These representatives were waiting for the end of hostilities, and were ready at a moment's notice to reembark in the importing business and assist their German parent houses to destroy the new American industry. It was, therefore, one of the most vital tasks before me to ascertain every trace of German ownership in the new industry, and particularly in the American representatives of the German trust. Unless the Germans could be deprived of the benefit of these branch houses their reentrance into the field would be all too easy.

This proved to be a hard task. Every variety of camouflage had been resorted to by the Germans to conceal their interests. A favorite method in this, as in other industries, was, of course, that of a fictitious transfer of stock. In a few cases such transfers were carried out after the severance of relations and before the declaration of war. In these cases the character of the transaction was fairly obvious and our course correspondingly simple. In other cases, however—and this was true of two of the three representatives of the great German houses which were ostensibly American owned—the apparent transfer took place at a period before the war was thought of—at least, by anyone outside of Germany. In these cases the transfer was the result of an attack made by persons ostensibly interested in the textile business upon the representatives of the German houses under the Sherman law.

Up to about 1910 all the great German houses shipped their goods to their American representatives on a pure consignment basis. The compensation of the American representative was wholly by way of commission. The American company in these cases was a mere selling agency or branch. In 1912 a group of Philadelphia lawyers brought about the prosecution of an officer of Bayer & Co. (Inc.) (or its predecessor, Farben Fabriken, of Elberfeld, another New York corporation) for some of the corrupt practices in the way of bribing buyers, which, as has been stated, had become universal among the German houses. In the course of this prosecution the lawyers in question became familiar with the general history of the German industry, and at once realized that it might be made the subject of an attack under the Sherman law, on the theory that each of the German companies was through its agent actually doing business in this country and that the two great cartels were conspiracies in restraint of trade. Acting on this theory, suits were commenced for triple damages against most of the American representatives. The institution of these suits, which were subsequently settled, resulted in at least two cases in a transfer by the Germans of their stock in the American company to the officers of that company. In the case of Badische Co., the stock of which was already in the names of the American representatives, it was only necessary to change the basis of the business from consignment to sale. This was done in all the cases, so that the German house might not appear to be doing business in this country through its representative but to be merely selling to an apparently independent American corporation. There was on the surface no apparent reason why these transfers should not have been genuine. Each German house really controlled the situation with reference to its agent, because it could instantly ruin its agent's business by withdrawing supplies. Accordingly for a considerable period these houses escaped more than mere general suspicion, and it was not until the Bureau of Investigation of my department had acquired considerable familiarity with German methods of camouflage that the true situation could be disclosed.

This investigation, of course, ran parallel with the similar investigations of several other departments of the Government, and the Bureau of Investigation received valuable aid from the offices of Military Intelligence, Naval Intelligence, and War Trade Intelligence, as well as from the Department of Justice and from the British, French, and other allied authorities. All these bodies worked in close cooperation, and their mutual assistance was of inestimable value. Information derived from these sources demonstrated that the chemical industry was a natural center for espionage, and that this had been true long before we entered the war—indeed, before the war began. The relation between the German Government and the great German chemical houses was so close that representatives of the industry were naturally almost direct representatives of the Government, and their work in this country gave them unequaled opportunities for examining our industries from within. Customers of the German import houses were constantly in need of expert advice in regard to the processes in which their goods were used. The advising expert supplied by the German houses naturally saw everything there was to see, and what he learned was seldom concealed from his Government.

After the war began the industry became a center not only of espionage, but of propaganda and of direct governmental activity. The number of striking instances of this development is so great that only a few can be detailed, but these appear sufficiently striking. Among the early examples unearthed by the Bureau of Investigation was that of the by-product coke plant established by the Lehigh Coke Co. The latter was a corporation organized by a syndicate represented by the Deutsche Bank. At the time the war broke out it had been in operation for a number of years and was promising considerable success. It had not, however, gone extensively into the manufacture of coal tar and its derivatives. In 1915, however, it established a considerable plant for these purposes. Every ounce of toluol and benzol which was produced was sold under contracts binding the purchaser not to use or permit the use of the product for the manufacture of explosives or for the benefit of the Allies. An examination of the correspondence between Hugo Schmidt, the agent of the Deutsche Bank in this country, and the bank, shows that the entire undertaking represented by this by-product plant was a direct effort by the German Government to prevent the making of these valuable materials for explosive manufacture in the United States, or rather, to prevent their use for the benefit of Germany's enemies. The undertaking was decided on because the Deutsche Bank had ascertained that the Bethlehem Steel Co., which had a contract with the Lehigh Coke Co. for the latter's coke and gas, had practically determined to build such a plant for its own purposes, but that this decision might be changed if forestalled by the erection of a plant by the Lehigh Coke Co. This actually occurred, with the result that large supplies of these invaluable coal-tar products were kept out of the munition industry, while the demand for them from other industries was prevented from having its natural effect in bringing into existence American plants which would have been free to supply the Allies. This condition continued until just before we entered the war, when the Deutsche Bank, doubtless better informed than most as to the probabilities, sold out the Lehigh Coke Co. to a nominee of the H. Koppers Co., which in turn immediately resold to the Bethlehem Steel Co.

A still more striking instance, uncovered by the Bureau of Investigation under the direction of Mr. Garvan, with important aid from the Department of Justice and the Secret Service, was that of the organization known as "The Chemical Exchange Association." The purpose, and for a time the effect, of this enterprise was to corner the supply in the United States of phenol, an essential of the explosive industry, and to prevent its use for the manufacture of high explosives (picric acid and trinitrotoluol, or T. N. T.). This undertaking was apparently initiated by Dr. Albert, the financial adviser of the German Government in this country, in direct collaboration with Von Bernstorff. Dr. Albert carried out the scheme through Dr. Hugo Schweitzer, the chemist and leading spirit of Bayer & Co. (Inc.), the American agent of Bayer, of Leverkusen. The outbreak of the war had instantly stopped the importation of phenol, which was not manufactured to any extent in this country. Mr. Thomas A. Edison, who required large supplies of phenol for the manufacture of his phonograph records, which were made of a synthetic resin of which phenol and formaldehyde were the chief ingredients, immediately set to work to solve the difficulties involved in the manufacture of this substance. By the most strenuous work the problem was solved in his laboratories in a few weeks, and he commenced the manufacture of very considerable quantities, producing a large surplus beyond his own requirements. This surplus would normally have supplied the means for the manufacture of fairly large quantities of the most valuable explosives. To prevent this, Dr. Schweitzer, on June 22, 1915, entered into a contract with the American Oil & Supply Co., which was the selling agency of the Edison works, for practically the entire surplus of phenol available for sale. As security for the faithful performance of this contract, Dr. Schweitzer put up $100,000 in cash, which was furnished to him by Dr. Albert, and also a $25,000 surety company bond. A week later Dr. Schweitzer made a contract with the Heyden Chemical Works (a mere branch of the German house of Chemische Fabrik von Heyden, of Radebeul), of which George Simon, a German subject, was the manager, by which the entire supply of phenol thus purchased was to be taken by the Heyden company and converted into salicylic acid and other harmless medicinal and flavoring products.

The arrangement was that the Heyden works were to return to Schweitzer 1 pound of salicylic acid for each pound of phenol and keep the surplus of the converted product. This involved a very large profit for both parties. In the meantime, to avoid doing business under his own name, Schweitzer registered as a trade name the "Chemical Exchange Association," which was described as a copartnership consisting of himself and Richard Kny. Kny was the father-in-law of George Simon, of the Heyden Chemical Co., and was the ostensible proprietor of the Kny-Scheerer Co., one of the most important manufacturers in this country of surgical instruments. This company, like the Heyden Chemical Works, was a purely German-owned concern, and both have since been taken over by me.

The net result of all this was a profit to the Chemical Exchange Association of $816,000, which was apparently equally divided between Schweitzer and Kny. Schweitzer's share of the profits seems to have gone straight to the German Government, but for some unexplained reason Kny appears to have been allowed to keep his. The attempt to prevent the use in explosive manufacture of American phenol was completely successful for a time. The success of the venture was celebrated in the latter part of 1916 by a dinner given by Schweitzer and Kny at the Hotel Astor in honor of Dr. Albert. Among other guests were George Simon, F. A. Borgemeister, Norvin R. Lindheim, and Capt. Wolf von Igel, of the German Embassy—a typical gathering of the most active German propagandists in the country.

Less striking examples of the same sort of thing might be cited by the score. An interesting instance is the case of Dr. Isaac Strauss, organizer and president of the Chromos Chemical Co. Dr. Strauss arrived in this country in September, 1914, apparently with a direct mandate from the German Government for propaganda among the Jews. He proceeded to establish a periodical known as the American Jewish Chronicle. Funds to the amount of $85,000 were supplied for his activities by Dr. Albert, and $15,000 by Von Bernstorff, and his chemical company, profiting by the enormous war demand and prices, rapidly began to supply further sinews of war. Shortly after the entry of the United States into the war his conduct attracted the attention of the military authorities, and the ensuing investigation

led to his internment, whereupon his Chromos Chemical Co. and the American Jewish Chronicle were taken over by me.

At the time when I took office it, of course, became the duty of all companies in which any alien enemies held stock to report such ownership. About half of those American chemical enterprises which are now known to be German owned complied more or less promptly with this requirement. The rest, mostly relying upon pretended transfers by which the stock had ostensibly been put in the hands of American citizens, paid no attention to the act until the activities of the Bureau of Investigation had disclosed the true facts. In some cases, however, the camouflage which concealed the true ownership was of a much subtler and more effective description. In the case of more than one of the companies which promptly reported themselves as entirely German owned, measures had been taken to transfer, to companies which were presumably beyond the reach of the trading-with-the-enemy act, the essential value of the German property and business.

The most conspicuous instance of this method was Bayer & Co. (Inc.). This company at an early date reported all its stock as held by one of the officers, Mr. Seebohm, for three trustees who in turn held for the benefit of the German parent house. It was, on the whole, the most important of all the German branches. Besides representing, as sales agent, one of the three equal giant concerns at the head of the German industry, it was the only German branch which had established any considerable manufacture in this country. Through the purchase of the stock of the Hudson River Aniline Works, it had acquired and greatly expanded a considerable plant near Albany, N. Y., in which it produced a few of the simpler coal-tar colors and considerable quantities of pharmaceuticals, especially the most valuable single product of the German house—the drug known throughout the world by its trade name of aspirin. This was a patented coal-tar product on which enormous profits had been made. Practically the entire management of this company was in the hands of German subjects. The leading spirit, Dr. Hugo Schweltzer, was, as has been stated, among the most ardent propagandists and German agents in the country. The Albany plant represented the expenditure of many hundred thousand dollars, and the enterprise was exceedingly flourishing.

To conceal the profits for the purpose of taxation another company was organized, known as the Synthetic Patents Co. (Inc.), all the stock of which was also held by the German concern, to which were conveyed all the American patents of the German house, approximately 1,200 in number, and all the real estate, including the plant. By contracts between Bayer & Co. (Inc.) and Synthetic Patents Co. (Inc.) almost all of the profits of the former were diverted to the latter in the form of rentals and royalties. The investigation also covered a number of less legitimate evasions of the tax laws, and resulted in the recovery of a large sum by the Treasury.

The militant German character of the men in control of this company was so obvious that the ease with which they surrendered its stock was a matter of some surprise. The explanation was not unearthed until the very thorough examination of the company's affairs by the Bureau of Investigation had proceeded to great lengths. It was then ascertained that on the entrance of the United States into the war the men in control of the company had foreseen the danger of sequestration of the property. In casting about for a means of meeting this emergency they hit upon a small company which had recently been organized in Connecticut to manufacture dyes. This was the Williams & Crowell Co., established by two gentlemen who had some knowledge but little capital. They had succeeded in producing two or three valuable sulphur colors, notably one highly suitable for khaki, of which enormous quantities were obviously going to be required. The situation of these gentlemen was such that, although their company had been able to produce profits out of all proportion to its capitalization, they were not unwilling to sell, and accordingly the idea was conceived of buying this company with a view to the gradual transfer to it of such of the facilities of Bayer & Co. (Inc.) as could be turned over. The plan was laid before the counsel of the company, Mr. Charles J. Hardy, of New York, who was the chief adviser of most of the German houses in this line of business. He appears to have advised that the company itself could not safely make the purchase, owing to the danger of its being taken over by the Government, and that for the same reason the stock of the Williams & Crowell Co. should not be bought by the Bayer directors themselves, since they were alien enemies. At his suggestion, a new corporation, known as Williams & Crowell Color Co. (Inc.), was organized in New York and the stock taken in the names of American citizens. Williams & Crowell Co. was at this time making profits at the rate of $50,000 a month and, with the aid of the scientific and business knowledge which could be supplied by the Bayer staff, was in a fair way to immediate and immense success. Indeed, by this simple method it would have been possible under our very noses to drain the lifeblood out of Bayer & Co. and to transfuse it into the new organization, which the Alien Property Custodian apparently could not touch. The purchase of Williams & Crowell Co., however, required a substantial sum in cash, approximately $100,000, and it was at last possible to prove that the $100,000 thus paid was money of Bayer & Co. (Inc.) and therefore of the German parent house.

This was ascertained only after the Bureau of Investigation had discovered that the treasury of Bayer & Co. (Inc.) was one of the great sources from which German propaganda funds in this country were derived. The parent German house had enormous business connections all over the world. It supplies immense quantities of its products to the east, especially China. After the outbreak of the war, in 1915, payments for these goods could not be transmitted directly to Germany. As many of the goods had been sold on long credit, very large sums still remained payable to the German house many months after deliveries had ceased. The eastern debtors of the Germany house were therefore directed to make their payments to Mr. Seebohm, of Bayer & Co. (Inc.), of New York. These funds, amounting to millions, were accordingly received by him and disposed of without being put through the books of Bayer & Co. (Inc.). What became of most of them can not now be ascertained, as all of such records as may have been kept were promptly destroyed. It was possible, however, to demonstrate that part of the payment for the Williams & Crowell stock came from this source. I accordingly insisted that the stock be turned over to Bayer & Co. (Inc.). This was done, and the Williams & Crowell Co. thus formed a part of the assets of Bayer & Co. (Inc.) at the time of the sale of the latter.

Among other interesting facts in regard to Bayer & Co. (Inc.) disclosed by the investigation was the great care exercised by the parent house to restrain the manufacture of dyes by its American subsidiary. The purpose apparently was to limit this manufacture absolutely to colors in which genuine American manufacture was already well established. The German house was very glad to increase in this manner the competition with which the American infant industry had to struggle, but it was determined that American manufacture in other lines should not be commenced, even under its own control. When the cessation of imports after 1914 threatened a dye famine in this country, Bayer & Co. (Inc.) commenced to manufacture a few new colors, or, rather, colors which were new to the American industry. No sooner did this reach the ears of the German house than the most peremptory letters were written, absolutely forbidding any further extension of the business in this line. The enormous profits possible from such manufacture had no weight with the Germans when compared with the risk that such manufacture might aid the development of a real American industry.

The stock of Bayer & Co. (Inc.) and of Synthetic Patents Co. was sold by me at public auction, the successful bidder being the Sterling Products Co., a West Virginia corporation dealing in proprietary medicines. This company had previously agreed to dispose of the dye plant and patents, in case it secured the property, to Grasselli Chemical Co., one of the largest makers of heavy chemicals in the country. The price paid was $5,310,000, plus back taxes and other obligations of many hundred thousands more. Both purchasing companies appear, on careful investigation, to be thoroughly American.

Two other of the American branches of the six great German dye companies were also taken over at the outset. These were the Berlin Aniline Works and Kalle & Co. These companies were, however, little more than shells, each consisting almost solely of a selling organization without plant or other valuable fixed capital. In the case of the Berlin Aniline Works, there was an attempt to duplicate on a small scale the Wiliams & Crowell episode, but the resources available were insufficient. Neither of these companies accordingly had anything of great value to sell, and it has therefore been deemed the wiser course to liquidate them. The patents of the German concerns were in each case held in its own name and not transferred to the American branch.

Having taken over these three of the six American representatives of the German giants, my activities in this direction seemed to have been brought to a halt. The other three did not report any German ownership and on a preliminary investigation seemed to be American owned. A very careful examination of all available materials, however, sufficed to raise sufficient doubt in each case to force the company in question to offer to submit its entire books and records to our inspection, and to provide an audit at its own expense. An extremely thorough investigation was thus made possible, and in each case it has resulted in a demonstration that the stock of the branch was actually, in part at least, German owned.

In its relation to the American industry, the most important of these companies was the Cassella Color Co. This concern, the agent of Leopold Cassella & Co. G. m. b. H., was managed by W. J. Matheson and Robert A. Shaw. Both of these gentlemen are Americans by birth and tradition, but both of them had been for many years wholly or chiefly engaged in the business of marketing the products of the Cassella works. The stock stood on the books of the company in their name, and appeared to have been purchased for actual cash at par in 1913. The transcendent importance of this company was due to two facts: First, that it had apparently been absorbed by the National Aniline & Chemical Co. (Inc.), which up to the present has been by far the largest American manufacturer of dyes; and, secondly, that the headship of the new, all-inclusive German cartel, including all the great companies, is vested in Mr. Carl von Weinberg, who was for many years president of Leopold Cassella & Co., and closely associated with Messrs. Matheson and Shaw.

The importance of these facts was emphasized when the former Cassella organization became the selling department of the National Aniline & Chemical Co., and when Mr. Matheson assumed its presidency. A storm of rumor immediately arose, and it was suggested to me from every side that the National Co. was at least in part German owned. The facts, however, were found to be as follows: Prior to 1913 the majority of the stock of the Cassella Co. of New York was owned by the German house. In that year the antitrust suits above referred to convinced all parties interested that it was unsafe to allow the New York agency to continue even in part to be owned by a member of the German trust. Accordingly, the remaining stock was transferred to Messrs. Matheson and Shaw and paid for in cash. An option was, however, reserved. This was reduced to writing so far as it conferred upon the German house the right to take the stock at the book value on the death of either Matheson or Shaw. It was, however, orally agreed that the stock might be taken on the same basis at any time. In the meantime the contract between the German and American companies was so framed that the profits of the company continued to be divided as before, 57 per cent going to the German house and 43 per cent to the American house. The sale, therefore, made substantially no difference in the relative rights of the parties. Messrs. Matheson and Shaw gained nothing which they did not already have in the way of theoretical control of the American house. The German company retained complete practical control of the American house, because it could at any moment, by withdrawing supplies, render the American business worthless. The American patents owned by the German house had been assigned to the American company. In most cases, however, reassignments had been executed but not recorded, so that the real, though not the ostensible, ownership of the patents was in fact still vested in the Germans. The correspondence shows an understanding the legal effect of which seems to be to continue the German ownership to the extent of 57 per cent in the American company, and I have accordingly demanded and taken over 57 per cent of the stock.

When the dye famine began in 1914, Messrs. Matheson and Shaw determined to commence manufacturing, and for that purpose organized the Century Colors Corporation, this name being selected in order to retain the C. C. C. trade-mark of the Cassella goods. This company was organized with a capital of only $500, and Messrs. Matheson and Shaw took all the stock. The operations of the company were financed to a considerable extent out of the funds of Cassella Co., of New York.

In August, 1917, Messrs. Matheson and Shaw, desiring to dissociate themselves from the Cassella name, caused the Century Colors Corporation to purchase from the Cassella Co. all its tangible assets. On the same date the capital stock was increased from $500 to $200,000, Messrs. Matheson and Shaw paying in the difference. The tangible assets represented everything owned by the Cassella corporation except its patents, good will, and the contract with Leopold Cassella, G. m. b. H., for the sale and purchase of the German products. On September 11, 1917, Messrs. Matheson and Shaw sold to the National Aniline & Chemical Co. (Inc.) all of the stock of the Century Colors Corporation. Under this contract Messrs. Matheson and Shaw agreed to subscribe for $200,000 worth of the National Co.'s stock and to place

their own services at the disposal of the National, in return for which the National Co. agreed to give them 4,000 full-paid shares of preferred stock and 40,000 shares of common stock, having no par value. It was also agreed that the existence of the Century Colors Corporation should be continued for at least one year. At this time, in explaining the failure to convey the Cassella Co.'s intangible assets, Messrs. Matheson and Shaw stated in a letter to the National Co. that they did not feel at liberty to dispose of the Cassella Co.'s intangible assets without first consulting the German house.

After this sale to the National, the personnel taken over from the Cassella and Century Colors Cos. rapidly became increasingly important in the national organization.

When Mr. Matheson assumed the presidency the Century staff became to all intents and purposes the National sales department. All this undoubtedly gave to the new organization a color which afforded considerable justification to the rumors of German ownership. Accordingly, the correspondence was examined with the utmost care. This correspondence, including, as it does, many of the letters which passed between Messrs. Shaw and Matheson themselves at a time when neither could have imagined that their transactions would be under investigation, shows that at the time of the sale to the National both desired not to sacrifice their German connection, and that neither believed with any great confidence in the success of the American manufacturing industry, though they may have believed that the formation of the National company offered an opportunity for success in America not theretofore available.

In October, 1917, the Cassella Color Co., in spite of the feeling previously expressed by Messrs. Matheson and Shaw that they could not properly transfer any of its intagible assets without consulting the German house, transferred to the National company a number of important patents. This was done without regard to the existence of the unrecorded reassignments to the German house. This transfer appeared to be invalid, and these patents, together with all other patents known to be the property of the German house, have accordingly been demanded and are vested in the Alien Property Custodian.

At the present time there appears to be no German ownership in the stock of the National Aniline & Chemical Co. (Inc.); the great majority of the stock is held by the following: Schoellkopf Aniline & Chemical Works (or its stockholders, chiefly members of the Schoellkopf family); General Chemical Co.; Barrett & Co.; Semet-Solvay Co.; W. Beckers Aniline Works; W. J. Matheson; Eugene Meyer, jr.

A complete working majority of the stock has been placed in the voting trust of which the trustees are as follows: William H. Nichols, president of the General Chemical Co.; H. S. Handy, of the Semet-Solvay Co.; William H. Childs, president of the Barrett Co.; W. J. Matheson; Eugene Meyer, jr.

A contract has been entered into which will result in the gradual elimination by purchase of the Beckers interest, which has been thought desirable because of Dr. Beckers's German origin. The Cassella Color Co., of New York, has been partially liquidated and its stock has been reduced from $200,000 to $500. The taking over of 57 per cent of this stock will at least permit the elimination of the Cassella name.

The American branch of the great Hoechst Co. had for many years been conducted by Mr. Herman A. Metz. Prior to 1912 the New York corporation was known as H. A. Metz (Inc.), and a majority of its stock was always owned by the parent house. In that year the Germany company took over all but 10 shares of the minority stock which had previously stood in the name of Mr. Metz, leaving him the record owner of these 10, the only shares not held by them. At the same time the name of the New York corporation was changed to Farbwerke-Hoechst, so that the value of the good will might be firmly fixed in the German name. At about this time the antitrust proceedings above referred to were commenced against these companies also. Mr. Metz settled for $40,000 the suit commenced against his company, and proceeded to make strong representations to the German house to the effect that the stock ought to be owned by him, so that it could be asserted that the German house was no longer doing business in America. A prolonged negotiation ensued, the Germans being very reluctant to make any change. At last, in the summer of 1913, it was arranged that the 1,990 shares held by the German concern should be transferred on the books to Mr. Metz; that in return he should execute a demand promissory note, without interest, for the sum of $597,000; that the note should be delivered to the German company and the stock, together with a suitable transfer properly executed, should be deposited to the sole order of the German concern in a Montreal bank as security for the note.

At this time and for many years previous the American company had been operating under a contract by which the German house appointed it its sole American sales agent and agreed to furnish it with goods, in return for which the profits were to be divided according to an arbitrary scale, irrespective of stock ownership.

Under this arrangement the Germans were to have one-half the profits of the color business and 75 per cent of the profits of the pharmaceutical business, which, owing to the development of salvarsan and novocaine, had become of great importance. In return, and as a check on possible overcharges by the German house, Mr. Metz was to receive a percentage of their profits on the sales to the American company. An irrevocable power of attorney was given to Mr. Metz to vote the stock owned by the German company in the New York house and an option was reserved to the German company to purchase the stock in the event of Mr. Metz's death or retirement.

This contract was continued unaltered after the stock transaction of 1913, and under it the profits were divided as long as it was possible to remit moneys to Germany. There was also an oral understanding between the parties that the note should not be payable except out of the stocks or its proceeds, and that it could not be demanded as long as Mr. Metz should remain president of the company. It will thus be seen that the whole stock dealing produced no change whatever in the rights of the parties. After it, as before, the share in the profits of each party remained the same; power to secure and pass title to the certificates remained as before in the hands of the German company alone; the voting power remained as before in Mr. Metz's hands; in fact, none of the incident of ownership was in any way affected by the transaction.

At the outset Mr. Metz filed reports stating the existence of the note and the fact that certain stock was deposited as security for the same, but it was not until the ascertainment of the entire history of the transaction that the proof could be obtained that the transfer was not and was not intended to be of any effect. At last, however, the investigation thoroughly demonstrated this, and the stock has accordingly been taken over by me.

During the course of the year 1916, Mr. Metz, finding that he could no longer secure from Germany supplies of pharmaceuticals, especially salvarsan and novocaine, which formed the most profitable part of his business, determined to enter upon their manufacture in this country. Correspondence with the German house proving unsatisfactory, he sent his brother, Dr. G. P. Metz, to Germany to secure the necessary permission. This permission was refused, but the latter came home with a sufficient knowledge to permit the commencement of the work. A new company was organized under the name of H. A. Metz Laboratories (Inc.), a New York corporation, and this company commenced the manufacture of these two invaluable medicinals, which has been continued since our entrance into the war under license from the Federal Trade Commission.

The agency of the largest of all the German houses, the great Badische Co. of Ludwigshaven, presents perhaps the most striking example of the German methods of camouflage as applied to stock ownership. For many years this company has been represented in this country by Mr. Adolf Kuttroff, who was born in Germany, but came to this country at a very early age, and was naturalized in 1867. In a succession of partnerships and incorporations with various members of the Pickhardt family this gentleman has always conducted the business of the Badische in the United States. In 1906, shortly after the formation of the first German dyestuff cartels, when the parent houses of Bayer and Badische became members of the same body, an attempt was made to combine their agencies in this country. A company called the Continental Color & Chemical Co. was organized in New York and took over the Badische business of Kuttroff & Pickhardt, and the Bayer business of the Bayer Co.'s New York subsidiary, then known as Farbenfabriken of Elberfeld. At the end of the year, dissensions led to the dissolution of this company and the Badishe agency was then taken over by the Badische Co. of New York, a New York corporation. The stock of this company appeared to be entirely owned by Messrs. Kuttroff & Pickhardt, and on its books continued so down to its dissolution in 1917, except for small quantities of stock issued from time to time to the principal subsidiary officers of the company. All this stock, however, was held subject to an option permitting the German company to acquire it at par, and there was an oral understanding that no dividends exceeding 6 per cent should be paid. The balance of the profits, which were considerable, was distributed according to an arbitrary scale arranged by Mr. Kuttroff from time to time among the chief officers of the company. The company was dissolved in 1917 and a new corporation organized under the name of Kuttroff & Pickhardt (Inc.), which ostensibly took over only the physical stock in trade of the old company and its officers. The stock of this new company is held substantially in the same proportions by the same persons who held the stock of the Badische Co. of New York.

It will thus be seen that the ostensible stock ownership of this agency remained unchanged from 1909 until after our entrance into the war. It had thus been so arranged that no change was necessary in order to avoid the Sherman-law suits, nor in order to escape the attentions of the Alien Property Custodian on casual examination of the books. Indeed, the true facts were only ascertained after a most elaborate analysis of the books by highly skilled accountants, and of the available correspondence and intercepted cables by trained lawyers. Suspicion of the company was generally prevalent, but the first definite evidence was derived from correspondence obtained by the British authorities, which demonstrated that the New York company had been in the habit of asking for the decision of the German house on even such intimate questions of domestic policy as the increase or decrease of minor salaries of the staff. This correspondence indicated a degree of control far beyond that which was attributable to the mere power to stop supplies. It was then ascertained by the accountants that the original $25,000 paid into the treasury of the company for the first issue of $25,000 of stock came out of the moneys of the German house in the Continental Co. at the time of the liquidation of the latter concern. An intricate analysis also showed that at a time when the original capital stock of the New York Badische Co. was decreased the sums paid out went not to the ostensible stockholders, but to the German house. Finally it appeared that on three separate classes of transactions very large sums out of the earnings of the New York house were transmitted to the German house when there was no possible obligation to do so, and that this was done by the personal direction of Mr. Kuttroff without consultation with the directors or stockholders. For example: During the years 1915 and 1916 the sum of $701,944.34 was credited on the books of the German house and subsequently remitted under the head of indanthrene royalties. The company had been selling for the German house for years its high-grade indanthrene dyes which it received from the German house at fixed prices which did not include the sums described as royalties. As the goods were manufactured in Germany and nothing was done to them here, no royalty, properly speaking, could possibly be due. If any was payable, it must have been merely as an enhancement of the price. There was no understanding between the companies to any such effect.

Obviously, then, if the companies had been really independent, the president of the New York concern would never have dared to deprive his own stockholders of any such sums without legal obligation and without even consulting them beforehand. In like manner, in 1914, the sum of $477,100 was credited and remitted ostensibly as a return of advances made years before by the German house for expenses of the New York concern. Here, again, there was no previous understanding or present authorization requiring or permitting anything of the kind. At the time the alleged advances were made by the German house the New York company was operating merely as an agency on commission. There was no conceivable reason why a part of the agency's expenses should not have been met by the principal in the usual way. Yet again, without consulting anyone, Mr. Kuttroff caused these large sums to be taken out of the hands of the ostensible stockholders and put in those of the real owners of the company. Finally, in the case of the goods received by the submarine *Deutschland*, the same process was carried on. These goods when originally received were entered on the books like all other shipments of the German house on a sales basis; that is to say, they were treated as the property of the New York house, and the German house was credited with the price, approximately $800,000. Settlements with the customhouse appear to have been made on this basis. Some months afterwards a profit of about $400,000 had been realized. The book entries were then reversed so as to bring the transaction back to a consignment basis in which the German house would be entitled to all these profits except a commission. This change was made by Mr. Kuttroff without the authority of the stockholders or directors, and accordingly a sum of nearly $400,000 was made available for a remittance to Germany, and was so remitted. These and kindred transactions have so clearly demonstrated that the German company was the real owner of the stock of the American Badische company that a demand which is to be issued forthwith will be immediately complied with. This demand, owing to the fact that the company has been dissolved, will result in the taking over of only the assets of the company, which, however, are considerable, but these will

include certain profits realized, since the dissolution, by the new corporation of Kuttroff & Pickhardt (Inc.).

From the foregoing it will be seen that the American agent companies bearing the names of each of the six great German dye companies have been taken over. This, it is to be hoped, may interpose some difficulties in the way of any attempt on the part of the latter to reestablish themselves in this country.

The situation presented by the agencies of the German dye companies of the second rank has been less satisfactory. The great Griesheim Elektron Co. was represented in this country by two concerns, Geisenheimer & Co., a partnership between American citizens, now dissolved, and A. Klipstein, a corporation of which all the stock was held by two unrelated Klipstein families, all citizens. No trace of real German ownership could be discovered, after the most prolonged and laborious investigation, both here and abroad, by all the departments interested in either of these companies, though the business of both had been largely derived from German sources throughout their existence. The house of Weiler Termeer was represented in this country by the Geigy-Termeer Co., now the Geigy Co., in which, prior to the beginning of 1917, the German house owned 20 per cent of the stock. This stock was, however, transferred before our entrance into the war to the Swiss house of J. R. Geigy & Co., a firm in good standing with the allied Governments. It has been impossible to ascertain whether this transfer was in any respect for the benefit of the German house, but in any case the great majority of the stock of this company is in Swiss and not in German hands.

Among the chemical companies in which German interests existed outside of the dyestuff business, by far the most important was the Roessler & Hasslacher Chemical Co. This was a branch of the great Frankfort gold and silver refining company known as the Deutsche Gold und Silber Scheide-Anstalt vormals Roessler, and was organized by Messrs. Roessler and Hasslacher, two old Scheide-Anstalt employees, who came to this country to introduce the goods of the parent house. From the first, the German concern and its officers and employees owned about three-quarters of the stock of the American house. The latter prospered enormously and built up a very large business. Besides selling the products of the Scheide-Anstalt, consisting chiefly of cyanide of sodium and cyanide of potassium, it built up a very large jobbing business. In 1895 the Niagara Electro Chemical Co. was founded to manufacture metallic sodium by means of the electric power available in Niagara Falls. The sodium thus produced was used for the manufacture of cyanide of sodium in this country, a business which immediately became exceedingly profitable. The stock of this company was divided so that one-third of it went to the Scheide-Anstalt, one-third to Roessler & Hasslacher, and one-third to English interests. This company had a capitalization of $100,000, made fabulous profits, and for the five years before our entrance into the war averaged over 900 per cent in dividends annually.

Meanwhile, the Perth Amboy Chemical Works had been established, with a capital of $400,000, to manufacture formaldehyde and wood-distillation products; 1,960 of the 4,000 shares of this company were held by the Roessler & Hasslacher Co.; a similar amount by another outside German corporation, the Holzverkohlungs Industrie A. G., and a casting vote was left in the remaining 80 shares with Roessler & Hasslacher. In the summer of 1916 the officers of the Roessler & Hasslacher Chemical Co. began to ask the authorities of their parent house to transfer to them more of the stock. The first request was made in a letter which contained a distinct intimation that this change in holdings need not be permanent. In subsequent letters they insisted, as reasons for the proposed sale, that the political situation was very acute; that German-owned property in this country might be sequestered; and that if any of their goods were to be imported and were to get by the British they would have to be able to say that the company which did the importing was not German owned.

This proposition met no response. On the contrary, the Scheide-Anstalt officers replied that they did not understand what Messrs. Roessler & Hasslacher wanted; that what they proposed must either be a real or pretended sale; that if a pretended sale was what was suggested, the idea was dangerous; and that if a real sale was meant a price would have to be charged which Messrs Roessler & Hasslacher would, under no circumstances, be willing to pay. They then suggested that a confidential man should be sent over to explain just what was wanted. The letters of Mr. Hasslacher had, however, left no doubt on this score, as they had asked in the simplest possible language for a sale of the stock and had requested the Scheide-Anstalt to name their price.

In general the letters outlined the proposition as clearly as it could be stated, and the Scheide-Anstalt people can not have avoided fully understanding just what was wanted, except on the supposition that the letters didn't mean what they said and that the real proposition was one which it was dangerous to put on paper. Their refusal, at all events, even to name a price, was unequivocal. They said in substance, "Rather than part with 'the best cow in the barn,' we ought to take every risk of the political situation and trust to fighting our rights in free America." Notwithstanding this discouraging statement, Messrs. Roessler & Hasslacher did send over a confidential man as was suggested. This emissary, Mr. Oscar R. Seitz, a New York lawyer of Swiss descent with some German connections, reached Frankfort on February 1. He brought no letters of introduction, power of attorney, or means of identification. The Scheide-Anstalt people did not know for certain that a confidential man was coming, or that if so, it was to be Mr. Seitz; yet he says that after a few brief interviews in which he offered no argument, other than those which had already been stated in the letters from Mr. Hasslacher to his German intimates, the Scheide-Anstalt people agreed to sell to the American representatives the following stock: 3,800 shares of Roessler & Hasslacher, at 200; 140 shares Niagara Chemical Electric Co., at 400; 80 shares Perth Amboy Chemical Works, at 200. No counter offer was apparently made, and there seems to be no hesitation about the price, nor was there any suggestion of the purchase of the balance of the German holdings. A wireless was then, on February 6, 1917, sent to the New York office, and, upon this wireless, the stocks were transferred on the books of the companies and the necessary $860,000 was remitted to the German house. The stocks thus sold carried with them control of all three of the companies. The price paid represented a book value approximately twice as great, and the average annual dividends for the preceding five years on the three blocks of stock combined figured out at over 39 per cent on the purchase price. As regards the Niagara stock, the book value was nearly four times the purchase price, while the average dividends for five years figure out an annual return of 225 per cent on the purchase price.

These facts, and a host of additional circumstances likewise pointing inevitably to the conclusion that this sale was not genuine, were brought out in a prolonged proceeding conducted by my representative before the attorney general of the State of New York, who had the power to subpœna witnesses. In the meantime the 47 per cent of the stock of the Roessler & Hasslacher Chemical Co., which was admittedly still German owned, had already been taken over. I thereupon determined, by virtue of the authority conferred upon me by the trading-with-the-enemy act and by the presidential proclamations thereunder, that the stock ostensibly transferred in February, 1917, was in fact still German owned; and accordingly I thereupon issued demands for it. This proceeding will result in the Americanization of the most important German-owned chemical companies outside of the dye industry.

Next to Roessler & Hasslacher in importance among companies of the same class is the Heyden Chemical Works. This was the subsidiary of the Chemische Fabrik von Heyden, of Radebeul, Germany, and manufactures salicylic acid and its derivatives, formaldehyde, saccharin, the medicines usually known by their proprietary names aspirin and urotropin, benzoate of soda, and many other valuable products. Of late years it has become enormously successful. Prior to the year 1917 all the stock was owned by the German company, and in addition the American concern was tied by a contract with its parent house under which all the earnings of the American concern over 8 per cent went to the German house in payment for processes and information.

When my investigation commenced all of the stock except three shares stood in the name of T. Ellett Hodgskin, a New York lawyer, who had for some time represented the firm. After considerable examination it was ascertained that this stock, which had been transferred just before our entrance into the war, had been paid at par with a sum of $149,000 borrowed by Mr. Hodgskin for the purpose from Richard Kny, father-in-law of George Simon, a German subject and the manager of the company, under an agreement contained in a letter from Mr. Hodgskin to the effect that he would thereafter retransfer it at cost. Richard Kny, it will be remembered, was the partner of Schweitzer in the Chemical Exchange Association, and he was also the ostensible owner of the Kny-Scheerer Chemical Co., which also turned out to be a purely German-owned concern, and has been taken over as such. Thorough investigation resulted in the practical admission that this transfer was mere camouflage, and accordingly the stock has been demanded and taken over. Mr. Hodgskin is now under indictment for his participation in similar proceedings in respect to another company. This stock and other rights of the German house in the American company have been sold at public auction to the Monsanto Chemical Works for $605,000 plus taxes and profits of 1917 and 1918, but the sale has not yet been confirmed by the sales committee.

An almost exactly similar situation was disclosed by the investigation of Bauer Chemical Co., a much smaller concern manufacturing pharmaceuticals, especially the widely advertised "Sanatogen" and "Formamint." In this company also the stock, which was really the property of the Berlin house of Bauer & Co., appeared by a fictitious transaction to have passed into the hands of Mr. Hodgskin. The fictitious character of the transaction in this company also has been admitted and the stock has been taken over.

Another method of concealment was disclosed in the investigation of American Pyrophor Co. (Inc.). This company was organized in December, 1917, by Charles Ganz, former agent of the Treibacher Chemische Werke, of Treibacher, Austria, and to it Ganz transferred, without authority, the entire business of the Treibacher company in this country, a business consisting of the manufacture of pyrophor, an alloy of iron and cerium, which, when struck or scratched, produces fire and is used for cigar lighters, etc. Here, after investigation, the unauthorized character of the transfer was so clearly shown that it was admitted, and upon demand the stock of the company was turned over. In this, as in many other like cases, it was impossible to determine whether the ostensible new owner of the business meant to keep it for the alien enemies or to steal it for himself.

In pharmaceuticals, the most important concern in the world was that of E. Merck, of Darmstadt. This was represented in this country by Merck & Co., a New York corporation, which had an enormous and very profitable business in all kinds of medicinal preparations. The stock of this company appeared on the books to be owned exclusively by George Merck, a member of the family which owns the house of E. Merck, of Darmstadt. Investigation, however, showed that the profits of this company had always been remitted to the German house in a manner utterly inconsistent with the apparent stock ownership, and it now stands admitted that the stock was paid for with money of the German house and belongs to the latter. Mr. George Merck insists that he is the real owner of one-fifth of this stock by virtue of the fact that he owns 20 per cent interest in E. Merck, of Darmstadt. I am of the opinion, however, that indirect ownership of this kind can not be recognized under the trading-with-the-enemy act, and I have therefore determined that the whole of this stock is enemy owned and it has accordingly been taken over.

In addition to the above, I have taken over all or part of the stock of the following less important companies engaged in various lines of chemical activity: Charles Helmuth & Co. (Inc.); International Ultramarine Works; G. Siegele & Co.; Williamsburgh Chemical Co.; New Brunswick Chemical Co.; Fahlberg Saccharine Co.; Philipp Bauer & Co. (Inc.); Amid-Duron Co.; Haarmann-de-Laire-Shaefer Co.; Jarecki Chemical Works; Riedel & Co (Inc.); Rohm & Haas; Somerset Chemical Co.; Tropon Works; Gerstendorfer Bros.; German Kali Works; F. Ad Richter Co. The liquidation of the German interests in these companies is proceeding in due course.

The amendment of November 4 to the trading-with-the-enemy act presented for the first time an opportunity for what appears to me to be the most important piece of constructive work which has been possible in my department. Until the enactment of this amendment it had not been possible to take over German patents. These patents, as had been already indicated, formed a colossal obstacle to the development of the American dyestuff industry. Evidently they had not been taken out with any intention of manufacturing in this country or from any fear of American manufacture, which the Germans apparently thought could not be successfully carried on under conditions prevailing in this country in regard to costs and to the supply of technicians and skilled labor. Upon consideration, however, it seemed that these patents offered a possible solution for the problem, hitherto unsolvable, of protecting the new American dye industry against German competition after the war. If they were not taken out in order to prevent American competition they must have been obtained as a weapon against competing imports. If they were sufficient to stop importation of competing Swiss, French, and English dyes, they would presumably serve, in American hands, to stop the importation of German dyes. This was particularly probable in the case of the product patents, since

most of the coal-tar dyestuffs are definite chemical combinations to which a product patent is entirely applicable.

The idea was accordingly conceived that if the German chemical patents could be placed in the hands of any American institution strong enough to protect them, a real obstacle might be opposed to German importation after the war, and at the same time the American industry might be freed from the prohibition enforced by the patents against the manufacture of the most valuable dyestuffs. Accordingly, these considerations were laid before various associations of chemical manufacturers, notably the Dye Institute and the American Manufacturing Chemists' Association. The suggestion was met with an instantaneous and enthusiastic approval, and as a result a corporation has been organized to be known as the Chemical Foundation (Inc.), in which practically every important American manufacturer will be a stockholder, the purpose of which is to acquire by purchase these German patents and to hold them as a trustee for American industry, "for the Americanization of such institutions as may be affected thereby, for the exclusion or elimination of alien interests hostile or detrimental to the said industries, and for the advancement of chemical and allied science and industry in the United States." The voting stock is to be placed in a voting trust, of which the trustees are to be the five gentlemen who for months have been acting as the sales committee, which passes upon sales made by my department; that is to say, George L. Ingraham, former presiding justice of the appellate division, first department, New York Supreme Court; Otto T. Bannard, president New York Trust Co.; Cleveland H. Dodge; B. Howell Griswold, jr., senior partner of Brown Bros., bankers, Philadelphia; Ralph Stone, president Detroit Trust Co., and the charter is so framed that under the patents nonexclusive licenses only can be granted on equal terms to all proper applicants, and must be granted to the United States free of cost. The company is capitalized at $500,000, of which $400,000 is to be 6 per cent cumulative preferred stock and $100,000 common stock, also limited to 6 per cent dividends. The first president of the Chemical Foundation (Inc.) will be Francis P. Garvan, of the New York bar, to whose clear vision and indefatigable industry I am chiefly indebted in the working out of this plan. By Executive order obtained under the provisions of the act I have sold to this company for the sum of $250,000 approximately 4,500 patents, the remaining $250,000 has been provided for working capital, so that the company may be able to commence immediately and prosecute with the utmost vigor infringement proceedings whenever the first German attempt shall hereafter be made to import into this country. The charter of the corporation provides that surplus income is to be used for the retirement of the preferred stock and thereafter for the advancement of chemical and allied science and industry. The price thus paid was necessarily determined somewhat arbitrarily; the great majority of the patents were presumably valueless. The value of the remainder was entirely problematical and impossible to estimate.

Substantially the entire industry having combined for the purpose of this purchase, it would have been impossible on public sale to find as a bidder any legitimate manufacturer. No other bidder could, therefore, have been found on public sale except some speculative individual who might have bought them for purposes practically amounting to commercial blackmail. The combination was not objectionable to public policy since it was so organized that any genuine American, whether a stockholder of the company or not, could secure the benefits of the patents on fair and equal terms.

It is submitted that the organization of this institution constitutes the most important step that has been taken for the protection of the new industry. Tariff protection has proved utterly unavailing in the past. The German industry as hitherto organized, and still more as now organized, has had so much to gain by extending its foreign trade and by destroying the industry in other countries that it would undoubtedly give away its goods in this country for nothing in order to recover the American market. The Chemical Foundation, however, should prove a power sufficient to discourage in a most effective manner any German attempts in this direction. If, as their newspapers boast, the Germans have during the war worked out entirely new dyes superior to their past productions, the protection afforded by it will be invaluable. It has been the uniform experience of the industry that the introduction of new classes of dyestuffs follows only several years after the patenting of the original inventions on which their manufacture depends. Accordingly, the later dyes of to-day depend largely upon the patents of three or four years ago. The patents transferred to the Chemical Foundation include many German patents of 1917 and even of 1918, and also many applications still pending. These patents undoubtedly include the results of the research upon which must be based the manufacture of any new dyes which the Germans are now able to produce and market. Accordingly, at the very least, the institution will be able to protect the American industry for a considerable period, and this should be all it needs. It appears to be the universal view of the more competent manufacturers in this country that, given five years of freedom from German competition, the American industry can hold its own. Probably only a measure such as the embargo which appears to have been imposed by the British and French against all foreign dye importations can furnish this protection to the degree necessary to insure the safety of the American industry; but short of such an embargo, the Chemical Foundation would seem to furnish all the aid that possibly can be given.

At the same time the new institution promises an incalculable benefit not only to the dye and chemical industries, but to the whole American manufacturing world. The opportunities which it can offer and the rewards which it can hold out to competent research scientists should far exceed those of any institution unconnected with industry, and it may well, therefore, form the nucleus of the greatest research organization in the country.

TERMINATION OF WAR WITH GERMANY.

Mr. LODGE. Mr. President, I had hoped to be able to call up the peace resolution on Monday, but a number of Senators are away who will return on Monday or Tuesday. Therefore, I give notice that I shall call up the peace resolution on Tuesday immediately after the conclusion of the routine morning business.

ADJOURNMENT.

Mr. CURTIS. I move that the Senate adjourn.

The motion was agreed to; and (at 3 o'clock and 35 minutes p. m.) the Senate adjourned until Monday, May 10, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, *May 8, 1920.*

The House met at 12 o'clock noon.

The Clerk, Mr. William Tyler Page, offered the following prayer:

O Almighty God, who alone canst order the unruly wills and affections of sinful men, grant unto the people of the United States that they may love the thing which Thou commandest, and desire that which Thou dost promise, that so, among the sundry and manifold changes of this troublous world, our hearts may surely there be fixed where true joys are to be found; through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted—

To Mr. ELSTON, indefinitely, on account of official business.

To Mr. WHEELER, for 10 days, on account of important business.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Duley, its enrolling clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11960) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921.

The message also announced that the Senate had agreed to the amendment of the House of Representatives to the bill (S. 795) to provide for the disposition of public lands withdrawn and improved under the provisions of the reclamation laws and which are no longer needed in connection with said laws.

RETIREMENT OF CIVIL-SERVICE EMPLOYEES—CONFERENCE REPORT.

Mr. LEHLBACH. Mr. Speaker, I call up the conference report on the bill (S. 1699) for the retirement of employees in the classified civil service, and for other purposes, and I ask unanimous consent that the statement of the House conferees be read in lieu of the report.

The SPEAKER. The gentleman from New Jersey calls up the conference report on the retirement bill and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1699) for the retirement of employees in the classified civil service, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 2, 4, 8, 9, and 15.

That the Senate recede from its disagreement to the amendments of the House numbered 1, 5, 6, 10, 11, 13, 14, 16, and 19, and agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment as follows: Strike out the words "sixty-two" and "sixty" where they occur and insert in lieu thereof the words "sixty-five" and "sixty-two," respectively, so that the amendment shall read: "*Provided*, That mechanics, city and rural letter carriers, and post-office clerks shall be eligible for retirement at 65 years of age, and railway postal clerks at 62 years of age, if said mechanics, city and rural letter carriers, post-office clerks, and railway postal clerks shall have rendered at least 15 years of service computed as prescribed in section 3 of this act"; and the House agree to the same.

Amendment numbered 7: That the Senate recede from its disagreement to the amendment of the House numbered 7, and agree to the same with an amendment as follows: Restore the original language stricken out, adding thereto the words "or by other competent authority," so that the amendment shall read: "appointed directly by the commissioners or by other competent authority"; and the House agree to the same.

Amendment numbered 12: That the Senate recede from its disagreement to the amendment of the House numbered 12, and agree to the same with an amendment as follows: In lieu of the language proposed by the House insert the following: "*Provided*, That no person employed in the executive departments within the District of Columbia, retired under the pro-

visions of this act during the fiscal year ending June 30, 1921, shall be replaced by additional employees, but if the exigencies of the service so require, places made vacant by such retirement may be filled by promotion or transfer of eligible employees already in the service"; and the House agree to the same.

Amendment numbered 17: That the Senate recede from its disagreement to the amendment of the House numbered 17, and agree to the same with an amendment as follows: After the word "redeposited," insert the words "with interest," so that the amendment shall read: "*Provided*, That all moneys so returned to an employee must be redeposited with interest before such employee may derive any benefit under the provisions of this act, upon reinstatement or retransfer to a classified position"; and the House agree to the same.

Amendment numbered 18: That the Senate recede from its disagreement to the amendment of the House numbered 18, and agree to the same with an amendment as follows: Between the words "be" and "entitled," in line 8 of the amendment, insert the word "legally," so that the amendment shall read: "*Provided*, That if in case of death the amount of deductions to be paid under the provisions of this section does not exceed $300, and if there has been no demand upon the Commissioner of Pensions by a duly appointed executor or administrator, the payment may be made, after the expiration of three months from date of death, to such person or persons as may appear in the judgment of the Commissioner of Pensions to be legally entitled to the proceeds of the estate, and such payment shall be a bar to recovery by any other person"; and the House agree to the same.

FREDERICK R. LEHLBACH,
LOUIS W. FAIRFIELD,
HANNIBAL L. GODWIN,
Managers on the part of the House.

THOMAS STERLING,
ALBERT B. CUMMINS,
KENNETH MCKELLAR,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes on the amendments of the House to the bill (S. 1699) for the retirement of employees in the classified civil service, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the committee of conference submitted in the accompanying conference report as to each of the said amendments, namely:

On amendment No. 1: Struck out the words "and approval" from the phrase "90 days next following the passage and approval of this act." The Senate recedes from its disagreement.

On amendments 2 and 3 the Senate bill provided for a uniform retirement age of 70 years for all employees.

On amendment No. 2: Struck out "seventy" and inserted "sixty-five." The House recedes from this amendment.

On amendment No. 3: "*Provided*, That mechanics, city and rural letter carriers, and post-office clerks shall be eligible for retirement at 62 years of age and railway postal clerks at 60 years of age." The Senate recedes from its disagreement and agrees to the amendment with an amendment which fixes the retirement age of the first class at 65 years and of the railway postal clerks at 62 years.

On amendment No. 4: Included under the provisions of the act "American citizens who are employees of the Panama Canal above the grade of laborer." The House recedes.

On amendments Nos. 5 and 6: Included employees of the Superintendent of the United States Capitol Building and Grounds and the Botanic Gardens. The Senate recedes from its disagreement.

On amendment No. 7: Struck out from the provisions including regular annual employees of the District of Columbia the words "appointed directly by the commissioners." The Senate recedes from its disagreement, agrees to the amendment with an amendment restoring this language and add thereto "or by other competent authority."

On amendment No. 8: Made the provisions of the act retroactive to September 30, 1919. The House recedes.

On amendment No. 9: Provided for higher annuities in cases of employees whose contributions would equal the present worth of such higher annuity. The House recedes.

On amendment No. 10: Clarifies the provision excluding military service upon which pension or compensation is based. The Senate recedes from its disagreement.

On amendment No. 11: Excludes from the computation of the period of service so much of any period of leave of absence as may exceed six months. The Senate recedes.

On amendment No. 12: Provides "That no person employed within the District of Columbia retired by reason of the provisions of this act during the fiscal year ending June 30, 1921, shall be replaced by additional employees." The Senate recedes from its disagreement with an amendment so that this proviso shall read: "*Provided*, That no person employed in the executive departments within the District of Columbia, retired under the provisions of this act during the fiscal year ending June 30, 1921, shall be replaced by additional employees, but if the exigencies of the service so require, places made vacant by such retirement may be filled by promotion or transfer of eligible employees already in the service."

On amendments 13 and 14: Provides for the approval as well as certification of the Civil Service Commission in cases of retention in active service of employees after retirement age. The Senate recedes from its disagreement.

On amendment No. 15: Provides for six years' retention in service after retirement age in place of four years. The House recedes.

On amendment No. 16: Substitutes the words "becoming eligible for retirement on an annuity" in the place of "reaching the retiring age" in the provision for return of contributions upon leaving the service. The Senate recedes from its disagreement.

On amendment No. 17: Provides that all money returned to an employee upon his severance from the classified service must be redeposited upon reinstatement before benefits under the provisions of this act revert. The Senate recedes from its disagreement and agrees with an amendment providing that such money must be redeposited with interest.

On amendment No. 18: Provides that the Commissioner of Pensions may pay over the balance of contributions to the estate of a deceased employee or annuitant, where the sum does not exceed $300 and no letters testamentary or of administration have been taken out, to the person in his judgment entitled thereto. The Senate recedes from its disagreement and agrees with an amendment which inserts the word "legally" before "entitled."

On amendment No. 19: Struck out the words "for the fiscal year ending June 30, 1920," in the authorization for an appropriation for the administration of the law. The Senate recedes from its disagreement.

FREDERICK R. LEHLBACH,
LOUIS W. FAIRFIELD,
HANNIBAL L. GODWIN,
Managers on the part of the House.

Mr. LEHLBACH. Mr. Speaker, the only serious point of disagreement between the two Houses was with respect to the retiring age fixed in the bill. The amendment to the original bill adopted by the Senate and incorporated in the bill as it came to the House established a uniform retirement age of 70 years for all classes of employees. Amendments 2 and 3 of the House not only reduced the age of retirement but established two other classes for whom an earlier retirement age was fixed. One class was for mechanics, city and rural mail carriers, and post-office clerks, and the second class was for railway postal clerks. The reason for the differentiation between those two classes and the general run of employees was obviously the more arduous duties and the earlier superannuation that experience shows does result in those services.

Mr. CLARK of Missouri. Will the gentleman yield?

Mr. LEHLBACH. Yes; for a question.

Mr. CLARK of Missouri. What age was finally agreed upon?

Mr. LEHLBACH. That is what I was about to state. As far as the general run of employees are concerned, those who work in clerical positions here in the departments, the age was fixed in conference at 70 years, which was the age in the Senate bill, but the conferees agreed that as to the classes who perform arduous manual labor, some of them under climatic conditions that tend to undermine health, namely, the letter carriers, mechanics, and post-office employees, the age for them was fixed at 65 years, and for the most strenuous form of public employment—railway mail clerks—it was fixed at 62 years.

The conferees were unanimous in reaching that conclusion.

Mr. CLARK of Missouri. Did the gentleman read an article in the Washington Star in which it was figured out that this bill would save the United States Government four or five million dollars a year?

Mr. LEHLBACH. I did not read it, but I have no doubt that that will be the effect of this bill.

Mr. CLARK of Missouri. To save money?

Mr. LEHLBACH. To save money, yes; not only to save money indirectly by increasing the efficiency of Government employees but actually save cash money.

Mr. CLARK of Missouri. I am glad to hear it.

Mr. BLANTON. Does the gentleman suppose we can make the people of the United States believe that?

Mr. LEHLBACH. The people of the United States, at least in most sections of the United States, are intelligent and reasonably educated, and, of course, there will be no difficulty in getting them to understand it.

The other amendment to which I wish to advert is the so-called Dickinson amendment, which prohibits replacement. We have preserved that amendment but changed the verbiage, so that its true intent and meaning have been clarified.

I yield two minutes to the gentleman from Wyoming [Mr. MONDELL], and then I will move the previous question.

Mr. MONDELL. Mr. Speaker, the action of the House in agreeing to the conference report on the bill for the retirement of employees in the classified civil service completes the action of the House on this highly important legislation, and practically assures its adoption as a part of the law of the land.

Thus, Mr. Speaker, the Sixty-sixth Congress shall have placed to its credit another of those far-reaching constructive measures for which forward-looking, progressive-thinking men have long labored earnestly.

Mr. BLANTON. Mr. Speaker, if we are going to spend much time in such eulogies of the Sixty-sixth Congress, I think we ought to have a quorum here.

Mr. MONDELL. This session of this Congress will pass into history conspicuous for its record of efficiency, economy, and constructive enactments, and among these latter none will entitle the Congress to the favorable consideration of the country more than this bill, which will add to the stability, efficiency, and economy of the public service, and relieve deserving and faithful public servants from the haunting fear of a penniless old age.

Mr. MANN of Illinois. Mr. Chairman, will the gentleman from New Jersey yield to me two minutes?

Mr. LEHLBACH. I yield to the gentleman from Illinois two minutes.

Mr. MANN of Illinois. Mr. Chairman, I notice that the conference report agrees to the amendment which strikes out, in section 15, the words:

For the fiscal year ending June 30, 1920.

That leaves the section to read:

SEC. 15. That there is hereby authorized to be appropriated, from any moneys in the Treasury not otherwise appropriated, the sum of $100,000 for salaries and for clerical and other services, the purchase of books, office equipment, stationery, and other supplies, and all other expenses necessary in carrying out the provisions of this act, including traveling expenses and expenses of medical and other examinations as provided in section 5 hereof.

The original provision made an authorization of an appropriation for the current fiscal year. This makes an authorization for an appropriation for these services, apparently limited hereafter to $100,000. I do not know what the effect of it will be, but I expect when the $100,000 is exhausted somebody will make the point of order that Congress, having specifically limited the amount which could be appropriated for these purposes, can not put in an appropriation bill anything for this purpose against a point of order. It may require an amendment to the law.

Mr. LEHLBACH. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

On motion of Mr. LEHLBACH, a motion to reconsider the vote whereby the conference report was agreed to was laid on the table.

Mr. LEHLBACH. Mr. Speaker, I ask unanimous consent that the bill (H. R. 3149) providing for the retirement of civil-service employees, of the same tenor as the bill S. 6199 and which is on the calendar, be laid on the table.

The SPEAKER. The gentleman from New Jersey asks unanimous consent that the bill H. R. 3149 be laid on the table. Is there objection?

There was no objection.

Mr. CALDWELL. Mr. Speaker, I make the point of order that no quorum is present. I do this because the Republican side of this House, which can not keep a quorum here, has continuously refused me an opportunity to speak.

The SPEAKER. The gentleman from New York makes the point of order that no quorum is present. Evidently there is no quorum present.

Mr. GOOD. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names.

Andrews, Md.	Dewalt	Kahn	Reber
Anthony	Donovan	Kelly, Pa.	Rhodes
Ayres	Dooling	Kendall	Riordan
Bacharach	Drane	Kennedy, Iowa	Robinson, N. C.
Baer	Dyer	Kennedy, R. I.	Rodenberg
Bankhead	Eagan	Kettner	Rose
Benson	Edmonds	Kiess	Rouse
Blackmon	Ellsworth	Kitchin	Rowan
Bland, Ind.	Elston	Kreider	Sabath
Bowers	Emerson	Lankford	Sanders, Ind.
Brand	Ferris	Lazaro	Scully
Brinson	Fields	Lee, Ga.	Sears
Britten	Gard	Lesher	Shreve
Brooks, Pa.	Garrett	Lonergan	Siegel
Burke	Goldfogle	Longworth	Slemp
Butler	Goodall	McCulloch	Smith, Ill.
Byrnes, S. C.	Goodwin, Ark.	McFadden	Smith, N. Y.
Campbell, Kans.	Gould	McKinley	Snell
Cantrill	Graham, Pa.	Maher	Snyder
Caraway	Griest	Mann, S. C.	Steagall
Carew	Griffin	Martin	Steele
Carss	Hamill	Mason	Steenerson
Carter	Hamilton	Mead	Stephens, Ohio
Casey	Harrison	Moon	Strong, Pa.
Clark, Fla.	Hastings	Mooney	Sullivan
Cleary	Haugen	Moores, Ind.	Summers, Wash.
Cooper	Hayden	Morin	Temple
Copley	Hays	Neely	Tillman
Costello	Heflin	Nelson, Wis.	Tinkham
Crago	Hernandez	Nolan	Upshaw
Cramton	Hill	O'Connell	Vare
Crisp	Hulings	O'Connor	Walters
Cullen	Humphreys	Pell	Ward
Curry, Calif.	Husted	Phelan	Weaver
Dale	Hutchinson	Platt	Wheeler
Dempsey	Igoe	Porter	Williams
Denison	Johnston, N. Y.	Pou	
Dent	Jones, Pa.	Ramsey	

The SPEAKER. On this call 276 Members have answered to their names. A quorum is present.

Mr. GOOD. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

PERSONNEL OF THE NAVY AND COAST GUARD.

Mr. KELLEY of Michigan. Mr. Speaker, at the request of the gentleman from Pennsylvania [Mr. BUTLER], chairman of the Committee on Naval Affairs, I present a conference report to be printed in the RECORD under the rule.

The SPEAKER. The Clerk will report the title.

The Clerk read as follows:

A bill (H. R. 11927) to increase the efficiency of the personnel of the Navy and Coast Guard through the temporary provision of bonuses or increased compensation.

THE NATIONAL GUARD.

Mr. MONAHAN of Wisconsin. Mr. Speaker, I ask unanimous consent to insert in the RECORD a letter and note connected with it that I have received relative to the organization of the National Guard. This comes from the adjutant general of the State of Wisconsin.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to print in the RECORD the letter and note to which he refers. Is there objection?

Mr. CALDWELL. Reserving the right to object, and I shall not object, I would like to ask the gentleman if this is the National Guard Association plan or the plan of the adjutant general?

Mr. MONAHAN of Wisconsin. It is virtually opposing the Wadsworth amendment to the present Army bill.

The SPEAKER. Is there objection?

There was no objection.

The letter and note are as follows:

STATE OF WISCONSIN,
THE ADJUTANT GENERAL'S OFFICE,
Madison, Wis., May 4, 1920.

Hon. JAMES G. MONAHAN,
Washington, D. C.

MY DEAR SIR: May I ask your immediate consideration of the inclosed memorandum relating to the amendments (Senator WADSWORTH) of H. R. 12775, Army reorganization bill, and such action as is possible to prevent their adoption.

The reasons why this very urgent request is preferred are fully given in the memorandum.

Sincerely, yours,

ORLANDO HOLWAY,
The Adjutant General, Wisconsin.

Senate amendments, Army reorganization bill, H. R. 12775.

STATE OF WISCONSIN,
THE ADJUTANT GENERAL'S OFFICE,
Madison, Wis., May 3, 1920.

If the proposed Senate amendments become law, the entire military code of the State of Wisconsin, and quite certainly of most, if not all, other States, becomes at once inoperative in respect of the National Guard in its changed status, and all State appropriations for military purposes unavailable for their use, since both code and appropriations were made for Organized Militia of the State and not for Federal troops stationed within the State in whatever degree these may be subject to the governor's orders. Possibly State legislatures have the right to appropriate moneys, and may in time do so, for the maintenance of soldiers not enlisted in the State service, but the contrary opinion will be eagerly seized upon and pressed by the many who oppose and wish to minimize appropriations for military purposes.

In the meantime the National Guard will either not be formed, or, if now formed, go down through lack of proper support. In like case with many others, this State, if the law is enacted, is confronted with the necessity of immediately mustering out 4,000 and over officers and men who are already commissioned and enlisted under the national-defense act oath. There will be no authority to continue in their behalf any of the usual State allowances for armory rentals, for care of property, or for other legitimate company expenses which have aggregated annually a sum approximately $250,000,000.

Under the national-defense act authority is reserved to the States to train their troops according to the discipline prescribed by Congress. Under the proposed law State governors are entirely divested of this authority. State armory drills and the dates, the duration, and even the location of camps and schools of instruction will be fixed not by arrangement and order of State governors but at the will of the War Department, which, in practice, will customarily intrust camp details to the respective Army corps commanders within whose jurisdiction the States concerned are comprised.

Those who favor the enactment of the Senate amendments seek to convey the impression that the force to be organized in pursuance of these amendments will be largely and usually under the control and subject to the orders of the several State governors.

In reality the exact contrary is true.

It is almost entirely through their authority to organize and to train the militia according to the discipline prescribed by Congress that State governors have had to do with the Organized Militia of the several States.

Under the proposed system this authority, both as to organization and training, ceases to exist.

Practically, a State governor will have occasion to use and to issue his orders to State troops only in emergencies arising from public disasters or riots, actual and threatened.

Such occasions are, fortunately, very infrequent. During the past 40 years, for instance, the governor of Wisconsin has called detachments of the organized militia of the State into active service on account of public disaster or threatened riot only seven times. The largest force called at any time was a regiment, and on the other occasions a battalion or less sufficed.

The history of other States in this respect does not vary materially from that of Wisconsin. Even in these rare occasions the language of the amendments (p. 64), "entitled to use," and of the National Guard oath of enlistment, "subject to the Constitution and laws of the United States," renders exceedingly doubtful whether an application to the President of the United States or the War Department official to whom the President's authority may have been delegated, must not in each case be first made by a State governor before the latter may use the troops which the law merely entitles him to use.

A governor, as State executive, is by the law qualified for the direct command of the troops in question, is furnished with grounds to seek or claim such command successfully, but he must first ask for it. In practice the law will be so construed.

But this objection is of minor importance in comparison with the effect of the proposed amendments on National Guard recruitment.

In connection with the placing of the administration of all military training in the sole and direct charge of the War Department, it should be noted that the proposed law puts no maximum limit on the duration of annual training camp periods. There must be in each year at least 15 days of such training, and may be as many more as the War Department shall require. But whether the camp period or periods extend 15 days or more, the national guardsman, by reason of his enlistment oath, is compelled to attend. If he is absent, he is specifically by the law made subject to court-martial, not as a member of the Organized Militia but under the drastic and rigid rules which govern Army courts-martial. He is even subject to the same procedure for nonattendance at drills at his local station.

Whether or not a procedure that may involve such severe penalties is necessary, the widespread odium which has attached to recent Army courts-martial and their excessive sentences will quite completely deter from enlistment in a Federalized National Guard. Few men will voluntarily assume the onerous duties of guard service, if minor derelictions in such service may subject them to months and even years of imprisonment at Fort Leavenworth or elsewhere. It is of little use to represent to the men that the authority for such courts-martial is necessarily in the proposed law, but will be exercised only in extreme cases. Influenced by the record of past courts-martial and sentences, they are so fearful of the contrary that they will not put their personal liberty in jeopardy by enlistment.

I am firmly convinced that only a few weak units of Federalized National Guard can be formed. Verbiage stripped away, what is required of the members of this force is, after all, enlistment in the Army of the United States. The success of the Regular Army recruiting service, with a multitude of officers and men under pay and with apparently unlimited funds for advertising and other expenses, does not augur well for the recruitment of a Federalized National Guard which has none of these aids and advantages.

With so much that will be certainly lost, it is difficult to comprehend what is to be gained by the enactment of the Senate bill as now proposed.

Training and discipline of the troops, if there are any, remain the same, the change being merely in the administration. Officers, if there is occasion for them, are to be selected from the same eligible classes and under conditions which practically assure the selection of the same persons as under the present law. Power is not even shorn away from much-berated State adjutants general, except as it is proposed to be taken from State governors, without whose orders adjutants general have no authority.

The uses of the proposed State troops in contradistinction to organized militia are certainly not amplified, but are, on the other hand, restricted.

George Washington, whose precepts have been quoted much as the devil uses Holy Writ, said in his last message to Congress (1795): "In my opinion Congress has power by the proper organization, disciplining, equipment, and development of the militia to make it a national force capable of meeting every military exigency of the United States." What reason is there now to discredit this well-considered counsel?

The national-defense act (June 3, 1916) is the first fairly adequate step taken by Congress toward such proper organization, disciplining, equipping, and development of the organized militia. The peace-time operation of this law was confined to a few months. Yet the force, aggregating nearly 400,000 officers and men, which came into being in consequence of the law, has proven in war its equality with the best.

Why change the system now except by amendments that will tend to assure more rapid development of the National Guard in its present status and provide means and facilities for a greater amount of training?

With the status of the organized militia clearly defined in law, there is less real opportunity for misunderstanding and jealous rivalry, less occasion for cleavage than would arise between officers, permanent and reserve. The organized militia, whether officers or men, would remain as it is, a citizen army whose military service would be without thought of permanency and for protective and defensive purposes only. The permanent officers who served with and helped the militia would receive in their degree the same regard and reward that was given to Grant and Sherman.

O. HOLWAY,
The Adjutant General, Wisconsin.

SUNDRY CIVIL APPROPRIATION BILL.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13780, the sundry civil appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the sundry civil appropriation bill, with Mr. ANDERSON in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. Without objection the pro forma amendment is withdrawn, and the Clerk will read.

There was no objection, and the Clerk read as follows:

For care and maintenance of greenhouses, Executive Mansion, $9,000.

Mr. CALDWELL. Mr. Chairman, I move to strike out the last word. I do so for the purpose of asking unanimous consent to proceed for 10 minutes out of order. I assure the Members of the House that what I have to say is very pertinent to the bill, and that I do not intend to be personal in my remarks. I merely want to say something that I had in my mind yesterday, and I hope there will be no objection to my request.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for 10 minutes out of order. Is there objection?

Mr. GOOD. Mr. Chairman, reserving the right to object, we have had three days, or almost three days, of general debate upon this bill, when the widest latitude was given to speak upon any subject. We now have been trying to read the bill for three days and have read only 63 pages. I shall be constrained to object to any request for unanimous consent while we are reading the rest of the bill for any remarks that are made out of order. We must confine our consideration of the bill to debate of the items of the bill if we are to finish it.

Mr. CALDWELL. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. CALDWELL. I will say to the gentleman that I did not have opportunity to speak upon the bill under general debate. I have not talked upon anything except a little while yesterday, when a matter was brought up in which I am particularly interested. Ordinarily I do not participate in discussion of legislation of which I have not made some special study. I have made a study of this subject, and I think the gentleman will facilitate the passage of his bill if he will give me 10 minutes.

Mr. GOOD. Mr. Chairman, if the gentleman be granted time to speak out of order, as in general debate, then some one will want to reply. Then some one will want to make another reply, and such a course does not facilitate the passage of the bill. If the gentleman's request be granted, then the request of any of the other 434 Members for the same thing must be granted.

The CHAIRMAN. Does the gentleman from Iowa object?

Mr. GOOD. I object.

The CHAIRMAN. The gentleman from Iowa objects, and the gentleman from New York [Mr. CALDWELL] is recognized for five minutes on the pro forma amendment.

Mr. CALDWELL. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. Without objection the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

For lighting the Executive Mansion, grounds, and greenhouses, including all necessary expenses of installation, maintenance, and repair, $8,600.

Mr. CALDWELL. Mr. Chairman, I move to strike out the last word. Yesterday a statement was made on the floor of the House——

Mr. CANNON. Mr. Chairman, I did not hear the amendment. Is it to strike out the figures "$8,600," at the top of page 63, for lighting the Executive Mansion?

Mr. CALDWELL. Mr. Chairman, I made the pro forma amendment to strike out the last word, and the gentleman from Illinois will understand that it is only for the purpose of getting the floor. If anyone objects to any statement that I make, I shall take my seat in an orderly way. Yesterday the statement was made that the graves registration service should not have the amount of money asked for, to wit, $485,000.

Mr. GOOD. Mr. Chairman, I am obliged to make the point of order that the gentleman is not speaking to the amendment.

The CHAIRMAN. The gentleman from New York will proceed in order.

Mr. CALDWELL. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Lighting the public grounds: For lighting the public grounds, watchmen's lodges, offices, and greenhouses at the propagating gardens, including all necessary expenses of installation, maintenance, and repair, $24,000.

Mr. CALDWELL. Mr. Chairman, I move to strike out the last word. In that statement, as I was saying, they said that they were swivel-chair jobs in that service. I have before me a charge prepared in the War Department which I presume the chairman of the committee does not want to have put into the RECORD——

Mr. GOOD. Mr. Chairman, I make the point of order that the gentleman is not speaking to the amendment.

Mr. CALDWELL. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

For heating offices, watchmen's lodges, and greenhouses at the propagating gardens, $4,500.

Mr. CALDWELL. Mr. Chairman, I move to strike out the last word. The last word here, Mr. Chairman, is "$4,500." I call the attention of the House to the fact that in the chart that I referred to a moment ago there is not a single item carrying a salary greater than $2,250, and that the head of no bureau besides that receives more than $2,000.

Mr. GOOD. Mr. Chairman, I make the point of order that the gentleman is not in order.

The CHAIRMAN. The gentleman from Iowa makes the point of order.

Mr. CALDWELL. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Telegraph to connect the Capitol with the departments and Government Printing Office: For care and repair of existing lines, $500.

Mr. CALDWELL. Mr. Chairman, I move to strike out the last word. Yesterday it was said that these places were held by Democrats. I have made an investigation and find——

Mr. GOOD. Mr. Chairman, I make the point of order that the gentleman is not in order.

The CHAIRMAN. The gentleman from Iowa makes the point of order that the gentleman from New York is not in order. The gentleman will proceed in order.

Mr. CALDWELL. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

Washington Monument: For custodian, $1,200; steam engineer, $960; assistant steam engineer, $840; fireman, $660; assistant fireman, $660; conductor of elevator car, $900; attendants—one on floor $720, one on top floor $720; three night and day watchmen, at $720 each; in all, $8,820.

Mr. CALDWELL. Mr. Chairman, I move to strike out the last word.

Mr. MADDEN. Mr. Chairman, I make the point of order that that motion is dilatory.

The CHAIRMAN. The Chair thinks that the gentleman from New York has the right to make the pro forma amendment. The gentleman from New York is recognized.

Mr. CALDWELL. As I said, I have investigated, and I find 51 male employees there, of whom 40 are Republicans.

Mr. GOOD. Mr. Chairman, I make the point of order that the gentleman is not in order.

Mr. CALDWELL. And the remainder of the employees are 227, all of whom are females.

The CHAIRMAN. The gentleman from Iowa makes the point of order that the gentleman from New York is not in order.

Mr. CALDWELL. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

For fuel, lights, oil, waste, packing, tools, matches, paints, brushes, brooms, lanterns, rope, nails, screws, lead, electric lights, heating apparatus, oil stoves for elevator car and upper and lower floors; repairs to engines, boilers, dynamos, elevator, and repairs of all kinds connected with the Monument and machinery; and purchase of all necessary articles for keeping the Monument, machinery, elevator, and electric plant in good order, $4,500.

Mr. CALDWELL. Mr. Chairman, I move to strike out the last word, which is $4,500. This $4,500 is about the amount of salary and allowances to a colonel in the Army; and I call attention to the fact that the head of the Cemeterial Bureau is a colonel in the United States Army and he is a registered Republican.

Mr. GOOD. Mr. Chairman, I make the point of order that the gentleman is not speaking to his amendment.

Mr. CALDWELL. Now, this $4,500 that is in the motion I have made——

The CHAIRMAN. The Chair thinks the gentleman is in order, and the gentleman will proceed.

Mr. CALDWELL. This $4,500 I move to strike out of this item altogether amounts to about as much as the salary of the chief clerk and his three assistants in the cemeterial organization up there, every one of whom is a registered Republican, and there is no man in the cemeterial organization not a civil-service employee who is a Democrat, and the Republicans on that side of the House have stricken from the bill their salaries. I withdraw the pro forma amendment.

Mr. GOOD. I make the point of order that the gentleman is not proceeding in order.

Mr. CANNON. Mr. Chairman——

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn.

There was no objection.

Mr. CANNON. Mr. Chairman, I rise to a parliamentary inquiry.

The CHAIRMAN. The gentleman from Illinois will state his parliamentary inquiry.

Mr. CANNON. The gentleman is making a series of amendments and he is discussing them out of order. Is there no way by which words out of order under this condition can be eradicated from the RECORD?

The CHAIRMAN. The gentleman from Illinois occupied the position of the present occupant of the chair a great deal longer than the present occupant of the chair, and the Chair will recognize the gentleman from Illinois for any motion that is in order. The Clerk will read.

The Clerk read as follows:

Building where Abraham Lincoln died: For painting and miscellaneous repairs, $200.

Mr. JOHNSON of Kentucky. Mr. Chairman, I reserve the point of order against the item.

Mr. BLANTON. Mr. Chairman, I make the point of order.

Mr. GOOD. It is not subject to the point of order.

The CHAIRMAN. Does the gentleman from Texas desire me to discuss it?

Mr. BLANTON. It is only $100, and I do not think it needs any discussion. It is a private matter.

Mr. JOHNSON of Kentucky. Mr. Chairman, I was about to say that the United States Government does not own this house in which Lincoln died and for which this appropriation is made. Every year in this bill there is an appropriation of money out of the Public Treasury to keep in condition or improve privately owned property. The United States Government, as a matter of fact, should own this house, because Mr. Lincoln died there. It may be all right to charge an admittance fee to places in which distinguished men were born, because occasions of birth are those of happiness and joy; but it is all wrong to charge

an admittance fee to the pilgrims who come to this shrine where Lincoln died.

Mr. GOOD. Will the gentleman yield?

Mr. JOHNSON of Kentucky. I do.

Mr. GOOD. The committee was anxious to find out the exact facts with regard to the ownership of this building, and this is what the hearings show. I read from page 968, bearing on this subject:

The CHAIRMAN. You are asking $200 for painting and miscellaneous repairs at the building where Abraham Lincoln died.

Col. RIDLEY. That building is just across from the Ford Theater Building. This house contains about 13 rooms, on four floors, and the first floor, containing four rooms, is occupied by a museum.

The CHAIRMAN. The Government owns that property?

Col. RIDLEY. Yes, sir; and this money is spent in repairs, including painting and plumbing, repairing the heating plant, and keeping up the property.

The clerk of the committee has investigated the matter and finds that the Government does own the property, but does not own the collection in the building.

Mr. JOHNSON of Kentucky. Then my information has been wrong; but does not the gentleman believe that the pilgrims, as I was saying, who come to this shrine of grief should not be charged an admittance fee to that place?

Mr. GOOD. Well, yes; because the Government has an arrangement with the owner of the collection and has permitted him to put a collection very properly in the building where Abraham Lincoln died. Now, I agree with the gentleman that the better way would be for the Government to own the collection and not charge any admission, but the Government simply owning the building and the man who has charge of it owning the collection, he makes some nominal charge—I think it is 25 cents—for admission, but the Government does own that building.

Mr. JOHNSON of Kentucky. May I ask what rent he pays for that building?

Mr. GOOD. I think he pays no rent at all.

Mr. JOHNSON of Kentucky. It is turned over to him free of rent for commercial purposes; is that correct?

Mr. GOOD. The rent paid, if any, is simply a nominal rent. The building was turned over to him because of the historical association and because of the wonderful collection that this man owns and which is housed in that building. He takes care of the property, and the only expense to the Government is the small expense annually of about $200 for painting, and so forth.

Mr. JOHNSON of Kentucky. But it does seem to me that the people from over the country who wish, out of a spirit of reverence, to go to that house, since it is owned by the Government, should be permitted to do so without paying a fee, and I sincerely trust that in the next bill provision will be made by which the public will be relieved from the payment of a fee for going into this house. No spirit of commercialism should enter that transaction at all.

Mr. JUUL. Will the gentleman yield?

Mr. JOHNSON of Kentucky. I will yield to the gentleman.

Mr. JUUL. I want to ask the gentleman from Kentucky, who has had an intimate acquaintance for several years with the District of Columbia Committee, what, if any, steps have been taken at any time to avoid the charge of an admission fee to enter the house where President Lincoln died?

Mr. JOHNSON of Kentucky. So far as I am advised, the District of Columbia Committee has never had a bill before it with respect to the subject, but protests during a good many years gone by have been made against appropriating money for the support of this commercialized institution which is held so sacred by the people.

Mr. JUUL. And the District of Columbia Committee has never taken any steps?

Mr. JOHNSON of Kentucky. The District of Columbia Committee has really never had anything before it bearing on the subject.

Mr. Chairman, in view of the statement made by the gentleman from Iowa [Mr. GOOD] that the Government does own the property, I withdraw the point of order.

Mr. BLANTON. Mr. Chairman, I reserve the point of order.

Mr. WOOD of Indiana. Will the gentleman from Kentucky yield?

Mr. JOHNSON of Kentucky. I yield.

Mr. WOOD of Indiana. I wish to state to the gentleman in reference to this collection that the owner of the present property is the gentleman by the name of Mr. Olroyd. He has been trying for years to get the Government to purchase this collection.

Mr. JOHNSON of Kentucky. I do not doubt that at all. [Laughter.]

Mr. WOOD of Indiana. Not in order that he may make any considerable amount of money out of it, but he feels, as the gentleman believes, and I believe, and as we all believe, that it should be the property of the Government, and that no admittance should be charged therefor. I think it would be well for the proper committee to take this matter in hand in order that fees may no longer be charged.

Mr. JOHNSON of Kentucky. In addition to what I said, I will say that I do not believe that the hat which Lincoln wore upon the occasion of his assassination, or other articles of wearing apparel, should be exhibited for a fee to the curious public.

Mr. BLANTON. Mr. Chairman, I reserve a point of order, and I want to state the reason that I reserved the point of order——

Mr. GOOD. Mr. Chairman, I would like to have the gentleman make his point of order.

Mr. BLANTON. I want to give the reasons for it. I will vote for any kind of a reasonable appropriation to buy these relics in this house and separate them from any commercial proposition, and let it be open free to the people of the United States. I think we ought to take steps to separate this matter from the commercial side of it, and not let the man stay down there day and night and turn this Government building over to him rent free and permit him even to sleep there and maintain his family there, and charge every person that comes in there to see his private collection. I am in favor of having that collection owned by the Government, and will vote for any kind of a reasonable appropriation for it. I withdraw the point of order.

Mr. MILLER. I move to strike out the last word for the purpose of asking a question. Has the committee or the chairman any knowledge of how much money this man is making out of this house that the Government furnishes him free rent for?

Mr. GOOD. No.

Mr. MILLER. Has it ever had such knowledge?

Mr. GOOD. Not that I know of. This committee would have no jurisdiction of that subject. If we should carry an item for the purchase of the collection it would be subject to a point of order. The Government owns this building and appropriates $200 a year to take care of it; to replace the broken glass and take care of the plumbing, painting, and so forth. It is a very small sum.

Mr. MILLER. What I am getting at is the amount of money this man is making out of this project.

Mr. GOOD. This committee has never gone into it, and it is not within the province of the committee.

Mr. CALDWELL. The owner of these relics occupies this building as a home, does he not?

Mr. GOOD. He occupies the upper story, I think.

Mr. CALDWELL. Now, at the high rate of rent in Washington, D. C., is the Government receiving anything for it?

Mr. GOOD. I think it receives a nominal rent.

Mr. CALDWELL. How much?

Mr. GOOD. I think, comparatively, a very small amount.

Mr. CALDWELL. The man gets the house free of charge to live in in this day of high rent, and he gets an opportunity to charge an entrance fee from people who come onto Government property, and now we offer a proposition here to repair the house he is living in.

Mr. GOOD. I am advised that when this property was purchased by the Government it was with the understanding that this collection should be put in there and the man should have the right to charge a reasonable entrance fee to persons viewing this collection which he owns.

Mr. CALDWELL. How long ago was that, could the gentleman tell us?

Mr. GOOD. I do not know, but it was a number of years ago. We have been appropriating money for it for repair of the building 10 or 12 years.

Mr. KING. I can give the gentleman some information regarding it.

Mr. CALDWELL. I will be glad to have it.

Mr. KING. I think it was about 30 years ago; possibly but 25. In Springfield, Ill., there is the old Lincoln home, where he lived and where he was married. This entire collection was kept in that house for many years. When John P. Altgeld was elected governor of the State of Illinois he forced Mr. Olroyd to take his collection and get out of the house, and this house here was the only place he could find where the collection could be exhibited.

The CHAIRMAN. The time of the gentleman has expired. The Clerk will read.

The Clerk read as follows:

For continuing the construction of a reflecting pool in West Potomac Park, $84,000.

Mr. BEE. Mr. Chairman, I wanted to ask the gentleman from Iowa in reference to this item on line 12 of $84,000 for continuing the construction of a reflecting pool in West Potomac Park, that has no relation to the reflecting pool we have appropriated for for the Lincoln Memorial?

Mr. GOOD. Yes; it is the reflecting pool that is situated between the Washington Monument and the Lincoln Memorial.

Mr. BLANTON. It is in addition to what is on the property?

Mr. GOOD. Yes.

Mr. BEE. I have no objection if it is a part of the Lincoln Memorial lake. I did not know about the other.

The Clerk read as follows:

The appropriation of $5,000 made in the sundry civil act approved August 1, 1914, for unveiling and dedicating the memorial to Gen. Ulysses S. Grant, and for each and every purpose connected therewith, including erecting and taking down viewing stands and putting the grounds in sightly condition, is made available for said purposes during the fiscal year 1921, and shall also be available for removal of such portion of the entire fence on the east side of the Botanic Garden as may be necessary to improve the surroundings of the said memorial.

Mr. JOHNSON of Kentucky. Mr. Chairman, I reserve a point of order on the item. Being a member of the Committee on the Library, I have taken an interest in the Botanic Garden, and I do not believe that the stone or brick substructure on which the iron fence itself is built should be torn down. I would like to ask the gentleman from Iowa if he would not be willing to agree to the amendment which I have submitted to him?

Mr. GOOD. I see no objection to it.

Mr. JOHNSON of Kentucky. Mr. Speaker, I withdraw the point of order and offer the following amendment.

Mr. MANN of Illinois. The point of order could not be withdrawn by any agreement of which you could not hear a word as to what the gentleman said.

Mr. JOHNSON of Kentucky. There is no point of order now at all.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Kentucky [Mr. JOHNSON].

The Clerk read as follows:

Amend by striking out all of lines 17 to 25, both inclusive, on page 64; and also by striking out lines 1 and 2 on page 65, and by inserting the following in lieu thereof:

"The appropriation of $5,000 made in the sundry civil act approved August 1, 1914, for unveiling and dedicating the memorial to Gen. Ulysses S. Grant, and for each and every purpose connected therewith, including erecting and taking down viewing stands and putting the grounds in sightly condition, is made available for said purposes during the fiscal year 1921, and shall also be available for removal of so much of the iron part of the brick and iron fence on the east side of the Botanic Garden as in the opinion of the superintendent of the garden may be necessary to improve the surroundings of the said memorial. However, the large stone or brick gateposts on the east side of the garden shall be taken down to a level with the substructure which also is made of brick or stone."

Mr. MANN of Illinois. What is this last? Is this a part of the amendment?

Mr. JOHNSON of Kentucky. This is the amendment: The amendment strikes out that entire paragraph and inserts other matter in lieu of it; that is all.

Mr. MANN of Illinois. I thought the gentleman's amendment as it was read provided only for taking down the iron fence. Is this latter part an addition?

Mr. JOHNSON of Kentucky. The amendment providing for taking down the iron fence also provides for the taking down of the brick and stone wall and large gate posts.

Mr. MANN of Illinois. The gentleman's idea under his amendment would be that this wall would be left there?

Mr. JOHNSON of Kentucky. Yes. It is about 2 feet or more high. I believe that is necessary to have a physical line of demarcation between the highway and the garden. Instead of having only an imaginary line there, there should be a physical line of demarcation, because there are valuable plants and flowers in the garden that might be injured, and then when shows and parades come along there ought to be some line, visible line, beyond which the crowds may not surge.

Mr. MANN of Illinois. I agree with the gentleman that there ought to be something there, but this brick wall would probably cost as much to make it look presentable as it would cost to put up a concrete coping along there that would not be more than 2 feet high.

Mr. JOHNSON of Kentucky. But the gentleman must remember that there is no provision in the bill to do anything of that sort; and my proposition is to leave the low wall there until the very thing that the gentleman suggests can be done.

Mr. MANN of Illinois. I had thought of offering in this bill, possibly where it provides for the removal of this fence, an amendment to the extent of authorizing it to be put in proper repair. The expense of putting a coping there would not be very great, and you would have to put something on top of the brick wall anyhow.

Mr. JOHNSON of Kentucky. No; it is level. When the iron fence is taken off it will be burned off by the acetylene process, which will leave the iron posts smooth on the top of the stone surface.

Mr. MANN of Illinois. I have a high opinion of the views of the gentleman from Kentucky and of the superintendent down there, and I assume that the gentleman has recently talked with Mr. Hess about the subject?

Mr. JOHNSON of Kentucky. I have.

Mr. BEE. Mr. Chairman, will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. BEE. Who is responsible for putting the monument to Gen. Grant in this place? The reason I ask is that people who come to Washington have expressed surprise to me and asked why there was not a monument to Gen. Grant in the city of Washington.

Mr. JOHNSON of Kentucky. I entertain no doubt that the Fine Arts Commission is. But about that I have nothing to say.

Mr. MANN of Illinois. Congress was responsible and President Roosevelt was responsible.

Mr. BEE. The result is that people believe that Gen. Grant has no monument in the city of Washington. They see that base there without any monument on it.

Mr. MANN of Illinois. There is none yet.

Mr. DALLINGER. What is proposed to be put on that central pedestal—a statue of Gen. Grant?

Mr. JOHNSON of Kentucky. I do not know anything about the details of the monument. I am only looking after the preservation of the grounds and the flowers after the dedication of the monument.

Mr. DALLINGER. I would like to ask the gentleman from Iowa where the statue is?

Mr. GOOD. The sculptor has been ill for a number of years, and year after year it has been necessary to postpone the ceremonies incident to the dedication. Col. Ridley has brought to the committee the information that the sculptor has regained his health and that the work is practically completed, and he hopes that the monument will be in readiness for dedication this fall.

The CHAIRMAN. The pro forma amendment will be withdrawn. The question is on agreeing to the amendment offered by the gentleman from Kentucky [Mr. JOHNSON].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Aqueduct Bridge: For continuing the construction of the bridge authorized in section 1 of an act entitled "An act to provide for the removal of what is now known as the Aqueduct Bridge, across the Potomac River, and for the building of a bridge in place thereof," approved May 18, 1916, $500,000, one half to be payable out of the Treasury of the United States and the other half out of the revenues of the District of Columbia.

Mr. MANN of Illinois. Mr. Chairman, I reserve a point of order on the paragraph.

The CHAIRMAN. The gentleman from Illinois reserves a point of order on the paragraph.

Mr. MANN of Illinois. I would like to ask the gentleman from Iowa if it is practicable to name the bridge the "Georgetown Bridge"? It used to be called the "Aqueduct Bridge," and I understood they propose to call it the "Key Bridge." I have no objection to naming something after Key. I think locality should have something to do with it. This bridge is at Georgetown, and Georgetown, as I understand, was named after George Washington, and it is quite as appropriate to commemorate it with his name as that of anybody else.

Mr. GOOD. I think it is correct that the words "Aqueduct Bridge" do not describe anything. Any bridge over a body of water might be called an aqueduct bridge.

Mr. MANN of Illinois. Mr. Chairman, I withdraw the point of order. It is subject to a point of order.

Mr. GOOD. Yes; it is subject to a point of order.

Mr. MANN of Illinois. I move to insert after the word "Columbia" this language, "which bridge shall hereafter be known as the Georgetown Bridge."

Mr. MONTAGUE. Mr. Chairman, will the gentleman permit me to ask him a question?

Mr. MANN of Illinois. Yes.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Illinois.

The Clerk read as follows:

Amendment offered by Mr. MANN of Illinois: Page 65, line 10, after the word "Columbia," insert "which bridge shall hereafter be known as the Georgetown Bridge."

Mr. GOOD. Line 3 should be changed and line 6 should be changed also.

Mr. MANN of Illinois. That is part of the title.

Mr. GOOD. Will the gentleman yield for a question?

Mr. MANN of Illinois. Yes.

Mr. GOOD. I will say to the gentleman that I do not believe Georgetown was named after George Washington. I think it was named after King George the Third.

Mr. MANN of Illinois. I think not, although the gentleman may be right. I understand it was named after George Washington.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

Mr. DALLINGER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Massachusetts moves to strike out the last word.

Mr. DALLINGER. I do so for the purpose of asking a question of the chairman of the committee, if he has any idea as to when this bridge will be completed?

Mr. GOOD. My recollection of the testimony is that it will not be completed during the next fiscal year. In fact, not enough money is appropriated in this bill to complete the bridge, and it is anticipated that it will require about $500,000, if I recollect aright, in addition to the amount already appropriated and the amount carried in the bill.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For works authorized by the river and harbor act of 1916, as follows:

Delaware River, Pa. and N. J.: For continuing improvement from Allegheny Avenue, Philadelphia, to the sea, in completion of contract authorization, $300,000.

Mr. KINCHELOE. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Kentucky moves to strike out the last word.

Mr. KINCHELOE. Mr. Chairman, we remember that when the river and harbor bill was pending before the Committee on Rivers and Harbors, when they were proceeding with it in the usual way they have of proceeding, all of a sudden, overnight, at the instance of the Republican steering committee of the House, they slashed that total appropriation down to less than $13,000,000.

In view of the fact that it is proposed to establish a 9-foot channel in the Ohio River, which if it was ever completed would be one of the greatest arteries of commerce in this country, I want to ask the gentleman why was not that emergency appropriation carried in this bill?

Mr. GOOD. The appropriations carried in this bill for river and harbor work are no different than similar appropriations in former years. Where a contract is let for river and harbor work authorized in a river and harbor appropriation act and where money is necessary for the carrying on of that contract, the money is appropriated in this bill. That has been customary heretofore.

Mr. KINCHELOE. I notice on page 66 an appropriation for the survey of the northern and northwestern lakes. That is not by virtue of any former act of Congress, is it?

Mr. GOOD. That is purely a proposition for surveying and mapping, and principally mapping with regard to navigation, and that, too, is an item that has been carried in this bill for many years.

Mr. KINCHELOE. Are all these appropriations for rivers and harbors, beginning with the paragraph that we now have under consideration, and following it, pursuant to former acts of Congress to carry out those appropriations?

Mr. GOOD. They are, and the river and harbor acts carrying the authorizations to which they relate are named in this bill.

Mr. KINCHELOE. I want to ask a question for information. I do not know whether the gentleman can give it or not, not being chairman of the Committee on Rivers and Harbors, but there was an agreement back in 1910 to establish a 9-foot channel in the Ohio River. Was that in an act of Congress?

Mr. GOOD. I am not advised as to that.

Mr. HUMPHREYS. Yes.

Mr. KINCHELOE. Then I am wondering why, pursuant to that act of Congress, there is no appropriation for the Ohio River at this time?

Mr. HUMPHREYS. There is an authorization for the continuance of what we call the continuing contract work, and when the engineers need any money they submit estimates for the continuation of the work, and it is always carried in the sundry civil bill, as it has been for a number of years. I am not advised on this particular point now, but I assume that they did not ask for any money for the continuance of the work.

Mr. GOOD. Nothing at all on the Ohio River.

Mr. HUMPHREYS. Because they have already got enough; but it would belong in this bill if money were required for the coming year.

Mr. MANN of Illinois. That appropriation is carried in the river and harbor bill.

Mr. KINCHELOE. But the river and harbor bill this year did not carry anything for the Ohio River.

Mr. MANN of Illinois. The river and harbor bill of this year did not carry anything for any specific project.

Mr. KINCHELOE. Absolutely not. It is a lump sum, and the spending of the small amount that was appropriated is left to the Army engineers instead of Congress directing it.

Mr. MANN of Illinois. They can use it for that purpose if they want to.

Mr. KINCHELOE. It is different from the former river and harbor appropriation acts. It is a departure from those acts.

Mr. GOOD. So far as this bill is concerned there is no departure. The appropriations herein contained are simply for meeting the payments on contracts already entered into, to carry out authorized projects.

Mr. CALDWELL. I move to strike out the last two words, for the purpose of asking the chairman of the committee a question. Are there any items for the continuing of river and harbor improvements that the Board of Engineers asked for, that ordinarily would have been appropriated for in this bill, that were not carried in the bill? In other words, has the committee turned down absolutely all of the amount requested for any one item by the river and harbor engineers?

Mr. GOOD. My recollection is now, without looking through the entire list, that the committee gave just what was estimated for except in cases where the department withdrew their estimates. They were for contracts that had been entered into, and the Government must pay its obligations, and it was on that theory that we gave what was estimated where the estimate was not withdrawn.

Mr. CALDWELL. So that there has not been any saving by the committee, but the saving was by the withdrawal of estimates by the Board of Engineers?

Mr. GOOD. The committee felt that it had no control over that matter.

Mr. OSBORNE. I move to strike out the last two words. In regard to the Ohio River I will say that there is an unexpended balance of several million dollars in the fund for that purpose, so that it is well taken care of.

Mr. KINCHELOE. Will the gentleman yield?

Mr. OSBORNE. Yes.

Mr. KINCHELOE. Of course, there is an unexpended balance of several million dollars, because the war came on and they were prevented from expending it; but if the Ohio River were to receive the same consideration at this session of Congress that it has been receiving in Democratic Congresses, in an effort to carry out the act of Congress establishing the 9-foot channel, they would not have been in one another's way in building these locks and dams clear to the mouth, and they could have expended all the money appropriated. That is no argument at all. It is just simply that they did not get what was coming to them under the act of Congress, that is all. These locks and dams are hundreds of miles apart, and there would be no conflict at all in the work. They could have worked on all of them if they had had the money.

Mr. OSBORNE. I will say in reply to the gentleman that the Board of Engineers report that there is ample money at their disposal for the improvement of the Ohio River, amounting, as I remember, to about $10,000,000. I am not sure as to the exact amount.

Mr. KINCHELOE. If that is true——

Mr. OSBORNE. Of course it is true.

Mr. KINCHELOE. When the word came overnight from the Republican steering committee of the House to cut the river and harbor bill down to about $12,000,000, and when even the ranking Democratic members of the committee did not know what had been done, why was it that the contracts for the Ohio River were not taken care of?

Mr. OSBORNE. The making of the lump-sum appropriation in the river and harbor bill did not in any way affect the large balance at the disposal of the engineers for the Ohio River.

Mr. KINCHELOE. Why certainly it did not. I am aware of that.

Mr. OSBORNE. The money is there ready for use.

Mr. KINCHELOE. But we are not carrying out the contract to establish a 9-foot channel, which the people all along the Ohio River expected to be done, and they took Congress at its word when they said they would do it.

Mr. CALDWELL. Will the gentleman yield?

Mr. OSBORNE. Yes.

Mr. CALDWELL. The gentleman is a member of the Rivers and Harbors Committee. I find in the hearings a statement by Col. Taylor that the work on the Hudson River, N. Y., was held up during the fall. Does the gentleman know why that was held up, or how it was held up?

Mr. OSBORNE. It was held up during the war.

Mr. CALDWELL. No; last fall after the war it was held up.

Mr. OSBORNE. I have no information except what is contained in the hearings.

Mr. CALDWELL. Col. Taylor in the hearings says that we do not need it, the work was delayed during the fall, and we find we can get along without it, we are cutting down appropriations wherever we can and it will not be necessary to have this money. I would like to find out what was the reason for the delay.

Mr. GOOD. We did not care as long as they were not pressing for the money. We were trying to hold down the bill because of the condition of the Treasury, and when he said that he did not need the money, that was the end of it to us.

Mr. CALDWELL. Regardless of the necessities of New York Harbor.

Mr. OSBORNE. I think New York Harbor is pretty well taken care of.

The Clerk read as follows:

Flood control: For prosecuting work of flood control in accordance with the provisions of the flood-control act approved March 1, 1917, as follows:

Mississippi River, $6,670,000, to remain available until expended.

Survey of northern and northwestern lakes: For survey of northern and northwestern lakes, Lake of the Woods, and other boundary and connecting waters between said lake and Lake Superior, Lake Champlain, and the natural navigable waters embraced in the navigation system of the New York canals, including all necessary expenses for preparing, correcting, extending, printing, binding, and issuing charts and bulletins, and of investigating lake levels with a view to their regulation, $125,000.

Mr. WILSON of Louisiana. Mr. Chairman, I wish to congratulate the Committee on Appropriations and the entire membership of this House upon the approval of the item of $6,670,000 for flood control on the Mississippi River for the next fiscal year under act of March 1, 1917.

My main purpose is to call the attention of the House to some very definite results attained under this law, which are of great importance to the country at large, as well as the Mississippi Valley, and it will not be necessary to go into any ancient history in order to do this.

The flood-control act of 1917 deals with the problem of flood control on the Mississippi River from Rock Island, Ill., to the Head of the Passes near the Gulf of Mexico, a distance of more than 1,000 miles. The fertile lands composing the alluvial valley of the Mississippi from Rock Island to the Gulf are protected from its flood waters by a system of levees made secure in many places by bank revetment. This levee system had been imperfectly formed and constructed through more than a hundred years of effort. For the lack of some general comprehensive plan and coordinated force the whole project had been largely a matter of patchwork until more recent years, when the Federal Government began to cooperate more liberally with the State and local authorities.

But never until the passage of the flood-control law, framed by the Committee on Flood Control and approved by Congress, was there any well established and unified plan under the sanction and control of the National Government giving substantial guaranty of permanent relief. Let me make a statement here which will give some insight into the actual results already achieved.

During the flood of 1912, which was one of the greatest in the history of the river, there were 11 breaks in the system of levees. In 1913 there were 5 breaks in the levee lines. In 1916, 2. It was during the flood of 1916, and while working out the provisions of the flood-control act, that the Committee on Flood Control inspected the entire proposition from Cairo to New Orleans. It would be quite impossible to give a definite estimate of the great loss or to depict the sufferings occasioned by the floods resulting from these breaks in the levee system. It has been estimated at anywhere from sixty to one hundred million dollars for this short period.

To-day another great flood in the Mississippi, measuring close to the highest record of any of its predecessors, has been and is being conducted safely to the Gulf without a single break in the system making up 1,680 miles of levees, and with a minimum of loss and damage.

The flood-control act requires that one-third of the sums expended for levee construction shall be contributed by local interests, and that the local interests in addition to this shall acquire all necessary rights of way, provide maintenance, and all attendant expenses.

This involves the absolute cooperation on the part of the various levee districts created and organized in accordance with the laws of Illinois, Ohio, Missouri, Tennessee, Arkansas, Mississippi, and Louisiana with the Federal Government; both as to the plan and method of levee construction and as to the amounts of money to be contributed by each, as well as the expenditure thereof. Nothing could more fully attest the vital interest of those concerned in the completion of the project than the fact that this cooperation has been complete and that the work has proceeded without hindrance or interruption under the direction of the Mississippi River Commission, the Chief of Engineers, the Secretary of War, and the War Department. And right here, Mr. Chairman, I wish to say further that the State authorities and the various levee boards connected with this work have rendered the very highest quality of service to the people of the Mississippi Valley in the administration of the flood-control law.

The work is not yet complete, but the progress made and the results attained have completely justified every claim and promise made by the proponents of this measure, and establishes the fact that every appropriation made by Congress to carry out the provisions of this act has been urgently needed and well and wisely expended. Nothing short of a thorough demonstration of these facts would meet the approval of the present Committee on Appropriations.

Mr. Chairman and gentlemen, this great and important work is making it possible to hold intact, and available for the uninterrupted purposes of production of the most valuable crops known to our soil, some 30,000 square miles of the most fertile lands in the world. Confidence has been restored and established where once doubt and uncertainty prevailed. People from other sections of the country no longer halt and hesitate about making their homes and investing their capital in this wonderful section. The possibilities are limitless, and the true facts are just now becoming a matter of public knowledge and attracting the attention of the country.

When the Committee on Flood Control was created some doubt was expressed as to the wisdom of that action, and there was some opposition, based upon the belief that it would result in duplication of effort and that the entire problem might as well be handled by the Committee on Rivers and Harbors or some other of the then existing committees of the House.

Experience had taught those who had been struggling for years for relief against the flood waters of the Mississippi River that this problem had outstanding merits of its own compelling the very highest consideration, and was entitled to independent and comprehensive action, and that it should be separated from the uncertainties surrounding the annual appropriation for rivers and harbors or other activities not necessarily involving continuing contracts, and that the same should be true of the flood-control question in general.

Time and achievements have amply sustained the confidence and expectations of those who urged the creation of a separate committee, and justified the action of the House and demonstrated its wisdom, not only as to the formation of the committee, but also as to the passage of the act of March 1, 1917, relating to the Mississippi River and the Sacramento River, Calif., and which act also contains general provisions forming the basis for future legislation relating to flood control.

I predict that in the future this act will be referred to as the first great piece of national flood-control legislation in this country, and that it will be cited as forming the foundation of much constructive and beneficial legislation along that line, and also that the Committee on Flood Control will become one of the most important committees of this House, as its work reaches into every section of the country where there is a flood problem meriting consideration and action by the National Government.

Since a number of questions relating to flood control have been presented to the committee recently, it might be well to call attention to the general provisions of the act of March 1, 1917, which point out the method of procedure and conditions

essential in bringing a project within the requirements for legislative action. These provisions are as follows:

SEC. 3. That all the provisions of existing law relating to examinations and surveys and to works of improvement of rivers and harbors shall apply, so far as applicable, to examinations and surveys and to works of improvement relating to flood control. And all expenditures of funds hereafter appropriated for works and projects relating to flood control shall be made in accordance with and subject to the law governing the disbursement and expenditure of funds appropriated for the improvement of rivers and harbors.

All examinations and surveys of projects relating to flood control shall include a comprehensive study of the watershed or watersheds, and the report thereon in addition to any other matter upon which a report is required shall give such data as it may be practicable to secure in regard to (a) the extent and character of the area to be affected by the proposed improvement; (b) the probable effect upon any navigable water or waterway; (c) the possible economical development and utilization of water power; and (d) such other uses as may be properly related to or coordinated with the project. And the heads of the several departments of the Government may, in their discretion, and shall upon the request of the Secretary of War, detail representatives from their respective departments to assist the Engineers of the Army in the study and examination of such watersheds, to the end that duplication of work may be avoided and the various services of the Government economically coordinated therein: *Provided*, That all reports on preliminary examinations hereafter authorized, together with the report of the Board of Engineers for Rivers and Harbors thereon and the separate report of the representative of any other department, shall be submitted to the Secretary of War by the Chief of Engineers, with his recommendations, and shall be transmitted by the Secretary of War to the House of Representatives, and are hereby ordered to be printed when so made.

In the consideration of all works and projects relating to flood control which may be submitted to the Board of Engineers for Rivers and Harbors for consideration and recommendation, said board shall, in addition to any other matters upon which it may be required to report, state its opinion as to (a) what Federal interest, if any, is involved in the proposed improvement; (b) what share of the expense, if any, should be borne by the United States; and (c) the advisability of adopting the project.

All examinations and reports which may now be made by the Board of Engineers for Rivers and Harbors upon request of the Committee on Rivers and Harbors relating to works or projects of navigation shall in like manner be made upon request of the Committee on Flood Control on all works and projects relating to flood control.

The problem next in order under these provisions is that of protecting from flood waters the basins of the Atchafalaya, Red, and Black Rivers, in Louisiana, and their tributaries. A complete survey, as required, has been made and submitted to Congress, and I have introduced H. R. 12348 for the purpose of accomplishing this protection. Favorable action upon this measure will be sought at this session of Congress. After the merits of this problem are once fully known, I feel that Congress will not hesitate to commit the National Government to its solution.

Mr. CALDWELL. Mr. Chairman, I move to strike out the last two words to ask the chairman of the committee a question. Do I understand that these surveys provided for in lines 6 to 14, page 66, are for the purpose of determining what obstruction or retainer shall be put at the lake so as to control the water during the flood season and let it out gradually?

Mr. GOOD. No; these surveys are of the same character as those by the Coast and Geodetic Survey on the Atlantic and Pacific coast waters. They are rather an aid to navigation, so that charts can be prepared for navigators.

Mr. CALDWELL. This whole paragraph is a part of the flood-control proposition?

Mr. GOOD. Not at all.

Mr. CALDWELL. Should not the bill have had some notation in there? At the top of the page as written by the committee you start out with "Flood control," and in line 3 is the language, "as follows." Then you start with the Mississippi River, an appropriation of $6,676,000.

Mr. GOOD. Then comes a new head, "Survey of northern and northwestern lakes."

Mr. CALDWELL. I see; but it is not printed in the larger type.

The Clerk read as follows:

California Débris Commission: For defraying the expenses of the commission in carrying on the work authorized by the act approved March 1, 1893, $15,000.

Mr. JOHNSON of Kentucky. Mr. Chairman, I reserve a point of order on the paragraph. In 1893, by act of Congress, this commission was given $15,000 for the year in order to defray its expenses. Since that time $15,000 has been appropriated for it every year, amounting to $375,000. That commission has a large revolving fund. It collects thousands of dollars in fees, out of which may be paid everything that this $15,000 would pay. For that reason I shall make the point of order against the item because as an unauthorized appropriation.

At the conclusion of the act of Congress there is this language. It will be found in volume 27, Statutes at Large, page 511:

The sum of $15,000 is hereby appropriated from moneys in the Treasury not otherwise appropriated, to be immediately available, to defray expenses of said commission.

Now, I take the position that by that language an annual authorization has not been made, and as conclusive evidence of that is the language in the money clause of the bill that it is to be "immediately available." I do not think Congress was then looking to future appropriations, because it would not look years ahead and say that each and every subsequent appropriation should be "immediately available."

There is no language anywhere to be found which justifies the annual appropriation of this money, and because of that, and because the commission does not need it, I make the point of order on the paragraph.

Mr. GOOD. Mr. Chairman, I do not believe the item is subject to a point of order. Whatever may have been contained in the language of the appropriation, to which the gentleman refers, certainly the act creating the commission created a permanent commission. I read from the act of March 1, 1893, chapter 183, section 1, 27 Statutes, 507:

That a commission is hereby created, to be known as the California Débris Commission, consisting of three members. The President of the United States shall, by and with the advice and consent of the Senate, appoint the commission from officers of the Corps of Engineers, United States Army. Vacancies occurring therein shall be filled in like manner. It shall have the authority, and exercise the powers hereinafter set forth, under the supervision of the Chief of Engineers and direction of the Secretary of War.

The act then provides for organization and duties, and section 4 is as follows:

That it shall be the duty of said commission to mature and adopt such plan or plans, from examinations and surveys already made and from such additional examinations and surveys as it may deem necessary, as will improve the navigability of all the rivers comprising said systems, deepen their channels, and protect their banks. Such plan or plans shall be matured with a view of making the same effective as against the encroachment of and damage from débris resulting from mining operations, natural erosion, or other causes, with a view of restoring, as near as practicable and the necessities of commerce and navigation demand, the navigability of said rivers to the condition existing in 1860, and permitting mining by the hydraulic process, as the term is understood in said State, to be carried on, provided the same can be accomplished, without injury to the navigability of said rivers or the lands adjacent thereto.

As I understand it, the object of this legislation was to correct certain abuses in hydraulic mining. It was the habit of persons engaged in hydraulic mining to so mine for minerals and ores as to fill the river with débris, dirt, and things of that kind, which interfered with navigation. This commission was established to correct such abuses, and the amount that we are carrying here is only for the administrative expenses of the commission in carrying on the work authorized by that act. I can not see how any language that might have been carried in an appropriation for a given year could modify the terms of the law, outside of the expenditure of the appropriation for that year.

Mr. JOHNSON of Kentucky. Mr. Chairman, the gentleman from Iowa [Mr. GOOD] has taken the position that any commission which is authorized of necessity carries an appropriation with it, notwithstanding that none may be made.

The CHAIRMAN. Will the gentleman permit the Chair to ask him a question?

Mr. JOHNSON of Kentucky. Certainly.

The CHAIRMAN. Is the gentleman from Kentucky contending that if the law does authorize the creation of a commission which is permanent in character it is not in order to appropriate for that commission or for the work which the act authorizes that commission to perform?

Mr. JOHNSON of Kentucky. Certainly I do; and the Chair will recall many instances where upon the floor when bills and resolutions were under consideration for the purpose of creating commissions many gentlemen would rise and ask if it is going to cost anything, and the answer would come, "No; that no appropriation is carried and none is authorized." In this case only one right to appropriate is authorized, and that is for the year 1893, to put this commission on its feet and start it to do the business until it begins to collect the license fees from these hydraulic miners who operate along these two rivers. As I said, they have this revolving fund in their hands from which they can pay every expense, and I take the position, and I feel quite confident that I am correct in it, that unless an annual appropriation is authorized the appropriation ends with the one which is made in the bill creating the commission.

The CHAIRMAN. The Chair is ready to rule. The language of the paragraph to which the gentleman from Kentucky makes the point of order is as follows:

California Débris Commission: For defraying the expenses of the commission in carrying on the work authorized by the act approved March 1, 1893, $15,000.

If the law did not authorize this expenditure, the appropriation would not be effective, because it could not be expended by its express terms. The Chair has read the language of the act creating the California Débris Commission. It creates a

permanent commission, with powers which clearly are intended to extend indefinitely—very broad powers with reference to the regulation of the silt from hydraulic mining and the navigability of streams. The gentleman from Kentucky contends that the language in the last paragraph of the act, which provides as follows—

The sum of $15,000 is hereby appropriated from moneys in the Treasury not otherwise appropriated, to be immediately available, to defray the expenses of said commission—

is in fact a limitation upon the appropriation which may be made for the use of the commission. The language of the act itself negatives that contention; and even if it did not, the language the gentleman from Kentucky refers to is clearly an appropriation and not an authorization for an appropriation. The mere fact that it is made immediately available simply indicates that the commission might begin to expend it at once instead of at the beginning of the fiscal year.

The Chair thinks that the paragraph is clearly authorized by law and therefore overrules the point of order.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike out the paragraph.

Mr. HUMPHREYS. Mr. Chairman, I hope the paragraph will not be stricken out. The work done by the California Débris Commission is a very important work. We authorized an appropriation just a few years ago of $6,000,000 to carry on part of the work of the California Débris Commission.

Mr. JOHNSON of Kentucky. Then, what do they want this $15,000 for?

Mr. HUMPHREYS. To carry on the work authorized by the act of March 1, 1893. This other is the act of March 1, 1917. This is to pay the administrative expenses of the commission, and there is no sort of doubt that the California Débris Commission is performing a very great service to the entire State of California. I think it will be a very great mistake to strike out the paragraph.

Mr. JOHNSON of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. JOHNSON of Kentucky. Is it not true that that commission is collecting millions of dollars in fees from hydraulic miners who operate along these two rivers?

Mr. HUMPHREYS. I do not know, I will say to the gentleman, how much they have collected.

Mr. JOHNSON of Kentucky. Does not the gentleman know they are collecting a very large amount?

Mr. HUMPHREYS. I really have no information on that particular point. I do know that the hydraulic mining that was authorized by the Congress up there in the mountains worked great destruction to the streams of California and not only interfered with navigation but caused great floods in the Sacramento Valley, and this commission was set to work many years ago to work out a scheme by which that could be prevented, and they have been doing the work well and efficiently, and it would be a great misfortune, indeed, now to abolish it.

Mr. CALDWELL. Will the gentleman yield?

Mr. HUMPHREYS. I will.

Mr. CALDWELL. Does not the gentleman think it is very unwise for the Congress to create commissions with a revolving fund and then pay any deficit which occurs? Why would it not be better for us to say, "All the money you get in you turn into the Treasury, and all the money you need, if we think you need it, we will appropriate."

Mr. HUMPHREYS. I do not care to express an opinion on that, but I do say it was a very wise act of Congress that created the California Débris Commission, and that their work has amply justified their appointment and all the money that has ever been expended.

Mr. CALDWELL. The gentleman has been a Member of this House for a long time and been a very able Member——

Mr. HUMPHREYS. I admit that.

Mr. CALDWELL. Does not the gentleman realize that the method that is being pursued is one that will tend to create extravagances and not economy?

Mr. HUMPHREYS. No; I think the whole tendency of the California Débris Commission has been to save expenses. I think it is a very economical commission. I think it has been administered economically and efficiently and that the work that they have done has redounded greatly to the benefit of California and to the general welfare.

Mr. CALDWELL. Does the gentleman know how many employees they have and what their overhead expenses are, and anything of that kind?

Mr. HUMPHREYS. I do not.

Mr. CALDWELL. Do they report to the Congress?

Mr. HUMPHREYS. They have not many, for they only get $15,000.

Mr. CALDWELL. Do they report to the Congress all their overhead expenses and number of employees?

Mr. HUMPHREYS. They make a very full report to the Chief of Engineers; yes.

Mr. OSBORNE. Mr. Chairman, if the gentleman from Mississippi will permit, what he said is very true. But the inquiry of the gentleman from Kentucky [Mr. JOHNSON] would indicate that there was a great deal of money collected in the way of fees. The fact of the matter is that hydraulic mining in the State of California is practically dead. There is very little hydraulic mining in progress in the State of California, the débris of which goes into the navigable streams. There is a little work on the Trinity and some rivers that are nonnavigable, but very little on the streams that are navigable.

Mr. JOHNSON of Kentucky. Will the gentleman please state, then, the necessity for the continuation of this commission?

Mr. OSBORNE. I am not informed as to the details but I am merely referring to things of which I have knowledge. As to these details I do not know.

Mr. JOHNSON of Kentucky. If the gentleman from California is correct that the purpose for which this commission was created has ceased, why, then, assuredly this appropriation should stop.

Mr. OSBORNE. I would reply that that is only one purpose. Everything connected with the navigability of streams, as, for instance, silt coming down either by hydraulic mining or by natural processes of erosion, which are very strong from those steep California mountains. There are great quantities of silt which come down into the Sacramento and the other rivers there that has to be attended to by this commission.

Mr. GOOD. I will say to the gentleman that while the commission does have receipts they receive from mine operators in a sum equivalent to 3 per cent of the gross output, that is all expended in removing this silt and débris from the streams and with regard to the dams, but this appropriation is simply to pay salaries of the officers of the commission.

Mr. JOHNSON of Kentucky. That is what I supposed.

Mr. GOOD. We have always appropriated for the salaries of officers out of the Treasury even though they had additional funds.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment of the gentleman from Kentucky to strike out the paragraph.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

MEDICAL DEPARTMENT.

Artificial limbs: For furnishing artificial limbs and apparatus, or commutation therefor, and necessary transportation, $150,000: *Provided*, That the Surgeon General of the Army is authorized to pay not exceeding $125 for each artificial limb or apparatus for resection furnished in kind hereafter under the provisions of section 4787, Revised Statutes, as amended.

Mr. WATSON. Mr. Chairman, I notice this paragraph carries $150,000 for artificial limbs. Was there any testimony before the committee to indicate how many soldiers have made application for artificial limbs?

Mr. GOOD. This has nothing to do with the soldiers of this war; this has to do only with the soldiers of the Civil War and the Spanish-American War.

Mr. WATSON. I desire to know the number of soldiers of the Civil and Spanish-American Wars who have made applications. Have the hearings developed this question?

Mr. GOOD. This is the third year, and every third year we have a larger appropriation, because under the law the limbs are to be furnished, or commutation for the limbs. If the artificial limb is not furnished then, as I recall it, if the soldier has lost a leg he is entitled to $70 in cash, or if he lost an arm he is entitled to $50 in cash. Now, the total number of cases of limbs furnished——

Mr. CALDWELL. What page?

Mr. GOOD. Page 1034. Legs, 48; arms and hands, 1; total, 49. But the commutation cases amounted to 2,902. Practically all persons who are entitled to relief under the provisions of the present law take the money instead of the limbs. For the next year they anticipate that there will be furnished, in kind, artificial limbs, 45, and commuted cases, 2,610, or a total of 2,655.

Mr. WATSON. Why do they make application so long after the war?

Mr. GOOD. They are entitled to it.

Mr. WATSON. Have the natural limbs been amputated?

Mr. GOOD. No. The life of a limb is fixed at about three years, and where the soldier or sailor has lost a limb he is entitled either to a limb or commutation for the limb.

Mr. WATSON. If a soldier had lost an arm and obtains an artificial one, is he permitted to be benefited under vocational training?

Mr. GOOD. This has to do with the soldiers of the Civil War?

Mr. WATSON. Quite true. My inquiry is, Are the soldiers of the Spanish-American War benefited by the various vocational acts?

Mr. GOOD. No. It has only to do with the soldiers of this war.

Mr. WATSON. I withdraw the pro forma amendment.

Mr. HICKS. Will the gentleman yield for just a moment? Is not this amount considerably larger than the amount carried in the last year's bill?

Mr. GOOD. Yes; because it is a third year. It is only $50,000 for the current year, and it was explained to the committee that they could not reasonably expect to get along for much less than $150,000 for this year, which is the third year, and every three years the appropriation is about $100,000 more than the ordinary appropriation.

Mr. CALDWELL. Mr. Chairman, I offer an amendment to strike out, beginning with the word "*Provided*," in line 4, the balance of line 4, and all of lines 5, 6, 7, and 8.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CALDWELL: Page 67, line 4, after the colon, strike out all the balance of line 4 and all of lines 5, 6, 7, and 8.

Mr. CALDWELL. Mr. Chairman, I had occasion not long ago to visit one of the great hospitals where the soldiers are now being treated and prepared with artificial limbs. I saw the limbs that were being furnished by the Government, and I noticed that the legs furnished were of two characters, one cheap and one expensive, and the boys who were required to wear these legs all bitterly complained of the cheaper leg. It was not as comfortable, it was not as serviceable, and yet it was necessary, under the appropriation that we had at that time, in order that the men might be given something, to furnish a certain percentage of those cheaper legs. I also have had occasion to talk with one of the Marine Corps who was in the great battle at Belleau Wood, and whose hand was shot off just above the wrist in such a way that the muscles that were in the nub end of his wrist were controllable by him. In other words, by thinking he was going to move his finger he could move certain of the muscles in the arm. He was at Walter Reed Hospital, and was discharged from there, and they gave him an artificial hand. He could bend one or two of the fingers or the thumb by touching them. It was a crude thing, upon which he slipped a glove of the same kind he was wearing on his left hand, and when he walked down the street one would not notice that he was a cripple. In that respect it was of some service to him. It held his sleeve in place. But that young man had purchased from his own funds a hand that the Government did not furnish him and could not furnish him, because it did not have the authorization, that when fitted upon his arm and covered with a glove was so nearly perfect that one had to examine it to see that it was not a real hand. And by the operation of his muscles that were still good in the nub of his arm that was left, he could use that artificial hand with such skill that he could pick up a dime off the table, he could write with it, and do nearly all of the things that in his walk of life he was called upon to perform in order to earn his daily bread.

Now, I do not think that this Congress is justified in limiting the single appropriation for the single artificial limb to $125, because in those days before the prices had increased this artificial hand cost that young man, out of his own pocket, $125. To-day the price is probably $250. And wherever you find a man whose muscles are in such condition that that kind of a hand would make him a new one, it is only fair the department should be authorized to expend the other few little dollars, in order that that man might go through life taking care of himself with that degree of comfort that those few dollars would give, and which he will be deprived of if you limit this amount to $125. Therefore, I very seriously urge——

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CALDWELL. I ask unanimous consent for one more minute.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. CALDWELL. I very seriously urge in behalf of those men whose limbs are still in condition where they can benefit by these wonderful pieces of mechanism that this proviso be stricken from the bill in order that the department may have authority to buy those limbs for those men.

Mr. GOOD. Mr. Chairman, the gentleman talks one way, but his amendment would do just exactly the opposite thing from what he is asking to be done. Under section 4787 of the Revised Statutes the Surgeon General is permitted to buy limbs out of this appropriation and to pay not to exceed $75 for a leg and $50 for an arm.

Mr. CALDWELL. Will the gentleman yield just a minute?

Mr. GOOD. In just a moment. The War Department brought before the committee the fact that the war-risk patients who have lost either an arm or a leg in this war have made such a drain upon the manufacturers of artificial limbs that they are unable under the present law to provide limbs for the soldiers of the Civil War and the Spanish-American War, and therefore they ask the authority that they be permitted to spend as much as $125 for an artificial limb, notwithstanding the provisions contained in section 4787 of the Revised Statutes. It was the request of the Surgeon General. It seemed to us like a large increase, but we felt that we should not refuse it in this small number of cases, only about 50 a year, who are asking for the limbs. But the Surgeon General told the committee if this provision was given those who demanded the commutation or cash instead of the limb would still receive only $50 in the case of an arm and $75 in the case of a leg. But where a man wanted an artificial leg, if the War Department had to pay $125 for it, it should be permitted to buy it and furnish the leg to that man. That was the reason for the amendment.

Mr. CALDWELL. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. CALDWELL. I am very much obliged to the gentleman for calling my attention to the wording of the statute. The idea I wanted to reach was to get a sufficient sum of money so that these high-class and well-constructed and wonderfully constructed artificial limbs could be purchased in cases where the nub left was of such a character that they could use them.

Mr. GOOD. If the gentleman's amendment prevails, then they could not pay more than $75 for one of these limbs.

Mr. CALDWELL. I ask unanimous consent, therefore, Mr. Chairman, to modify my amendment. Instead of striking out from "*Provided*" down to the end of the section, strike out the figures "$125" and make it "$250."

The CHAIRMAN. The gentleman from New York asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

Mr. CALDWELL. I offer a modified amendment.

The CHAIRMAN. The gentleman offers a modified amendment. The Clerk will report the modified amendment.

The Clerk read as follows:

Amendment offered by Mr. CALDWELL: On page 67, line 5, strike out "$125" and insert in lieu thereof "$250."

Mr. CALDWELL. Now, Mr. Chairman, I would like to say something. I thank the chairman of the committee for calling my attention to the wording of the old statute. But what I have in mind is that I want to make it possible that in those few cases where the nub of the natural limb left is of such character that these specially constructed artificial limbs can be operated, the department in those cases, where a man asks for that kind of limb, shall be authorized and permitted to buy that kind of a limb for the man.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York.

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. CALDWELL. A division, Mr. Chairman.

The CHAIRMAN. The gentleman from New York asks for a division.

The committee divided; and there were—ayes 1, noes 30.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. RUBEY. Mr. Chairman, it seems to me that inasmuch as there are only 31 Members present, apparently, we ought to have a quorum.

Mr. GOOD. All the gentlemen on that side did not rise. I hope the gentleman will not do that. This is Saturday, and we want to make progress.

Mr. RUBEY. Yesterday you were very anxious to have a quorum.

Mr. GOOD. No. The gentleman from Iowa has not made the point of no quorum at all.

Mr. RUBEY. But the gentleman from Illinois [Mr. MADDEN], a member of the steering committee, did make a point of order that there was no quorum yesterday.

Mr. CANNON. Oh, that is a last year's bird's nest. [Laughter.]

Mr. RUBEY. Well, in view of the remark of the gentleman from Illinois, I will withdraw my point of order. [Laughter.]

The CHAIRMAN. The point of order is withdrawn. The Clerk will read.

The Clerk read as follows:

Central Branch, Dayton, Ohio: Current expenses: For pay of officers and noncommissioned officers of the home, with such exceptions as are hereinafter noted, and their clerks, weighmasters, and orderlies; chaplains, religious instruction, and entertainment for the members of the home, printers, bookbinders, librarians, musicians, telegraph and telephone operators, guards, janitors, watchmen, fire company, and property and materials purchased for their use, including repairs not done by the home; articles of amusement, library books, magazines, papers, pictures, and musical instruments, and repairs not done by the home; stationery, advertising, legal advice, payments due heirs of deceased members: *Provided*, That all receipts on account of the effects of deceased members during the fiscal year shall also be available for such payments; and for such other expenditures as can not properly be included under other heads of expenditures, $62,000.

Mr. JOHNSON of Mississippi. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Mississippi moves to strike out the last word.

Mr. JOHNSON of Mississippi. Mr. Chairman, I do so for the purpose of asking the chairman some questions. I notice that, on page 67, line 24 of the paragraph under consideration, you ask for an appropriation for "religious instruction." I want to ask the chairman what the necessity for that is? I have read the hearings, and I find nothing that will justify this appropriation.

Mr. GOOD. I will say to the gentleman that the attention of the chairman of the committee was not attracted to those words, and I do not believe the attention of the committee as a whole was. It is just the language that has been carried for all of the homes.

Mr. JOHNSON of Mississippi. I have brought it to the attention of several gentlemen, and every one of them has said it is probably an oversight. We already have chaplains.

Mr. GOOD. I am advised that those words have been there for a great many years—ever since appropriations were carried for the homes. Of course, we carry an appropriation for the chaplains, and I suppose there are certain expenses connected with the service.

Mr. JOHNSON of Mississippi. Now we have chaplains included. Would the chairman object to striking out the words "religious instruction"? I do not think an appropriation should be made for the promotion of any particular religion in this country.

Mr. GOOD. The term "religious instruction" can cover an illustrated lecture, or something of that kind, for the instruction or entertainment of the soldiers. If the gentleman can point to a single abuse that has come from carrying these words in the bill, I would not object to an amendment to correct it. But I do not think such abuses could exist.

Mr. JOHNSON of Mississippi. Would the gentleman object to "religious exercises" instead of "religious instruction"? I do not think any particular creed should be promulgated.

Mr. GOOD. And I do not think there is.

Mr. CANNON. If the gentleman will allow me, in practice there are two chaplains ordinarily in each of the homes, and I have some knowledge about it, because one of the homes is near by where I live. There is generally a place of worship for the Catholic Church, and then a place for the Protestant Church. These people are called and employed from private life. The salary is not great. There is a place of worship, one place for one set of people and another place for another set of people.

Mr. JOHNSON of Mississippi. I will say to the gentleman that I have no objection to that. I am in favor of that. But I am opposed to appropriating Government money for the purpose of teaching any particular kind of religion.

Mr. CANNON. Oh, well——

Mr. JOHNSON of Mississippi. That is what this says—"religious instruction."

Mr. CANNON. That is a very broad term, "for the purpose of teaching religion." Would the gentleman put it in for the purpose of teaching irreligion?

Mr. JOHNSON of Mississippi. I would not. I am in favor of religion.

Mr. CANNON. Undoubtedly here and there there might be a man in a home who did not believe in any religion.

Mr. JOHNSON of Mississippi. And you have chaplains there, and it is their duty to teach them without their using the people's money for the purpose of teaching any particular religion.

Mr. CANNON. How could a chaplain do anything if he did not teach religion?

Mr. JOHNSON of Mississippi. You have no right to appropriate money to teach any particular religion. You see the comma after the word "chaplains" makes quite a difference when you come to read the law.

Mr. CANNON. I think the gentleman is overcritical. There has been no friction in the administration of this appropriation.

Mr. JOHNSON of Mississippi. That is what we want to get away from.

Mr. CANNON. There is no criticism. Once in awhile a Swedenborgian might say, "I want a chaplain." And once in awhile there might be a Baptist, a "hardshell" Baptist, or what they used to call a "forty-gallon Baptist" [laughter]——

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. JOHNSON of Mississippi. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. JOHNSON of Mississippi. I do not think we ought to appropriate money for the teaching of any particular religious instruction of any particular kind, whether Catholic or Protestant, or Mohammedan, or otherwise, at the expense of the Federal Treasury.

Mr. CANNON. Would the gentleman take all the various churches, the Methodist Church South and the Methodist Church North and the Christian Church and the Christian Scientist—would he put them all in and allow each to have a chaplain?

Mr. JOHNSON of Mississippi. Yes; every one that wants to.

Mr. CANNON. Then if there was only one member of the home at Dayton, which is the largest of all the homes, that wanted a Christian Scientist chaplain, or a Swedenborgian, we would build a chapel for the chaplain of that denomination and the one member?

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Mississippi. Yes.

Mr. HUDSPETH. What is a Swedenborgian?

Mr. CANNON. Oh, the gentleman is not contemporary with Swedenborg, but it is a very extensive church, scattered over the world. If the gentleman will read the Divine Love and Wisdom, he will find it is a very taking and plausible presentation by Swedenborg.

Mr. JOHNSON of Mississippi. Oh, I do not yield further for that kind of a lecture. [Laughter.] Would the gentleman be willing to strike out the word "instruction" and say "exercises"?

Mr. GOOD. Let me say this to the gentleman: The gentleman from New York, Mr. Fitzgerald, one of the very ablest chairmen the Committee on Appropriations ever had, was affiliated with the Catholic Church, and the gentleman from Kentucky, Mr. Sherley, another very able chairman, was a member of the Protestant Church. They both carried this same language in the bills reported when they were chairmen of the committee, and I will say to the gentleman that I never heard a thing raised against it, or any suggestion that there was any abuse. I do not think it makes any difference whether you have the word "instruction" or the word "exercises." To me it makes no difference. I only call the attention of the gentleman to this. I think it is a bad policy to change the language in an appropriation bill unless we find some substantial reason for it. Now, if there were an abuse anywhere I would be very glad to agree to some change or elimination if necessary.

Mr. TILSON. Would not the word "exercises" be particularly objectionable? That is just the thing that the gentleman is trying to prevent.

Mr. JOHNSON of Mississippi. No.

Mr. TILSON. Whereas instruction might be by literature, by pictures, by lectures, or by any other means; but if you limit it to exercises, it might be considered the exercises of some particular church.

Mr. JOHNSON of Mississippi. No; not at all. I withdraw the pro forma amendment, Mr. Chairman.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

Subsistence: For pay of commissary sergeants, commissary clerks, porters, laborers, bakers, cooks, dishwashers, waiters, and others employed in the subsistence department; food supplies, except articles of special diet for the sick, purchased for the subsistence of the members of the home and civilian employees regularly employed and residing at the branch, their freight, preparation, and serving; aprons, caps, and jackets for kitchen and dining-room employees; tobacco; dining-room and kitchen furniture and utensils, bakers' and butchers' tools and appliances, and their repair not done by the home, $325,000.

Mr. CALDWELL. Mr. Chairman, I move to strike out the last word. I should like to ask the gentleman a question with reference to the item of tobacco in line 21, page 68. That

tobacco is for the old soldiers and not for the enlisted men, is it not?

Mr. GOOD. We carry a provision here which is for the benefit of the soldiers of all wars—anybody in the homes.

Mr. CALDWELL. The gentleman does not quite get my question. Is the subsistence provided in this section subsistence for the inmates of the homes, or is it for the employees of the homes?

Mr. GOOD. The subsistence is for both the employees and the inmates. They have to furnish subsistence to the men who work on the farms of the homes.

Mr. CANNON. Who are soldiers.

Mr. GOOD. Many of them are soldiers, who are employed.

Mr. CALDWELL. If they are soldiers enlisted in the Regular Army, are they not carried in the Regular Army appropriation bill?

Mr. GOOD. If they are still in the Regular Army they go to the Soldiers' Home here at Washington, and this does not carry an appropriation for them.

Mr. CALDWELL. But I mean the commissary sergeants. The commissary sergeant is an employee of the home. He is not in the home as an indigent, or one being cared for there. He is there to help care for the indigent. Does this subsistence go to him?

Mr. GOOD. That is not a military rank. He is an officer of the home, and this does not go to him.

Mr. CALDWELL. Are there any men in the Regular Army drawing their pay, who have the status of enlisted men or officers in the Army, assigned to this home?

Mr. GOOD. No.

Mr. CALDWELL. The commissary sergeant mentioned in line 13 is not a commissary sergeant as we understand him when we speak of the Regular Army, but only a man assigned to commissary duty in the home, and not a part of the Army?

Mr. GOOD. That is correct. He is employed in the home.

Mr. CALDWELL. How much tobacco is given per day per man?

Mr. GOOD. They have a regular ration, as I recall the testimony.

Mr. CALDWELL. Is the tobacco issued to the employees of the home in the same quantity that it is issued to the inmates of the home?

Mr. GOOD. The employees who are not members of the home must purchase their own supplies. They are not furnished free tobacco and things of that kind. Only the members of the home receive those things.

Mr. CALDWELL. That is what I wanted to know.

The Clerk read as follows:

For hospital, including the same objects specified under this head for the central branch, $47,000.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that the word "hospital," in line 14, page 71, may be correctly spelled.

The CHAIRMAN. Without objection, the spelling of the word "hospital" will be corrected.

There was no objection.

The Clerk read as follows:

For subsistence, including the same objects specified under this head for the central branch, $60,000, together with not exceeding $150,000 for the unexpended balance of the appropriation for this purpose for the fiscal year 1920.

Mr. CALDWELL. Mr. Chairman, I move to strike out the last word. I should like to ask the chairman of the committee a question. In the preceding paragraph you authorize the transfer of the material not needed at the Hampton Hospital. Are they going to close up the hospital there?

Mr. GOOD. No; that hospital was taken over by the War Department during the war, as the gentleman knows.

Mr. CALDWELL. Yes.

Mr. GOOD. It was operated as an Army hospital. The Army has turned that hospital back to the Board of Managers of the Soldiers' Home. It is a part of their property, one of the branches that was operated for a number of years, and is the Southern Branch. When the Army took it over they threw out a great deal of the hospital supplies and equipment and installed their own hospital supplies. If we do not permit them to leave what they have installed, so that it may be used by the board of managers, it will be necessary to carry a large appropriation to buy new materials for supplies for the hospital service.

The Clerk read as follows:

For hospital, including the same objects specified under this head for the Central Branch, $85,000.

Mr. OSBORNE. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. OSBORNE: Page 74, insert after line 12 a separate paragraph as follows:

"For the construction of a new sanitary fireproof hospital on the grounds of the Pacific Branch, $500,000."

Mr. GOOD. I make the point of order that the amendment is not germane.

Mr. CANNON. Not authorized by law.

Mr. OSBORNE. Will the gentleman withhold his point of order?

Mr. GOOD. I reserve the point of order.

Mr. OSBORNE. I have introduced a bill in the House in this Congress, and in the previous Congress, making an appropriation for this hospital. At the Pacific Branch of the Soldiers' Home there are 3,500 members, of whom 2,500 are at the home all the time. The hospital building is a frame building constructed about 30 years ago, very much out of date, and there is very great need for a new hospital there. There are soldiers there not only from the Civil War but the Spanish War and the World War in that home now. Even though it may be inconvenient to build the hospital now it will have to be built in a very short time. It ought to be done now.

Mr. GOOD. Mr. Chairman, I think there is a good deal in what the gentleman says about the need for additional accommodation for the service in view of what we are doing. I think we will have to build two more branches of the soldiers' home. There perhaps ought to be two branches in the South—one to take care of the colored soldiers and the other the white soldiers. There will have to be something of that kind done perhaps in the near future, especially when conditions for construction become a little more favorable; but for the present the committee felt that it could not engage in this building program. To engage in it at one place would mean that we must follow it in other places. However, there is a provision here that we have passed over as to the allotment of $46,000,000 appropriated to the Bureau of War Risk whereby this appropriation may be allotted to the soldiers' homes and can be used to make alterations and repairs where absolutely necessary to provide hospital facilities for the soldiers.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. GREEN of Iowa. I do not understand whom these homes are used by. Here is one for the volunteer soldiers. Are those soldiers of the late war?

Mr. GOOD. They are admitting soldiers of all wars into these homes. There are 10 branches. Under the present law the person to be admitted to a home must be indigent, but we are removing that stigma under this bill so as to permit the soldiers of this war, or any other war, who need hospital treatment or the care of the home to go and receive that treatment or care.

Mr. GREEN of Iowa. Before the last war broke out the homes were nowhere near full.

Mr. GOOD. They are not now. There are nearly 10,000 vacant beds in the homes.

Mr. OSBORNE. The Western Branch Home is always full.

Mr. GOOD. No; there was a decrease last year from 1918 of 293, but not anything like the decrease in the other homes.

Mr. JOHNSON of Mississippi. Mr. Chairman, I would like to ask the gentleman from Iowa if there is any provision made for taking care of the colored soldiers as far as hospital treatment is concerned? I want to call the gentleman's attention to the fact that I have had a number of letters from my district from colored men writing me that they were suffering from tuberculosis; that they had reported the matter to the department, but they had not done anything for them; and that unless something was done immediately it would be too late. I know a number of negroes living in my district who are in need of treatment and something ought to be done to take care of them. They went to the war, did their duty, and they, as well as their parents, are constantly writing me to know if something can not be done for them.

Mr. GOOD. I think there is this to be said about the negro: He feels that the Government has recognized the Indian, made provision for him and for the white race, but does not make a special provision for the colored race. They feel that they would be better satisfied if they had a home that was their home, peculiarly their home, and I am somewhat in sympathy with that view, but I think that, so far as the War Risk is concerned, as far as the Public Health Service is concerned, they have made no discrimination on account of color.

Mr. JOHNSON of Mississippi. I am in favor of discrimination so far as segregation is concerned.

Mr. GOOD. I did not mean segregation; I meant in regard to the treatment that each has been accorded, the treatment which he deserved, irrespective of color.

Mr. CANNON. Will the gentleman yield?

Mr. JOHNSON of Mississippi. Yes.

Mr. CANNON. The negro is admitted to the soldiers' homes now?

Mr. GOOD. Oh, yes; there is no discrimination.

Mr. JOHNSON of Mississippi. He is taken care of there.

Mr. WELLING. Mr. Chairman, I would like to ask the gentleman from Iowa a question. I notice in the Santa Monica item and other similar items there are seven distinct items aggregating $16,500, all in large sums and all in round numbers. How does it come out that the items appropriated last year were all used up to the last cent? Who audits these various accounts and who furnishes them to Congress and to the committee?

Mr. GOOD. The items are not all used up to the last cent.

Mr. WELLING. It seems so from the paragraph we are considering relating to Santa Monica.

Mr. GOOD. The unexpended balances go back into the Treasury. I suppose the gentleman has been making comparison with the Hampton Branch or the Southern Branch. The reason for the reappropriation of unexpended balances in that paragraph is that the Congress appropriated the money on the theory that the War Department would turn back the home. The War Department did not do it until a month or two ago, and therefore these large unexpended balances are reappropriated. At the other places all the unexpended balances are covered back into the Treasury.

Mr. WELLING. Can the gentleman say how much of this $16,500 was covered back into the Treasury, approximately?

Mr. GOOD. No, I can not. In going over the various items we took up each item, found out how much they expended during the last year, how they were getting along with the current appropriation, and in determining the amount that we would recommend for the next year we were guided entirely by their expenditures of not only the last year but the current rate for the present year.

Mr. WELLING. Does it ever occur that the homes exceed the amount appropriated?

Mr. GOOD. Yes; and they come for a deficiency in that case. There will be some deficiencies this year. Mr. Chairman, I insist on the point of order.

The CHAIRMAN. The Chair sustains the point of order and the Clerk will read.

The Clerk read as follows:

Clothing for all branches: For clothing, underclothing, hats, caps, boots, shoes, socks, and overalls; labor, materials, machines, tools, and appliances employed, and for use in the tailor shops, knitting shops, and shoe shops, or other home shops in which any kind of clothing is made or repaired, $275,000.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word in order to ask the chairman of the committee if any of the clothing that is surplus on hand in the War Department can be sold to supply the needs of this department? They have on hand quite a good bit of surplus clothing, not necessarily outer clothing, but underclothing and shoes and things of that character.

Mr. GOOD. Mr. Chairman, of course they can purchase it, and I am not sure but what it would be their duty to purchase it. As far as the clothing is concerned I assume that they would purchase it, but a great deal of the clothing is made right in the homes.

Mr. McKEOWN. I so understand.

Mr. GOOD. In most of the homes they have factories for making clothing. In fact, these homes are model governmental institutions. The food they serve is not only wholesome but splendid, palatable food. Then, too, they have their own factories and they have their own laundries. The expense of laundering the clothing and doing the laundry work at the homes last year averaged about one-half of 1 cent per piece. The average cost per man per day in the homes last year was about 97 cents. Notwithstanding this, they have greenhouses and if a soldier becomes ill and goes to the hospital flowers from the greenhouses are taken over every day to place in his room. The very best care imaginable is taken of the members of the homes. The homes are run in a way so that when a member wants to work he goes out to work on the farm or in the machine shop or the carpenter shop or does repair work and is paid something for it. The homes are model institutions, and are carried on like a well-conducted Government institution of this kind should be conducted.

Mr. McKEOWN. I thank the gentleman for the information, but it appears to me that if there were large stocks of underclothing that would be suitable on hand in the War Department they ought to be purchased by these homes.

Mr. GOOD. I am sure that the board of managers are taking advantage of those very conditions in buying that sort of thing.

Mr. CALDWELL. Mr. Chairman, if the gentleman will permit, I will say to the gentleman that when we demobilized the Army we passed a bill directing the Secretary of War to supply each soldier who was discharged with a full equipment, and that practically wiped out the major articles of clothing which we had, which would ordinarily have been surplus, and it was necessary in the last appropriation act to begin to buy shoes again.

The Clerk read as follows:

The following persons shall be entitled to the benefits of the National Home for Disabled Volunteer Soldiers, and may be admitted thereto upon the order of a member of the board of managers, namely: Honorably discharged officers, soldiers, sailors, and marines who served in the Regular, Volunteer, or other forces of the United States in any war in which the country has been engaged, in campaigns against hostile Indians, or who served in any of the extra-territorial possessions of the United States, in foreign countries, including Mexican border service, or in the Organized Militia or National Guard when called into the Federal service, and who are disabled by diseases or wounds and by reason of such disability are either temporarily or permanently incapacitated from earning a living.

Mr. MANN of Illinois. Mr. Chairman, I reserve the point of order on the paragraph. Are soldiers who served in the Regular Army now admitted to the soldiers' homes outside of the Soldiers' Home here in Washington?

Mr. GOOD. That is my understanding.

Mr. CANNON. Yes.

Mr. MANN of Illinois. There is a soldiers' home maintained here for the benefit of the ex-soldiers of the Regular Army.

Mr. GOOD. Yes; altogether different from these.

Mr. MANN of Illinois. I did not know whether they were admitted to the ordinary soldiers' homes now or not. I have been under the impression that they are not.

Mr. GOOD. They are.

Mr. MANN of Illinois. Then what does this amount to, if they are already admitted?

Mr. GOOD. Mr. Chairman, I suppose my answer should be made with some limitation. The soldier in order to be admitted must have served in some war. If the soldier was in the Regular Army and served in the Regular Army, without having served in any war, I doubt whether, strictly construing the law, he would be admitted to the home; but the board of managers have been very liberal in the construction of the law with regard to the admission to soldiers' homes. Some question arose as to whether or not the soldiers of the late war were to be admitted. They had the beds—particularly so at the Mountain Branch in Tennessee, where we have a tubercular home—and a great many of the young men who were discharged soldiers of the late war, afflicted with tuberculosis, were admitted there without question. They did not require a strict construction of law with regard to their showing that they had no money.

Mr. MANN of Illinois. This provision, I take it, is not intended to affect in any way the status of the soldiers' home in Washington?

Mr. GOOD. Not at all. Some of the soldiers of this war will not go into the soldiers' homes because they are asked whether they have any property, whether they can take care of themselves. Under the law, strictly construed, a person can not be admitted to any of these 10 branches unless he is indigent. The committee thought that provision should be removed, inasmuch as we propose to provide hospitalization to about 8,000 or 10,000 of these soldiers in these homes where there are vacant beds.

Mr. MANN of Illinois. Mr. Chairman, I withdraw the reservation of the point of order.

The Clerk read as follows:

The accounting officers of the Treasury are hereby authorized and directed to allow and credit in the accounts of Maj. Gen. (formerly major of Cavalry) Jesse McI. Carter, United States Army, the sum of $352.23 disallowed against him on the books of the Treasury.

Mr. GOOD. Mr. Chairman, I move to strike out the paragraph. That item has been taken care of by Senate bill 2448, and there is no need of carrying it here.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 88, strike out the paragraph beginning in line 7 and ending with line 11.

Mr. McKEOWN. Mr. Chairman, has that been finally taken care of in the bill that went through the House? There was a bill in the House and then I saw something about striking it out in the conference report.

Mr. GOOD. It was left in the conference report approved May 5.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

The Clerk read as follows:

Reproducing plats of surveys: To enable the Commissioner of the General Land Office to continue to reproduce worn and defaced official plats of surveys on file, and other plats constituting a part of the records of said office, to furnish local land offices with the same, and for reproducing by photolithography original plats of surveys prepared

in the offices of surveyors general, $5,000: *Provided*, That hereafter photolithographic copies of township plats shall be sold to the public at 50 cents each.

Mr. CALDWELL. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by printing therein this schedule to which I referred earlier in the day.

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated.

Mr. GOOD. Mr. Chairman, I will say to the gentleman that if he will withhold that request until we get ready to rise——

Mr. CALDWELL. I am constrained to say that there ought to be enough men in this House to at least listen to the reading of this bill, and I make the point of order that there is no quorum present.

Mr. MANN of Illinois. Mr. Chairman, I suggest to the gentleman from New York that the gentleman from Iowa did not object.

Mr. CALDWELL. Oh, yes; he did.

Mr. GOOD. I just asked the gentleman to withhold his request until we get ready to rise, then I would have no objection to his putting it in.

Mr. CALDWELL. If the gentleman has no objection now, I will withdraw my point of order, otherwise I must insist upon it. I ask unanimous consent to extend my remarks in the RECORD by inserting therein this schedule.

The CHAIRMAN. Does the gentleman withdraw his point of order?

Mr. CALDWELL. For the present I do.

The CHAIRMAN. Is there objection?

Mr. MADDEN. Mr. Chairman, I object.

Mr. CALDWELL. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] Fifty-one gentlemen are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Andrews, Md.	Donovan	Kennedy, R. I.	Rose
Ayres	Dooling	Kettner	Rowan
Bacharach	Doremus	Kiess	Rowe
Bankhead	Drane	Kitchin	Sabath
Benson	Dyer	Kreider	Sanders, Ind.
Blackmon	Edmonds	Lankford	Schall
Bland, Ind.	Ellsworth	Lazaro	Scott
Bowers	Elston	Lee, Ga.	Scully
Brand	Emerson	Lesher	Sears
Brinson	Ferris	Lonergan	Sherwood
Britten	Fields	Longworth	Shreve
Brooks, Pa.	Gard	McAndrews	Siegel
Brumbaugh	Garrett	McCulloch	Small
Burke	Godwin	McFadden	Smith, Ill.
Burroughs	Goldfogle	McKinley	Smith, N. Y.
Butler	Gould	McLaughlin, Mich.	Snell
Byrnes, S. C.	Graham, Pa.	McPherson	Snyder
Campbell, Kans.	Greene, Mass.	Maher	Steagall
Cantrill	Griest	Mann, S. C.	Steele
Caraway	Hamill	Mansfield	Stephens, Miss.
Carew	Hamilton	Mason	Stephens, Ohio
Carss	Harrison	Mooney	Strong, Pa.
Carter	Hastings	Morin	Sullivan
Casey	Hayden	Neely	Summers, Wash.
Clark, Fla.	Heffin	Nelson, Wis.	Tague
Clark, Mo.	Hernandez	Nolan	Temple
Cleary	Hill	O'Connell	Tillman
Cooper	Hoey	O'Connor	Tinkham
Copley	Howard	Pell	Towner
Costello	Huddleston	Platt	Upshaw
Crago	Hulings	Porter	Vare
Cramton	Hull, Tenn.	Pou	Voigt
Crisp	Humphreys	Radcliffe	Walters
Cullen	Husted	Ramsey	Ward
Curry, Calif.	Hutchinson	Reavis	Wason
Dale	Johnson, S. Dak.	Reber	Wheeler
Darrow	Johnston, N. Y.	Reed, W. Va.	Williams
Dempsey	Jones, Pa.	Riddick	Wise
Denison	Kelly, Pa.	Riordan	Wright
Dent	Kendall	Robinson, N. C.	
Dewalt	Kennedy, Iowa	Rodenberg	

The committee rose; and the Speaker having resumed the chair, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having under consideration the bill H. R. 13870, the sundry civil bill, finding itself without a quorum, under the rule, he caused the roll to be called, whereupon 265 Members answered to their names, a quorum, and he presented the list of absentees to be entered upon the Journal.

The SPEAKER. The committee will resume its session.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For geologic surveys in the various portions of the United States, $352,000.

Mr. PARRISH. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman a question about the item of $352,000 appearing in line 8, page 89. Can the chairman tell us from the hearings or other information just where it is intended these geological surveys will be made?

Mr. GOOD. This work is being done in several portions of the United States, I will not say in all portions, but a great deal has been done down in the gentleman's State.

Mr. PARRISH. The reason I ask the question is that 7 out of the 12 counties I represent have demonstrated that they have great quantities of oil in the counties, and when oil is discovered in a territory the real value of the geological surveys are then fully appreciated, because when they have oil in a territory surveys are very helpful in determining where it is best to drill. I called some time ago on the head of this department and he said that they had no money with which to make geological surveys of the counties of my district, and I was wondering if this appropriation would enable them to do any work at all in my district.

Mr. GOOD. It would be possible for the director to spend it all in the gentleman's district. He can spend the money wherever he pleases, and I will say to the gentleman that in explaining the matter the director stated because of oil activities it was desired to spend a good deal of this money in these oil-bearing territories.

Mr. PARRISH. I will say to the gentleman we do not want it all. [Laughter.] But we would like to have some of it, enough at least to enable us to get the benefit of the experience and training of this department. As I understand it the geological surveys made in parts of the country that have not been proven for oil are of very little value, but when you do find oil and make surveys in that region it is very helpful to determine where it is best to drill and to prevent the making of wasteful and useless tests.

Mr. GOOD. That is the object of the appropriation.

Mr. PARRISH. I hope they will spend some of it in my district.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

For gauging streams and determining the water supply of the United States, the investigation of underground currents and artesian wells, and the preparation of reports upon the best methods of utilizing the water resources, $180,000, of which $25,000 may be used to test the existence of artesian and other underground water supplies suitable for irrigation in the arid and semiarid regions by boring wells.

Mr. OSBORNE. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 89, line 23, insert a new paragraph, as follows:

"For locating and keeping clean water holes and drinking places on the deserts and for the construction and erection of metal signposts giving directions and distances to said water holes and drinking places, $10,000."

Mr. GOOD. Mr. Chairman, I reserve a point of order on the amendment.

Mr. BLANTON. Mr. Chairman, I make the point of order.

The CHAIRMAN. The gentleman from Iowa reserves the point of order and the gentleman from Texas makes it.

Mr. OSBORNE. Will the gentleman withhold his point of order in order to enable me to explain this matter?

Mr. BLANTON. I will withhold it.

Mr. OSBORNE. Mr. Chairman, an item of this kind was in the appropriation bill three or four years ago. The necessity for the work arises from the arid conditions on the desert on account of the great scarcity of the water and the danger to human life in traversing those deserts. The bones of men who have lost their lives for lack of this information are found in many places on the deserts of Wyoming, Nevada——

Mr. BLANTON. Will the gentleman yield?

Mr. OSBORNE. I will yield when I have stated my case—and the other States of the West, and a citizen of my own city, George W. Parsons, worked long seeking to impress upon the Congress and the country the necessity for these signposts, and any man familiar with the desert does not have to be told of the importance of this matter.

I have myself had considerable and strenuous experience in this way, and it is a very important thing. The amount of money called for is very small compared with the great usefulness of the appropriation, if it should be made. I would be very glad to see this committee make this very important appropriation of so small an amount for so great a purpose.

Mr. BLANTON. Will the gentleman now yield?

Mr. OSBORNE. I will.

Mr. BLANTON. Does not the gentleman think this is a matter for each one of those States to handle themselves and not a matter for the Congress?

Mr. OSBORNE. No; I will state to the gentleman the States do considerable——

Mr. BLANTON. It is along the highways of those States.

Mr. OSBORNE. There are no highways, my dear boy, this is the open desert, these are not highways.

Mr. BLANTON. It is time the gentleman was getting some highways out there.

Mr. OSBORNE. We have the greatest highways in California that were ever seen. But I am not talking of my own State——

Mr. BLANTON. We have what are called highways down in my State, where there is a wagon road running 50 or 60 miles through a ranch.

Mr. OSBORNE. I have ridden over your State. But this is a different proposition. If you have not been over these highways to which I have reference, you have an experience ahead of you. You may come to a place at night where you expect to get water, but when you arrive there you can not find any——

Mr. BLANTON. And we do not want any of these wet signs put up.

Mr. OSBORNE (continuing). And a man goes crazy and runs around tearing his hair and his clothes, and his bones are found on the sands a few months later.

Mr. BLANTON. I make the point of order that it is new legislation and not authorized by law.

The CHAIRMAN. The Chair thinks it is not authorized by law and therefore sustains the point of order.

Mr. OSBORNE. Will the Chair hear me a moment on the point of order before making it final?

The CHAIRMAN. The Chair is willing to hear the gentleman.

Mr. OSBORNE. I will not take up much time. It appears to me that all of these items are items that have been authorized by the general organization of the Geological Survey. This item is one in which I can see no great difference from any other of the expenditures of the Geological Survey, and it has already been carried in a previous bill, probably under the assumption that it was a part of the duties of the Geological Survey as defined by law.

The CHAIRMAN. The Chair does not think there is any law which authorizes the expenditure for the setting up of metal signposts to indicate the location of water holes on the desert. The Chair thinks that such an amendment is not germane to the general provisions authorizing appropriations in respect to the water resources of the country and therefore sustains the point of order. The Clerk will read.

The Clerk read as follows:

That part of section 1, chapter 3914, of the act approved June 30, 1906 (34 Stats., p. 727), relating to the furnishing of copies of maps by the Geological Survey, and that part of section 1, chapter 299, of the act of March 4, 1909 (35 Stats., p. 989), relating to the furnishing of copies of photographic slides, etc., are hereby amended to read:

"The Director of the Geological Survey may, if the regular work of the survey or the interests of the United States are in no wise interfered with or jeopardized thereby, hereafter furnish to any person, institution, State, or foreign Government, in the interest of education and the dissemination of knowledge, at a price to be fixed by the Director of the Geological Survey, at not less than actual cost, copies of photographs and lantern slides and transfers of copies of any cartographic or other engraved or lithographic data in the possession of the survey, engraved or lithographed plates and prints of cartographic data furnished, surveying instruments or field material required for surveys being executed or made under the auspices or supervision of or in cooperation with the Geological Survey, the money received by the director in payment therefor to be deposited in the United States Treasury to the credit of the appropriation of the Geological Survey current at the time the instruments or materials are furnished or at the time the work is performed."

Mr. MONDELL. Mr. Chairman, I make the point of order against the paragraph, beginning on line 4, page 90, down to and including line 5, page 91. I regret to make a point of order against the paragraph, which contains some provisions which I think are eminently proper and right, but the provision in the paragraph with regard to the use of the funds that are received from sales in carrying on the work of the bureau is very questionable, and I think the matter might well go over and be considered at some future time. Therefore I make the point of order.

The CHAIRMAN. The paragraph against which the gentleman makes the point of order is clearly new legislation and therefore subject to the point of order. Therefore the Chair sustains the point of order.

The Clerk read as follows:

For a survey of power production and distribution in the United States, including the study of methods for the further utilization of water power, and the special investigation of the possible economy of fuel, labor, and materials resulting from the use in the Boston-Washington industrial region of a comprehensive system for the generation and distribution of electricity to transportation lines and industries, and the preparation of reports thereon, $125,000. The Secretary of the Interior is authorized to receive any sums which may be contributed for this purpose. Such sums shall be deposited in the Treasury and credited to the appropriation herein made and be available for expenditure for the purposes thereof.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. I want to know what is meant by this "Boston-Washington industrial region" in this paragraph. What is the purpose of it?

Mr. GOOD. The purpose is this: Both the Director of the Geological Survey and the Director of the Bureau of Mines pointed to an alarming condition with regard to the decrease of the known supply of oil in the United States. The Director of the Geological Survey stated that our supply of oil would be exhausted inside of 20 years. The Director of the Bureau of Mines, Dr. Manning, estimated that the entire supply for all practical purposes would be exhausted in 10 years. It was pointed out that by utilizing coal at the mouth of the mines at tidewater and by tying up the excess power produced by power plants into one superpower system a great deal of money could be saved. To illustrate the proposition, it was pointed out before the committee that when the New York, New Haven & Hartford road was electrified a saving was effected of about one-half of their coal on the same power produced. That is to say, that before electrification it took 8 pounds of coal to produce one horsepower, and after electrification, including the wastage or loss in transmission, it took only 4 pounds of coal. This item is to provide for a Government survey by this bureau and to ascertain whether or not some of this loss can be saved, especially in view of the fact if oil is to disappear in anything like the time that has been estimated by the Director of the Geological Survey or the Director of the Bureau of Mines some substitute must be found. More than that, it is estimated that in this territory, stretching from Washington up to Boston, where it is proposed to make the survey and study, there would be a saving every year of approximately $30,000,000 in the fuel consumed.

Now, it was stated by engineers, as well as Government officials, who appeared before the committee, that while this matter might be done by having the industries themselves make the survey it would take several hundred millions of dollars to carry out the work after it is done, and that capital will not be attracted by a private survey that would be attracted if it was a Government survey, and had back of it the opinion of Government engineers.

Mr. McKEOWN. Mr. Chairman, this question comes up from the old idea that was brought out here during the war, for which a bill was introduced in this House and reported, in reference to converting power at the mouth of the mine and putting it into use during the war, emanating from England. The idea was that power could be produced at the mouth of the mine and transmitted at very much less expense to the business districts. But the area of England and the area of this country are much different, and, besides, it is merely a venture, carrying out a theory that Congress itself would not have carried out or undertaken except it came up here during the war.

Mr. GOOD. With modern plants they are transmitting now at a very small loss. For example, the power used by the street cars in St. Louis is carried down from Keokuk, Iowa, over wires.

Mr. McKEOWN. That is water power.

Mr. GOOD. The transmission is the same.

Mr. McKEOWN. This proposition here was promulgated during the war and for appropriating $200,000,000 to create power plants to take the power out of the mine. It was to create power at the mine and conduct it out into these large manufacturing centers at the expense of the taxpayers of this country. That was promulgated and advocated and came from some of these commissions during the war and was introduced into this House by a bill which was reported here.

Mr. GOOD. I do not know anything about that. This involves the utilization of water power in that territory also, but that is a minor consideration.

Mr. McKEOWN. The water-power bill has already passed this Congress and private enterprise will take charge and make its arrangements with the Government. I do not think they ought to be permitted to spend $125,000 of the people's money in making a mere preliminary survey.

Mr. MILLER. I move to strike out the last word for the purpose of asking a question. Under what law is this appropriation made?

Mr. GOOD. This is under the general authority of the powers of the Geological Survey, to make surveys of this kind.

Mr. MILLER. I mean the legislation.

Mr. GOOD. It is under the duties and powers conferred upon the Geological Survey.

Mr. MILLER. This is an industrial survey, is it not?

Mr. GOOD. No; it is more than that. It involves, in a sense, the work of the Bureau of Mines, as well as the work of the Geological Survey, and there was some question as to which one of those bureaus ought to do the work. The estimate was

for $250,000, and the engineers, as well as the Government officials, thought if we should appropriate half of that and permit, as we have done here, contributions by private capital, at least $250,000, which, it is estimated, will be the amount required, will be obtained for making the survey.

Mr. MILLER. Mr. Chairman, I make the point of order on the paragraph, commencing on line 11 and ending on line 33, on page 91, on the ground that it is not based on any existing law, there being no law for industrial surveys.

Mr. GOOD. The point of order comes too late.

The CHAIRMAN. There has been debate on the paragraph. No point of order was reserved. The gentleman from Oklahoma [Mr. MCKEOWN] made a motion to strike out the last word. The Chair thinks the point of order comes too late.

Mr. McKEOWN. Then I move to amend by striking out the paragraph commencing on line 11 and ending with line 33 on page 91.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Oklahoma.

The Clerk read as follows:

Amendment offered by Mr. MCKEOWN: Page 91, strike out lines 11 to 23, inclusive.

Mr. McKEOWN. Mr. Chairman, the purpose of this amendment is to strike out this language, because it means the entering upon a new venture. The members of the committee will no doubt recollect that during the war a bill was introduced here and a great deal of newspaper propaganda was sent out over the country advocating the carrying of the power from the mouth of the mine to the industrial centers, and the proposition was to launch the United States Government upon that scheme during the war, because it was felt that the power for war industries was insufficient. The theory was that we did not have fuel and power sufficient to carry on and conduct the war. But fortunately the war ended and the armistice was signed before that bill came up for consideration before the Congress. But for that we would have launched into this business at the rate of $200,000,000.

This is but a starting point anyway by which they are attempting to start that scheme again. I can conceive that in England, where there is a small area, comparatively, a proposition of that kind might be practicable, but here in the United States, if the industry can be made successful and profitable it will be put into effect; private parties will put their own money into it. If it is a losing proposition the United States Government has got no business to go into it. For that reason I am opposed to the provision in the bill, and for that reason I move to strike it out.

Mr. BYRNS of Tennessee. Mr. Chairman, I hope the motion of the gentleman from Oklahoma [Mr. MCKEOWN] will not prevail. This proposition is one that looks forward to the conservation of our resources, and, as has been stated, the time is at hand when something must be done looking to the conservation of our fuel supply, because those in authority state that at present the known supply of oil will be exhausted within a very few years at the present rate of consumption.

This proposition does not involve any expenditure upon the part of the United States Government except in the investigation and the making of this survey and report. It is not contemplated, as the gentleman from Oklahoma seems to apprehend, that the United States Government will be called upon to build any great plants or to make any expenditures of that kind. But as the gentleman from Iowa [Mr. GOOD] has said, here is a proposition that looks to bringing about economy in the use of fuel in the production of power. It looks forward to the use of coal at the mouth of the mines for the production of electric power, saving enormous transportation charges, and releasing a great amount of rolling stock for the transportation of the products of the country. If the plans of those who propose it prove to be feasible, it will involve the expenditure of possibly two or three hundred million dollars to put up necessary plants and machinery. Now, to do that, it will be necessary, of course, to obtain capital from private sources, and those who propose this simply desire a survey and investigation by Government experts in order that if the investigation discloses that such a plan is practicable, those who are asked to make these investments will have confidence in the accuracy and impartiality of the report.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. McKEOWN. Was there not a bill introduced in the House during the war making provision for an investment by the United States of $200,000,000 in a power plant to be erected and conduct the power to those industries that were engaged in making war materials?

Mr. BYRNS of Tennessee. That may be true, though I do not recall the bill to which the gentleman refers. In any event, that was for war purposes. This proposition is for peace times, and if the gentleman will read the hearings which were had before the committee in connection with this particular estimate I am sure the gentleman will change his views with reference to the necessity and advisability of making this small appropriation. Those who appeared before the committee were explicit in their statements that it was not intended nor expected that the United States Government would be involved in the outlay of a single dollar of expenditure except for this survey, and that private capital would be relied upon for the permanent investment.

Mr. McKEOWN. If the expense of the Government is to be confined to obtaining useful knowledge and information as to this fuel and power, and things of that kind, of course, I have no objection to it; but I am bitterly opposed to the United States Government launching out on a proposition such as that which was brought here and submitted during the war, and I am opposed to their putting in now an entering wedge to that proposition.

Mr. BYRNS of Tennessee. I submit that this provision does not look forward to anything like what the gentleman anticipates. This simply provides that a survey and report shall be made.

Mr. TAYLOR of Colorado. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. TAYLOR of Colorado. Will not that survey and report be used for purposes of congressional recognition, and will they not come here and ask for a large appropriation next year?

Mr. BYRNS of Tennessee. No.

Mr. TAYLOR of Colorado. The gentleman will recall that we just cut out of the water-power bill a proposition of $25,000,000 for the Great Falls because we thought that was but an entering wedge for $50,000,000 to be spent later, and we concluded that if it were a feasible proposition it ought to be developed by private capital and put upon an equality with the other water powers of the United States.

Mr. BYRNS of Tennessee. This is not a water-power proposition. I am just as much opposed to the United States Government entering upon a policy of expending large sums or any sum upon an investment or enterprise of this kind as is the gentleman from Oklahoma [Mr. MCKEOWN] or the gentleman from Colorado [Mr. TAYLOR]. This is simply to carry on an investigation to ascertain whether or not it will be possible to economize in fuel and at the same time produce power more cheaply. It is simply to enable the Government, through its experts, to make the investigation and report as to whether or not the plans are practicable and feasible, and if so private capital will establish the plants. I submit to the gentleman that this necessarily relates only to one section of the country, but if this should prove successful it is to be expected that there will be similar enterprises undertaken on the western coast and in the section from which the gentleman from Colorado comes, and I hope in the South and Southeast. I repeat, the time has come when we must give some attention to the conservation of our fuel supply, and it is on this account that I think the Government should make this survey.

Mr. TAYLOR of Colorado. There is no possibility of the committee following this up with an appropriation at the next session of Congress to carry this out?

Mr. BYRNS of Tennessee. Absolutely not, I feel quite sure. I can say for myself that if the committee had had any idea that it meant a future expenditure by the Government in financing an undertaking or enterprise of this kind, so far as I am concerned, the proposition would not have been reported nor would I favor it here——

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOOD. I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 15 minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on this paragraph and all amendments thereto close in 15 minutes. Is there objection?

There was no objection.

Mr. MACGREGOR. Mr. Chairman, in the light of what happened the other day with reference to the water-power bill, I am very much surprised that this paragraph should be in this bill. I sought to have incorporated into the water-power bill a provision requiring that the vast amount of electric power that will be developed at Niagara Falls be distributed equitably to the industries of that vicinity, but this House refused to put that provision into the water-power bill, one theory being that this Congress had no right to dictate to the States as to the manner in which the power developed within the States should

be distributed. Nevertheless, I find in this section of this bill that it provides that a study of the methods for the further utilization of water power is to be made and that a comprehensive system for the generation and distribution of electricity to transportation lines and industries is to be developed. If they come back with a report as to the method in which this power can be developed in this territory, we can not do anything or make any provision with reference to the method of distribution, according to the theory advanced in the debate on the water-power bill. We should at least be consistent.

Further than that, it appears to me that this item of $125,000 is extraordinarily large, because in the resolution passed in the session of 1917 the sum of $25,000 was appropriated for an investigation of the water powers covering all the basin of the Great Lakes—Lakes Superior, Michigan, Huron, Erie, and Ontario—under the direction of the War Department. An investigation was made of all of the water powers along the Great Lakes and the report on that has just been submitted. It is extremely voluminous and detailed, and the War Department was allowed only $25,000 for that purpose. It seems to me this work could properly be done under the jurisdiction of the War Department, and done a great deal more cheaply.

Mr. GREEN of Iowa. Mr. Chairman, I am inclined to agree with the gentleman from Oklahoma [Mr. McKEOWN] that this appropriation should be stricken out. Yet, at the same time, I do not share in his apprehensions as to what may happen in the future in the way of further undertakings following this provision. I do not think there is any danger that the Government will enter into any comprehensive scheme for itself to carry out the projects which are included to be surveyed under this provision. I have a very great deal of doubt, and I think everyone who has listened to this debate has a great deal of doubt as to whether this will be of any benefit. Possibly it will be of some benefit, but are our departments to go on trying everything, spending money on all sorts of projects that may possibly be of some benefit?

In what way would this be of benefit? It is true, as my colleague has stated, that on the New Haven Railroad it has been found that a large saving of coal has been effected by the use of electricity on a certain portion of its line, but right beside the trains that are run by electricity are other trains of the same road on parallel tracks which are run by the power derived from coal. The fact of the matter is that the expense of electrifying the roads is so enormous that it becomes doubtful whether after all it is of any advantage to operate the roads by electricity unless the electrical power can be cheaply derived from falling water. It seems to me that this survey if made would be of no benefit unless it took a great deal more time and money than is evidently contemplated by this provision. Unless we could ascertain just what would be the cost of all the possible plants that might be united in one combination to operate one great electric power plant, we never would know whether a project would pay or whether it would not. On the other hand, if we are just simply to develop the theory, we do not need $125,000 for it. It has been the dream of engineers now for many years that all of our power plants should be united in one great system, which would use the coal so far as possible at the mouth of the mine, or if it was not possible to take it from the mouth of the mine, that it should be taken from some near point where water or other cheap transportation could be obtained.

Mr. MILLER. Will the gentleman yield for a question?

Mr. GREEN of Iowa. I yield to the gentleman from Washington.

Mr. MILLER. Under whose authority is this research to be made under this bill?

Mr. GREEN of Iowa. I take it, under the authority of the Director of the Geological Survey. I may be wrong about that.

Mr. MILLER. Industrial research under the authority of the Geological Survey; it seems to me that is entirely in the wrong place. It should be under the Department of Commerce.

Mr. GREEN of Iowa. I agree with the gentleman. This is simply another case of a department unduly expanding its activities and getting over into the boundaries of the duties and functions belonging to some other department. The view that I take of it is that this appropriation is either too small for anything to be realized from it or it is too great simply to develop the theory, and it ought to go out of the bill.

Mr. MILLER. The paragraph states that any contribution shall be made to the Secretary of the Interior. It does not say to the Geological Survey.

Mr. GREEN of Iowa. The Geological Survey is under the Department of the Interior.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOOD. Mr. Chairman, it is barely possible that no substantial good will come of this survey. I think it is very probable that substantial good will come from it. It is not expected that $125,000 will do the work. The estimate of the men who came before the committee was that it would take $250,000 to make the survey. Therefore by this bill we are appropriating $125,000 and permitting contributions of a sufficient amount to finish the work, to make a survey of all the power plants, not simply water power, but all the power plants within the territory, which is an enormous undertaking. Mr. Murray, the man whose genius put into operation the plan of electrifying the New York, New Haven & Hartford Railroad, believes that as a result of this survey not only will the commercial and industrial institutions in this territory be benefited but every farmer along the line who now has a little gasoline engine to churn his butter and grind his grist, and things of that kind, will be benefited by being furnished power. When the supply of oil disappears he must turn to some other source.

We may smile at this proposition. We may laugh it out of Congress just as we did by ridicule the proposition of Mr. Langley in regard to the aeroplane. I say to you that it has within it the very things we must adopt to utilize these forces and to make a greater use of coal at the mouth of the mine and at tide water. It was the testimony of Mr. Murray; it was the testimony of Dr. Smith, Director of the Geological Survey, it was the testimony of the Director of the Bureau of Mines, that by utilization of the coal in this way the utilization of the surplus power of the great industrial plants, and the public-utility plants, by utilizing their surplus, more than $30,000,000 would be saved every year. At the same time it would open up a plan whereby private capital, not Government appropriation, would be used. I would not be in favor of appropriating a single dollar for the Government to go into that kind of a scheme. Private capital should do that. When there is so much of wildcat and watered stocks being circulated and sold, how far would you get in promoting a company of this kind that had back of it only the estimate of some private individual or company? It is intended to have a Government survey and a report, something that would have the stamp of the Government officials on it, that the plan was feasible and practicable, and if the supply of oil is to give out within the time specified, we may well stop and consider if we should not study the question where we can get a substitute.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. MOORE of Virginia. I concur in the views that are being expressed by the gentleman from Iowa with reference to the possibility of a great saving if such a plan can be carried out. It would effect an enormous saving in the transportation of coal. A large part of the car equipment of the country is employed in the transportation of coal. I do not recollect the exact figure, but I think about 50 per cent.

Mr. GOOD. Forty per cent.

Mr. MOORE of Virginia. This matter has been under consideration for some time by scientists of high standing who are hopeful of the result. In my opinion the Government should cooperate in the investigation.

Mr. GOOD. I think we would be very shortsighted if we did not, with these facts staring us in the face, make the small appropriation to do this work. Mr. Chairman, I ask for a vote.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

For investigations as to the causes of mine explosions, methods of mining, especially in relation to the safety of miners, the appliances best adapted to prevent accidents, the possible improvement of conditions under which mining operations are carried on, the use of explosives and electricity, the prevention of accidents, and other inquiries and technologic investigations pertinent to the mining industry, and including all equipment, supplies, and expenses of travel and subsistence, $409,065.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. I want to ask the chairman if any appropriation is carried in this bill to pay this claims commission that was appointed to settle contracts?

Mr. GOOD. No; their salaries and expenses are paid out of the appropriation for the adjustment of claims. The money has already been appropriated.

Mr. McKEOWN. Has any report been made as to their progress?

Mr. GOOD. No; there was no request made for an appropriation for next year.

Mr. McKEOWN. I wondered if they were going to use up the $800,000,000 in going about the country and making surveys and not paying attention to the claims.

Mr. GOOD. There was no estimate made to the committee, and the committee, of course, did not seek one. The appropriation was made in the original act, and they have not come to our committee in regard to other funds, and as the act is only being administered now, I suppose it would be difficult to say what, if any, additional funds will be required.

The Clerk read as follows:

For the employment of personal services and all other expenses in connection with the establishment, maintenance, and operation of mining experiment stations, authorized by the act approved March 3, 1915, $175,000.

Mr. EVANS of Nevada. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, Nevada's position, as compared to other States, is unique; more than 100,000 square miles is still Government owned. We respectfully urge, for that reason, Government appropriations, which come from all States, that our vast area of public lands have due consideration for the great benefit derived from a mining experiment station. Nevada's earnestness and knowledge of such worth is shown by our legislature appropriating $30,000 for housing this station.

That sum is now available for the purpose of locating a mining experiment station contiguous to our State university and State school of mines where they will mutually aid each other and the public.

It is highly gratifying to know that the committee have agreed with my statements made before them, and in this bill do recommend that an additional mining experiment station be established.

The worth to Nevada of such investment is beyond estimation.

The steady, consistent, and enormous production of scores of various valuable minerals justify our claims, but the potential production which will be aided is one hundred times greater. Hundreds of mining districts with thousands of mines and prospects will repay the expenditure a thousand times over. Mining has become a science which all States sustain.

The experiment station will inform with authority both the prospector and investor, stimulating legitimate activity and preventing misrepresentation if attempted, thus affording protection and encouragement to the residents of all States. We have great deposits upon the mountain sides, running 64 per cent in iron.

Immense tonnage of copper in almost all the 17 counties, nearly all of which lie dormant. The Comstock has produced $500,000,000 in silver and is still producing. Goldfield district in Esmeralda County produced more than $100,000,000 in gold and is still producing. Tonopah district has produced several hundred millions in gold and silver, and her production to-day is continued.

Ely, in White Pine County, treats at one plant alone 15,000 tons per day of copper ore.

The State is corrugated with small mountain ranges, with minerals everywhere; gold, silver, copper, lead, quicksilver, manganese, coal, potash, in fact, all known minerals, from antimony to zinc. My figures are approximate but conservative. Value of all minerals in 1916, $53,500,000. For 56 years, since Nevada was admitted as a State, it has produced a billion in gold and silver alone, or more than 15 per cent of the entire output of the whole United States. Her mineral resources are probably not 1 per cent developed.

Every county is enormously mineralized. Our production was growing more widely distributed, and until 1917 steadily increasing, when the war claimed a high percentage of our population, and more than $20,000,000 cash was advanced to the Government upon war subscriptions. Now, owing to higher costs of mining, depletion of our best labor, and excess-profits tax, the mining industry is carrying a too heavy load to continue its forward progress. This load can be lightened by recognition and advice obtained from a mine experiment station, which can and will solve the numerous mining problems.

We are not complaining, but are proud to record the fact that minerals are there, awaiting scientific methods for a greater extraction by the cyanide process; economical treatment of low-grade oxidized ores existing throughout the State; processes for extracting oil from oil shales; economy of treatment for low-grade oxidized copper and silver ores, low-grade lead, zinc, and iron.

A solving of the slime-settlement problem, conservation of lime and cyanide, used in treatment of which we are perhaps the largest users, most of which is lost in tailings.

Improved methods of precipitation; improved treatment of antimonial and arsenical ores carrying gold and silver; improved concentration and flotation process; improved processes for sulphide ores, making their appearance as depth is attained.

Leaching of oxidized copper ores; concentration of mercurial ores; increased recovery from sulphur ores; advice upon rarer metals, platinums, and so forth; concentration of tungsten ores; investigating waste in metallurgy, generally aiding the small mine to develop into a big producer. Thus mines are more made than found.

Realizing and indorsing the need for economy in every possible way, yet maintaining that this small expenditure for locating a mine experiment station in Nevada will directly benefit a vast area of Government land while protecting and instructing the prospector whose living is hard and reward uncertain, deserves the valuable and authentic information which science will thus render to him. This service will decide with authority the numerous complex conditions of ore and vein occurrence and values, classifying rare minerals and generally aiding all mining work. Recent developments have proven oil to be existent in Nevada. This station will do good work helping oil men to overcome the difficulties of protecting oil sands from water, increasing the ultimate production of wells by using compressed air and by other means determining the migration and accumulation of oil and water, establishing methods for estimating valuation and appraisal of oil properties as affecting royalties in leasing oil and gas lands. Solving drilling problems by overcoming difficulties found from caving ground; furnishing best advice on pumping, acting in capacity for expert aid and advice upon various types of storage tanks as relating to evaporation; upon cause, prevention, and extinguishing of fire; advising regarding oil camp sanitation; in hundreds of ways aiding development of public lands. There are undeveloped deposits of coal within 100 miles of the new oil strike at Fallon. These operations deserve instant advice upon complications continually arising, improved methods for greater recovery; general construction for economical value; proven operation and prevention of waste. Expert advice upon installation of machinery and safety appliances to protect life. The experiment stations already established are proven good investments. Nevada, being such fertile mineral field, should have a station working in conjunction with State University and School of Mines, furnishing laboratory tests and valuable advice upon numberless intricate questions. Our State has appropriated and has now available $30,000 for housing such station, supplementing the research work of the State University and School of Mines, while materially aiding in the settlement and development of a vast area of public lands.

The Clerk read as follows:

Hereafter the Secretary of the Interior may have sand, gravel, stone, and other material hauled for the municipal government of the District of Columbia and for branches of the Federal service in the District of Columbia, whenever it may be practicable and economical to have such work performed by using trucks of the Government fuel yards not needed at the time for the hauling of fuel. Payment for such work shall be made on the basis of the actual cost to the Government fuel yards.

Mr. WALSH. Mr. Chairman, I reserve a point of order on the paragraph. What is the idea of writing this into permanent law?

Mr. GOOD. We have in the Government fuel yards a great many motor-driven trucks. A part of the time they are delivering coal to the various departments and buildings operated by the Government. In order to operate these trucks they must have men accustomed to their operation at all seasons of the year. The city does not have enough trucks to make their repairs to the streets in hauling sand, gravel, stone, and things of that kind. They are simply asking that the trucks, when not used to deliver coal, may be used in hauling gravel, sand, cement, and material for repairing roads in the District; that they may have the use of those trucks for the actual cost of operation, including depreciation.

Mr. WALSH. Mr. Chairman, I withdraw the reservation of the point of order.

The Clerk read as follows:

Hereafter the Secretary of the Interior is authorized to deliver, during the months of April, May, and June of each year, to all branches of the Federal service and the municipal government in the District of Columbia, such quantities of fuel for their use during the following fiscal year as it may be practicable to store at the points of consumption, payment therefor to be made by these branches of the Federal service and municipal government from their applicable appropriations for such fiscal year.

Mr. CHINDBLOM. Mr. Chairman, I move to strike out the last word. I want to ask the chairman if this is a new provision of law with reference to the purchase and delivery of fuel during the months of April, May, and June.

Mr. GOOD. It is.

Mr. CHINDBLOM. And it is intended to effect an economy?

Mr. GOOD. Not only effect an economy but to relieve the coal shortage in the wintertime, so that the Government may purchase its coal and get the deliveries of it early in the year and thereby relieve the transportation companies and the mines

as well from furnishing coal for Government buildings in the wintertime when there might be a possible shortage.

Mr. CHINDBLOM. And a situation might arise where other months might be more practicable.

Mr. GOOD. They will be permitted to deliver during other months. These are only the months immediately preceding the next fiscal year.

The Clerk read as follows:

Boise project, Idaho: For operation and maintenance, continuation of construction, and incidental operations, $774,000: *Provided*, That no part of this appropriation shall be expended for drainage except in irrigation districts formed under State laws and upon the execution of agreements for the repayment to the United States of the costs thereof.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last word for the purpose of making an inquiry of the chairman. I observe that this money is being expended for drainage and irrigation districts formed under State laws, and that any money used for that purpose is subsequently to be repaid to the Government, but it says nothing about interest. Why does not the Government get interest on this?

Mr. GOOD. Mr. Chairman, the law provides specifically just what payments can be collected from the water users, and in no law that I can recall is any provision made for the collection of interest at all, the theory being that these waste and desert places should be made productive and the settlers should settle upon them, and that in order to encourage settlement upon them all that would be expected back is the principal, and they were given long periods of time within which to pay back the original investment.

Mr. GREEN of Iowa. I observe that also.

Mr. GOOD. And we have extended the time frequently in cases where it was necessary. There is no provision on a single one of the projects that I can recall where interest is collected from the users. It is not required.

Mr. GREEN of Iowa. Of course, Mr. Chairman, the gentleman is speaking of the general reclamation laws, which do not apply to this particular case.

Mr. MONDELL. Oh, yes; this is the reclamation law.

Mr. FRENCH. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. FRENCH. I would say that the drainage involved here is part of the reclamation project itself.

Mr. GREEN of Iowa. What does the gentleman mean? These are districts organized under the State law. Does the gentleman mean to tell me that the United States Government regulates the amount to be paid on districts organized under the State law?

Mr. GOOD. Yes; because they took them over under the reclamation act.

Mr. FRENCH. The drainage project is made necessary by reason of the reclamation work.

Mr. GOOD. I think where the gentleman is confused is this, that most of these irrigation districts are corporations, and they are organized under the laws of the State.

Mr. GREEN of Iowa. Oh, yes; I understand all that perfectly well, but that is not what I intended to come to. The original reclamation laws, as gentlemen have stated, provided for the repayment of this money advanced on these projects without interest, and the result of that has been that apparently we are going to get it in kingdom come. I do not know when else we will get it. Extension after extension has been made on these projects, and we are not getting our money. These men who are out there on those irrigation projects for the most part are exceedingly prosperous. They are making money, and there is no reason why they should not either pay the Government what the Government has advanced or else pay interest upon it. There is no reason in the world why they should not, except that so long as they can use the Government's money without interest they will do so, and we will continue to go on in this same manner. Whether there was originally provision made that these sums should be advanced on these drainage districts without interest I do not care. I maintain there ought to be a provision for interest in a case like this.

Mr. MACGREGOR. How much do these Western States owe us for these reclamation projects?

Mr. GREEN of Iowa. Oh, they owe us millions of dollars.

Mr. MACGREGOR. Have they ever paid us any?

Mr. GREEN of Iowa. Yes; they have paid some of it; but I think they are in no hurry to pay it as long as it does not draw interest. Who would be?

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. MONDELL. Does the gentleman recall that the great State of New York has paid any part of a very large loan that it received from the Federal Government some 60 or 70 years ago?

Mr. MACGREGOR. I do not recall that. That was before my time.

Mr. GREEN of Iowa. To what loan does the gentleman refer?

Mr. MONDELL. A very large loan of receipts from the sale of public lands, distributed among various States of the Union, the State of Iowa perhaps among others. No penny of that has ever been repaid, principal or interest.

Mr. GREEN of Iowa. What does the gentleman mean? Does he mean money appropriated for educational purposes?

Mr. MONDELL. Oh, no. A large sum of money, as I recollect, was distributed among the States of the Union in the expectation that they would repay it, but they have repaid no part of it. If Iowa was one of the States, she has not paid a penny of it, and neither has New York.

Mr. CANNON. Oh, there was not any Iowa at that time. That was in Jackson's time.

Mr. MONDELL. Very well. We will transfer the charge to Illinois. Illinois got some of it.

Mr. GREEN of Iowa. Oh, there was some money voted to the States for certain purposes, but there was no understanding that it should be repaid.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to proceed for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GREEN of Iowa. But no matter about that. Because we have made some mistakes in the past—and heaven knows we have made plenty of them—is no reason why we should continue on the same blundering, incompetent way. These projects ought to pay their way. There is no reason in the world why they should not. Men are making money out of them. They are making money at the expense of the National Government. Mr. Chairman, I move to amend on page 100, line 9, after the word "thereof" by striking out the semicolon and inserting the words "with interest at 5 per cent, payable annually."

The CHAIRMAN. The gentleman from Iowa offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. GREEN of Iowa: Page 100, line 9, after the word "thereof" strike out the semicolon and insert "with interest at 5 per cent, payable annually."

Mr. GOOD. Mr. Chairman, I make the point of order on the amendment that it is new legislation.

The CHAIRMAN. The Chair will hear the gentleman on the point of order. Does the gentleman from Iowa desire to be heard on the point of order?

Mr. GOOD. The item referred to is the proviso with regard to the Boise project in Idaho and reads as follows:

Provided, That no part of this appropriation shall be expended for drainage except in the irrigation districts formed under State laws and upon the execution of agreements for the repayment to the United States of the cost thereof.

The amendment is "with interest at 5 per cent." The irrigation law specifically provides what the repayment shall consist of. The laws provide that the repayment shall consist only of the actual cost of the improvements. It was never intended when Congress enacted the legislation with regard to these irrigation projects that any interest should be collected at all, and the only repayment exacted under the law is for the amount invested. Now, there are two sides to the question so far as the desirability of exacting interest is concerned. I do not know what this Congress would do if it were called upon to legislate upon this subject to determine whether or not these settlers should be compelled in drainage districts to pay interest upon the repayments, but one thing I am satisfied of is that the law provides only for the repayment of the principal invested by the Government of the United States; and to require now that they pay, or be compelled to pay, interest on their investment is an enlargement, and a material enlargement, of the existing law and is legislation on an appropriation bill and is not permitted.

Mr. GREEN of Iowa. If I may be heard on the point of order.

The CHAIRMAN. The Chair will hear the gentleman from Iowa.

Mr. GREEN of Iowa. If it is true that is the law now, there would be no necessity for the provision in the bill. It seems to have been thought necessary to put in the bill that the repayment should consist of the costs thereof, notwithstanding my

colleague says that is the law already. Now, with this provision in the Boise project that the money could only be expended in the case of an execution of an agreement for repayment to the United States of $744,000, no one would question the propriety of an amendment increasing the amount to $775,000. Now, all that this amendment that I have offered does is simply to increase a little the amount of this sum which is to be repaid under the provisions of the bill which is before us, not an act previous or some other law, but under the provisions of the bill which is before us.

Mr. MONDELL. Mr. Chairman, the gentleman from Iowa [Mr. GOOD] has called attention to the fact that we are now considering reclamation items under the act of June 7, 1902, under which specific provision is made that the sums invested shall be repaid without interest, the language of the law being, "shall repay the estimated cost of construction." The particular item before us is an item under that law. It is proposed on this project to carry on some drainage work in connection with the irrigation. That is something that is done on every project. Every project requires drainage as well as irrigation; and in order that there should be no question about the repayment of these particular sums, a provision is inserted requiring the organization of a district in order, through the organization of that district, to further protect the Government, and then a provision, which is to a certain extent superfluous, that the sum expended shall be returned. It must be returned in any event, but the provision here is that the money shall not be spent until an agreement is had with the reclamation district that they shall make the repayment. The words "repayment provided by the reclamation law" might have been used. The language used was "repayment to the United States of the costs thereof." Clearly the amendment to add interest to the reclamation charge is an amendment to the reclamation law and new legislation changing the reclamation law, which could not be done on an appropriation bill.

Mr. GOOD. Mr. Chairman, the Chair will find the law in the act of August 13, 1914, Thirty-eighth Statutes, page 686, and after the preliminary statements it provides:

> And any person who hereafter makes entry thereunder shall at the time of making water-right application or entry, as the case may be, pay into the reclamation funds 5 per cent of the construction charge fixed for his land as an initial installment, and shall pay the balance of said charge in 15 annual installments, the first five of which shall be each 5 per cent of the construction charge and the remainder shall be 7 per cent until the whole amount shall have been paid.

So it is very clear that the actual construction charge is the only thing that can be required under the law.

The CHAIRMAN. The Chair will ask the gentleman from Iowa this question: Is the proviso as it now stands in accordance with existing law or an enlargement of existing law?

Mr. GOOD. It is in accordance with the existing law as it now stands without the amendment, and is in the same form it was carried ever since the reclamation act was adopted; that is, since the law was changed requiring annual appropriations it has been carried in this same form.

Mr. GREEN of Iowa. Mr. Chairman, I think the Chair will readily see that this provision we have here applies to a matter which was not under the purview of the original reclamation law, namely, the contract with these certain districts for drainage, and that is all this is for. This expense is to pay for drainage. It is all with regard to drainage districts formed under State law, and it has to do with a contract that is to be made, and is not such a contract as is mentioned in the provision read by my colleague with some person who enters upon the land, but a contract with a drainage district.

Mr. MONDELL. Mr. Chairman, the reclamation law very clearly determines the manner of payment. In addition to the language read by the gentleman from Iowa, section 4 of the reclamation law provides that the charge shall be laid "with a view of returning to the reclamation fund the cost of construction and shall be apportioned equitably." Drainage work is a very usual and ordinary work on a reclamation project. There is drainage work on all reclamation projects, and in this particular case, in order to make it more certain that the costs as provided by the law shall be returned, it is provided that there must be a district formed.

Mr. FRENCH. And then to supplement what has been said I call attention to the fact that this proviso does not in itself provide for drainage work. It is a limitation based upon the general authority that now exists for it.

And if we needed special legislation to enable us to do drainage work, we would want to use more language than is in that proviso. It says:

> *Provided*, That no part of this appropriation shall be expended for drainage except in irrigation districts.

And so forth. That presupposes other authority. What is that other authority? It is the general authority of the reclamation law, and the language in lines 4 and 5 and the first part of line 6, up to the word "*Provided*," simply recites "for operation and maintenance, continuation of construction, and incidental operations, $774,000." And then that, together with the laguage used in the reclamation act itself, is all the authority necessary for engaging in the drainage-work part of the project.

Mr. GREEN of Iowa. What more authority do you need to have this drainage carried out in these State districts than right here in this paragraph?

Mr. FRENCH. They are authorized under regular authority of law to do it.

Mr. GREEN of Iowa. What need of anything more than is in the paragraph itself?

Mr. FRENCH. My judgment is that the department has perfect authority without that proviso being there at all, but I do think, though, it is rather wholesome to let the proviso be there, because it helped the department to make arrangements with the irrigation district.

Mr. GREEN of Iowa. This originated under the State law to be carried on in drainage districts. The contract is with the drainage district.

Mr. MONDELL. Mr. Chairman, I do not want to tire the Chair or unduly extend this discussion, but the gentleman from Iowa [Mr. GREEN] clearly misunderstands the object of the proviso. This proviso is not necessary in order to carry on drainage work on a reclamation project. There is not a reclamation project under way on which drainage work is not done. The proviso is simply one requiring that before the money is spent on this particular project there shall be a district organized under the State law. The purpose is to more fully secure the Federal Government by not only having the obligation of the individual, but the obligation of the district as well.

Mr. GOOD. Will the gentleman yield?

Mr. MONDELL. I will.

Mr. GOOD. Is it not true that when the reclamation law was before the House there was a strong fight made, a very bitter fight, to require interest on the payment, and that provision was eliminated from the bill?

Mr. MONDELL. Mr. Chairman, I think such an effort was made. If the Chair will bear with me a moment to say what I might say later under the five-minute rule with regard to this matter generally.

The House should remember that all of the funds which flow into the reclamation fund are proceeds of the sales of public lands or repayments from projects. None of them is obtained by taxation. From the foundation of our Government we have treated the proceeds from the sales of the public lands as a fund separate, apart, and distinct from the funds received through methods of taxation. Way back in Jackson's time, as the gentleman from Illinois just reminded us—he is the only one of us here who remembers that far back—there was an accumulation of these funds in the Treasury, amounting to many millions of dollars. The fathers scarcely knew what to do with them, and they finally distributed them among the States; loaned them to the States. Most of the States frittered them away. None of the States has ever repaid a penny of those sums. A little later we took some of the proceeds of the public lands and applied them under the so-called Hatch and Morrill funds to the support of agricultural colleges and schools of mechanic arts. In 1902 we dedicated the proceeds of the sales of public lands to the construction of irrigation work in 17 Western States and Territories, to which Texas was afterwards added. In the laws drawn for the purpose of utilizing those funds, the fund thus created, we provided for the payment of the money expended, and we followed the rule which has been always followed with regard to the proceeds from the sale of public lands, treating them as a fund separate and apart, different and distinct from the funds secured from taxes, and no interest charges were laid. I think up to this good hour there has been no discussion, except at the time the law was passed, of the charging of interest on these projects.

The CHAIRMAN. The Chair would like to ask the gentleman from Wyoming [Mr. MONDELL] this question. He is very expert on matters of this kind and very familiar with them. The Chair would like to ask whether or not under existing law it is the practice of the Reclamation Service to require a reimbursement on the part of the entryman for the amounts which are spent in drainage, as distinguished from the amounts which are expended for the irrigation projects proper?

Mr. MONDELL. In the great majority of cases there is no distinction between the funds used for irrigation and drainage,

for, curious as it may appear to those not familiar with the processes of reclamation by irrigation, a complete and oftentimes expensive drainage system is required for almost every area permanently irrigated, and in some cases the drainage of the project involves an expenditure approximating that of putting the water on the land. There is a project in my State—the Shoshone—on which, I desire to say to the gentleman from Iowa [Mr. GREEN], there is not a dollar now unpaid, where the cost of drainage was, as I recall it, or has been up to this time, almost as great as the original cost of putting the water on the land.

In other words, the natural underground drainage was found to be insufficient, and in order to carry the surplus water from the lands when they were irrigated it became necessary to lay tile drains at frequent intervals all over the project. Now, that expenditure has been carried on on that project for years, and it is part and parcel of the other work, and goes right in with the other charges.

Mr. GOOD. On this very project it is proposed to build 149.5 miles of drainage, and the estimated acreage protected by the drains built is 88,000 acres.

Mr. MONDELL. Mr. Chairman, if the Chair will bear with me a moment, the only purpose of the provision under discussion is this: I assume that a condition arose on the Boise project under which the authorities, the reclamation officials, felt that in the making of the very considerable expenditures that was necessary for irrigation drainage they would be better protected if, in addition to the individual obligation, there was the general obligation of a drainage district. Two years ago we made a provision of that kind with regard to an irrigation project in Texas. There the cost of drainage was mounting so high that the Reclamation Service said, "For our protection, in order that there may be no question about the reimbursement, we desire to have written into the law a provision under which we shall not make our expenditures unless there is a municipal corporation which assumes jointly with the individual the obligation of repayment"; and this is such a provision; a provision strengthening the Government's position by requiring an organization under the State law, which, together with the individual, becomes responsible for repayment.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. GREEN of Iowa. I hope my friend will not think that I am ignorant of the nature of these projects. It has been my misfortune to own a part of one of these tracts, or at least to have an equity in it, which needed drainage as a part of the irrigation scheme.

Mr. MONDELL. How did the gentleman get it without living on it?

Mr. GREEN of Iowa. How did I get it?

Mr. MONDELL. Yes. How did the gentleman get a tract under the national irrigation law without living on it?

Mr. GREEN of Iowa. It was not under the national irrigation law.

Mr. MONDELL. The gentleman could not comply with the law.

Mr. GREEN of Iowa. That is not what I was referring to, nor was I speaking at this time of one of the tracts coming within the national scheme. I was speaking of my knowledge of irrigation projects. I have had tracts under the national irrigation scheme, although I have never perfected title under the law, of course.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. FRENCH. Mr. Chairman, I do not want to prolong this discussion, but I simply want to add this, that so much is this drainage a part of the use of the land under the reclamation law that it is even necessary sometimes to save the Government security to go ahead and do the drainage work. I have no doubt that in the case which the gentleman from Wyoming [Mr. MONDELL] mentioned it cost as much to drain the land as it did to construct the irrigation works. In this particular project it is being urged that to save the security of the Government on account of expenses of reclamation work the drainage must go hand in hand with it and be carried out, and it is unquestionably a part of the general reclamation work.

The CHAIRMAN. The Chair is ready to rule. The Chair thinks it is clear that the amendment of the gentleman from Iowa [Mr. GREEN] changes the existing law, because the existing law makes no requirement that the funds used on reclamation projects shall be paid with interest. But the amendment of the gentleman from Iowa would nevertheless be in order as amendment to this paragraph if the proviso itself were an amendment of existing law.

The Chair has examined the reclamation act with as much care as is possible in the brief time the Chair has had to examine it, and the Chair finds that one provision of the reclamation act, or an amendment of the act, approved March 3, 1915, reads as follows:

No work shall be undertaken or expenditure made for any lands, for which the construction charge has been fixed by public notice, which work or expenditure shall, in the opinion of the Secretary of the Interior, increase the construction cost above the construction charge so fixed; unless and until valid and binding agreement to repay the cost thereof shall have been entered into between the Secretary of the Interior and the water-right applicants and entrymen affected by such increased cost, as provided by section 4 of the act of August 13, 1914, entitled "An act extending the period of payment under reclamation projects, and for other purposes."

The Chair will state that the reclamation act contemplates not only the repayment of the amounts that are advanced from the reclamation fund, but also that agreements shall be made in advance for the repayment of the money, and the effect of the provision that is carried in the bill is really a restatement or reenactment of existing law, and that the amendment of the gentleman from Iowa changes the law, whereas the proviso in the bill does not. The Chair thinks, therefore, that the amendment of the gentleman from Iowa is not in order, and therefore the Chair sustains the point of order.

Mr. EVANS of Nebraska. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Nebraska offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. EVANS of Nebraska: Page 100, line 9, after the word "thereof" insert "*Provided further*, That no part of the funds herein appropriated shall be expended except in districts which provide for the repayment thereof with interest thereon at the rate of 5 per cent per annum."

Mr. GOOD. I make a point of order on the amendment.

The CHAIRMAN. The Chair thinks that the amendment of the gentleman from Nebraska [Mr. EVANS] is clearly an affirmative requirement; that it requires affirmative action on the part of the Reclamation Service; that it changes existing law; and that it is subject to the point of order. The Chair therefore sustains the point of order. The Clerk will read.

The Clerk read as follows:

Belle Fourche project, South Dakota: For operation and maintenance, continuation of construction, and incidental operations, $120,000.

Mr. SINNOTT. Mr. Chairman, I move to strike out the last word.

Mr. GANDY. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GANDY. What paragraph does the gentleman refer to?

Mr. SINNOTT. I have made a formal motion to strike out the last word in the last paragraph read.

Mr. GANDY. Which one was that?

Mr. SINNOTT. Line 11, page 102. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Oregon asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. SINNOTT. Mr. Chairman, the Reclamation Service is one of the great activities of the Government. I think that the money invested in the reclamation of arid lands is one of the best investments the Government ever made. It has expended something like $120,000,000 in the reclamation of the arid lands in the 16 Western States and Texas, and, according to the figures given for crop production in the year 1918, there was produced from that investment of something like $120,000,000 about $90,000,000 in that one year. Certainly that is a good investment.

The Reclamation Service is presided over by one of the most modest but ablest men in the United States, Director Davis, a great engineer, a man who is known all over the world for his ability along engineering lines. He was chosen by the Government of China to go to that country to investigate some of their engineering problems. At a meager salary, probably one-fifth of what he could earn in private life, he is unselfishly giving his great talents to the public service. The operations of Director Davis have resulted already in reclamation projects as monumental as the very Pyramids themselves. I think those projects will possibly outlast the Pyramids, and they will certainly be of far greater benefit to mankind.

I say this to show you that I am heartily in favor of the Reclamation Service, of its director, and of its present force.

But there is one criticism that I desire to make of the expenditures of the reclamation funds, and I think that the Committee on Appropriations should take upon itself the ini-

tiative to remove the reasons for the criticism that I am going to make.

The reclamation act was passed June 17, 1902. It provided in substance that in each 10-year period there should be an equitable distribution of the reclamation fund among the States from which the fund comes. Now, the reclamation funds come from the sale of public lands in 16 reclamation States.

In 1910 the then Director of the Reclamation Service, Mr. Newell, came to Congress and asked for a modification of section 9 of the reclamation act, which required in each 10-year period an equal distribution of the fund. He said that the service was embarrassed and hampered by the rigidity of the law, and he said if this law was repealed that the service itself would bring about an equal distribution of the fund within the various reclamation States.

So, on June 25, 1910, before I came to Congress, section 9 of the reclamation act requiring equal distribution of the fund in the various States was repealed. Now, until the passage of the act of August 13, 1914, the matter of the expenditures of the reclamation fund rested wholly in the discretion of the Secretary of the Interior. He could spend the fund wherever he saw fit, without any direction or control by Congress. He had carte blanche in the expenditure of the funds.

August 13, 1914, an act was passed taking away from the Secretary of the Interior the right to make these expenditures as he saw fit, and that act provided that from and after July 1, 1915, expenditures shall not be made for carrying out the purpose of the reclamation law except out of appropriations made annually by Congress therefor; that act also provided that the Secretary of the Interior should annually submit to Congress estimates of the money needed.

So, since August 13, 1914, Congress has been a brake on the Secretary of the Interior. The Secretary of the Interior could not spend a cent unless he sent in his estimates to the Committee on Appropriations of the House and they approved his desires and the matter was afterwards approved by Congress.

So this matter rests with the Secretary of the Interior first and the Committee on Appropriations in the second place to restore the original intent of the reclamation act to make an equal distribution of reclamation funds among the reclamation States.

I hope that the Committee on Appropriations and the chairman will give particular heed to this matter and endeavor to restore the original purpose of the act, and that is an equal distribution of the fund as the original act contemplated and as the Secretary of the Interior said he would do when he and Director Newell asked to have the act modified by the repeal of section 9 in the year 1910.

A good many of us in the House voted to take away the discretionary power of the Secretary of the Interior and lodge it in Congress and in the Committee on Appropriations, hoping that the committee and Congress would do something to bring about this equal distribution of the fund.

Now, what is the result? The original act has been departed from. There has been the grossest kind of discrimination against some States and favoritism to other States. Let me give you some of the figures. I hope that in the future the committee and Congress will do something to rectify this discrimination. I have spoken about this matter several times since I came to Congress, because some of the Western States feel very sore and indignant over this gross discrimination and favoritism in the expenditure of the reclamation fund.

There is nothing personal in what I have to say, but I want to call the attention of Congress to the gross discrimination in the expenditure of this fund in the hope that there may be redress, in the hope that the committee itself will take the initiative and call the Secretary of the Interior to account and see that he does something toward returning to the original provisions of the act—to do what he said he would do when Congress removed the restrictions of the old section 9 requiring equal treatment to the different States.

Now, Arizona put into the reclamation fund up to June 30 last, in round numbers, $1,640,000.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. SINNOTT. I ask for five mintues more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SINNOTT. Arizona put in the reclamation fund $1,640,000. There has been expended out of the reclamation fund in the State of Arizona $20,087,000.

California has put into that fund $6,500,000, and has only received $4,000,000 from the fund.

Colorado has put into the reclamation fund $8,600,000, in round numbers, and has received $11,500,000.

Idaho has put in $6,000,000, and has received over $23,000,000 from the reclamation fund.

Kansas has put into the reclamation fund $1,000,000, and has received $407,000.

Montana has put into the reclamation fund $13,200,000, and has received $15,500,000 from the fund.

The State of Nevada has put into the reclamation fund the sum of $735,000 and has received from the reclamation fund over $7,000,000. The State of New Mexico has put into the reclamation fund $4,900,000 in round numbers, and has received $8,000,000. The State of North Dakota has put into the reclamation fund $12,100,000, and has received $2,500,000. The State of Oklahoma has paid into the reclamation fund $5,800,000, and has received $132,000. The State of Oregon, my own State, has put into the reclamation fund $11,165,000, and there has been expended in the State of Oregon only $5,600,000. The State of South Dakota has put $7,400,000 into the fund, and has received $4,000,000. The State of Utah has put into the reclamation fund $2,600,000, and there has been expended in that State $4,200,000. The State of Washington has put $7,100,000, and has received $14,500,000. The State of Wyoming has put in $5,897,000, and has received over $11,000,000. These figures are from the eighteenth annual report of the Reclamation Service for the fiscal year ending June 30, 1919.

I call this matter to the attention of the House and to the attention of the committee with the hope that in the future the committee will take upon itself the burden and initiative of calling this matter to the attention of the Secretary of the Interior. I have called it to his attention repeatedly; that is, to the former Secretary, getting very little results, and this gross discrimination against some States and gross favoritism of other States should no longer obtain. I hope Secretary Payne will read my remarks and correct this one abuse in the administration of the Reclamation Service. [Applause.] I hope the chairman of the committee will take up this matter the next time the estimates are presented to him. [Applause.]

Mr. MONDELL. Mr. Chairman, will the gentleman yield? Did the gentleman from Oregon refer to the State of Texas?

Mr. GANDY. Mr. Chairman, I hope the gentleman from Oregon will correct the figures that he read with respect to South Dakota.

Mr. SINNOTT. Possibly I got on the wrong line, but I will give the correct figures in the RECORD.

Mr. MONDELL. I did not note that the gentleman referred to the State of Texas.

Mr. SINNOTT. No; I should have referred to the State of Texas. The State of Texas has put into the reclamation fund nothing, and the State of Texas has received $3,964,654.

Mr. BLANTON. And there is not a single dam in the State of Texas.

Mr. SINNOTT. No; they are not all in the State of Texas.

Mr. BLANTON. Mr. Chairman, I notice that we have not a quorum present. I do not care to make the point if we can have some assurance that on this marketing day we will rise pretty soon. This is Saturday afternoon.

Mr. GOOD. Oh, we ought to read several pages yet before we rise.

Mr. BLANTON. The gentleman should remember that we have to buy meat and bread and groceries for to-morrow.

Mr. GOOD. I hope we may run for a little time yet.

Mr. BLANTON. Will the gentleman rise after this matter has been disposed of?

Mr. GOOD. Oh, no; we ought to read several pages yet.

Mr. BLANTON. I hope the gentleman will have compassion upon us.

Mr. GANDY. Mr. Chairman, the item just read proposes to appropriate $120,000 for the operation and maintenance of the Bellefourche project, in South Dakota. Provision is not made for further construction work, and with relation thereto I beg the indulgence of the House.

The Bellefourche project is to-day one of the most successful of the Government projects. According to the report of the Reclamation Service, 97,889 acres will be irrigable when the project is completed, and water is now available for 82,592 acres. The first unit of the project was opened about 10 years ago, and other units have been opened as construction has progressed. Hundreds of farm homes dot the project, and several very excellent towns are thriving thereon. It is interesting to note that of the construction charges accrued to June 30, 1919, approximately 95 per cent was paid before that date, almost 90 per cent of the operation and maintenance charges had then been paid, as well as over 95 per cent of water-rental charges. The small delinquencies were practically wiped out by early fall, as soon as crops started to move. I merely recite these things that the House may know the Bellefourche project is on a substantial foundation. The obligation owing to the Government by the

water users is amply secured and will be paid in full under the terms of the reclamation law. Land values there have risen rapidly, and sales of irrigated land at $150 or $200 an acre are not uncommon. Unusual circumstances in the early days of the operation of the project caused some delay in its development, but it is now on the high road to success, with but two obstacles in the way of making that success complete. Those obstacles are the lack of sufficient water supply for the Johnson lateral and the failure of the Reclamation Service thus far to construct the Willow Creek lateral.

The Johnson lateral was the first unit opened, and the water therefor is taken directly from the inlet canal between the Bellefourche River and the reservoir. There is abundant water in the reservoir for the needs of the project, but this one unit, which is relatively a small part of the project, having an area of about 3,700 acres, is dependent for water on the unregulated flow of the Bellefourche River. This was expected to be sufficient for the area involved, but time has demonstrated that it is not. According to my information, during 4 of the 10 years this unit has been in operation there has been such a shortage of water in the crop-growing season as to make the deficiency serious, indeed, to the water users in the lateral.

That you may know just how serious is this lack of water, I recently requested Mr. James E. Stewart, of Bellefourche, S. Dak., a veteran of the recent war and a highly capable citizen who is not directly interested in any of the lands involved, to carefully investigate the acreage planted and yields therefrom of the various kinds of crops on the Johnson lateral during the year 1919, and to estimate the loss, based on a careful consideration of the yields of this lateral and of the yields on the project. I have received his report, as follows:

Johnson lateral losses.

Commodity.	Acreage.	Average loss.	Total loss.
	Acres.		
Pasture	243	Unknown	
Oats	271	42 bushels at 3 cents per pound=$13.42 per acre.	$3,642.24
Native hay	289	Unknown	
Alfalfa	1,320	¾ ton per acre at $18 per ton=$13.50 per acre.	17,820.00
Sugar beets	490	2 tons per acre at $10 per ton=$20 per acre.	9,800.00
Potatoes	17	20 bushels per acre at 7 cents per pound=$84 per acre.	1,428.00
Corn	116	15 bushels per acre at 3 cents per pound=$25.20 per acre.	2,923.20
Wheat	751	33 bushels per acre at $3 per bushel=$101.25 per acre.	76,038.71
Miscellaneous	122	30 bushels per acre with feed value 3 cents per pound with average weight 40 pounds per bushel=$36 per acre.	4,392.00
Grand total	3,619		116,044.15

Average loss per acre, counting land on which no loss was figured, $32.06.

Thus, you will see, gentlemen of the House, that the water users under the Johnson lateral last year alone suffered a loss of approximately 40 per cent of the estimated cost of providing storage for this lateral, which storage would also serve adjoining lands. I further call your attention to the fact that if my friend Stewart had in preparing his estimates used the prices prevailing in the city of Washington for these various commodities the estimated loss would be far in excess of the figures submitted.

I fully appreciate the situation as to the reclamation fund where the balance is now lower than it ever has been since the fund was established, but, Mr. Chairman, when one has applied for and received a water right from the Reclamation Service, which is a part of the Government of the United States, that person has a right to expect delivery of sufficient water for irrigation purposes. There is no excuse that can be offered that will ease the heartache of the man who sees his crops wither beneath the summer sun while irrigation ditches are dry because the water supply is not reliable. These farmers have no other income than the income of their irrigated farms, and when crops fail, then must and does come privation not only to the head of the family but to the wife and children as well, and the development of the farm comes to a standstill.

In the last analysis the Congress is the only recourse and we can not evade our share of the responsibility for seeing that this Government keeps faith with those folks under the Johnson lateral who never have been segregated from the Bellefourche project and who are charged with their proportionate share of the cost of construction and the cost of operation and maintenance, as are the other water users of the project. They have a just and righteous cause, the good faith of the Government is at stake, and the Congress ought to see to it that that for which they have paid, are paying, and are willing to pay—a reliable supply of water—is provided.

What then, Mr. Chairman, is the remedy for this unusual situation, the like of which I fail to find in reading the reports of the Reclamation Service? Careful examination has been made of the drainage basin above to locate sites at which suitable storage might be built for the Johnson lateral lands. A number of sites were found and studied, but to most of these there are serious objections on account of insufficient water supply or excessive cost. Apparently the most attractive site located is commonly known as the proposed Chicken Creek Reservoir, the construction of which has been estimated for by the Reclamation Service. The site is sufficient to provide storage both for this lateral and a near-by private development.

By building a larger reservoir for the double proposition there could be accomplished an economy in the unit cost. The suggestion has, therefore, been made by the Reclamation Service and tentative arrangements outlined for a joinder of forces between that private development and the Government on behalf of the Bellefourche project. The report, however, was not completed in time to be included in the regular reclamation estimate. In the supplemental estimate for appropriations for the coming fiscal year there was included an item of $300,000 for the construction of this reservoir. The cost of this construction would be charged to the Bellefourche project and to the private development known as the Red Water Irrigation project, in proportion as the acreage benefited bears to the total cost.

The situation with relation to estimates of the Reclamation Service is in itself unusual. Three estimates were submitted. The first one exhausts the reclamation fund as estimated for the year 1921. A second estimate was submitted which contemplated expenditures of $10,000,000 from the Treasury general fund. That estimate was not acted on by the committee. There is prospect under the oil-leasing bill of material additions to the reclamation fund, especially in view of the fact that many millions of dollars of the proceeds of oil sales in Wyoming and California have been impounded in banks awaiting such time as the Government might release the withdrawals and permit the funds to be dispersed. Very quickly the Government will receive its share of the money involved. That income is roughly estimated at $5,000,000, and on the assumption that this would become available for the fiscal year 1921 a supplemental estimate was prepared, approved by the President, and submitted to Congress covering the more urgent needs for additional construction. The item for the Chicken Creek Reservoir is included in that supplemental estimate, which has not been reported to the House, it being my understanding that the committee purposes to take up those estimates just as soon as money under the oil-leasing bill is actually in the reclamation fund.

I hope, Mr. Chairman, the chairman of the Committee on Appropriations will be kind enough to enlighten the House on this point, for as heretofore explained the water users under the Johnson lateral are in desperate need of a reliable water supply. Not alone are their interests involved, for we are assured that just as soon as water supply is provided for that lateral, construction of a sugar refinery at Bellefourche, S. Dak., by the Great Western Sugar Co. will be undertaken. Four hundred and ninety acres of sugar beets were involved in the loss last year, to say nothing of the acreage that might have been planted to beets if the water users had been assured of water for irrigation.

Thus this unit in its present condition not only retards its own progress, but, so to speak, retards the progress of the whole community, especially on the matter of the erection of the sugar refinery, for the lands under this lateral are very essential to the success of beet production on the Bellefourche project. For these water users who are helpless in the hands of the Reclamation Service and of Congress I plead for justice. I beg of you that provision be early made for proper storage, to the end that the good faith of the Government with these of its citizens may be maintained, that the water right which these folks have from the Government may not be meaningless, and that the full measure of success to which the project is entitled may come to it.

There has also been estimated as supplemental construction an item of $180,000 for the construction of what is known as the Willow Creek unit of the Bellefourche project, comprising between seven and eight thousand acres of land. Nothing more is needed for this than the extension of the north canal a distance of approximately 20 miles. The area involved is excellent land, the largest feature of the construction being an inverted siphon across Willow Creek 6,200 feet in length and having a capacity of 130 cubic feet per second. This ex-

tension of the north canal, together with the small laterals and incidental construction ought to be provided for at the earliest possible date, for water is available and these lands of right ought to be brought into that state of production contemplated for the lands under the project. Until the north canal is extended the lands involved will not commence to pay their share of the cost of the project nor will they produce more than ordinary dry lands of that locality.

The best interests of the Reclamation Service, the best interests of the water users there, and, in fact, the best interests of the Government itself demand that storage be provided for the Johnson lateral and the construction of the Willow Creek unit.

Mr. GOOD. Mr. Chairman, I will say to the gentleman that the project in which the gentleman is interested is one of the big projects. It is a project that must have as soon as possible some additional appropriations. The committee realized that, and the reason why the committee did not report approximately in the total of $5,000,000 additional was because the funds that were thought to be available coming in under the land leasing law were tied up.

Money has been paid in under protest, and now there is a likelihood it may have to be paid back. Now, the gentleman can see the confusion that would have arisen if we had appropriated $5,000,000 more; then all of these projects would be cut down proportionately, or, if the director thought the money would come in, he might pay out money on one necessitating the curtailment in another, because this appropriation is not out of the General Treasury, but it is out of the fund. Now, as soon as that money is available, as soon as Congress knows the money is in the reclamation fund and is available for that reclamation project, I believe it ought to be expended for the purposes that Congress intended it should be expended for, to aid in production of those parts of the country, but until it is released, and until it is a free balance, I think the gentleman can well see that we ought not to attempt to use something that we do not know whether it belongs to the Government of the United States or to some private individual.

Mr. GANDY. Just one thing further. I shall not attempt——

The CHAIRMAN. The time of the gentleman has expired.

Mr. GANDY. I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. Is there objection to the request? [After a pause.] The Chair hears none.

Mr. GANDY. I shall not attempt in any way to bind the chairman of the committee, but let me ask one further question. If this money should be available while Congress is in session, would the Committee on Appropriations, in the opinion of the chairman, be disposed then to consider the supplemental estimates without waiting until another sundry civil bill comes before that committee?

Mr. GOOD. If that matter were brought to the attention of Congress by the Secretary of the Interior by a deficiency estimate, with the statement that it was of sufficient importance for immediate action, I certainly, as chairman of the committee, would lay it before the subcommittee for the purpose of action. What the action would be, of course, I can not foretell.

Mr. GANDY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks on this subject.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. McKEOWN. Mr. Chairman, I make the point of order that there is no quorum present. Mr. Chairman, I withdraw the point for the present.

Mr. BLANTON. Mr. Chairman, I move to strike out the last two words. Mr. Chairman, for a very good reason the gentleman a while ago, in arguing the reclamation feature of this bill, made no reference to Texas, but for some reason, I do not know why, the gentleman from Wyoming [Mr. MONDELL] egged him on to say that over $3,000,000 had been given to Texas——

Mr. MONDELL. Will the gentleman yield——

Mr. BLANTON. Yes.

Mr. MONDELL. The gentleman knows why. Because the gentleman from Oregon [Mr. SINNOTT] was making a statement in which he intended to include the whole field of reclamation development, but he had not mentioned Texas. I reminded him of his oversight. I will say to the gentleman from Texas, if he will allow me, I was one of those who helped Texas to become a beneficiary under the reclamation law. I visited the project down there several times. I was much in favor of that development, and I have not the slightest inclination to in any wise reflect upon the development in Texas.

Mr. BLANTON. The gentleman from Wyoming will admit that there is not a single acre of Government land in Texas, will he not?

Mr. MONDELL. There is not; that is why they do not contribute.

Mr. BLANTON. And the gentleman will admit that the only reclamation feature in any way that affects Texas is the mere fact that water from the Elephant Butte Dam, in another State, flows down the Rio Grande and comes into Texas, by which Texas gets some little benefit under the act which he mentioned, and I feel, as a Member from Texas, very thankful to him for what he did while on that committee in helping one of my predecessors, the Hon. W. R. Smith, in getting that reclamation amendment passed, but the only way in which Texas benefits by any reclamation act is the mere privilege of using some of this surplus water that comes from the Elephant Butte Dam down the Rio Grande in Texas, and the people using it pay for it. Is not that the fact?

Mr. MONDELL. That is the only way any community benefits, by getting the use of water through the use of Government money, with which to build the works necessary to apply it.

Mr. BLANTON. Yes; but there is not a single dam or reservoir in Texas built with Government money. And it is also a fact, I will remind the gentleman from Wyoming, that every man in Texas who enjoys any of this water pays the Government for it.

Mr. MONDELL. Texas people will, I hope and trust, repay the charges under the reclamation law on the project in Texas, but so far they have not done so, for the construction charges have not been fixed.

Mr. HARRELD. Will the gentleman permit a question? I would like to ask if it is not pretty generally agreed in Texas that Texas kind of borrowed that money from Oklahoma, anyway?

Mr. BLANTON. Oklahoma has been trying to get down into Texas for years and years; some of these days I hope——

Mr. McARTHUR. Does not the gentleman from Texas think that his State was smarter than some of the rest of the States by reserving the public lands?

Mr. BLANTON. Texas was a Republic within itself, and owned its own lands. She is more resourceful than most of the States, and she deserves everything she gets.

Mr. PARRISH. I wish to say that I hope the prophecy of the gentleman from Texas will never be realized. We welcome the Oklahomans as citizens of our State, but we are fighting them in the courts, trying to keep them from taking any part of Texas from us. We are trying to make them stay on their own side of the river as a State.

Mr. BLANTON. I think that Texas can take care of them.

Mr. HARRELD. I think it will be admitted that Texas got most of the Federal patronage that Oklahoma should have had under the Democratic administration of the last eight years, though I do not see why I should be interested in Democratic patronage.

Mr. BLANTON. Texas may have gotten some patronage but not more than she deserved, and now Oklahoma has used up all my time.

The Clerk read as follows:

Okanogan project, Washington: For operation and maintenance, continuation of construction, and incidental operations, $196,000.

Mr. WEBSTER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Washington offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. WEBSTER: Page 102, line 17, after the word "operations," strike out "$196,000" and insert in lieu thereof the following: "$666,000: *Provided*, That no part of the moneys hereby appropriated shall become available for the construction of a permanent pumping plant until such action has been taken as may be satisfactory to the Secretary of the Interior to relieve the lands of the Okanogan project from liability for the obligations of the Methoy-Okanogan irrigation district to the extent deemed necessary by the said Secretary to fully safeguard the interests of the United States for the funds invested in that project."

Mr. MONDELL. Mr. Chairman, I reserve a point of order on that amendment.

Mr. WEBSTER. Mr. Chairman, since I have only five minutes at my disposal, I shall endeavor, without unnecessary detail, to state the salient facts upon which this amendment is based. The Okanogan irrigation project in the State of Washington comprises approximately 8,000 acres of land, practically all of which is in bearing apple orchards. The water for irrigating purposes heretofore has been supplied by a natural watershed adjacent to the land, from which the rain and melting snow and ice are collected and stored in a large reservoir. At the time the development of the project was undertaken by the Government it was ascertained by the Reclamation Service that between 20,000 and 25,000 acre-feet of water would be the maximum requirement for irrigation. All the records available at that time indicated that the natural watershed would supply

at least 35,000 acre-feet of water, so it will be seen the factor of safety based on the then available data was quite ample. Since then, however, due to climatic change, the removal of timber, unprecedented droughts for four successive years, and other causes, the volume of water supplied by the watershed is wholly inadequate to preserve the orchards. For example, it is estimated by competent experts that the supply for the current year will not exceed 5,000 acre-feet, or less than one-quarter of the necessary amount. The Reclamation Service, realizing the seriousness of the situation, caused a thorough special investigation to be made, and later reached the conclusion that the only salvation for the project is immediately to install a pumping system, so as to take from the Okanogan River the needed volume of water. The cost of this undertaking, as found by the Reclamation Service, will be approximately $470,000. The land is of the very best, according to the official statement of the Director of the Reclamation Service, and is conservatively valued by him at $750 per acre, or $6,000,000 in the aggregate. Already the Government has invested in the project considerably more than a million dollars, and the investment of the settlers is more than twice that amount.

The value of the annual fruit crop when sufficient water is to be had is about $350 per acre, as shown by the records of the marketing agency. Because of the unprecedentedly small amount of water in the reservoir at this time, the crop for the coming season undoubtedly will be greatly reduced, and unless immediate steps are taken to supply the necessary water next season the trees will be seriously injured, if not altogether destroyed. In order to have the required amount of water next season the contemplated pumping system must be installed during this summer and fall. Obviously such work can not be done in the winter season. Appreciating this emergency, the Secretary of the Interior on the 18th of March transmitted to the Committee on Appropriations through the usual official channels a supplemental emergency estimate, approved by the President, for $470,000 to cover the cost of installing a pumping plant. In this connection I may add that the aggregate assessment on the lands, including the pumping system, will be between $150 and $160 per acre, and Director Davis testified at the hearings that these lands easily will bear an assessment of $200 per acre, which is less than two-thirds of the value of the annual crop under conditions of normal water supply. The value of the crop for the year 1919 exceeded the entire cost of the project. After the passage of the oil and coal leasing bill the Reclamation Service submitted to the Committee on Appropriations general supplemental estimates contemplating the expenditure of the moneys coming into the reclamation revolving fund in consequence of that law. Inasmuch, however, as the amount to be covered into the reclamation fund from that source is at this time somewhat speculative and conjectural, the Committee on Appropriations, as I am advised by its distinguished chairman, deemed it unwise to allocate or assign the fund until more definite information is available. With this policy I have not the slightest fault to find, but in applying the policy the committee failed to distinguish between the general supplemental estimates made in anticipation of the revenue to be derived from the leasing law and the special emergency estimate for the Okanogan project, which was in no sense intended by the Reclamation Service as a part of its enlarged program in virtue of the leasing law, but which would have to be provided for if the project is to be saved, even though that law had not been passed. This latter assertion is supported by the statement of Director Davis made to me personally and by the letter of the Acting Secretary of the Interior transmitting the estimate to the Committee on Appropriations. I am asking, therefore, by the amendment which I have offered that this error may be corrected in order that the Government may not lose its sole security for the repayment of approximately a million dollars, and that the settlers may not lose their entire investment of more than double that amount. Without an adequate water supply the land included in the project is practically worthless. Of course, the committee will understand that the amendment does not call for an appropriation from the Treasury, nor does it increase the amount of appropriations carried by the bill. It merely allocates or allots from the reclamation revolving fund to the Okanogan project for the installation of a pumping plant the sum of $470,000, provided there is sufficient money in the fund for that purpose, the entire amount to be secured by a first lien on the lands and to be repaid in full to the Government by the settlers, as provided in the general reclamation act of June 17, 1902, as amended. [Applause.]

Mr. GOOD. Mr. Chairman, I ask unanimous consent that this paragraph may be passed over for the present, with the reservation of the point of order pending, to be returned to later.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that this amendment be passed over temporarily, with the amendment and reservation of the point of order pending. Is there objection? [After a pause.] The Chair hears none. The Clerk will read.

The Clerk read as follows:

For reimbursement to the reclamation fund the proportionate expense of operation and maintenance of the reservoirs for furnishing stored water to the lands in Yakima Indian Reservation, Wash., in accordance with the provisions of section 22 of the act of August 1, 1914 (38 Stats., p. 604), there is appropriated, out of any money in the Treasury not otherwise appropriated, $11,000.

Mr. McKEOWN. Mr. Chairman, I make the point that there is no quorum present.

Mr. GOOD. Will the gentleman withhold that for a moment? A gentleman who is a member of the committee would like to make a statement.

Mr. FRENCH. Mr. Chairman, I wanted to speak on this amendment that has been offered by the gentleman from Washington [Mr. WEBSTER] as to the Okanogan project.

Mr. GOOD. The gentleman had best wait until it comes up.

Mr. FRENCH. I prefer to wait until it comes up.

Mr. GOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 13870, the sundry civil appropriation bill, and had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. SMITHWICK, indefinitely, on account of important business.

To Mr. WALSH, Mr. KELLEY of Michigan, Mr. HADLEY, Mr. FOSTER, Mr. CONNALLY, and Mr. STEELE, for five days, on account of official business.

EXTENSION OF REMARKS.

Mr. NELSON of Missouri. Mr. Speaker, the United States Botanic Garden is 100 years old to-day, and six years ago to-day we passed the Smith-Lever bill. I ask unanimous consent to extend my remarks on the Botanic Garden and on agricultural legislation.

The SPEAKER. The gentleman from Missouri asks unanimous consent to extend his remarks in the RECORD on the Botanic Garden and on agricultural legislation. Is there objection? [After a pause.] The Chair hears none.

LEAVE OF ABSENCE.

Mr. BLANTON. Mr. Speaker, what was done with the request for five days' leave of absence for the gentleman from Massachusetts [Mr. WALSH].

The SPEAKER. Without objection, the request was granted.

Mr. BLANTON. I do not see how in the world the House can get along for five days without the gentleman. What are they going to do without somebody over there to look after matters?

ORDER OF BUSINESS.

Mr. PARRISH. Mr. Speaker, I would like to know whether we will go ahead with this bill on Monday or take up the District legislation?

Mr. GOOD. I hope that arrangements may be made by which this bill will be taken up on Monday.

Mr. MONDELL. My understanding is, Mr. Speaker, that the sundry civil bill will be considered on Monday.

ENROLLED BILLS SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 13590. An act granting the consent of Congress to Sid Smith, of Bonham, Tex., for the construction of a bridge across the Red River between the counties of Fannin, Tex., and Bryan, Okla.; and

H. R. 13724. An act to authorize the construction of a bridge across the Sabine River at or near Orange, Tex.

ADJOURNMENT.

Mr. GOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 28 minutes p. m.) the House adjourned until Monday, May 10, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury transmitting a communication from the Acting Secretary of the Navy, submitting an estimate of appropriation to pay claims for damages by naval vessels adjusted by the Navy Department (H. Doc. No. 757); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury transmitting a copy of a communication from the chairman of the United States Railroad Labor Board, submitting a paragraph of legislation for inclusion in the sundry civil appropriation bill now pending (H. Doc. No. 758); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Treasury transmitting a supplemental estimate of appropriation, required by the Supervising Architect to cover operating supplies for public buildings during the remainder of the fiscal year 1920, together with paragraph of legislation (H. Doc. No. 759); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Secretary of the Treasury transmitting copy of a communication from the Postmaster General, submitting a supplemental estimate of appropriations required by the Post Office Department for certain items payable from postal revenues, fiscal years 1920 and 1921 (H. Doc. No. 760); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. MAPES, from the Committee on the District of Columbia, to which was referred the bill (H. R. 11329) to provide for the sale by the Commissioners of the District of Columbia of certain land in the District of Columbia acquired for a school site, and for other purposes, reported the same without amendment, accompanied by a report (No. 943), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 8535) to provide for the redistribution of general taxes and special assessments due and payable on real estate in the District of Columbia, in cases of subdivision or sales of land therein, reported the same with amendment, accompanied by a report (No. 944), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. JONES of Pennsylvania, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 11841) to amend an act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service, approved February 15, 1893, reported the same without amendment, accompanied by a report (No. 945), which said bill and report were referred to the House Calendar.

Mr. WHEELER, from the Committee on Railways and Canals, to which was referred the resolution (H. Res. 201) authorizing the Secretary of Commerce to report to the House of Representatives the cost of transportation of coal by canals and other navigable waters within continental United States as compared with railway rates, together with recommendations, reported the same without amendment, accompanied by a report (No. 946), which said resolution and report were referred to the House Calendar.

Mr. TAYLOR of Colorado, from the Committee on the Public Lands, to which was referred the bill (H. R. 8692) authorizing the exchange of lands within the Montezuma National Forest in Colorado, reported the same without amendment, accompanied by a report (No. 947), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (S. 2977) to amend section 8 of an act to provide for the sale of desert lands in certain States and Territories, approved March 3, 1877, as amended by an act to repeal timber-culture laws, and for other purposes, approved March 3, 1891, reported the same without amendment, accompanied by a report (No. 951), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. McKINIRY, from the Committee on Claims, to which was referred the bill (H. R. 7333) for the relief of Emily J. Mullins, reported the same without amendment, accompanied by a report (No. 949), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. RAKER: A bill (H. R. 13994) to provide for an investigation and report as to the advisability of exchange of lands in national forests, and for other purposes; to the Committee on the Public Lands.

By Mr. MAPES (by request of the Commissioners of the District of Columbia): A bill (H. R. 13995) to authorize the Commissioners of the District of Columbia to close certain streets, roads, or highways in the District of Columbia rendered useless or unnecessary by reason of the opening, extension, widening, or straightening of other streets, roads, or highways in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. HUDSPETH: A bill (H. R. 13996) to prohibit the exportation of sugar from the United States and its possessions and directing the Federal Trade Commission to investigate and report to the Congress certain information regarding sugar; to the Committee on Interstate and Foreign Commerce.

By Mr. ESCH: A bill (H. R. 13997) to further amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. MADDEN: A bill (H. R. 13998) to fix second-class postage rates; to the Committee on the Post Office and Post Roads.

By Mr. SNYDER: A bill (H. R. 13999) to validate certain allotments of land made to Indians on the Lac Courte Oreille Indian Reservation, in Wisconsin; to the Committee on Indian Affairs.

Also, a bill (H. R. 14000) to extend the provisions of the act of February 8, 1887, as amended, to land purchased for Indians; to the Committee on Indian Affairs.

By Mr. FORDNEY: A bill (H. R. 14001) authorizing the Secretary of War to make donation of two condemned German or Austrian cannons to the city of Saginaw, Mich.; to the Committee on Military Affairs.

Also, a bill (H. R. 14002) authorizing the Secretary of War to make donation of a condemned German or Austrian cannon or tank to the city of Chesaning, Mich.; to the Committee on Military Affairs.

Also, a bill (H. R. 14003) authorizing the Secretary of War to make donation of a condemned German or Austrian cannon to the city of Ionia, Mich.; to the Committee on Military Affairs.

Also, a bill (H. R. 14004) authorizing the Secretary of War to make donation of a condemned German or Austrian cannon to the city of Greenville, Mich.; to the Committee on Military Affairs.

Also, a bill (H. R. 14005) authorizing the Secretary of War to make donation of a condemned German or Austrian cannon to the city of Owosso, Mich.; to the Committee on Military Affairs.

Also, a bill (H. R. 14006) authorizing the Secretary of War to make donation of a condemned German or Austrian cannon to the city of Carson City, Mich.; to the Committee on Military Affairs.

Also, a bill (H. R. 14007) authorizing the Secretary of War to make donation of a condemned German or Austrian cannon to the city of Ithaca, Mich.; to the Committee on Military Affairs.

Also, a bill (H. R. 14008) authorizing the Secretary of War to make donation of a condemned German or Austrian cannon to the city of St. Johns, Mich.; to the Committee on Military Affairs.

Also, a bill (H. R. 14009) authorizing the Secretary of War to make donation of a condemned German or Austrian cannon to the city of St. Louis, Mich.; to the Committee on Military Affairs.

By Mr. KREIDER: A bill (H. R. 14010) authorizing the Secretary of War to donate to the city of Linglestown, Pa., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 14011) authorizing the Secretary of War to donate to the borough of Berrysburg, Pa., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. PETERS: A bill (H. R. 14012) to provide for the retirement of officers in the Naval Reserve Force; to the Committee on Naval Affairs.

By Mr. HUDSPETH: Resolution (H. Res. 550) requesting the Department of Justice to investigate sugar hoarding in El Paso, Tex.; to the Committee on the Judiciary.

By Mr. BLAND of Indiana: Joint resolution (H. J. Res. 354) authorizing the Secretary of War to loan to Paul E. Slocumb Post, No. 85, Grand Army of the Republic, Bloomington, Ind., tents, cots, mattresses, pillows, and blankets for use at the State encampment to be held at said city May 25, 26, and 27, 1920; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. SELLS: A bill (H. R. 14013) granting an increase of pension to Stanley S. Stout; to the Committee on Pensions.

By Mr. SIMS: A bill (H. R. 14014) granting an increase of pension to David W. Graves; to the Committee on Pensions.

By Mr. SWOPE: A bill (H. R. 14015) for the relief of F. McKenzie Davison; to the Committee on Military Affairs.

By Mr. TINKHAM: A bill (H. R. 14016) granting a pension to John S. Dodge; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 14017) granting a pension to Catherine Moody; to the Committee on Invalid Pensions.

By Mr. WALSH: A bill (H. R. 14018) granting an increase of pension to Thomas Kelley; to the Committee on Pensions.

By Mr. WHITE of Maine: A bill (H. R. 14019) granting an increase of pension to Cornelius Linnehan; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3510. By the SPEAKER (by request): Petition of League of Women Voters, for Federal legislation on marriage and divorce; to the Committee on the Judiciary.

3511. Also (by request), petition of Congregational National Council, for constitutional amendment to give Congress power to enact uniform laws of marriage and divorce; to the Committee on the Judiciary.

3512. Also (by request), petition of Brockton Post, No. 35, American Legion, favoring bonus plan for ex-soldiers; to the Committee on Ways and Means.

3513. Also (by request), petition of department commander, Grand Army of the Republic, Department of New York, extending thanks for the passage of the Fuller pension bill; to the Committee on Invalid Pensions.

3514. Also (by request), petition of General Conference of the Methodist Episcopal Church, Des Moines, Iowa, opposing all legislation favoring the recognition of the so-called republic of Ireland; to the Committee on Foreign Affairs.

3515. By Mr. ESCH: Petition of American Steamship Owners' Association of New York, favoring the same rank and pay for officers and men of the Coast Guard as are enjoyed by the officers and men of the Navy; to the Committee on Naval Affairs.

3516. Also, petition of Italian Chamber of Commerce of Chicago, Ill., favoring the passage of the Kenyon bill, Senate bill 3315, and opposing House bills 61, 563, and 8572; to the Committee on Immigration and Naturalization.

3517. By Mr. FULLER of Illinois: Petition of Colson Clothing Co. and sundry citizens of Mendota, protesting against tax on articles of clothing made from the hides of horses and cattle; to the Committee on Ways and Means.

3518. Also, petition of F. W. Lennox, of Chicago, formerly major, United States Army, protesting against the exclusion of majors from the bonus bill; to the Committee on Ways and Means.

3519. By Mr. JOHNSTON of New York: Petition of board of aldermen, New York City, urging immediate legislation granting increased pay to postal employees; to the Committee on the Post Office and Post Roads.

3520. Also petition of American Steamship Owners' Association, New York City, urging increased pay to Coast Guard Service; to the Committee on Naval Affairs.

3521. By Mr. KELLEY of Michigan: Petition of Michigan Community Council Commission in favor of legislation to promote maternity and infant welfare; to the Committee on Interstate and Foreign Commerce.

3522. Also petition of Martha Peters and 30 other members of the Federation of Women's Clubs of Oakland County, Mich., in favor of legislation to promote maternity and infant welfare; to the Committee on Interstate and Foreign Commerce.

3523. By Mr. LINTHICUM: Petition of William L. Kwedar, Halthorpe and Cahn Coblenz Co., Baltimore, both in the State of Maryland, regarding soldiers' bonus; to the Committee on Ways and Means.

3524. Also, petition of L. Slesinger & Son, Baltimore, Md., regarding McNary bill; to the Committee on Interstate and Foreign Commerce.

3525. Also, petition of W. M. Dilsaver, John R. Sheridan, and A. H. Scanland, Liberty Lodge, all of Baltimore, Md., regarding House bill 12820; to the Committee on Ways and Means.

3526. Also, petition of Maria Briscoe Croker, gold-star division, Baltimore, Md., regarding bringing home soldier dead; to the Committee on Foreign Affairs.

3527. By Mr. MAHER: Petition of board of aldermen, city of New York, urging immediate legislation granting postal employees an increase in salary; to the Committee on the Post Office and Post Roads.

3528. By Mr. O'CONNELL: Petition of Steamship Owners' Association, New York City, favoring increased pay to employees of Coast Guard Service; to the Committee on Naval Affairs.

3529. Also, petition of board of aldermen, of New York City, urging immediate legislation for increased pay of postal employees; to the Committee on the Post Office and Post Roads.

3530. By Mr. SHREVE: Papers to accompany House bill 13992, granting a pension to Mary A. Crate; to the Committee on Pensions.

3531. By Mr. TAGUE: Petition of Maurice H. Powers, State secretary, Massachusetts State Letter Carriers' Association, Joseph L. Donovan, Mattapan post office employees, and post office clerks, mailing division, south postal station of Boston, Mass., asking for immediate action on report of postal wage commission; to the Committee on the Post Office and Post Roads.

3532. Also, petition of Mary Greene and Ellen Flint, of St. Paul, Minn., asking for report of Mason bill, House bill 3404, from committee; to the Committee on Foreign Affairs.

3533. By Mr. TINKHAM: Petition of Brockton Post No. 35, American Legion, Brockton, Mass., favoring a bonus for ex-service men and women; to the Committee on Ways and Means.

SENATE.

MONDAY, *May 10, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we come to the duty of this day out of the day set apart by action of Congress to commemorate the motherhood of this great land. We come with awakened memories of the precious days when heaven lay about us in our infancy, and of the continual care and toil and sacrifice that she gave us as she watched us develop to manhood, and the final blessing she gave us as she commissioned us with a mother's love to go into the world and stand for her honor, and her truth, and her God. We pray that we may erect in our lives monuments to the blessed mothers, and that by our high thinking and our clean living and our enthusiastic and united effort we may show ourselves worthy of this splendid heritage that we have received out of our mothers' love. For Christ's sake. Amen.

The Reading Clerk proceeded to read the Journal of the proceedings of the legislative day of Friday, May 7, 1920, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

PETITIONS AND MEMORIALS.

Mr. SPENCER. If there is no objection, I ask to have printed in the RECORD a petition relative to Senate bill 4267, concerning a commission to examine and report on the racial question. As time may afford in the future, I shall have something to say upon that bill. I ask that the petition be referred to the Committee on the Judiciary.

There being no objection, the petition was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

To the Senate and House of Representatives of the United States of America in Congress assembled, praying for the passage of bill (S. 4267) creating a commission on the racial question:

We, the undersigned citizens, believing that the best interests of our country demand harmonious cooperation between all classes of its citizens, and that peace and prosperity can bless our land with substantial and lasting effects only when there is a perfect understanding and harmonious action between all classes of citizens, and when all

work together in unison for the common good of all; and, believing that the provisions of bill S. 4267, introduced by Hon. SELDEN P. SPENCER, of Missouri, creating a commission on the racial question, if authorized by law, is calculated to quiet the unrest now prevalent throughout the country among a large class of our citizens, and to restore confidence and friendly feelings in the disturbed sections of the United States, and to bring about a more harmonious relation between white and colored Americans; and, believing that it is due the people of the entire country that steps be taken by national authority to handle the racial question as it would any other disturbing element in the body politic, do pray for the passage of the bill (S. 4267) creating a commission on the racial question.

JESSE LAWSON,
President Prelinghuysen University and President National Sociological Society.
(And others).

Mr. CAPPER presented a memorial of the Student Council of McPherson College, of McPherson, Kans., remonstrating against universal military training and praying for the enactment of legislation providing for physical education, which was referred to the Committee on Education and Labor.

He also presented a petition of sundry citizens of Kansas City, Kans., praying for the independence of Ireland, which was referred to the Committee on Foreign Relations.

He also presented a memorial of the sunday school of the First Methodist Episcopal Church of Manhattan, Kans., remonstrating against the use by the liquor interests of territory in China under the control of the United States Government for the manufacture and sale of intoxicating liquors, which was referred to the Committee on the Judiciary.

Mr. PHELAN presented a petition of the American Newspaper Publishers' Association, praying for the enactment of legislation providing for the establishment of a trans-Pacific news service, which was ordered to lie on the table.

REPORTS OF COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS.

Mr. FERNALD, from the Committee on Public Buildings and Grounds, to which was referred the bill (S. 4332) to exchange the present Federal building and site at Gastonia, N. C., for a new site and building, reported it without amendment and submitted a report (No. 581) thereon.

He also, from the same committee, to which was referred the bill (H. R. 13576) authorizing the Secretary of War to turn over to the Postmaster General, without charge therefor, a certain building, or buildings, now located at Watertown, N. Y., reported it without amendment.

JOINT COMMITTEE ON REORGANIZATION.

Mr. SMOOT. I am directed by the Committee on Appropriations to report back to the Senate favorably with an amendment the joint resolution (S. J. Res. 191) to create a joint committee on the reorganization of the administrative branch of the Government, and I ask unanimous consent for its present consideration. I desire to make just a brief statement as to the object of the joint resolution.

Mr. CHAMBERLAIN. I should like to hear it read.

The VICE PRESIDENT. The Secretary will read the joint resolution.

The joint resolution was read, as follows:

Resolved, etc., That a joint committee is created, to be known as the joint committee on reorganization, which shall consist of three Members of the Senate, to be appointed by the President thereof, and three Members of the House of Representatives, to be appointed by the Speaker thereof. Vacancies occurring in the membership of the committee shall be filled in the same manner as the original appointments.

SEC. 2. That it shall be the duty of the joint committee on reorganization to make a survey of the administrative services of the Government for the purpose of securing all pertinent facts concerning their powers and duties, their distribution among the several executive departments, and their overlapping and duplication of authority; also to determine what redistribution of activities should be made among the several services, with a view to the proper correlation of the same, and what departmental regrouping of services should be made, so that each executive department shall embrace only services having close working relation with each other and ministering directly to the primary purpose for which the same are maintained and operated, to the end that there shall be achieved the largest possible measure of efficiency and economy in the conduct of Government business.

SEC. 3. That the committee shall from time to time report to both the Senate and the House of Representatives the results of its inquiries, together with its recommendations, and shall prepare and submit bills or resolutions having for their purpose the coordination of Government functions and their most efficient and economical conduct. The committee is authorized to employ such assistance as it may require, at such compensation as the committee may determine to be just and reasonable, and to make such reasonable expenditures as may be necessary for the proper conduct of its work, such expenditures to be paid in equal parts from the contingent funds of the House of Representatives and the Senate, as from time to time may be duly authorized by resolutions of those bodies.

SEC. 4. That the officers and employees of all administrative services of the Government shall furnish to the committee such information regarding powers, duties, activities, organization, and methods of business as the committee may from time to time require, and the committee or any of its employees, when duly authorized by the committee, shall have access to and the right to examine any books, documents, papers, or records of any administrative service for the purpose of securing the information needed by the committee in the prosecution of its work.

The VICE PRESIDENT. Is there objection to the request of the Senator from Utah for the present consideration of the joint resolution?

There being no objection, the joint resolution was considered as in Committee of the Whole.

Mr. SMOOT. Mr. President, at the time I introduced the joint resolution I made a short statement to the representative of the New York Sun outlining its provisions. Perhaps it would be well for me at this time simply to repeat a part of that statement.

"The resolution provides that the committee shall 'make a survey of the administrative services of the Government for the purpose of securing all pertinent facts concerning their powers and duties, their distribution among the several executive departments, and their overlapping and duplication of authority.' The committee would also 'determine what redistribution of activities should be made among the several services, with a view to the proper correlation of the same, and what departmental regrouping of services should be made so that each executive department shall embrace only services having close working relations with each other to the end that there shall be achieved the largest possible measure of efficiency and economy in the conduct of Government business.'

"The administrative branches of the Government have undergone no fundamental change since the organization was devised by Alexander Hamilton.

"No other government in the world could have gone on as ours has done and paid the bills involved in our wasteful methods of administration. We have been able to do it because this country has had resources and wealth unparalleled. But the war has brought us at last to realize that these will not last always, and that we must begin to adopt efficient administrative methods.

"We need a complete survey of the whole situation de novo by a committee of men willing to recognize that it is a task of day and night for a year, and very likely two years. There must be no politics in it, but merely a determination to get results. In my resolution I have not even suggested that the commission shall include representatives of both political parties, because I have wanted to leave the matter wide open for opportunity to appoint the men best equipped to do the work, regardless of party, and I would rather see the right men undertake it, even if they were all Democrats or all Republicans, than to see it intrusted to anybody else.

"There is endless duplication of work among different departments, and even in the same department. Can anybody give a possible reason why the Department of the Interior should be running an insane asylum, or why there should be 27 engineering organizations under our Government, or why the Government's efforts to encourage foreign commerce should be divided among the activities of four or five departments, perhaps more? It is the same through all the Government functions, and now when the burden of carrying our enormous debt is weighing on the people we can no longer neglect to give it consideration."

I think that succinctly states the object of the joint resolution. I recognize that it will take at least two years to make this report if the examination is made as it ought to be made, and there is no one who knows the least thing about the workings of our Government who will not immediately recognize that this work ought to be undertaken.

I therefore hope that the joint resolution will be put on its passage.

Mr. UNDERWOOD. Mr. President, I considered the pending joint resolution when it was before the committee and before it was reported to the Senate. I wish to say that I approve of the measure. I do not understand that it is introduced by way of criticism of anything which has taken place recently or in the distant past. The conflict of authority between the various bureaus of the Government and the duplication of work has not been deliberately done, but it has grown up through a period of years. That there is a vast duplication of work in the Government, that there is lost motion and lack of economy, can not be questioned, and I think an effort ought to be made to avoid duplication and to work toward greater economy in the Government.

Therefore, I favor the pending joint resolution. I think it will be a very difficult task for any committee to work out. It is a task that will meet with a great deal of conflict when the report is made. It does not commit Congress to any line of action, but merely expects to bring information for its future guidance.

I think it will cost a small amount of money, but the money will be well expended if after the committee is appointed it can bring to the two Houses of Congress information that will be

a guide to the future reorganization of the departments along economic lines.

The VICE PRESIDENT. The amendment of the committee will be stated.

The READING CLERK. On page 2, line 19, after the word "conduct," insert the words "and the final report of said committee shall be submitted not later than the second Monday in December, 1922."

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

DONATION OF GRAND ARMY OF THE REPUBLIC POST BUILDING IN BEDFORD, IOWA.

Mr. FERNALD. From the Committee on Public Buildings and Grounds I report back favorably without amendment the bill (H. R. 9944) authorizing the Secretary of the Treasury to accept on behalf of the United States the donation by Sedgwick Post, No. 10, Grand Army of the Republic, of its memorial hall property in Bedford, Taylor County, Iowa, for Federal building purposes, and I ask unanimous consent for its present consideration.

Mr. KENYON. Mr. President, I wish to say a word about the bill; it is such a wonderful bill and so unusual, in that it is asking for the opportunity to give something to the Government in these days when nearly everyone is trying to get something out of the Public Treasury.

This building at Bedford was built out of the pockets of the old soldiers of the Civil War. They have had a post there in days gone by of from 300 to 500 members. It has gone down now to about 25 members. This memorial hall which they constructed will make a good post-office building and save rent for the post office. These old soldiers desire to have it turned over to the Government as a contribution from them, which illustrates, I think, that the men who were willing to save the country then will have to save it in the days to come. It is such an unusual bill that I hope it will be passed by unanimous consent.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to accept on behalf of the United States the donation by Sedgwick Post, No. 10, Grand Army of the Republic, of its memorial hall property in Bedford, Taylor County, Iowa, for Federal building purposes, being the east 29 feet of lot 8, block 11, original town of Bedford, at the southwest corner of Main and Water Streets, together with the two-story and basement building, 29 by 81 feet, outside measurement, now situated thereon; that said property shall be used and operated as are other public buildings, and that the annual appropriations for the general maintenance of public buildings under the control of the Treasury Department shall be construed to be available for use in connection with said property as for other buildings under said department.

That the Secretary of the Treasury is authorized to permit said post and the Sedgwick Post Women's Relief Corps, No. 82, to continue to occupy the second floor of said building until such time as said post dissolves; such occupancy to be without charge for rent, water, heat, or light, which are to be included in such free use.

And that a suitable bronze tablet commemorative of this gift shall be furnished and placed on the exterior of said building at the expense of the United States.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

The VICE PRESIDENT. Passed with thanks.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PHIPPS:

A bill (S. 4355) to provide for the acquisition of a site and the erection of a United States hospital in the State of Colorado; to the Committee on Public Buildings and Grounds.

By Mr. BALL:

A bill (S. 4356) granting an increase of pension to Phoebe A. Rawles; to the Committee on Pensions.

By Mr. FRANCE:

A bill (S. 4357) to authorize the Secretary of the Treasury to provide medical, surgical, and hospital services and supplies for discharged soldiers, sailors, marines, Army and Navy nurses (male and female), and for other purposes; to the Committee on Public Health and National Quarantine.

By Mr. CURTIS:

A bill (S. 4358) to provide allowances for mothers with children under 16 years of age dependent upon them for support in the District of Columbia; to the Committee on the District of Columbia.

By Mr. SUTHERLAND:

A bill (S. 4359) to provide for the purchase of a site and the erection of a public building at Princeton, in the State of West Virginia; to the Committee on Public Buildings and Grounds.

A bill (S. 4360) granting a pension to Abraham Stewart; to the Committee on Pensions.

THE MERCHANT MARINE.

Mr. MCKELLAR submitted an amendment intended to be proposed by him to the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes, which was ordered to lie on the table and be printed.

VALUE OF COTTON CONTRACTS.

Mr. GAY. Mr. President, recently an amendment to the Agricultural appropriation bill, known as the Comer amendment, was adopted by the Senate, and the question is now in conference between the two Houses. I have had several letters on this subject of late, and I desire to submit one from the president of the Marine Bank & Trust Co., of New Orleans. I will read it:

MARINE BANK & TRUST CO.,
New Orleans, April 30, 1920.

Hon. EDWARD J. GAY,
Senate Chamber, Washington, D. C.

DEAR SENATOR: Last week when I had the pleasure of traveling as far as Gulfport with you, you will recall that we discussed the Comer amendment, and I promised to send you some accurate information as to the possible workings of that amendment, if it became a law. I now hand you a memorandum which was given to me by one of the best-posted cotton men here, which I trust will be of use to you.

While I do not claim to be an expert on cotton matters, I do think that I know something about the markets of the world, as I am watching them all the time, and it is my conviction that further interference on the part of Congress in the matter of future delivery contracts will not be beneficial to the farmer, unless the last legislation which was passed, restricting deliveries, should be repealed, which I think would be probably a good thing. The freer the market, the better the price.

With kind regards.

Very truly, yours, L. M. POOL, *President.*

This is the statement:

The Comer amendment to the Agricultural appropriation bill is an ill-considered legislative proposal which would have a far-reaching injurious effect upon the entire cotton trade, from the producer to the ultimate consumer or user of the manufactured cotton products.

Serious economic legislation of this character should be given full and careful consideration and should not be railroaded through at the behest of political or private interests.

If the proponents of the Comer amendment were willing to have the light of intelligent reason and experience, or of intelligent understanding of their own interest, thrown upon the subject matter, they would not seek to have it jammed through as a rider on an important appropriation measure.

Mr. President, I want to say, in commenting, that I hold this matter is of too great importance to be railroaded through Congress as a rider upon any bill, and that as it is a subject affecting the cotton industry of this country it should be given hearings before the proper committees and legislation framed after everyone has had an opportunity to express his views. My interest is for the producer, the cotton farmer. Attaching this as a rider to an important bill—a bill which the country desires to have enacted into law, and one that can not now be agreed upon because of this amendment—I hope the conferees will recommend that the Senate recede from this amendment, so that we shall have an opportunity to finally pass the Agricultural appropriation bill, and that it may become a law.

The present future contract, which is the product of Federal legislation and which has the approval of the United States Department of Agriculture, limits the deliverable grades to those between middling fair at the top and low middling white at the bottom. All cotton deliverable under this contract is absolutely spinnable, although most of the spinners prefer to use grades from middling and above.

The Comer amendment provides that the buyer in the future contract shall have the right to demand that one-half of the delivery shall be middling and above and that the other half may, at the option of the seller, be of any grade or grades from middling fair to low middling white. The obvious purpose of this amendment is to insure the spinner who prefers to use middling and better grades that he can, by the purchase of a future contract on the rings of the exchanges, procure the delivery of 50 per cent of the grades that he prefers.

This mischievous and interested meddling with the complex machinery of the cotton trade would be harmful to the cotton producer, spinner, and merchant, and to the users of cotton goods for the following reasons:

The paramount value of the future contract is its "hedge" or protective value. It was never intended that such contract should take

the place of specific grade and staple contracts between the spinner and the merchant, and it can never become such substitute.

The future contract is used by the cotton trade as a policy of insurance against price fluctuations. The spinner desiring to contract ahead for his manufactured product and not having the stock in hand and probably not procurable except out of the crop not yet made or even planted, may so contract with impunity if he can go into the future market and protect himself against loss by the purchase of a hedge. When the actual supplies are needed he goes into the spot market and purchases the particular grade and staple required for his mill, and he thereupon closes out his protective contract or, in other words, cancels his price insurance policy.

The producer, satisfied with the prices prevailing in the future contract market, may sell against his crop, yet to be made and thus protect himself against declines in price. When his cotton is ready for market he sells the same on the basis of the grade and staple of the same, and thereupon closes out his hedge or, in other words, cancels his policy of price insurance.

The cotton merchant, or middleman between the producer and spinner, may contract with this spinner for specific grades and staples which he has not presently in hand, or he may buy the producer's crop, for which he has no present orders, provided that he can in the first case buy a future hedge, or, in the second place, sell the same, thereby insuring himself against price fluctuations. When he executes his spot contracts he sells or buys his hedges or, in other words, cancels his price insurance policy.

If either the spinner or merchant elects to take actual delivery on the future contracts when the same mature, they can use such grades and staples as may be under their needs or contracts usable, and the residue may be delivered on future contracts sold against the same.

This, in a general way, is the function of the future contract market to the nonspeculative cotton trade. It gives the producer a broader market for his product, thereby enabling him to secure a better price, and it reduces the hazard to the manufacturer, thereby enabling him, if he chooses so to do, to reduce the price of the manufactured product to the ultimate consumer.

Mr. President, let me say that the question of this cotton contract has been considered by Congress for years and that the Government, through the Department of Agriculture, have formulated regulations which are printed in pamphlet form and which now govern the trading in cotton. The regulations of the Secretary of Agriculture, under section 5 of the United States cotton-futures act, as amended March 4, 1899, have been given the best thought and should not be changed by any hasty legislation.

But who supply these future contracts? Who are the underwriters of this price insurance who issue the policies which protect the great nonspeculative cotton trade in its forward business and commitments? Primarily the speculative element assumes this underwriting risk. The price optimist offers to buy and the price pessimist offers to sell. Thus the nonspeculative trade procures its insurance.

In order that there may be both buyers and sellers it is necessary that the terms of the future contract must be fair to both and that it shall contain no pitfalls for either. If the terms of the contract unduly favor the seller, then the buyers will be frightened off, or if the said terms are unduly in the buyer's favor, then the sellers will be frightened off; in either case the future-contract market would be impaired, if not destroyed.

The Comer amendment makes the terms of the future contract too strong; i. e., it imposes an increased risk on the seller. The contract is narrow enough as it now stands. If the seller finds that he would be required, to deliver cotton which he might not be able to obtain, he simply would not commit himself. The result would be that the future contract would be a skyrocketing speculative affair with no trade utility, and the future market as a trade agency would be impaired or destroyed. It is exactly as if legislation was enacted which made the risk too great upon the fire insurance underwriters. On paper the insured would be benefited, but as a matter of fact he would be destroyed, because the underwriters would not assume the risk.

The effect of the Comer amendment would be, therefore, if adopted, fundamental and far-reaching. It would throw a monkey wrench into the trade machinery by which cotton is financed, marketed, and distributed. It would result disastrously to the producer by depriving him and the buyers of his product of the hedge insurance protection, thus restricting his market, and it would result in benefit to no one except possibly the spinner, who, having driven out all competitors, could dictate the price of cotton.

Curiously enough the particular advantage which the spinners (of whom Senator COMER, the largest spinner in Alabama, is and always has been representative) expect to obtain from the said Comer amendment would prove to be a particular disadvantage.

In cases where the spinner has used the future contract bought at the rings of the exchanges as the medium of actual delivery, he has taken such grades as met with the particular requirements of his mill and has disposed of the balance by selling future contracts against the same and retendering on said contracts. Said spinners now think that under the Comer amendment they could, by demanding actual delivery, procure at least 50 per cent of the grades which they prefer. Now, suppose under the Comer amendment the spinner took up 1,000 bales on future contract, of which 50 per cent was middling and above, the grades which he preferred, and 50 per cent was low middling, which he did not desire to use. If he sold a future contract against the residue, he would have to go out into the market and buy 50 per cent of middling and above in order to be in a position to comply with the terms of the Comer amendment. He would therefore be just where he started from, and if the better grades happened to be scarce he would probably set up a great howl that he was being squeezed by Senator COMER'S contract and that the future contract itself was a devilish piece of machinery designed for the purpose of robbing him of a modicum of the 200 per cent profit to which he has in recent years become accustomed.

Mr. President, I have a letter from the commissioner of agriculture of Louisiana, protesting against this proposed legislation, and also letters and telegrams from several other parties representing agricultural associations, protesting against the Comer amendment, which I ask to have inserted in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

ASSOCIATION STATE FARMERS' UNION,
PRESIDENTS OF FARMERS' EDUCATIONAL AND COOPERATIVE UNION OF AMERICA,
OFFICIAL HEADQUARTERS, NEW ORLEANS, LA.,
Weatherford, Okla., April 28, 1920.

Senator E. J. GAY,
Washington, D. C.

DEAR SENATOR: The more our people find out about the Comer amendment to the Agricultural appropriation bill the more they oppose it, for it will sure knock the farmer out on low-grade cotton, and it is not the farmers' fault that wind and rains turn cotton from good grades to low grades. We want the Agricultural appropriation bill, but we don't want the Comer rider, and we ask you and the Members of Congress to take off that Comer rider and let a separate bill be filed and let a full hearing be granted before it becomes a law. It strikes me this would be the fair way to do this, to give everybody a chance to be heard.

Yours, very truly, JOHN A. SIMPSON, *President.*

—

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C.

Hon. E. J. GAY,
United States Senate, Washington, D. C.

DEAR SENATOR: The amendment offered by Senator COMER to the Agricultural appropriation bill enters so vitally into the business life of the Nation and is so far-reaching in its effect that, in my judgment, it would be only fair that the great interests involved should have ample time and opportunity to thoroughly study and discuss with the interested parties and the Members of Congress this matter in the fullest way. Therefore I believe that Senator COMER'S amendment should not be adopted as an amendment, but that, if he desires, it be offered as a bill and take the regular course and not be attached to the Agricultural appropriation bill, which it is desirable should be passed at an early day. I am,

Sincerely, yours, GRAY SILVER,
Washington Representative
American Farm Bureau Federation.

—

NATIONAL GRANGE, PATRONS OF HUSBANDRY,
Washington, D. C., May 3, 1920.

Hon. EDWARD J. GAY,
Senate Chamber, Washington, D. C.

MY DEAR SENATOR: It has come to our knowledge that there is a wide difference of opinion among the cotton growers as to the Comer amendment to the Agricultural appropriation bill, and because of the great importance of the matter I believe it should have a full and fair hearing before being enacted into law.

I therefore trust the bill will be reported without the Comer amendment.

Very truly, yours, T. C. ATKESON,
Washington Representative.

—

BATON ROUGE, LA., *March 30, 1920.*

Hon. E. J. GAY,
United States Senate, Washington, D. C.:

We think Comer amendment is detrimental to cotton growers. You and RANSDELL please confer with Senator SMITH of South Carolina at once.

HARRY D. WILSON,
Commissioner.

—

MANY, LA., *March 28, 1920.*

Hon. E. J. GAY,
United States Senate, Washington, D. C.:

Kill the Comer rider to the Agriculture appropriation bill, as it outlaws the majority of the cotton raised by farmers and destroys price insurance.

I. N. MCCOLLISTER,
President Louisiana Farmers' Union.

—

GONZALES, LA., *March 30, 1920.*

Senator EDWARD J. GAY,
Washington, D. C.:

The rider to the Agriculture appropriation bill by COMER, if permitted to become law, would so restrict the contract as to be a vital blow to its usefulness to the producers, sellers, and buyers of American cotton. Briefly, the Comer rider is in the interest of the cotton spinner and opposed to the cotton producers, and if incorporated as the law would mean a death blow to the cotton producers. I hope you will do all in your power to eliminate this Comer rider entirely. The passage of the Comer rider would place the American farmer at the mercy of the American spinners and foreign manufacturers, as they would control the price of American cotton.

H. ARTHUR MORGAN.
Secretary-Treasurer Association State Farmers' Union Presidents.

CAMPAIGN EXPENDITURES.

Mr. WALSH of Montana. Mr. President, on May 6 last a resolution was introduced by the Senator from Idaho [Mr. BORAH] contemplating an inquiry by the Committee on Privileges and Elections as to contributions to the campaigns of candidates for nomination for President of the United States. That resolution was referred to the Committee on Privileges and Elections. The Washington Post this morning contains an article entitled "Big G. O. P. War Chest," which is written by Mr. George Rothwell Brown, one of the staff of the Post, from which I read as follows:

Encouraging reports to Republicans have become available with respect to campaign finances. The campaign fund this year will reach a most interesting figure, and if it should touch the $10,000,000 mark it would not be surprising. * * *

The collection agency of the Republican Party has been organized with thoroughness.

It covers every State and every county. Every State has been assessed its quota of money. In some States, if not all, the apportionment has been based on the Liberty loan subscriptions, and some of the Western States have already gone over the top.

* * * * * * *

The ways and means committee is composed of National Committeemen T. Coleman du Pont, the Delaware millionaire; James M. McGraw, the millionaire oil and lumber man, of Oklahoma; and CAMPBELL SLEMP, of Virginia; and, in addition, William Boyce Thompson, the New York millionaire; William Cooper Procter, the Cincinnati millionaire; and former Senator John W. Weeks, of Boston.

* * * * * * *

Only the most credulous, I judge, will cling to the theory that subscriptions to the Republican campaign fund are to be limited to $1,000 each, which has been officially advanced, but which is shot full of holes in private conversations. In fact, the crusade spirit is unmistakably abroad in the country, and the people are showing unusual willingness to contribute to the fund. I am told that those who formerly gave $50 and $100 in presidential years have been "coming across" with donations of $500 and $1,000.

I respectfully call the attention of the Senator from Colorado [Mr. THOMAS] to the circumstance that Mr. T. Coleman du Pont is the chairman of this finance committee, which it is expected will raise a fund of $10,000,000 for the purpose of electing a Republican President.

Mr. THOMAS. I trust the Senator from Montana will also call the attention of the Senator from Idaho [Mr. BORAH] to this remarkable piece of news. If the Senator from Montana will permit me for a moment, I may say that this is a situation which I anticipated when I prepared and introduced a pending amendment to the antidumping bill, intending to impose an income tax of 50 per cent upon all such contributions in excess of $1,000. If the Senate will only enact that provision into law, possibly, upon the principle that nothing is wholly bad, we may be able to get a very respectable revenue for the Government through the process.

Mr. WALSH. Mr. President, I ask that the article in the Post to which I have referred be submitted to the Committee on Privileges and Elections for consideration in connection with the resolution to which I have referred.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. SMOOT. Mr. President, it is inconceivable to me that the Senator from Montana [Mr. WALSH] or any other Senator should think there is any truth in the newspaper report from which the Senator from Montana has read. It is written by Mr. Brown; it is sensational in character; and no one thinks that there are going to be $10,000,000 collected for the next Republican campaign. I do not believe that even the Democratic Party can collect that amount of money for the coming campaign, with all the power that they have for enforcing contributions, which, no doubt, they will undertake to exercise.

Mr. THOMAS. If the Senator will permit me, I desire to say that in view of some developments of the immediate past if the Democratic Party is able to raise a million dollars I shall be very much surprised; but let me say to the Senator, with regard to this article, that it appears in a Republican paper——

Mr. SMOOT. Oh, no; it is not a Republican paper.

Mr. THOMAS. Oh, yes; it is. It does not call itself Republican, but it does not have to do so, for anybody who reads it knows what its politics is. It identifies certain millionaires in the United States who are prominent in the Republican Party, one of whom has been managing the candidacy of a very prominent and conspicuous candidate, and another of whom is a delegate at large from the great State of New York to the Republican national convention.

I hope this report is not true. Ten million dollars, Mr. President, in these days does not appeal to Senators of the experience of my friend from Utah [Mr. SMOOT] and myself as very large; it is "chicken feed" in these days, and compared to the extravagance of the country, as evidenced by the expenditure of a hundred million dollars a month in New York for candy, as announced by the New York Times yesterday, it is, after all, not surprising. I may be overcredulous, but I am inclined to think that there is something behind it. At least, I hope the Senator from Idaho will direct the energies of his investigation toward that subject.

Mr. SMOOT. I think at the same time the attention of the Senator from Idaho ought to be called to the fact that there are several millionaires in the United States who are very active at present directing the campaign of Democratic aspirants for the presidential nomination.

Mr. THOMAS. That is true——

Mr. SMOOT. And I wish to say to the Senator from Colorado that, as between the millionaires mentioned in the article to which reference has been made and the millionaires of New York having the campaign of Mr. McAdoo in hand, give me the millionaires of New York for money-raising ability, because I think that Mr. Barney Baruch and Mr. Chadbourne can raise $10 where any one of the men mentioned in the newspaper article can raise $1.

Mr. THOMAS. That may be so; I am not so familiar with millionaires as is my friend from Utah; but this matter should not be set aside by merely having the pot call the kettle black. If contributions are being made in these enormous amounts, I do not care whether they are made for Democratic candidates or for Republican candidates, it is wrong, and we should impose an income tax upon the men who spend these prodigal sums for corrupting the conscience and the political virtue of the Nation.

Mr. SMOOT. Now, the Senator makes a statement, of course, that anyone, perhaps, can agree to, that it is wrong to raise $10,000,000 for any campaign.

Mr. THOMAS. The Senator says "anyone perhaps can agree" to it. Does not the Senator agree to it without the "perhaps"?

Mr. SMOOT. Certainly; but I did not want to speak for everybody, and that is why I used the word "perhaps."

Mr. THOMAS. Why not?

Mr. SMOOT. Because there are people in the United States who may not think it is wrong, and I do not want to say for them that it is positively wrong. Personally I think it is, and I do not believe that it will be done.

Mr. THOMAS. I hope not.

Mr. SMOOT. I have not any such idea, and it seems to me almost a waste of time to call attention to this question based upon a newspaper report. I have not any doubt that both parties will use a great deal of money in the campaign——

Mr. THOMAS. More than they should.

Mr. SMOOT. But I wish to say now that as between the two parties I know the Democratic Party is in a better position to request, if not to demand, contributions than is the Republican Party.

Mr. BORAH obtained the floor.

Mr. THOMAS. Will the Senator from Idaho yield to me for just a moment?

Mr. BORAH. Yes.

Mr. THOMAS. What the Senator from Utah says may be so; I do not intend to pass upon it; I do not know; but I shall not defend my party upon the theory that, because the millionaires of the other party propose to do these things, therefore we should do them. I think such action should be prohibited and punished, and when a Democrat violates the principle he is equally guilty with a Republican who violates it.

Mr. SMOOT. I was not offering any excuse whatever for the rumor that the Republican Party was going to collect $10,000,000 for the coming fall campaign. I simply rose to say that I do not believe there is a word of truth in the article read, and I think it is perfect nonsense to call attention of the Senate to an article written by Mr. Brown in which he gives an expression of opinion concerning a matter that he does not know anything about.

Mr. BORAH. Mr. President, I think it is perfectly apparent to anyone who has observed political conditions for the last six months that there is a very powerful organization in both parties which has come to the conclusion that the really dominating and controlling principle in American politics is that of money. There is nothing to be gained by either party undertaking to cover up the fact that there is a powerful element in both parties who believe in that proposition. Whether or not they constitute a majority in either party I do not know, but there are too many in both parties. The masses of the American people on both sides of the political fence are just as much opposed to that kind of practice as they ever were, and the thing which devolves upon us to do is to expose the coterie of profiteers and multimillionaires who have lost all sense of decency, and who propose if they can to control the conventions and the presidential election through the sheer use of money and let the American people take care of the situation. They will do so when they get to the polls. That is the best way to take care of the matter.

Mr. President, a few days ago I offered a resolution calling for an investigation of campaign expenditures, concerning which I wish to say a word in no sense reflecting upon the committee, for I state in all sincerity that I do not reflect upon it. It is pretty difficult to get a majority of any committee in session now owing to the absence of so many Senators. Therefore, without intending to reflect upon the Committee on Privileges and Elections, and for the reason that it is difficult to get a majority of the committee assembled, I am going to ask unanimous consent that the Committee on Privileges and Elections be discharged from the further consideration of Senate resolution 357 and that it be brought to the floor of the Senate in order

that I may have it referred where it has to go in any event, namely, to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and the Committee on Privileges and Elections is discharged from the further consideration of the resolution.

Mr. BORAH. I ask that the resolution be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. Without objection, it is so ordered.

HIGH COST OF LIVING IN THE DISTRICT OF COLUMBIA.

Mr. CAPPER. I offer a resolution directing the attention of the Committee on the District of Columbia to the advance in the price of bread in the District of Columbia. I should like to have unanimous consent to have it read and considered at this time. I do not believe there will be any objection to it.

The VICE PRESIDENT. The Secretary will read the resolution.

The resolution (S. Res. 358) was read, as follows:

Whereas it is reported that there is to be an increase in the price of bread in the District of Columbia; and

Whereas such increase will place an additional living cost burden upon the people of the District which a great many citizens believe is unwarranted at this time and out of harmony with the Nation-wide effort that is being made to stabilize prices: Therefore be it

Resolved, That the Committee on the District of Columbia be, and it is hereby, directed to inquire into the facts as to the proposed increase in the price of bread and make such recommendations as the situation warrants.

Mr. CAPPER. Mr. President, I offer this resolution because at the hearings conducted last July and August by the Special Committee on High Cost of Living appointed from the District of Columbia Committee information and facts were brought out which convinced me that there is absolutely no warrant for this proposed increase in the price of bread to-day. The committee gave special attention to the bread situation, as to the cost of bread and the prices prevailing at that time, and it brought out some very interesting facts.

That hearing showed, for one thing, that the chief of the profiteers in the city of Washington was a man by the name of Corby, engaged in the bread-making business; that he sold about one-half of all the bread baked and consumed by the Washington public. It showed that he had in a very few years become a millionaire. The committee required him to bring his books before it, and the figures are rather interesting. I think you will be interested in them at this time, because of the attempt at this time to hike the price of bread.

They showed that Corby had made net profits in the year 1918 at one of his bakeries—he has two large bakeries—of $294,059, after allowing himself a salary of $25,000. He has another bakery which at the same time made him $19,000 net profit, after allowing him another salary for the same year of $5,000. Including both bakeries and the salary allowed himself, Corby's profits on one year's baking business, the year 1918, amounted to about one-third of a million dollars. You will find all this on page 604 of the very interesting report of these hearings conducted by the District of Columbia Committee.

According to this testimony taken by the committee, Corby's profits have been steadily and rapidly increasing. In 1914, the year before the war, his largest bakery made $44,063 profit. This increased in 1915 to $59,294; in 1916 to $87,370; in 1917 to $142,202; and in 1918 to $294,059.

According to the information which came to our committee, his profits were equally large in 1919. In fact, they were increasing during the first half of 1919.

While we are on this subject of profiteering in Washington, let me say that coming up Pennsylvania Avenue this morning, I noticed a pair of shoes in one of the leading stores marked at $18.50. In this connection, it might be interesting now to know what this same report from the District of Columbia Committee shows as to the profits of a few shoe dealers.

Rich & Sons filed a statement with the committee, and you will find it on page 972 of this report, which showed that their net profits jumped from $2,044 in 1914 to $18,000 in 1917, and then to $64,743 in 1918, with every indication that since then the profits have been fully as large. This net profit of $64,000 in 1918 was made after each member of the firm had taken out a salary of $6,500. The total capital invested at that time was $111,924, according to their statement, on which the net profit in one year was $64,000, and the profits were increasing when the report was made to our committee.

Another shoe firm, William Hahn & Co., made a net profit of $38,819 in 1916, $40,807 in 1917, and $54,954 in 1918.

The report filed by Snyder & Little showed that their net profits jumped from $7,429 in 1916 to $11,773 in 1917, and then to $30,000 in 1918; and in all these cases the prices and profits were increasing during the year 1919, although our investigation, of course, concluded in July of last year.

Profiteering now seems to be rampant all over the country, but I think the price gouger has a little tighter grip on the city of Washington than any other city that I know of. It has become so shameless that the profiteers take advantage even of Mother's Day to hold up the public. Here yesterday they were holding up the people all over this city for 25 cents for a little carnation, selling them even in quantities in most of the leading florists' shops here for $3 a dozen on Mother's Day, an increase of some 400 or 500 per cent, because of the fact that there was an unusual demand for them.

So I say the profiteering spirit seems to be rampant in the Nation's Capitol, and it is no wonder that the people here are complaining. There are thousands of Government clerks here who are trying to support a family on $1,200 a year while necessities of life are going higher. The people have reached the limit, and a demand now of 17 per cent increase in the price of bread, amounting to about $2,000,000 a year that will be exacted from the consuming public of Washington, is unreasonable and in my opinion there is no basis for it.

For that reason, I think the Committee on the District of Columbia ought to be authorized to investigate the latest move on the part of the bakers.

Mr. KING. Mr. President, will the Senator yield?

Mr. CAPPER. Certainly.

Mr. KING. Did the Senator reach the conclusion, from the investigation which he made, that most of the profiteering was by the retailer rather than the wholesaler?

Mr. CAPPER. So far as the city of Washington is concerned, we found there was general profiteering in this city in almost all lines of business.

Mr. KING. Does not the Senator think that the Committee on the District of Columbia, of which he is a member and I am also a member, should take up the question of licensing the various retail as well as wholesale establishments in this District, and have some provision in the ordinance that if they are engaged as monopolies, or charging extortionate prices, a license shall be denied them?

Let me say to the Senator that a committee waited upon me on Friday asking that an ordinance be passed dealing with the question of the hotels. They called attention to the immense dividends made by the Willard and the Raleigh and other hotels in this city, and asked that an ordinance be passed that would fix the prices to be charged by the hotel keepers of the District.

It is very clear that the District has the power to license innkeepers and hotelkeepers; and I think the committee, when they consider the Senator's resolution, should also formulate a law that will attack these profiteering landlords and hotelkeepers and eatinghouse keepers in the District of Columbia.

Mr. CAPPER. I will say to the Senator from Utah that the committee considered that phase of the subject carefully; but just about the time the committee concluded its investigation the information came to us that the Department of Justice was going to take hold of the situation here in Washington in a vigorous way, appoint a fair-price organization, and do something to improve conditions. It seems to me, however, that the condition is getting worse instead of better; and especially now, when they are asking an increase of 17 per cent in the price of bread, when the leading baker of the city, to the knowledge of this committee, cleaned up something like a third of a million dollars in one year, I think it is time for Congress to enter protest. For that reason I ask that this resolution have immediate consideration.

Mr. FRELINGHUYSEN. Mr. President, before the Senator takes his seat, may I ask him if the committee investigated in any manner the quesiton of the profits of the meat dealers?

Mr. CAPPER. The committee did investigate that question and they showed that the profiteering to a very great extent was on the part of the retail dealers.

Mr. FRELINGHUYSEN. May I ask the Senator if he knows whether there is any law on the statute books at the present time, or any ordinance of the city of Washington, which compels full measure and full weight, and whether there is any inspection system providing a penalty against fraud upon the public for underweight and undermeasure?

Mr. CAPPER. I have not any information on that subject.

Mr. HARRISON. Mr. President, may I ask the Senator a question?

Mr. CAPPER. Certainly.

Mr. HARRISON. A resolution was offered by the Senator from Washington [Mr. JONES] some time ago about the increase in car fare. My recollection is that it went to the Committee on

the District of Columbia. What has been done about that resolution? That shows a greater increase, I think, than 17 per cent.

Mr. CAPPER. It does; and I think that is unwarranted.

Mr. HARRISON. What has been done with that resolution?

Mr. CAPPER. There has been no action taken by the committee, so far as I know.

Mr. HARRISON. I think something should be done, if possible.

Mr. CAPPER. I think so myself.

Mr. STERLING. Mr. President, I would like to ask the Senator from Kansas whether the committee found any evidence of any prosecutions for profiteering here in the District of Columbia, either under Federal laws or under the laws of the District?

Mr. CAPPER. No; we had no information of that kind. As a matter of fact, the Department of Justice had done little or nothing here in the city of Washington until this committee took up the subject, but they started in immediately upon a system of prosecution or of regulating the matter in this District. It does not seem to me, however, that they have made much progress.

Mr. REED. Mr. President, before the Senator takes his seat, I should like to ask him a question. I have been busy in attendance on a committee this morning, and I was therefore unable to be present, and the Senator may have covered the question I am going to ask. If so, I shall not ask him to repeat his answer.

We have in this city a large number of what are called public markets. Has the Senator investigated those markets with reference to their prices?

Mr. CAPPER. The Senator refers to the Center Market?

Mr. REED. Yes; there is the Center Market, and there are other so-called public markets.

Mr. CAPPER. The committee did investigate them. It went into the matter very carefully, and had a number of these dealers before the committee, and the investigation showed that most of them were making unusual and I think excessive profits.

Mr. REED. How are those markets run? Does the Government merely own the building and rent the stalls without any regulation at all, or what is the arrangement?

Mr. CAPPER. The building is owned by a market company, and the stalls are leased by this market company. They are under the direction of the Commissioners of the District of Columbia; that is, whatever regulation or supervision there is comes from the Commissioners of the District of Columbia.

Mr. REED. I can hardly hear the Senator. The buildings are owned by companies, not by the Government, and these companies rent stalls. Is that the situation?

Mr. CAPPER. That is the situation.

Mr. REED. Nevertheless they are known as public markets?

Mr. CAPPER. They are.

Mr. REED. Does the Government have any officer to supervise the business of these stalls, to see that it is conducted in a fair manner?

Mr. CAPPER. The city of Washington has a market master, who is supposed to be responsible for everything going on at the Center Market.

Mr. REED. Does he undertake in any way to regulate the prices?

Mr. CAPPER. No, sir.

Mr. REED. Does not the Senator think that if we are to regulate prices we could well begin with the public markets established under the control of the District?

Mr. CAPPER. The matter of prices in this District seems to be under the direction of the Department of Justice, with an organization selected by the Attorney General and his fair price committee. They are supposed to take notice of all wrongdoing in that direction.

Mr. REED. That applies to the whole District?

Mr. CAPPER. Yes, sir; and to the markets.

Mr. REED. It has been utterly impotent.

Mr. CAPPER. It applies also to the Center Market.

Mr. REED. The question I am asking applies to a different matter, and I can make my question plain perhaps by an illustration. In many cities of the country, for the benefit of the public, and in order to have a place where goods will be sold at moderate prices, there are established public markets, in many instances the municipality itself owning the building and renting the stalls, and a market master is placed in charge, whose business it is to see that the transactions are of a fair character, that the foods which are sold are wholesome, and so forth.

It seems to me that if we are to talk about any regulation of prices in the District of Columbia we ought to begin by the establishment of something that is in fact a public market, where goods are sold in the public market, under public supervision, at a reasonable price. If you go beyond that and go into the private institutions and begin the regulation there in times of peace, I do not know where you are going to stop.

If the principle is sound in the District of Columbia, it must then be sound in every other part of the United States, and if the Government undertakes the regulation of all prices everywhere, we will, of course, have set aside the law of supply and demand and substitute Government control. That is an entirely different proposition from regulating prices in a publicly owned and publicly controlled market.

As I understand the Senator, there is no real regulation of the markets in this city?

Mr. CAPPER. Not so far as the regulation of the prices is concerned; but there is a market master, appointed by the Commissioners of the District of Columbia, who has authority to see that the market is properly conducted.

Mr. REED. That is, properly conducted along the lines of being clean, decent, and so forth?

Mr. CAPPER. Exactly.

Mr. REED. But no regulation of prices or of profits?

Mr. CAPPER. Not at all.

Mr. REED. Just one more question. Is the Senator prepared to embark upon a policy of the Government fixing the prices of all products, either National or State?

Mr. CAPPER. I think we now have law sufficient to warrant the Department of Justice in proceeding against any man who is exacting an unfair and unreasonable profit, and to that extent we can determine or fix the prices, and insist upon a reasonable price.

Mr. REED. That, of course, is not an answer to my question. I am curious to know whether the Republican Party or the Democratic Party is prepared in this country, in time of peace, to embark upon the policy of the Government regulating prices of all the necessities of life. If so, of course, it will involve the fixing of the price of labor, the fixing of the price of farm products, the fixing of every charge entering into the ultimate price.

While I may be speaking on a very unpopular side of the question, while I know that the people are suffering because of very high prices at the present time, I am not yet prepared to plunge into the sea of either socialism or communism. Those are exactly the waters we will enter when we begin the business, in time of peace, of regulating prices, for you can not regulate the price of one article with any justice unless you regulate the price of the constituent articles entering into it.

Mr. THOMAS. Mr. President——

Mr. REED. Just one second. Neither can you get at the constituent elements of the cost unless you take labor, capital, and all the various products, and you can not regulate the price of one article with justice to the producer of that article unless you extend your scheme of regulation to cover all articles. So if we are to embark on this ocean, it will be well to do it after some careful thought. I yield to the Senator from Colorado.

Mr. THOMAS. Let me ask the Senator if such a policy could be even remotely successful unless we also undertook to regulate production and transportation?

Mr. REED. Undoubtedly you have to embrace everything. If you start with the question of the cost of bread, if you are to regulate the price of bread, you can not do it successfully unless you begin by regulating the price of wheat, the profits of the miller, the cost of transportation, the cost of warehousing, the wages of the baker——

Mr. THOMAS. Right there, Mr. President, let me suggest that there is at present an apt illustration of the truth of the Senator's statement appearing in the morning papers, the announcement being the rise in the price of loaves of bread of 2 cents per loaf, due to the advance of wages to the bakers who threatened to strike the other day and were prevented from doing so by a practical yielding to their demands. In other words, if we consume in the District of Columbia 200,000 loaves of bread per day, the people pay $4,000 a day because of that advance, and any attempted regulation of the price of bread will necessarily have to regulate the price of labor in its production, because otherwise, as is the case, and as is always the case, it is passed right on to the consumer, who pays now an additional price for bread alone in this District of $120,000 a year as a result of the settlement of that strike.

Mr. REED. Mr. President, at the risk of repeating arguments I have made before, I feel like calling attention for just a moment to some fundamentals which we in the Senate must not overlook.

One of those fundamentals is that when you interfere with business you must be very careful lest you stop the expansion of business and lest the effect of your act is not exactly the converse of what you desire. The great fundamental trouble

in the world to-day—and it is admitted by every intelligent man—is that there is an immense gap between production and consumption. That was occasioned by a cause so great that it has touched every quarter of the earth. Twenty-five million men were taken from industrial and productive activities and put upon the field of battle for substantially five years, and every man, woman, and child in the United States, to a greater or less extent, employed their energies in producing the materials for the sustaining of the Great War. The result is a shortage of everything, a shortage of railway facilities, a shortage of ships upon the sea, a shortage of machinery in mills, a shortage of labor, and a shortage in everything due to destruction and failure to produce. Until that shortage is made up there will be a keen market, and that market will be aggravated, of course, by all those speculative practices and tendencies which come under such conditions.

Among these shortages there is a shortage of houses. Let us assume that we undertake to remedy the shortage of housing by a regulation of rents, and let us practically apply that experiment, and see how it will work out. There is a shortage of houses, rents mount high, and building costs have also mounted very high. Everything entering into a new house costs approximately twice as much as it did before the war, and even more than that. But there is a shortage of housing. A man desires to build a house and figures at present rents that he can build a great apartment house, which will cost him $2,000,000, which formerly would have cost a million, but that at the present rents he can build the house and pay the $2,000,000 and still make money.

At about the time he is ready to break ground, he is informed by his lawyer that Congress has appointed a man to fix those rents for him. He does not know at what figure that man will fix the rents. What sensible man would build an apartment house under those circumstances and embark his fortune in that venture? What sensible loan company would lend any considerable amount of money with which to build property under those circumstances? The result is that the apartment house is not built. The result is that the dearth of houses continues, and rents will continue to advance unless held down by some arbitrary act of government. But the longer you hold them down, and the more you aggravate the shortage, the worse the result will be in the end.

I grant you that the profiteer, the—I do not like to use the term—the rent hog, and men of that kind ought to be controlled if they can be controlled. But it is a serious question in my mind whether in the end we will not be forced merely to allow the law of supply and demand to take its course, confident of the fact that we will soon reach a point where prices will become so high that they will become prohibitive that consumption will be reduced, that the gap between production and consumption will thereupon be filled, and that the prices will come down by natural causes. If the men and women of the United States could be persuaded not to buy a new suit of clothes or a new dress for six months, not to go through this silly performance of wearing overalls, but to wear their old clothes, there would be a surplus of dress goods and of suitings in the United States at the end of six months and the prices would go down.

Mr. BORAH. Mr. President, the Senator speaks of the operation of the law of supply and demand. The trouble is that the law of supply and demand has been controlled in this country and is no longer permitted to operate by reason of the fact that a certain limited number of individuals have obtained control of the necessaries of life and have repealed, as it were, the law of supply and demand.

Mr. REED. The Senator refers to great trusts and combinations?

Mr. BORAH. Yes.

Mr. REED. I am glad the Senator spoke of it, because there is no man on the floor of the Senate who has inveighed against them oftener than I have, or who is more wedded to the doctrine that every combination ought to be punished and that every monopoly ought to be dissolved. I hesitate to say a word of criticism of the Supreme Court, but I confess that when I find the Supreme Court of the United States can ratify and confirm the Steel Trust combination and do it upon the ground that it seems to be necessary to let it live, the way I read its opinion, when nearly all trust prosecutions have ceased in the country, I look with a good deal of dismay at that phase of the situation, unless we can get a Congress that will reenact the antitrust acts in such a form that they mean something and force action, unless we can some day get an Attorney General who can look a $100,000,000 combination in the face without fainting. The truth is that the laws of Congress have been nullified by the action of Attorneys General and by the action—I am sorry to say—of courts. I dislike to criticize the courts. I have never done so except upon the rarest occasion.

Mr. President, this morning passed through my hands in the newsprint hearing the indictment filed against the newsprint paper combination, and the pleas of nolo contendere of these great concerns, enormously capitalized, one of them I recall at $45,000,000. They were fined in the aggregate upon pleas of nolo contendere $11,000, and that was done by the consent of the Attorney General of United States. Eleven thousand dollars was not as much to one of those corporations as the smallest marble that a schoolboy ever carried in his store was to him.

Mr. BORAH. Undoubtedly, however, they promised never to do it again.

Mr. REED. Let me tell you what they promised. Then the Attorney General fixed up an agreement with them in advance, by the terms of which he was to file a suit in equity, and when the suit in equity was filed they were to confess judgment, and when the judgment was confessed the decree was to be written that during the war and for a period of three months thereafter they would sell their paper at a price fixed by the Federal Trade Commission, with the right on the part of the company to appeal from the decision of the Federal Trade Commission to the United States Circuit Court of New York. But the decree contained a further clause that they did not have to sell at that price provided they could make and did make contracts with purchasers at another and different price.

The practical working out of it was that although the Federal Trade Commission's price, plus the raise made by the United States court, was at the highest point, 3.7525 cents per pound, every great newspaper in the United States closed contracts with the concerns by which they paid a price that was to be fixed by the company to them and readjusted by the company every three months, with the right on their part to refuse to take the paper if they wanted to, and thus go without any paper.

So acute was the situation and in such danger did the great newspapers of the country find themselves that they contracted for 110 per cent of the product of the greatest of these mills—that is, for 10 per cent more than it could produce, and at prices ranging as high as 5 cents a pound, while the public price fixed was 3.7525 cents. In other words, the effect of the decree was absolutely nullified, and the newspapers were left just where they were before the decree was entered.

I desire to say nothing harsh of institutions engaged in business, but a trust act which provides the pains and penalties of the penitentiary, and which is reduced to a mere farce by a fine of $11,000 on an institution of that kind, ceases to be a law, because it has been nullified by the governmental authorities themselves. As long as we have that kind of enforcement of law against the great offenders of this country, and a keen and shrewd enforcement of the law against the individual who is poor and helpless, we will have discontent in the country and disgust with the Government.

It is time these performances were stopped. They were begun by Wickersham. They have been continued under Palmer and under his predecessor, Mr. Gregory. The time for the executive department of the Government to cease disregarding the statutes of the land has come. The time to carry out the laws of the land according to their letter and their spirit has arrived. Either that will be done, or the country will be pushed into the dangerous experiment of governmental regulation of everything. There must either be an open market for the law of supply and demand to operate or there will be a governmental control, and I sincerely hope we will never be driven to the last alternative.

Mr. GRONNA. Mr. President, before the resolution is agreed to, I ask the indulgence of the Senate for a moment.

Bread is made from flour, and flour is made from wheat and other cereals. Of course, it will be at once claimed that the producer is profiteering. To show that this is not the case, I wish to have read at the desk a letter from Mr. Sam W. Teagarden, of Great Falls, Mont., a short letter addressed to me, and then a letter offering some criticism of Mr. Hoover, who seems to be able to control the prices of wheat to the farmer.

The VICE PRESIDENT. Without objection, the Secretary will read as requested.

The Assistant Secretary read as follows:

GREAT FALLS, MONT., *April 27, 1920.*

Hon. A. J. GRONNA,
Washington, D. C.

MY DEAR SENATOR: Inasmuch as various eulogists of former Food Administrator Herbert A. Hoover have read into the permanent records of the Congress, I ask the honorable Senate,

through you, to allow to go into the same RECORD a differing estimate upon the record of Mr. Hoover as Food Administrator.

Not only am I a native-born American, but my great grandparents on both sides in the family line were American born. I am also a farmer, and have for many years been active in farm-organization work. I believe that millions of American farm men and women will indorse the discussion for which I request a place in the RECORD.

Sincerely, yours, SAM W. TEAGARDEN.

GREAT FALLS, MONT., *April 12, 1920.*

Because during a five months' stay in Washington while the Gore amendment to increase the wheat price was pending, and to assist in the passage of which I was sent by the Congress of Montana Farmers' Organizations, I made a careful study of Hoover's conduct as Food Administrator, which study I also maintained until the close of his administration. I do not hesitate to say that his nomination for President, by whatsoever party, would be deeply resented in the homes of the millions of farm men and women of the Nation, whom he grossly betrayed to the whole brood of profiteers included in the Packers' Trust, the Milling Trust, the Milk Condensery Trust, and the prepared-food combines.

More than that, Hoover's nomination by the Republican Party—the party whose birth was in the farmer States and whose lease of power was strongest and most lasting when it commanded the vote of the farmers as a class—would be an unforgivable outrage and a tragedy to the party from which it might well take years to recover.

The day Hoover was named as Food Administrator the price of No. 1 northern wheat on the Chicago market was $3.05. He at once inaugurated a sustained campaign of misrepresentation to break down the high price of wheat. Through the press he conducted the greatest "bear" raid on wheat ever carried on in the history of the Nation; indeed, his campaign exceeded in effectiveness in reducing the wheat price the greatest of all the bear raids ever carried out by grain gamblers of the great exchanges of the country.

As a result, the final work of the commission appointed to fix a minimum price of wheat resulted in 85 cents per bushel under the price at the time of Hoover's appointment. And at that the price fixed by the commission was 30 cents per bushel higher than the price Hoover sought to force the commission to make.

To heighten his offensive against the wheat farmer, Hoover foisted upon President Wilson a set of differential prices at the various terminal markets that was designed solely to put, and did so put, all the big mills of the country on an even basis of profit making, and in utter and brutally unfair disregard of the economic rights of the wheat farmers. Our Government and the allied Governments bought flour on the basis of the wheat price fixed for New York, Philadelphia, and Baltimore, the flour to be delivered at those terminals. Interior mills paid so much less per bushel for wheat that they could pay the freight on the flour to those eastern terminals and still make a per barrel profit identical with those eastern mills. That freight was in actual effect paid by the farmers who grew the wheat for the interior mills.

The wheat farmers protested to Hoover and to the President, but in vain.

This economic outrage was made possible because Hoover, in defiance of the purpose of the Congress, so unlawfully manipulated his powers as to make the minimum wheat price also the maximum price.

The farmers lost profits in tens of millions of dollars. The American millers and the treasuries of England, France, Italy, and Belgium profited by the amounts the wheat farmers of this country lost.

Again, Hoover sent two of the country's big men—Gifford Pinchot and Ed. C. Lassater, of the American Live Stock Association—out to the corn-belt States to urge the farmers to put more fat on their hogs. The farmers responded, but when the fat hogs came on the packers' markets they were promptly penalized 25 cents per hundred pounds because they were overfat. Pinchot and Lassater protested to Hoover in person, as did representatives of the hog producers. Lassater presented his written resignation to Hoover in person, saying in that document: "I do not intend to be used by you to rob the hog-growing farmers in the interest of the Packers' Trust." Pinchot also resigned.

But Hoover sustained the packers. And the packers in consequence gained the millions of dollars the farmers lost in the crooked transaction.

And, more, Hoover allowed the packers a profit of 9 per cent on meat products and 15 per cent on by-products, based on all the money they had in the business and all they borrowed from time to time. The Federal Trade Commission protested this gross favoritism, but in vain, as were a storm of other protests. To further fatten packer profits, Hoover allowed them to charge as manufacturing costs all interest on borrowed money above 5 per cent. The packers borrowed from themselves as bankers in huge sums at 6½ and 7 per cent and charged the difference up to the Government and the public as "costs."

Is it a matter of wonder that J. Ogden Armour, from his seat of power as a member of the National Council of Defense, was for Hoover's appointment as Food Administrator and sustained Hoover during the war with all the power of the packers—financial, political, and otherwise?

Hoover also handed the milk producers of the country a jolt. He put the milk condensaries under license and cunningly arranged them into districts. He fixed no maximum price for condensed milk to the Government or the consumers, but he put the milk-producing farmers at the mercy of the condensers' combine by requiring each of them to certify as follows under oath:

> This condensary hereby certifies that it has not during the preceding week paid a higher price for milk than any other condensary in its district.

With this air-tight monopoly on the throats of the milk producers, and no maximum on the condensaries' products, these concerns exported during the year 1918 the huge sum of $82,000,000 worth. They sold to the American public as much more.

Some fat thing, that, for the milk condensaries combine! Like the hog growers with the packers, the trust profited by the tens of millions filched by Hoover's connivance from the farmers.

By the way, and lest I omit reference to it, Hoover pulled another stunt aimed at the hog growers. He sent E. Dana Durand out to Chicago, to raid the corn and hog price. Durand gave out interviews to the Chicago papers and to the Associated Press, predicting a return to $1 corn and $10 hogs. The uproar that went up from the farmers and the agricultural press compelled Hoover to lay down. But his intentions were good to break down the price of hogs for the benefit of the treasuries of the foreign Governments that had sent him over here and had wished him onto the American people by the most extensive and cunningly concealed propaganda ever carried on in America.

Then, there was the food-substitutes graft. Hoover put the dealers in these substitutes under license and "regulated" their profits; but the mills and manufacturers were omitted from the regulations, and the manufacturers' prices for substitutes had only the sky as the limit. These profiteers literally gorged themselves with extortionate profits.

But the crowning infamy of Hoover's schemes to exploit the American farmers in the interests of his real patrons—the allied Governments—comes from the part he has played behind the scenes of the maladministration of the wheat administrator, Julius Barnes, promoted to that high place from his office in Duluth, where he was king of the grain gamblers.

From his place in the confidence of President Wilson, at Paris, Hoover manipulated the appointment of Barnes as soon as Congress had passed the bill appropriating a billion dollars to make good the Nation's previous guaranty of a minimum price for the 1919 wheat crop.

Immediately upon his appointment, Barnes issued a proclamation suspending the export of wheat and wheat flour to all counties except those of our allies in the war. The rest of the whole world, hungry for wheat and flour, was shut out of the American market.

At the time of the Barnes-Hoover proclamation the Chicago wheat market was 60 cents per bushel over the Government's guaranteed minimum. Only our allies could purchase wheat or wheat flour. The allied Governments were represented in this country by a single buying agency, the Wheat Export Co., of New York. As no one could buy for export save Barnes and this foreign-owned price-depressing monopoly, down crashed the wheat price. One other step was necessary to make effective this graft for the Wheat Export Co.—that there should be no competition from American mills, bakeries, or grain buyers. Competitive buying would have raised wheat prices above the Government's guaranteed minimums.

These three classes were called into conference in the New York office of Wheat Administrator Barnes. There an understanding was had by which wheat, as wheat, was to be purchased only at the Government guaranteed minimums on the various terminal markets. But the Barnes agreement permitted all three of these classes to take their usual and liberal profits of the war period, so they were content. And this strangle hold of the Wheat Export Co. on the American wheat price was continued for eight months, during which period American

wheat farmers were forced to market 700,000,000 bushels of wheat, on an unlawfully and fraudulently depressed market.

Thus was the object of the American Congress set at naught; the world's competitive bidding rendered impossible for what was shown by the United States Department of Agriculture to be the greatest surplus wheat crop ever grown on American farms, and allied Governments permitted to buy American-grown wheat at prices greatly under the guaranties these same Governments had given their own wheat farmers.

The American wheat farmers were thus mulcted in tens of millions in the forcibly reduced export price of wheat, and in addition were mulcted in even more huge sums by the unlawful choking down of the prices on American markets.

Can anybody marvel, then, at the statement of Senator GRONNA in the United States Senate that the grossly unfair maladministration of Hoover and Barnes had cost the American wheat farmers since the United States entered the war the staggering total of $2,000,000,000?

Upon occasion and upon occasion while the country of his nativity was at war for the saving of western civilization Hoover perpetrated wrongs like those I have recited. Columns might be written, all in truth, of Hoover's cold and calculated betrayal of his country's farm men and women in the interests of alien Governments, and whose newspapers are now going as far as they dare in joining the clamor of the profiteering propaganda here to put into the Presidency the very king of graft promoters.

And the Republican newspapers and Republican leaders—some of them—are seeking to foist this unspeakable expatriate Hoover upon the Republican Party—the party in all its history to which the American farmer has given his loyalty and devotion.

Would it not be an outrage infinite upon American farm men and women? Would it not be a real tragedy for the Republican Party?

SAM W. TEAGARDEN.

The VICE PRESIDENT. The question is on agreeing to the resolution submitted by the Senator from Kansas [Mr. CAPPER].

The resolution was agreed to.

RETIREMENT OF CIVIL-SERVICE EMPLOYEES—CONFERENCE REPORT.

The VICE PRESIDENT (at 1 o'clock and 28 minutes p. m.). The morning business is closed.

Mr. STERLING. Mr. President, on Saturday last I submitted the conference report on the civil service retirement bill, and I gave notice at that time that I would move to proceed to the consideration of the report to-day; but this morning the Senator from Alabama [Mr. UNDERWOOD] made earnest request that the consideration of the report go over until to-morrow. The Senator from Alabama is not now in the Chamber, and I think he may have understood that I agreed that the report should go over. Knowing that the request that it go over was made in entire good faith and without any desire to delay the consideration of the report, but in order that Senators might have a little further time for its consideration, I agree that it may go over until to-morrow, and I give notice that immediately after the close of the morning business to-morrow I shall move to take up the conference report for consideration.

RECORDS OF RECLASSIFICATION COMMISSION.

Mr. JONES of New Mexico. I ask unanimous consent that the Senate proceed to the consideration of the joint resolution (S. J. Res. 160) to provide for the preservation and maintenance of the records of the Joint Commission on Reclassification of Salaries.

Mr. SMOOT. I will say to the Senator from New Mexico that I have no objection to taking up the joint resolution, provided that the amendment on page 2, beginning in line 7 down to and including line 12, be disagreed to.

Mr. JONES of New Mexico. So far as I am personally concerned, I am in favor of the amendment reported by the committee, but in order to expedite the matter I will say to the Senator that personally I shall not ask the Senate to adopt the amendment.

Mr. SMOOT. That will be satisfactory; but I merely want to say, Mr. President, that I hope Congress never will vote for any legislation authorizing the detail of employees from one department of the Government to another. It is wrong in principle and should never be practiced.

In the consideration of the legislative appropriation bill this question came up before the Appropriations Committee, and when we inquired into the question we found that the practice had been, not merely in one of the departments of the Government but in most of them, that employees, paid from lump-sum appropriations salaries that no appropriation bill would ever carry and that Congress never would agree to, were being detailed from one department to another department to do the same identical work for which men paid in that department under the statutory roll received hardly half what was being paid under the lump-sum appropriation. It is for that reason, and that only, that I object to this amendment; and I am very glad the Senator from New Mexico has consented that it shall be rejected.

Mr. JONES of New Mexico. Mr. President, I will state, however, in justification of the committee's action in proposing this amendment, that the situation with regard to this matter is somewhat peculiar. During the work of the Reclassification Commission a number of people were detailed from the various departments to aid the committee in that work. These detailed employees have become experts in this matter, and I am confident that they could carry on this work very much better than anyone else could do it. I had nothing to do, however, with the proposing of the amendment. It was a matter which was acted upon by the committee to which the resolution was referred, and the amendment was thought justified by that committee. I think myself that under general conditions the Senator from Utah is right in his position, but these people are especially fitted to perform this duty. However, under the circumstances I shall not insist upon the amendment, and I ask that the joint resolution may be taken up for consideration.

The PRESIDING OFFICER (Mr. CURTIS in the chair). Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution (S. J. Res. 160) to provide for the preservation and maintenance of the records of the Joint Commission on Reclassification of Salaries, which had been reported from the Committee on Civil Service and Retrenchment with an amendment, and it was read, as follows:

Resolved, etc., That the United States Civil Service Commission is hereby authorized and directed, upon request of the Joint Commission on Reclassification of Salaries, to assume custody of the records and reports of the said joint commission, which was created by section 9 of the act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1920, and for other purposes," approved March 1, 1919, and to maintain and keep current such records pending the consideration by Congress of the final report and recommendations submitted to it by the said joint commission, under the system established by said joint commission for reporting and recording changes in the personnel and the number and nature of positions in the municipal government, the various executive departments, and other governmental establishments in the District of Columbia, except the navy yard and the Postal Service.

The PRESIDING OFFICER. The Secretary will state the amendment of the committee.

The READING CLERK. On page 2, line 7, after the words "Postal Service," the committee proposes to insert:

Provided, That the heads of the various governmental services and the Commissioners of the District of Columbia are hereby authorized, as provided in the original act, to detail officers and employees not exceeding 20, and without additional expense for clerical services, to carry out the purposes of this resolution.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CALLING THE ROLL.

Mr. SMOOT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Borah	Gronna	McNary	Spencer
Brandegee	Hale	Norris	Sterling
Capper	Harris	Nugent	Sutherland
Chamberlain	Henderson	Page	Thomas
Curtis	Johnson, Calif.	Phipps	Townsend
Dial	Jones, N. Mex.	Pomerene	Trammell
Dillingham	Jones, Wash.	Ransdell	Wadsworth
Edge	Kendrick	Sheppard	Walsh, Mont.
France	Kenyon	Smith, Ariz.	Wolcott
Frelinghuysen	Keyes	Smith, S. C.	
Gay	Lodge	Smoot	

Mr. GRONNA. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent, due to illness. I ask that this announcement may stand for the day.

Mr. SHEPPARD. The Senator from Mississippi [Mr. HARRISON], the Senator from Nebraska [Mr. HITCHCOCK], the Senator from California [Mr. PHELAN], the Senator from Utah [Mr. KING], the Senator from Maryland [Mr. SMITH], and the Senator from Rhode Island [Mr. GERRY] are absent on official business.

The PRESIDING OFFICER. Forty-two Senators have answered to their names, not a quorum. The Secretary will call the names of absentees.

The Reading Clerk called the names of the absent Senators, and Mr. FERNALD, Mr. MCKELLAR, Mr. MOSES, Mr. NELSON, Mr. PHELAN, Mr. WALSH of Massachusetts, and Mr. WARREN answered to their names when called.

Mr. CUMMINS, Mr. MCCUMBER, Mr. KING, Mr. SWANSON, Mr. UNDERWOOD, Mr. COMER, Mr. CULBERSON, and Mr. ROBINSON entered the Chamber and answered to their names.

Mr. SWANSON. I wish to announce the absence of my colleague [Mr. GLASS] on important public business.

The PRESIDING OFFICER. Fifty-seven Senators having answered to their names, a quorum is present.

THE MERCHANT MARINE.

Mr. JONES of Washington. I ask unanimous consent that the call of the calendar under the rule requiring a consideration of the calendar on Monday be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JONES of Washington. I ask unanimous consent that the Senate proceed to the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes, which had been reported from the Committee on Commerce with amendments.

Mr. KENYON. Mr. President, I should like to ask the Senator if he has the permission of the steering committee to bring up this bill, or if he has it arranged in any way that this bill shall be brought up now?

Mr. JONES of Washington. There has been no arrangement that it shall be brought up now. I spoke to some of the different Senators the other day about when they wanted to bring up the shipping bill.

Mr. KENYON. I should like to ask the Senator when it was reported from the committee?

Mr. JONES of Washington. It was reported on May 4.

Mr. KENYON. About a week ago?

Mr. JONES of Washington. About a week ago.

Mr. KENYON. The reason why I ask these questions is that I am curious to know how a bill reported only a week ago can be placed on any assignment by a steering committee, when bills that have been reported out of committees months ago, such as the bill for the regulation of the packers, can secure no consideration.

Mr. JONES of Washington. I do not know whether it has been done by a steering committee or any body of that kind. I was asked to bring it up to-day.

Mr. KENYON. I am not opposing the bill.

Mr. WARREN. Mr. President, I will say to the Senator from Iowa that I understood from the Senator from North Dakota [Mr. MCCUMBER] that this bill was to be brought up to-day, because I had a consultation with him about an appropriation bill, and he said that unless there should be some appropriation bill to be considered he expected that this bill would be brought up this morning.

Mr. JONES of Washington. I did not know anything about that.

Mr. KENYON. Did the Senator from Wyoming say that it had been arranged?

Mr. WARREN. I did not say that I knew it had been arranged. I said that I understood from the Senator from North Dakota, chairman of the steering committee, who talked to me about an appropriation bill, that the shipping bill was to come in, though not to displace the appropriation bill; that it was on the urgent list because in many ways it affected appropriations and financial matters.

Mr. KENYON. I am not protesting against the consideration of this bill, but I am suggesting that other bills, which have been here for months, notably the "packers bill," can receive no place for consideration, while a bill of this character can be brought up. I want to say further that, despite the fact that no place is given the "packers bill" by the steering committee, an effort will be made to take it up at every convenient time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

Mr. EDGE. Mr. President, I have no objection to the bill being taken up, and in fact I thoroughly appreciate its great importance, and hope that it will be taken up, but I wanted to arrange with the chairman of the committee that certain amendments would be passed over in the consideration of the bill, so that I might have an opportunity to discuss them at a later date. Of course, if they should be agreed to at this time it would make it rather difficult to discuss them at a later date without a reconsideration. There are four or five sections of the bill that I wish to discuss before the bill is finally passed, and I simply wanted to make that arrangement. I understand that other Senators have a similar view.

Mr. JONES of Washington. I do not think there will be any trouble about that. I certainly will give my consent, as far as I am concerned, to pass over any amendment which any Senator desires to have passed over until we get through with the bill.

Mr. EDGE. That was my thought. I do not want to delay the bill for one moment. I do not think there is any more important legislation pending than that designed to settle the policy for the future of the merchant marine; but I would like to have an opportunity of discussing some of the sections and I want to have them passed over.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the bill is before the Senate as in Committee of the Whole.

NEW YORK STATE BARGE CANAL.

Mr. WADSWORTH. Mr. President, I ask the attention of the Senator from Washington [Mr. JONES], in charge of the bill which has just been called up. I purpose asking unanimous consent to call up at this moment a joint resolution which is on the calendar, the joint resolution (S. J. Res. 161) to exempt the New York State Barge Canal from the provisions of section 201 of H. R. 10453. Although not of tremendous importance to the country at large, it is of considerable importance to the State which I, in part, represent. It is a joint resolution introduced by me and reported from the Committee on Interstate Commerce.

Mr. JONES of Washington. If it creates no discussion, I shall have no objection.

Mr. WADSWORTH. I am positive there will be no discussion of it.

Mr. KENYON. I would like to ask the Senator from New York, who is chairman of the subcommittee of the steering committee, as to what arrangements have been made by the steering committee for the balance of the bills for this session.

Mr. WADSWORTH. I am not aware of any arrangement of a definite character that has been made.

Mr. KENYON. Have no bills been assigned for consideration by the Senate?

Mr. WADSWORTH. To my knowledge there has been no definite assignment.

The PRESIDING OFFICER. The Senator from New York asks unanimous consent for the immediate consideration of the joint resolution.

Mr. UNDERWOOD. Mr. President, I do not think I have any objection, but the joint resolution has not been read in full, and I would like to have the Senator from New York make a short statement as to its purport.

Mr. WADSWORTH. Section 201 of H. R. 10453 is that section of the recently enacted railway legislation which confided to the War Department the management of inland water transportation. It was intended originally to cover only the operation of barges upon the Mississippi and the Warrior Rivers, but inadvertently the language was so drawn as to include the canals. It so happened that during the recent war the Legislature of New York and the canal board of New York placed at the disposal of the Federal Government the New York State Barge Canal, and the Government proceeded to operate barges upon that canal as a war measure. Inadvertently, as I said a moment ago, that operation is continued under the railway legislation passed a few weeks ago.

The people of the State of New York built these canals, paid for them themselves, have taxed themselves for them, and so long as the Government operates barges upon the canal owned and built by the people of the State of New York no citizens of that State will go into the barge canal-business. At the earnest request of the governor, the legislature, the canal board, and the superintendent of public works, who has charge of the canal in New York, a hearing was held before the Interstate Commerce Committee, presided over by the Senator from Iowa [Mr. CUMMINS], and this Senate joint resolution was reported. Its effect is to remove from the New York State barge canal system the Government management and operation of barges and to direct the sale of the barges by the Secretary of War.

Mr. UNDERWOOD. I have no desire in the world to interfere with the legislation which the Senator desires in reference to his own State, but a part of the railway legislation relates

to transportation on the Warrior and Mississippi Rivers, in which I am very much interested, and which I would not like to have disturbed. Therefore I would like to have the joint resolution read.

Mr. WADSWORTH. It is very brief and quite explicit.

The PRESIDING OFFICER (Mr. HARRIS in the chair). The Secretary will read the joint resolution.

The READING CLERK. The Committee on Interstate Commerce report to strike out all after the resolving clause and to insert:

That at the end of 30 days after the passage of this resolution the authority conferred upon the Secretary of War under section 201 of the transportation act, 1920, to operate for commercial purposes boats, barges, tugs, or other transportation facilities upon the New York State Barge Canal shall cease, and thereafter there shall be no such operation by the Secretary of War or any other agency of the United States. The Secretary of War shall within said 30 days, or as soon thereafter as practicable, dispose of all boats, barges, tugs, and other transportation facilities purchased or constructed for use upon the said canal, giving to proposed purchasers who intend to use the same upon the said canal the first opportunity to buy, and, pending final disposition, the Secretary of War may lease the same for such use. If the Secretary of War and any such proposed purchaser are unable to agree with respect to price and the proposed purchaser is willing to fix a price by arbitration, the Secretary of War shall select one arbitrator, the proposed purchaser one arbitrator, and the two thus chosen shall select a third. The award may be made by a majority of the arbitrators and when made shall be final.

Mr. UNDERWOOD. Mr. President, as the joint resolution relates entirely to the affairs of the State of New York, I have no objection. I just desired to have it read so that I might be sure how far it went.

There being no objection, the joint resolution was considered as in Committee of the Whole.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

WORK OF COMMITTEE ON POST OFFICES AND POST ROADS.

Mr. TOWNSEND. Mr. President, I desire to interrupt the proceedings for just a moment, as I am obliged to leave the Chamber. I wish to make one or two statements in connection with the work of the Committee on Post Offices and Post Roads.

As is generally known by Members of the Senate, each member of the Committee on Post Offices and Post Roads is appointed a subcommittee, who has charge of the nominations from certain designated States which have been assigned to him. Out of courtesy, that committeeman presents the nominations from any State to the two Senators from that State, with the idea of getting their approval, and if they have objections to the confirmation, which are based on complaints or reasons which the committee should consider, it is the duty of the subcommitteeman then to present those complaints to the whole committee. Otherwise, the subcommitteeman, if he has the approval of the two Senators from the State and there are no complaints filed with the committee, reports them directly to the Senate in executive session and they are acted upon without further consideration by the committee.

A condition prevails at the present time which is to say the least most annoying. Nominations have been submitted by the subcommitteemen to the various Senators from the States and many of them have been holding these nominations since last January without any complaint being made to the subcommitteeman or to the committee. When we ask for them they simply say they are not yet ready to report or to sign.

I make this statement now so that all Senators may understand that the committee will not withhold action upon these nominations unless the Senators within a reasonable time submit their objections, founded upon some complaint which they are ready to prosecute so that we can proceed in an orderly manner with the nominations. The committee are constantly besieged by representatives of appointees for a reason why the nominations have not been acted upon. The Post Office Department call us up and want to know why the nominations are not confirmed, and we have no reason to give except that Senators are holding the nominations.

So, Mr. President, I desire to give notice—and I should like to have all the Members of the Senate present to hear it, but they probably will read in the RECORD what I say—that hereafter, within a reasonable time, these names will be reported to the Senate, and Senators will then act at their own pleasure in executive session as to whether or not the nominations shall be confirmed. I am very willing, indeed, to extend every possible courtesy to every Senator; to listen to what he may have to say with reference to nominations, but where we are not even approached in reference to the matter but the names are held for months without consideration—where that is done—it is beyond reason; and I propose to act upon such nominations.

There is another matter, Mr. President, to which I desire to advert. I suppose that every Senator is receiving a large amount of correspondence relative to the report of the Joint Commission on the Readjustment of Salaries of Postal Employees. That commission has been at work some 17 or 18 months, or, at least, it has been that length of time since it was appointed. It is confronted with a much larger task than was anticipated when the joint commission was created. Very many events have happened, circumstances beyond the control of the committee itself, which have necessarily delayed action; but the commission has been industrious, and it is now busily engaged in completing its work. It meets daily; it has a very large amount of work already completed. Necessarily all branches of the work are more or less correlated and interrelated, and until we can get a complete report a bill can not be framed and introduced and urged for passage. Nobody realizes more fully than do I the desperate situation in which the Postal Service is to-day, so far as its employees are concerned. People are leaving the service very rapidly. To-day I received in one mail 396 letters from different parts of the country, from business organizations, advising me as to the conditions of the Postal Service in various localities, and asking that action be taken.

I make this statement now, Mr. President, in order that Senators and the country may know that the joint commission is about ready to report. It would be folly, it seems to me, for that commission to make a report unless it made a complete report, for the question involved must be settled rightly. It is of more consequence that it be settled in that way than it is that immediate relief be granted, which will be only temporary and, possibly, a makeshift at that.

Mr. President, I desire to make another statement upon my own responsibility which, however, I think is approved by most of the Senators with whom I have spoken, that whatever action Congress may take in reference to the increase and readjustments of the salaries of postal employees will date necessarily as of July 1. It is not thought we could pass any legislation that would affect existing appropriations, but that it should take effect as of July 1.

If we fail to secure the passage of a measure of relief based upon the scientific report of the joint commission by the end of this session or by the time we take a recess—if we do take a recess—I have no doubt that whatever action we take will date back to July 1. Certainly that is the date when it should take effect, because we are to-day holding in the service thousands of men who are relying upon the action of the Senate and of the House of Representatives to grant the relief which is absolutely necessary to the existence of very many of them.

So, Mr. President, the commission is industriously at work and is about completing the business which was assigned to it, a very great and complicated business and of the greatest importance. As soon as that report is made, I propose to call the Committee on Post Offices and Post Roads together for the purpose of considering a measure of relief; and, I repeat, whether or not that action is taken at this session or before we take a recess, the benefits, in my judgment, should, and I hope will, date as of July 1.

Mr. MCKELLAR. Mr. President, I have been very much interested in what the chairman of the Committee on Post Offices and Post Roads, the Senator from Michigan [Mr. TOWNSEND], has said about the report of the joint commission. I happen to be one of the members of that commission, and I will say that that commission has made great progress in its deliberations recently, and I see no reason why we shall not have a report ready within a week; I see no reason why we should not get early action, and, as it seems to me, before the recess, for the reason that I do not believe there are going to be any differences between the members of the commission themselves. If we reach a unanimous report, as now seems to be most likely, I feel very sure that both branches of Congress will be glad to accept the views of the commission and enact them into law immediately. I have never seen any 10 men work better together than have the 10 members of this commission. I believe their conclusions will be recognized, certainly in the main, as fair and just.

The salaries of the employees of the Post Office Department need readjustment and in many cases need substantial increases. I feel no doubt that the report will be satisfactory to the two Houses of Congress, to the employees themselves, and to the country; and will commend itself as a fair and just measure. I see no reason why it may not be adopted at the present session of Congress before we recess. I shall certainly use every effort

of which I am capable to see that the subject is brought up at the present session.

Mr. SMITH of South Carolina. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from South Carolina?

Mr. McKELLAR. I yield the floor.

Mr. SMITH of South Carolina. I desire to address a question to the chairman of the Committee on Post Offices and Post Roads, the Senator from Michigan [Mr. TOWNSEND]. I desire to ask him if my understanding is correct that the intent of the commission, so far as he has been able to ascertain, is that whatever changes are made in salaries of postal employees shall take effect as of July 1, the beginning of the next fiscal year?

Mr. TOWNSEND. I have assumed that that course would be followed.

Mr. GAY. Mr. President, as a member of the joint commission, I can say that the commission has had that idea in mind in their deliberations. They began some time ago to take testimony; they have gone around the country; they have visited the great postal centers and they have taken testimony here. They are now about to complete their report; it may be possible that their report will reach the Senate this week, and legislation may be enacted in reference to the matter before the end of the fiscal year. However, in the event that it should go beyond that time, the commission will recommend that the changes which they propose shall take effect as of July 1.

Mr. SMITH of South Carolina. So that whatever increases there are will begin with the fiscal year commencing July 1, 1920, and be prospective rather than retroactive?

Mr. TOWNSEND. Mr. President, that is the idea of the commission. I wish to say, further, that I am not a member of the joint commission. The Senate will probably understand the circumstances which prevented my going on the commission at the time it was appointed; but I have been in constant touch with the commission, and I know that what the Senator from Tennessee [Mr. McKELLAR] and other Senators have stated is correct, that the commission is not shirking any duty but that it is trying to handle successfully and efficiently the most difficult problem which has been intrusted to it.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes, which had been reported from the Commerce Committee with amendments.

Mr. JONES of Washington. I ask unanimous consent that the formal reading of the bill be dispensed with and that it may be read for amendment, the committee amendments to be considered first.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Reading Clerk proceeded to read the bill.

The first amendment of the Committee on Commerce was, on page 1, after line 2, to insert:

That it is necessary for the national defense and for the proper growth of its foreign and domestic commerce that the United States shall have a merchant marine of the best-equipped and most suitable types of vessels sufficient to carry the greater portion of its commerce and serve as a naval or military auxiliary in time of war or national emergency, ultimately to be owned and operated privately by citizens of the United States; and it is hereby declared to be the policy of the United States to do whatever may be necessary to develop and encourage the maintenance of such a merchant marine, and, in so far as may not be inconsistent with the express provisions of this act, the United States Shipping Board shall, in the disposition of vessels and shipping property as hereinafter provided, in the making of rules and regulations, and in the administration of the shipping laws, keep always in view this purpose and object as the primary end to be attained.

The amendment was agreed to.

The next amendment was, in section 2, page 2, line 12, after the word "hereinafter," to insert "in this section," so as to make the clause read:

SEC. 2. (a) That the following acts and parts of acts are hereby repealed, subject to the limitations and exceptions hereinafter, in this section, provided.

The amendment was agreed to.

The next amendment was, on page 3, after line 12, to insert:

(5) Sections 5, 7, and 8, shipping act, 1916.

Mr. THOMAS. Mr. President, may I inquire of the Senator having charge of the bill why so many existing statutes are proposed to be repealed by the act?

Mr. JONES of Washington. The various statutes referred to here are the various emergency acts passed during the war, under which the appropriations were made, and under which the ships were built.

Mr. THOMAS. They were for emergency purposes only?

Mr. JONES of Washington. Yes. The pending amendment is to repeal sections 5, 7, and 8 of the shipping act of 1916. All those provisions are covered by the terms of this bill.

Mr. THOMAS. My inquiry, of course, went to the whole scheme of repeal.

The amendment was agreed to.

The next amendment was, on page 3, line 22, after the word "or," to strike out "part" and insert "parts"; and in line 23, before the word "shall," to strike out "part" and insert "parts," so as to make the clause read:

(2) All rights, interests, or remedies accruing or to accrue as a result of any such contract or agreement or of any action taken in pursuance of any such act or parts of acts shall be in all respects as valid, and may be exercised and enforced in like manner, subject to the provisions of subdivision (c) of this section, as if this act had not been passed.

The amendment was agreed to.

The next amendment was, on page 4, line 4, after the word "such," to strike out "act" and insert "acts"; in the same line, after the word "or," to strike out "part" and insert "parts"; in line 5, after the word "of," to strike out "act which" and insert "acts, but such acts or parts of acts"; in line 7, before the word "penalty," to strike out "such" and insert "the"; and in the same line, after the word "penalty," to insert "therein provided for the violation thereof," so as to make the clause read:

(3) The repeal shall not have the effect of extinguishing any penalty incurred under such acts or parts of acts, but such acts or parts of acts shall remain in force for the purpose of sustaining a prosecution for the enforcement of the penalty therein provided for the violation thereof.

The amendment was agreed to.

The next amendment was, on page 4, after line 8, to insert:

(4) The board shall have full power and authority to complete or conclude any construction work begun in accordance with the provisions of such acts or parts of acts if, in the opinion of the board, the completion or conclusion thereof is for the best interests of the United States.

The amendment was agreed to.

The next amendment was, on page 4, line 18, after the word "or," to strike out "part" and insert "parts"; in the same line, after the word "of," to strike out "act" and insert "acts"; and in line 21, after the word "compensation," to insert "*Provided*, That any person dissatisfied with any decision of the board shall have the same right to sue the United States as he would have had if the decision had been made by the President of the United States under the acts hereby repealed," so as to make the clause read:

(c) As soon as practicable after the passage of this act the board shall adjust, settle, and liquidate all matters arising out of or incident to the exercise by or through the President of any of the powers or duties conferred or imposed upon the President by any such act or parts of acts; and for this purpose the board, instead of the President, shall have and exercise any of such powers and duties relating to the determination and payment of just compensation: *Provided*, That any person dissatisfied with any decision of the board shall have the same right to sue the United States as he would have had if the decision had been made by the President of the United States under the acts hereby repealed.

The amendment was agreed to.

THE DYE INDUSTRY.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The ASSISTANT SECRETARY. A bill (H. R. 8078) to regulate the importation of coal-tar products, to promote the establishment of the manufacture thereof in the United States, and, as incident thereto, to amend the act of September 8, 1916, entitled "An act to increase the revenue, and for other purposes."

Mr. CURTIS. Mr. President, because of the importance of the bill which has just been taken up I ask unanimous consent to temporarily lay aside the unfinished business.

The PRESIDING OFFICER. Without objection, it will be so ordered.

Mr. THOMAS. I should like to inquire of the Senator from Washington how long he expects the merchant-marine bill will occupy the attention of the Senate.

Mr. JONES of Washington. If we can just keep going on with it we can get through in a day or two.

Mr. THOMAS. The Senator is of the opinion that it will take perhaps two days?

Mr. JONES of Washington. Really I have not heard of any opposition to the measure or of anyone who desires to discuss it, except that there are what might be considered minor amendments. It is barely possible, but I hardly think we can get it through to-day.

Mr. THOMAS. I merely wanted to ascertain, so as to gauge my own time by it, as I have an important committee hearing to attend.

Mr. JONES of Washington. I will say to the Senator that there are some provisions which I shall ask to have passed over on account of the absence to-day of Senators who will be here to-morrow.

Mr. THOMAS. May I ask the Senator who has charge of the dye bill, which constitutes the unfinished business, if he intends to ask to have it called up before the merchant marine bill is completed?

Mr. CURTIS. It was not the intention to call it up again to-day, and to-morrow it will not be called up because of the peace resolution, which is likely to come up.

Mr. MOSES. May I ask the Senator from Kansas if it is the intention to postpone action on the dye bill and the merchant marine bill pending action on the peace resolution?

Mr. CURTIS. I am in charge of the dye bill only temporarily. I do not know what course will be pursued by the Senator in charge of the bill when he returns. I am merely in charge of it during the absence of the chairman of the subcommittee.

Mr. MOSES. I suggest that it might as well go to the calendar.

Mr. CURTIS. The bill is already on the calendar.

Mr. MOSES. But it is on the calendar as the unfinished business.

Mr. CURTIS. Yes. I ask that it may hold its place on the calendar as the unfinished business. I promise that it will not be taken up to-day, and I think it will not be taken up to-morrow because of the peace resolution coming up, and it will not be called up while the peace resolution is pending. If I have charge of the dye measure, it will not come up until after the merchant marine bill is disposed of.

Mr. SIMMONS. I should like to ask the Senator, Is it the intention to have the peace resolution taken up and displace the dye bill as the unfinished business?

Mr. CURTIS. It may and it may not be. There will be a request made at 2 o'clock to-morrow to lay aside temporarily the unfinished business. Of course, if that is objected to, I judge that the Senator from Massachusetts [Mr. LODGE] will move to take up the peace resolution, which, of course, would displace the unfinished business if carried.

Mr. HITCHCOCK. It is not the intention to take up the peace resolution before 2 o'clock to-morrow.

Mr. CURTIS. I do not know about that. I have not asked the Senator from Massachusetts, but I am just advised by the Senator from Utah [Mr. SMOOT] that he thinks it will be called up after the morning business to-morrow.

Mr. HITCHCOCK. Is it the intention to keep it continuously before the Senate until disposed of?

Mr. CURTIS. That is my understanding.

Mr. HITCHCOCK. Will it be laid aside and be taken up from time to time as speeches are ready?

Mr. CURTIS. My understanding is that it is going to be kept before the Senate until disposed of.

Mr. HITCHCOCK. To the exclusion of other business?

Mr. CURTIS. That is my understanding.

Mr. POMERENE. Does this colloquy, which I have not been able to hear, have reference to the peace resolution?

Mr. CURTIS. A part of it.

Mr. POMERENE. I have an engagement of some considerable standing which is going to take me out of the city on Wednesday; I can not be back here until Thursday. I certainly hope that no attempt will be made to dispose of it on Wednesday.

Mr. CURTIS. I, of course, have nothing to do with the peace resolution; that is, I am not on the committee nor have I charge of it. I am advised, however, that there are several speeches to be made on the resolution—two or three upon this side and three or four upon the other side. How long those speeches will take no one can tell. It was thought that the peace resolution, if taken up to-day, would be ready for a vote probably about Wednesday. If it is taken up to-morrow, I do not know whether it will reach a vote on Wednesday or Thursday. I have been told that there are several speeches to be made upon the resolution, but I have no positive information upon that point.

Mr. POMERENE. I think I am about as diligent in attendance upon the sessions of the Senate as any Member of it. I made this engagement some weeks ago, and I can not with propriety forego it. Meanwhile if the steering committee sees fit to take up a matter of this very great importance, I do not think it should be pressed for immediate passage. I have not any desire whatever to avoid or evade a vote upon the resolution, but it does seem to me that a little consideration should be given me.

Mr. CURTIS. I am satisfied that the Senator from Massachusetts will give consideration to the Senator from Ohio; but the Senator realizes that I, not being on the committee and not having charge of the measure, of course, have no right to say what will be done. I am simply giving the Senator the information which has come to me.

Mr. POMERENE. I have observed that the resolution was not called up to-day, because it was the desire that certain other Senators might return, so that they could be here Tuesday or Wednesday. I am not of the class who were had in mind at that time, but I am speaking of the predicament in which I find myself, and I have no hesitancy in saying that I believe it is due me that a vote shall not be had on Wednesday.

Mr. CURTIS. I am informed that the Senator from Massachusetts is on his way here, and I suggest that the Senator from Ohio take up the matter with him after the Senate goes on with the pending measure.

Mr. POMERENE. Very well.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

Mr. THOMAS. I shall not object to-day to the temporary displacement of the regular order of business, but I shall reserve the right to do so when the request is renewed to-morrow.

The PRESIDING OFFICER. There being no objection, the unfinished business will be temporarily laid aside, and, without objection, the consideration of the shipping bill will be proceeded with.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

The reading of the bill was continued.

The next amendment of the Committee on Commerce was, at the top of page 5, to insert:

SEC. 3. That section 3 of the "shipping act, 1916," is amended to read as follows:

"SEC. 3. That a board is hereby created, to be known as the United States Shipping Board, and hereinafter referred to as the board. The board shall be composed of seven commissioners, to be appointed by the President, by and with the advice and consent of the Senate; and the President shall designate the member to act as chairman of the board, and the board may elect one of its members as vice chairman. Such commissioners shall be appointed as soon as practicable after the enactment of this act and shall continue in office two for a term of one year and the remaining five for terms of two, three, four, five, and six years, respectively, from the date of their appointment, the term of each to be designated by the President, but their successors shall be appointed for terms of six years, except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the commissioner whom he succeeds. The commissioners shall be appointed with due regard to their fitness for the efficient discharge of the duties imposed on them by this act, and two shall be appointed from the States touching the Pacific Ocean, two from the States touching the Atlantic Ocean, one from the States touching the Gulf of Mexico, one from the States touching the Great Lakes, and one from the interior, but not more than one shall be appointed from the same State. A vacancy in the board shall be filled in the same manner as the original appointment. No commissioner shall take any part in the consideration or decision of any claim or particular controversy in which he has a pecuniary interest. Each commissioner shall devote his time to the duties of his office, and shall not be in the employ of or hold any official relation to any common carrier or other person subject to this act, nor while holding such office acquire any stock or bonds thereof or become pecuniarily interested in any such carrier. The duties of the board may be so divided that under its supervision the directorship of various activities may be assigned to one or more commissioners. Any commissioner may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. A vacancy in the board shall not impair the right of the remaining members of the board to exercise all its powers, and four members shall constitute a quorum. The board shall have an official seal, which shall be judicially noticed. The board may adopt rules and regulations in regard to its procedure and the conduct of its business. Each member of the board shall receive a salary of $12,000 per annum. The board may employ, within the limits of appropriations made therefor by Congress, such attorneys as it finds necessary for proper legal service to the board in the conduct of its work, or for proper representation of the public interests in investigations made by it or cases or proceedings pending before it, whether at the board's own instance or upon complaint, or to appear for or represent the board in any case in court or other tribunal, any provision of law to the contrary notwithstanding.

Mr. THOMAS. I assume that this section, if enacted into law, will displace the present Shipping Board?

Mr. JONES of Washington. That is my understanding.

Mr. THOMAS. Is there a provision by which the present board shall hold until the new board is appointed?

Mr. JONES of Washington. There is not; but I think it might be wise to have a provision of that sort.

Mr. THOMAS. I suggest to the Senator that otherwise there might be a hiatus, which would prove inconvenient to the administration of the board.

Mr. JONES of Washington. I think that is a good suggestion. I will offer an amendment later with reference to that matter.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. JONES of Washington. I desire to state that the Senator from New York [Mr. CALDER] may desire to offer an amendment to this particular section as amended; and if so, I shall then ask to reconsider the vote by which the Senate adopted the amendment.

Mr. EDGE. Mr. President, referring to the bill under discussion and to section 3, which has just been acted upon, I am not going to offer an amendment to the section, but I wish to go on record very briefly, as a member of the Committee on Commerce, having given considerable consideration to the entire measure in its formation, as opposing the provision of that section creating a board of seven members. Personally I feel that the merchant-marine interests, so far as the Government is responsible for the continuation of their administration, would be better administered by one commissioner. However, I would have been glad to have seen a compromise retaining the same number of commissioners we now have, namely, five. I really see no use for seven commissioners at $12,000 per year to administer the affairs of the merchant marine. I appreciate that the various sections of the country are covered under the details of the section, so that commissioners must come from the Pacific coast, the Atlantic coast, the Gulf coast, and the interior; but personally I oppose the general policy of large boards to administer business details.

I do not wish to be misunderstood. I desire to take the occasion to express the greatest appreciation for the hard and earnest work of the committee, and particularly of the chairman of the committee, in evolving what in a general way I believe to be a splendid plan; but I am not in sympathy with the general policy of control and administration proposed by the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 7, line 6, to change the number of the section from "2" to "4"; in the same line, before the word "vessels," to strike out "merchant"; in line 10, after the word "acts," strike out "and" and insert "or"; in line 11, after the word "section," to strike out "1" and insert "2"; in line 20, before the word "required," to insert "in the opinion of the President"; in the same line, after the word "required," to strike out "in the military and naval" and insert "by any other branch of the Government"; and in line 22, before the word "transferred," to strike out "shall be" and insert "are hereby," so as to make the section read:

SEC. 4. That all vessels and other property or interests of whatsoever kind, including vessels or property in course of construction or contracted for, acquired by the President through any agencies whatsoever in pursuance of authority conferred by the acts or parts of acts repealed by section 2 of this act, or in pursuance of the joint resolution entitled "Joint resolution authorizing the President to take over for the United States the possession and title of any vessel within its jurisdiction, which at the time of coming therein was owned in whole or in part by any corporation, citizen, or subject of any nation with which the United States may be at war, or was under register of any such nation, and for other purposes," approved May 12, 1917, with the exception of vessels and property the use of which is in the opinion of the President required by any other branch of the Government service of the United States, are hereby transferred to the board.

The amendment was agreed to.

The next amendment was, on page 7, line 23, to change the number of the section from "3" to "5"; in the same line, after the word "order," to strike out "that the merchant vessels now owned or controlled by the United States may be returned to or placed under private ownership and operation, and to the end that an efficient merchant marine, adequate to meet the requirements of our ocean-borne commerce and to serve as a naval auxiliary in time of war or national emergency, may be established and operated by citizens of the United States," and insert "to accomplish the declared purposes of this act, and to carry out the policy declared in section 1 hereof," in line 7, before the word "authorized" to strike out "hereby"; in line 8, after the word "practicable," to insert "consistent with good business methods and the objects and purposes to be attained by this act"; in line 10, before the word "citizens," to insert "persons who are"; and in the same line, after the words "United States," to strike out "(as defined in section 2 of the shipping act, 1916, as amended)"; in line 12, after the word "section," to strike out "4" and insert "6"; in line 13, after the word "section," to strike out "2" and insert "4"; in line 16, after the word "price," to insert "and interest"; in line 17, before the word "more," to insert "deferred"; in the same line, before the word "years," to strike out "fifteen" and insert "twenty"; in line 18, after the word "board," to insert "in fixing or accepting the sale price of such vessels"; in line 19, after the word "vessel," to strike out "is authorized to" and insert "shall"; in line 20, after the word "consideration," to strike out "in fixing the sale price of such vessels"; in line 21, after the words "price of," to insert "the available supply of"; in line 22, before the word "demand," to insert "the"; in the same line, after the word "vessels," to insert "freights received and prospects of their maintenance," so as to read:

SEC. 5. That in order to accomplish the declared purposes of this act, and to carry out the policy declared in section 1 hereof, the board is authorized and directed to sell, as soon as practicable, consistent with good business methods and the objects and purposes to be attained by this act, to persons who are citizens of the United States except as provided in section 6 of this act, all of the vessels referred to in section 4 of this act or otherwise acquired by the board. Such sale shall be made at such prices and on such terms and conditions as the board may prescribe, but the completion of the payment of the purchase price and interest shall not be deferred more than 20 years after the making of the contract of sale. The board in fixing or accepting the sale price of such vessels shall take into consideration the prevailing domestic and foreign market price of, the available supply of, and the demand for vessels, freights received, and prospects of their maintenance, the cost of constructing vessels of similar types under prevailing conditions, etc.

The amendment was agreed to.

The next amendment was, on page 9, line 1, after the word "sold," to insert "and any other facts or conditions that would influence a prudent, solvent business man in the sale of similar vessels or property which he is not forced to sell: *Provided*, That no sale shall be made at a less price than the cost at the time of making such sale of constructing vessels of similar types in private yards in the United States, after deducting the depreciation charge against the vessels sold generally allowed in shipping operations."

Mr. JONES of Washington. Mr. President, the Senator from New Jersey [Mr. EDGE] would like that amendment to go over, although I presume he would just as lief discuss it to-day; but the Senator from Wisconsin [Mr. LENROOT] is also very much interested in it, especially in the proviso; so I ask that the amendment may go over.

Mr. THOMAS. I suggest that the word "*Provided*" is misspelled.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The correction will be made, and the amendment will be passed over.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 9, in line 10, after the word "act," to strike out "of."

Mr. JONES of Washington. Mr. President, my attention has just been called to the fact that in the bill as it passed the House, in line 10, it read, "shipping act, of 1916, as amended," without any quotation marks around the words "shipping act, of 1916." I think we should have the quotation marks, so I want to amend that so as to have the words "shipping act, of 1916," appear stricken through.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. It is proposed to strike out, in lines 9 and 10, the words "shipping act, of 1916."

The amendment was agreed to.

Mr. JONES of Washington. Then I want to reinsert, in quotation marks, "shipping act, 1916."

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. It is proposed to insert "shipping act, 1916," in quotation marks.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 9, line 12, to change the number of the section from "4" to "6"; in the same line, after the word "authorized," to strike out "hereby"; in the same line, after the word "empowered," to insert "if unable to sell to American citizens after diligent effort so to do"; and in line 15, after the word "determine," to strike out "subject to the same limitation as to completion of time of payments as provided in section 3," and insert "except that payment therefor shall be completed within 10 years," so as to read:

SEC. 6. That the board is authorized and empowered, if unable to sell to American citizens, after diligent effort so to do, to sell to aliens, at such prices and on such terms and conditions as it may determine, except that payment therefor shall be completed within 10 years—

And so forth.

The amendment was agreed to.

The next amendment was, on page 9, line 18, after the words "such vessels," to insert "having a dead-weight tonnage of not exceeding 6,000 tons, unless such vessels are over 10 years of age."

Mr. JONES of Washington. I ask that that amendment may be passed over for the same reason as the preceding one. I refer to the amendment in lines 18, 19, and 20.

The PRESIDING OFFICER. Without objection, the amendment will be passed over.

Mr. McKELLAR. Mr. President, I should like to ask the chairman of the committee a question. I understand that the provision authorizing the sale to foreigners means that vessels under 10 years of age and in excess of 6,000 tons can not be sold. Is that correct?

Mr. JONES of Washington. It means that only vessels under 6,000 tons can be sold to foreigners and those over 10 years of age.

Mr. McKELLAR. Where they are over 6,000 tons and not over 10 years of age they can not be sold?

Mr. JONES of Washington. No; it means that only vessels under 6,000 tons can be sold to foreigners and only vessels over 10 years of age, whatever the tonnage.

Mr. McKELLAR. Whatever the tonnage?

Mr. JONES of Washington. Yes; as I understand.

Mr. EDGE. Mr. President——

Mr. JONES of Washington. This is the amendment of the Senator from New Jersey, and that was my understanding of its intention.

Mr. EDGE. I can see very plainly the way the amendment is drafted that it can be subject to two interpretations. I had not noticed it until the Senator from Tennessee drew attention to it. I think it is a very important matter. The intent of the amendment—I offered the amendment in the committee and it was adopted—at least, my intent was that vessels over 10 years of age, of any tonnage, whether over 6,000 tons or otherwise, could be sold to foreigners. Of course, in the case of vessels under 6,000 tons, there is no question about it.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Colorado?

Mr. JONES of Washington. I do.

Mr. THOMAS. That is precisely what it says.

Mr. EDGE. Well, that is precisely what it means, or what I meant it to mean, at least. That is different from the way the Senator stated it, I think.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 9, in line 20, after the word "shall," to insert "after careful investigation"; and in line 22, after the word "marine," to insert "and it shall make as a part of its records a full statement of its reasons for making such sale," so as to read:

As it shall, after careful investigation, deem unnecessary to the promotion and maintenance of an efficient American merchant marine, and it shall make as a part of its records a full statement of its reasons for making such sale.

The amendment was agreed to.

The next amendment was, at top of page 10, to insert:

SEC. 7. That the board is authorized and directed to investigate and determine as promptly as possible after the enactment of this act, and from time to time thereafter, what steamship lines should be established and put in operation from ports in the United States or any Territory, District, or possession thereof where adequate terminal connections with rail carriers can and will be made or already exist to such world markets as in its judgment are desirable for the promotion, development, expansion, and maintenance of the foreign and coastwise trade of the United States and an adequate postal service, and to determine the type, size, speed, and other requirements of the vessels to be employed upon such lines and the frequency and regularity of their sailings, with a view to furnishing adequate, regular, certain, and permanent service. The board is authorized to sell, and, if a satisfactory sale can not be made, to charter such of the vessels of the United States as will meet these requirements to responsible persons who are citizens of the United States who agree to establish and maintain such lines upon such terms of payment and other conditions as the board may deem just and necessary to secure and maintain the service desired; and if any such steamship line is deemed desirable and necessary, and if no such citizen can be secured to supply such service by the purchase or charter of vessels on terms satisfactory to the board, the board shall operate vessels on such line until the business is developed so that such vessels may be sold on satisfactory terms and the service maintained, or unless it shall appear within a reasonable time that such line can not be made self-sustaining. The Postmaster General is authorized to contract for the carrying of the mails over such lines at such price as may be agreed upon by the board and the Postmaster General: *Provided*, That preference in the sale or assignment of vessels for operation on such steamship lines shall be given to persons who are citizens of the United States who have the support, financial and otherwise, of the domestic communities primarily interested in such lines if the board is satisfied of the ability of such persons to maintain the service desired and proposed to be maintained, or to persons who are citizens of the United States who may then be maintaining a service from the port of the United States to or in the general direction of the world-market port to which the board has determined that such service should be established: *Provided further*, That where steamship lines and regular service have been established and are being maintained by ships of the board at the time of the enactment of this act, such lines and service shall be maintained by the board until, in the opinion of the board, the maintenance thereof is unbusinesslike and against the public interests.

The amendment was agreed to.

The next amendment was, at top of page 12, to insert:

SEC. 8. That it shall be the duty of the board, with the object of promoting, encouraging, and developing ports and transportation facilities in connection with water commerce over which it has jurisdiction, to investigate territorial regions and zones tributary to such ports, taking into consideration the economies of transportation by rail and highway and the natural direction of the flow of commerce; to investigate the causes of the congestion of commerce at ports and the remedies applicable thereto; to investigate the subject of water terminals, including the necessary docks, warehouses, apparatus, equipment, and appliances in connection therewith, with a view to devising and suggesting the types most appropriate for different locations and for the most expeditious and economical transfer or interchange of passengers or property between carriers by water and carriers by rail; to advise with communities regarding the appropriate location and plan of construction of wharves, piers, and water terminals; to investigate the practicability and advantages of harbor, river, and port improvements in connection with foreign and coastwise trade; and to investigate any other matter that may tend to promote and encourage the use by vessels of ports adequate to care for the freight which would naturally pass through such ports: *Provided*, That if after such investigation the board shall be of the opinion that rates, charges, rules, or regulations of common carriers by rail subject to the jurisdiction of the Interstate Commerce Commission are detrimental to the declared object of this section, or that new rates, charges, rules, or regulations, new or additional port terminal facilities, or affirmative action on the part of such common carriers by rail is necessary to promote the objects of this section, the board may submit its findings to the Interstate Commerce Commission for such action as such commission may consider proper under existing law.

The amendment was agreed to.

The next amendment was, on page 13, line 10, to change the number of the section from "5" to "9"; in line 11, after the word "sale," to insert "of a vessel made under the provisions of this act"; in line 12, after the word "board," to strike out "(in order that the United States may be protected against loss, liability, or damage, and have additional security for the payment of the balance of the purchase price and charges)"; in line 16, before the word "terms," to strike out "the" and insert "such"; in line 18, before the word "marine," to strike out "all"; in line 20, before the word "insurance," to insert "such"; in the same line, after the word "companies," to insert "associations"; in line 21, before the word "forms," to insert "such"; in line 22, after the word "amount," to strike out "approved by" and insert "as"; in the same line, after the word "board," to insert "may prescribe or approve"; in the same line, after the word "approved," to strike out "which insurance shall be made payable to it in event of partial loss or collision liability"; in line 25, before the word "insurance," to insert "such"; on page 14, line 1, before the word "forms," to insert "such"; in line 2, after the words "and to," to insert "such"; in the same line, after the word "amount," to strike out "approved by the board" and insert "as the board may prescribe or approve. The insurance required to be carried under this section shall be made payable to the board and/or to the parties as interest may appear. The board is authorized to enter into any agreement that it deems wise in respect to the payment and/or the guaranty of premiums of insurance," so as to make the section read:

SEC. 9. That if the terms and conditions of any sale of a vessel made under the provisions of this act include deferred payments of the purchase price, the board shall require as part of such terms and conditions, that the purchaser of the vessel shall keep the same insured (a) against loss or damage by fire, and against marine risks and disasters, and war and other risks if the board so specifies, with such insurance companies, associations or underwriters, and under such forms of policies, and to such an amount, as the board may prescribe or approve, and (b) by protection and indemnity insurance with such insurance companies, associations, or underwriters and under such forms of policies, and to such an amount as the board may prescribe or approve. The insurance required to be carried under this section shall be made payable to the board and/or to the parties as interest may appear. The board is authorized to enter into any agreement that it deems wise in respect to the payment and/or the guarantee of premiums of insurance.

Mr. THOMAS. It seems to me that the phraseology on lines 3 to 5 of the amendment is rather confusing. It reads:

The insurance required to be carried under this section shall be made payable to the board and/or to the parties as interest may appear.

Mr. JONES of Washington. That is a sort of technical language, used in these contracts of insurance. It was submitted by the Shipping Board officials. I know it is rather awkward.

Mr. THOMAS. I do not know whether it is technical or not, but it would seem to a layman to be unintelligible.

Mr. JONES of Washington. It is claimed that it is merely used under the technical rules.

The amendment was agreed to.

The next amendment was, on page 14, line 9, to change the number of the section from "6" to "10"; in line 11, before the word "which," to strike out "in"; in the same line, after the word "may," to insert "use"; in line 12, before the word "covered," to strike out "usually" and insert "commonly"; in line 13, after the word "policies," to insert "in such cases"; in line 16, after the word "board," to insert "are hereby transferred to the board"; and in line 17, after the word "board," to strike

out "the board shall at all times maintain adequate surplus and reserves as required by the best actuarial practice to secure any such policies, and to secure the reasonable costs, expenses, and charges of maintaining such insurance fund, and shall annually pay into the Treasury of the United States, as miscellaneous receipts, any net profits realized from the operation of such insurance fund," so as to make the section read:

SEC. 10. That the board may create out of net revenue from operations and sales, and maintain and administer, a separate insurance fund, which it may use to insure in whole or in part, against all hazards commonly covered by insurance policies in such cases, any interest of the United States (1) in any vessel, either constructed or in process of construction, and (2) in any plants or materials heretofore or hereafter acquired by the board or hereby transferred to the board.

The amendment was agreed to.

The next amendment was, on page 14, after line 23, to insert:

SEC. 11. That during a period of five years from the enactment of this act the board may annually set aside out of the revenues from sales and operations a sum not exceeding $50,000,000, to be known as its construction fund, to be used in the construction, or in aid of the construction, of vessels of the best and most efficient type for the establishment and maintenance of service on steamship lines deemed desirable and necessary by the board, and such vessels shall be equipped with the most modern, the most efficient, and the most economical machinery and commercial appliances. The board shall use such fund to the extent required upon such terms as the board may prescribe to aid persons, citizens of the United States, in the construction by them in private shipyards in the United States of the foregoing class of vessels. No aid shall be for a greater sum than two-thirds of the cost of the vessel or vessels to be constructed, and the board shall require such security, including a first lien upon the entire interest in the vessel or vessels so constructed as it shall deem necessary to insure the repayment of such sum with interest thereon and the maintenance of the service for which such vessel or vessels are built. If there are routes upon which the board deems it highly important to establish service requiring vessels of the kind described in this section, and responsible persons, citizens of the United States, can not be found to construct the same the board may construct such vessels out of such fund in private shipyards in the United States, but no contract for such construction shall be let on a cost-plus basis, and when such vessels are sold the board shall require a cash payment of not less than 25 per cent of the purchase price and ample security for deferred payments. Interest on loans made under this section and on deferred payments shall be at a rate not less than 4 per cent per annum, payable semiannually.

Mr. EDGE. Mr. President, section 11 provides a very important policy, to which I think we should give some consideration. It very clearly provides that for five years, at least, the board may continue the construction of vessels on account of the Government entirely. I think the policy should admit of an opportunity for the Government to loan its credit to further develop and assure a workable merchant marine, but I question very much the policy of continuing outright on the account of the Government the construction of more ships. It is true, it simply provides that such construction shall be confined to $50,000,000 which shall be set aside from sales and operation; but of course it is one and the same thing whether we retain $50,000,000 from sales and operation, or whether we appropriate the money directly from the Treasury. It is the matter of spending that much money, or whatever part of it is expended, which otherwise would be saved to the taxpayers.

I feel, Mr. President, that the people of this country are opposed to any further continuation of the Government operation of the merchant marine than is absolutely necessary to put the merchant marine on a proper basis, and then as rapidly as possible we should have it absorbed by the private interests of the country under proper governmental regulation. The bill itself, by a section we have already adopted, very positively sets forth that policy, and authorizes and directs the Shipping Board, as I recall it, to sell the fleet as rapidly as good business will dictate, and yet we invite by this particular section the continued construction of ships at the same time we are directing the Shipping Board to dispose of the fleet.

I appreciate that there will be occasions when, in order to round out the fleet, the Shipping Board should encourage the construction in American yards of a certain type of ship; but I feel that the balance of the section, providing for aid on the part of the Government, two-thirds of the amount necessary being loaned by the Government under the provisions of the section, will provide for the filling of such necessities as they accrue. On the other hand, if we do provide for two methods of building these ships, one entirely by the Government and the other by the aid of the Government, it strikes me that it is reasonable to assume that the Government will be compelled to build the ships rather than private interests borrow the money and pay interest on it. I question the advisability of passing an act establishing the policy for the future, as we are unquestionably going on record, through this bill, that ultimately the entire fleet shall be in private hands, and at the same time we are directly authorizing the construction of more ships, for five years, entirely on account of the Government.

The amendment was agreed to.

Mr. NELSON. Mr. President, I rise to make one or two remarks in connection with what the Senator from New Jersey [Mr. EDGE] has said. While on the whole I am favorable to the bill, yet I think in some respects it is drawn on erroneous lines. It contemplates the establishment of a lot of Government shipping lines whether those lines pay or not. I call the attention of the Senator from New Jersey to the provisions of section 11, to which he refers, authorizing the board to expend from the revenues of sale and operation not to exceed $50,000,000 a year in the building of new ships. If the board carries out the program provided for in section 7 of the bill, establishing independent routes in different parts of the country and operating them whether they are profitable or not, there will not be much left for the building of these new ships, because the cost of building is to come from the revenues from the sale and operation of the ships.

If Senators will examine the provisions of section 7, they will find that it contemplates the establishment of a large number of shipping lines to be operated by the Federal Government. There is no limitation to the length of time they shall be operated nor is there any inhibition against operating them at a loss. I think if they succeed in establishing these lines, many of them, they will be found to operate at a great loss.

It is not only ships on the high seas from port to port that make commerce. Commerce comes from the exporting and importing of the necessities and requirements of trade. If, for instance, the people of South America desire to ship their coffee to Boston or New York, we can not compel them to ship that coffee to Mobile or New Orleans by merely establishing a shipping line.

When it comes to the matter of exports, the people will export their goods in those directions and to those countries where they can most readily dispose of them at a profit. The farmers of the Mississippi Valley will have a great deal of agricultural products to export. They will naturally want to export these over the shortest and best route to reach the chief market, and the chief market for our agricultural products, taken wholesale or in the lump, is found in Europe. The people of this country are not going to divert their products as a mere matter of sentiment from the ordinary lines of commerce. Our people in the Mississippi Valley, who desire to ship their goods direct to Europe, are going to take the shortest and most rapid route to get the goods to Europe. They are not going to divert their commerce to ports at one side of the main routes of commerce. They are not going to send their traffic around by a by-path just for the sake of establishing traffic at a given small port, either on the Gulf coast or the Atlantic coast.

In one way I can sympathize with small ports on the Atlantic and Pacific regarding which there is an idea that by furnishing ships for them we can build up their commerce and give them a trade that under natural conditions they can not obtain.

If I thought that merely establishing shipping lines and furnishing shipping facilities would build up a commerce at those ports and give them the traffic that would warrant them in establishing the lines, I should not hesitate a moment in favoring such a disposition. But there are two matters involved in the problem. It is not only a matter of furnishing ships but it is the course and trend of the import and export trade of the country. In other words, will a certain class of commerce go to a certain port just because you have ships ready, or will it go to a port because the trade and traffic and market for the goods are there? My own idea is that you can not build up any such commerce by artificial means.

I should be very glad myself to see our commerce diverted and scattered over the country instead of concentrated at one or two ports on the Atlantic, but I doubt the scheme provided for in the bill, which is that by establishing lines in all these different ports we can succeed in diverting the commerce and traffic there.

I hope that will be the result of the bill. I should be very glad if we can do it, but, in my opinion, the more of new lines established by the Government from small ports, the more we shall find the shipping left on the hands of the Government to be operated at a loss.

While I joined in reporting the bill favorably, the only criticism I have to make of it is that in its entirety it contemplates Government operation of ships on the seas. I was very much pleased with our railroad legislation when we took it out of the control of the Government. I hope the outcome may be to divert traffic out of the hands and control of the Government into the hands of private enterprise, into the hands of American citizens, and to vessels operated under the American flag. I hope that will be the outcome, but I very much doubt it.

I fear that the large board which has been created by the bill, scattered all over the country in order to meet certain local requirements, will result in the establishment of a lot of non-paying shipping lines that will be an expense to the Government years to come. I thought, when the committee was considering the bill, that it was a mistake to increase the board from five to seven. I think it would be a far better board if it were composed of not more than three members. Now it is made up of seven members, and they are going to be distributed throughout the country, and I fear it will lead to what we call in common parlance logrolling. I mean by that that the two representatives of the board on the Pacific will say to the members on the Gulf and Atlantic coasts, "Give us a line to Vladivostok, or give us a line to Shanghai, or give us a line to some of the far eastern ports; if you will give us that line we will give you a line from New Orleans to Africa, or we will give you one to China, or we will give you one to South America." They will say to the representatives on the Atlantic coast, "help us to establish these lines on the Pacific, and we will help you to establish the lines that you want here."

I do not mean to say it in an odious sense, but in this manner you will have a system of logrolling. You will have the representatives on the board from one part of the country looking at it wholly or largely from their standpoint and anxious to get what they want, and they will acquiesce in what the representatives in other parts of the country want. Thus you will have, as I said a moment ago, no end of logrolling on that board.

To avoid such a system of what, for short, I term "logrolling," I felt that it would have been much better and much wiser if we could have had a board of three members, independent of local interests in any part of the country, men who would represent all portions of the country in their entirety and would not be wholly swayed by local influence.

There are one or two other items in the bill to which I want to call attention. One is placing the Philippine Islands under the coastwise-trade provisions. I regard that as the most wicked and cruel provision in the bill. Those islands are more than 10,000 miles from our shore; their products are shipped all over the world. By putting them under the coastwise trade you practically say that none of the products of the Philippine Islands shall come to America except in American ships under the American flag. We have only one port there where we have much commerce direct to this country, and that is Manila. The great crops of the Philippine Islands are sugar——

Mr. THOMAS. Mr. President——

Mr. NELSON. I yield to the Senator from Colorado.

Mr. THOMAS. May I ask the Senator if this provision which he says extends our coastwise laws to the Philippines is incorporated in the House bill or in the Senate committee amendments?

Mr. NELSON. It is incorporated in a Senate committee amendment to the bill. The Philippine Archipelago extends from north to south upward of between 400 and 500 miles, and from east to west from 300 to 400 miles. In the north we have the island of Luzon, and south of that what are commonly called the Visayan group of islands. Among those are the islands of Mindanao, Mindoro, Masbate, Samar, Panay, Negros, Cebu, Leyte, Palawan, Bohol, all of them large islands; and it so happens that the chief exportable products which are produced in those islands are sugar and hemp. The greatest amount of sugar is, perhaps, produced in the island of Negros, which is between three and four hundred miles south of Manila. From other islands adjacent to that, which belong to the Visayan group, come considerable sugar, most of the hemp, and a large part of the tobacco which we get from the Philippine Islands. I do not take into account the rice crop of the Philippines, because while they may export some rice they import more than they export. They need as much rice for food in those islands as is there produced.

Nearly all of the products of the Philippine Islands which have come to this country during the recent war have come to us, not in American ships, but in foreign ships. What would be the result if we adopted the proposed policy? It would be a death blow to the commerce and trade of the Philippine Islands, because they will not be able to ship any of their goods to America; the American market will be cut off from them unless ships flying the American flag are furnished for the transportation of their products.

The other chief ports of the Philippine Islands are Cebu, a very good port on the island of Cebu, and Iloilo on the island of Panay. The sugar of Negros is transported a few miles across the island of Panay, and from there it is shipped abroad through the port of Iloilo.

I heard it remarked in committee by means of the plan proposed we could retain control of the sugar crop of those islands and insure its coming to this country. That can not possibly be true. Even if we put that commerce under the coastwise laws, what is to prevent foreign ships entering the port of Iloilo or the port of Cebu and transporting goods direct to Europe? If the commerce between the Philippine Islands and the United States is put under the coastwise laws, it will force the people of those islands to ship their sugar and hemp and other products to countries other than the United States.

Mr. President, I am utterly opposed to placing the people of the distant Philippine Islands into a strait-jacket as is proposed by the pending bill. It is true that the bill provides that the provision referred to shall not take effect for a year; and it is also true that the committee has recommended a further modification to the effect that the President may extend the time in case of necessity; but, Mr. President, I believe that those far-away islands should have the same privilege of trading with the world at large as we in the United States have. While I do not remember exactly their population according to the last census, there are in those islands, I think, between ten and twelve million people. They are situated ten or twelve thousand miles from our shores.

To enact legislation to the effect that those people can not ship any of their products from the Philippine Islands to any port in America, either on the Pacific or on the Atlantic coast or anywhere else, unless they are shipped in a vessel flying the American flag, will be destructive to the commerce and a burden to the people of those islands. Neither will it help our country in securing the products of the Philippines, because, as I have said, European vessels can go to any port of the islands, to Manila, to Cebu, or to Iloilo, and there buy their hemp and their sugar for shipment direct to Europe; and that is what they will do.

Mr. President, we have another anomaly in our shipping laws. It is not directly reenacted in the pending bill. The first legislation in reference to the matter, I think, was passed in 1868, and provided that no person could travel in a foreign vessel from one port in the United States to another port in the United States unless he paid a fine, which, under the original law, was $2 a head; in other words, a foreign vessel could not take an American citizen from one port to another in the United States unless he paid, in the first instance, $2. Some 11 or 12 years subsequently—I do not remember the exact date—that law was amended so that now a fine of $200 is provided; that is, if a single passenger is carried from one port in the United States to another port in the United States in a foreign ship, that ship has to pay a penalty of $200. My attention was called to that law some years ago. Some friends of mine became stranded in the Hawaiian Islands; they waited there for weeks and weeks for the arrival of an American ship to take them back to the Pacific coast, but none came. Finally a foreign vessel, a British ship, I think, came along, and they were obliged to travel in that ship in order to get to their destination.

The ship had to pay a penalty of $200 for every American passenger which it carried from the Hawaiian Islands to the Pacific coast. Of course, the ship would not pay that penalty; the fine came out of the passengers; so that the man obliged to hurry home, to get back to America, in addition to his ordinary transportation charges had to pay $200, for the ship would not bear the burden of its payment.

While I am in favor of limiting and restricting coastwise trade to American ships, I certainly think that travel in this country ought to be free; I certainly think that if any American citizen at any port in the United States or within its dominions has occasion to travel to another port in the United States he ought to have the privilege of traveling on the first ship that comes along and not be compelled to wait indefinitely or to pay a penalty of $200.

As I have said, that provision is not in the pending bill. There is, however, a restrictive clause in the bill tending to carry out that idea in reference more particularly to conditions on the Pacific coast at Seattle. I refer to the provision prohibiting the checking of baggage of those who go out on our railroads and desire to go to Alaska. They may travel to the Pacific coast on the Northern Pacific or the Great Northern or any other route, and on reaching there may be anxious to take passage to a port in Alaska. Perhaps the first ship that comes along is a Canadian or British ship, but in the event they sail on such a vessel a provision in the bill prohibits them from checking their baggage. That, I think, is unduly and unjustly restrictive.

I am aware of the antipathy entertained on the Pacific coast against the Canadian Pacific and the Soo Railroad; but I wish to

say to those who entertain that feeling that the Soo Railroad, which is the American end of the Canadian Pacific in our country, has been of more value to our people in giving fair and reasonable rates than have any of the operations of the Interstate Commerce Commission. In the matter of accommodations and of transportation our people have felt that the Soo Railroad—that is, the part that operates through Minnesota, Wisconsin, and Michigan, and reaches down to Chicago—has, to some extent, been an antidote against the rapacity of some of the big western roads. So our people in the upper Mississippi Valley have never cherished the hostility toward the Canadian roads that seems to prevail in the Puget Sound section.

Mr. President, when I rose to reply, as it were, to the remarks of the Senator from New Jersey [Mr. EDGE] I had no idea of taking up so much of the time of the Senate. I have called attention briefly to what I regard as some of the unwise features of the bill, but recognizing the fact that all legislation is in the nature of a compromise, while I differed from the majority of the committee on some of these matter, I did not feel like obstructing the report on the bill or interfering with its passage; and even though I look upon some of the features of the bill as unwise, I shall not make any factious opposition. I hope that some of the objectionable matters may be cured in conference, and I hope that then the future will show the mistakes we are making in this legislation so that they may be remedied.

Mr. JONES of Washington. Mr. President, I will take just a moment or two to refer to some of the matters to which the Senator from Minnesota has adverted. I appreciate more than I can say the attitude of the Senator in connection with this bill. He has shown the same broad-minded spirit with reference to it that he has shown with reference to all matters of legislation. I have the highest respect for his judgment and his opinion, not only with reference to the questions involved in the pending measure but with reference to other questions, and for the patriotic stand that he takes on all matters that are of interest to the country. While I hesitate to differ from him, I can not agree with him as to two or three of the propositions he has presented.

With reference to the coastwise trade and the passenger traffic to which he has just referred I wish to say just a word. He calls attention to the fact that some of his friends in the Hawaiian Islands were marooned for a while and had to pay $200 as a penalty to get back to the United States because American ships were not available, the islands being embraced within our coastwise laws. The only provisions contained in this bill with reference to that feature of the coastwise law is a provision that prevents its evasion. Whether the coastwise law should be repealed is another question, but so long as we apply the coastwise policy to our ports it seems to me we should not permit a foreign country to evade that law. If the law says that American passengers shall not be carried in a foreign ship between American ports, we should not permit that law to be evaded by aliens, and all that we do by the provision of the pending bill in this respect is to prevent the evasion of the law.

As the Senator from Minnesota has said, the necessity for the provision grows out of a situation peculiar to the trade between this country and Alaska. The Canadian Steamship Co. maintains an agency in this country in Seattle. If I go to their office and tell them that I want to go from Seattle, Wash., to Skagway, Alaska, an American port, what do they do? Under our coastwise law they can not sell a ticket directly from Seattle to Skagway.

They can not send a ship directly from Seattle to Skagway under our coastwise laws; what do they do? They sell me a ticket to Vancouver, British Columbia, and at the same time, in the same office in Seattle, they sell me a ticket from Vancouver to Skagway. They then send me to Vancouver, and I get off of one vessel and onto another, and go on to Skagway.

Mr. President, we have a provision in this bill to prevent that. It is a clear evasion of our law; and, as I have said, so long as we continue our coastwise laws I am not in favor of a foreign country evading them in that way. If our coastwise laws are not proper, if they should be done away with, all right; let us do away with them. That is another proposition. We should not keep them on our statute books and permit them to be nullified by alien competitors.

Mr. EDGE. Mr. President, may I ask the Senator a question?

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from New Jersey?

Mr. JONES of Washington. I do.

Mr. EDGE. Did I understand the Senator to say, in leading up to that description of the situation on the Pacific coast, that we had in no way amended the coastwise laws under this bill?

Mr. JONES of Washington. Not at all, in that respect.

Mr. EDGE. Then, we did not include the Philippine Islands?

Mr. JONES of Washington. Oh, yes. That is another proposition. We do not change our coastwise law; we just extend it. I want to discuss that now for just a moment.

Mr. President, if we are going to have an American merchant marine, we shall have to take advantage of every opportunity we have to get it. I have no doubt about that. I do not blame any other country for doing everything it can to prevent us from establishing ourselves upon the sea. I admire them for it. What I should like to do is to take a leaf out of their book. This is really a new proposition for us. When the war began we had practically no ships under the American flag on the high seas. Practically the only shipping we had was in the coastwise trade, built up under our coastwise laws; and if we had not built up that merchant marine under the coastwise laws, the result of this war might have been far different, because when we got into this war the only ships that we really had available to transport our troops across the seas and carry supplies for them were ships taken out of the coastwise trade.

How did Great Britain build up her merchant marine? She built it up by saying that goods from her colonies should not be brought into Great Britain except under the British flag and in British ships. She continued that policy for years and years until she had built up her merchant marine. Then she removed those restrictions. Why, we remember in our histories reading about how the colonists were restricted in bringing products into this country. They could not bring them in except in ships flying the British flag, nor could they ship them except in the same way. Why? It was done under a wise and judicious national policy for the building up of a British merchant marine.

Mr. President, we want to build up our merchant marine in the foreign trade, the overseas trade. We had no such merchant marine when the war broke out, but we have a lot of ships now. As the Senator from Minnesota [Mr. NELSON] said, however, ships alone do not make a merchant marine. They must have cargoes, they must have traffic, they must have business, or they will be laid up or be sold to foreign countries. Routes must be established and trade developed to maintain them.

Mr. President, the trade of the Philippines, between those islands and this country, is ours if we see fit to take it, and why should we not take it? Why should we not have it so long as we retain the Philippine Islands? When the opportunity is at hand for us to say that the traffic between those islands and the United States shall be transported in American ships, and thereby build up that much trade for American shipping, encourage the building of American ships, and the establishment of American lines across the Pacific, where we need them so badly, why should we not do it?

If the Senate does not think it is a wise thing to take the trade that is ours and hold it to our flag and to our ships, very well; but my opinion is, my judgment is, that this is something we ought to take when we can, and we ought to hold it. It does not mean injury to the Philippine Islands. Why, under the provisions of this bill we are very particular about that. We put it off for a year, and we direct the Shipping Board at that time to see to it that adequate shipping facilities are provided for those islands, so that their commerce will not suffer, but that ample facilities with proper rates for passengers and commerce shall be provided. Then we go further, we take an extra precaution, and we say that if at the end of the year there are not sufficient shipping facilities the President shall extend the time to such period as he sees fit and as may be necessary in order to establish proper and suitable shipping facilities. Surely these islands want this done. We are not going to put them in a strait-jacket. We are going to insure them access to the greatest market in the world.

Mr. President, I have this in mind: As the Senator said, it is 7,000 or 10,000 miles to the Philippine Islands. Fine ships will be required for that trade, splendid passenger ships, combination passenger and cargo ships, ships suitable for any ocean carrying trade. We will establish the lines that we want and that we ought to have, in a section and a territory where we need them and where we ought to have them.

What should we make out of Manila? We should make out of Manila the great distributing point in the Orient for the products of this country, and those products should be carried to Manila in American ships, and then distributed throughout the Orient in American ships. It would mean a prosperity, growth, and development for those islands they can have in no other way.

We do not interfere with the foreign commerce of those islands. So far as British ships are concerned, or Japanese

ships, or any other foreign shipping that desires to go into Manila from their ports, or to go into Manila from their ports and then go out from Manila to some other ports, we make no change. We do not interfere with that at all; but we do say that the trade between those islands and the United States shall be in American ships, under the American flag; that it will be for the benefit of this country and for the benefit of those islands.

Mr. President, in my judgment the closer we can bring those people to us, the better it will be for them, as well as for us. If we deal with them in the right sort of way, if we show them that we have their interests at heart, we will make them our friends, even better friends than they are now. If those islands should ever leave us, or be separated from us, we should maintain a relationship with them that will be not only of great benefit to them, but also of great benefit to us. This will be so if we establish close business relations with them now.

From every standpoint of American interests, the interests of the Philippines, and for the building up of our American merchant marine, it seems to me that it is wise, judicious, and patriotic to extend the coastwise laws to the Philippine Islands.

Now, just a word with reference to the fund.

Mr. SIMMONS. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from North Carolina?

Mr. JONES of Washington. I yield to the Senator.

Mr. SIMMONS. May I ask the Senator if he does not think that what is proposed in this bill is necessary in order that the Philippine people may be able to secure equal traffic conditions in their trade with this country and in their trade with other countries? That is to say, if the Philippines are to rely solely upon the ships of other countries than the United States, will not the shipping conditions that are imposed by our competitors, those who own these ships, naturally be such conditions as would drive the Philippine trade to European countries instead of to this country?

Mr. JONES of Washington. Why, there is no question at all about that.

Mr. SIMMONS. That has been our difficulty with reference to the trade of other foreign countries. It would be our difficulty with reference to our trade with the Philippines. We will not secure American shipping facilities unless we give our facilities some advantage that far from home; and if we have no American ships to bring the trade of those islands to this country I think it is almost certain that we will not get anything like a fair share of the business of those islands. I believe that with the provision we have in this bill the United States will get a fair share of that traffic—in fact, will get the lion's share of that traffic—because this country always will be guaranteed rates to the Philippine Islands that are as favorable to trade with this country as rates from the Philippines to any other country in the world are favorable to that trade.

Mr. JONES of Washington. The Senator from North Carolina is absolutely correct; and I might suggest, Mr. President, that so long as we do nothing toward establishing steamship lines to the Philippines, the Philippines will get just whatever service foreign shipping sees fit to give them between them and this country. If it desires to give them irregular service, it will do it; and, as the Senator from North Carolina suggested, its endeavor and attempt will be to divert the trade of the Philippine Islands from the United States to its pockets.

Mr. PHELAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from California?

Mr. JONES of Washington. I yield.

Mr. PHELAN. In that event, what will regulate the rates between American ports and the Philippines?

Mr. JONES of Washington. The Shipping Board has authority under the shipping act to regulate our coastwise trade from port to port and on regular routes.

Mr. PHELAN. Is there no danger of retaliation by any power if we discriminate in favor of our own possessions? Has that been considered?

Mr. JONES of Washington. I do not see how they could retaliate, or have any ground for retaliation. We have a right to deal with our own territory as we see fit.

Mr. PHELAN. For information, I would like to ask the Senator whether he has considered the significance of the imperial preference? Great Britain, in dealing with her colonies, practices what is described as an imperial preference. What is the meaning of that, in so far as shipping is concerned?

Mr. JONES of Washington. I have not given that any consideration. It is an internal affair of the British Empire. She will look after that and we can not complain.

Mr. PHELAN. Recently the Australian Government refused an American ship the privilege of a return cargo of copra, which led to considerable correspondence with the State Department. Australia claimed, as the only reason why the refusal was made, that she needed the copra herself. That left the American ship to return in ballast; it had to endure a very great hardship. It is my information that there is an abundance of copra, and that it was a discrimination. I believe the State Department regarded it as a discrimination against the American ship. Therefore, in view of this announced policy, that the coastwise law shall be extended so that ships may ply between the Philippine Islands and the ports of the United States, I was going to observe that this imperial preference might properly justify a policy of discrimination on our part. That might strengthen the argument of the Senator.

Mr. JONES of Washington. So it would. It is but an example that should teach us to look after our interests as other nations look after theirs. Mr. President, I have looked at this problem, so far as I am concerned, just in this way: I feel that Great Britain will do everything in her power to promote British interests in trade and in shipping, and I do not blame her for doing it; I admire her for doing it. What I want is that we shall look after our interests in that same way, and that is what I have tried to do, to the extent of what little influence I have had in connection with the framing of this bill. It is a bill to aid and promote an American marine and no other.

Mr. EDGE. Mr. President, agreeing absolutely with what the Senator is endeavoring to accomplish, is there any method which the Government can adopt, learned from past experience, by which it is possible for the Government to establish these new lines to the Philippines, or any other section, which have not already been established, and maintain and administer them more cheaply—which means at cheaper rates—than private interests can maintain them?

My fear is that we are adopting a policy in which we announce that we want private interests to administer the merchant marine, and then surround the bill with such restrictions, or give to the Shipping Board such opportunities, that we are simply tying ourselves down to the administration of the merchant marine for years to come. I would like to see it more clearly established that the direction of it, given under one section of the bill, will be carried out under the remaining sections of the bill.

Mr. JONES of Washington. Mr. President, that phase of it I was not discussing. I am discussing now the advisability of putting the Philippines under the coastwise law.

Mr. EDGE. The Senator was discussing his belief that the Government should establish new lines to the Philippines, and I am just trying to bring out from the Senator his view as to whether or not that should be a permanent proposition.

Mr. JONES of Washington. Mr. President, the Senator knows that it is the declared policy of this bill to get these ships into private ownership ultimately. I do not agree with the suggestion the Senator made a while ago, that we want these ships disposed of, and that we are directing the Shipping Board to dispose of them as soon as practicable in a businesslike way regardless of anything else. We direct them to do it consistent with the declared purpose of this bill, which is to build up and maintain an American merchant marine. That is the essential thing; that is the important thing to be accomplished. That is of even higher importance than private ownership and private operation.

Will private parties establish shipping lines between this country and the Philippines? Is there anything we can do to induce them to do it? Mr. President, we might be able to induce them to do it if we would pay them many thousands of dollars in subsidies, but we have many times tried to pass subsidy legislation in order to have shipping lines established but we could not get it done; we could not pass it. Here is a 7,000-mile trip. Japanese ships are paid hundreds of thousands of dollars a year for traversing the Pacific Ocean between Japan and the United States, touching at the Philippines. In my judgment, Mr. President, there is nothing Congress can be induced to do, leaving these islands outside the coastwise laws, that would enable private owners to establish shipping lines in competition with Japanese shipping lines aided by the Japanese Government, through the assistance it gives to them.

But, Mr. President, there is one thing we can do; we can hold the trade of the Philippines under the American flag by passing the provisions in this bill. There is no doubt of that. That is one thing we can do. If we do not do it, we can have no excuse to offer if foreign shipping continues to carry the trade of the Philippines and if that trade with us should grow less and less.

The Senator fears that the Shipping Board will not act as we really intend it to act under the provisions of this bill. Of course, Mr. President, there is nothing we can put in the bill which will make the Shipping Board act wisely and fairly and justly. We must put confidence in somebody. We have to place the greatest discretion in somebody in dealing with the problems of the American merchant marine. We have placed it in the Shipping Board, the only agency in which we could place it. We must depend upon that board to act wisely, to exercise the power and the discretion we give it in a wise way; and what I would like to impress upon the Shipping Board, if I can do it, is that we want them to be animated by a spirit of Americanism; that we want them to be moved with the desire, an intense desire, to build up American trade, American shipping, and American interests. I want them to understand that we are placing in their hands the greatest and widest power, probably greater than was ever invested in any governmental organization before, and that we are giving them this power and giving them this discretion to use in the interest of American trade and American shipping, and not for the purpose of simply getting rid of the ships we have in the most expeditious way possible.

I would like to see these ships all in private American hands to-morrow; but, Mr. President, I do not want to see these ships sacrificed in price and the establishment of lines of trade fail in order to get rid of them. I want these ships to be used as the basis or the foundation of a great and permanent American merchant marine, and I feel sure it can be done if the board acts in the right way, and I believe the board will act in the right way. I will believe that until I see it acts otherwise.

Mr. PHELAN and Mr. EDGE addressed the Chair.

The VICE PRESIDENT. Does the Senator from Washington yield; and if so, to whom?

Mr. JONES of Washington. In just a moment. We have in this bill gone even further than I believe it is safe to go in directing the Shipping Board and limiting the powers of the Shipping Board in its disposition of these ships. I believe it is for us to lay down a great national policy that we want carried out and then let the Shipping Board lay down the administrative policies to effect that great object. The wider the discretion the more likelihood of success. I yield to the Senator from California. I think he addressed the Chair first.

Mr. PHELAN. Mr. President, in the conference report on "Fees for passports and visés," agreed to last Saturday, I find this section:

> From and after the 1st day of June, 1920, it shall be unlawful for any alien, other than a seaman, to enter or attempt to enter the United States without a passport duly viséed by a person duly authorized by the Secretary of State to issue such visé: *Provided*, That this section shall not apply to nationals of Great Britain domiciled in the Dominion of Canada, Newfoundland, the Bermudas, or the Bahamas, or to nationals of France domiciled in St. Pierre and Miquelon, or to citizens of Cuba, Panama, or Mexico.

The privilege is denied to nationals other than those of Great Britain or France and citizens of Cuba, Panama, and Mexico residing in these near-by places of coming into the United States, under this new regulation, without passports or without the viséing of passports. Presumably they will be amenable to the immigration laws. I know nothing to the contrary. But in advices received from San Francisco within the last five days it appears that Judge Rudkin, judge of the Federal court, held that a Japanese seaman who had escaped from a Japanese vessel, a deserter, when apprehended could not be returned, that there was no law by which such a seaman escaping from a vessel could be deported. That is the customary way of seeking entry by those ineligible to land, not only the Japanese but anarchists and Bolshevists and those who are bent upon the destruction of our Government, it is claimed. They come in as seamen. I can not understand why an exception should be made in favor of seamen under these circumstances, and why we should not require a passport or a visé at the port of departure, because then the American consul, in viséing such a passport, could determine whether they were bona fide seamen or not. This conference report was agreed to without any comment, and I will state to the Senator in charge of the bill that I was seriously contemplating offering an amendment to the shipping bill providing that seamen should not enjoy that exemption unless there is some very good reason why they should enjoy the exemption.

Mr. JONES of Washington. Mr. President, personally I see no objection to it. What the reasons were for making that exception I do not know. If they were presented to me, they might appeal to me. But I am moved, in connection with this bill, by the spirit of doing everything in the world for American shipping and looking after our interests and our interests only; and I would like to see us do everything we possibly can for our interests and for the building up of a merchant marine. I would extend no favors to any country unless I could see a corresponding or greater benefit to my country.

In connection with what has already been said, I am going to call attention to what Canada does with reference to this coastwise-trade law, the evasion of which we would like to prevent, and it will suggest to the Senator from New Jersey [Mr. EDGE] what the British do, what Canadians do, what the Japanese do with reference to maintaining their shipping, and something we do not propose to do in this bill.

I have here a document entitled—

> Dominion of Canada report relating to mail subsidies and steamship subventions as controlled by the department of trade and commerce for the fiscal year ending March 31, 1918, with traffic returns, etc., to December 31, 1918.

Here are estimates for the year ending March 31, 1920, as compared with those for the year ending March 31, 1919, with statement of services rendered and expenditures to December 31, 1918, on account of mail subventions and steamship subventions. Apparently this is called chapter 18. It reads:

> MAIL SUBSIDIES AND STEAMSHIP SUBVENTIONS.
>
> Amount to be voted..... $2,467,120.67

By Canada as subvention—for what purpose? For the purpose of maintaining shipping lines. What is one of the lines that is to be maintained by subvention?

Victoria, Vancouver, and Skagway. Skagway is in Alaska. It is an American port. How much do they pay the steamship company to maintain a line to Skagway? Twelve thousand five hundred dollars. They estimate $12,500 for the year 1920. That line, paid $12,500, maintains an agency in Seattle and evades the laws of the United States, and we are permitting her to do it. That we propose to stop by this bill if the Senate will indorse the recommendation of the committee.

Mr. EDGE. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from New Jersey?

Mr. JONES of Washington. I yield.

Mr. EDGE. I gather from the previous remarks of the Senator from Washington, in referring to the fact that Congress had never granted a subsidy, that the Senator favors a subsidy by the Government in some form or another to assist in the development of American shipping.

Mr. JONES of Washington. I favor anything that will establish and maintain an American merchant marine, and I will support direct subsidy legislation if it is necessary. I do not believe that it is necessary at the present time. I believe we have some provisions here in this bill—you may call them subsidy provisions if you want to—that will do what we want done. One provision enables the administrative agencies to make contracts with reference to the carrying of mails. Instead of paying over $2,000,000 of our own money to foreign steamship lines for carrying our mail I am in favor of paying it to our own; and I will go much further, so far as I am personally concerned, if necessary, to establish an American merchant marine.

Mr. EDGE. I want to make it clear that I rather agree with the Senator. The term "subsidy" seems to have had a rather bad sound in the country generally, but many efforts on the part of the Government will make up for what might ordinarily be called a direct payment of subsidy. The question I was leading up to is this: In establishing these lines, for illustration, to the Philippines, I assume from what the Senator says he imagines that they will be operated at a loss, inasmuch as I think the Senator stated that it would be impossible, in his judgment, to induce private capital to establish similar lines.

Mr. JONES of Washington. The Senator misunderstood me.

Mr. EDGE. I wanted to get that clear.

Mr. JONES of Washington. I said I thought it would be impossible to induce private parties to establish these lines without putting them under the coastwise laws, leaving them in competition with the Japanese and letting the Japanese run their ships to Manila and then on to the coast. I think if we give notice that in a year from now the coastwise laws will be extended to the Philippines that private parties will go to work to prepare to take advantage of the trade and will establish private lines, and that it will not be necessary for the Government to do that. That is what I confidently believe.

Mr. EDGE. In other words, if in the meantime there is any loss because of the Government establishing these lines to the Philippines and thus endeavoring to encourage Philippine trade to this country, it will be in the nature of a subsidy in order to build up that business.

Mr. JONES of Washington. I make no question about that at all.

Mr. EDGE. That is the point I am trying to bring out.

Mr. JONES of Washington. Of course the Senator and I agree with reference to that, but it will be more than balanced

by trade expansion and development that will take place, and the people of the country will approve it.

Mr. THOMAS. Mr. President, I am obliged to leave the Chamber because of another engagement. I assume, if this part of the bill is reached, that it will not be disposed of this afternoon?

Mr. JONES of Washington. If the Senator would like to have it go over——

Mr. THOMAS. I should like to say something on it.

Mr. JONES of Washington. I shall be very glad to have it go over.

Mr. THOMAS. I thank the Senator.

Mr. SIMMONS. Mr. President——

Mr. JONES of Washington. I yield to the Senator from North Carolina.

Mr. SIMMONS. I do not know that the Senator has made it perfectly clear yet that the Government, under the provisions of the bill, assumes no obligations whatever to establish these lines unless private individuals fail to establish them.

Mr. JONES of Washington. That is true. I am glad the Senator emphasizes it. We try to emphasize that in the bill, that unless private enterprise does it, the Government will establish it. We also tried to emphasize that we do not want the Government to maintain it any longer than is necessary; that if they establish it and develop a good business and can sell the ships, we want them to do it, and I am sure this can be done. Let there be no mistake. We do not propose to extend the coastwise laws to the Philippines and leave them without shipping. It is made as plain as can be that ample shipping facilities shall be ready when the coastwise laws are extended and that such shipping is to be maintained.

Mr. SIMMONS. In the first place, we allow a year in which this provision of the bill is not to become operative; that is, a year's time in which private individuals may get ready for this trade. At the end of that period the President may further extend the time of Government operation, if it is wise to do so, in order to give further opportunity for private capital to supply the requirements of the trade. That is what I understand the bill to provide.

Mr. JONES of Washington. That is true.

Mr. EDGE. May I interrupt the Senator there? If private capital could not make a reasonable profit on the operation, is it not reasonable to assume that the Government can not make any profit on the operation, judging from previous experiences in governmental administration?

Mr. SIMMONS. Of course, if private capital can not operate the line at a profit, the Government can not do so.

Mr. EDGE. Then we must assume that it is a subsidy.

Mr. SIMMONS. The purpose of the bill is to offer inducement to private capital to do that. If private capital does not do it, then the Government of the United States, in the interest of its trade with these islands, proposes that it will operate this line, whether at a profit or a loss. It may be, for that question continually arises, that the Government can not operate these ships at a profit—I mean a profit upon the actual operations—but the Government has other interests in the Philippine Islands than that of making money out of the ships, which it may have to supply as a last resort, in order that the country may get its proper share of the trade with one of its own possessions.

If the Senator from Washington will pardon me just for a moment——

Mr. JONES of Washington. Certainly.

Mr. SIMMONS. I have no doubt that under present conditions the people of the United States are not enjoying anything like as large a part of the trade of the Philippine Islands as they are entitled to enjoy. I have no doubt that under present conditions Japan, Great Britain, and other European maritime nations who supply the Philippines with their ocean transportation are doing it upon conditions that are much more favorable to the shipment of their products and the purchase of their supplies from foreign countries and the United States; that they are getting to-day the lion's share of that traffic, and that they will continue, as long as those conditions exist, to get the lion's share of that traffic.

The traffic in the Philippine Islands as a whole is a very large traffic, and yet up to this time, while our traffic has been increasing from year to year, we are getting but a very limited portion of the trade of the Philippine Islands.

I say up to this time we are getting a very limited portion of the traffic from the Philippine Islands. It is perfectly natural that if Great Britain wants that trade she should take it to her ports at a less rate than she is willing to bring it to our shores. Is it not perfectly natural that if Japan wants that trade, and Japan is the only nation furnishing ocean transportation, Japan will take that trade to her ports instead of bringing it to our ports, and if she brings it to our ports by force of necessity, she would charge a higher rate upon that than she charges for transportation of the same thing to her own ports?

So I say that we have this condition confronting us with reference to one of our own possessions. We can not give the people of those islands a fair opportunity to trade with us and we can not ourselves enjoy a fair opportunity to trade with them, because they buy their transportation from other countries that are interested in diverting the trade from this country to their own country, and that will continue.

Now, it may be that under present conditions it will be impossible for private capital to operate ships between this country and the Philippines at a profit. It may be under present conditions that it will be impossible for the United States Government to do that, because when they get to these ports, whether the ship be under private control or under Government control, it meets the competition of Japan and the competition of Europe. But suppose we eliminate that; suppose we send our ships there in private ownership or in Government ownership in certain quest of that trade and there is no possible competition between those ships and foreign ships. We send them there with the fixed purpose that we will give to those people as favorable trade conditions as ships of any other country will give to them. What is the result? The result will be that not only the present traffic between that country and this country will all be brought in American bottoms, but that traffic between this country and our possession across the sea will greatly increase as the result of the concentration of that traffic, and as a result of the increase of that traffic, it seems to me, it is reasonable to suppose that we will build up a sufficient trade between this country and the Philippines to make it profitable for American ships engaged in coastwise trade to operate at a profit.

The committee considered the question very maturely and very thoroughly. It is the hope of the committee that by extending our coastwise laws to the Philippine Islands, by cutting off competition between our ships and foreign ships for this trade, we will be able in a short time to build up a trade sufficient to justify private capital in investing money in that enterprise. But if we can not do that, it seems to me it would be a gross disregard of our duty to those people if we did not see to it that they are furnished by the Government of the United States, even if it entails some little loss to the people of the United States, an equal opportunity to trade with this country to that which they enjoy in their trade with other countries of the world.

Mr. JONES of Washington. I thank the Senator from North Carolina for the splendid statement he has made. He has covered the whole question fully and completely.

I wish to call attention briefly to what Canada is doing with reference to trade between Canada, China, and Japan. Her own estimate for 1919 was $253,333.34. That comes out of the Treasury of Canada in direct aid to her shipping lines. The estimate for 1920 is $253,333.34.

I wish to call the attention of Senators to a very significant statement on page 101 of this official document. This is with reference to a $200,000 item for traffic between Canada and France:

> Freight rates. The rates charged for freight to or from any Canadian port included in this contract shall not exceed the rates charged by regular passenger steamers of the same class to or from New York, Boston, or Portland, and the minister may at any time revise the rates if he deem it advisable.

In other words, the rates from Canadian ports shall not exceed those from Boston and New York. Then listen:

> No discrimination of any kind shall be made against Canadian merchants or shippers, who shall always have precedence for their freight and goods over all other merchants and shippers.

They propose to look after their interests. That is what I want us to do with reference to our interests.

Now, Mr. President, just a word with regard to section 11, which has been adopted, which provides for a fund for aiding private parties to build ships and for building the ships by the Government if that becomes necessary. The Senator from New Jersey is not opposed to, in fact he favors, creating a fund to be used in aiding private parties in the building of ships. I can not see the justice of a discrimination. We probably have a situation on the Pacific coast very different from that on the Atlantic coast, and it emphasizes, to my mind, at any rate, the need of a larger board. The Senator from New Jersey and the Senator from Minnesota think the present board is too large, being composed of seven. The Senator from Minnesota would make it much smaller; he says we should have one, two, or three commissioners who will represent the whole country. The trouble is that when you get the three they do not represent the whole country; they do not know anything about the conditions in certain sections of the country; they do not know the needs of the Pacific as compared with the Atlantic, and they represent only the Atlantic, and probably only a small part of that.

Mr. RANSDELL. Will the Senator yield for a suggestion?

Mr. JONES of Washington. I will.

Mr. RANSDELL. It seems to me it would be just as apropos for us to have the various States of the South and the Pacific, for instance, represented by two or three Senators as to have our immense commerce on the Pacific, the Gulf, and the South Atlantic represented by three men, probably all taken from one city. We have got to have representatives from every section of this great Republic on our Shipping Board, exactly as we have in the House of Representatives and in the United States Senate, in order to have the interests of the respective localities properly looked after.

Mr. JONES of Washington. Certainly, that is true. One of the most important provisions of this bill is that increasing the board and distributing it over the different sections of the country. There will be no log rolling, but the interests and shipping needs of every section will be considered. A broad, national policy will be carried out in a broad, national way and a merchant marine will be created that will serve every interest and every section. If this proposition simply involved the selling of ships, the getting rid of ships, if it were simply a liquidating proposition, as a prominent gentleman who is a member of the shipping force though not a member of the Shipping Board has several times designated it, then I would agree with the Senator from Minnesota and the Senator from New Jersey that one man would be better than a board of three or five or seven; but the Shipping Board is anything but a liquidating agency. Its great purpose and aim are administrative and the development of administrative policies to carry out the great policy which we declare in this bill. It will require men with knowledge of every section and of the needs of every section of the country to do what ought to be done.

Now, what is the situation on the Pacific coast? We do not have regular lines on the Pacific, such as cross the Atlantic from New York. We have the Japanese and the English and other lines controlling the business on the Pacific, but few, if any, American lines; and yet, if there is any section outside of South America where the commerce of the United States should develop and grow and expand, it is in the Pacific and in the Orient. We must have men who know the conditions and the needs and the situation there in order to work out a policy that will build up lines; and we want regular lines on the Pacific. We must have them or aliens will control the trade of the Pacific, including our own.

Mr. President, I hope, under the encouragement given in this bill, that private parties will establish such lines, but, if they do not, the lines ought not to go unestablished simply because private parties do not see sufficient profit in the enterprise to establish them and to operate ships on them. So, while it is the policy of the bill and of the committee to have private parties build all these ships and establish these lines and these routes, if they can be prevailed upon to do so, we do not propose to leave very highly desirable routes without ships.

We deem it not only wise but good governmental business to provide a way by which if there is a highly important route that should be established and private parties will not establish it, the Government agency may construct the ships and put them on the line and develop the business; develop the business at a loss, if you please; and when it gets profitable sell the line and the ships on a profitable basis to private parties and let them continue to operate them.

The people of the country will sustain a proposition of that sort. They will recognize that while they are paying a subsidy, or call it whatever you please, they are paying for the establishment and development of a business that will mean millions of dollars for the commerce of this country, the development of American shipping that will be a great asset of national defense in time of need. So, Mr. President, I am glad that the Senate has approved that section of the bill. It is one of its most important sections. Under it private parties will be aided in building the finest type of ships for trade lines they believe will be profitable, and under it the Government will see to it that important routes are established and new markets developed.

Mr. EDGE. Mr. President, may I ask a question right here?

Mr. JONES of Washington. I yield to the Senator from New Jersey.

Mr. EDGE. Simply to bring out the matter in the RECORD, I desire to ask the Senator what is the proposed policy? If I understand it correctly, in establishing these new lines, even though they are operated at a loss—and I am inclined to agree also with that policy—the Senator does not, of course, mean by that that we shall establish lines where American lines are already in operation?

Mr. JONES of Washington. Not at all.

Mr. EDGE. But simply where such lines are not running?

Mr. JONES of Washington. Certainly; I do not imagine that the Shipping Board would think about establishing lines where American lines are already established, because we do not propose and do not desire this legislation to be used by the Shipping Board to destroy private enterprise, private industry, and private capital which has been invested. On the contrary, we want the Shipping Board to aid and sustain private energy and industry.

Now, just a word further. The Senator from Minnesota is fearful that we shall establish a great many routes that will not pay. Mr. President, we do not have the American merchant marine established as it ought to be established; we do not have the routes developed as they ought to be developed and as we should like to have them developed. This bill may not do what we hope it will do. We will do nothing if we do not try to do something. If we wait to be sure of results nothing will be done. We must take some chances. Like the Senator from Minnesota, I hope the policy proposed will be a success. I do not know, but I believe it will be. I do not believe that the Shipping Board, under the direction that we give them, will fail to carry out the intentions of the legislation, if we get the right sort of a board; and I want to say that the committee, in my judgment, is going to do what it can hereafter to see that we have the right kind of men on the Shipping Board, whether we have them now or not. We recognize the tremendous importance of the Shipping Board; we recognize that it ought to be composed of men of the highest standing and the greatest business ability and experience that we can possibly get; men who are moved by the highest motives of patriotism and the desire to build up American interests and the American merchant marine. We are going to do the best we can to aid in securing that sort of men on the Shipping Board. No Government board has a more difficult task nor a greater work to do. They are going recklessly into the establishment of new routes. They are going to look into the matter very carefully before they act. We will have to depend upon them; we will have to trust them; and we are going to give them the general outlines of the policy we want carried out and the great purpose we desire to accomplish, and then we are going to intrust them with the power to accomplish that purpose and that object.

Mr. President, I have taken more time than I expected. I did not intend to speak at all but I thought it well to present the other side of the questions suggested by the able Senators from Minnesota and New Jersey. I should like to have the consideration of the bill continued for a few moments until we can finish the reading of the text of the bill as it passed the House, and then I will be willing to have it go over temporarily before we begin the consideration of the new provisions.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 16, line 7, to change the number of the section from "7" to "12"; in the same line, before the word "sold," to strike out "not" and insert "until"; in line 9, after the word "terms," to insert "and conditions"; in line 11, after the words "merchant marine," to strike out "provided the operation, charter, or lease of such vessels by the board shall be limited to the time fixed" and insert "pursuant to the policy and purposes declared in sections 1 and 5 of this act; and the United States Emergency Fleet Corporation shall continue in existence and have authority to operate vessels until all vessels are sold in accordance with the provisions of this act, the provision"; and in line 18, after "1916," to insert "to the contrary notwithstanding," so as to make the section read:

SEC. 12. That all vessels until sold shall be managed and operated by the board or chartered or leased by it on such terms and conditions as the board shall deem wise for the promotion and maintenance of an efficient merchant marine, pursuant to the policy and purposes declared in sections 1 and 5 of this act; and the United States Emergency Fleet Corporation shall continue in existence and have authority to operate vessels until all vessels are sold in accordance with the provisions of this act, the provision in section 11 of the "shipping act, 1916," to the contrary notwithstanding.

The amendment was agreed to.

The next amendment was, on page 16, line 19, to change the number of the section from "8" to "13"; in line 20, before the word "property," to strike out "any" and insert "all"; in the same line, before the word "transferred," to insert "other than vessels"; in line 21, after the word "section," to strike out "2" and insert "4"; in the same line, before the word "such," to strike out "under" and insert "upon"; in line 22, after the word "may," to insert "determine and"; and in the same line, after the word "prescribe," to strike out "but completion of payment of the purchase price shall be within five years from the date of the contract of sale," so as to make the section read:

SEC. 13. That the board is further authorized to sell all property other than vessels transferred to it under section 4 upon such terms and conditions as the board may determine and prescribe.

The amendment was agreed to.

The next amendment was, on page 17, line 1, to change the number of the section from "9" to "14"; in line 3, after "1916," to insert "or by the acts specified in section 2 of this act"; in line 4, before the word "such," to strike out "save" and insert "except"; in line 6, after the word "section," to strike out "7" and insert "12"; in the same line, after "12," to strike out "of this act," and insert "hereof"; in line 7, before the word "for," to strike out "or" and insert "and"; in the same line, after the word "section," to strike out "6" and insert "10 hereof, and for the construction fund authorized in section 11 hereof"; in line 13, after "July 1," to strike out "1920" and insert "1921"; in line 16, after the word "capital," to strike out "or" and insert "and less such sums as may be needed"; in the same line, after the word "insurance," to insert "and construction"; in line 17, before the word "shall," to strike out "fund" and insert "funds"; in line 21, before the word "or," to strike out "act" and insert "acts" and in line 22, after the word "section," to strike out "1" and insert "2," so as to make the section read:

SEC. 14. That the net proceeds derived by the board prior to July 1, 1921, from any activities authorized by this act, or by the "shipping act, 1916," or by the acts specified in section 2 of this act, except such an amount as the board shall deem necessary to withhold as operating capital, for the purposes of section 12 hereof, and for the insurance fund authorized in section 10 hereof, and for the construction fund authorized in section 11 hereof, shall be covered into the Treasury of the United States to the credit of the board and may be expended by it, within the limits of the amounts heretofore or hereafter authorized, for the construction, requisitioning, or purchasing of vessels: After July 1, 1921, such net proceeds, less such an amount as may be authorized annually by Congress to be withheld as operating capital, and less such sums as may be needed for such insurance and construction funds shall be covered into the Treasury of the United States as miscellaneous receipts. The board shall, as rapidly as it deems advisable, withdraw investment of Government funds made during the emergency under the authority conferred by the acts or parts of acts repealed by section 2 of this act and cover the net proceeds thereof into the Treasury of the United States as miscellaneous receipts.

The amendment was agreed to.

The next amendment was, on page 18, line 1, to change the number of the section from "10" to "15"; in line 2, after the word vessels," to insert "owned by the United States Government"; in line 3, after the word "furnished," to insert "by the board"; in line 5, before the word "department," to strike out "the" and insert "such"; and in the same line, after the word "department," to strike out "when such vessels are owned by the United States Government," so as to make the section read:

SEC. 15. That the board shall not require payment from the War Department for the charter hire of vessels owned by the United States Government furnished by the board from July 1, 1918, to June 30, 1919, inclusive, for the use of such department.

The amendment was agreed to.

The next amendment was, on page 18, line 7, to change the number of the section from "11" to "16"; in the same line, before the word "build," to insert "purchase"; in line 8, after the word "requisition," to insert "lease"; in the same line, before the word "exchange," to strike out "or"; in the same line, before the word "houses," to insert "or otherwise acquire"; in line 9, before the word "buildings," to strike out "or"; in the same line, before the word "land," to strike out "to purchase or requisition"; in line 15, after the word "is," to strike out "suspended" and insert "hereby terminated"; in line 16, after the words "for the," to strike out "repairs"; in line 21, before the word "such," to insert "all"; in line 22, before the word "such," to insert "all," and in same line, after the word "practicable," to insert "consistent with good business and the best interests of the United States," so as to make the section read:

SEC. 16. That all authorization to purchase, build, requisition, lease, exchange, or otherwise acquire houses, buildings, or land under the act entitled "An act to authorize and empower the United States Shipping Board Emergency Fleet Corporation to purchase, lease, requisition, or otherwise acquire, and to sell or otherwise dispose of improved or unimproved lands, houses, buildings, and for other purposes," approved March 1, 1918, is hereby terminated: *Provided, however*, That expenditures may be made under said act for the repair of houses and buildings already constructed, and the completion of such houses or buildings as have heretofore been contracted for or are under construction, if considered advisable, and the board is authorized and directed to dispose of all such properties or the interest of the United States in all such properties at as early a date as practicable, consistent with good business and the best interests of the United States.

The amendment was agreed to.

Mr. JONES of Washington. An executive session is desired, and I will not ask that the Secretary read further at this time. I understand, however, the Senator from New Jersey wishes to occupy the floor for a few moments.

Mr. EDGE. Mr. President, I did not wish to interrupt further until the reading of the provisions of the bill as passed by the House had been completed, but I do not want the impression to be permitted to remain or any misunderstanding to arise as to my view of the policy of the Government in aiding the construction of new vessels as compared to the actual appropriation of money for the building of new vessels. I desire to say merely a word in reference to that matter. I consider absolutely consistent the position agreeing with the one policy and not with the other. When we loan money for the construction of necessary new ships we are simply advancing our credit; we are not accumulating additional property to be disposed of in some way or other, probably at a loss, at a later date. In order to follow out the policy which the Senator from Washington so eloquently announced to-day of building a merchant marine, I think it is one of the most businesslike policies of the Government to loan its credit when it is being absolutely secured and protected under the terms of the act, and quite a different policy from actually expending money and having the property on hand. While I offered no amendment, I stated at the time that I believed in a $50,000,000 limit, and that the section was not compulsory. It simply placed the matter in the hands of the board, and left it optional with the board. I would not attempt to amend the section; but I do think there is a distinct difference between loaning credit and spending our own money, and thus having the goods on hand.

EXECUTIVE SESSION.

Mr. JONES of Washington. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 4 o'clock and 35 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, May 11, 1920, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate May 10, 1920.

MEMBER OF THE FEDERAL RESERVE BOARD.

Edmund Platt, of Poughkeepsie, N. Y., to be a member of the Federal Reserve Board, vice Albert Strauss, resigned.

UNITED STATES ATTORNEY.

James H. Hughes, jr., of Wilmington, Del., to be United States attorney, district of Delaware, vice Charles F. Curley, term expired.

UNITED STATES MARSHAL.

Martin F. Farry, of Wilmington, Del., to be United States marshal, district of Delaware. (A reappointment, his term having expired.)

REGISTERS OF THE LAND OFFICE.

Joseph Oker to be register of the land office at Helena, Mont., his present term expiring June 30, 1920. (Reappointment.)

Henry Alexander Porter to be register of the land office at Vancouver, Wash., his present term expiring June 1, 1920. (Reappointment.)

PROMOTION IN THE REGULAR ARMY.

CORPS OF ENGINEERS.

To be colonel.

Lieut. Col. James P. Jervey, Corps of Engineers, from May 1, 1920.

To be lieutenant colonel.

Maj. Albert E. Waldron, Corps of Engineers, from May 1, 1920.

To be major.

Capt. Carey H. Brown, Corps of Engineers, from May 1, 1920.

CAVALRY ARM.

To be lieutenant colonel.

Maj. Abraham G. Lott, Cavalry, from May 5, 1920.

To be major.

Capt. Christian A. Bach, Cavalry, from May 5, 1920.

COAST ARTILLERY CORPS.

To be first lieutenant.

Second Lieut. Donald W. Sawtelle, Coast Artillery Corps, from October 15, 1919.

PROMOTION IN THE NAVY.

Col. Harry Lee to be a brigadier general in the Marine Corps, for temporary service, from the 28th day of March, 1920.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 10, 1920.

UNITED STATES ATTORNEY.

Dennis B. Lucey to be United States attorney, northern district of New York.

RECEIVER OF PUBLIC MONEYS.

Daniel W. Craddock to be receiver of public moneys at Seattle, Wash.

COAST GUARD.

To be captains.

Fletcher W. Brown.
Henry Coyle.
Robert Donohue.
Frank J. Gorman.
Loyd V. Kielhorn.
Gordon W. MacLane.
Earl G. Rose.
Edward H. Smith.
Elmer F. Stone.
Carl C. von Paulsen.
John E. Whitbeck.

POSTMASTERS.

ARIZONA.

Leonard C. Parke, Chandler.
Andrew R. Tipton, Clarkdale.
Nancy M. Dermont, Metcalf.

CALIFORNIA.

Charles H. Coffey, jr., Gonzales.
George A. Debenedetti, Half Moon Bay.
Winifred M. Whitney, Oceanside.
Calla Winger, Orcutt.
William J. Martin, Salinas.
Alfred Gourdier, Torrance.
Florence Stone, Tustin.
Robert W. Walker, Vallejo.

IDAHO.

Arthur H. Potsch, Genesee.

MONTANA.

Charles W. Allison, Bainville.
George C. Core, Choteau.
Andrew N. Smith, Columbia Falls.
Jacob Z. Bruegger, Culbertson.
Avory W. Dehnert, Denton.
Mathew H. Casey, Kremlin.
George H. Wood, Malta.
Charles A. Pennell, Manhattan.
John W. Lister, Missoula.
Wade J. Hubbell, Poplar.
Frances W. Tarwater, Saco.
Burton S. Adams, Sidney.
Claude C. Alexander, Stanford.
William Fraser, Three Forks.
Adolph B. Horstman, Whitefish.
Thomas E. Devore, Whitehall.

NEW JERSEY.

George Coleman, Delanco.
Ida H. Collom, Pemberton.

OHIO.

Jerome H. C. Goodhart, Brewster.
Harry C. Parrett, Continental.
Charles E. Cramer, Fredericksburg,
Don B. Stanley, Lowell.
George H. Mounts, Salem.
William R. Hatfield, West Milton.

VIRGINIA.

William H. Rixey, Rosslyn.

HOUSE OF REPRESENTATIVES.

MONDAY, *May 10, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou God of law and order, peace and equity, justice and mercy, truth and purity, whose love reaches the farthest star in the vast universe and would enter in and possess the most forlorn and lonely soul, control our minds, direct our ways, and bring us with all the world in harmony with the eternal plans Thou hast ordained. Under the divine leadership of Thy son, Jesus of Nazareth. Amen.

The Journal of the proceedings of Saturday, May 8, 1920, was read and approved.

SWEARING IN OF A MEMBER.

Mr. FLOOD. Mr. Speaker, the Hon. PATRICK HENRY DREWRY, who comes from the old Lexington district in Virginia, is present and wishes to qualify. His credentials are with the Clerk.

Thereupon Mr. DREWRY, accompanied by Mr. FLOOD, appeared before the bar of the House, and the Speaker administered the oath of office to Mr. DREWRY.

SUNDRY CIVIL APPROPRIATION BILL.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870, the sundry civil appropriation bill.

The SPEAKER. The gentleman from Iowa moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the sundry civil bill. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Minnesota [Mr. ANDERSON] will take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870, the sundry civil bill, with Mr. ANDERSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the sundry civil bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13870) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Insane of Alaska: For care and custody of persons legally adjudged insane in Alaska, including transportation and other expenses, $115,000: *Provided*, That authority is granted to the Secretary of the Interior to pay from this appropriation to the Sanitarium Co. of Portland, Oreg., not to exceed $520 per capita per annum for the care and maintenance of Alaskan insane patients during the fiscal year 1921.

Mr. JOHNSON of Washington. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Washington moves to strike out the last word. The gentleman from Washington is recognized for five minutes.

Mr. JOHNSON of Washington. Mr. Chairman, I was in hopes that some provision would be made and carried in this bill in regard to the insane from Alaska, to provide for these insane to be returned to Alaska, or, if citizens of Alaska and found in the States of the Pacific Northwest, that they shall be sent to the sanitarium at Portland. Legislation is asked for to cure that condition. I hope that the time will come when we shall have a sanitarium for the insane in Alaska.

As it is now, a citizen of Alaska found insane in the States can not be sent to the Morningside Asylum at Portland for the reason that that citizen has not been adjudged insane in Alaska. I withdraw the pro forma amendment.

The CHAIRMAN. The pro forma amendment is withdrawn. The gentleman from Washington [Mr. JOHNSON] asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Education in Alaska: To enable the Secretary of the Interior, in his discretion and under his direction, to provide for the education and support of the Eskimos, Aleuts, Indians, and other natives of Alaska; erection, repair, and rental of school buildings; textbooks and industrial apparatus; pay and necessary traveling expenses of superintendents, teachers, physicians, and other employees; and all other necessary miscellaneous expenses which are not included under the above special heads, $275,000: *Provided*, That no person employed hereunder as special agent or inspector, or to perform any special or unusual duty in connection herewith shall receive as compensation exceeding $200 per month, in addition to actual traveling expenses and per diem not exceeding $4 in lieu of subsistence, when absent on duty from his designated and actual post of duty: *Provided further*, That of said sum not exceeding $7,000 may be expended for personal services in the District of Columbia.

Mr. BLANTON. Mr. Chairman, I want to ask the chairman of the committee, in connection with this paragraph in regard to education in Alaska, whether or not the subject of education could not be brought closer home, say here in the District of Columbia, and if the chairman at this time would permit us, without raising a point of order against it, to offer an amendment to this paragraph to provide for what is known as the teachers' bonus of $500 for the teachers of the District of Columbia? Many of the teachers here get less than $900 per year salary.

Mr. GOOD. Of course, that would not be germane to this item. The gentleman understands that this education that is carried on by the Department of the Interior in Alaska is for the native children.

Mr. BLANTON. Oh, I know it is subject to a point of order; but the urgency of the matter is so great, the need of it is so

great just now to save the schools of the District of Columbia, that I thought possibly the chairman would permit it.

Mr. GOOD. I think the gentleman will agree that the committee having charge of the District of Columbia appropriation bill went a long way, so far as increasing the pay of the teachers is concerned.

Mr. BLANTON. They had a long amendment, but after we passed it it did not amount to much increase for the teachers.

Mr. GOOD. I think it did. It requires the additional expenditure of about $750,000 a year.

Mr. BLANTON. The teachers are urging Congress right now for some immediate action, claiming that they have no means whatever to carry them through the summer months. I heard a distinguished educator in the House the other day say, "Oh, let them go to work and farm themselves out during the summer months in useful work."

I want to say right now that when a teacher spends nine months of the year in the schoolroom she is entitled to a little recreation in the summer time. If the teachers are going to be kept fit to teach the youth of the land during the rest of the year, they ought to have some time off in the summer.

Mr. GOOD. I could not agree to an amendment of that kind; that is not germane.

Mr. BLANTON. Is the gentleman in favor of it?

Mr. GOOD. I have been very sympathetic in my attitude toward the teachers' pay. I think the pay of the ordinary clerk in Washington is in most cases a good deal higher at present than the pay of school-teachers.

Mr. BLANTON. The pay of the idle negro janitor in a department in Washington is much higher to-day than that of the highly trained white lady school-teacher.

Mr. GOOD. In the subcommittee in charge of the deficiency bill——

Mr. SANFORD. Mr. Chairman, I make a point of order on this discussion on the paragraph.

Mr. BLANTON. The gentleman is not against education, is he?

Mr. SANFORD. Of course not; but I make the point of order against this discussion.

Mr. BLANTON. Let it be charged, then, against the gentleman that he is opposed even to a discussion of the subject. Let the teachers get after him.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Reindeer for Alaska: For support of reindeer stations in Alaska and instruction of Alaskan natives in the care and management of reindeer, $6,400: *Provided*, That the Commissioner of Education is authorized to sell such of the male reindeer belonging to the Government as he may deem advisable and to use the proceeds in the purchase of female reindeer belonging to missions and in the distribution of reindeer to natives in those portions of Alaska in which reindeer have not yet been placed and which are adapted to the reindeer industry.

Mr. BLANTON. Mr. Chairman, I offer an amendment on page 108, line 8. After the word "industry," add a new paragraph, "That there shall be paid to each teacher in the District of Columbia a bonus of $500 for the school year of 1919–20."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Texas:

Amendment offered by Mr. BLANTON: Page 108, line 8, after the word "industry," insert a new paragraph, to read as follows:
"That there shall be paid to each teacher in the District of Columbia a bonus of $500 for the school year of 1919–20."

Mr. GOOD. To that, Mr. Chairman, I reserve a point of order.

Mr. BLANTON. Mr. Chairman, in the paragraph preceding this one to which I offered the amendment we provide for education in Alaska to the amount $275,000. We do not stop there. That is all right, however, and I am in favor of every dollar of it. You will never find me, as long as I am in the House, voting to reduce appropriations for education of the people one single dollar, because I am in favor of educating them to a blue-sky limit.

But, I say, we do not stop there; we go on further, and in the paragraph preceding this we provide that the Commissioner of Education shall expend $6,400 on the management of reindeer in Alaska, and so forth. Now, I want to ask my colleague if there is a single reason on the face of the earth that we can offer for not paying the teachers of the District of Columbia this little, measly amount of a $500 bonus when many of them are now getting less than $900 per year?

Mr. MADDEN. If the gentleman is asking me, I will tell the gentleman what I think about it.

Mr. BLANTON. I will yield.

Mr. MADDEN. I think in the past the teachers in the District of Columbia were the worst paid teachers in the United States. I always favored good compensation for the teachers. They all know that I have, not only here but all over the United States.

Mr. BLANTON. I hope the gentleman will not take up all my time.

Mr. MADDEN. I will get the gentleman more time. I favored the pension for them, which they were justly entitled to. I favored the increased compensation provided for in the District bill, amounting to 50 or 100 per cent. They have got that. They come now and ask for a bonus of $500. I am against that; I think there is a limit beyond which we ought not to go.

Mr. BLANTON. I want to call the attention of the gentleman from Illinois to the fact that there is in the District now a young lady whom I know who is highly educated, who taught school in the high schools of Texas, one of the best teachers that you will find anywhere in the country, who is teaching in your District schools here right now on a salary of less than $100 a month. Why should she do it? She has got to stop. She told me the other day that she absolutely could not afford to do it; that she will have to resign her position.

Mr. HICKEY. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HICKEY. What salary did this young lady receive in Texas?

Mr. BLANTON. I think she received more than $100 per month, but she came to the District of Columbia, like other people come, for the advantages that a young person can receive here in an educational way.

Mr. CANNON. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CANNON. If she is such a good teacher, is there anything to keep her from going down to Texas and getting $400 or $500 or $2,000 increase?

Mr. BLANTON. Oh, yes; I will tell you what is the matter; you are trying to force every teacher in the District of Columbia to join the trade-union, which would be an everlasting disgrace to their profession; and when you do it you will not find a man here who will stand up and vote against their demands. Every one of you who talks against it now will be found jumping up here and voting for everything that you are called upon to do in the name of unions.

Mr. GOOD. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. GOOD. Is the gentleman aware of the fact that next year the lowest-grade teacher in the District of Columbia will receive $1,200 and a bonus of $240?

Mr. BLANTON. But what are you going to do about this year and the summer months in front of them, when they have got to live, just like you and I? They can not pay their debts on promises for next year. They can not pay for their meat and bread and board and lodging on legislative promises of what is to come next year.

Mr. GOOD. The gentleman's amendment does not take care of this year.

Mr. BLANTON. Oh, yes, it does. It is for the school year of 1919–20. They will get it immediately. What you want to do is to force them to join the union, and then when Samuel Gompers comes up here and puts Morrison in the gallery and his cohorts around here call on you, you are going to give them what they want, and you know it. Why don't you act without being compelled to act?

Mr. GOOD. Mr. Chairman, I make the point of order that the amendment is not germane and is not authorized by law.

The CHAIRMAN. The Chair thinks that the effect of the amendment is to increase salaries not fixed by law, and the Chair therefore sustains the point of order.

Mr. GANDY. Mr. Chairman, I move to strike out the last word. I want to ask the gentleman in charge of the bill when the item which was passed over Saturday is going to be taken up?

Mr. GOOD. The gentleman means the item with reference to the reclamation project?

Mr. GANDY. Yes.

Mr. GOOD. I have not had time to examine into the merits of the matter yet.

Mr. GANDY. It will be taken up at the end of the bill?

Mr. GOOD. Yes; at the end of the bill.

The Clerk read as follows:

National Park Service: Director, $4,500; assistant director, $2,500; chief clerk, $2,000; editor, $2,000; draftsman, $1,800; junior draftsman, $1,440; accountant, $1,800; clerks—3 of class 3, 2 of class 2, 1 of class 1, 1 $1,020, 2 at $900 each; messenger, $600; in all, for park service in the District of Columbia, $28,260.

Mr. HARRELD. Mr. Chairman, I move to strike out the last word. I should like to ask the gentleman from Iowa [Mr.

GOOD] what is the meaning of the terms, clerks of class 4, clerks of class 3, clerks of class 2, and clerks of class 1?

Mr. GOOD. A clerk of class 4 receives a salary of $1,800, a clerk of class 3 receives a salary of $1,600, a clerk of class 2 receives a salary of $1,400, and a clerk of class 1 receives a salary of $1,200. Without other specifications, appropriations are made for their employment under the classification law.

Mr. HARRELD. Is that provided in the bill?

Mr. GOOD. That is provided in the general law in regard to classification.

Mr. HARRELD. I notice that there was expended for this purpose in 1920, $22,220, and we propose now to increase it to $28,260, and to provide for three extra clerks, one of class 3, one of class 2, and one of class 1. I should like to know what is the necessity for increasing this clerical force at this time, when we are trying to economize?

Mr. GOOD. We gave four extra clerks—that is, a junior draftsman, an accountant, one clerk of class 3, and one clerk of class 1.

The director of the park service felt that there was no place where more economy could be effected than by giving them the clerical force here that was required to look after the national parks. They were having some trouble with regard to their accounts. They get in accounts from all of the national parks, and here is an appropriation of about $1,000,000 a year for the national parks.

Mr. HARRELD. Approximately $904,000.

Mr. GOOD. It is approximately $1,000,000 a year. The committee felt that with an appropriation of that kind we could not be too careful in the matter of accounts. The director thought that greater economies would be effected if they could keep their work current, if they could keep up their affairs in a businesslike way; that at the present time their force was so small that they were not able to keep their work current and to look after the national forests.

Mr. HARRELD. I should like to point out to the gentleman that the increase in the appropriations is only $157,000 more than it was last year.

Mr. GOOD. Yes; I have stated to the gentleman just what the situation is. I could state more if it would not show how stingy we have been in this regard and had made it necessary for the director to pay some of the clerks out of his own pocket.

Mr. HARRELD. Does it take three more clerks to handle $157,000 more than they had last year?

Mr. GOOD. No; I have said to the gentleman that the director states that their work is way behind now. I have tried to explain the situation.

Mr. HARRELD. I should like to ask about this editor at $2,000. I withdraw my pro forma amendment and make a point of order against the item "editor, $2,000."

Mr. GOOD. The point of order comes too late.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn. Of course debate having taken place on the pro forma amendment, a point of order would not lie against the paragraph.

Mr. HARRELD. Then I move to strike out in line 21, page 108, the item "editor, $2,000."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. Harreld: Page 108, line 21, strike out after the figures "$2,000" where they occur the first time the words and figures "editor, $2,000."

Mr. HARRELD. Now, Mr. Chairman, at this time, when we have such a scarcity of print paper, I can not see the use of this expense of printing these advertisements, or whatever they are, affecting the national parks. I think it is time we began a program of real economy, appropriating only that which is necessary. I noticed the other day the statement that in 1916 we had a per capita national revenue of $7.16, and that the per capita expenditures for that year were $7.07. That year we were receiving more than we were expending. In the year 1919, the latest figures available, the per capita revenue was $48.10 and the per capita expenditures were $139.80, almost four times what our receipts were. It seems to me that this is a good place to begin economy.

Mr. GOOD. Mr. Chairman, the total revenue from the national parks last year amounted to $186,000. The revenue up to the time of the hearings for this year was $198,000, and it is estimated that the revenue for next year derived from people who visit the parks and from certain of the concessions in the parks alone will amount to $300,000. The only way the revenue can be increased is to advertise and make known the beauties of the parks.

This item has been carried a long time. It is not a new item. The editor prepares all the literature with regard to the parks, and it seems to me the item should remain in the bill. I ask for a vote.

The CHAIRMAN. The question is on the amendment of the gentleman from Oklahoma [Mr. HARRELD].

The question being taken, the amendment was rejected.

The Clerk read as follows:

Hereafter the Secretary of the Interior in his administration of the National Park Service is authorized, in his discretion, to accept patented lands, rights of way over patented lands or other lands, buildings, or other property within the various national parks and national monuments, and moneys which may be donated for the purposes of the national park and monument system.

Mr. MANN of Illinois. Mr. Chairman, I move to strike out the last word. This item gives the Secretary authority to accept lands for park purposes. I will ask the gentleman if there was any information before the committee concerning the possible acceptance of some of the big-tree lands? There has been a good deal of advertising, and statements have been made in the newspapers, and it is interesting to know.

Mr. GOOD. A few years ago in the Yosemite Park there were private holdings which the director of the park service desired to secure, in order to prevent persons from going into the park and maintaining on such holdings certain establishments there that might interfere very seriously with the rules and regulations and conduct of the park.

Mr. MANN of Illinois. I understand; but the statement was made during the winter or the fall that the director of parks, and I believe former Representative Kent, contemplated making quite a donation to the Government of land that has some of the big trees upon it.

Mr. GOOD. That was in the Sequoia National Park.

Mr. MANN of Illinois. That was the land for additional parks or for new parks.

Mr. GOOD. This is what Mr. Mather says about that:

In the Sequoia National Park we secured the finest stand of timber, known as the Giant Forest. Congress gave us $50,000 toward the purchase of the Giant Forest, and the National Geographic Society gave us an additional sum for that purpose. In that way we secured the largest and finest trees in the park, but there are some few stands in there now, right in the heart of the park, on which we are getting options. We hope that we will be able to obtain private donations, or we may come to Congress with requests to exchange public lands of equal value for lands within the national park. I think that if we can get this worked out we can get the private titles extinguished without making it too much of a burden on the Treasury, and, perhaps, there will be none at all.

The director goes on to state that he is at work trying to secure donations from individuals of certain tracts of land. Only recently he advised me that he secured an option of 40 acres of big trees in one of the forests—I have forgotten which one—and then went to a large manufacturer, who took up the option and holds the land and is ready to give it to the park. It is land within the park—the park entirely surrounds it—and I think the director is doing a very splendid work in trying to get these private holdings within the boundaries of the park all conveyed to the Government of the United States without the Government having to purchase them. In the same way he is adding to the attractiveness of the parks.

Mr. MANN of Illinois. I quite agree with the gentleman. I think Mr. Mather is a great asset to the Government.

Mr. GOOD. I think so myself.

Mr. MANN of Illinois. Really a wonderful man.

The Clerk read as follows:

Glacier National Park, Mont.: For administration, protection, maintenance, and improvement, including necessary repairs to the roads from Glacier Park Station through the Blackfeet Indian Reservation to various points in the boundary line of the Glacier National Park and to the international boundary, including not exceeding $1,000 for the maintenance, repair, and operation of one motor-driven passenger-carrying vehicle and horse-drawn passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, $95,000.

Mr. HARRELD. Mr. Chairman, I move to strike out the last word to get some information. I notice that the appropriation made for the Glacier National Park in 1916 was $75,000; in 1920, $85,000; and in 1921, $95,000, it being an increase of $20,000 over that of 1916 and $10,000 over that of last year. I would like to have some information why it is necessary to have these increases.

Mr. GOOD. The regular appropriation for the current year was $85,000, with a deficiency of $62,000 and a further deficiency of $19,849. The deficiencies had to do largely with the protection of the forests from fire. The amount of the estimate was $293,000. We carry in the bill $95,000, which is $10,000 more than last year. The gentleman complains because it is more than last year, but I want to remind him that in 1917 the appropriation was $110,000; the appropriation for 1918

was $115,000. The States have been increasing and improving the highways to the national parks, and the director desired very much to improve the highways in the park. However, the director, after going over this matter very carefully, I think, became convinced that at this time, because of the very high price demanded for materials for road building and for labor, the Government was getting only about 40 cents on the dollar for the money expended; at least that is the judgment of the committee. What the committee has done is to cut these items down to a maintenance item pure and simple. The gentleman may say that it is $10,000 more than last year. The testimony is that the increase in the wages and materials is practically 20 per cent more than last year, and with the present appropriation it is doubted if we will get as much in the way of maintenance as we had with an appropriation of $85,000.

Mr. HARRELD. I notice that the appropriation for parks in 1916 was $242,000 for these same 17 parks, and that this year it amounts to $904,000, approximately. Will there ever be a time when these parks will be revenue producers rather than an expense?

Mr. GOOD. Out of the appropriation of this year of $900,000 the director estimates the total increase will amount to $300,000. That is a growth of about $185,000 for the last fiscal year. I submit to the gentleman that shows a very healthy growth. The people are beginning to appreciate the national parks, and they will appreciate them more and more just as we are able, as I hope in the near future we will be able, to do something more for the national parks than we have this year. By improving our national parks we will keep many American tourists at home. If any complaint can be made, I think it would be because the committee cut this appropriation as much as it did. It cut it with one end in view, and that was to not appropriate money at a time when we were getting only about 40 cents on the dollar for the amount appropriated, but to postpone the opening up of roads and trails until a more normal condition exists with regard to costs.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. HARRELD. Mr. Chairman, I ask unanimous consent to proceed for one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HARRELD. Mr. Chairman, I do not want to be misunderstood in asking these questions. No one is more in favor of increasing appropriations for parks than I am, but I think at the present time these things ought to be limited to actual necessities. I am asking these questions for information; I am not opposing national parks, because in a few minutes I am going to ask that I be given additional appropriations for a park. I do not want to be considered inconsistent. I have every confidence in the Appropriations Committee. I know how well it has served in holding down expenses of government during these times, when economy should be the watchword. I have not a word of criticism, but I felt that the record of this House should show more fully the necessity for the various increases made in this bill over those of last year. I have heard the explanation of the chairman. It is satisfactory.

Mr. MANN of Illinois. Mr. Chairman, the gentleman from Oklahoma [Mr. HARRELD] suggested that possibly there ought to be a considerable increase in the receipts for the use of parks, and some people might think that the gentleman from Oklahoma believes that parks should be self-supporting, although I am quite sure that that is not his policy.

Mr. HARRELD. No.

Mr. MANN of Illinois. East Potomac Park, in the city of Washington, brings in no revenue to the Government. Rock Creek Park, in the city of Washington, brings in no revenue to the Government. In my city the expenses of the parks amount to a good many times the total appropriations in this bill for the maintenance of the national parks, but those parks produce no revenue at all. Yet they much more than pay for the expense of their maintenance. If there is any one thing that is of value to people who work it is to have some recreation parks. Parks are maintained not so much for those who can afford to pay for their use as they are for those who can not afford to pay high expenses in order to make use of them. I am in favor of parks and in favor of the use of parks. I believe that every citizen who goes into a beautiful park and enjoys a rest and recreation amid the beauties of the park makes himself or herself a better citizen of the country. There is nothing, in my judgment, of more value than good parks, both local and national. [Applause.]

The Clerk read as follows:

The Secretary of the Interior is hereby authorized to assess and collect from physicians who desire to prescribe the hot waters from the Hot Springs Reservation reasonable charges for the exercise of such privilege, including fees for examination and registration; and he is also authorized to assess and collect from bath attendants and masseurs operating in all bathhouses receiving hot water from the reservation reasonable charges for the exercise of such privileges. The moneys received from the exercise of this authority shall be used in the protection and improvement of the said reservation.

Mr. MANN of Illinois. Mr. Chairman, I reserve the point of order on the paragraph. The language of this paragraph seems to be rather broad. It gives the Secretary of the Interior authority to assess and collect from physicians who desire to prescribe the hot water from the Hot Springs Reservation reasonable charges, and so forth, for the exercise of such privilege. Suppose a physician in the city of Washington had a patient for whom he desires to prescribe that he shall go to Hot Springs and take the water, how is the Secretary of the Interior going to levy a license fee on that physician?

Mr. GOOD. I think he can do that.

Mr. MANN of Illinois. I would like to know how.

Mr. GOOD. The director says he can do it. They require now of every physician before he is authorized to prescribe treatment that he have a license to give a prescription. It is all on a Government reservation, and the Government has the right to regulate practices on its own reservation.

Mr. MANN of Illinois. Yes; practices on the reservation, probably true; but it is not confined to that. A physician in Washington can be controlled by the Secretary of the Interior in writing a prescription. It is not confined to physicians at the Hot Springs.

Mr. GOOD. It is the only place where it will have any application.

Mr. MANN of Illinois. Of course, I think it is the only place where it will be practicable to apply it, but I have no confidence whatever in some Secretary of the Interior—not the present one, in whom I have all confidence—endeavoring to determine what shall be done about the use of water at the Hot Springs and what shall be done elsewhere.

Mr. GOOD. It is purely a matter of administration.

Mr. MANN of Illinois. Well, I do not see upon what theory, by the way, physicians at Hot Springs are to be assessed if they want to prescribe the water there.

Mr. MACGREGOR. Will the gentleman yield for a question?

Mr. MANN of Illinois. Yes; certainly.

Mr. MACGREGOR. Suppose a physician in the city of Washington should prescribe a patient should go to the Glacier Mountain Park, for instance, and ride horseback, he may be charged a license under the same theory?

Mr. MANN of Illinois. Certainly; on the same theory, he could be.

Mr. GOOD. This is only intended to apply and will only apply to the physicians who are practicing there and persons who go there for treatment. These waters are not sent out, as I understand it.

Mr. MANN of Illinois. Oh, but people are sent there.

Mr. GOOD. They are sent there, and when they get there they go to the physician who knows about the medicinal quality of the water of the various springs. Now, an examination is made of the person and then the physician gives him a prescription as to the waters they should use and how they shall be used. Mr. Mather, who appeared before the committee in behalf of the item, feels this is necessary. I know very little about the practice——

Mr. MANN of Illinois. It would mean additional fees for going to Hot Springs, because that is what it amounts to, of course.

Mr. GOOD. No; they say not. The director says it is absolutely in the interest of the protection to the man who goes to the Hot Springs, and the doctors have no objection whatever to paying this fee.

Mr. MANN of Illinois. Perhaps the doctors there would prefer to pay the fee to keep some other doctor from giving a prescription?

Mr. GOOD. No; it keeps out the quacks.

Mr. MANN of Illinois. I do not see how this keeps out the quacks. What Secretary of the Interior is going to determine whether a physician can prescribe these waters——

Mr. GOOD. Of course he does not allow everyone to prescribe the waters——

Mr. MANN of Illinois. He is trying now, so far as that goes.

Mr. GOOD. Yes. This merely extends that authority.

Mr. MANN of Illinois. This is for the purpose not only of doing that, but to make charges against the physicians and make charges against the masseurs and make charges against everybody who goes down there to do any work.

Mr. WINGO. Will the gentleman submit to an interruption?

Mr. MANN of Illinois. Certainly.

Mr. WINGO. I have not studied the technical language here, but I do understand the law requires the physicians to stand

an examination; in other words, must be registered. This is for the purpose of protecting the patients who go there from being victims of quack physicians, and they are guarded very closely, and they bar and strike from the rolls physicians who are not reputable and not attending properly to their patients. As I recall, when people go there they can only take particular waters under the advice of a physician. It is not safe to take some of them except on advice of a physician. And now the charge assessed against the registration of these bathhouse attendants is to propect the patients against improper attention in these bathhouses. I do not think the intention is to undertake to provide revenue out of it, but solely for the purpose of paying the expenses of registration and of protecting patients who go there. It is considered to be for the benefit of the patients, and it is not to exclude anybody who has knowledge or is qualified to prescribe the waters. Now, I have not examined the language, as I have said——

Mr. MANN of Illinois. Probably the gentleman from Arkansas knows in reference to this, but it seems to me as if it would be nonsense. However, I withdraw the point of order. If the people of Arkansas want it, why, of course——

The CHAIRMAN. The gentleman from Illinois withdraws the point of order.

Mr. WINGO. Mr. Chairman, I move to strike out the last word, just to make one statement. I will say to the gentleman from Illinois that the Representative from that district does not happen to be on the floor just at this particular moment. I am very familiar with the situation at the Hot Springs and know a great many people there, and the impression I have gotten is that at the present time these springs are being taken care of and being run better than they have ever been before to protect the people who go there for their health from all parts of the earth. The present superintendent of the springs is admitted by all reputable physicians to be trying to protect the people who go there in every way, and whenever he finds a doctor who he thinks is not a reputable physician, who is not acting properly, then he looks after him and gets after him and has him brought up, and frequently doctors have come to Washington to appeal to the Secretary of the Interior, and I have not heard any complaint of this arrangement except from those who claim they have been charged with being incompetent; but the general impression that I get from people there is that the present management is better than ever before and that the people who visit that place are better protected.

They can go to the office of the superintendent on the avenue there, and they can get a list of registered physicians, and they can go to any physician on that list and rest assured that he is a reputable man and will not make improper charges or neglect them, but will see that they get the treatment necessary. The object at the springs now is to try to protect the people who go there.

Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Mount Rainier National Park, Wash.: For administration, protection, maintenance, and improvement, including not exceeding $800 for the maintenance, operation, and repair of a motor-driven passenger-carrying vehicle for use of the superintendent and park employees in connection with general park work, $40,000.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to extend my remarks on the National Park Service.

The CHAIRMAN. The gentleman from California asks unanimous consent to extend his remarks on the National Park Service. Is there objection? [After a pause.] The Chair hears none. The Clerk will read.

The Clerk read as follows:

Platt National Park, Okla.: For administration, protection, maintenance, and improvement, $6,000.

Mr. HARRELD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. HARRELD: Strike out lines 9 and 10, page 112, and substitute therefor the words "Platt National Park, Okla.: For administration, protection, maintenance, improvement, and extension of sewer system, including the purchase of a wagon and team of mules for the use of the superintendent and employees in connection with the national-park work and the purchase of provender therefor, $9,000.

Mr. GOOD. Mr. Chairman, I reserve a point of order on the amendment.

Mr. HARRELD. Mr. Chairman and gentlemen, I am actuated in asking for this increased appropriation for this little park because it happens to be in my district, and because of the necessity of the situation. I was in this park some five months ago, and it is deplorable to see the condition which exists there. It is a nice park, something on the order of Rock Creek Park in Washington. If the same amount of money was spent on that park that is expended in Rock Creek Park it would be a much more beautiful one; and it has this in addition to recommend it, that it is a health resort. There are to be found there some of the finest sulphur springs in the United States, and perhaps the finest bromide water in the United States. This bromide water was so valued by Uncle Sam that a few years ago he kept a guard over the spring and would not allow anyone to carry water away, because it was so valuable in the treatment of nervous diseases. Nobody could take it away, but could go there and drink it by the cup. Of course, lately that has not been kept up. This park was formerly known as Sulphur Springs National Park, and was established way back yonder when that country belonged to the Indians, for the benefit of the Indians, and since the whites have settled up that country they, too, have been coming in their wagons and their cars to drink of that water and recover their health. So it has that advantage over these other parks about which we are talking. It is not only a pleasure park but a health resort, 1 of 2 of the 17 parks included in this bill which in addition to being pleasure parks are also health resorts.

Right here I want to say that I am not opposed to beautifying and improving our parks. The questions I asked were simply meant to bring out the importance of these appropriations, and I will go my friend from Illinois [Mr. MANN] one better, and say that I hope the time will come when we will not only be able to do the right thing with these parks in the way of improving and beautifying them, but we shall appropriate money to build roads and connect them up with highways that will make them more accessible to the poor of this country who need these parks, as my friend from Illinois said.

As I said, I visited this park in November and I was struck with the deplorable conditions there. The pavilions over these springs—and there are several of them that the Government built at great expense—are absolutely rotting down. The 5 miles of hard-surface road that the Government built in the park is going to wreck because they have not a team of mules with which to improve it.

Formerly the Government appropriated $17,500 for this park, and then it dropped to $10,000, and then to $8,000. In 1916 and 1917 the appropriation was $8,000, and during the war it was dropped to $6,000, and for the last two years there had been appropriated $6,000. It is the only park in the list for which the appropriation has gradually decreased. The others have all increased until, as against $242,000 in 1916, there is this year being appropriated $904,000. But this is the only park in the list where there has been a decrease.

I found the conditions there deplorable in this, that there is only one available camp ground that can be used by these people who come there in their wagons and cars. It belongs to the city of Sulphur, which lies alongside of this park, and I found when I was there last fall that this camp ground had been closed to the public because of insanitary conditions; and hundreds of people coming to that park were obliged to turn around and go back home because they could not find a place on which to camp. So I ask you to give an appropriation of $2,000, which is necessary to connect up the sewerage, which is already in this park, with this camp ground, so that the people who come there this summer may be able to use that camp ground in enjoying the privileges of that park for the benefit of their health.

Now, when I got here last fall I found that the superintendent had already made his recommendation of $6,000 again for this year. You will understand I did not get here until the 1st of December, after a special election. I went to work immediately and tried to get the superintendent to increase his recommendation for this appropriation. In that case I asked for $5,000 more. He would not agree to increase the recommendation, because he had already made it, but he did write a letter to the Committee on Appropriations, in which he said that $5,200 could be spent to very fine advantage on this park. I have a copy of that letter. I do not know whether that constitutes a recommendation or not; but, anyway, the committee did not see fit to follow it, and I presume they had reasons for it. I am not impugning its motives. The fact is that both the committee and its chairman are entitled to much credit for the efforts they have put forward in the interest of economy—I have done my best to assist them in their plan of economy—but it is not economy to fail to keep up improvements that have already been made, or to refuse appropriations that are actually necessary, as in this case.

I want to say here now that I want to pay a compliment to Mr. Mather. I think that he is the man of all men that we should have as superintendent of these great parks of ours. The only trouble is that he does not know anything of the conditions in this particular park, and therefore recommends a

smaller appropriation than is really necessary. We need a larger appropriation to keep up the park and its four or five pavilions and its 4 or 5 miles of road, with this creek that needs to be kept clear of débris, and the approaches to the bridges are washed out and should be repaired. And all of this is impossible to do unless this commission is given a team of mules. They are so poor that they have not got even a team of mules to haul off the brush and to cut the weeds and repair the 5 or 6 miles of road. The superintendent, who is a brother of the gentleman from Oklahoma [Mr. FERRIS], told me that he took his own team of mules and worked in that park to cut down the weeds and to make repairs for three months last year without cost to the Government, but that he could not do it again this year.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MANN of Illinois. Mr. Chairman, I ask unanimous consent that the gentleman have five minutes more.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the gentleman from Oklahoma have five minutes more. Is there objection? [After a pause.] The Chair hears none.

Mr. MANN of Illinois. I am very much interested in the statement of the gentleman. This park is a matter of old controversy in this House. For a number of years this House has tried to give this park away, but nobody would take it. Now, I presume we are going to keep it.

Mr. HARRELD. I would like to ask the gentleman a question right there. Does he not think that if we are going to keep it we ought to do something for it?

Mr. MANN of Illinois. That was what I was going to get at. If we are going to keep it, I think we ought to do something with it. I did not catch the full import of the gentleman's amendment, but, as I understand, all he has asked for is a team of mules.

Mr. HARRELD. No. I was asking for an increase of $3,000 only; $1,000 of which is to be used in the purchase of the team of mules to do this work and for the purchase of provender and $2,000 for the extension of the sewer system.

Mr. MANN of Illinois. A team of mules for operation would involve a good deal of expense. They need material and labor. They have not got their material and labor. So far as I know the appropriation of $6,000 is nearly all used for salaries.

Mr. HARRELD. It provides for three laborers, but they have got nothing to work with.

Mr. MANN of Illinois. They would not have much more to work with if all they had additional was the team of mules.

Mr. MACGREGOR. They are to be intelligent mules. [Laughter.]

Mr. HARRELD. They would have $1,140 out of the original appropriation of $6,000, and the $2,000 for sewer extension, which I am asking for in this amendment.

Mr. MANN of Illinois. I do not know whether we ought to keep the park or not, but I guess we will have to, because no one else will take it. It is valuable for its waters. There is no park there except the waters. That is all there is to it. They have valuable medicinal waters there. I think that is admitted. Let the gentleman tell us more about it.

Mr. HARRELD. I will tell you more about it. The gentleman does not know anything about it if he thinks it is valuable for its waters only. [Laughter.] This park, as I said a while ago, when the lands of the Indian Territory were allotted among the Indians in severalty, was left there for the benefit of the Indian tribes. At that time it was not contemplated that the whites would ever settle that country. It is a beautiful little park, about 4 miles by 6 in dimensions, if I understand it aright; and I want to say right now that it rivals Rock Creek Park, right close to this city. It is in the Arbuckle Mountains, right in the middle of the mountains, and there is an ever-flowing stream through the center of it. They have two bridges over it which the Government has built. It is more heavily timbered and the valley is wider than that of Rock Creek Park out here on the outskirts of Washington. It is a park that the people get a great deal of benefit from. As I said before, it is one of the two parks that is a pleasure park and noted for its medicinal waters at the same time. Now, why should a park that is both a pleasure park and a health resort be abandoned absolutely in favor of a park which is only for pleasure?

There is another thing to be said about it: I had a talk with Mr. Mather, and he told me that his plan contemplated some day having a highway system connecting all these parks. If that plan is carried out this park will be found to be on the direct line of that highway system between the other great parks and Hot Springs, Ark.—and it is only one day's travel from Hot Springs, Ark., to this park—and in the natural course that that highway would have to take when it is built, going from Hot Springs National Park to the other parks of the Rocky Mountains, this Platt National Park would be a good link in the chain, and I believe it ought to be preserved for that purpose if for no other.

Mr. HICKS. Mr. Chairman, if the gentleman will permit, what sort of ills are these waters supposed to cure?

Mr. HARRELD. The sulphur water is good for stomach troubles. The bromide water is practically all the water that there is of that kind in this country; it is good for nervous diseases and is demonstrated to be very efficient in such cases.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. HARRELD. Mr. Chairman, I ask for one minute more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. HARRELD. This is what I want to say, gentlemen: The gentleman from Illinois [Mr. MANN] said that Congress has been trying to get rid of this park for a long time. That is no reason why you should let it go to rack. If you want to get rid of this park, keep it up in shape until you can get rid of it. As long as the Government owns that park it ought not to absolutely ignore it. I am not asking for a great big appropriation to beautify it and make it a great pleasure resort. I am only asking for what is absolutely necessary to keep that park in shape and preserve the improvements we already have made there, and I am limiting it to only $3,000 increase. Now, whether or not you want to preserve that park, whether or not you want to carry out the plan of finally getting rid of that park, so long as we have got it I believe it is our duty to preserve it and protect it. [Applause.]

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Oklahoma moves to strike out the last word.

Mr. McKEOWN. I do not understand that this amendment would be subject to a point of order, although the gentleman from Iowa [Mr. GOOD] has reserved a point of order against it.

Mr. GOOD. The entire item is subject to a point of order.

Mr. McKEOWN. The entire item is?

Mr. GOOD. Yes.

Mr. McKEOWN. Then are not all the items for all these parks subject to a point of order?

I want to say to the gentleman in reference to this park, after what my colleague from Oklahoma [Mr. HARRELD] has already said, that this is one of the beauty spots of the Southwest. It is one of the places that the Indian tribes of Oklahoma have where they go and camp and get the benefits of the medicinal waters in that park. I want to say to you that if people who have never enjoyed the benefits of this bromide water—and there are thousands of them in the United States—could only get the benefits of that water, there would be less nervous disease and nervous trouble in the country. That bromide water is a water which, when drunk and bathed in, will enable nervous people who are troubled with insomnia and can not sleep to so improve that in three or four days they can sleep with the peaceful slumber of a baby. It settles and quiets their nerves, and the water is in such great demand that the United States Government permits the allowance of only half a gallon to each applicant each day. The water is limited in quantity. It is said by those who have examined it to be better than the waters of Carlsbad, and yet, because it is away out in Oklahoma, away in the Southwest, where no money has been expended to advertise it and where the superintendents of parks have not visited it, and because it has not attracted the wealthy people of the country to go there, there is this talk about small appropriations and this talk about abandoning this park. Why, gentlemen, let me say to you that this park, while it is small and situated in a new State, can yet be enjoyed by any American citizen and can be made more enjoyable than some of these parks upon which you spend thousands of dollars, because there are no large concessions to hotel people and transportation people which require high charges, such as obtain in those better-known national parks which are visited only by the wealthy, who for temporary purposes are confining their migratory activities to the scenery afforded in the United States instead of going abroad.

This park is a place where the American Indian in his native country can go and camp in his tent and enjoy the water that nature has provided for him. These children of the forests and plains can not go there now, because there is not sufficient money to provide sanitary conditions for them to camp in this park. And, gentlemen, this appropriation ought not to be merely for $3,000 additional. It ought to be for $5,000 addi-

tional, because I agree with the gentleman from Illinois [Mr. MANN] that you will not be able to do much with a team of mules on the $3,000 that is provided here.

Sometimes here in this House I have heard some Members who are not familiar with the great West suggest that the United States Government ought to just give the West its public lands, and all these things, in order to get rid of them; that they are so much of a burden. Let me remind some of these gentlemen that the State of Oklahoma in 1917 was second in the American Union in the payment of excess-profits taxes into the Treasury of the United States. I want to say that in justice to my State. Gentlemen, I hope you will give this matter your careful consideration, and that you will give this little allowance that they have asked down there, that will do so much benefit and so much good to the people of that section of the country.

Mr. GOOD. Mr. Chairman, I withdraw the reservation and offer the following amendment as a substitute for the amendment offered by the gentleman from Oklahoma.

The CHAIRMAN. The gentleman from Iowa offers a substitute for the amendment of the gentleman from Oklahoma, which the Clerk will report.

The Clerk read as follows:

Substitute offered by Mr. GOOD for the amendment offered by Mr. HARRELD:

"Platt National Park, Okla.: Pursuant to the authority conveyed in section 64 of the act approved July 1, 1902 (Stats. L., vol. 32, p. 656), all of the land comprising the Platt National Park in the State of Oklahoma is transferred and title thereto vested in the State of Oklahoma.

"If the State of Oklahoma shall fail or refuse to accept the Platt National Park as herein authorized to be conveyed to it from the United States, the same shall be appraised and sold either by sealed proposals for the purchase of the same or by public auction after advertisement of the sale for such time as in the judgment of the Secretary of the Interior the public interest may require, the proceeds of such sale, after payment therefrom of the expenses of making the same, to be covered into the Treasury as miscellaneous receipts.

Mr. MANN of Illinois. I reserve a point of order on the amendment.

Mr. GOOD. I do not think it is subject to the point of order.

Mr. MANN of Illinois. Oh, well, then I will make the point of order. It is clearly legislation, and subject to the point of order.

The CHAIRMAN. Does the gentleman from Iowa desire to be heard on the point of order?

Mr. GOOD. I should like to ask the gentleman from Illinois just what part of the amendment his point of order is directed against?

Mr. MANN of Illinois. Against all of it. The whole amendment is legislation and nothing else. Whether the original item in the bill is subject to a point of order or not, I do not undertake to say. I do not know. I do not recall. But that is only for administration of the park. The amendment offered by the gentleman from Oklahoma [Mr. HARRELD] was only in reference to the administration of the park. That is an appropriation, not legislation. It may be an appropriation not authorized by law. That has nothing to do with the question; but this amendment proposed by the gentleman from Iowa is legislation and nothing but legislation.

Mr. GOOD. I think there is no question but what it is legislation. It is legislation under the Holman rule.

Mr. MANN of Illinois. Oh, no.

Mr. GOOD. It is legislation to carry out the legislation that created the national parks. The section of the statute referred to in the amendment, the statute creating this park approved July 1, 1902, carries the following provision:

Provided, however, That nothing contained in this section shall be construed or held to commit the Government of the United States to any expenditure of money upon said land or the improvement thereof except as provided for herein, it being the intention of this provision that in the future the lands and improvements therein mentioned shall be conveyed by the United States to such territorial or State organization as may exist at the time when the conveyance is made.

Keeping that matter in mind, keeping in mind the statement of Mr. Mather that this was a park visited in the main by the people of Sulphur, that it was a local park, and when it was ceded to the National Government by the two tribes of Indians who owned the land—not a strip of land 4 miles by 6, as the gentleman from Oklahoma states, but a little over one section of land—it carried the express provision that the Government only took title to it until such time as the State of Oklahoma should take it back. The amendment which I have offered is in line with the provisions carried in that provision of law. The committee were perfectly willing to let the matter rest where it was and to give for this park every penny that the director had asked for simply as a maintenance proposition while the Government was holding title to the park for the town of Sulphur. But now when it comes to improving this park and putting on other additional improvements to land that we simply hold in trust, to a park that is not national in any sense of the word and can not be made national, it seems to me stretching the authority a good deal to ask us to appropriate money for permanent improvements for that kind of a tract of land.

Mr. HARRELD. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. HARRELD. I will ask the gentleman if he did not get a letter from Mr. Mather, the park commissioner, asking that $5,200 should be appropriated for this purpose?

Mr. GOOD. Yes; and Mr. Mather said before the committee that the gentleman from Oklahoma [Mr. HARRELD] had been to see him and wanted him to make another estimate, and he said if it was the desire of the committee to have him increase his estimate he would increase it; but the Committee on Appropriations were not asking anyone to increase his estimate. Here is a letter, and I want the Members to hear the reading of it and see if there is a Member here who would act favorably to increase this appropriation over the amount estimated on this kind of a statement.

This is the letter:

DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
Washington, April 9, 1920.

Hon. JAMES W. GOOD,
Chairman Committee on Appropriations,
House of Representatives.

MY DEAR MR. GOOD: I have just received a letter from Hon. J. W. HARRELD, of Oklahoma, in which he refers to a recent hearing which the Committee on Appropriations accorded him on the question of an appropriation for Platt National Park additional to the estimate of $6,000 submitted by the Interior Department. Mr. HARRELD feels that as a result of his presentation the committee is interested.

Of course, in view of my conversation with you several weeks ago, I do not see how I could consistently ask the Secretary to submit a formal supplemental estimate at this time, but I would add that if the committee feels disposed to act favorably on the additional sum of $5,200 proposed by Mr. HARRELD, the National Park Service will be able to use it to very good advantage in the betterment of the park in the following manner:

Purchase of mules, feeds, etc	$1,500
Purchase of garden and other small tools	605
Installing toilets and connecting with sewer in auto camp grounds	2,000
Repairing existing buildings in park	1,095
	5,200

Very truly, yours,

STEPHEN T. MATHER, *Director.*

Anyone who knows Mr. Mather knows that he was not asking for any more than $6,000, which the committee granted him. Anyone that knows him and knows the wonderful service he has given to the Government in building up the national-park system, knows that Mr. Mather's heart was not in any proposal that would take out of the Treasury of the United States $5,200 for this purpose. It seems to me the amendment I have offered is within the Holman rule. It is to carry out a certain proposal when the park was taken over, and that is to reconvey it to the State.

Mr. MORGAN. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. MORGAN. Has the President or the Secretary of the Interior recommended anything like the proposal in the substitute offered by the gentleman from Iowa?

Mr. GOOD. I think not.

Mr. MORGAN. The gentleman from Iowa has never visited this park?

Mr. GOOD. Oh, no; I never knew that the park existed until recently. I do remember some discussion on the floor of the House, but I do not think many Members in the Chamber know anything about the park. It is a State park. In my town we have a much larger park called Beaver Park, but I do not suppose that gentlemen have heard of it. We spend four or five times as much as the Government spends on this park.

Mr. MORGAN. The gentleman's substitute is something that he offers of his own motion, without the recommendation from any official of the Government?

Mr. GOOD. Yes; the same as the amendment of the gentleman from Oklahoma. Only my amendment is made in conformity with the statute that made provision for the taking of this park from these two tribes of Indians, or took the title to it, and which provided that nothing in the act should bind the Government to pay out any money for improvements. By this amendment I eliminate the $6,000. The State ought to have the park if it is such a beautiful park and so great an attraction. The State ought to take some pride in it and ought to be willing to take the park back and make it a great State park.

The CHAIRMAN. The Chair is ready to rule. The amendment of the gentleman from Iowa admittedly contains provisions of legislation. The gentleman from Iowa says, first, that

it is in order because the legislative provision is in accordance with the proviso in the act creating the national park, which provided—

That nothing in this act shall be construed or held to commit the Government of the United States to any expenditure of money on said plans of improvement therefor, except as provided herein, it being the intention of this provision that in the future the land and improvements herein mentioned shall be conveyed by the United States to such Territory, State, or organization as may exist at the time said conveyance is made.

That provision seems to the Chair to contemplate that legislation will at some time be had in accordance with this policy. But the mere fact that it contemplates legislation does not remove or change the character of the amendment offered by the gentleman from Iowa as legislation, but confirms the Chair's opinion that the amendment is legislation.

The gentleman from Iowa also contends that the provision is in order under the Holman rule. If the first portion of the amendment were in order under the Holman rule the second portion is clearly not in order under the Holman rule, and under the rule which is to the effect that if any portion of an amendment is subject to a point of order the whole amendment is subject to a point of order, the Chair sustains the point of order.

The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken; and on a division (demanded by Mr. GOOD) there were 37 ayes and 14 noes.

So the amendment was agreed to.

The Clerk read as follows:

Rocky Mountain National Park, Colo.: For administration, protection, maintenance, and improvement, $20,000.

Mr. TIMBERLAKE. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 112, line 12, strike out the figures "$20,000" and insert "$40,000."

Mr. TIMBERLAKE. Mr. Chairman and gentlemen of the committee, it is with a good deal of reluctance that I present for your consideration this amendment to this appropriation bill. I sympathize deeply with the policy of the committee in its attitude in reducing appropriations for public expenditure in this bill. I think though, that this can be carried sometimes to a point where great injustice will be done. I believe that this is specially true with reference to the appropriation for the Rocky Mountain National Park carried in this bill and which the amendment I offer seeks to remedy.

Those of you who have read the hearings and know the appropriations that have been made for the several parks will recognize that the appropriation for this park is double the amount of the previous appropriations made for this park for the past five years, and they may infer that that is generous treatment by the committee in the consideration of this park.

I feel that it is necessary to say that that is not the fact, and state some of the ancient history in regard to this park. This Rocky Mountain National Park has an area of 254,000 acres in the central part of the United States, as I will show from a very poor map which I have here which I ask Members to look at. It is given this year $20,000 in order that the park service may make the park one of the most beautiful in the country, one which has been visited by more people than any other national park belonging to the Government. Last year there were in attendance on this park 169,402 people. That number registered in the park. The Mount Rainier National Park is given an appropriation of $40,000. I do not think that is asking too much or that they receive too much, and yet in view of the fact that their area is only about 200,000 acres and our park far exceeds that amount and the number of people visiting the Rocky Mountain National Park so largely exceeding the number visiting Mount Rainier National Park, we do not think it is too much to ask that we have $40,000 for this park.

This park was created in 1915, and under the provisions of the act it was provided that no appropriation in excess of $10,000 should be made for its maintenance without special authorization of Congress. We of the West have to thank very largely for his aid in helping get this bill enacted into law the gentleman from Illinois [Mr. MANN] who has in a very forceful way this morning set forth the appreciation he has for national parks as national assets. He believes in their improvement. If this park is to be accessible to the people, and if the people are to receive benefits from it, it is necessary that it be developed in the way of trails and roads. With the $10,000 limitation it is impossible to very much more than pay the expense of the supervisor and the various rangers. Very little is left with which to make improvements in the park. After coming here and recognizing this condition, I sought for three terms to get this inhibition removed. I succeeded only last year in having this removed, so that for five years we have had an appropriation of only $10,000. In view of that I felt completely justified, in view of the estimates presented by the Director of the Forest Service for an appropriation of $150,000 which he deemed necessary to make this accessible to the people, to come before you at this time and ask for a small increase of $20,000, or a total appropriation of $40,000.

The CHAIRMAN (Mr. MADDEN). The time of the gentleman from Colorado has expired.

Mr. TIMBERLAKE. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

Mr. GOOD. Mr. Chairman, I ask unanimous consent that all debate upon this paragraph and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. TIMBERLAKE. Yes; I yield to the gentleman from Illinois [Mr. CANNON].

Mr. CANNON. What has been appropriated for this park heretofore?

Mr. TIMBERLAKE. Ten thousand dollars a year.

Mr. CANNON. Nothing over that?

Mr. TIMBERLAKE. Nothing over that.

Mr. CANNON. And the bill carries $20,000.

Mr. TIMBERLAKE. Yes, sir.

Mr. CANNON. And the gentleman seeks to make that $40,000?

Mr. TIMBERLAKE. Yes, sir.

Mr. CANNON. And we are all for a reduction of expenditures in appropriations.

Mr. TIMBERLAKE. I have been trying to explain that to the gentleman. I sympathize, as he does, with the efforts of the committee to reduce appropriations, but I sometimes think, and in this case I think, it is false economy for the Government to fail to make this park accessible to the people who desire to visit it. As I stated, more people visited this park last year than visited any other park which we have, and yet there are no roads there. We get no income from it. Under the provisions of the bill creating this park, it was the first park that was discriminated against in that respect. It was stated in the bill that no receipts from the park should be used in connection with its maintenance, and that the receipts should be covered into the Treasury of the United States. That was the first park that had that provision in respect to it. It is true that since June, 1917, there has been a provision of legislation that makes that apply to all parks, so that the receipts from all of them are now covered into the Treasury of the United States.

There is no automobile charge for entrance into the Rocky Mountain National Park, as is the case with Mount Rainier. The receipts from Mount Rainier last year were something like $20,000, while the receipts from the Rocky Mountain National Park were only $300. The park service can not consistently charge an entrance fee from automobiles where the Government has failed to build any roads that are fit to be used by them. For that reason there have been no receipts, or appreciably none, that are covered into the Treasury of the United States. I do not desire to delay the passage of this bill, and I appeal to you in the interest of what I think is good economy, that the park service be given an opportunity to expend at least this much during the present year in making this park accessible to all of the people.

Mr. VAILE. Mr. Chairman, will the gentleman yield?

Mr. TIMBERLAKE. Yes.

Mr. VAILE. Will not the gentleman call attention to the fact that this park by its geographical location is far more accessible to the rest of the country, and especially to the Middle West and the Southwest, than a park located on the Pacific coast—at the same time not wishing to indicate that those parks should not have the appropriations that are made for them?

Mr. TIMBERLAKE. That is true. It is almost in the center, geographically, of the whole country. I have heard it said that this is a Denver park. I want to disabuse anyone of that idea. This map shows the Rocky Mountain National Park, and it will be seen that Denver is 65 or 70 miles distant from it. Colorado is interested in the development of the park and is aiding to make this park accessible. This year the legislature of that State appropriated $60,000 for the completion of the Fall River Road, which is a highway running clear through to the west line of the park, and previously had spent much more, and the counties of Boulder and Larimer have, at great expense, built splendid roads leading into the park.

The CHAIRMAN. The time of the gentleman from Colorado has again expired.

Mr. TAYLOR of Colorado. Mr. Chairman, my colleague [Mr. TIMBERLAKE] has presented the need of this additional appropriation so thoroughly that it leaves very little to say. I think the House ought to bear in mind the point he makes as to the accessibility of this park. The Government gets or could get a large amount of fees from the automobile licenses that enter this park. This is the first park in the United States that is encountered when people go west. It is so easily accessible to everyone that nearly everyone goes there. The counties and the State have built fine roads to the park, and consequently many thousands of automobiles do go there and many thousands more would go there and go through the park and over to Grand Lake and other wonderful scenery on the opposite side of the main range of the Rocky Mountains if the Government would aid some in building additional and better roads and trails and more accommodations. Additional money is needed also to protect the park, to guard the scenery, to regulate traffic, and take care of the people who go there, to build more garages to care for the traveling public. It is purely along the public-health and public-spirited line the gentleman from Illinois [Mr. MANN] has so eloquently expressed that we ought to encourage the outdoor recreation of the American people. The American people ought to see and become acquainted with the marvelous scenery of our own country.

It would make them more contented and better citizens, and as this is one of the very best and grandest, as well as the most accessible, park there is in the United States, Congress ought to spend whatever sum is necessary to make it as nearly as possible accessible to all the traveling public, with suitable care and accommodations for them.

Mr. LAYTON. What about the people who do not travel?

Mr. TAYLOR of Colorado. Of course, there are unfortunately many thousands of people who can not visit this or any of the other national parks of the West. I wish everybody in the United States could see those parks. But if they are made as accessible as possible, that will encourage people to go there, and everyone who goes west can and should visit this park.

Mr. VAILE. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. VAILE. If I may suggest to the gentleman, in one day's trip he will see cars—small cars, inexpensive cars, flivvers—from Oklahoma, Nebraska, Iowa, and even from the gentleman's own State, if he goes out there——

Mr. LAYTON. Oh, it would not make any difference if every automobile registered in the State of Delaware were to go to that national park. Under the present circumstances of the Treasury of the United States I do not believe in undertaking increased expenditures where they can be put off for a time. I do not wish to be placed in the category of those who do not appreciate the splendid heritage the country possesses in the national parks, comprising natural scenery unsurpassed anywhere in the world, but at this time I desire to go on record as opposing for the present any appropriation which is not absolutely necessary for the public welfare. When the national finances are stabilized and taxation reduced, when our income exceeds our expenditures, no one will vote more heartily or with greater appreciation for such matters as are now before us than I, but at this hour economy is an imperative necessity, or the consequences will be disasterous to the whole country.

Mr. TAYLOR of Colorado. I am as much in favor of economy as anyone and I always vote that way. There is a large volume of talk about economy in this House and very little practicing of it. But this appropriation is a matter of business economy. If the park was properly improved, there would be thousands more automobiles going there every year, and the Government might charge a small entrance fee and get all this money back, and I hope this amendment will be agreed to.

Mr. LAYTON. Will this increase in the expenditures increase the revenues?

Mr. TAYLOR of Colorado. Yes. Because it will properly take care of the people and encourage many more of them to go there. The park accommodation is in a very congested condition now. There are thousands and tens of thousands of cars going into that park every year. I do not know what the revenues are, but they could be made very large.

Mr. LAYTON. What are the receipts?

Mr. TAYLOR of Colorado. My colleague [Mr. TIMBERLAKE] can tell that.

Mr. TIMBERLAKE. What is the question?

Mr. LAYTON. What are the latest receipts from this park?

Mr. TIMBERLAKE. Why, they are only nominal now, only amounting to $307, because they did not charge for automobile licenses because——

Mr. TAYLOR of Colorado. But when they can build proper trails and roads and other developments they can charge a reasonable fee and derive a large revenue from it if that policy is deemed advisable.

Mr. LAYTON. They are going to spend $40,000 to get $300?

Mr. VAILE. They are going to spend this money to give health to the American people, the same way as in the gentleman's own State, not to get $300.

Mr. HARDY of Colorado. Let me say a word about the receipt business.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HARDY of Colorado. I move to strike out a few words.

The CHAIRMAN. The gentleman can not do that.

Mr. GOOD. I will yield the gentleman a couple of minutes.

The CHAIRMAN. There are five minutes additional remaining.

Mr. GOOD. I am asking for recognition, and I will yield to the gentleman.

Mr. HARDY of Colorado. Mr. Chairman, the Rocky Mountain National Park, to begin with, is a different kind of park from that we have been talking about in Oklahoma. This park is five times as big as the District of Columbia. It contain 358 square miles. It was taken over by the National Government about four or five years ago. The park has never had more than $10,000 a year, not enough money to develop it. You can not charge automobile fees or automobile licenses unless you have roads for them to go over. The Mount Rainier National Park in two years cost the United States Government $57,100 and took in in automobile fees and other receipts $39,475. The Mount Rainier National Park only had last year 55,232 people visit it, and the Rocky Mountain National Park had 169,492 people to visit it. I think as a permanent policy we ought not to try to make our park self-sustaining. But during the period of development we are entitled to charge something to the people who come in cars in order that the national parks may be developed more rapidly. The Rocky Mountain National Park is so close to the center of the country that we have thousands of cars from Texas, Oklahoma, Iowa, Kansas, and near-by States. If you gentlemen from Texas and Oklahoma would campaign in it, you would find many of your voters there and the climate much more comfortable than in your own States. We need this money, and in a few years this Government will get the money back. We had 33,000 automobiles in the Rocky Mountain Park last year. By charging $2 apiece, which could be done if anything had been done by the United States Government to help develop this park, we would have had $66,000 from that source, so by spending a little money we might make a revenue producer of that magnificent park. [Applause.]

Mr. GOOD. Mr. Chairman, this is a great national park, comprising, as the gentleman says, something like 254,000 acres, and a great many people visit the park, and the reason why the park does not have more revenue than $307 a year is because we have not developed the roads and trails in the park. This appropriation is just twice the appropriation for the current year and it will enable them to start a little on their work. The committee was not unmindful of the fact that in the near future considerable development work will be necessary in this park. We will be compelled to build some roads through this park, which is a wonderful park, but under present conditions the committee felt that it would be compelled to treat this park just as it treated the other national parks and practically confine the work to maintenance, and therefore it has carried in this bill $20,000, which is just twice the appropriation of former years, and I sincerely hope the amendment will not be agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado.

The question was taken, and the Chair announced the noes seemed to have it.

On a division (demanded by Mr. TIMBERLAKE) there were—ayes 14, noes 25.

So the amendment was rejected.

The Clerk read as follows:

Yosemite National Park, Calif.: For administration, protection, maintenance, and improvement, including not exceeding $1,800 for purchase, maintenance, operation, and repair of horse-drawn and motor-driven passenger-carrying vehicles for use of the superintendent and employees in connection with general park work, $275,000.

Mr. MANN of Illinois. Mr. Chairman, I move to strike out the last word for the purpose of asking why the form of all these appropriations is changed this year. Is it on account of some technical ruling?

Mr. GOOD. No; but to make them uniform. Heretofore there has been a difference in the phraseology, and it seemed to the committee that inasmuch as these appropriations are for similar objects, the only difference being expenditures in different parks, that the language carrying the appropriation should be uniform.

Mr. MANN of Illinois. Well, I do not think that the law heretofore has carried the words "administration" or "maintenance." It may in some one case——

Mr. GOOD. It has always been provided for and paid out of the appropriation.

Mr. MANN of Illinois. I understand that. I am not criticizing the form, but I wondered whether there had been some technical ruling on the subject as to why the committee added those two words.

Mr. GOOD. I had not in mind the two words referred to; but they were not carried in this item, but in the Yellowstone appropriation; for instance, it is carried for administration and maintenance, and the committee felt, inasmuch as——

Mr. MANN of Illinois. They were in one case, I think, maybe one other; but as a rule the language read before "for protection and improvement." Now it reads, "for administration, protection, maintenance, and improvement," and I just ask if this was caused by a ruling with reference to it or a desire to add language to the appropriation bill?

Mr. GOOD. No; the committee is not advised as to any ruling that would interfere because the money was used for administration and maintenance, and inasmuch as it was carried in the same items in this language the committee felt that as it was available for this purpose the language should be uniform.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Zion National Park, Utah: For administration, protection, maintenance, and improvement, $2,500.

Mr. WELLING. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Utah offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. WELLING: Page 113, line 19, after the words "improvement," strike out "$2,500" and insert "$7,300."

Mr. WELLING. Mr. Chairman, the estimates furnished to the committee for the maintenance of this park for the next fiscal year amounted to $10,000, as follows: Salaries for chief ranger, rangers, clerk, $5,100; maintenance and repairs, $2,200; and construction of highways, $2,700. I believe the chairman of the committee, upon reflection, will feel that since this park has been established the appropriation for it ought to be increased above that which has been allowed in the past as a national monument. This park comprises an area of a little more than 70,000 acres, or about 113 square miles. From an archæological point of view it is one of the most interesting pieces of public land in America to-day. Along the perpendicular walls of this canyon gorge are the prehistoric dwelling places of the cliff dwellers of America. The scientists of the Smithsonian Institution and of almost every western university go into this region every year for the purpose of excavating in these important prehistoric ruins. Geologically, it is one of the most important scenic wonders of America. No increase has been given to this park over the amount heretofore granted to the national monument, and it seems to me that since it has been established as a national park some additional funds ought to be provided for its proper maintenance. I am not asking a cent, in accord with the views expressed by the distinguished chairman of this committee that the House at this time should not spend additional money on improvements in the national parks, but surely there ought to be given sufficient money for the police protection of the park and for the proper protection of these ancient ruins that have been found there. I sincerely hope the committee will adopt the amendment increasing the amount about $5,000.

This park is peculiarly a national institution. It does not belong to Salt Lake City, nor is it adjacent, as are many of our parks, to any great city. It lies on the main highway of what will soon be a direct route from the thickly settled area of the intermountain country to the northern rim of the Grand Canyon of the Colorado.

The State of Utah, recognizing the need and value of this great national recreation and educational center, has appropriated more than $200,000 to build a great highway to the gateway of the park, and the small amount asked for in this appropriation will barely police and care for the property of the Government.

Mr. SINNOTT. Mr. Chairman, as we are just concluding the part of the bill relating to the national parks, it is an opportune time to call attention to the annual conclave of the Imperial Council of the Shriners, which is to be held in Portland, Oreg., on June 22, 23, and 24 of this year. It is opportune to do this because it is expected that many of the Shriners, in going to the council and returning, will visit our national parks. It is hoped that many of the Shriners will visit the wonderful Crater Lake Park in Oregon.

For several months I have had up the matter with the National Park Service of clearing the roads of snow leading to Crater Lake National Park in my district, so that the Shriners may view this wonderful phenomenon of nature. I have had assurance from Director Mather that the park service will do all in its power to clear the road of snow by the time the Shriners visit Portland, Oreg. I think the park service will be justified in going to every expense to afford the Nobles of this great order a view of this wonderful scene. They will return "boosters" of the National Park Service.

CRATER LAKE.

Crater Lake is situated in Klamath County, Oreg., in the southwestern corner of my district. It is a lake, cauldronlike and circular, 7,000 feet high, perched amid the peaks. Perpendicular sides of slaggy lava rise over a thousand feet from waters of indigo blue 6 miles across and 2,000 feet deep.

To the scientist, a mighty volcano collapsed within itself, Mount Mazama, 15,000 feet high, telescoped.

To the poet, "the sea of sapphire," "the sea of silence," "a lake of mystery."

To me, a shell hole of a war of worlds—who knows?

Could the great blind poet have seen this marvel ere his pen had Lucifer and his host of rebel angels—

Hurled headlong flaming from the ethereal sky.
With hideous ruin and combustion down—

in Miltonic imagery here he'd have found the impact. [Loud applause.]

The Shriners will go to Crater Lake through Medford, in my colleague's [Mr. HAWLEY] district, or through Klamath Falls, in my district.

BEND.

After making the pilgrimage to Crater Lake the Shriners should go to Bend, in central Oregon, in my district. From Bend they will see the great amphitheater of hills which rise and radiate from the Columbia to the cardinal points. They will see how hill piles on hill. How the hills rise in the purple haze of twilight like billows suddenly stilled on the crest. They will see the rim of the amphitheater and horizon from central Oregon, pillared with a dozen lofty, eternal snow-capped peaks, once blazing beacons, now only reflecting above the dusk of the valleys from lofty eminences of snow and ice, the soft pink glow of setting sun, as the day drops into the westward waters of the Pacific. [Applause.]

These snow-capped peaks are our reservoirs, eternal, exhaustless in life-giving waters, in energy, and power.

COLUMBIA'S GORGE.

After seeing the mountains in their majesty from Bend the pilgrimage should continue to The Dalles through the Deschutes Canyon, so narrow that it might have been cut with a "saber stroke" of Mars. The Dalles, at the end of the old Oregon trail, is my home and birthplace. Here the Shriners will see where the great inland sea, which once covered eastern Oregon, Washington, and parts of Idaho, according to the geologists, broke through the barrier of the Cascades Range in some titanic convulsion of nature.

The Indian legend is that Mount Hood and Mount Adams, once espoused, engaged in a mighty marital combat, whose struggles broke the mountain barrier, and the inland sea disappeared through the gorge of the Columbia.

The Indian's awe even now bears witness to the tribe's tradition. From his canoe, as he glides through the Columbia's gorge, he sees the two mythical mates of a Miocene age, Hood and Adams, now hiding behind the towering hills, ever and anon, through favorable gaps in the gorge, stealing furtive peeps each at the other.

It may be so. Perhaps the Indian, "who sees God in the wind," witnessed some colossal cataclysm of nature. The surroundings bear evidence of the epochal. A broad river suddenly turns on edge at train speed, rushes through a gash in the lava flow. Palisades, a sheer thousand feet, dwarfing the Hudson's, rise from the water's edge. Giant causeways abound, dwarfing Erin's.

These are but few of the marvels of the mountains which we shall show unto the Nobles of the Mystic Shrine. We expect few of the Shriners will ever leave our State. We shall hold them as willing, voluntary captives to the charms of where rolls the Oregon when they view these scenes, when they witness the

billowy wheat fields of eastern Oregon and partake of the delicious Dalles cherry, the luscious Hood River strawberry, and the incomparable Hood River apple.

We know the visiting Nobles will exclaim with the poet, Joaquin Miller, who said the scenes a part of which I have feebly portrayed brought his love of song to the surface:

> See once these stately scenes, then roam no more;
> No more remains on earth to cultured eyes;
> The cataract comes down, a broken roar,
> The palisades defy approach, and rise
> Green moss'd and dripping to the clouded skies.
> The canyon thunders with its full of foam,
> And calls loud-mouth'd, and all the land defies;
> The mounts make fellowship and dwell at home
> In snowy brotherhood beneath their purpled dome.

All this, and even more than tongue can tell, awaits the Nobles of the Mystic Shrine on their pilgrimage to the hills of Oregon, "rock ribbed and ancient as the sun." [Loud applause.]

Mr. GOOD. Mr. Chairman, after the eloquent speech of the gentleman from Oregon on this wonderful park, it seems almost like dropping from the sublime to the ridiculous to commence to speak about Zion National Park, and yet the amendment before the House has to do with that park. Now, Zion National Park was a national monument until an act of Congress approved last November——

Mr. MADDEN. Zion is a little bit higher than the highest snow peak the gentleman was talking about, is it not?

Mr. GOOD. This is another Zion. This is Zion National Park out in Utah that I am discussing. For the current year there was an appropriation of $10,000 for national monuments. There are 10 of them. But by the act of Congress approved November 29, 1919, Zion was made a national park. Therefore the appropriations for national monuments would not be available longer for this park, and it was necessary to make an appropriation for the maintenance of this park. In 1919 they actually expended on this national monument $1,400. Now, it seemed to me that we were very liberal when we increased that appropriation to $2,500.

Mr. WELLING. Mr. Chairman, will the gentleman yield right there?

The CHAIRMAN. Does the gentleman from Iowa yield to the gentleman from Utah?

Mr. GOOD. Yes.

Mr. WELLING. Of course, in other national parks we have expended as much as $275,000.

Mr. GOOD. Oh, yes.

Mr. WELLING. And for this national park we are not asking a cent for roads, or improvements of that sort, but there were 10,000 or 12,000 people who visited the park area last year. It is away from any city two or three hundred miles. It needs police protection, and it is important, it seems to me, in view of the increased number of visitors that will be there next year, to provide this police protection.

Mr. GOOD. There are very few visitors to that park.

Mr. WELLING. I know there were not very many visitors to the park last year, but there will be a great many this year.

Mr. GOOD. I want to call attention to this fact: There is the Rocky Mountain National Park. When we first commenced to make appropriations for it in 1915, the first appropriation for that park of 254,000 acres was only $3,000, and I think we are commencing very liberally in the appropriations for this park, especially at this time, when everything that is done in the way of improvements costs so much money. It was only intended to give it police protection and to postpone until the future and to a more normal condition the appropriation for improvements.

Mr. WELLING. The amount asked is $10,000, to $2,200 of which was to be for road improvement. I sympathize with the purpose of the gentleman, and I have purposely avoided asking for any money at all for improvements but just enough to give the necessary police protection.

Mr. GOOD. The department asked for $150,000 for the Rocky Mountain Park, but we gave them only $20,000, and with reference to this item under the circumstances I think the committee has done all that could be expected at this time.

Mr. CANNON. Is this park a recent creation, or has it stood there for all the ages?

Mr. GOOD. It was accepted as a national park by the act approved last November.

Mr. CANNON. But the scenery was there all the time, was it not?

Mr. GOOD. Oh, yes.

Mr. CANNON. Dating from Adam?

Mr. GOOD. I think so. [Laughter.]

Mr. MADDEN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last word.

Mr. MADDEN. Mr. Chairman, these centers of recreation in the mountain regions are very interesting and it is a very nice thing for people to go to them and drink in the rare atmosphere that they boast of.

Mr. CALDWELL. Is there anything else that we have to drink?

Mr. MADDEN. That is about all. [Laughter.] But I want to call attention to the fact that while these men from those regions are asking increased appropriations that are not necessary at all, in every other section of the country where we have the business of the country to conduct we are endeavoring to assist in reducing appropriations in order that we may be able to keep the expenses of the Government within the revenues.

Take the Postal Service, for example. All the great cities of the United States have inadequate postal facilities, and the people in every one of these cities are clamoring for appropriations for added facilities, and they are justified in clamoring for such appropriations.

Mr. GOLDFOGLE. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from New York?

Mr. MADDEN. Yes.

Mr. GOLDFOGLE. The gentleman has just said that the people in the neighborhood where business is conducted and where there are business activities are clamoring for increased appropriations for the postal men. Am I right?

Mr. MADDEN. Oh, no. I said for postal facilities—buildings and such things. We are asking also for increased salaries for the men, but we will cut that out of the present discussion.

Mr. GOLDFOGLE. Why cut it out?

Mr. MADDEN. I do not yield just now. I just wanted to illustrate——

Mr. GOLDFOGLE. Will the gentleman answer one inquiry?

Mr. MADDEN. Yes; I will answer an inquiry.

Mr. GOLDFOGLE. Then why does the gentleman——

Mr. MADDEN. I wanted to make a statement, but I will let the gentleman ask the question?

Mr. GOLDFOGLE. Why does the gentleman object?

Mr. MADDEN. I decline to yield for that purpose.

The CHAIRMAN. The gentleman declines to yield.

Mr. MADDEN. I want to go on and make the statement that I was going to make.

These people who have been willing to make the sacrifice are getting along without the necessary facilities in order to help the country out of the national embarrassment which the country finds itself in; and yet these men coming from the mountain districts are demanding more money for playgrounds. We are compelled in the great city of Chicago and in all the other great cities of the United States to distribute the mail on the sidewalks because we have not the necessary building facilities to enable us to do the work as it ought to be done, and yet these sections of the country that pay no part of the great expenses of the Government send Representatives here who insist upon increased appropriations for things that are not necessary.

Now, I think that the men who are asking for these appropriations ought to begin to realize that they are a part of the United States and that if a panic comes as the result of the extravagant waste of public money, their people will realize it just as quickly as anybody else and they will suffer with the rest of us. Now, if we are willing to forego expenditures in our sections of the country, where we pay the bills—and these expenses are justified for legitimate Government reasons—these men ought to be willing to forego the right to demand appropriations for reasons that are not justified; and for one I propose to stand here in opposition, now and in the future, to all such appropriations as are demanded by these men from the Rocky Mountain districts for park purposes while the business of the country is embarrassed because of the inability of the Government to supply the needs, because it is believed that the people are already overburdened with taxation.

The Committee on Public Buildings and Grounds passed a resolution not long since to the effect that no public-building bill should be considered in this Congress, because they believed that the Government can not afford to make the appropriation. Now, everybody will agree that in all the great business centers of the country we need buildings in which to transact the public business, and the people there can not understand why they do not get them. When they are told about it they are glad to conform to the conditions in order to help out the situation. We want these men in these sparsely settled regions where there is nothing but ice and snow, as the gentleman from Oregon

[Mr. SINNOTT] has just told you, with which to regale the men who are about to visit that section of the country, to be sufficiently patriotic to join us in an effort to economize in order that the people of the country may be released from the burdens that are placed upon their backs by this excessive taxation.

Mr. BLACK. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLACK. I have listened with a great deal of interest and entire approval to the argument of the gentleman from Illinois [Mr. MADDEN] for economy in Government expenditures. In the splendid argument that he made he referred to the condition of the Postal Service and to the need for increased facilities. While the gentleman was making his eloquent remarks I was forcibly reminded that there is now before the Committee on the Post Office and Post Roads what is known as the Fess bill, which has for its object the repealing of the third and fourth year rates of the zone postal law and the relieving of publishers whose publications are now being carried through the mails at much less than the actual cost of carrying them. Even at the maximum of rates provided in the present law the Government will be a heavy loser in the transportation of second-class mail matter.

The commission, headed by the distinguished jurist, Associate Justice Hughes, which a few years ago made a very exhaustive investigation of the cost of carrying second-class mail matter, reported to the Congress that it cost 5½ cents a pound to transport and distribute this class of mail matter, not including certain charges which were not allocated. It is admitted that the weight of second-class mail matter is more than a billion pounds a year, and that makes an annual cost to the Postal Service, conservatively estimated, of $55,000,000, exclusive of certain overhead expenses. The rates at present in force produced only about $15,000,000 the first year, will produce about $22,000,000 the second year, $27,000,000 the third year, and $32,000,000 the fourth year, when they reach the peak of cost and remain permanent at that figure. That will leave us a loss on the carriage and distributing cost of carrying every pound of second-class matter. It will be a very substantial loss at that. Yet the gentleman from Illinois [Mr. MADDEN], the distinguished economist of the Republican side of the House, is leading the fight to report out a bill that would stop these rates at the second year and relieve publishers like the Curtis Publishing Co., whose publications are being carried through the mails at an estimated loss of at least $4,000,000 a year to the Government. Mr. John C. Koons, in his testimony before the House Post Office Committee, stated some time ago that every issue of the Saturday Evening Post, even under the present rates, caused a loss to the Government of the United States of $150,000. I have no fight to make on the Saturday Evening Post, but I am not in favor of the Government carrying it at such a heavy loss.

I agree that the postal employees ought to have better salaries and better wages, and I am wondering if the steering committee on the Republican side of the House are going to bring out a bill that will relieve the millionaire publishers instead of relieving the postal employees. If that is what you gentlemen are preparing to do, then we on this side of the House are ready to meet the issue. [Applause.]

Mr. GOOD. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto be now closed.

The CHAIRMAN. The gentleman from Iowa moves that all debate on this paragraph and all amendments thereto be now closed.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment of the gentleman from Utah [Mr. WELLING].

The question being taken, the amendment was rejected.

Mr. McKEOWN. Mr. Chairman, I offer an amendment as a new paragraph.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment as a new paragraph, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McKEOWN: Page 113, line 19, after the figures "$2,500," insert a new paragraph, as follows:

"That no sum appropriated herein for national parks shall be available for use of any park wherein any hotel or transportation company is permitted to charge unreasonable rates for accommodations."

Mr. McKEOWN. Mr. Chairman, I do not care to take up the time of the committee to debate this amendment. It has come to my attention that in some of these parks the rates are so prohibitive that nobody except the ultra rich can stop there. These parks are for the accommodation of the entire public of the United States, and men of moderate means ought to be permitted to have some of the accommodations that go along with the beauties of the national parks.

Mr. CANNON. Are the rates fixed by the present law?

Mr. McKEOWN. I understand they are fixed by regulation.

Mr. CANNON. Then before they could use any of this money we would have to get somebody to determine what are reasonable rates, and before that could be done I suppose the season would pass by.

Mr. McKEOWN. The gentleman would not be in favor of permitting some hotel company or transportation company to charge unreasonable rates?

Mr. CANNON. Not at all; but we have no machinery to ascertain what is provided in the gentleman's amendment.

Mr. McKEOWN. I understand the Secretary of the Interior is charged with the duty of fixing the rate, and he ought not to permit them to charge unreasonable rates. If they are doing it, it ought to be called to his attention.

Mr. GOOD. I want to say to the gentleman from Oklahoma [Mr. McKEOWN] that I have a good deal of confidence in the Secretary of the Interior. It is not only his right to fix these rates, but the law requires that he shall fix reasonable rates. I think we have a very able Secretary of the Interior, and I think we have one of the best and ablest park commissioners we have ever had.

Mr. McKEOWN. I agree to that part of it.

Mr. GOOD. And I am willing that they shall administer the law as it is upon the statute books. That law simply provides that the Secretary of the Interior shall prescribe reasonable rates. It has not been brought to the attention of the committee that any rates were unreasonable. There has been complaint that in order to bring about good accommodations, where we once had poor accommodations, where we had a whole lot of so-called competition and no service, a schedule of rates was fixed and a concession was given to one person, giving him the right to do certain things in the park and to perform certain services there. The service has been very greatly improved, but the cost of the service has not increased at all in comparison with the increased cost of labor.

Mr. McKEOWN. There has been considerable complaint about some of the charges in some of the western parks. Some people say they are absolutely prohibitive, and this amendment will regulate that matter.

The CHAIRMAN. The question is on the amendment of the gentleman from Oklahoma [Mr. McKEOWN].

The question being taken, the amendment was rejected.

The Clerk read as follows:

Hereafter members of the Board of United States General Appraisers may be allowed not to exceed $7 per diem for expenses of subsistence actually incurred while traveling or engaged on official business at places other than the city of New York.

Mr. BLACK. Mr. Chairman, I reserve a point of order on that paragraph. I notice that it provides $7 per diem allowance in lieu of subsistence. My recollection is that the law provides $5.

Mr. GOOD. That is correct. It is subject to a point of order.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield just a moment while I make a statement?

Mr. BLACK. Yes.

Mr. BYRNS of Tennessee. This provision applies to the Board of General Appraisers, of whom there are nine. The gentleman will recollect that a former and esteemed colleague of ours is a member of that board. This board of appraisers and the attorneys who appear before them are required to make trips over the country for the purpose of hearing contested customs cases. Their duties take them to the larger cities. They do not visit any city except the larger cities.

The statement is made, and I am sure borne out by the facts, that it is absolutely impossible for them to get even a room in a hotel in the large cities for less than the amount of the per diem now allowed. Seven dollars would not pay the entire expense. As a matter of fact, the Board of General Appraisers think they ought to have the same per diem allowance as the Federal judges who hold court in the large cities. But the committee decided to increase it $2, which, as I say, is not sufficient to pay all the expenses.

Mr. BLACK. I will state that the Committee on Post Offices and Post Roads have had substantially the same complaint about the per diem allowance for post-office inspectors who do most of their work in the large cities. Probably we might have the same complaint all along the line. It seems to me that the equitable thing to do, if we are to increase the per diem allowance, is to take up the whole subject and provide for it by proper legislation.

I do not know any better paid officials in the Government service than this Board of General Appraisers. I know of some Government servants that are not nearly so well paid who are meeting worse difficulties that these officials.

Mr. BYRNS of Tennessee. The gentleman realizes that as a matter of fact the per diem which is provided for this board presents a different proposition from the per diem allowed for those who visit the smaller towns, where hotel expenses are not so great.

Mr. BLACK. I had that in mind. Mr. Chairman, I make the point of order.

Mr. GOOD. The gentleman's point of order goes to the whole paragraph?

Mr. BLACK. Yes.

The CHAIRMAN. The Chair sustains the point of order and the Clerk will read.

The Clerk read as follows:

Detection and prosecution of crimes: For the detection and prosecution of crimes against the United States; the investigation of the official acts, records, and accounts of marshals, attorneys, clerks, referees, and trustees of the United States courts and the Territorial courts, and United States commissioners, for which purpose all the official papers, records, and dockets of said officers, without exception, shall be examined by the agents of the Attorney General at any time; for the protection of the person of the President of the United States; for such other investigations regarding official matters under the control of the Department of Justice or the Department of State as may be directed by the Attorney General; hire of motor-propelled or horse-drawn passenger-carrying vehicles when necessary; per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, including not to exceed $200,000 for necessary employees at the seat of government, and including a director of the Bureau of Investigation at not exceeding $7,500 per annum, to be expended under the direction of the Attorney General, $2,000,000: *Provided*, That for the purpose of executing the duties for which provision is made by this appropriation, the Attorney General is authorized to appoint officials who shall be designated "special agents of the Department of Justice," and who shall be vested with the authority necessary for the execution of such duties: *Provided further*, That this appropriation shall be available for advances to be made by the disbursing clerk of the Department of Justice when authorized and approved by the Attorney General, the provisions of section 3648 of the Revised Statutes to the contrary notwithstanding.

Mr. MANN of Illinois. Mr. Chairman, I reserve a point of order on the proviso beginning on line 18, page 119.

Mr. DOWELL. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The reservation of a point of order is made, but the Chair will recognize the gentleman.

Mr. DOWELL. Mr. Chairman, I rise to make an inquiry relative to this service. As I understand, there is another department of the Government which has for its purpose the same work as this Bureau of Investigation. I would like to inquire of the chairman of the committee why it is that all of these departments can not be put under one division? Is it not true that a goodly part of these investigations are duplications?

Mr. GOOD. No; I do not think so. I suppose the gentleman refers to the department under the Treasury. Now, the department under the Treasury has to do with the question of counterfeiting, and that alone, practically. I think the only other function that that department performs is to furnish police protection for the President. This department is altogether different. It is true they carry on a detective service, but in this case they investigate practically all crimes committed against the United States except that of counterfeiting, and that is left to the Department of the Treasury, which confines its activities to that alone.

Mr. DOWELL. Is it not true that the Treasury Department does go outside of counterfeiting, and is it not true that before a prosecution is made it must be put up to an investigation by the Attorney General's office? Does it not finally come back to the Department of Justice to determine whether or not a crime has been committed?

Mr. GOOD. No; I think there is very little duplication. It is true that in the Customs Service there is some work carried on by the Treasury Department to prevent fraud against the Government. This is quite a different thing. This has to do with practically all of the criminal statutes of the United States.

Mr. DOWELL. They also have charge of investigating the same character of work that is carried on in the Treasury Department. For instance, if a crime is committed in counterfeiting, an investigation is or may be carried on by the Department of Justice in order to ascertain whether or not the crime has actually been committed.

Mr. GOOD. No; I think that is carried on by the Treasury Department.

Mr. DOWELL. My inquiry of the gentleman is whether or not it is not possible to put all this under one head so that the investigations may be made from one source instead of from different sources.

Mr. GOOD. I think that would be all right if there was any duplication, but if there is any duplication at all it is a very minor duplication. As I understand, the persons employed by Mr. Moran, of the Treasury Department, are only to make investigations along the line of counterfeiting and fraud on the Customs Service. These persons employed by the Attorney General's department do not give their attention to those particular crimes, and the Attorney General only takes up the work when his office is called upon to prosecute, and then I think he accepts the findings and work of the Secret Service men.

Mr. DOWELL. In view of the fact that the Department of Justice must finally handle the case, would it not be better that all investigations should be made by the Department of Justice?

Mr. GOOD. In many cases investigations do not go to the extent of prosecution. They go to the extent sometimes of preventing crimes. If a person has been apprehended, then the work is taken over by the Attorney General, and the evidence is turned over to him, and I doubt very much if there is any lost motion in this.

Mr. MANN of Illinois. May I ask the gentleman from Iowa a question?

Mr. GOOD. Certainly.

Mr. MANN of Illinois. In the proviso the Attorney General is authorized to appoint officials who shall be designated "special agents of the Department of Justice." How are these officials now designated?

Mr. GOOD. These officials are known as operators, and without a special designation. As I recall, the statement was made that they did not have the authority to carry firearms. A person who is designated as a special agent of the Department of Justice as provided in the paragraph under the law would be authorized to carry firearms. The Attorney General feels that these persons should be protected; that they should go out with some protection in the way of firearms. That was the reason for including this provision.

Mr. MANN of Illinois. This provision says "and who shall be vested with the authority necessary for the execution of such duties." I do not know just what "such duties" may be, but by general terms to give employees of the Government authority to do anything they please is making it pretty broad.

Mr. GOOD. The Attorney General has this to say:

Mr. PALMER. Under the statutes as they now exist, my understanding is that the special agents have no status whatsoever. It is a title that has been given under the administration of the department, and as an instance of that, an agent has no authority to carry a firearm. It is only by the courtesy of the States that they are allowed to carry any firearms. If a State official, a sheriff or any other State official, wants to prosecute one of the agents of our department, he can do so for carrying a concealed weapon. It is only in the District here that they are allowed to carry one, and this clause was inserted with that in view—to give them an official status and the same rank as a Secret Service operator under the Treasury Department.

Mr. MANN of Illinois. The fact is that the country is burdened with special agents of various departments, and when a man goes into a place seeking to exercise some authority which, perhaps, he ought not to exercise, and presents a card as special agent of the Department of Justice, and says that Congress has given him all of the authority he needs for the execution of any duty that he chooses to attempt to perform, it resolves itself into nothing more than a method of intimidation.

Mr. MACCRATE. Mr. Chairman, if the gentleman will permit, it has been suggested that some of these secret agents in New York City have been putting prisoners through the third degree even more cruel than anything heretofore experienced in the city of New York. I wonder if "such duties" would include the third degree.

Mr. MANN of Illinois. This would give them all of the authority they thought was necessary for the execution of any duties that the Department of Justice chose to give them to perform, apparently without any limitation. It is the broadest language that I recall in any statutory provision of law. I am personally rather tired of the complaints, whether they be justified or not, of so many people about the constant visits they have from various special agents of the different departments of the Government.

Mr. GOOD. Mr. Chairman, I have given the gentleman all of the light that I have on the subject, and when the Attorney General asked for this, in view of the very critical situation throughout the country at the present time, the committee did not feel warranted in declining to give that authority.

Mr. MANN of Illinois. While, perhaps, the Attorney General may be justified in all that he asks, I am not in favor of letting agents of the Department of Justice arrest anyone they please on any kind of a suspicion that they may have, and say that Congress has given them authority to do it. They probably would not arrest the gentleman from Iowa and probably not myself, although it is not unlikely that they might summon either one of us and put us under examination. I think it would be well to have this matter considered in the Senate. If the Senate choose to insert it, then it can be considered in conference, where probably it will get more investigation than it would if the item went into the bill to the Senate. I make the

point of order against the proviso, beginning on line 18 and ending with line 23, page 119.

The CHAIRMAN. The gentleman from Illinois makes the point of order against the proviso in line 18 and ending with line 23, on page 119. The Chair thinks the proviso is legislation and sustains the point of order.

Mr. GOOD. Mr. Chairman, I move to strike out the word "*further*," after the word "*Provided*," in line 23, page 119.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Line 23, page 119, strike out the word "*further*."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BYRNS of Tennessee. Mr. Chairman, I move to amend the bill, on line 17, page 119, by striking out "$2,000,000" and inserting in lieu thereof the figures "$2,500,000."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BYRNS of Tennessee: Page 119, line 17, strike out the figures "$2,000,000" and insert in lieu thereof the figures "$2,500,000."

Mr. BYRNS of Tennessee. Mr. Chairman, this amendment, if it be adopted, will carry for the next year the appropriation now made for the Department of Justice for the purpose set forth in this paragraph, lacking $100,000. In other words, the appropriation for the current year carries for the detection and prosecution of crime the sum of $2,600,000. When the estimates were submitted the Department of Justice asked for $3,500,000 for that purpose. When the Attorney General appeared before the committee he stated that he realized the necessity for economy and that he was anxious himself to see economy practiced. Therefore, he voluntarily withdrew from his estimates $1,000,000, and stated that if the Congress would give him $2,500,000 for the next year he hoped to be able to get along. He now has a force or organization based on an expenditure at the rate of $2,600,000 per year. If you adopt the provision carried in the bill, then you will reduce the organization on July 1 by the sum of $500,000.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. DOWELL. What is the force of the Department of Justice now, in number?

Mr. BYRNS of Tennessee. I could not tell the gentleman that without referring to the hearings. I will look it up and let the gentleman know later. As has been stated, this sum is for the detection and prosecution of all crimes under the United States statutes. The Attorney General says that at least 40 per cent of the sum will be used in the campaign against the alien radicals and the anarchists in this country.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. JOHNSON of Washington. What is to be gained by employing a large number of special agents to make arrests on information and belief against aliens suspected of violating the anarchistic clauses of the immigration laws when we are unable to deport them?

Mr. BYRNS of Tennessee. That is an entirely different proposition.

Mr. JOHNSON of Washington. It has a lot to do with it.

Mr. BYRNS of Tennessee. The Department of Justice, as the gentleman knows, has nothing to do with the decision of those cases, and I submit that merely because another department has failed, if that be the case, to take action on the cases that are put up to it, is no reason why we should deny to the Department of Justice the amount necessary to run down these radicals and anarchists and put them up to the proper party for decision.

Mr. JOHNSON of Washington. Permit me to put a proposition to the gentleman: We want the laws sustained, and while I have no desire to criticize one department more than another—or, in fact, any department—yet if we must do it we may as well make the criticism. The overloading of the jails is never good. Now, the organizer of these Department of Justice raids, if he had thought about it a minute, would have known that the number of arrests would be beyond the capacity of another department of the Government to quickly take up and investigate the arrests.

If we have too many special agents employed for the purpose of probing and finding out, they will keep on making those arrests, and aliens will be put into jail much faster than the Immigration Service can take care of them. The increase of appropriation is proposed in the wrong place. Let the sum be appropriated for additional immigration inspectors, who can prepare cases and evidence against revolutionary aliens.

Mr. BYRNS of Tennessee. Well, if the Department of Justice through its special agents is engaged in arresting those who are guilty of an infraction of our laws or inciting rebellion or undertaking to injure the Government or seeking to destroy it by force and violence, merely because some other department is not able to proceed as rapidly as it ought possibly to do——

Mr. JOHNSON of Washington. Or as rapidly as arrests are made.

Mr. BYRNS of Tennessee. Or as rapidly as the guilty parties are detected and arrested, that is no reason why we should deny the Department of Justice the full complement of investigators necessary to make those investigations. You would not stop the running down and arresting of thieves or murderers merely because the courts could not dispose of the cases as rapidly as they were brought before them. Why make a distinction in the case of any violators of the law? Now, what are you doing by reducing this appropriation? You are serving notice upon the alien radicals and anarchists of this country who would use force and violence that we are reducing the organization of the Department of Justice, which was formed for the purpose of running them down and bringing them to book and sending them back to where they belong in the event they are found guilty. I do not think this Congress can afford at this particular time to take the position of cutting the organization of the Department of Justice 20 per cent during the next fiscal year.

Mr. JOHNSON of Washington. But notice to that effect has been served both through acts of the Department of Labor and through certain——

Mr. BYRNS of Tennessee. I remember to have noticed a statement in the Washington papers quoting the gentleman himself, as chairman of the Committee on Immigration, in a hearing before the Committee on Rules, as very highly commending the Department of Justice for all that had been done, and stating——

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Washington. I ask that the gentleman from Tennessee have five additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. Now, if he commends what it has done up to this time, it seems to me that he must agree that when we undertake to cut down the appropriations beginning July 1 and reduce that organization we are doing something that we ought not to do, for we are depriving the Attorney General of the machinery necessary to carry out the law.

Mr. JOHNSON of Washington. If the gentleman will permit, what I said the other day before the Rules Committee was that in my opinion the Department of Justice had performed a great service in the United States in breaking up a conspiracy. Now, we have had some rulings since the arrests were made. We find, through the rulings of the Secretary of Labor, that the alien members of the Communist Party are deportable for membership; that alien members of the Communist Labor Party are not deportable except for individual overt acts; and alien members of the Russian Workers' Union are deportable for membership; and that alien members of the I. W. W. are not deportable except for overt acts. Now, you will not have to have a great number of special agents trying to classify revolutionary aliens and others, because they will all know enough to get out of the Communist Party into these other parties.

Mr. BYRNS of Tennessee. I understand the gentleman stands for an amendment of the laws so as to make them more stringent?

Mr. JOHNSON of Washington. I do so.

Mr. BYRNS of Tennessee. The Attorney General stated that the work of the department was becoming more difficult day by day for this reason; these alien radicals and anarchists, who are of course subject to deportation, are now standing in the background——

Mr. JOHNSON of Washington. Dodging and denying.

Mr. BYRNS of Tennessee. And dodging, as the gentleman says, and permitting citizens who have like radical tendencies and ideas to take the lead in these matters. Now, of course, it is as much the duty of the Attorney General to ferret out crime on the part of citizens as of aliens.

Mr. JOHNSON of Washington. I agree with the gentleman.

Mr. BYRNS of Tennessee. Although he complains—and I think complains very properly—that he has not sufficient authority under the law to enable him to effectively punish citizens guilty of such offenses. He has asked Congress for such legislation, but it has failed to give it to him. I want to call the attention of the gentleman to another fact. The appropria-

tion as carried under this paragraph is not confined alone to this particular crime. I stated awhile ago that probably 40 per cent of it is used for the purpose to which the gentleman has alluded. In addition to that, it is made the duty of the Attorney General to prosecute all crimes upon the calendar and these special agents are engaged in detecting crime of all kinds.

Mr. VARE. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will yield to the gentleman from Pennsylvania.

Mr. VARE. Will my colleague state to the committee how much of this fund was used for the investigation of the election offenses in Michigan?

Mr. BYRNS of Tennessee. My recollection is that the sum of $40,000 was so expended, but there were fines amounting to $45,000 assessed in that case.

Mr. GOOD. If the gentleman will permit, I think at the time of the hearings the trial of that case had not concluded.

Mr. BYRNS of Tennessee. My statement is based on information given me since that time.

Mr. MACCRATE. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. MACCRATE. Can the gentleman inform the committee how many men were arrested as the result of May day activities?

Mr. BYRNS of Tennessee. The gentleman means——

Mr. MACCRATE. Those of May 1.

Mr. BYRNS of Tennessee. I can not; no.

Mr. MACCRATE. Has the gentleman any idea how many persons were taken?

Mr. BYRNS of Tennessee. I do not know whether any were arrested or not.

Mr. MCKEOWN. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will yield.

Mr. MCKEOWN. Does this amount allowed here include what is necessary to investigate the profiteering in the necessaries of life?

Mr. BYRNS of Tennessee. Yes.

Mr. MCKEOWN. What per cent will be allowed for that?

Mr. BYRNS of Tennessee. The Attorney General stated that if allowed $2,600,000, a million of it would be expended in the detection and prosecution of the alien radicals and anarchists; that $1,100,000 of it would be expended for the detection and prosecution of all other crimes against the United States; and that $500,000 of it would be used in the campaign against the high cost of living and the prosecution of profiteers.

Mr. MCKEOWN. Does not the gentleman think in view of the charges made against the Attorney General that he is not trying to reduce the high cost of living, he ought to have sufficient funds?

Mr. BYRNS of Tennessee. I certainly do, and if this money is not appropriated for him and he is not given the money he asks from Congress, and especially since he asks no more for next year than he has had this year, then I think those who vote against it are estopped from making any criticism against the Department of Justice for not reducing the high cost of living or from offering any complaint if all these laws are not fully enforced. The Attorney General has fearlessly done his duty. He has done it in the face of criticism from those who are guilty of violating our laws, and Congress can do no less, it seems to me, than supply him with the necessary funds to carry on this work and thereby serve notice not only on the radicals and anarchists but also upon the profiteers and other law violators that Congress intends to stand behind him and back him up to the limit in his effort to enforce the law. [Applause.]

Mr. MACCRATE. Mr. Chairman, I rise in opposition to the amendment. This bill carries an appropriation for books for the Department of Justice. It seems to me among those books there should be the Constitution of the United States, the Federalist, and a copy of the Revised Statutes of the United States, for I do not believe that outside of the Department of Justice there is such ignorance of the limitation of the powers of that department as there exists in the department.

No radical leader in this generation has done more to unsettle the nerves of the American people than has the Attorney General. He has awakened class antagonism to greater pitch than any preacher of class warfare. He borrows the bitterest terms of denunciation and hurls them indiscriminately here and there and elsewhere at portions of our people. Whenever the country seems ready to settle down and the national nerves are about normal, he breaks out, crying, "The Republic is endangered." Other men cry out for the repeal of war-time legislation. His voice utters a demand that we must not let war-time legislation die with the coming of peace. He failed to prosecute a single profiteer from January to June, 1919, under war-time legislation, yet in savage language sought to arouse the American people against Congress to turn their indignation from himself.

Mr. CALDWELL. Will the gentleman yield?

Mr. MACCRATE. Not just yet.

In 1919, at Albany, N. Y., he proclaimed himself the David ready to slay the Goliath who threatened the American table. He declared that the "wrath of the American people will compel a verdict of conviction" of the packers. Yet in 1920 he closets himself with counsel for the packers and permits them to withdraw unharmed from the criminal courts. No man wants innocent men, of large or small means, unjustly convicted, but what did the Attorney General mean to do when he trumpeted to the country his opinion that their wrath would demand conviction of the packers? If the packers committed no crime, why seek to stir the wrath of our people against them? If they did commit crime, why permit them to go free while others must be imprisoned?

Mr. MCKEOWN. Mr. Chairman, I make the point of order that the gentleman is not talking in order on the amendment.

The CHAIRMAN. The gentleman will proceed in order.

Mr. MACCRATE. I submit that this is in opposition to the amendment.

Mr. BLANTON. The gentleman has prepared a set speech on this subject, and he ought to get it out of his system. It hurts.

Mr. MACCRATE. The gentleman from Texas does not think what he is going to say, but the gentleman from New York does think.

Mr. BLANTON. What the gentleman from Texas does think and say is in order and to the point.

Mr. MACCRATE. Surely it is a strange sight to witness an Attorney General crying for convictions on wrath and not on evidence.

Have constitutional guaranties become so obsolete that impartial justice is an impossibility for our citizens? Is suspicion to supplant facts in the conduct of the affairs of government?

We will never get back to normal while the chief law officer of the country proceeds in violation of constitutional and statutory principles and everlastingly arouses the people to suspect each other. There are, as there always have been, bad men among us. If the Attorney General will get them and rightly put them in jail, we will be able to count them with certainty, but we will never know their number as long as their only place of confinement is the mind of the Attorney General.

Mr. BYRNS of Tennessee. Now, will the gentleman yield?

Mr. MACCRATE. Shortly.

The American people are tired of talk about the existence of hundreds of thousands of dangerous profiteers and overthrowers of Government while a baker's dozen only find their way to a place of punishment.

Our Attorney General has become a general adviser to the housewives of America. Daily for months he has told the good women of America what to cook, when to cook, what to wear, and when to wear, what to buy and when to buy.

He tells our wives and mothers how to make chuck taste like sirloin and how to be satisfied with old-fashioned ginghams instead of new silks. He warns them to beware of demanding too many styles of clothing in one season. For the top of the head and the sole of the foot, for outer garments and inner needs, our indefatigable Attorney General has a daily suggestion. Surely we who have seen Sunday's noonday meal come on the table in a new dress on Monday, Tuesday, and sometimes on Wednesday know that our women folks need no assistance from a Federal officeholder on the art of making Sunday's delicious roast beef Wednesday's delightful hash. We who have watched feathers and flowers transposed and transplanted to make the old hat look like new, and who have seen a dress of three seasons made modern and fit for the fourth, recommend to the Attorney General that he take from rather than give advice to the American housewife.

Where in the Revised Statutes does our learned Attorney General read that he should advise as to the food, the drink, and the clothing of the American people? By what authority does he join with the packers in recommending "cheap cuts" to the American public? The Revised Statutes lay down the duties and powers of the Department of Justice. They provide for "men learned in the law" to advise the President, the various executive departments, and to prosecute actions in the courts of the country.

If we are going to convert the Department of Justice into a department of household economy, let us put at the head of the department one of the millions of American mothers who has

been transforming dad's trousers into son's pants while the Attorney General has been trying mightily to make presidential garments out of the official clothes he now wears.

Now, I am ready to yield.

Mr. BYRNS of Tennessee. I wondered——

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLANTON. I ask that the gentleman may be given one more minute, in order that he may answer a pointed question.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. I wonder if the gentleman from New York can tell the House just how many arrests and how many convictions have been made by the Department of Justice under the food-control act?

Mr. MACCRATE. I have been endeavoring to get that. I introduced a resolution in this House myself asking specifically as between January 1 and June 30, 1919, and the Attorney General himself responded that there was not a solitary conviction in the whole United States.

Mr. BYRNS of Tennessee. I am not asking the gentleman for any specific period of time.

Mr. MACCRATE. That is the only period for which I have asked.

Mr. BYRNS of Tennessee. The gentleman has delivered a set speech, in which he has vigorously denounced the Attorney General and accused the Attorney General of not complying with his obligation as an officer of the United States. Now, I want to know whether or not the gentleman has information as to just what the Attorney General has done under the act of which he complains?

Mr. MACCRATE. All I know is that the Attorney General has promised to put every profiteer in jail, and there have been only about two dozen put in jail.

Mr. BYRNS of Tennessee. How many arrests under the food-control act, and do you know how many convictions?

Mr. MACCRATE. Assuming that the number of arrests is great, then the Attorney General is more blameworthy if there are so few in jail.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman may have one additional minute.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Does not the gentleman know that within the last 90 days the Attorney General has apprehended about 6,000 anarchists and that just the other day Louis F. Post, Assistant Secretary of Labor, testified before the Committee on Rules that he used to be a loyal Republican, yet the country knows he has turned most of these 6,000 anarchists loose on the people of America? Louis F. Post, and not the Attorney General of the United States, is wholly responsible for the law not being applied to the infamous anarchists now menacing the United States.

How is he going to reconcile that state of affairs with his speech?

Mr. MACCRATE. Well, if those 6,000 exist in the same place that the bomb throwers of May 1 existed, there are not any. [Applause on the Republican side.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLANTON. Oh, if it had not been for the action taken by the Attorney General there would probably have been some of them throwing bombs in this House from the gallery yonder.

Mr. LAYTON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 15 minutes—5 minutes to be used by the gentleman from Minnesota [Mr. NEWTON], 5 minutes by the gentleman from Tennessee [Mr. BYRNS], and 5 minutes by myself.

Mr. McKEOWN. I would like to have 5 minutes.

Mr. GOOD. Then I make it 20 minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on this paragraph and all amendments thereto close in 20 minutes, to be divided as indicated. Is there objection?

Mr. BLANTON. I would like to know how much of this 20 minutes is to be divided among those defending the good name of one of the Cabinet officers of the land, which has just been brought into disrepute.

Mr. GOOD. I hope the debate will be confined to the amendment.

Mr. BLANTON. Then none of it will be used to offset some of the attacks that have been made upon him on the floor.

Mr. MANN of Illinois. You could not divide up time in that way.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. NEWTON of Minnesota. Mr. Chairman, I would like to ask the gentleman from Tennessee [Mr. BYRNS] two questions in connection with the appropriation for the office of the Attorney General. Some time ago, as has been mentioned here in the debates, there were a large number of arrests of aliens belonging to the Communist Party. It is contended by the Department of Labor that many of these men were merely nominal members of the party and did not know the obligations that they had subscribed to.

It also appears that the Attorney General's office—the Department of Justice—did not arrest and did not apprehend men who were the leaders in this Communist Party movement, but that the arrests were made merely of the rank and file, many of whom, it is claimed, were entirely ignorant of the details of the principles of the Communist Party. Can the gentleman give the House any information as to that, and the reason for not arresting and apprehending the leaders of this Communist Party movement?

Mr. BYRNS of Tennessee. I know that warrants were issued chiefly for leaders and officers and persons in responsible positions in those organizations which were formed for the purpose of promoting the revolutionary movement in the United States in their various meetings and organizations. Now, if it be true that some of them were not apprehended, it was because the officers were unable to locate or find them.

Mr. NEWTON of Minnesota. Well, I have been informed that men who are in the country to-day, men who are speaking for the Communist Party to-day, were not arrested or apprehended, and no warrants were ever issued for their arrest.

Mr. BOX. Will the gentleman name some of those leaders?

Mr. NEWTON of Minnesota. Louis C. Fraina was the name of one of the leaders that was given to me. I understand he has not been apprehended, but I have no information other than hearsay.

Mr. BYRNS of Tennessee. I have no information as to any particular individual case, but I do know that the Attorney General and those who apeared before the committee positively stated that these warrants of arrest were directed against the officers and responsible leaders of the revolutionary organizations. The Attorney General went at some length into the organization of the Communist and Communist Labor Parties, and into the platforms or teachings of the two parties, in order to show just how they were fomenting trouble and promoting a movement to injure and, if possible, overturn the Government by force and violence, and he stated that warrants were issued against the officers, those in charge of their various meetings and organizations. Now, if it be that some particular leader was not arrested, I have no information concerning it.

Mr. NEWTON of Minnesota. Now, can the gentleman tell me anything about the fair-price committees working under the Department of Justice here in the District of Columbia? I read the other day that under the auspices of the Department of Justice the fair-price committee had fixed as a fair rate of profit for a retailer upon a pair of shoes selling for about $12, 33⅓ or 35 per cent upon the selling price. That would mean at least 50 per cent profit upon the cost of the shoes to the retailer, and that statement, I understand, is true. Now, can it be that, with appropriations going to the Deparment of Justice for the prevention of profiteering, that department is approving a profit of that kind upon a staple article like a pair of shoes—a nonperishable article, which, if not sold to-day can be sold to-morrow or a year from to-day?

Mr. BYRNS of Tennessee. The gentleman knows that the fair-price committee was simply an organization which was perfected in the various cities of the land for the purpose of assisting the Department of Justice to bear down the high cost of living.

Mr. NEWTON of Minnesota. Yes.

Mr. BYRNS of Tennessee. The gentleman further knows that a year ago, possibly, the Attorney General requested this Congress to enact certain legislation by way of amendment to the Lever food-control act which would give him the authority to go into the courts and prosecute criminally and put into jail the profiteers who are reaping such enormous profits at the expense of the people of this country, and this Congress for months failed to give him the legislation he asked for——

Mr. NEWTON of Minnesota. Yes; and why should we do that when he O. K's and approves an exorbitant price upon the sale at retail of a pair of shoes such as I have indicated? [Applause on the Republican side.]

Mr. BYRNS of Tennessee. Oh, everyone knows that the Attorney General does not approve it.

Mr. McKEOWN. Mr. Chairman, I am sorry that this matter seems to partake of a political aspect as to this appropriation. This question is really not a political question. It ought not to be dealt with by Congress as a political question. The Attorney General of the United States is a fearless officer, and I want to say to you that a man upon whom the reds have made such a vicious attack in trying to kill him is not one that the Congress of the United States ought now to lie down upon when it comes to providing means for the enforcement of the law. [Applause on the Democratic side.] It is the duty of the Attorney General to execute the law, and it is the duty of the Congress to pass sufficient laws and give him enough money with which to enforce the law and not to criticize him. [Applause on the Democratic side.] If the Congress would give him more help and less criticism he would make more progress in the reduction of the high cost of living.

The high cost of living has been dragged in as a political issue, and it has been used as a platform upon which to get into office.

Mr. CAMPBELL of Kansas. Does the gentleman refer to the campaign of 1912?

Mr. McKEOWN. I refer to the campaign of 1918. [Laughter.] It has been used to get into office with. The question of the high cost of living has been made a political issue when every sane man knows that you can not reduce the high cost of living by legislation. The reduction of the high cost of living has got to come by increasing the supply of necessities and the prevention of hoarding.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. NEWTON of Minnesota. Does the gentleman think, however, that Congress ought to sit silent with the approval by the Department of Justice of a profit of 50 per cent on the cost of a pair of shoes?

Mr. McKEOWN. I do not know whether the gentleman's statement of it is correct——

Mr. NEWTON of Minnesota. I can assure the gentleman that it is correct.

Mr. McKEOWN. But Congress is not here to approve or disapprove of the particular amounts or percentages allowed in particular cases without all the facts in the case. But there is this much that I do know, and that is that Congress is interested in bringing shoes within the reach of the people, and that the Attorney General ought to have the money with which to enforce the law, and it is the duty of Congress to give it to him.

Mr. BLANTON. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. BLANTON. Will the gentleman tell us what law there is now on the statute books to prevent a profit of 50 per cent on shoes?

Mr. NEWTON of Minnesota. He has the Lever food-control act.

Mr. BLANTON. In what way would that enable the Attorney General to stop profiteering on shoes?

Mr. NEWTON of Minnesota. It provides for the fixing of a reasonable price, and if he would enforce it we would have something like reasonable prices.

Mr. McKEOWN. Here is the attitude you gentlemen on the Republican side have taken: In one breath you condemn the Attorney General because he does not reduce the high cost of living and in the next you oppose an appropriation to enforce the law. We ought to give him sufficient funds to let him try to the full extent to put the red anarchists out of this country and to put the profiteers in jail, and you ought to give him full authority and plenty of money with which to do it, and not go out to the country and say, "If you put me in power, I will immediately reduce the high cost of living," or go out to the country and say, "You have got an Attorney General who does not enforce the law," when you do not give him the money with which to enforce it.

Mr. JOHNSON of Washington. Of course, the gentleman understands that, as far as deporting reds is concerned, I contend that the $1,700,000 that the Attorney General proposes to use is as much as can be used with the machinery in the other departments?

Mr. McKEOWN. I understand the gentleman from Washington has been all the time advocating the deportation of those people and criticizing one of the other departments because they have not deported them or passed on them for their deportation. I hold no brief for the Attorney General as to the fair-price committees. I believe in less investigations and more prosecutions.

Give the Attorney General sufficient funds to bring the rich profiteer to the bar of justice and for the apprehension of anarchists in America and if he fails then you can justly criticize him.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I am not surprised that the Attorney General should have met with some criticism from some sources over the country. Any man who has the duty and responsiblility of enforcing penal statutes, or statutes that affect the pocketbooks of the great interests of this country, can expect always to meet with a certain amount of criticism if he does his duty. But I do not think there is anyone who can fairly and justly say that the present Attorney General of the United States has not used his authority and the authority of his department and the appropriations given him by Congress to enforce the laws upon our statute books to the very best of his splendid ability. [Applause.] Gentlemen complain because he has not reduced the price of shoes. I want to ask gentlemen why it is that they have not complied with the request of the President to enact a statute which will give to the Attorney General and to the Department of Justice the power to enforce some of these statutes and to put some of these people in jail and at the same time give publicity to some of these immense profits that are being made, because you will recall that the request has been made of Congress that statutes be enacted providing that the manufacturers' prices of these articles be stamped upon them, so that when the consumer buys them from the retailer he will know exactly what profit is being made. Yet this Congress, in the face of that request of the President, which has been made more than once in the past year, has remained inactive and has failed to take action upon his request. I say it comes with poor grace for us to stand here and undertake to criticize the Attorney General, charged as he is with the duty of enforcing the laws of the United States, and then deny to him the amount of money which he says is necessary to enable him to enforce those laws. On the contrary, it is proposed here to deny him the amount of money that he now has for the enforcement of these laws and to cut down his appropriation for the next year 20 per cent from what was allowed for the current year.

I say that if we do that we are estopped from uttering any criticism of the Attorney General in the future if he should fail in any degree in his efforts to enforce these particular laws.

Gentlemen have asked what the Attorney General has done under the food control act. The gentleman from New York [Mr. MACCRATE] a few moments ago delivered a set speech criticizing the Attorney General for what the gentleman claimed he had failed to do under that act. But in response to a question the gentleman was unable to give the House any information as to the action taken by the Department of Justice.

Mr. MACCRATE. Will the gentleman yield?

Mr. BYRNS of Tennessee. Just a moment. I will tell the gentleman what he does not seem to know. As a matter of fact, under that law 1,173 arrests were made, and more than 125 convictions have been secured in various parts of this country. Gentlemen know how difficult it is to secure a conviction in a criminal prosecution when you go before a jury in a man's home town, when you indict some profiteer who stands well in his community, and place him before a jury of 12 men in that particular community. But I submit that the record shows that the Department of Justice, through the district attorneys and agents all over this country, has been vigorous in the prosecution of all those who have been charged with violating that act as well as every criminal statute, and I want to appeal to you now not to cut down the Attorney General's force for next year, but to give him his investigators, give him every special agent he says he needs.

Mr. Chairman, I ask unanimous consent to extend my remarks by printing a statement showing just what the Department of Justice has done in this direction. [Applause.]

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

The statement referred to is as follows:

MAY 6, 1920.

In re appropriation for detection and prosecution of crimes, fiscal year commencing July 1, 1920.

I understand the fact to be, although I am not certain about it, that as the sundry civil bill now stands the sum of $2,000,000 has been appropriated for detection and prosecution of crimes.

The expenses of the bureau are now running at a figure of approximately $3,000,000 per year.

On March 9 I furnished you with a memorandum in which I stated that about $2,500,000 would be sufficient for the bureau for the next fiscal year. Since that time, however, several things have come to my attention which indicate that such sum will not be sufficient.

The additional facts, exclusive of those bearing upon the question of the high cost of living, may be summarized under two headings:

(A) THE BUREAU OF INVESTIGATION IS MORE THAN SELF-SUPPORTING.

1. In the Seattle Shipyard case, investigation whereof was commenced at the request of the Shipping Board, 12 men, at an average salary of $7 per day plus $4 per day and traveling expenses, were engaged from October 1 to date, at an estimated total expense of around $30,000. This investigation produced bona fide claims in favor of the Government in civil action amounting to $415,000 and produced facts upon which the Government is stopping payment of claims already allowed in the additional amount of $4,240,000. It is anticipated that most, if not all, of this amount will be saved for the Government. The financial results to the United States Government in this case alone more than pays the operation expenses of the Bureau of Investigation for the entire fiscal year. In addition thereto, indictments have been found against 25 or more defendants as a result of this investigation.

2. In another case, the name whereof must remain confidential, inasmuch as indictments have not yet been presented by the grand jury, bona fide claims in favor of the Government in the amount of $326,000 have been disallowed. It is also expected that a number of indictments will result.

3. In another case of the same nature, and likewise confidential, claims have been disallowed by one of the Government departments in the amount of $42,000 upon evidence produced by the bureau, and two indictments are expected to follow.

4. In another case $25,000 in claims were disallowed by another Government department on evidence produced by the bureau.

5. From and after the first of the year the activities of the antitrust division became revived, although prior to that time they amounted to practically nothing. At present there are 90 antitrust cases proceeding and facts have come to the attention of the department that show that at least 100 more investigations of that nature are awaiting the attention of the bureau. We have 20 special antitrust agents operating from the bureau whose entire time is taken up in such investigations and the time of at least 20 more with their per diems and traveling expenses are constantly being used to further such investigations. Only a small number of these cases have been brought to a final conclusion as yet, but the amount of fines collected, in addition to the good effect of securing indictments in this class of cases, will amount to a very large figure, certainly more than enough to pay the expenses of the investigations themselves, and it is not impossible that such fines in the total will pay considerable, if not all, of the entire expense of the bureau. In one recent case a fine of $25,000 was imposed and collected.

6. Investigations of fraudulent claims against the Bureau of War Risk Insurance are now producing an income of in excess of $1,500 per month. The saving in regards to such frauds by the publicity attending indictments and exposures is probably much greater.

7. Our bank accountants are constantly collecting fines against individuals in addition to the penitentiary sentences they are securing.

8. We have no statistics showing the amount of fines collected in miscellaneous matters upon convictions obtained by the activities of the Bureau of Investigation. One item may be taken as illustrative of the amount recovered. On liquor cases arising under the then existing statutes prior to January 1, 1920, a casual examination of the reports of agents show that $147,000 was collected in fines. These reports were not made for this purpose and are not at all complete. Mr. Keep, who directs this line of investigation, assures me that it does not represent more than one-half of the total amount of fines collected throughout the United States in liquor cases.

(B) UNANTICIPATED BURDENS UPON THE APPROPRIATION.

1. Legislation enforcing national prohibition did not come into effect until January of this year, and it was some time thereafter that the Treasury Department succeeded in organizing its force so as to deal with this matter without our assistance. A more or less heavy burden, though decreasing burden, has been placed upon the bureau by reason of such fact. There are a large number of liquor investigations that the bureau can not escape. They involve cases wherein the district attorney requests additional help from the bureau in cases which are about to be tried; cases of emergency, where no prohibition agent is available; and cases involving the integrity of the prohibition agents. From this it will be seen that the most important of the prohibition cases are still a burden upon the bureau.

2. As hereinabove stated, the antitrust work has grown beyond any possible expectation due to several factors, among them being the natural profiteering tendency arising subsequent to the war, the decision of the United States Supreme Court in the steel case, and the attitude of the Federal Trade Commission in referring more and more of these cases to the Department of Justice for action. As above stated, there are about 190 cases at present demanding the attention of the department which will involve the activities of about 40 agents for the rest of this year and all of the succeeding fiscal year.

3. The election fraud cases, among them being the famous Newberry case, likewise added a heavy burden. It is estimated that the Newberry case cost the Bureau of Investigation about $40,000. In this connection, however, I wish to add that fines to the amount of $45,000 were assessed.

4. The investigation of the Seattle Shipyard produced such good results that the Shipping Board desire like investigations to be made in a number of other cases which it is hoped will produce substantial results, although such investigations will necessarily deplete the bureau's appropriation.

5. The War Department has issued bulletins requesting the public to make report of such violations of the selective-service act as comes to their attention. The regulations authorizing these bulletins are recent in origin and are throwing a heavy burden upon the bureau which could not be anticipated. We have heretofore investigated 200,000 of such cases, 40,000 whereof are shown to have a criminal aspect and indictments are expected. We are obtaining from 15 to 20 convictions a day throughout the United States in this class of cases. I estimate that there will be 100,000 additional of these investigations to be made by the bureau resulting from the action of the War Department.

6. The gradual increase in cost of living has made it necessary for us to meet demands for increased salaries. We have made such increases where possible but our better men are constantly leaving us because of their inability to receive compensation in a Government position commensurate with their ability. It is not uncommon for men to leave our bureau and receive a salary of from two to three times the salary paid by the Government. These increases are, however, an additional burden. The increase in the number of investigations demanding the services of expert accountants and agents well informed on business affairs makes it necessary for us to consider a larger increase in salaries of men engaged in that line of work if we are to keep them in the Government employ. At present rates we are losing our best men. This situation can only be met by giving such men commensurate salaries for such services.

7. The act of Congress making it a crime to transport stolen automobiles across State lines has become to be more of a burden upon the bureau than was anticipated. We have obtained up to date convictions in over 160 of such cases.

8. When the railroads were turned back to private ownership there were a large number of investigations arising out of stolen shipments in interstate commerce. Prior to that time these investigations were made by the railroad police. Since that time, although the investigators of the private lines are of great assistance, there is nevertheless an increased burden upon the bureau of investigation.

9. The appropriations of the War and Navy Departments for investigative purposes having been exhausted, we are under constant pressure to complete investigations they have commenced but are unable to complete or to take up new ones they have been unable to undertake, particularly regarding thefts of Government property in and about camps and shipyards. This was an unanticipated and considerable burden upon the bureau.

10. The expenses of the radical division have continued at their high mark since before the first of the year, and there have been some rather unusual expenses in connection therewith incident to the raids upon the Union of Russian Workers, the Communist Party, and the Communist Labor Party. Upward of 25 per cent of the activities of the bureau are on radical matters. The situation in this regard, however, is not different from what I have anticipated, but is perhaps different from what Congress or the public may understand the facts to be.

11. Congress has recently passed a resolution requesting the investigation of all military camps and cantonments with respect to any fraudulent claims growing out of their construction or otherwise. Several investigations of this nature have been made in the past, including that of the Air Nitrates Corporation at Muscle Shoals. There are 32 such camps and cantonments, and our best estimate, based upon expenses in similar investigations heretofore incurred, would make the cost of the investigation called for by said resolution amount to somewhere around $3,000,000.

If the bureau is to be expected to go into this thing as the resolution calls for, a special appropriation covering such matters ought to be made by Congress; otherwise we can not be expected to do more than a very small part of such work without seriously interfering with the bureau's other activities.

12. The passport-control act, which extended the powers of the State Department upon the granting of passports and permits to leave the United States, has shown an increase in the requests for information upon individuals concerned from a comparatively few up to the present figure in excess of 2,000 a day. Most of these requests, however, do not require field investigation, but each requires an examination of the files of the bureau. Field investigations, however, are frequently made at the request of the State Department.

13. The fact that we have not yet arrived at peace with the Central Powers of Europe has thrown a very heavy unanticipated burden upon the bureau in making the investigations necessary to recommend the exception from the classification of alien enemy for naturalization purposes. The law does not permit us to make such recommendations until an investigation is made. Every German or Austrian who had previously taken out his first papers and who now desires his second papers is applying to the bureau to have an investigation made so that his naturalization may not be delayed any longer. Over 7,000 of such applications have been made since the first of the year, which is larger than the entire number of such applications made prior thereto. About 2,500 of such investigations have been conducted since the first of the year. It will be remembered that a personal investigation and interview of the applicant and his witnesses and a written report is necessary in every case.

The activities in this regard will cease immediately upon the declaration of peace. However, the time when peace will be declared is problematical, and until such time we will be burdened with at least 3,000 to 4,000 such investigations.

14. The Mexican situation has been an increasing burden upon the bureau, and particularly in view of the fact that for lack of appropriation the Immigration Service along the border has been suspended. It has been necessary for us to increase the number of agents along the Mexican border.

15. I have not included any observation on the high cost of living, which I understand Mr. Figg's organization has covered by a special memorandum. For your information, however, the actual number of reports received from our field agents when distributed show that 15 per cent of such reports are upon cost-of-living investigations. When it is considered that such investigations are necessarily laborious and complicated, it will readily be understood that this percentage does not express the true relation of such activities to the other activities of the bureau. No accurate statistics are available, but the cost-of-living investigations are a burden of approximately 25 per cent of the entire appropriation.

Of course, that proportion that may be expended at the seat of government should bear a correct ratio with that which will be expended in the field. It seems to me that it would not be out of the way to be permitted to expend 10 per cent of the appropriation at Washington, although that may be considered a little bit high in case of a large appropriation, but would not be considered high in case of a small appropriation, because of the disproportionate demands made by Government departments upon the bureau officials at Washington regarding the contents of our confidential files and the well-recognized rule that overhead expense is always larger in proportion where the investment is small.

Mr. GOOD. Mr. Chairman, I think we should approach this subject with a full realization of what we have done and what it is proposed to do. The last Congress, a Congress in sympathy politically with the Attorney General, reported out this bill, which carried a similar item of $1,600,000 for this very

purpose. Later, in the present Congress, the Attorney General made an estimate for a deficiency of a million dollars, and in presenting the matter before the Committee on Appropriations, he said that the money would be expended largely in prosecution of the red element in this country, or running down the reds, and in the prosecution of the profiteers and in reducing the high cost of living. Congress gave him every penny that he asked for—$1,000,000—more than the last Congress gave him.

Now, I am perfectly willing to appropriate, so far as I am individually concerned, all the money necessary for the Attorney General's office. But I want to make this observation, without any tinge of partisanship: To-day the Attorney General is spending $1,600,000 which we appropriated for arresting, for deportation, the alien radical element which has found shelter and protection in this country. Over 6,000 warrants have been issued and the arrests amount to approximately 3,500 persons. The persons arrested last January by the Attorney General's office are being tried by the Department of Labor, and in 99 cases almost out of 100, maybe that is putting it too strong, they are being dismissed, and you gentlemen on that side are just as loud in your denunciation of Mr. Post in this regard as anybody on this side. My position is this—that it is a useless waste of money to appropriate money by millions for the Department of Justice to make arrests if nothing is to come of the arrest except to release the person arrested.

Gentlemen say that some of that was appropriated for the arrest of profiteers. I want the profiteer sent to jail, and so we reported every penny that the Attorney General asked for in the deficiency bill. Since then we have seen the commodities and necessaries of life mount in price, with all the laws necessary to prevent profiteering on the statute books, all the laws that existed at the time he made the estimate—we have seen sugar go from 10 cents a pound up to 30 cents a pound, and, so far as I know, nobody has gone to jail. I do not know whether they have been arrested or not.

What are the facts? In 1915 all that the Attorney General had for this purpose was $485,000 and a deficiency of $25,000. In 1916 he had $600,000. We appropriate by this bill, notwithstanding the fact that the Treasury is depleted, $2,000,000, which is more than has ever been appropriated before during all the time since the foundation of the Government in a single year, except for this year.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. BYRNS of Tennessee. The gentleman said that 99 out of every 100 arrests that were made were dismissed. This record shows that 500 have been taken up.

Mr. GOOD. I said of the last arrests. The gentleman knows that a large number of those were arrested in the first instance, and the Department of Labor did issue the warrants of deportation and, as the gentleman says, about 500 were deported. But I am talking about the arrests that were made on January 1 or thereabouts, and now practically all of the leaders are being released as fast as they come before the Department of Labor.

Mr. BYRNS of Tennessee. That is not the fault of the Attorney General.

Mr. GOOD. No; it is not. I have not intended to give that impression. But why appropriate $500,000 to make arrests of alien anarchists if they are to be released at once. Rather expensive and entirely useless.

Mr. BLANTON. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. BLANTON. The gentleman is not blaming the Attorney General because we have an anarchist in the Department of Labor, who is protecting his brother anarchists. We are responsible for Post's remaining there. We ought to put him out. You are in the majority and you can put him out.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

Mr. EVANS of Nebraska. May we have the amendment reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk again read the amendment.

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. BYRNS of Tennessee) there were 40 ayes and 47 noes.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask for tellers.

Tellers were ordered; and the Chair appointed as tellers Mr. GOOD and Mr. BYRNS of Tennessee.

The committee again divided; and the tellers reported 43 ayes and 57 noes.

So the amendment was rejected.

The Clerk read as follows:

For salaries, fees, and expenses of United States marshals and their deputies, including the office expenses of United States marshals in the District of Alaska, services rendered in behalf of the United States or otherwise, services in Alaska and Oklahoma in collecting evidence for the United States when so specially directed by the Attorney General, and maintenance, alteration, repair, and operation of horse-drawn and motor-driven passenger-carrying vehicles used in connection with the transaction of the official business of the office of United States marshal for the District of Columbia, $2,061,000. Advances to United States marshals, in accordance with existing law, may be made from the proper appropriations, as herein provided, immediately upon the passage of this act; but no disbursements shall be made prior to July 1, 1920, by said disbursing officers from the funds thus advanced, and no disbursements shall be made therefrom to liquidate expenses for the fiscal year 1920, or prior years: *Provided*, That there shall be paid hereunder any necessary cost of keeping vessels or other property attached or libeled in admiralty in such amounts as the court, on petition setting forth the facts under oath, may allow: *Provided further*, That marshals and office deputy marshals (except in the District of Alaska) may be granted a per diem of not to exceed $4 and $3, respectively, in lieu of subsistence, instead of, but under the conditions prescribed for, the present allowance for actual expenses of subsistence.

Mr. GANDY. Mr. Chairman, I offer an amendment. In line 21 I move to strike out the words "and $3, respectively."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 123, line 21, strike out the words "and $3, respectively."

Mr. GOOD. Mr. Chairman, I make the point of order. It would not help if he struck out the provision, because the law fixes that and they would not be allowed to pay in excess of the statutory provision. To strike out the words here would avail nothing.

Mr. GANDY. I want to say that my object in offering the amendment is to call attention primarily to the various rates of per diem that are allowed in this and other bills. I think it wrong in practice, not conducive to good business or good administration of affairs to say that one official shall have an allowance for expenses in the field of $3, that another shall have $4, another $5, another $6, and we have some in this bill up to $7.

Mr. BLANTON. That has been stricken out.

Mr. GANDY. I am informed that that is stricken out.

Mr. GOOD. The committee was aware of that fact; but the per diem in no instance is sufficient to pay the expenses of these officials, owing to the increase in hotel bills. But the committee did not have jurisdiction of this matter, and it is doubtful if we could have taken the time to have considered the question in all its aspects and reported out a bill that would have been equitable. So we simply made the appropriation in accordance with existing law.

Mr. GANDY. If the appropriation committee has not jurisdiction, I hope that some committee will bring in a bill that will not require an officer of the Government when he is on his official work to go down into his salary for a part of the expenses of the trip.

Mr. GOOD. Mr. Chairman, I make the point of order against the amendment.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

For salaries of United States district attorneys and expenses of United States district attorneys and their regular assistants, including the office expenses of United States district attorneys in Alaska, and for salaries of regularly appointed clerks to United States district attorneys for services rendered during vacancy in the office of the United States district attorney, $730,000: *Provided*, That United States district attorneys and their regular assistants may be granted a per diem of not to exceed $4 in lieu of subsistence, instead of, but under the conditions prescribed for, the present allowance for actual expenses of subsistence.

Mr. PARRISH. Mr. Chairman, I move to strike out the last word, for the purpose of asking the chairman of the committee a question. In some portions of the country, due to extraordinary conditions, it is practically impossible for the United States district attorney to live on the salary that he is paid. I have been told that there is some legislation in view which will permit the Attorney General to increase the salary. Can the gentleman inform me in respect to that?

Mr. GOOD. Does the gentleman refer to the salary of the assistants?

Mr. PARRISH. No; of the district attorneys. The salary is fixed by law now.

Mr. GOOD. As the gentleman knows, the salary of the district attorney is fixed by law. I think there is a bill pending before the Committee on the Judiciary with regard to the matter, but I am not advised as to what action has been taken on the bill.

Mr. PARRISH. In so far as the assistants are concerned, will the Attorney General have any power to pay to the first assistant district attorney more than he gets now? I understand he now gets $2,500.

Mr. GOOD. Under the provisions of this paragraph, the Attorney General can pay up to $3,000. He can not pay to exceed that. He can fix the salary at any amount up to $3,000.

Mr. MANN of Illinois. Mr. Chairman, I rise in opposition to the pro forma amendment. The gentleman from Iowa makes the statement that the Attorney General can fix the salary of the assistant district attorney as he pleases up to $3,000. Of course, that is the language of the law, but there are a great many ways of enforcing and a great many ways of evading laws. A large share of the people in the district attorneys' offices throughout the country are there as special assistants, doing exactly the same work as the regular assistant does.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. MANN of Illinois. The regular assistant has a salary limited to $3,000, but the special assistants have no limitation on their salaries, and they receive a much higher compensation, many of them, than $3,000 a year. I yield to the gentleman.

Mr. GOOD. Mr. Chairman, in answering the question I had in mind only the regular assistants who are provided for in the appropriation of $500,000, but in the very next paragraph, carrying $450,000, there is one assistant provided for who is employed at $9,000, one at $8,500, one at $7,500, and several at salaries of $5,000 or over.

Mr. MANN of Illinois. Oh, yes; and those salaries were intended in the first place to be paid to attorneys doing special work, but the Attorney General's office—and I am not criticizing it in this respect—not only is very bright in knowing how to enforce the law, but it is exceedingly bright in knowing how to evade the law. Having a law providing that the regular assistants shall not be paid more than $3,000, they appoint a regular assistant and call him a special assistant. That is simply an evasion of the law. Perhaps the limitation ought not to be in the law. I do not know.

Mr. BYRNS of Tennessee. Do I understand the gentleman to say that they have any attorneys called special assistants who are permanently located?

Mr. MANN of Illinois. Permanently located in nearly all of the district attorneys' offices.

Mr. BYRNS of Tennessee. That may be in some of the larger offices, like Chicago or New York, but I do not think that applies all over the country.

Mr. MANN of Illinois. That would apply to an office where they have a large amount of work.

Mr. BYRNS of Tennessee. They have a great deal of work in all of these offices.

Mr. MANN of Illinois. I do not say that they do not need them; I am not complaining about that.

Mr. BYRNS of Tennessee. This appropriation is specially limited to assistants to the Attorney General employed in special cases. I do not see how, under that appropriation, if we are talking about the same appropriation, what the gentleman says is possible.

Mr. MANN of Illinois. I am not referring to any special appropriation, but I am telling a fact.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. SANFORD having taken the chair as Speaker pro tempore, a message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had approved and signed a joint resolution and bills of the following titles:

On May 3, 1920:

H. R. 13387. An act to extend the time for the construction of a bridge across the St. Louis River between the States of Minnesota and Wisconsin.

On May 5, 1920:

H. J. Res. 301. Joint resolution to authorize the Secretary of War to grant revocable licenses for the removal of sand and gravel from the Fort Douglas Military Reservation for industrial purposes.

On May 6, 1920:

H. R. 9228. An act to authorize the establishment of a Coast Guard station on the coast of Lake Superior, in Cook County, Minn.; and

H. R. 9629. An act for the relief of the Merritt & Chapman Derrick & Wrecking Co.

On May 7, 1920:

H. R. 12956. An act extending the time for constructing a bridge across the Bayou Bartholomew, in the State of Arkansas; and

H. R. 13253. An act to grant the consent of Congress to the Elmer Red River Bridge Co. to construct a bridge across the Red River.

On May 8, 1920:

H. R. 13677. An act making appropriations to supply a deficiency in appropriations for the Federal control of transportation systems and to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1920, and for other purposes; and

H. R. 12869. An act for the construction of a bridge across the Pentwater River or Pentwater Lake, Mich.

SUNDRY CIVIL APPROPRIATION BILL.

The committee resumed its session.

The Clerk read as follows:

For salaries: Warden, $4,000; deputy warden, $2,000; chaplains—1 $1,500, 1 $1,200; physician, $1,800; pharmacist and physician's assistant, $1,000; chief clerk, $1,800; record clerk, $1,200; stenographer, $900; clerks—1 $1,200, 1 $1,000, 4 at $900 each; head cook, $1,000; steward and storekeeper, $1,200; superintendent of farm and transportation, $1,200; 3 captains of watch, at $1,500 each; guards, $124,800; 2 teamsters, at $600 each; engineer and electrician, $1,500; 2 assistants, at $1,200 each; in all, $159,000.

Mr. ANTHONY. Mr. Chairman, I move to strike out the last word. In a recent deficiency appropriation bill the Committee on Appropriations provided for increasing the pay of guards at Federal penitentiaries by inserting a provision that for the first year of service they should receive $70 a month, which is the pay they have been receiving a number of years, that for the second year of service they should receive $80, for the third year $90, and for the fourth and subsequent years $100 a month. This became a law on a deficiency bill a couple of months ago, and was entirely just and proper on the part of the committee. However, at these same institutions there is another class of employees—the clerks. There are six clerks, I think, at Leavenworth Penitentiary and about the same number at Atlanta. These clerks are employees who are receiving much less money than was provided for the guards in a recent amendment, although these clerks take a civil-service examination which is of a higher class than the guards. I think they should be paid as high at least as the guard is paid. I understand that the Department of Justice has strongly recommended to the committee that the same provisions, or even stronger provisions, be made with respect to the clerks that have been made for the guards. I think the committee should make a reasonable increase in the pay of these clerks.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. BLANTON. How much do the guards receive, as well as the clerks?

Mr. ANTHONY. The guards are now receiving, practically all of them, $100 a month, though of course there are some new ones who do not receive that.

Mr. BLANTON. Ought they to receive more than the school-teachers of the District of Columbia?

Mr. ANTHONY. I think the school-teachers should receive more money.

Mr. BLANTON. But we just turned them down this morning.

Mr. ANTHONY. And I want to call the attention of the chairman of the Committee on Appropriations to the fact that the Department of Justice has asked that this provision be made for the clerks. It was my understanding that some provision would be made for them on a deficiency bill. This seems to be the last opportunity you will have to take care of them. Under the law I think they are authorized at $900 a year. One of them, I think, is getting $1,200 a year, one of them $1,000, and four $900 a year.

Mr. GOOD. They get the bonus.

Mr. ANTHONY. They get the bonus.

Mr. GOOD. One clerk gets $1,440 and the other $1,240 and the other four $1,140 each.

Mr. ANTHONY. I submit that the base of $3 for a stenographer and clerk is not the amount of pay that is commensurate with the work done by these men and is entirely out of line with the rate of payment that is accorded practically to every occupation in the immediate neighborhood of these institutions.

Mr. JOHNSON of Washington. They get the bonus; have they been in the service over a year——

Mr. ANTHONY. I understand the chairman of the committee says they are receiving a bonus, but that is a temporary matter.

Mr. GOOD. They receive it for next year on the legislative bill; that has already been appropriated.

Mr. ANTHONY. That is for one year, and we do not know——

Mr. CALDWELL. Will the gentleman yield?

Mr. ANTHONY. I will yield.

Mr. CALDWELL. If these men are Republicans, I will vote for it. Are they Republicans or Democrats?

Mr. ANTHONY. I think these gentlemen are perhaps divided——

Mr. CALDWELL. Was the gentleman in here the other day when we had up the matter of the cemeterial appropriation, where a member of the Republican steering committee opposed it on the ground that they were Democrats?

Mr. ANTHONY. No; I did not hear anything of the kind.

Mr. CALDWELL. The gentleman did not vote on that proposition?

Mr. ANTHONY. I was not here.

Mr. CALDWELL. I will tell the gentleman, notwithstanding the statement of the gentleman, a member of the steering committee, that 40 out of 41 were registered Republicans.

Mr. ANTHONY. Mr. Chairman, I offer this amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. ANTHONY: Page 129, line 25, after the last semicolon, insert:

"*Provided*, That from and including July 1, 1920, the salaries of clerks and stenographers shall be as follows:

"For the first year of service, $75 per month.

"For the second year of service, $80 per month.

"For the third year of service, $90 per month.

"For the fourth and subsequent years of service, $100 per month."

Mr. GOOD. Mr. Chairman, I will have to make the point of order against the amendment.

Mr. ANTHONY. Mr. Chairman, I hope the gentleman will not make the point of order against it; it is exactly the same provision he himself included in the deficiency bill for this other class of employees.

Mr. GOOD. We put the other item in for the other class of employees to meet a condition that was very serious. Here were guards whom we understood were scarcely men of families, at least that is the character of men that they wanted at a penitentiary for guards. We wanted guards who were good, strong, law-abiding citizens. Now, because they were only paying $70 a month they could not get that kind of men and were obliged to go out on the street corners and get men to put in there in charge of the penitentiary whom they know nothing about at all, and the situation was so serious the department came and asked for this legislation, and the subcommittee on the deficiency was impressed with the serious condition that confronted these institutions, and we granted that amount. Now, it is true that bill was passed providing for a new scale for guards after the estimates for the sundry civil bill for next year were made up, therefore there was no estimate for guards or for clerks. Since that time the department has made an estimate, just as the gentleman has stated, as I recall, increasing the pay somewhat, I have forgotten what it is, but I will say to the gentleman that when the officials came before the committee they never referred to it. The item not being carried on the work sheet before me, I knew nothing about it and did not know then that they had asked for it, and they never suggested these clerks were of the same character at all.

Mr. ANTHONY. The gentleman, of course, remembers there were hearings before the committee, and will remember at one of the hearings I appeared, and from the hearing it is evident that the gentleman from Georgia also appeared——

Mr. GOOD. Yes.

Mr. ANTHONY. And made some presentation to the committee.

Mr. GOOD. That was a month after we had heard the Department of Justice.

Mr. ANTHONY. And I find upon inquiry of the Department of Justice to-day they say that they have for some months recommended that to take care of these people.

Mr. GOOD. They forwarded an estimate for that purpose. It is true the gentleman from Kansas [Mr. ANTHONY] appeared for these clerks. The gentleman spoke very forcefully for these clerks and the committee was impressed with the situation; but, after all, the same serious situation does not confront us concerning these clerks that confronted the penitentiary in regard to guards.

Mr. ANTHONY. If the gentleman will yield right there. The only reason he was not confronted with the same situation is because these clerks are nearly all old employees of the Government. They are men who have been with the Government some 10, 12, and 16 years, and most of them were former guards and for the reason they are fixed in their places, and otherwise they probably would leave the Government service and——

Mr. GOOD. The lower paid clerks will get $1,140.

Mr. ANTHONY. With the bonus?

Mr. GOOD. Yes; that is their pay.

Mr. ANTHONY. Is Congress going to continue that?

Mr. GOOD. It is for the next year; it has already been voted upon. I hope the gentleman will not press this. I knew nothing about it except the gentleman's statement, and I do not believe the gentleman believes these clerks are on the same level with the work of the guards. Besides, we must remember that we are not granting other increases to clerks of this class anywhere.

Mr. ANTHONY. Certainly, just exactly; and these clerks were formerly——

Mr. CALDWELL. I do not like to interrupt the gentleman over there, but I must ask for the regular order.

The CHAIRMAN. Does the gentleman from Kansas [Mr. ANTHONY] desire to be heard on the point of order?

Mr. ANTHONY. It seems to me the amendment offered is along the line of simply increasing the pay of the clerks and is in order.

Mr. BLANTON. It changes existing law, Mr. Chairman.

The CHAIRMAN. The Chair is of the opinion that the amendment seeks to establish the salaries of clerks and stenographers at the Leavenworth Penitentiary permanently, and therefore sustains the point of order. The Clerk will read.

The Clerk read as follows:

For clothing, transportation, and traveling expenses, including the same objects specified under this head for the penitentiary at Leavenworth, Kans., $90,000.

Mr. ANTHONY. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee a question. I want to ask him if the committee went thoroughly into these general appropriations for the support of these penitentiaries with the idea of determining whether the appropriations for subsistence and maintenance were sufficient or not, or has the committee arbitrarily cut the appropriations down to a figure they deem proper?

Mr. GOOD. The committee has made some cuts. For instance, for the subsistence at Atlanta we cut only $10,000. The department asked for $175,000 and we gave them $165,000, and they are getting along this year with $150,000. We went into the matter somewhat. It is costing a little more——

Mr. ANTHONY. The reason I ask the question is that for the last two years large deficiencies have been brought in under these heads, and I understand under the appropriations which were made last year that many of the firms who furnished supplies under the contracts which were let in accordance with these appropriations have had to wait nine months for their pay from the Government after the delivery of goods and supplies, and some of them have not been paid yet, because of the large deficiencies which were created, and which the Congress has failed to appropriate for and take care of. And it struck me that was not a proper businesslike basis for conducting the affairs of these big institutions.

Mr. GOOD. Of course it was not. We are confronted with this situation, namely, that at Leavenworth they are building a new wing for the penitentiary and will have it ready for occupancy before the end of the year. They have enlarged the penitentiary at Atlanta, and at McNeils Island they have also enlarged the building. We carry in the provision $870,000 for support of prisoners that are mostly confined in State and county jails, and if that policy is reversed and the penitentiaries are filled to their limit, necessarily there will have to be larger appropriations for their subsistence. If, on the other hand, they do not add materially to the number, I think the appropriation will be sufficient.

Mr. ANTHONY. The point I make is this: If business firms who contract to furnish supplies to these institutions have to wait for nine months or a year, it is going to cost more money.

Mr. GOOD. We have had deficiency bills every four or five months in the last five years, and there never has been a time when one of these deficiency bills failed to provide the money to take care of any legitimate claim against the Government.

Mr. ANTHONY. Is it possible, then, that the Department of Justice is hiding the real expenditure for these institutions in asking for the correct appropriations?

Mr. GOOD. I do not know.

Mr. ANTHONY. I know that these deficiencies exist, because officials have told me they do.

Mr. GOOD. At Atlanta, as I recall now, they might need a little more by the end of the year. They had $150,000, and certainly everybody up to date who has furnished anything for that penitentiary has had his money or the money is available. I think the same thing is true at Leavenworth. They have plenty of money.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

In all, National Training School for Boys, $67,536.

Mr. BEE. Mr. Chairman, I want to ask the gentleman from Iowa how many boys are in this institution at this time? Does he know?

Mr. GOOD. It is my recollection that there are 406 boys there.

Mr. BEE. Is ample provision being made for taking care of industry for them, so that when they come out of the institution they are worth while?

Mr. GOOD. They are given a course in manual training.

Mr. BEE. The reason I asked was that a young man from my city was sent to this institution, and when he came back I was surprised—the Federal judge having stated that he would come out with a trade—that he did not have the training that enabled him to go into anything definite at that time.

Mr. GOOD. They teach brick making and carpentry, and especially farming. The institution is located about 3 or 4 miles out of Washington. They have 230 or 240 acres of land, and to the extent that the institution is equipped to give manual training, they do give it to the boys there.

Mr. BEE. I consider it one of the best institutions in the country, and I hoped they were making ample provision.

Mr. GOOD. It is a very good institution.

The Clerk read as follows:

DEPARTMENT OF COMMERCE.

LIGHTHOUSE SERVICE.

General expenses: For supplies, repairs, maintenance, and incidental expenses of lighthouses and other lights, beacons, buoyage, fog signals, lighting of rivers heretofore authorized to be lighted, light vessels, other aids to navigation, and lighthouse tenders, including the establishment, repair, and improvement of beacons and day marks and purchase of land for same; establishment of post lights, buoys, submarine signals, and fog signals; establishment of oil or carbide houses, not to exceed $10,000: *Provided*, That any oil or carbide house erected hereunder shall not exceed $550 in cost; construction of necessary outbuildings at a cost not exceeding $500 at any one light station in any fiscal year; improvement of grounds and buildings connected with light stations and depots; restoring light stations and depots and buildings connected therewith: *Provided*, That such restoration shall be limited to the original purpose of the structures; wages of persons attending post lights; temporary employees, and field force while engaged on works of general repair and maintenance, and laborers and mechanics at lighthouse depots; rations and provisions or commutation thereof for keepers of lighthouses, working parties in the field, officers and crews of light vessels and tenders, and officials and other authorized persons of the Lighthouse Service on duty on board of such tenders or vessels, and money accruing from commutation for rations and provisions for the above-named persons on board of tenders and light vessels or in working parties in the field may be paid on proper vouchers to the person having charge of the mess of such vessel or party; reimbursement under rules prescribed by the Secretary of Commerce of keepers of light stations and masters of light vessels and of lighthouse tenders for rations and provisions and clothing furnished shipwrecked persons who may be temporarily provided for by them, not exceeding in all $5,000 in any fiscal year; fuel and rent of quarters where necessary for keepers of lighthouses; purchase of land sites for fog signals; rent of necessary ground for all such lights and beacons as are for temporary use or to mark changeable channels and which in consequence can not be made permanent; rent of offices, depots, and wharves; traveling expenses; mileage; library books for light stations and vessels, and technical books and periodicals not exceeding $1,000; traveling and subsistence expenses of teachers while actually employed by States or private persons to instruct the children of keepers of lighthouses; all other contingent expenses of district offices and depots; and not exceeding $8,500 for contingent expenses of the office of the Bureau of Lighthouses in the District of Columbia, $4,200,000.

Hereafter post-lantern lights and other aids to navigation may be established and maintained, in the discretion of the Commissioner of Lighthouses, on the Yukon River and its tributaries, Alaska. The cost thereof shall be paid out of the annual appropriations for the Lighthouse Service.

Keepers of lighthouses: For salaries of not exceeding 1,800 lighthouse and fog-signal keepers and persons attending lights exclusive of post lights, $1,300,000.

Lighthouse vessels: For salaries and wages of officers and crews of light vessels and lighthouse tenders, including temporary employment when necessary, $1,800,000.

Superintendents, clerks, etc.: For salaries of 17 superintendents of lighthouses, and of clerks and other authorized permanent employees in the district offices and depots of the Lighthouse Service, exclusive of those regularly employed in the office of the Bureau of Lighthouses, District of Columbia, $400,000.

For retired pay of officers and employees engaged in the field service or on vessels of the Lighthouse Service, except persons continuously employed in district offices and shops, $70,000.

Mr. BRIGGS. Mr. Chairman, I move to strike out the last word. I notice in this section of the bill that the appropriation is a lump-sum appropriation for a number of purposes in connection with the Lighthouse Bureau of the Department of Commerce, and I notice among those items one for fog signals. I want to ask the chairman of the committee if in the appropriation which is allowed for this bureau there is a sufficient amount to take care of the emergency needs or recommendations with respect to those signals, which are now particularly important when we are developing such an enormous merchant marine, and when it is highly essential that in the ports of this country adequate safeguards should be given to shipping to protect it in times of fog as well as on other occasions?

Mr. GOOD. I think so.

Mr. BRIGGS. I have in mind the recommendation of the Department of Commerce for the establishment of a fog signal at the port of Galveston. Through that harbor passes the commerce which not only goes through the port of Galveston but Texas City, Port Bolivar, and Houston as well.

Mr. MANN of Illinois. Do they not have a fog signal there?

Mr. BRIGGS. They do not; and they have made recommendations for a fog signal at $6,500.

Mr. MANN of Illinois. This will not provide fog signals.

Mr. GOOD. They can purchase one.

Mr. MANN of Illinois. Oh, no; they can not. Fog signals are provided for by special legislation. All this is is an appropriation for aids to navigation. I think there is a bill coming up shortly—I do not think it ought to come up—providing for additional aids to navigation.

I served for many years on the Committee on Interstate and Foreign Commerce and as chairman of a subcommittee dealing with new aids to navigation. If there is any really important place in the United States that has not got some aid to navigation, or any important place that has not got a light or fog signal, I do not know where it is.

Mr. BRIGGS. They have lights, and this is probably the greatest cotton port in the world. They ship more cotton from there than from any other port in the world.

Mr. GOOD. I think they have authority to place a fog signal there.

Mr. MANN of Illinois. No; I do not think so. We pass special bills in reference to this matter—general acts, of course—providing for new aids to navigation in various places, and providing what they shall be; but in nearly every place where they have a light and can use a fog signal they have a fog signal in connection with it.

Mr. BRIGGS. They have some provision whereby they erected a light on the end of this south jetty, for instance, which projects out into the ocean about six and a half miles from the port of Galveston. It is one of the revetments there that assists in making the harbor and deepening the channel.

Mr. MANN of Illinois. The Lighthouse Board recommends in its annual report every year the establishment of new aids to navigation. Those recommendations go to the Committee on Interstate and Foreign Commerce, of which the gentleman from Texas [Mr. RAYBURN] is a leading light. They have reported a bill taking in, I suppose, the cases that are most needed. I do not remember what they are. I think that bill is still pending. It is likely to be called up when that committee is reached on a Calendar Wednesday.

Mr. BRIGGS. Does that bill carry an appropriation as well as just an authorization?

Mr. MANN of Illinois. Just the authorization.

Mr. BRIGGS. I understood the Chairman of the Committee on Appropriations to state that, in any event, this appropriation carries sufficient money to meet the needs of that department with respect to these aids to navigation. Is that correct, I will ask the chairman?

Mr. GOOD. I will say to the gentleman that an estimate was made by the department, and my answer is based upon that. When the department estimated that it needed $6,500 for improving Galveston Jetty Light Station, I assumed, of course, that there was a light station there and that that light station has been established by law. If not, how could they improve one not established and built?

Mr. BRIGGS. They have a light station there.

Mr. GOOD. And when they asked for $6,500, without saying just what it was for, of course I assumed that they would spend it for the purposes for which they were making the estimate.

Mr. BRIGGS. There is a light station there.

Mr. GOOD. Yes; and there being a light station there, I will say to the gentleman that they could buy a fog signal out of this appropriation just as quickly as they could out of an appropriation of $6,500 that did not describe a fog signal.

Mr. BRIGGS. So that this does carry that item in this bill?

Mr. MANN of Illinois. I do not know what they will do. When these aids are established they are established as light stations, or light and fog-signal stations, specifically naming what they are to be; and if the department spends money in a way not authorized, it is violating the law.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GOOD. Mr. Chairman, I ask unanimous consent to proceed for one minute.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. GOOD. Of course, I do not know that the department will do this work. What we have done is to give $4,200,000 as against the regular appropriation of $3,500,000 last year, and

then $500,000 to take care of considerable damage that was done to the Lighthouse Service during the year. Now, we have carried $200,000 more than the total appropriation for this year, an amount ample to take care of the very needy projects; and if this is one of the very needy projects in the opinion of the Lighthouse Service, and if it is authorized, then the service will have the money to do the work.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

Mr. BRAND. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Georgia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BRAND: Page 135, line 7, after the word "Columbia," strike out "$4,200,000" and insert in lieu thereof "$4,300,000."

Mr. BRAND. Mr. Chairman and gentlemen of the committee, this amendment is introduced by me at the request of the gentleman from Florida [Mr. DRANE], who is interested in this paragraph of the bill. I am informed at his office that this proposed increase of $100,000, making the appropriation $4,300,000, is in accordance with the estimate furnished by the department to the committee, which reduced the estimate from $4,300,000 to $4,200,000.

The gentleman from Florida is interested in this increase, as is the whole State of Florida, on account of the imperfections of its water front. He is absent unavoidably, and at his request I have introduced this amendment and submit it to the committee with the hope that it will be given proper consideration and passed.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Georgia [Mr. BRAND].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. BRAND. A division, Mr. Chairman.

The CHAIRMAN. The gentleman from Georgia demands a division.

The committee divided; and there were—ayes 13, noes 19.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

The Secretary of Commerce is authorized to transfer, under such rules and regulations as he may deem advisable, to educational institutions and to museums such instrument of the United States Coast and Geodetic Survey as, in his judgment, are of historical value, but of no further use in the work of that survey, except such historical instruments as may be needed by the Smithsonian Institution for exhibit at the National Museum.

Mr. GOOD. Mr. Chairman, on page 142, line 21, I move to strike out the word "instrument" and insert the word "instruments."

The CHAIRMAN. Without objection, the amendment will be agreed to.

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Yes Bay (Alaska) Hatchery: Superintendent, $1,500; foreman, $1,200; two fish-culturists, at $960 each; three apprentice fish-culturists, at $900 each; cook, $900; in all, $8,220.

Mr. MILLER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Washington moves to strike out the last word.

Mr. MILLER. I do so, Mr. Chairman, in order to ask a question in regard to Yes Bay hatchery. I believe there were some items eliminated from that Yes Bay estimate for the scientific propagation of fish.

Mr. GOOD. They have for the current year $8,220. We gave them just exactly what they have this year.

Mr. MILLER. Was not their appropriation asked for some special purpose?

Mr. GOOD. Yes; they asked that the salary of the superintendent be increased from $1,500 to $2,000, that of the foreman from $1,200 to $1,500, and the salaries of the two fish culturists from $960 to $1,200 each. The committee did just what it did in all the other cases, left those salaries just as they are at present. They asked the same increases in all the other stations practically, and the committee denied the increases.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Propagation of food fishes: For maintenance, equipment, and operations of fish-cultural stations, general propagation of food fishes and their distribution, including movement, maintenance, and repairs of cars, purchase of equipment and apparatus, contingent expenses, temporary labor, and not to exceed $10,000 for propagation and distribution of fresh-water mussels and the necessary expenses connected therewith, $400,000.

Mr. HUMPHREYS. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the committee a question. Is there any provision, and if so where, for the maintenance of what they call rescue stations? I know they have them on the Mississippi River. The river overflows and a great many fish come out of the river and get into the low places, and then the water recedes and they are left there, and in the course of a month or so the water dries up and the fish are destroyed. The department have what they call rescue stations, and they get tens of thousands, and, I suppose, millions of fish out of the borrow pits and other holes where the water remains for a while. That is a very important activity. I could not locate the appropriation for it in this bill.

Mr. GOOD. I suppose that is paid for out of the appropriation carried on page 151, commencing with line 18, if the work is not done at some of the permanent stations. At Homer, Minn., there is one of these rescue stations, and I am familiar with the work that is being done, as most of the Members are, because streams are being supplied with fish now from these rescue stations. I think some of that rescue work is done by launches and other vessels that are maintained by the bureau.

Mr. HUMPHREYS. I know they have these rescue stations in my district, and they do a great deal of good. They save many thousands of fish. I was wondering if those rescue stations were being taken care of. They ought to be.

Mr. GOOD. Yes. They have the same money for next year as they have for this year. We have not eliminated any appropriation.

Mr. HUMPHREYS. The gentleman feels confident that they are being provided for in some of these appropriations?

Mr. GOOD. Yes. If the work is not done at stations for which specific appropriations are made, it is paid for out of one of the lump sums provided for in the bill.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

Inquiry respecting food fishes: For inquiry into the causes of the decrease of food fishes in the waters of the United States, the study of the methods and relations of the fisheries, and for investigation and experiments in respect to the aquatic animals, plants, and waters, in the interests of fish culture and the fishery industries, including expenses of travel and preparation of reports, $45,000.

Mr. GOOD. Mr. Chairman, on page 152, line 7, I move to strike out the words "the study of the methods and relations of the fisheries."

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GOOD: Page 152, line 7, after the word "States," strike out "the study of the methods and relations of the fisheries."

Mr. GOOD. Mr. Chairman, I am doing this at the request of the bureau. The committee in framing the bill felt that this sentence should appear in this paragraph instead of the paragraph that follows. The paragraph that follows is a paragraph dealing with statistical inquiries only, to provide for statistics with regard to fisheries, and it seemed to us that the scientific work ought to be performed in the division appropriated for in this paragraph, and the statistical division confined to pure statistics; but for some reason or other for a number of years this statistical bureau has had saddled upon it some scientific work, and the department claims that it will be seriously hampered if we change the mode. So if this amendment is agreed to I propose to offer an amendment to insert in the next paragraph the language stricken out of this paragraph. We can try it another year, but sooner or later some one will make an adjustment in the interest of economy along this line.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

The Clerk read as follows:

Statistical inquiry: For collections and compilation of statistics of the fisheries, including travel and preparation of reports, and all other necessary expenses in connection therewith, $5,500.

Mr. GOOD. Now, Mr. Chairman, I move to insert, after the word "fisheries," the words "the study of the methods and relations of the fisheries," and I also move to strike out the figures "$5,500," in line 15, and insert the figures "$7,500."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. GOOD: Page 152, line 13, after the word "fisheries," insert the words "the study of the methods and relations of the fisheries," and in line 15 strike out "$5,500" and insert in lieu thereof "$7,500."

Mr. LAYTON. Is the gentleman increasing the appropriation?

Mr. GOOD. Two thousand dollars.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. MILLER. Mr. Chairman, I move to strike out the last word. I want to ask the chairman if there is any provision in the bill for the repair of fish hatcheries?

Mr. GOOD. Yes; on page 151, beginning with line 4, is an appropriation for maintenance and equipment.

Mr. MILLER. That would include repairs of fish hatcheries?

Mr. GOOD. The ordinary repairs as far as maintenance is concerned.

Mr. MILLER. I wish to ask the gentleman another question. Referring back to page 150, line 1, in reference to Yes Bay, was not there an appropriation asked for by the Department of Commerce of $15,000 and one for $60,000?

Mr. GOOD. I have a letter from the head of the bureau, but it does not ask for any special appropriation for repairs of that station, but states that they could make the needed repairs out of the regular appropriation.

Mr. MILLER. What is the regular appropriation?

Mr. GOOD. Four hundred thousand dollars; that is used in all the fisheries. Of course, if we carried an independent item for each station, this lump sum of $400,000 would be unnecessary.

Mr. MILLER. My casual reading of the item would not carry with it the right to make repairs.

Mr. GOOD. The commissioner wrote me, under date of April 9, as follows:

DEPARTMENT OF COMMERCE,
BUREAU OF FISHERIES,
Washington, April 9, 1920.

Hon. JAMES W. GOOD,
Chairman Committee on Appropriations,
House of Representatives, Washington, D. C.

DEAR SIR: The governor of Alaska has sent to this office your letter to him, dated April 7, regarding an appropriation for repairs at the salmon hatchery at Yes Bay, Alaska.

Permit me to state that no special estimate for this purpose is before your committee. The hatchery is important, and the repairs are urgently needed, but we expect to be able to make them out of our general appropriation.

Respectfully, yours, H. M. SMITH, *Commissioner.*

Mr. MILLER. I have a number of telegrams from the Association of Pacific Fisheries regarding Yes Bay, in which they urgently ask that the appropriation be continued.

Mr. GOOD. It is continued.

The Clerk read as follows:

Alaska, general service: For protecting the seal fisheries of Alaska, including the furnishing of food, fuel, clothing, and other necessities of life to the natives of the Pribilof Islands of Alaska, transportation of supplies to and from the islands, expenses of travel of agents and other employees and subsistence while on said islands, hire and maintenance of vessels, and for all expenses necessary to carry out the provisions of the act approved April 21, 1910, entitled "An act to protect the seal fisheries of Alaska, and for other purposes," and for the protection of the fisheries of Alaska, including travel, hire of boats, employment of temporary labor, and all other necessary expenses therewith, $140,000.

Mr. GOOD. Mr. Chairman, I move to insert after the word "expenses," page 153, line 9, the word "connected."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 153, line 9, after the word "expenses," insert "connected."

The amendment was agreed to.

Mr. WATSON. Mr. Chairman, I move to strike out the last word. I want to ask the chairman how many natives on the Pribilof Islands the Government supplies with food and clothing?

Mr. GOOD. Not very many. Since the flu epidemic a number of native children were left orphans in Alaska. It is necessary to provide food and clothing for them. There are not very many. My collection is about 200.

Mr. MONDELL. Mr. Chairman, with permission of the gentleman I will say that most of that expenditure is repaid. In the main these are sums paid for supplies furnished the natives who have to do with the killing and skinning of the seals and the care of the whole herd.

Mr. GOOD. That is correct. I was thinking of another item regarding care of the natives.

Mr. WATSON. Has the chairman an estimate of the value of the furs?

Mr. GOOD. The receipts on account of furs during the fiscal year ending June 30, 1919, amounted to $1,282,000.

Mr. WATSON. That is for all Alaska?

Mr. GOOD. Yes.

Mr. WATSON. And $150,000 protects over a million dollars, which is the value of the annual sale of seal furs?

Mr. GOOD. Yes; much more than that. That is about the annual crop. Of course, the seal herd belongs to the United States.

Mr. WATSON. But I wanted to know the value of the furs protected by this appropriation.

Mr. GOOD. The skins that year amounted to $1,182,000, and we are only killing a limited amount.

Mr. WATSON. Is there a closed season?

Mr. GOOD. Yes; they are allowed to kill only a certain number of seals. The law specifically fixes that.

Mr. WATSON. Are the natives employed by the Government?

Mr. GOOD. They are.

Mr. WATSON. And, of course, paid by the Government?

Mr. GOOD. Yes.

The Clerk read as follows:

Testing of large scales: For investigation and testing of railroad track scales, elevator scales, and other scales used in weighing commodities for interstate shipments and to secure equipment and assistance for testing the scales used by the Government in its transactions with the public, such as post-office, navy-yard, and customhouse scales, and for the purpose of cooperating with the States in securing uniformity in the weights and measures laws and in the methods of inspection, including personal services in the District of Columbia and in the field, $40,000.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

IMMIGRATION SERVICE.

For enforcement of the laws regulating immigration of aliens into the United States, including the contract-labor laws; cost of reports of decisions of the Federal courts, and digests thereof, for the use of the Commissioner General of Immigration; salaries and expenses of all officers, clerks, and employees appointed to enforce said laws, including per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914; enforcement of the provisions of the act of February 5, 1917, entitled "An act to regulate the immigration of aliens to and the residence of aliens in the United States," and acts amendatory thereof; necessary supplies, including exchange of typewriting machines, alterations, and repairs, and for all other expenses authorized by said act; preventing the unlawful entry of Chinese into the United States, by the appointment of suitable officers to enforce the laws in relation thereto; expenses of returning to China all Chinese persons found to be unlawfully in the United States, including the cost of imprisonment and actual expenses of conveyance of Chinese persons to the frontier or seaboard for deportation; refunding of head tax and maintenance bills upon presentation of evidence showing conclusively that collection was made through error of Government officers; all to be expended under the direction of the Secretary of Labor, $2,600,000: *Provided*, That the purchase, use, maintenance, and operation of horse and motor vehicles required in the enforcement of the immigration and Chinese exclusion laws outside of the District of Columbia may be contracted for and the cost thereof paid from the appropriation for the enforcement of those laws, under such terms and conditions as the Secretary of Labor may prescribe: *Provided further*, That not more than $12,000 of the sum appropriated herein may be expended in the purchase and maintenance of such motor vehicles: *Provided further*, That the appropriation herein made for the enforcement of the immigration laws shall be available for carrying out the provisions of the act entitled "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes," approved October 16, 1918, and acts amendatory thereof.

Mr. HUDSPETH. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. HUDSPETH: Page 157, line 8, after the figures "$2,600,000," insert a colon and the following: "*Provided*, That the Secretary of Labor in the expenditure of said sum shall allot to the Commissioner General of Immigration for maintaining a border patrol guard, to guard the border between the United States and Mexico, against the unlawful entry of aliens and undesirable persons into the United States, such amounts as will enable the Commissioner General of Immigration to perform adequately the duties authorized by law as to the exclusion of such aliens and undesirable persons."

Mr. GOOD. Mr. Chairman, I reserve the point of order.

Mr. HUDSPETH. Mr. Chairman, I want to state to the chairman of the committee that I am not endeavoring to add to the appropriation, but merely ask that an adequate sum out of $2,600,000 be allotted to the Director General of Immigration for the purpose of enforcing the law now in existence. I will state to the Members of the House that a hearing was had and my resolution was reported, and I want to read a part of the testimony of the supervising inspector, Mr. Berkshire, who was on the witness stand for two days, I believe, before the Committee on Immigration. This gentleman is now stationed and has been for 14 years in my home city of El Paso as supervising inspector, and he testified as to the need for reenforcing the border patrol, which was established by law two years ago. President Wilson, out of the fund voted to him by this Congress of $100,000,000 for the enforcement of law, granted $500,000 for this border patrol. Mr. Berkshire testified as follows:

Mr. BAKER. Well, with the ease with which they can cross and with no guards to prevent them, it has been known that there has been a very fair sum paid for the landing of each Japanese or Chinese that crosses; has that not been a fact within the last few years?

Mr. BERKSHIRE. Yes; that is one of the big problems of the border.

Mr. RAKER. Then, as a matter of fact, the Government of the United States, for the want of an appropriation, has practically left down, and now leaves down, the bars between the United States and Mexico to permit undesirables—Mexicans, Chinese, and Japanese—to enter the United States.

Mr. BERKSHIRE. That is the situation, in a few words.

Mr. RAKER. Diseased or otherwise; containing infectious diseases as well as being otherwise undesirable.

Mr. BERKSHIRE. There is practically nothing to prevent them from coming in if they so desire.

Mr. SIEGEL. At the place where you are stationed, how many physicians have you for the purpose of examining immigrants?

Mr. BERKSHIRE. Well, we have one or more physicians at every station; we have a sufficient number of physicians to examine——

Mr. SIEGEL (interposing). How many to examine each immigrant?

Mr. BERKSHIRE. Only one.

Mr. SIEGEL. And that is done under special order?

Mr. BERKSHIRE. The Public Health Service supplies the medical officer for any station we may have; it depends on how many we require.

That is a part of the testimony of this gentleman who was the supervising inspector on the border for a distance of 2,000 miles. Since this border patrol was taken off, his testimony goes on to state, hundreds and thousands of Japanese, undesirable Mexicans, and Chinese have crossed the border at will. I was interested in a discussion which took place a few moments ago relative to raising the appropriation for the Attorney General's Department. I want to state that unless the border patrol is put back to its original strength, you will have to still further increase the appropriation for the Attorney General's Department to enforce the law and keep out these undesirable Chinese, Japanese, and Mexicans who are coming across in that rough country, where, as Mr. Berkshire states, they have only a sufficient amount of men at the regular immigration stations. It is just a question of whether or not the Members of this House want the law enforced against undesirable aliens. I would say to you that if the conditions described by Mr. Berkshire and other immigration officials continues on that border we will be overrun in two years with undesirable aliens—Japanese, Chinese, and Mexicans.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. HUDSPETH. Yes.

Mr. JOHNSON of Washington. If the Secretary of Labor at will can lift the provisions in regard to the literacy test and the head tax and let Mexicans come in, why have a border patrol?

Mr. HUDSPETH. Simply to keep out the undesirables.

Mr. JOHNSON of Washington. And also, if as the testimony shows, when they had this border patrol wet backs came in by swimming the river by the hundreds?

Mr. HUDSPETH. I want to state to the gentleman that the testimony does not show that condition. It shows a condition after the border patrol was taken off, and that then the wet backs, the graybacks, and the bluebacks came across the river. That was after the border patrol was taken off. If you want the immigration law enforced, then vote for this amendment so that the border patrol can be reinstated.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. HUDSPETH. Yes.

Mr. CAMPBELL of Kansas. When was this border patrol reduced in number?

Mr. HUDSPETH. About a year ago, as I recall now. I will state to the gentleman from Kansas that these men in the border patrol are men who were inured to the hardships of the border, men who understood the conditions there, who could ride those trails and who knew the trails where these people were likely to come across. To-day we have men enough only at the regular stations, and that is the reason we are flooded with Japanese and Chinese.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. HUDSPETH. Yes.

Mr. GOOD. I do not care to raise any question of order if this is the regular patrol that is authorized by law.

Mr. HUDSPETH. It is, I will say to the gentleman.

Mr. GOOD. Then I do not quite understand the purport of the gentleman's amendment. The department has all of the money necessary. What the gentleman is asking, then, is practically that the Secretary of Labor shall perform the duties prescribed by law in this respect.

Mr. HUDSPETH. What I am asking is that upon the request of the Director General of Immigration he is allowed a sufficient fund to reestablish the border patrol. He wants the authority of Congress.

Mr. GOOD. But we have a law now to that effect.

Mr. HUDSPETH. That is true.

Mr. GOOD. We appropriate money in a lump sum, and it is the duty of the Secretary of Labor to allot a sufficient amount of money to make effective that patrol.

Mr. HUDSPETH. It is to simply emphasize the matter. He could do it without this amendment if he had this money, but it is simply emphasizing the fact that Congress desires the immigration laws of the country enforced and that men who are capable and efficient be placed down on that border of 2,000 miles.

Mr. GOOD. I assume the Secretary of Labor——

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOOD. I ask that the gentleman's time be extended three minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa? [After a pause.] The Chair hears none.

Mr. GOOD. Now, suppose the Commissioner of Immigration should ask the Secretary of Labor to allot him $100,000 for this purpose, or any sum, and suppose the Secretary of Labor should say that it is not necessary to allot over $25,000. Now, the expenditure of the funds being within the control of the Secretary of Labor, after all it does not seem to me that we are getting very far by the adoption of this amendment.

Mr. HUDSPETH. It does to me.

Mr. GOOD. The Secretary of Labor can then allot the amount which, in his judgment, is sufficient to bring about an effective control, and he has that right now.

Mr. HUDSPETH. We had the same law relative to custom officials, and yet my colleague from Texas a few days ago introduced a similar amendment providing sufficient funds to emphasize the fact that it is needed.

Mr. GOOD. Yes; and the gentleman's colleague virtually admitted that that did not get anywhere except to tell an official of the Government to do what the law required him to do.

Mr. HUDSPETH. I am candid to say that that is all we are telling him by this amendment—that is all—emphasizing the fact that a border patrol is needed and that he should allot sufficient funds out of the $2,600,000 to reestablish the board of patrol to its former strength to prevent these undesirables from coming across.

Mr. GOOD. Mr. Chairman, I withdraw the reservation of the point of order.

The CHAIRMAN. The point of order is withdrawn.

Mr. MANN of Illinois. I renew it. May we have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The amendment was again reported.

Mr. HUDSPETH. Now, I would like to state to the gentleman from Illinois that this is not increasing this appropriation. It is simply establishing a border patrol that is authorized by law, and the testimony, as I have just read—the gentleman was not in the Chamber—by the supervising inspector is that the border there, 2,000 miles in length, is now left unprotected, so that Japanese, Chinese, and undesirable aliens are coming in at their will.

Mr. JOHNSON of Washington. How much will this take of this $2,600,000?

Mr. HUDSPETH. I do not know.

Mr. JOHNSON of Washington. How much does the gentleman estimate that it will take of this?

Mr. HUDSPETH. The gentleman heard the testimony of Mr. Berkshire, who stated it would take about $250,000. The gentleman remembers that testimony as well as I do.

Mr. CANNON. Will the gentleman yield?

Mr. HUDSPETH. I yield with pleasure to the gentleman from Illinois.

Mr. CANNON. Would this keep Texas and Arizona from bringing over people to work on the farms?

Mr. HUDSPETH. Not at all. They bring them through the regular immigration stations. This keeps, I will say to the gentleman, these people from entering surreptitiously through these passes, through that rough country, and I do not think any gentleman here would object to it after it has been explained.

Mr. MANN of Illinois. Mr. Chairman, I do not think that where we make a lump-sum appropriation of this sort we should by an amendment direct a Secretary how it shall be expended. It has to be taken from somewhere else if it is to be expended here.

Mr. HUDSPETH. Will the gentleman yield?

Mr. MANN of Illinois. Certainly.

Mr. HUDSPETH. The same amendment was offered by my colleague, the dean of the Texas delegation, with reference to customs officials a few days ago, and the gentleman withdrew the point of order. It was just identical——

Mr. MANN of Illinois. That shows that I erred the other day and one error is not sufficient reason for two. I ought to have insisted on the point of order the other day so it would not be a precedent.

Mr. HUDSPETH. The gentleman should not be partial to an older Member as against a new Member who comes here and tries to have the laws enforced.

Mr. MANN of Illinois. Well, it is not our duty to enforce the laws, it is our duty to enact the laws. I do not think it is in order to——

The CHAIRMAN. Does the gentleman make the point of order?

Mr. MANN of Illinois. I make the point of order.

The CHAIRMAN. The Chair will hear the gentleman on the point of order.

Mr. MANN of Illinois. Well, the Secretary now has the jurisdiction. This is directing the Secretary how he shall allot the money. That is legislation, not an appropriation.

The CHAIRMAN. The Chair thinks the amendment in the form in which it is now is an affirmative direction to the Secretary of Labor in respect to the use of the money appropriated by the section, that in the form in which it is now offered it is not a limitation and therefore sustains the point of order.

[Mr. JOHNSON of Washington addressed the committee. See Appendix.]

Mr. JOHNSON of Washington. I ask unanimous consent for five minutes more, Mr. Chairman.

The CHAIRMAN. The gentleman from Washington asks unanimous consent for five minutes more. Is there objection?

Mr. CALDWELL. Mr. Chairman, the gentleman's discussion ought to be made while a fuller membership is here.

Mr. JOHNSON of Washington. If the gentleman objects, I withdraw my request.

Mr. CALDWELL. I would like to hear what the gentleman has to say.

Mr. JOHNSON of Washington. I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. CALDWELL. Mr. Chairman, I think we ought to have a House full here or we ought to quit. I therefore make the point of no quorum.

The CHAIRMAN. The gentleman from New York makes the point of no quorum. The Chair will count. [After counting.] Fifty-nine Members are present, not a quorum.

Mr. GOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 13870, the sundry civil appropriation bill, and had come to no resolution thereon.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 13590. An act granting the consent of Congress to Sid Smith, of Bonham, Tex., for the construction of a bridge across the Red River between the counties of Fannin, Tex., and Bryan, Okla.;

H. R. 13724. An act to authorize the construction of a bridge across the Sabine River at or near Orange, Tex.; and

H. J. Res. 302. Joint resolution authorizing an appropriation for the participation of the United States in the observance of the three hundredth anniversary of the landing of the Pilgrims at Provincetown and Plymouth, Mass.

ADJOURNMENT.

Mr. GOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 13 minutes p. m.) the House adjourned until Tuesday, May 11, 1920, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. PLATT, from the Committee on Banking and Currency, to which was referred the joint resolution (H. J. Res. 351) extending the provisions of an act amending section 32 of the Federal farm loan act approved July 17, 1916, to June 30, 1921, reported the same with amendments, accompanied by a report (No. 952), which said joint resolution and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 14021) to amend the act approved December 23, 1913, known as the Federal reserve act, reported the same without amendment, accompanied by a report (No. 953), which said bill and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. PETERS, from the Committee on Naval Affairs, to which was referred the bill (S. 412) to transfer Frederick W. Cobb from the list of chief machinists, United States Navy, temporary lieutenant, United States Navy, to the list of chief pay clerks, United States Navy, temporary lieutenant, Pay Corps, United States Navy, reported the same without amendment, accompanied by a report (No. 954), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (S. 1447) to correct the naval record of Fred C. Konrad, reported the same without amendment, accompanied by a report (No. 955), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (S. 1743) for the relief of Matthew McDonald, reported the same without amendment, accompanied by a report (No. 956), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CAMPBELL of Pennsylvania: A bill (H. R. 14020) to amend public, No. 254, Sixty-fifth Congress, being an act to provide revenue, and for other purposes, and known as the revenue act of 1919, by increasing the personal exemption of the heads of families or married persons with dependent children; to the Committee on Ways and Means.

By Mr. PLATT: A bill (H. R. 14021) to amend the act approved December 23, 1913, known as the Federal reserve act; to the Committee on Banking and Currency.

By Mr. VOLSTEAD: A bill (H. R. 14022) to amend chapter 213, Twenty-fourth Statutes at Large; to the Committee on the Judiciary.

By Mr. KAHN: A bill (H. R. 14023) to amend section 3 of the act of October 6, 1917; to the Committee on Military Affairs.

By Mr. BRITTEN: Resolution (H. Res. 551) requesting the Secretary of War to furnish certain information to the House of Representatives regarding the West Point Military Academy; to the Committee on Military Affairs.

By Mr. VOLSTEAD: Resolution (H. Res. 552) for the immediate consideration of H. R. 13931; to the Committee on Rules.

By Mr. PLATT: Resolution (H. Res. 553) for the consideration of House joint resolution 351; to the Committee on Rules.

By Mr. FESS: Resolution (H. Res. 554) providing for the consideration of House bill 4438; to the Committee on Rules.

By Mr. SHERWOOD: Resolution (H. Res. 555) providing for the printing of a study entitled "Scots and Scottish Influence in Congress" as a House document; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PAIGE: A bill (H. R. 14024) granting a pension to Julia A. Twichell; to the Committee on Invalid Pensions.

By Mr. RIORDAN: A bill (H. R. 14025) for the relief of Cataldo Bellanova; to the Committee on Claims.

By Mr. WILSON of Pennsylvania: A bill (H. R. 14026) granting a pension to Mary A. Flick; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3534. By the SPEAKER (by request): Petition of New Orleans Federation of Women's Clubs, favoring the establishment of a Coast Guard station on Lake Pontchartrain at West End, New Orleans, La.; to the Committee on Interstate and Foreign Commerce.

3535. Also (by request), petition of post-office employees of North Adams, Mass., favoring the immediate enactment of the

civil-service retirement bill; to the Committee on Reform in the Civil Service.

3536. Also (by request), petition of North Washington Teachers' Association, Washington, D. C., favoring a bonus of not less than $500 for teachers; to the Committee on Appropriations.

3537. Also (by request), petition of Davenport Aerie, No. 235, Fraternal Order of Eagles, regarding the Rock Island Arsenal; to the Committee on Military Affairs.

3538. By Mr. CULLEN: Petition of American Newspaper Publishers' Association, relative to second-class postage rates, Federal taxation, and Pacific radio services; to the Committee on Ways and Means.

3539. Also, petition of College of the City of New York Post, American Legion, opposing bonus to noninjured veterans of the war, but in favor of adjusted compensation for those injured; to the Committee on Ways and Means.

3540. Also, petition of Board of Aldermen of the City of New York, relative to increased pay for postal employees; to the Committee on the Post Office and Post Roads.

3541. By Mr. FULLER of Illinois: Petition of the Board of Trade of the City of Chicago, opposing sales tax on grain or produce for future delivery; to the Committee on Ways and Means.

3542. Also, petition of the Disabled Men's Bureau of Service and Legislation, relative to bonus legislation; to the Committee on Ways and Means.

3543. Also, petition of Joint Postal Organization, of Boston, Mass., relative to the Postal Service and necessity of the reclassification of postal salaries; to the Committee on the Post Office and Post Roads.

3544. Also, petition of American Steamship Owners' Association, favoring the granting to the Coast Guard Service the rank and pay of officers of the Army and Navy; to the Committee on Naval Affairs.

3545. By Mr. GRIFFIN: Petition of Board of Aldermen of New York City, favoring action of Joint Congressional Commission on Postal Salaries; to the Committee on the Post Office and Post Roads.

3546. By Mr. McDUFFIE: Petition of the adjutant general of the National Guard of the State of Alabama, urging the conferees on the Army reorganization bill to act favorably on the bill allowing the National Guard to organize under the militia clauses (State rights); to the Committee on Military Affairs.

3547. Also, petition of a mass meeting of citizens of Jefferson County, Ala., favoring the freedom of Ireland and the passage of the Mason bill; to the Committee on Foreign Affairs.

3548. By Mr. O'CONNELL: Petition of Sylvester F. Bau, Brooklyn, N. Y., protesting against tax on stock exchange transactions; to the Committee on Ways and Means.

3549. Also, petition of Joint Postal Organizations of Boston, Mass., urging a report of the Joint Commission on Postal Salaries and increased remuneration for postal employees; to the Committee on the Post Office and Post Roads.

3550. Also, petition of the Madison Club of the eighteenth assembly district, urging an early report of the Joint Commission on the Readjustment of Salaries in the Postal Service; to the Committee on the Post Office and Post Roads.

3551. Also, petition of Robert L. Cohn, Brooklyn, N. Y., protesting against tax on stock-exchange transactions; to the Committee on Ways and Means.

3552. Also, petition of Gilbert T. Washburn & Co., protesting against legislation taxing advertising; to the Committee on Ways and Means.

3553. Also, petition of Private Soldiers and Sailors' Legion, Washington, D. C., relative to bonus for soldiers; to the Committee on Ways and Means.

3554. By Mr. PAIGE: Papers to accompany H. R. 14024, granting a pension to Julia A. Twichell; to the Committee on Invalid Pensions.

3555. By Mr. ROWAN: Petition of Albert Firman and Andrew O. Murphy, favoring an increase in pay to postal employees; to the Committee on the Post Office and Post Roads.

3556. Also, petition of American Museum of Natural History, opposing passage of House bill 12466; to the Committee on the Public Lands.

3557. Also, petition of International Planters' Corporation, Private Soldiers and Sailors' Legion, Morris Land & Improvement Co., Francis S. Whitten, F. Robertson Jones, and Adolph Lewisohn, in connection with soldier-bonus legislation; to the Committee on Ways and Means.

3558. Also, petition of American Steamship Owners' Association of New York, favoring the same pay for Coast Guard Service as the officers of the Army and Navy; to the Committee on Naval Affairs.

3559. Also, petition of James C. McMullin, of New York City, regarding freedom of Ireland; to the Committee on Foreign Affairs.

3560. Also, petition of Douglas Johnson, of New York City, regarding freedom of Ireland; to the Committee on Foreign Affairs.

3561. Also, petition of J. Mitchel Thorsen, Gilbert T. Washburn & Co., and George A. Torsey, opposing the proposed tax on advertising and the proposed sales tax; to the Committee on Ways and Means.

3562. By Mr. SINCLAIR: Petition of the Woman's Study Club of Alamo, N. Dak., indorsing the Sheppard-Towner maternity bill; to the Committee on Interstate and Foreign Commerce.

3563. Also, petition of the Woman's Club of Amidon and the Woman's Study Club of Alamo, both in the State of North Dakota, indorsing the Smith-Towner educational bill; to the Committee on Education.

3564. By Mr. TAGUE: Petition of Joint Postal Organization of Boston, Mass., requesting increased pay for postal employees; to the Committee on the Post Office and Post Roads.

SENATE.

TUESDAY, *May 11, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, with every mention of Thy name we come to the point of the supreme choice of life. Thou dost bring us to the issue of life by the revelations of Thyself to men. We pray that as we begin the duties of this day, lifting our hearts to Thy throne, our choice may be the choice of God's will and of God's way. May we surrender ourselves fully into Thy keeping, that we may to-day guard the honor of God and advance the interests of Thy kingdom through our work. For Christ's sake. Amen.

The Reading Clerk proceeded to read the Journal of yesterday's proceedings, when on request of Mr. CURTIS, and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, one of its clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2448) for the relief of certain officers of the United States Army, and for other purposes.

PETITIONS AND MEMORIALS.

Mr. CAPPER presented a memorial of the Sunday School of the Church of the Brethren, of Waterloo, Iowa, remonstrating against compulsory military training and praying for the enactment of legislation providing for physical education, which was referred to the Committee on Education and Labor.

Mr. HALE presented a petition of the Chamber of Commerce of Portland, Me., praying for an increase in the salaries of postal employees, which was referred to the Committee on Post Offices and Post Roads.

Mr. TOWNSEND (for Mr. NEWBERRY) presented a petition of Mason County Pomona Grange, No. 52, Patrons of Husbandry, of Ludington, Mich., and a petition of Hamlin Resort Grange, No. 1354, Patrons of Husbandry, of Ludington, Mich., praying for the enactment of legislation granting to farmers the right of collective bargaining, which were referred to the Committee on the Judiciary.

He also (for Mr. NEWBERRY) presented a petition of Phillip Elliott Hodges Post, No. 22, American Legion, of Saginaw, Mich., praying for the enactment of legislation providing adjusted compensation to ex-service men, which was referred to the Committee on Finance.

He also (for Mr. NEWBERRY) presented a petition of the Federation of Women's Clubs, of Oakland County, Mich., and a petition of sundry citizens of Port Huron, Mich., praying for the enactment of legislation providing for the public protection of maternity and infancy, which were referred to the Committee on Public Health and National Quarantine.

REPORTS OF COMMITTEES.

Mr. SMOOT, from the Committee on Public Lands, to which was referred the bill (S. 2279) to authorize the addition of certain lands to the Humboldt National Forest, reported it with amendments and submitted a report (No. 585) thereon.

Mr. NELSON, from the Committee on the Judiciary, to which was referred the bill (H. R. 10072) to provide for the punishment of officers of United States courts wrongfully converting moneys coming into their possession, and for other purposes, reported it with amendments and submitted a report (No. 584) thereon.

Mr. McCUMBER, from the Committee on Pensions, to which was referred the bill (H. R. 13416) making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1921, and for other purposes, reported it with amendments and submitted a report (No. 583) thereon.

He also, from the same committee, to which was referred the bill (H. R. 12530) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, reported it with an amendment and submitted a report (No. 582) thereon.

REPUBLIC OF ARMENIA.

Mr. HARDING, from the Committee on Foreign Relations, reported the following resolution (S. Res. 357):

Whereas the testimony adduced at the hearings conducted by the subcommittee of the Senate Committee on Foreign Relations have clearly established the truth of the reported massacres and other atrocities from which the Armenian people have suffered; and

Whereas the people of the United States are deeply impressed by the deplorable conditions of insecurity, starvation, and misery now prevalent in Armenia; and

Whereas the independence of the Republic of Armenia has been duly recognized by the supreme council of the peace conference and by the Government of the United States of America: Therefore be it

Resolved, That the sincere congratulations of the Senate of the United States are hereby extended to the people of Armenia on the recognition of the independence of the Republic of Armenia, without prejudice respecting the territorial boundaries involved; and be it

Further resolved, That the Senate of the United States hereby expresses the hope that stable government, proper protection of individual liberties and rights, and the full realization of nationalistic aspirations may soon be attained by the Armenian people; and be it

Further resolved, That in order to afford necessary protection for the lives and property of citizens of the United States at the port of Batum and along the line of the railroad leading to Baku, the President is hereby requested, if not incompatible with the public interest, to cause a United States warship and a force of marines to be dispatched to such port with instructions to such marines to disembark and to protect American lives and property.

The VICE PRESIDENT. The resolution will be placed on the calendar.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NELSON:

A bill (S. 4361) to provide for the relief of certain officers of the Naval Reserve Force, and for other purposes (with accompanying papers); to the Committee on Naval Affairs.

By Mr. HARRISON:

A bill (S. 4362) to authorize the purchase of Federal farm-loan bonds by the Secretary of the Treasury; to the Committee on Banking and Currency.

By Mr. JONES of Washington:

A bill (S. 4363) repealing war-time legislation; to the Committee on the Judiciary.

By Mr. OVERMAN:

A bill (S. 4364) granting a pension to Oscar Miller (with accompanying paper); to the Committee on Pensions.

By Mr. CALDER:

A bill (S. 4365) for the relief of the Great Lakes Engineering Works; to the Committee on Claims.

By Mr. McNARY:

A bill (S. 4366) for the relief of Charles G. Griffa; to the Committee on Military Affairs.

PROMOTION OF ARMY OFFICERS—CONFERENCE REPORT.

Mr. FRELINGHUYSEN. I submit the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2448) for the relief of certain officers of the United States Army, and for other purposes. I ask unanimous consent to proceed to the consideration of the conference report.

The report was read and agreed to, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2448) for the relief of certain officers of the United States Army, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment numbered 10.

That the Senate recede from its disagreement to the amendments of the House numbered 3, 4, 5, 7, 8, 9, and agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed by the House insert the following: "the sum of $10,000"; and the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment as follows: In lieu of the matter proposed by the House insert the following:

"SEC. 2. Col. William A. Simpson: That the President of the United States, in his discretion, be, and he is hereby, authorized to appoint, by and with the consent of the Senate, Col. William A. Simpson, United States Army, retired, to the position and rank of brigadier general on the retired list.

"SEC. 2½. Col. Robert H. Peck: That Col. Robert H. Peck, Eleventh Infantry, Regular Army, who, under the authority of the act approved July 12, 1912, was, by the President, by and with the advice and consent of the Senate, appointed a captain of Infantry, United States Army, to take rank at the foot of the list of captains of Infantry, be, and he hereby is, restored to the position on the lineal list of majors of Infantry of the Regular Army which he would have held had he not been out of the service; that is to say, to a place on the lineal list of majors of Infantry just above that occupied by Maj. H. E. Yates. But nothing in this act contained shall entitle the said Robert H. Peck to back pay or allowances."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 6, and agree to the same with an amendment as follows: In lieu of the matter proposed by the House insert the following:

"Credit in the accounts of Col. Jesse McI. Carter: The accounting officers of the Treasury are authorized and directed to allow and credit in the accounts of Col. Jesse McI. Carter, Cavalry, United States Army, the sum of $352.23, disallowed against him on the books of the Treasury.

"SEC. 6½. Omer Germain Paquet: That the President be, and he is hereby, authorized to permit the reenlistment in the United States Army, at the grade held by him at the time of his dishonorable discharge from the service, of Omer Germain Paquet, formerly a quartermaster sergeant; and the said Omer Germain Paquet shall, for the purposes of computing continuous service, for ascertaining the rate at which he shall be paid, and for retirement, be considered to have served continuously from the date of his last enlistment."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 11, and agree to the same with an amendment as follows:

"SEC. 8. William Shelby Barriger: That the President of the United States, in his discretion, be, and he is hereby, authorized to appoint, by and with the advice and consent of the Senate, William Shelby Barriger, who enlisted in the Regular Army on September 15, 1900, and who rose to be a first lieutenant of Cavalry, at present temporary major of Quartermaster Department, a captain of Cavalry, to take rank at the foot of the regular list of captains of Cavalry: *Provided*, That no back pay or allowances shall accrue as a result of the passage of this act: *Provided further*, That the total number of captains of Cavalry is increased by one for the purpose of this act."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 12, and agree to the same with an amendment as follows:

"SEC. 9. Capt. J. C. Garrett: That the President of the United States, in his discretion, be, and he is hereby, authorized to appoint, by and with the advice and consent of the Senate, J. C. Garrett, formerly a captain of Cavalry, to rank as if he had remained continuously in the service."

And the House agree to the same.

J. S. FRELINGHUYSEN,
ARTHUR CAPPER,
Managers on the part of the Senate.

THOMAS S. CRAGO,
ROLLIN B. SANFORD,
J. W. WISE,
Managers on the part of the House.

AGRICULTURAL APPROPRIATIONS—CONFERENCE REPORT.

Mr. GRONNA. I present the report of the committee of conference on the disagreeing votes of the two Houses on the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921, and for other purposes. I wish to state for the information of the Senate that there are three provisions of the bill which are

still in disagreement. The provision for free seeds, likewise the provision authorizing the Secretary of Agriculture to ascertain whether or not the fees paid upon the western ranges are sufficient, and also what is known as the Comer amendment, affecting the standards of cotton. I ask that the report lie on the table and be printed.

The PRESIDING OFFICER (Mr. ROBINSON in the chair). The report will be received, printed, and lie on the table.

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 4, 11, 12, 13, 22, 23, 24, 36, 38, 42, 43, 44, 55, 58, 62, 64, 65, 68, 69, 70, 77, 80, 88, 89, 90, 95, 96, 97, 112, 115, 118, 122, 123, 130, 138, 139, 141, 147, 148, 149, 150, 153, 163, 167, 168, 170, 174, 175, 176, 177, 178, 182, 185, 191, 195, 196, 198, 199, 200, 205, 206, 211, 216, 218, 222, 223, 226, 227, 228, 231, 233, 234, 236, 238, 244, 246, 251, 253, 254, 255, 258, 263, 266, 268, 269, 273, 276, 278, and 281.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 5, 6, 7, 14, 15 16, 17, 25, 30, 31, 32, 33, 34, 41, 48, 49, 50, 51, 52, 54, 56, 57, 60, 61, 71, 73, 74, 78, 81, 82, 83, 84, 85, 86, 91, 100, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 113, 117, 121, 124, 125, 126, 128, 131, 133, 134, 135, 136, 142, 143, 144, 146, 154 155, 156, 157, 158, 160, 164, 169, 171, 172, 173, 179, 184, 188, 190, 192, 194, 201, 203, 207, 208, 210, 212, 213, 217, 229, 230, 235, 240, 241, 245, 256, 257, 261, 267, 275, and 280, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$465,260"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "Office of Farm Management and Farm Economics"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "Office of Farm Management and Farm Economics"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate insert "$75,390"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "Office of Farm Management and Farm Economics"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$300,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "Office of Farm Management and Farm Economics, $375,390"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "ten"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "5 clerks, at $900 each"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "twenty"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "1 printer or compositor, $1,200; 6 printers or compositors, at $1,080 each"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$344,450"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$700,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert:

"A commission composed of the Secretary of Agriculture, the Secretary of the Treasury, the Secretary of War, and the Secretary of the Navy, is hereby appointed to make an examination of the premises known as Mount Weather, situated at Mount Weather, in the counties of Loudoun and Clarke, in the State of Virginia, and comprising 84.81 acres of land, more or less, together with the buildings and other improvements thereon, including laboratories, cottages, sheds, stables, shops, heating and power plant, kite shelter, and other buildings of whatever nature, together with all the rights, easements, and appurtenances thereto belonging, and to report to Congress on the first day of the next session thereof whether said premises can be suitably used as a sanitarium or as a home for disabled soldiers, sailors, or marines, or can be profitably utilized in any other way in connection with any other governmental function, and to make such recommendation in the premises as in the judgment of the commission may be deemed to the best interest of the Government."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$1,876,550"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "ten"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "two hundred"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "15 clerks, at $1,100 each; 10 clerks, at $1,080 each; 12 clerks, at $1,020 each; 70 clerks, at $1,000 each; 6 clerks, at $960 each; 12 clerks, at $900 each"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$669,230"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "$325,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$40,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$3,917,346"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$5,479,156"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows: In lieu of the matter stricken out

by the Senate amendment insert "26 clerks, at $900 each; 1 clerk or draftsman, $900"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "5 messenger boys, at $420 each"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$517,300"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$101,410"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$159,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$2,247,678"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 94, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$2,764,978"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 98, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "one hundred"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 99, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "2,478,380"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "including tree planting in the forest reserves to prevent erosion, drift, surface wash, and soil waste and the formation of floods, and"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$50,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$3,402,442"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 120, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$5,870,822"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 127, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$907,401"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 129, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$1,333,591"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 132, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "4 clerks, at $1,000 each"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 137, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$79,840"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 140, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$542,215"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 145, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$132,790"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 151, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$250,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 152, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$1,123,460"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 159, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$67,450"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 161, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$718,435"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 162, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$785,885"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 165, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "2 clerks, at $1,000 each"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 166, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$49,850"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 180, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "twelve"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 181, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "ten"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 183, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$242,020"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 186, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$374,090"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 187, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "forty"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 189, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "15 clerks, at $900 each"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 193, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$130,580"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 197, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$318,656"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 202, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "4 clerks, at $900 each; 1 clerk, $840"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 204, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$54,480"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 209, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$234,880"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 214, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$4,635,280"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 215, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$4,870,160"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 219, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "two clerks, at $900 each"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 220, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$117,300"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 221, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert:

"For conducting field experiments and various methods of road construction and maintenance, and investigations concerning various road materials and preparations; for investigating and developing equipment intended for the preparation and application of bituminous and other binders; for the purchase of materials and equipment; for the employment of assistants and labor, $25,000."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 224, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$447,720"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 225, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$515,020"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 232, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "one hundred seventy-three"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 237, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "2 machine operators, at $1,400 each"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 239, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "2 machine operators, at $900 each"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 242, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$710,650"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 243, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "$300,000: *Provided*, That not less than $20,000 shall be used for a study of the methods of prevention of losses by deterioration, decay, and freezing of fruits and vegetables in storage and in transit in refrigerator cars, heater cars, and ocean vessels, including demonstrations of such methods"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 247, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$70,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 248, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$1,096,825"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 250, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$35,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 252, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$2,538,709"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 259, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$125,450"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 260, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$160,750"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 262, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$194,050"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 264, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "; and to enable the Secretary of Agriculture to cooperate with the War Department in the maintenance of an air patrol for fire prevention and suppression on the national forests of the Pacific coast and the Rocky Mountain regions, $50,000: *Provided*, That no part of this appropriation shall be used for the purchase of land or airplanes or for the construction of buildings; in all, $300,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 265, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$125,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 270, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert, on page 103, line 5, after the word "*Provided*," the following: "That not more than $10,000 may be used for the eradication of the blowfly and screw worm in live stock and poultry: *Provided further*"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 271, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$488,560"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 272, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "$325,000, of which amount $200,000 shall be immediately available"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 274, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert:

"Prevention of spread of European corn borer: To enable the Secretary of Agriculture to meet the emergency caused by the spread of the European corn borer, and to provide means for the control and prevention of spread of this insect throughout the United States, in cooperation with the States concerned, including employment of persons and means in the city of Washington and elsewhere, and all other necessary expenses, $400,000, of which $250,000 shall be immediately available."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 277, and agree to the same with

an amendment as follows: In lieu of the matter proposed by the Senate amendment insert:

"Short-time rural credits committee: There is hereby constituted a joint committee of the Senate and House of Representatives, to consist of the chairman of the Senate Committee on Agriculture and Forestry, the chairman of the House Committee on Agriculture, and the chairmen of the Committees on Banking and Currency of the two Houses, and two other members of each of said committees, to be designated by the chairmen of the respective committees, and it shall be the duty of said joint committee to investigate and report at as early a date as may be possible as to the practicability of establishing a system of short-time rural credits in the United States and to recommend such legislation as may be deemed practicable and desirable to that end. The said committee is hereby authorized to hold meetings either during or between sessions.

"The sum of $5,000 is hereby appropriated, the same to be immediately available, out of any funds in the Treasury not otherwise appropriated, to defray all necessary expenses of said joint committee, payment of said expenses to be made upon vouchers approved by the chairman of said joint committee, who shall be selected by the committee."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 279, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert:

"The Secretary of Agriculture is authorized to acquire by gift, devise, or by purchase in fee simple for a sum not to exceed $1 for each site, the sites now occupied by field stations at Chico, Calif., consisting of about 80 acres and used for propagating, testing, and distributing new plant introductions; the site at Bellingham, Wash., consisting of about 60 acres and used as a bulb station and for propagating, testing, and distributing new crop plants; and the sites at Buena Vista, Fla., and Savannah, Ga., consisting of about 25 acres and about 46 acres, respectively, and used for propagating, testing, and distributing new crops plants peculiarly adapted to the warmer parts of the United States."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 282, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$31,475,368"; and the Senate agree to the same.

On the amendments of the Senate numbered 93, 116, and 249 the committee of conference has been unable to agree.

A. J. GRONNA,
G. W. NORRIS,
Managers on the part of the Senate.

G. N. HAUGEN,
J. C. MCLAUGHLIN,
GORDON LEE,
Managers on the part of the House.

CIVIL-SERVICE RETIREMENT—CONFERENCE REPORT.

The VICE PRESIDENT. The morning business is closed.

Mr. STERLING. I move that the Senate proceed to the consideration of the report of the committee of conference on the disagreeing votes of the two Houses upon the amendments of the House to the bill (S. 1699) for the retirement of employees in the classified civil service, and for other purposes.

The motion was agreed to, and the report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill S. 1699, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 2, 4, 8, 9, 15.

That the Senate recede from its disagreement to the amendments of the House numbered 1, 5, 6, 10, 11, 13, 14, 16, 19, and agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment as follows: Strike out the words "sixty-two" and "sixty" where they occur and insert in lieu thereof the words "sixty-five" and "sixty-two," respectively, so that the amendment shall read: "*Provided*, That mechanics, city and rural letter carriers, and post-office clerks shall be eligible for retirement at 65 years of age, and railway postal clerks at 62 years of age, if said mechanics, city and rural letter carriers, post-office clerks, and railway postal clerks shall have rendered at least 15 years of service computed as prescribed in section 3 of this act"; and the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 7, and agree to the same with an amendment as follows: Restore the original language stricken out, adding thereto the words "or by other competent authority," so that the amendment shall read: "appointed directly by the commissioners or by other competent authority"; and the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 12, and agree to the same with an amendment as follows: In lieu of the language proposed by the House insert the following: "*Provided*, That no person employed in the executive departments within the District of Columbia, retired under the provisions of this act during the fiscal year ending June 30, 1921, shall be replaced by additional employees, but if the exigencies of the service so require, places made vacant by such retirement may be filled by promotion or transfer of eligible employees already in the service"; and the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 17, and agree to the same with an amendment as follows: After the word "redeposited" insert the words "with interest," so that the amendment shall read: "*Provided*, That all money so returned to an employee must be redeposited with interest before such employee may derive any benefit under the provisions of this act, upon reinstatement or retransfer to a classified position"; and the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 18, and agree to the same with an amendment as follows: Between the words "be" and "entitled," in line 8 of the amendment, insert the word "legally," so that the amendment shall read: "*Provided*, That if in case of death the amount of deductions to be paid under the provisions of this section does not exceed $300, and if there has been no demand upon the Commissioner of Pensions by a duly appointed executor or administrator, the payment may be made, after the expiration of three months from date of death, to such person or persons as may appear in the judgment of the Commissioner of Pensions to be legally entitled to the proceeds of the estate, and such payment shall be a bar to recovery by any other person"; and the House agree to the same.

THOMAS STERLING,
ALBERT B. CUMMINS,
KENNETH MCKELLAR,
Managers on the part of the Senate.

FREDERICK R. LEHLBACH,
LOUIS W. FAIRFIELD,
HANNIBAL L. GODWIN,
Managers on the part of the House.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. THOMAS. Mr. President, there is one feature of this conference report which, in my judgment, is unfortunate. I refer to that which reduces the age of retirement. Under the report many officials and employees who are beneficiaries of the bill are authorized to retire from the public service at the ages of 62 and 65, respectively. We had considerable discussion on that subject when the bill was before the Senate. The senior Senator from Utah [Mr. SMOOT] at that time offered an amendment, which the Senate adopted, fixing the age of retirement at 70, and the reasons which he assigned for his amendment were, I think, conclusive. So believing, I want to urge upon the Senate the importance of recommitting the bill to the committee of conference with instruction to insist upon the Senate provision regarding the subject of age retirement.

Employees at the ages of 62 and 65 should be the most useful and valuable of all those in the civil service. Presumably they represent the experience and capacity which ripe years bring to any vocation, and therefore make them presumably more useful than at any previous time of their employment. We propose under the conference report to encourage the retirement from the public service of that valuable class of men, the most of them in the full possession of their mental and physical vigor, and pay them $700 or $800 a year, and at the same time enable them in private life to obtain compensation for service which should belong to the Government under every principle of equity as applied to a pension system.

I am informed that a number of men now in the service having reached that time of life intend to take immediate advantage of this liberality and enter private employment at prevailing rates of compensation and at the same time draw $700

and $750 a year out of the Treasury. Mr. President, that is indefensible; it is inexcusable; and I protest against it.

If the Government has become an eleemosynary institution whose principal mission in the world is to shower its financial favors upon its citizens, both those in and those outside of its employment, let us unhesitatingly say so and act accordingly. But if the Government is to be regarded and is to be administered according to the principles upon which and in obedience to the purposes and objects for which it has been founded, then the sooner we go back to first principles the better.

The civil service is organized. Thanks to the liberality and encouragement of the present administration, its rank and file act as a unit and are verifying the apprehensions of those who opposed the civil-service system some 20 or 30 years ago. They possess political power and are on the job all the time. They hold the rod of an implied menace over the head of every Member of Congress and do not hesitate to exercise it in connection with all proposed measures of legislation intended for their benefit, and they also see to it that those measures are as frequent as they desire, and that they shall receive the active consideration of the committees at every session. The boon which we now give them, and which I favor, of an old-age retirement pension, under this conference report is supplemented by a privilege which is of enormous value and at the expense of the Government which these people serve.

What would be thought, Mr. President, of a great business institution pensioning its old employees which would not only permit but would encourage the retirement of men and women in the very prime of their powers and in the possession of expert acquirements that they have obtained through long years of service in that particular institution? It might be regarded as an act of unusual and praiseworthy philanthrophy, but it would operate to the demoralization of the force by the encouragement of the retirement of the best element of the working force, whose availability in all departments of enterprise and industry is at present too obvious to require comment.

I do not know how many of the vast army of Federal employees have reached or are approaching the ages of 62 and 65 years. I do know, however, that every bill designed to increase pay which is pending at present upon our calendars or before committees is sustained, among other things, by the argument that such increased pay is absolutely necessary to hold the force in Government employ; that scores upon scores of useful civil-service employees have left and are daily leaving the service because of the small emolument provided for their compensation and because of the attractions of better pay in private life. We are warned that unless these increases are made the service will suffer very seriously because of continued depletion, the only way to prevent which is increased compensation; and there is a great deal of truth in the contention; yet in the very presence of it we are encouraging others to leave, we are paying them to leave at a crisis in the administration of the civil service consequent upon so many defections independent of this bill. Of course, it is done because it is demanded by the combinations of employees, against which the virtue and moral courage of the average Member of either House of Congress can not stand, and especially in this year of the presidential election.

Mr. President, I shall submit a motion if it is necessary that the Senate do not concur in this conference report; that they stand by their bill and ask for a further conference. I know of no point of order that can be made against the report. I do not want to make one even if there were, because my objection is concentrated upon this one recession of the Senate members of the conference committee in their negotiation with the House members.

Mr. President, I do not care to detain the Senate in further discussion. I have expressed my objections to this report as clearly as I am able, and if they do not address themselves to the wisdom of the majority of the Senate, well and good. I feel, however, that those who vote to concur in the conference committee's report and accept it will, within the next year, regret their action, because of the enormous defection which will occur in the public service by those who desire to take advantage of the demand everywhere for labor, particularly skilled labor, and the Government in giving this largess to its employees will have deprived itself of the much-needed services of skilled or experienced employees.

Mr. SMITH of South Carolina. Mr. President, may I inquire of the chairman of the committee what was the age limit in the original House bill?

Mr. STERLING. The age limit in the original House as well as in the original Senate bill was 65 years. That pertained to employees generally. The age limit of 62 years was fixed for mail carriers, both rural and city carriers, post-office clerks, and mechanics, and 60 years for railway postal clerks. That was according to the original Senate and House bills.

Mr. SMITH of South Carolina. What was the provision of the bill as it passed the Senate?

Mr. STERLING. As the bill passed the Senate, the age of retirement was fixed at 70 years for all classes of employees.

Mr. SMITH of South Carolina. And the compromise now is 62 and 65 years, respectively?

Mr. STERLING. It is 70 years for employees generally, 65 years for rural and city letter carriers and post-office clerks, and mechanics, and 62 years for railway postal clerks. That is the compromise.

Mr. SMITH of South Carolina. The compromise makes three distinctions as against a like number in the original House bill and one in the Senate bill?

Mr. STERLING. Yes, sir.

Now, Mr. President——

Mr. BORAH rose.

Mr. STERLING. I yield to the Senator from Idaho.

Mr. BORAH. I desire to occupy the time of the Senate for about 5 or 10 minutes, not on the pending matter, but upon another matter. I will not delay the consideration of the conference report for more than 5 or 10 minutes.

Mr. STERLING. I yield to the Senator.

Mr. BORAH. Does the Senator from South Dakota desire to address the Senate?

Mr. STERLING. I was going to address the Senate on the pending proposition.

Mr. BORAH. Oh, very well.

Mr. STERLING. If the Senator from Idaho will defer his remarks until a little later, I do not think it will take very long to dispose of the conference report.

Mr. BORAH. I am only going to call attention to a matter which properly belongs to the morning hour, and it will not take over 5 or 10 minutes for me to do so; but I will wait until the Senator from South Dakota shall have concluded his remarks.

Mr. STERLING. Very well. Mr. President, I have listened with interest to the remarks made by the Senator from Colorado and his criticism of the conference report. I do not share the views of the Senator from Colorado with regard to the injustice it will work upon the people if we adopt the ages provided for in the conference report.

I never saw much objection to 70 years as the limit for employees generally as we find them in the various executive departments of the Government; and hence, just before this bill passed the Senate I accepted the amendment offered by the Senator from Utah [Mr. SMOOT] providing that 70 years shall be the retiring age. The bill went to conference, the House having passed the bill in its original form so far as the age limit was concerned by a vote, as I recall, of 237 to 53. On entering the conference it was manifest that the House conferees would not agree to the general 70-year limit, but that they would insist upon a distinction between the classes of employees and that for the rural and city carriers and post-office clerks and mechanics under the limitation of age should be 65 years, and that they would further insist on at least 62 years as the limit for railway postal clerks.

Mr. President, I think there is strong reason in the contention of the House conferees. In the case of the rural carrier, for example, exposed as he is to the extremes of heat and cold on his standard route of 24 miles or more than 24 miles, running up to 36 miles, shall it be a requirement of the Government of the United States that a man of 65 years of age and over shall keep on with that kind of work, exposed as he is, until he reaches the age of 70 years?

The Senator from Colorado would have a rural carrier serve until he is 70 years of age, but I can not insist that the rural carrier in South Dakota traveling his 24 or his 36 mile route, with the diminished vitality due to that age, shall continue in the service; nor am I ready to insist that the city carrier, carrying from 40 to 100 pounds of burden, with the diminished vitality necessarily arising from his age, shall continue in the service after he has reached 65 years of age.

Mr. THOMAS. Mr. President——

Mr. STERLING. I yield to the Senator.

Mr. THOMAS. I know of a great many farmers in my State who now have to cultivate their own farms and look after their own chores who have passed the age of 70, and who are doing this work and getting along without retirement pensions. If there is any difference between the man who serves the Government and the man who has to earn his own living in this country, then my selection goes to the man who has to earn his own living.

Mr. STERLING. Mr. President, the objection of the Senator from Colorado goes to any retirement bill at all, and not to the principles of the retirement bill as presented in the conference report, nor to the ages provided for in the bill. It seems to be

almost universally conceded—it was conceded by the opponents of the bill themselves when it was under discussion in the Senate—that we should have a retirement bill, and that it was to the reproach of this great Government that it, among the great nations of the world, had never provided any system of retirement for its civil-service employees. I think it is the general consensus of opinion, in fact almost the universal opinion, that the Government should have a civil-service retirement system. Mr. President, what further is there about the age provision? The employees of the Post Office Department, the rural and city carriers and the post-office clerks, are not obliged to retire at the age of 65 years. If they are competent and efficient and the head of the department shall so certify, they may remain in the service for a period of 10 years after the passage of this act.

Mr. THOMAS. Mr. President——

Mr. STERLING. I yield to the Senator.

Mr. THOMAS. I think I may reply to that argument as the Senator replied to mine. If that privilege is given, does it not argue that the early retirement fixed by the conference report is unnecessary and unwise? If it is merely a matter of selection or choice, then does it not indicate that the physical disability which this bill proposes arbitrarily to fix at those ages may not exist?

Mr. STERLING. Oh, no; I think not, Mr. President. The principle of the bill is that if a man at 65 is exceptional and desires to serve, and he is certified to as competent, he may remain in the service. The bill is designed all along the line to give the exceptional man the privilege of serving. Taking the case of the railway postal clerks, 62 is fixed as the age of retirement, and I think justly and reasonably so. The work is arduous and is to a certain extent nerve-racking, and such employees at the age of 62 years, as a rule, I think, because of disability in that strenuous service are ready to retire. On the other hand, the man who is exceptionally strong may remain in the service of the Government for a period of 10 years after this law goes into effect, if he is qualified. It is provided in the bill, however, that after 10 years from the time the bill goes into effect the extension shall be limited to two periods of two years each, so that after the lapse of 10 years the man who is a rural carrier or a city carrier or a post-office clerk may remain in the service until he is 69 years of age, if he is qualified for the service.

So I say, Mr. President, that the exceptions to the 70-year-age limit for retirement are founded upon humane principles, to say nothing of efficiency in the service; and for that reason I am convinced that though the Senate passed the bill with 70 years as the age of retirement for all classes of employees the conference report in making these distinctions is just and reasonable and ought to be adopted.

There is a further thing to consider, Mr. President. This bill provides for a board of actuaries, one of whom shall be the present Government actuary, who will take into consideration the workings of the bill, how the service is affected thereby, what the cost to the Government will be, and whether it is founded on proper and just principles. There will be ample time, within the 10 years during which these men may serve this longer period of time, in which to test the principles upon which the bill is founded, and I sincerely hope there will be no question about the adoption of the report.

Mr. SMOOT. Mr. President, when this bill went to conference, I took it for granted that the conferees of the Senate would try to stand for the action of the Senate; but the speech that has just been delivered by the chairman of the conference committee on the part of the Senate demonstrates to me beyond a question of a doubt that there was no chance for the Senate amendment. I think that if it had been left entirely with the Senate conferees the conference report would have embodied the ages as reported. They would have agreed to the ages as the House amendment provided and as the bill was originally introduced if the House conferees had strenuously insisted. The Senator from Iowa [Mr. CUMMINS] I am confident is the only conferee that prevented such action. This conference report would have come back to the Senate with the years 60, 62, and 65, as originally introduced, had it not been for the Senator from Iowa.

I am not going to take the time of the Senate this morning to go over the ground again and give the reasons why the 70-year age limit agreed to by the Senate ought to have stood and ought to be the law.

Mr. STERLING. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from South Dakota?

Mr. SMOOT. I yield.

Mr. STERLING. I just want to correct the Senator from Utah in one respect. He says that had it not been for the Senator from Iowa the conferees would have reached an agreement upon the ages provided in the bill originally. The Senator is hardly warranted in making that statement. The conferees would not with my vote have reached that agreement.

Mr. SMOOT. I judged from the speech the Senator made——

Mr. STERLING. Oh, no; I made no remark whatever to justify that inference. I said in the course of my remarks that I had never had much objection to 70 years as the limit for employees generally, and I have insisted on a higher age than 65 for those in conference.

Mr. SMOOT. I know the position of the Senator as it was stated when the bill was under consideration, and I judged from his remarks this morning that it had not changed an iota. I am glad, however, that the Senator made the statement he did.

Mr. CUMMINS. Mr. President——

Mr. SMOOT. I yield to the Senator from Iowa.

Mr. CUMMINS. I am bound to say, I must say, that the Senate conferees were entirely loyal to the action of the Senate, no matter what their individual opinions may have been with regard to the propriety of the change made in the Senate upon the motion of the Senator from Utah. I feel that so much is due to my associates upon the conference committee.

So far as I am individually concerned, everybody knows that I am opposed to this bill. I am opposed to the principle upon which the bill is based. I do not believe that the Government ought to contribute anything to a pension fund except that sum necessary to put it into execution and cover the period of a few years after the enactment of the bill. I want no one to misunderstand my position in regard to that matter.

When it comes to the question of the age of retirement, however, I believe that there are some employees in the civil service of the United States who ought to be retired at an earlier age than 70 years; notably, the railway postal clerks. It would be, as I view it, very inconsiderate to pass a retirement bill which did not permit such employees to retire before they became 70 years of age.

I am entirely in accord with the report of the conference committee so far as railway postal clerks are concerned, and I think letter carriers in cities ought to be retired at an age below 70 years. If I could have had my own way, however, I would have preferred that the other employees should have been governed by the 70-year retirement age.

Mr. SMOOT. Mr. President, I agree with the Senator from Iowa in his statement in relation to the age limit, if there were not a relief provision in the bill taking care of the cases of persons who are disabled, mentally or physically, where they have served the Government 15 years, I would insist upon having difference ages. My mail has been full of letters from employees of the Government complaining most bitterly of the limit of ages to 62 and 65. We will have mechanics retiring, under this conference report, at the age of 65 years. Let us see what one of the mechanics at the Government Printing Office says, and it is true. You can not deny what he says:

> The word "mechanic," as we understand it, includes the employees of the Government Printing Office. We work under conditions much more favorable than outside mechanics, not being subject to outside weather conditions, and are well housed.

Mr. President, that is true with all of the mechanics of the Government. That is true with all the post-office clerks of the Government. Why let a post-office clerk be retired at 65 years of age and a clerk in any other department of our Government at the age of 70? It can not be defended, Mr. President.

As I have stated, there is some reason for a railway postal clerk being retired at an earlier age, because of the very character of the service. It is hard on him physically to ride on railroads day in and day out, and night in and night out. No one doubts that. There is a provision in the bill, however, that will take care of that class of employees; and I fully agree with the Senator from Iowa that there is no reason whatever for having the mechanics and the post-office clerks retired at a different age than the other clerks in the Government service.

Mr. STERLING. Mr. President, if the Senator will permit me just a moment, I may suggest a reason why I think post-office clerks should have a retirement age of 65 generally, rather than a higher age. The work is arduous. It requires the man to be on his feet all the time. Much of his work is night work. He must be of strong constitution and he must be alert of mind in order that he may distribute the mails and do the task assigned him. It is altogether different from the work of the clerk in the ordinary executive department, and it is for that reason that the age is fixed at 65 for that class of employees.

Further, Mr. President, I will warrant that the letter which the Senator from Utah has in his hand takes no account of the additional time which that mechanic may serve. He may serve for 10 years after he has reached the age of 65, if he is competent and desires to serve——

Mr. SMOOT. Oh, no.

Mr. STERLING. And after 10 years from the time the bill goes into effect he may serve 4 years, until reaching the age of 69. So that there is no cause of complaint on the part of any clerk who is nearing the age of 65 now, because he can continue in service.

Mr. SMOOT. There is no post-office clerk who can serve beyond 69 years of age. If he is granted two 2-year extensions, that is the limit.

Mr. STERLING. That is after the first 10 years.

Mr. SMOOT. Oh, well, they are not going to put in men who are 59 years old to begin with. That will never happen, and particularly after this bill becomes a law.

Mr. President, I think it is proper for the RECORD to show just what this change is going to cost the Government of the United States, and at the same time I want to show what a saving there would have been to the Government of the United States if the age had remained at 70 years.

Mr. THOMAS. Mr. President——

The VICE PRESIDENT. Does the Senator yield to the Senator from Colorado?

Mr. SMOOT. I yield.

Mr. THOMAS. Of course, the Senator is aware, from his experience in such matters, that the question of cost is of no consequence.

Mr. SMOOT. I think that is true. I begin to think that the Senator from Colorado is absolutely right, and the only way to be popular in the United States is to grant every dollar that it is possible to get out of the Treasury of the United States.

Mr. THOMAS. As soon as possible.

Mr. SMOOT. If you do that, you are a very popular man, very popular indeed; but if you undertake to save a dollar of the people's money, if you undertake to reduce taxes in any way, you are a very unpopular man, and you are threatened with defeat whenever you come up for election. Such threats will have no effect upon me. I do not care whether I am defeated or whether I am elected, but as long as I am in public life I am going to try to save what I can of the people's money; and I do not mean to be niggardly in appropriations when I say that. I want to have appropriations made which will cover every requirement of the Government. I want the Government of the United States to be a better employer than any other Government on earth, and all the men laboring for the Government I want to work under the very best conditions that can be found in all the world, and all I ask of them is that for those favorable conditions they give a day's service to their Government. I am ready to have the Government take care of them in their old age, or in case unavoidable sickness comes to them; I want to see the Government do at least what the private employers of labor in this country will do. But in doing that, Mr. President, we need not go crazy; we need not lose our heads. We ought to be just to both the Government and the employees.

Mr. President, it will take me just a few moments now to put these figures in the RECORD, and then I shall say no more, because the Senator from North Dakota [Mr. MCCUMBER] tells me that he desires to proceed with the speech which he gave notice the other day he would deliver to-day. I shall take first railway postal clerks, and I am going to give the cost and the differences for only the first year.

Under the provisions of the Sterling-Lehlbach bill the Government would pay $536,324. Under the provisions of the Sterling bill as it passed the Senate it would pay $130,926, or a saving of $405,398.

Mr. POMERENE. Mr. President, may I ask the Senator what class of employees that covers?

Mr. SMOOT. That is just the railway postal clerks. The cost of pensions the first year under the provisions of the conference report will be $404,192, or a saving of $132,132. The difference in saving between the bill as it passed the Senate and the conference report is $273,266 .

Take the rural and city letter carriers, post-office clerks, and mechanics: Under the provisions of the Sterling-Lehlbach bill the cost of the first year is $1,656,639. Under the provisions of the Sterling bill as it passed the Senate it is $509,492, a saving of $1,147,147. The cost of pensions the first year under the provisions of the conference report would be $1,082,495, a saving of $574,144.

For general employees the cost under the provisions of the Sterling-Lehlbach bill would be $2,391,908. Under the provisions of the Sterling bill as it passed the Senate it would be $1,410,971, or a saving of $980,937.

Mr. President, I am not going to present any more of the figures, but I ask that this table complete may go into the RECORD as a part of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

The table is as follows:

Table showing the saving in cost of pensions the first year under the provisions of the Sterling bill as it passed the Senate compared with the Sterling-Lehlbach bill and per cent of saving, by class of employees, the saving in cost of pensions first year under provisions of the conference report compared with the Sterling-Lehlbach bill and per cent of saving, by class of employees, and the difference in saving between the bill as it passed the Senate and the conference report.

[In this table it is assumed that employees will retire as soon as they become eligible.]

Class of employees.	Cost of pensions first year.		Saving (1)—(2).	Per cent of saving in each class.	Cost of pensions first year under provisions of conference report.	Saving (1)—(5).	Per cent of saving in each class.	Difference in saving between the bill as it passed the Senate and the conference report (3)—(6).
	Under provisions of Sterling-Lehlbach bill.	Under provisions of the Sterling bill as it passed the Senate.						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Railway postal clerks	(a) $536,324	(d) $130,926	$405,398	75.59	(g) $404,192	$132,132	24.64	$273,266
Rural and city letter carriers, post-office clerks, and mechanics	(b) 1,656,639	(e) 509,492	1,147,147	69.25	(h) 1,082,495	574,144	34.66	573,003
General employees	(c) 2,391,908	(f) 1,410,971	980,937	41.01	(i) 1,410,971	980,937	41.01	
Total	4,584,871	2,051,389	2,533,482	55.26	2,897,658	1,687,213	36.80	846,269

Retirement age: (a) 60, (b) 62, (c) 65, (d) 70, (e) 70, (f) 70, (g) 62, (h) 65, (i) 70.

Mr. LODGE. Mr. President, owing to an accident, I was not here when the morning business closed. I gave notice that I should then move to take up the peace resolution. I do not want to interrupt the completion of the conference report, but if there is to be any more debate I shall have to move now to take up the peace resolution

Mr. STERLING. I sincerely hope that we may have a vote on this conference report now. I do not know of anyone else who desires to speak upon it.

Mr. KING. I think there will be further debate.

Mr. LODGE. Then I move to take up House joint resolution 327.

TERMINATION OF WAR WITH GERMANY.

The VICE PRESIDENT. The Senator from Massachusetts moves that the Senate proceed to the consideration of House joint resolution 327, the peace resolution.

Mr. THOMAS. May I inquire, before the vote is taken, whether that will displace the present order of business?

Mr. LODGE. It will.

The VICE PRESIDENT. It does displace it.

On a division, the motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the joint resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes, which had been reported from the Committee on Foreign Relations with an amendment to strike out all after the resolving clause and to insert:

That the joint resolution of Congress passed April 6, 1917, declaring a state of war to exist between the Imperial German Government and the Government and people of the United States, and making provisions

to prosecute the same, be, and the same is hereby, repealed, and said state of war is hereby declared at an end: *Provided, however,* That all property of the Imperial German Government, or its successor or successors, and of all German nationals which was, on April 6, 1917, in or has since that date come into the possession or under control of the Government of the United States or of any of its officers, agents, or employees, from any source or by any agency whatsoever, shall be retained by the United States and no disposition thereof made, except as shall specifically be hereafter provided by Congress, until such time as the German Government has, by treaty with the United States, ratification whereof is to be made by and with the advice and consent of the Senate, made suitable provisions for the satisfaction of all claims against the German Government of all persons, wheresoever domiciled, who owe permanent allegiance to the United States, whether such persons have suffered, through the acts of the German Government or its agents since July 31, 1914, loss, damage, or injury to their persons or property, directly or indirectly, through the ownership of shares of stock in German, American, or other corporations, or otherwise, and until the German Government has given further undertakings and made provisions by treaty, to be ratified by and with the advice and consent of the Senate, for granting to persons owing permanent allegiance to the United States, most favored nation treatment, whether the same be national or otherwise, in all matters affecting residence, business, profession, trade, navigation, commerce, and industrial property rights, and confirming to the United States all fines, forfeitures, penalties, and seizures imposed or made by the United States during the war, whether in respect to the property of the German Government or German nationals, and waiving any pecuniary claim based on events which occurred at any time before the coming into force of such treaty, any existing treaty between the United States and Germany to the contrary notwithstanding. To these ends, and for the purpose of establishing fully friendly relations and commercial intercourse between the United States and Germany, the President is hereby requested immediately to open negotiations with the Government of Germany.

SEC. 2. That in the interpretation of any provision relating to the date of the termination of the present war or of the present or existing emergency in any acts of Congress, joint resolutions, or proclamations of the President containing provisions contingent upon the date of the termination of the war or of the present or existing emergency, the date when this resolution becomes effective shall be construed and treated as the date of the termination of the war or of the present or existing emergency, notwithstanding any provision in any act of Congress or joint resolution providing any other mode of determining the date of the termination of the war or of the present or existing emergency.

SEC. 3. That until by treaty or act or joint resolution of Congress it shall be determined otherwise, the United States, although it has not ratified the treaty of Versailles, does not waive any of the rights, privileges, indemnities, reparations, or advantages to which it and its nationals have become entitled under the terms of the armistice signed November 11, 1918, or any extensions or modifications thereof or which under the treaty of Versailles have been stipulated for its benefit as one of the principal allied and associated powers and to which it is entitled.

SEC. 4. That the joint resolution of Congress approved December 7, 1917, declaring that a state of war exists between the Imperial and Royal Austro-Hungarian Government and the Government and the people of the United States and making provisions to prosecute the same, be, and the same is hereby, repealed, and said state of war is hereby declared at an end, and the President is hereby requested immediately to open negotiations with the successor or successors of said Government for the purpose of establishing fully friendly relations and commercial intercourse between the United States and the Governments and peoples of Austria and Hungary.

Mr. McCUMBER. Mr. President——

Mr. UNDERWOOD. If the Senator will allow me, I should like to ask the senior Senator from Massachusetts, the leader on the other side, as to what debate he expects there will be on this resolution.

Mr. LODGE. It is my intention to keep the joint resolution before the Senate until it is disposed of. I think we ought to dispose of it one way or the other. I have not supposed from what I have heard that there will be very much debate. I know of only two or three speeches to be made on this side, and I gathered from what the Senator from Alabama told me that on the other side there would not be very many.

Mr. UNDERWOOD. Of course, most of the Senators on this side of the Chamber expect to resist the passage of the joint resolution on the final vote.

Mr. LODGE. I understand that.

Mr. UNDERWOOD. I know of no disposition on this side to prevent its early consideration, but there are gentlemen here who desire to adjust their own time to meet the vote and to be prepared to make speeches. I was going to ask the Senator if he would be willing to make it the order of business until disposed of and take a recess instead of having a morning hour.

Mr. LODGE. That is my intention.

Mr. UNDERWOOD. Then it will be continuously before the Senate until disposed of.

Mr. LODGE. It is my intention to keep it continuously before the Senate, and, if necessary, to sit rather longer hours. I hope that we shall be able to finish it in a few days.

Mr. UNDERWOOD. I think that will be satisfactory.

Mr. POMERENE. Mr. President, as I stated to the Senator from Massachusetts yesterday, I am obliged to be away tomorrow and possibly Thursday. I think I can arrange to be back here on Thursday. I am compelled to be absent, and I prefer that there shall not be a final disposition of the joint resolution until Friday or after that day.

Mr. LODGE. I can not make any promises. The Senator understands that it is a matter out of my control; but I should not think that we would reach a vote before Thursday, from what I know of the intentions of Senators to speak.

Mr. McCUMBER. Mr. President, I wish but a few minutes' time to record the reasons which guide me in casting my vote against both the original House resolution and the Knox substitute and incidentally to present reasons for a substitute which, if enacted, would immediately reinstate commercial relations between this country and all other countries with which we were lately at war, leaving the settlement of all war problems—all the important as well as the delicate questions involved in the causes of the war or growing out of it—to be dealt with by a treaty of peace, either independently on our part and the enemy nations or in conjunction with our allies.

Mr. President, section 1 of the House resolution reads:

> That a state of war declared to exist between the Imperial German Government and the United States by joint resolution of Congress approved April 6, 1917, is hereby declared at an end.

The Knox substitute, reciting our resolution declaring war, provides that the said resolution "be, and the same is hereby, repealed, to take effect upon the ratification of a treaty of peace between Germany and three of the principal allied and associated powers."

Under the House resolution the repeal takes effect as of the date of the approval of the resolution. Under the Knox substitute, inasmuch as three of the principal allied and associated powers have already ratified the treaty, the peace status with this country will have retroactively been in existence since the date of the ratification by the third power.

This peace status, Mr. President, created by this resolution is not dependent on any act or consent of Germany. I want Senators to keep this in mind. When we pass this resolution we become subject to all the rules of international comity which govern a nation in times of peace. Germany is not so limited. She can base every demand she may have stored against us on our peace status declaration.

While I am opposed to the enactment of this resolution prior to the adoption of the treaty of peace between this country and our late enemies, I am unable to agree with the reasoning of those Senators who hold to the theory that Congress, which has the sole power to create a state of war, has no right or authority to discontinue that state. In enumerating the powers of Congress the Constitution reads:

> Congress shall have the power to declare war, * * * to raise and support armies.

While the President approved and signed this war declaration, my opinion is that it would have been just as effective without his approval. As I construe this provision of the Constitution, a declaration of war by Congress, even if disapproved by the President, would still be effective in creating a war status. Of course, under the Constitution he is Commander in Chief of the Army and Navy, and he might so command or so fail in his duty that the will of Congress might be defeated. The only remedy in such case would lie in impeachment proceedings.

So, too, while one Congress may declare a state of war, either the same or a subsequent Congress may, by refusal to make appropriations for its prosecution, nullify the purposes and effect of such declaration. I therefore can not doubt that the authority which has the sole power to create a war status, which has the unquestioned power to nullify its own acts by refusal to appropriate for its prosecution, has also the power to repeal and remove by direct action the status which it thus created.

But this is met by the contention that a state of war having been brought into existence can only be terminated by an agreement between the warring nations, and that an agreement between nations can only be consummated by treaty.

I agree that this is the only proper and expedient way of terminating war, certainly so when the enemy nation still retains its complete sovereignty and independence. But it is apparent to anyone that it is not the only means of bringing war to an end. The vanquished nation may be annexed and its contractual capacity thereby destroyed. Both parties may become exhausted and tired of the conflict, may withdraw their forces from the field of contest without any decisive action, and resume diplomatic and commercial relations without ever entering into any agreement for the settlement of either the causes of the war or the injuries which resulted from it.

On the technical question of whether, under our Constitution, we can by a law tantamount to a treaty enter into contractual relations with another Government, I shall not spend much time. I can not doubt that Congress, having the right to declare a war, having the right to refuse to vote for its continuance, can also end it by a straight declaration that a state of war which it declared to exist has ceased to exist.

Such a declaration is not a treaty. It is not a contract. In neither form does it require the consent of the other party. It is not even legislation and needs no act of approval of the President. It needs no consent on the part of the enemy Government. However, the House resolution and the Knox substitute, while not treaties, nevertheless require the signature of the President. They both enact legislation. In neither the House resolution nor the Knox substitute do we stop at the mere declaration of a status of peace. By section 3 of the House resolution Germany is commanded within 45 days to assure to the United States every right which would inure to this Government had we adopted the peace treaty. And if the German Government fails to do so it is made the duty of the President to inhibit all intercourse between this Government and its nationals and the Government or nationals of Germany, and provision is made for punishment of anyone who fails to comply with this inhibition. That is legislation pure and simple, and requires the concurrence of the Executive.

The same power and penalty are provided in the first paragraph of the Knox substitute. In both it is put up to the German Government to take positive action or suffer a positive penalty. If the German Government takes action, acquiescing in our demands, we have effectuated an international agreement without bringing into operation the methods adopted by this country and by all countries for the settlement of international questions and agreements by treaties. If we can do this, we can, of course, dispense with the treaty-making power entirely by enacting a law looking to an international agreement, which is to become effective upon the consent of the nation or nations to which the law is addressed. I am inclined to think that there is nothing in the Constitution which prevents this. I am positive, however, that from its very nature it is an inexpedient and improper method of entering into international agreements and that it is just as improper, and even more so, as a method of settling war questions.

Nor can it be urged, Mr. President, upon the ground of necessity. The only real necessity for this action is that it will permit the resumption of commercial relations between this country and Germany. But that can be accomplished by a mere repeal of the law prohibiting commercial relations and authorizing their resumption, a mere declaration that, inasmuch as there are actually no hostilities between the countries, as their armies have been withdrawn from the field of contest, all commercial relations between the two countries and their people may be resumed upon the basis of our prewar status and that all laws in conflict are repealed. Naturally I should prefer that before we resume even those relations every matter of difference should be settled by a treaty, but as that seems to be beyond our most ardent hopes, due to a spirit of political and partisan obduracy, and as the interests of both countries demand the immediate resumption of commercial relations, I would favor at this time a law repealing any statute which now exists which interferes with the free exchange of commercial commodities.

Why this roundabout method of repealing war laws? If we wish to repeal any act which we now believe should be abrogated why not do so directly? Or if we wish to repeal them all at one time, why not enumerate them and declare that they are hereby repealed? I know of no serious injury that would result from repealing all of them. On the other hand I do know that most serious complications might and probably would ensue by declaring a status of peace before we have settled the thousands of questions, the rights and liabilities that have grown out of this war.

I have introduced a substitute resolution which would meet the only disadvantage that results from the prolongation of this hiatus between war and peace. This resolution reads:

Resolved, etc., That commercial relations between the United States and Germany be, and the same are hereby, resumed to the same extent and under the same limitations as though no war had existed between the said Governments, and all laws prohibiting trade and commerce between the nationals of said Governments enacted since the 6th day of April, 1917, are hereby repealed in so far as they are in conflict with this resolution.

This resolution throws wide open the gateway of commercial relations between this country and Germany and leaves the settlement of the many delicate questions of difference between the two great countries growing out of the war or out of previously existing treaties to be settled by a new treaty of peace which will safeguard our every interest. That is all the American people can hope to accomplish to-day. That would relieve the uncertainty of which the Senator from Pennsylvania complains.

I, however, realize how useless it would be to press this compromise resolution where the lines of division between the two factions in this body have been cemented by partisanship and set and hardened by time. The majority on this side of the Chamber purpose to force the acceptance of the reservations adopted by the Senate without the change of a single word or letter.

The majority on the other side, in obedience to the will of the President, have resolved to make the League of Nations a political issue.

Mr. President, I think this administration has made many mistakes, but all will become insignificant compared with the colossal blunder of making the President's individual and autocratic stand on the League of Nation's a political issue. And, partisan as I am, I confess even now a deep sense of sympathy for the humiliation that awaits a great party, which, with all its weaknesses, has subserved a great purpose in our national history.

While the people of this country by a vast majority do desire that we should, in conjunction with the other great nations of the world, take some decisive forward step to prevent a recurrence of another such useless and unprovoked calamity as this World War, and while many feel that we have been somewhat selfish, somewhat unfair to our associates in our reservations, no one believes that these reservations are inimical to American interests. On the other hand, many—very many—believe them to be necessary for our protection. And still another element of our population by no means small in number—and it matters little whether governed by prejudice against any one of our would-be associates or misled by error—is bitterly opposed to any League of Nations.

So, Mr. President, if this were the only issue, the President would stand almost alone in his determination to subvert the will of the Nation to his individual conviction on this important national question, and his party support would be confined to those few States where reverence for Democratic doctrines declared by the head of that party becomes a religious tenet.

But, Mr. President, you can not make the League of Nations the real issue in this campaign.

If the real and only issue were a league or no league, I would be greatly concerned for the success of my own party. But you can not talk world politics to a man while his house is on fire; he will be concerned only with the fire department.

The thought of the people of this country is engrossed with the perplexities that surround us now. We are this moment threatened by a thousand imminent dangers demanding our immediate attention and solution. We know that another such World War can only come to a generation as yet unborn. We reason naturally that there is abundant time to prepare against this remote danger. But to-day we are in the midst of a situation that can not be described by the simple word "unrest." We stand almost helpless while debts, national, State, municipal, and industrial, are piling mountain high. We behold the hours of idleness of our people ever increasing, production dangerously decreasing, currency becoming more and more inflated, the yoke of taxation ever growing greater and more galling, the prices of all necessities of life ever advancing. We are living in the midst of strikes and threats of strikes. We are living in imminent danger of having our industries paralyzed and the distribution of commodities on which our very lives depend stopped at any moment by lawless hands.

The very atmosphere is poisoned with socialism's infectious breath, while anarchy, fevered by hate and envy, awaits only the opportunity to work a reign of hell such as to-day is consuming agonized Russia.

Study as you may, search as you will for excuses, the American people, the thinking people, know where to lay the blame for this dire condition. The war is not the cause of this threatening situation. The American people, like the people of the greater part of Europe, to-day are the victims of the new system of purchasing political support by enacting purely class legislation. The American people are the victims of a policy of surrendering the interests of the unorganized and ineffective many to subserve the demands of the organized and effective few. The American people are the victims of a policy of utilizing the Federal Treasury to meet the demands of organized classes, no matter how exorbitant or inequitable such demands.

The whole policy of the present administration has been one of surrender to these demands. That course has been followed from the day the Executive forced the Adamson bill down the throats of a reluctant Congress to the present time. That course, followed during the war, entailed upon us a cost at least five times what the war should have cost us. A few months of the application of that policy to the operation of railways under Government control bankrupted every railroad in the United States. That policy manifested itself in the vast number of socialists and theorists with whom nearly every official place has been filled during the past four unhappy years. That policy is

manifest to-day in nearly every appointment that comes to the Senate for confirmation.

The American people, I repeat, are not blind as to the source of our troubles. They are looking forward for relief. They want to get back, as nearly as possible, to normal conditions, and their attempt will be evidenced by an overwhelming vote in the next election for a change of policies, and this will be the result, treaty or no treaty, peace resolution or no peace resolution, League of Nations or no League of Nations.

The regrettable thing is that a great measure designed for the good of the people of the whole world, and emanating, as I am sure it does, from the very best of impulses, must suffer a seeming rebuff because forced into association with most dangerous isms which must and will receive the condemnation of the American people in the coming campaign.

But it is further contended that our present status is, in fact, a peace status, and the enactment of this resolution will but confirm and make certain to the country and the world that our status is one of peace. I think the advocates of this resolution have grave doubt of their own position, because they fix the date of termination of the war in the original resolution itself. How can you terminate on a fixed date that which does not exist?

While it may be said that active war does not exist, which, of course, must be admitted, still I think that it must be admitted that a war status does still exist between this country and Germany. Let us not forget that the agreement entered into on the 11th day of November, 1918, was an armistice only; that it was limited in time in the first instance and has from time to time been extended.

Let us not forget also that the very terms of this armistice contemplated and provided for a settlement of all the war issues with each and every one of the allied powers before peaceful relations should be reestablished. That instrument speaks for itself. And while we all understood it to be the prelude to a coming peace, none of us understood it to be the actual end of the war status. Germany might breach the terms of the armistice agreement. She might refuse to accept the terms of peace which would be imposed by the Allies and thereby necessitate the immediate resumption of hostilities.

The first armistice agreement was to continue for 36 days, with option to extend. On December 13 this option was exercised and it was continued until January 17, 1919. On January 15, 1919, it was further extended until February 17, 1919. On February 16, 1919, it was further extended, but not definitely. This extension reads:

> This armistice is further prolonged for a short period, the date of expiration not being given, the allied powers and those associated with them reserving to themselves the right to terminate the period on three days' notice.

How can there be a continued armistice without a war status, and what would be the result of terminating an armistice if there was no war status? How can it be terminated on three days' notice if it has been merged into a peace status?

It is evident, then, that by the terms of the armistice agreement and the further agreements—and remember the United States was a party to these further agreements—the status of war was not discontinued on November 11, 1918. It has not been discontinued since, except by those powers which have entered into final treaties of peace with Germany, and the right reserved to declare the termination of the armistice has never been surrendered by any act of this country.

Whatever rights are now exercised by our associates in Germany are exercised by virtue of the treaty of peace stipulations and not by virtue of the armistice. Whatever authority we are exercising there must be by virtue of the armistice stipulations, which continue only by virtue of a war status.

Now, Mr. President, if the armistice agreement did not ipso facto conclude the war, then any expression made by the President in the exuberance of his joy that, through his influence and pressure, the German armies were saved from utter annihilation or unconditional surrender, and this country and its associates thereby deprived of the sacred right which by rivers of blood and oceans of treasure they had earned—the right to behold the abject and unconditional surrender of militarism—any expression made by him that the war was at an end could not and did not change a word or syllable of that armistice agreement or the war status expressly continued in existence by it.

And, Mr. President, I can hardly understand the position of those who agree with me that Congress alone can declare war and also declare peace and yet predicate their conclusion that we are at peace on the bald declaration of the President to Congress that war is at an end; that the purposes for which we battled have been accomplished. The two positions are at absolute variance and are irreconcilable.

Mr. President, no one of us, as we listened to this message, understood the President's declaration that the war had come to an end as in any sense a peace proclamation.

In the face of the armistice and its terms he could not have so intended, and we could not have so understood.

I have no doubt but that we could say to Germany to-day, "Keep your armies out of the Ruhr district and comply with all the terms of the armistice, and if you fail to do so forthwith, we will continue the advance of our armies, which we stayed only on your solemn promise to keep the terms of that armistice."

Do Senators claim that we could not do this without a new declaration of war? If we proceeded, would it be a second war with Germany, or would it be the same old war?

If the President, as Commander in Chief, should represent to Congress that the German Government had broken the terms of the armistice and refused to carry them out, and should ask Congress to vote the necessary sums to enable him to continue the advance and force the enemy to keep his word, would this be a new war, or would it be the continuation of the same old war?

The Senator from Pennsylvania in his speech declares over and over again that we are actually and constructively at peace with Germany. Using his own language, he says:

> First. The war is at an end by virtue of the armistice of November 11, 1918, and of the amendments and renewals thereof, such armistice being in fact a capitulation ending hostilities by the virtual surrender of the enemy.
>
> Second. The war is at an end by the silent ceasing of hostilities, which concluded the war, in fact.
>
> Third. The war is at an end because the Government against which we specifically declared war has ceased to exist, and the President avowed we had no quarrel with the people behind it. Since our declared enemy is nonexistent we have no one with whom to fight, hence no war.

Mr. President, if the Senator's conclusion as to the nonexistence of our enemy is correct, is he not somewhat reckless in seeking by his resolution to secure a new treaty, a new agreement with a nonexistent enemy? Again, he says:

> Fourth. The war is at an end, because we, together with our associates in the hostilities, negotiated with the people whom we had been fighting, now living under a new form of government, a treaty of peace which provided in terms that the war should terminate and diplomatic relations be resumed when the treaty came into force; and because the treaty, pursuant to its provisions, did come into force in January last when it was ratified by Germany on the one hand and three of the allied and associated powers on the other hand. By virtue of the treaty and these provisions of it the whole world, including the United States, is at peace in fact and in law.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER (Mr. HENDERSON in the chair). Does the Senator from North Dakota yield to the Senator from Ohio?

Mr. McCUMBER. I yield.

Mr. POMERENE. According to the same logic, if we are at peace because the treaty has been ratified by Germany and three other powers, then it has absolutely destroyed the power of the United States Senate to join in the ratification of the treaty of peace. In other words, they have destroyed the constitutional authority of the Senate in treaty making.

Mr. McCUMBER. I was about to proceed along that line of thought.

Mr. POMERENE. I beg the Senator's pardon.

Mr. McCUMBER. Without agreeing with any of these conclusions, and I am frank to say that I can not agree with them, I have a right to ask: If we are at peace with Germany, by reason both of the nonexistence of the enemy and by the solemn provisions of a treaty which ended the war, both as to the nations signing the treaty and as to the United States, then why on earth is this solemn farce being enacted in the Senate of the United States? And why is the Senator from Pennsylvania such an earnest advocate of such a useless resolution? If we are at peace both in fact and by legal contract, then why all the fear as expressed by the Senator when he declares:

> The safety and welfare of the Nation imperatively demand that we know we have peace. The whole world seethes with revolution. Our own Nation is in a ferment of turmoil. Force and strife are rampant and threaten the destruction not only of our property but of our free institutions and even of our lives.

We all admit the seriousness of the situation. But to me it is simply wonderful if all this can be cured by a simple resolution of Congress informing the people of a fact which has been in existence for 18 months, that we are not engaged in actual war. The theory of hypnotism, and even that of Christian Science itself, pales into insignificance compared with this alleged panacea for all the evils that threaten our civilization.

I think, Mr. President, I am justified in doubting both the accuracy of the diagnosis and the efficacy of this resolution as a cure for it. Our distemper is not due to a lack of knowledge as to whether or not we are in a state of war with Germany. And this resolution is not an antidote.

No one will question for a single moment that peace exists between Russia and Germany. Their peace treaty was signed in 1917. But as I gather the situation from horror-stricken Russia, in the throes of anarchy, crime, and bestiality, the mere knowledge of this peace has not in the slightest degree abated her malady. Great Britain, France, and Italy are in law, as well as in fact, at peace with Germany. Has the knowledge of this peace purged those countries of their seething unrest?

And, Mr. President, with all due respect, I do not believe that any uncertainty as to the exact status of our relation with Germany has the slightest effect on the unrest of the American people. The people of this country know that Germany can not resume hostilities. They know that there is nothing left to-day except to settle the war score with Germany diplomatically or through legislative enactment. And whatever we do, and whether we do anything or not, Germany can not continue actual war against the United States. I would think that I reflected upon the intelligence of the American people if I believed that their unrest had anything to do with a fear or anticipation of a possible resumption of hostilities. It is true that the lack of a negotiated peace or agreement with Germany necessarily must and does hamper our trade with that country. We are entitled to resume commercial relations at the earliest practicable moment. But that can be done by a simple joint resolution repealing the trading-with-the-enemy act and thereby reinstating our commercial relations. We do not need to wait until we secure a final treaty with Germany before resuming those relations. There must be other and ulterior motives and reasons for the enactment of this resolution at this time.

So far as the Senator from Pennsylvania is concerned, we recognize the fact that from the very beginning he has advocated the separation of the treaty of peace proper from the League of Nations provisions. This resolution if enacted into law would, of course, effectuate that purpose, and, from his viewpoint, is most appropriate. There are others who see a political advantage in passing a resolution which they all know will be vetoed by the President. They say it will put him in a hole. Without passing judgment on the propriety of using a great world cause for such a purpose, one may be justified in asking the question, from their standpoint, at least, Why waste all this time and energy in attempting to deepen an already bottomless hole?

If Germany is absolutely down and out, if she can not resume hostilities, then what is it that incites the fear of Senators and necessitates the immediate passage of this joint resolution? What is the danger that so darkens our skies? You say it is uncertainty; but uncertainty as to what? There can be no uncertainty as to the fact that Germany can not resume hostilities. There are no war storms brewing from the German way. I fail to see any necessity to declare a peace status until we have declared a war settlement.

The Senator says that the treaty when signed by the three associated powers and by Germany came into force as to all powers engaged in the war. To arrive at this meaning he separates one section entirely from another. Taking the last paragraph of the preamble, which reads:

> From the coming into force of the present treaty the state of war will terminate. From that moment, and subject to provisions of this treaty, official relations with Germany and any of the German States will be resumed by the allied and associated powers.

The Senator therefore assumes that if the treaty comes into force between any number of the belligerents and Germany it creates a peace status between Germany and those who may refuse to subscribe to the treaty. I can not give the treaty that construction. To so hold would be tantamount, as suggested by the Senator from Ohio, to declaring that the United States, because she had associated herself with these other powers, had lost her sovereign power as a Nation and that these powers could declare a state of peace between Germany and the United States even though the United States should declare she would continue the war. But we must consider the whole treaty together, and we can not omit from it the provision—

> From the date of the first procès verbal the treaty will come into force between the high contracting parties who have ratified it. For the determination of all periods of time provided for in the present treaty this date will be the date of the coming into force of the treaty. In all other respects the treaty will enter into force for each power at the date of the deposit of its ratification.

I can not imagine anything more clear and definite, and I certainly fail to grasp the argument of the Senator from Pennsylvania.

The treaty can not come into force as between us and Germany until we declare ourselves that it shall come into force. We are not a party to the Versailles treaty. We are not bound by it in any respect whatever. And yet, according to the argument of the Senator from Pennsylvania, Great Britain, France, Italy, Japan, and Germany, by agreeing upon the terms of the war settlement, created a status of peace for us without our consent and without our being made a party to the agreement.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Colorado?

Mr. McCUMBER. I yield.

Mr. THOMAS. Does it not occur to the Senator that the vote against ratification cast by the Senator from Pennsylvania is wholly inconsistent with that attitude?

Mr. McCUMBER. It is inconsistent with all of our attitudes. It is inconsistent with the theory of entering into any kind of an agreement with Germany or with our allies. If his statement is correct, if his conclusion is right, we are actually and unquestionably at peace with Germany; and all we can do is to settle our troubles upon a peace basis, without those rights which come from a war status.

I can not but conclude that the war status is still in existence, and that the laws which terminate only with the termination of the war are still effective, though most, if not all, wholly unnecessary.

That does not mean that the President may with impunity exercise every power granted by those laws, powers which by their very nature were intended to apply only in case of an actual state of hostilities. For illustration: The President, as commander in chief of the armies and navies of the United States is vested with the power to surrender such armies and navies. But does any one contend that he could not be impeached for abuse of his power in thus doing? Would he be less subject to impeachment for maladministration if he should proceed to-day to raise another 4,000,000 men? Why, the very attempt would demand either his impeachment or his incarceration in a madhouse.

Now, this becomes important only in one aspect of the case, namely, in its effect on the laws which we have passed and whose provisions limit their effect to the duration of the war. There are a great many of these laws whose force and effect terminate with the termination of the war. But there is nothing in the world to prevent our terminating them even though the mere status of war continues. On the other hand, there are serious reasons why the status of war should not at this time be discontinued; and that is the important part of the subject that I now appeal to Senators to consider.

While the state of war continues we may impose any conditions and any settlement the situation demands. The moment we concede that a state of war no longer exists, that moment we have irrevocably surrendered such right. As the world is now constituted there is but one external power that can govern or control the action of an independent nation, and its authority but temporary, and that power is the sword. And, Mr. President, that authority is abrogated the moment that sword is sheathed.

The questions growing out of this war are too numerous, too important, and too far-reaching, to be swept aside by a mere formal declaration of peace. We need but one illustration to demonstrate the vast field of complicated questions that will arise between this country and Germany the moment we declare that a state of peace exists between the two nations, and that our power, war coercion, has ended. We entered into a treaty with Prussia in 1785—and the German Empire is but Prussia enlarged by accretions—which provided:

> If war should arise between the two contracting parties (the United States and Prussia), the merchants of either country then residing in the other shall be allowed to remain nine months to collect their debts and settle their affairs, and may depart freely, carrying off all their effects without molestation or hindrance.

This same language was repeated in the treaty made between the United States and Prussia in 1799. Those treaties have never been revoked. It is no answer to say that these treaties were abrogated by war, because by their very terms they were to govern in the event of war. Nor is it any answer to say that through our violation of their terms they became abrogated. The violation of a contract by one of the parties thereto does not destroy its binding force. The party against whom it is violated may still elect to stand upon its provisions. Germany, throughout the war, has contended that they are still in effect and it seems to me that the contention of Germany is well founded. To be sure if Germany agrees to the demands set out in these resolutions she may waive her rights under these treaties, but her refusal to do so would not affect the first declaration of both these resolutions, that war does not exist between the countries.

Those two clauses stand absolutely independent of the other clauses and are not in any way modified by them. Germany may say it is more important to her people to decline to release

us from those old treaty obligations. If she knows the American people, and knows the situation as well as we do here, I am inclined to think that she will not be very greatly coerced by the mere power granted to the President for the severance of commercial relations. The American people will never stand for the severance of commercial relations with Germany, while every other country is free to trade with her, and Germany understands that as well as we do.

We seized nearly a billion dollars' worth of alien enemy property in the United States during this war, belonging in most part to German nationals. These nationals claim that it is worth several billions of dollars. The moment a state of peace is declared to exist, these nationals will claim that the old treaties protect them in their rights of property, and they will demand the property or damages for its retention. What defense can we make to that demand? None that will not be stamped with national discredit, the breaching of our own treaty.

So, too, a question arises as to the title to the German ships which we siezed during the war. There has been no prize-court judgment whereby they have become confiscated.

Mr. President, the time to settle every one of these questions is before we declare that a status of peace exists between us and the German Empire. To-day we can say to Germany, "You can not have peace until you have released us from all claims under these treaties." With a war status extinguished that right is destroyed, and Germany can stand upon her contractual relations.

There is another reason, Mr. President, more weighty with me than these I have mentioned, why we should not adopt this singular method of effecting a peace treaty with Germany.

The question whether it is a fair and honorable method is one that addresses itself to the particular viewpoint of each individual Senator. From my view of the case it is neither honorable nor fair.

A number of Senators have taken the position throughout this discussion of the treaty that we entered this war for the accommodation of France, Great Britain, and Italy, and, having fulfilled this purpose, our duty is to at once withdraw and free ourselves from any and all responsibility in the settlement of the many complicated questions which a shattered and dismembered Europe has thrust upon the world.

If their premises are true, their conclusions are most proper. And, Mr. President, if their premises are true, then we never ought to have been in this war. But they are not true.

Dodge the question as much as you like, the highest ideals and the grandest achievements of civilization were at stake in this war. The issue was a military autocracy the world over with consequent enslavement of every weaker nation, or world democracy with human liberty.

Is there a Senator on this floor who will deny that this was the issue? Is there a Senator who will deny that a German victory would have meant European enslavement of the weaker nations? Is there a Senator who will deny that the menace of a victorious Germany would have forced every country to add enormously to its military and naval strength or be prepared to suffer the penalty of losing its independence and bearing the burden of exacting tribute?

If this be true, then this war was our war as well as the war of our allies. If this be true, then we did not enter this war for the accommodation of Great Britain, France, and Italy, and we have no more right than any of the others to shirk the responsibility for its final settlement. If this be true, then our allies fought our war just as much as we fought their war.

But, Mr. President, has the war been won? You say it has been won and we should now withdraw. I say it has not been won. If winning the war means the defeat of the things against which it was waged, then the war has not been won to-day. If it means the establishment of the thing for which it was waged, then the war has not yet been won. The German armies have been defeated on the field of battle, but German militarism has not been defeated. The spirit of militarism survives, awaiting only a stable body for its reincarnation. With an effrontery that no vanquished nation would dare venture, Germany has violated every important feature of the armistice agreement and of the Versailles treaty. Those allies upon whose shoulders we have allowed to fall the sole responsibility of enforcement of the treaty only a few days ago published to the world this declaration:

> Germany has not fulfilled its engagements, neither concerning the destruction of war material, nor the decrease of its effectives, nor for the supplying of coal, nor for reparations or the cost of the armies of occupation. It has given neither satisfaction nor made excuses for criminal attacks, which several times members of the allied missions in Germany have been made the victims of.

Under the terms of the treaty Germany agreed to a reduction of her army by March 1 to 100,000. On that date she had 450,000 soldiers under arms. She agreed to a destruction of war materials. She has not complied with that agreement in any material respect. We made the armistice agreement. We, the United States, were a party to it. Germany flouts it in our face and defies us. And what are we doing about it? We are saying to France and Great Britain and Italy, "You make her comply with our agreement." That we have deserted our allies is bad enough. That we have deserted our cause, and thereby condemned it, is a thousandfold worse. The position we are placing the country in is a shameful one, and I can never support it by my vote.

Mr. President, we entered the war as coequals, and we ought to conclude the war as coequals. It can not be denied that we have assumed an entirely different rôle. I have never liked, I am free to say, the attitude of superiority which we have assumed in our relations with our allies. I have never liked the attitude of the President in using the great position he held as President of the United States to force his personal convictions upon other countries as the price of American cooperation and support. Nor have I been in harmony with the majority of the Senate in treating our allies as though they alone had been the recipients of our generous, condescending favor. This war was our war or it was not. If it was not our war, then let us apologize to Germany and get out of it just as quickly and with as little added responsibility as possible. If it was our war then we ought to treat our allies, who fought most of our war before we got into it, with decent consideration. I know that, weakened far more than we were by war, weaker in man power, in wealth, and in resources, they are in no position to do other than to accept as complacently as possible whatever we may see fit to do in the premises. Their situation, in my opinion, should appeal to our naturally chivalrous courtesy rather than to a spirit of overbearing aloofness.

For nearly four years before we got into the war our allies suffered and bled for a cause which you all claim to-day was equally our cause. Their suffering was in many instances a hundredfold greater than ours. France and Belgium met alone the first onslaught of the mighty German armies. Unprepared, Britain sent all of her first contingent of about 130,000 down to death to stem the tide. Few indeed of this first little army ever recrossed the channel. Ten or twelve thousand of her sons strew the ocean bed all the way from New York to Liverpool—sent there while protecting our ships as well as her own, guarding our contingent of soldiers as well as her own, from the ruthless U-boat.

My position is that it is dishonorable on our part to desert these faithful allies and refuse to make a treaty in common with them. I recognize that the President of the United States is more responsible than any one man for the failure to enter into a common treaty. He knew, as everyone knew, that the Senate had a right to make reservations, and, whether those reservations accorded with his views or not, no treaty could be put through the Senate without them. He should have accepted them, submitted them to our allies, and in my opinion our allies would have adopted them. I admit that the reservations adopted by the majority of the Senate bear the stamp in some instances of national selfishness. But the other powers, our allies and associates, were willing to accord to us those special rights and exemptions, confident that this Government would act justly and honorably on every matter that should come before a League of Nations. The President should have recognized the constitutional right of the Senate to differ from him in respect to the terms of the treaty, ceased his efforts to defeat this right, and sent the treaty with the Senate reservations to the other powers. By his refusal to do this he defeated the very cause for which he had battled so valiantly during all this time, and has wronged a generous and expectant world.

Again, our allies in the treaty they made with Germany insisted that Germany should concede to the United States every right conceded to them. We refused to join with our allies in consummating this agreement. We now turn squarely around and by these resolutions say that we shall insist upon every right which we would have received had we been a party to the Versailles treaty. We ask for all the benefits of this treaty, but we will not join with our allies in the treaty. To my mind that is most discourteous treatment. Our attitude is like that of a pampered, spoiled child. Not only this, but while we seek to compel Germany, by these resolutions, to assure us all of the benefits and all of the rights which would accrue to us were we a party to the Versailles treaty, we decline to accept

any of the responsibilities of that treaty. To my mind that is a piece of selfishness that does not accord with a high sense of international justice and fairness.

Again, our allies by the treaty which they consummated required Germany to comply with her obligations toward the United States. By this agreement we seek to compel Germany to perform the obligations of that treaty with Germany so far as they pertain to us, but relieve her, so far as we are concerned, from performing any of her obligations to our allies. No argument, Mr. President, no matter how cunningly devised or eloquently presented, can hide the deformity of national selfishness and discourtesy involved in this course. For this reason I shall be compelled to vote against both the House resolution and the Knox substitute.

During the delivery of Mr. McCUMBER's speech,

The PRESIDING OFFICER (Mr. ROBINSON in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The ASSISTANT SECRETARY. A bill (H. R. 8078) to regulate the importation of coal-tar products, to promote the establishment of the manufacture thereof in the United States, and, as incident thereto, to amend the act of September 8, 1916, entitled "An act to increase the revenue, and for other purposes."

Mr. LODGE. I move to lay aside the unfinished business and that the Senate proceed with the consideration of House joint resolution 327.

The PRESIDING OFFICER. The Senator from Massachusetts moves that the Senate proceed to the consideration of House joint resolution 327.

The motion was agreed to.

After the conclusion of Mr. McCUMBER's speech,

Mr. CURTIS. I understand there are several Senators who intend to speak upon the joint resolution, but they are not ready to do so at this time. Several of them have asked that the joint resolution may go over until to-morrow. I have just sent for the Senator from Massachusetts [Mr. LODGE]. As he is not here, I ask unanimous consent that the joint resolution be temporarily laid aside, with the understanding that the shipping bill will be taken up at this time.

The PRESIDING OFFICER. The Senator from Kansas asks unanimous consent that the joint resolution be temporarily laid aside.

Mr. UNDERWOOD. I should like to see the pending joint resolution disposed of at as early a day as possible, but as it has just come up to-day and several Senators who desire to address the Senate on the subject will not be prepared to do so before to-morrow, I think it is entirely proper to lay it aside until to-morrow, with the understanding that this evening we shall take a recess, so that it may come up at 12 o'clock to-morrow.

Mr. CURTIS. It is the understanding that there shall be a recess taken this evening.

The PRESIDING OFFICER. Is there objection to the request for unanimous consent submitted by the Senator from Kansas? The Chair hears none, and the joint resolution is temporarily laid aside.

THE MERCHANT MARINE.

Mr. JONES of Washington. I ask unanimous consent that the Senate proceed to the consideration of House bill 10378.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

Mr. JONES of Washington. Yesterday we had reached page 19, section 17. I think there are several Senators who would like to have that section passed over until to-morrow. So I will ask that it may be passed over until that time.

The PRESIDING OFFICER. The Senator from Washington asks unanimous consent that section 17 shall be passed over until to-morrow. Without objection, it will be passed over until to-morrow.

Mr. McKELLAR. Mr. President, I am compelled to attend a meeting of the Postal Commission and I ask unanimous consent to turn back to page 9, line 14, for the purpose of offering an amendment at that point.

The PRESIDING OFFICER. The Senator from Tennessee asks unanimous consent to recur to page 9, line 14, for the purpose of offering an amendment. Is there objection? The Chair hears none. The amendment will be stated.

The READING CLERK. In section 6, page 9, line 14, after the word "do" insert:

and if the board, by an affirmative vote of not less than five of its members, spread upon the minutes of the board, so determines.

So as to read:

That the board is authorized and empowered, if unable to sell to American citizens after diligent effort so to do, and if the board, by an affirmative vote of not less than five of its members, spread upon the minutes of the board, so determines, to sell to aliens at such prices and on such terms and conditions as it may determine, except that payment therefor shall be completed within 10 years, such vessels having a dead-weight tonnage of not exceeding 6,000 tons, unless such vessels are over 10 years of age, as it shall, after careful investigation, deem unnecessary to the promotion and maintenance of an efficient American merchant marine, and it shall make as a part of its records a full statement of its reasons for making such sale.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Tennessee.

The amendment was agreed to.

The next amendment of the Committee on Commerce was, on page 19, after line 18, to insert:

SEC. 18. That section 9 of the "shipping act, 1916," is amended to read as follows:

"SEC. 9. That any vessel purchased, chartered, or leased from the board, by persons who are citizens of the United States, may be registered or enrolled and licensed, or both registered and enrolled and licensed, as a vessel of the United States and entitled to the benefits and privileges appertaining thereto: *Provided*, That foreign-built vessels admitted to American registry or enrollment and license under this act, and vessels owned by any corporation in which the United States is a stockholder, and vessels sold, leased, or chartered to any person a citizen of the United States, as provided in this act, may engage in the coastwise trade of the United States while owned, leased, or chartered by such a person.

"Every vessel purchased, chartered, or leased from the board shall, unless otherwise authorized by the board, be operated only under such registry or enrollment and license. Such vessels while employed solely as merchant vessels shall be subject to all laws, regulations, and liabilities governing merchant vessels, whether the United States be interested therein as owner, in whole or in part, or hold any mortgage, lien, or other interest therein.

"It shall be unlawful to charter, sell, transfer, or mortgage any vessel purchased from the board or documented under the laws of the United States to any person not a citizen of the United States, or to put the same under a foreign registry or flag, without first obtaining the board's approval, and in giving its consent to the sale of privately owned vessels documented under the laws of the United States to aliens, the board shall, so far as it deems wise, require the proceeds of such sales to be invested and used in the construction in shipyards in the United States of other vessels of a superior type to be operated under the flag of the United States: *Provided*, That the board may make provision for trip charters to aliens.

"Any vessel chartered, sold, transferred, or mortgaged to an alien or placed under a foreign registry or flag, or operated, in violation of any provision of this section shall be forfeited to the United States, and whoever violates any provision of this section shall be guilty of a misdemeanor and subject to a fine of not more than $5,000, or to imprisonment for not more than five years, or both."

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 21, after line 11, to insert:

SEC. 19. That the board, as soon as practicable after the enactment of this act and from time to time thereafter, is authorized and directed to determine what apprentices should be carried upon vessels documented under the laws of the United States and to prescribe the duties, compensation, and conditions of employment of such apprentices and to make rules and regulations requiring such apprentices to be carried on the vessels of the board, on vessels sold by it, and on vessels having contracts for the carrying of the mails, and the board is directed to submit to Congress from time to time its recommendations for additional legislation to make available a sufficient number of officers and able seamen who are citizens of the United States to officer and man the merchant marine of the United States to such an extent as it may deem desirable: *Provided*, That nothing in this act shall be construed to impair any existing power or authority of the board to organize or maintain its recruiting service.

Mr. KING. Mr. President, directing attention to the section just read, I inquire for information of the Senator from Washington whether it is the purpose of this section to permit the Shipping Board to determine the number of apprentices that private owners of vessels may employ in and about their boats or whether it is only directed to those boats that are under the control of the board?

Mr. JONES of Washington. If the Senator will notice the language, he will see that the first provision is merely advisory as to what apprentices should be carried by ships which are owned by private parties; it is merely a recommendation. We hardly felt that we ought to go so far as to determine the matter as to private owners; but with reference to ships of the board or ships with which contracts are made for carrying the mails, they may require apprentices to be carried.

Mr. KING. I ask the Senator whether or not the interpretation which he places upon the words which are found in lines 13 and 14 is quite accurate. The language is:

SEC. 19. That the board, as soon as practicable after the enactment of this act and from time to time thereafter, is authorized and directed to determine what apprentices should be carried upon vessels documented under the laws of the United States and to prescribe the duties, compensation, and conditions of employment of such apprentices and to make rules and regulations—

And so on.

Mr. JONES of Washington. There is nothing, I think, that gives the board the power to require shipowners to carry ap-

prentices, but the board may simply determine what apprentices, in their judgment, should be carried; and if they are carried the board may also prescribe the duties and compensation and conditions under which they shall be carried. The Senator will notice the following language:

And to make rules and regulations requiring such apprentices to be carried on the vessels of the board.

If the Senator has any doubt in reference to the matter, I will say to him that it was not the intention of the committee to give the Shipping Board the power to require private owners of ships to carry apprentices.

Mr. KING. I inquire of the Senator whether or not he thinks it would be wise to authorize a Federal agency to go as far as the bill indicates with respect to private concerns? Might not Congress with as much propriety provide that the Interstate Commerce Commission shall determine the number of apprentices that shall actually be employed by the various workshops and engine shops and boiler shops of the various private corporations of the United States, particularly those engaged in transportation? It seems to me that if we authorize and direct the Shipping Board to make this investigation and this determination, we are projecting them into the private activities of individuals who are engaged in the operation of boats, and are laying the foundation for a demand, which I believe will persistently be made if we enact this legislation in this form, that some board of the Federal Government shall be authorized and directed to prescribe how many employees the farmers shall have, how many apprentices there shall be in the mills and in the factories, and how many employees shall be in the various private concerns of the people of the United States. I am not sure that this is legislation which the Senate or the committee desire.

Mr. JONES of Washington. Mr. President, the Senator from Utah will probably find several provisions in the bill that look to going further than he would like to see us go, and we do go further in many matters in this bill than I should like to see us go and further than I would favor in general lines of industry; but we are confronted in connection with the merchant marine with a peculiar situation and a peculiar problem. It is different from any other problem that we have.

When the war broke out we did not have a merchant marine; apparently we were unable to develop one. We now have a great many ships, but we have not our merchant marine established on a proper basis; we have not the routes established and the business developed and the business facilities developed. We had during the war to develop the seamen and to develop the officers for the ships. We had to open training schools and to have intensive training along that line in order to secure the officers and seamen to man our ships. We are lamentably short of American material for this purpose now. Some time ago an order was issued suspending the law prohibiting the employment of foreign officers in connection with our ships. We had to do that in order to get officers to man the ships during the war. That order has now been rescinded, but with our large number of ships we are taxed very greatly to get proper American officers and American seamen for them. The purpose of this provision is to develop along that line. I believe it is necessary.

With reference to requiring present private owners of ships to have apprentices, who would begin at the bottom and grow up and develop a capacity for performing the duties of able seamen or the duties of officers on ships, we felt that we should not go so far as to give the power to the Shipping Board to require the present shipowners to take apprentices on board; but we did think it wise that the Shipping Board, which is invested with the peculiar responsibility of developing an American merchant marine in competition, not among ourselves but in competition with foreign owners and foreign shipping and foreign agencies and foreign countries, with all the aid that they give to their shipping, should be given the right to suggest at any rate and recommend to private owners the apprentices it was deemed wise they should carry in order to develop proper seamen and proper officers.

I want to say to the Senator that in the hearings many of the shipping operators were heartily in favor of a policy of this kind. There has not come a single objection to the committee with reference to that provision, and I doubt if there would have been any objection on the part of our ship operators to positive authority being conferred on the Shipping Board to require them to carry a certain number of apprentices.

Mr. LENROOT. Will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Wisconsin?

Mr. JONES of Washington. I yield.

Mr. LENROOT. Will not the Senator from Washington discuss what he deems the basis of our authority for imposing any such requirement?

Mr. JONES of Washington. We have not imposed the requirement. We doubted whether we had the authority to impose such a limitation upon private operators now.

Mr. LENROOT. We can not delegate to a subordinate body the power to require unless we ourselves have the power to require.

Mr. JONES of Washington. That is true.

Mr. LENROOT. But this provision does delegate to a subordinate body the power to require.

Mr. JONES of Washington. It does not delegate to the board the power to require except with reference to ships which are under the control of the Shipping Board.

Mr. LENROOT. The language reads:

To make rules and regulations requiring such apprentices to be carried on the vessels of the board, on vessels sold by it, and on vessels having contracts for the carrying of the mails.

Mr. JONES of Washington. Yes; under this bill we provide that the Shipping Board and the Postmaster General shall agree as to the compensation for carrying the mails. As a part of such contract and as a part of the contract for the sale of ships the Shipping Board could impose such a requirement.

Mr. LENROOT. Exactly; but that is not this language. If a ship were sold last month by the Shipping Board or one should be sold next month without any provision in the contract concerning apprentices, nevertheless, under this language, the board would have the power to require the owner of that ship to carry so many apprentices. I do not see on what basis such an authority can rest. It seems to me the only basis upon which it could rest would be a contractual relation in the case of ships other than those owned by the board.

Mr. JONES of Washington. Mr. President, the power of Congress to make provision for the building up of a merchant marine, I believe, is very broad. In my opinion, we can take practically any step that we deem to be wise and necessary in connection with the building up of an American merchant marine, and in carrying out that policy I think we can delegate the necessary authority to an administrative agency, laying down the lines which we would like to have followed and the purpose we would like to have subserved. The purpose the committee had in recommending this section was to assist in the development, as I have said, of seamen and men competent to become officers on American ships. If we have not the authority to act along the line specified in this section, then we are greatly hampered in trying to build up an American merchant marine in competition with foreign countries.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Utah?

Mr. JONES of Washington. I yield.

Mr. KING. Would the Senator have any objection to passing over this section until to-morrow? I shall offer an amendment to the section, and, indeed, may redraft the lines to which I have referred in conformity with the views which I have indirectly expressed.

Mr. JONES of Washington. Very well; if the Senator would like to have the section passed over, I will make no objection.

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent that the pending amendment be passed over. Is there objection? The Chair hears none, and it is so ordered.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 22, after line 3, to insert:

SEC. 20. That the board is authorized and directed in aid of the accomplishment of the purposes of this act to make rules and regulations to carry into effect the provisions of this act, and to make and to change at will such rules and regulations relating to vessels and foreign and coastwise shipping, not in conflict with existing law, as will adjust or meet general or special conditions unfavorable to such shipping, whether in any particular trade or upon any particular route or in commerce generally and arising out of or resulting from foreign laws, regulations, or rules or from competitive methods or practices employed by owners, operators, agents, or masters of vessels under a foreign flag, and existing rules or regulations affecting foreign or coastwise shipping or trade, other than those relating to the Public Health and the Steamboat-Inspection Service, heretofore issued by any Government department, bureau, or agency may be suspended, modified, or annulled upon request of the board; and no rule or regulation affecting foreign or coastwise shipping or trade, except those affecting the Public Health and the Steamboat-Inspection Service, shall hereafter be issued or promulgated by any department, bureau, or agency of the United States unless and until the same shall be approved by the board; and no rule or regulation shall be issued by the board favoring in any way vessels owned by the United States over vessels privately owned and documented under the laws of the United States: *Provided*, That in case of a disagreement between the board and the head of any department, bureau, or agency over the suspension, modification, or annulment of rules and regulations heretofore issued by such depart-

ment, bureau, or agency, or over the issuance or promulgation of rules and regulations hereafter made, such disagreement shall be submitted to the President and action taken in accord with his decision thereon.

The amendment was agreed to.

The next amendment was, on page 23, after line 11, to insert:

SEC. 21. That whenever the board shall have satisfactory reason to believe that any person owning or operating a vessel under a foreign flag has violated any of the provisions of sections 14 or 16 of the "shipping act, 1916," it is hereby authorized to issue an order to that effect and notify the Secretary of Commerce thereof, and thereafter no vessel in which such person, or in case such person is a firm, association, or corporation, any member or director thereof, has any interest, and no vessel operated by or belonging to any affiliated person shall be permitted to enter any of the ports of the United States until the board is convinced that such practices have been abandoned and issues an order declaring such to be the case and notifies the Secretary of Commerce thereof.

Mr. CALDER. Mr. President, I have had some objection raised to this section of the bill on the theory that it constitutes the board the judge and the jury, the complainant and everything else, and that under the language of the section the board might act in a way that would be injurious not only to the offending shipowner but to the merchants who carry freight on the particular line offending. What is the view of the chairman of the committee about that?

Mr. JONES of Washington. I can not conceive that the Senator has had any complaints from Americans or American shippers. This is aimed solely at foreign shippers, and it is in line with the provision of the present shipping act. Section 36 of the present shipping act, which has been in force since 1916, reads as follows:

The Secretary of the Treasury is authorized to refuse a clearance to any vessel or other vehicle laden with merchandise destined for a foreign or domestic port whenever he shall have satisfactory reason to believe that the master, owner, or other officer of such vessel or other vehicle refuses or declines to accept or receive freight or cargo in good condition tendered for such port of destination or for some intermediate port of call, together with the proper freight or transportation charges therefor, by any citizen of the United States, unless the same is fully laden and has no space accommodations for the freight or cargo so tendered, due regard being had for the proper loading of such vessel or vehicle, or unless such freight or cargo consists of merchandise for which such vessel or vehicle is not adaptable.

In other words, it gives to the Secretary the power to judge as to whether or not the shipowner has complied with the law and is doing the fair thing.

Under the shipping act of 1916 we have certain provisions—section 15 and section 16—covering common carriers, and prohibiting them from giving rebates or preferences, or practicing unjust discriminations against shippers, and so forth. It punishes them for it, but we have no jurisdiction over them; we can not get at them except in this method. The Secretary of Commerce had a case like this just a short time ago. He found a case where, in one country, the foreign ship operators were threatening shippers that if they shipped their goods by American vessels they would refuse them accommodations. He was trying to find whether we had any way by which we could prevent anything of that sort, and, so far as I am advised, he has not been able to find it.

This is to meet situations like that. It is a drastic provision, but I think it is one of the most important provisions of this bill for the proper consideration to be given by foreign shipowners and ship operators who want to enter our ports in their dealings with our people and with those who want to trade with us.

I have been cited to several cases where, for instance, in South America, shippers wanted to send goods up to this country by American ships, and they were threatened by foreign operators who had been carrying products to them that if they did that they need expect no further consideration from them. We can afford to take rather drastic measures to meet a situation like that.

Mr. CALDER. Mr. President, I was anxious to have the chairman's explanation appear in the RECORD. I have had several communications on this subject from people interested in shipping, and I venture the statement that in the main they are from those interested, perhaps, in foreign lines that go to and from our ports. They insist that in the past people have been entitled to a trial in a United States court when they were accused of violating regulations concerning our ocean traffic. Of course, this section is aimed at foreign shipping, but the only thing in the section that concerns me as far as our owners are concerned is whether or not other countries might retaliate against us for this. Does the chairman know whether there is anything of the same character in the English law, or in the French law, or in the Italian law, or in the laws of other great shipping powers?

Mr. JONES of Washington: I do not know whether there is or not; but what ground would any foreign country have for retaliating against us for trying to prevent unfair practices against our people? They would confess by that very act that their people were guilty of these very practices; and I take it they would not put themselves in that position. All they have to do is to show that they have been acting fairly and not doing these things that our law prohibits for the protection of our people.

Mr. CALDER. The contention of those who complain is that under this section the board may be the complainant and the judge and the jury, and that they are put in an unfair position as against American shipping, and they think that is unjust.

I am not going to move to amend the section, because it is in the interest of American shipping, pure and simple; but I felt disposed to call the attention of the Senate to this section, so that Senators would understand how drastic it was, and how perhaps it might involve us in some difficulty with our British friends, or with some other country.

Mr. KING. I invite the attention of the Senator having this bill in charge to section 21, which reads:

That whenever the board shall have satisfactory reason to believe that any person owning or operating a vessel under a foreign flag has violated any of the provisions of sections 14 or 16 of the "shipping act, 1916," it is hereby authorized to issue an order to that effect and notify the Secretary of Commerce thereof, and thereafter no vessel in which such person, or in case such person is a firm, association, or corporation, any member or director thereof, has any interest, and no vessel operated by or belonging to any affiliated person shall be permitted to enter any of the ports of the United States until the board is convinced that such practices have been abandoned and issues an order declaring such to be the case and notifies the Secretary of Commerce thereof.

Does not the Senator think that perhaps an injustice may be done if the provision to which I have called attention is literally adhered to? It would seem to be purely ex parte. It would seem to deny to the person owning or operating a vessel under a foreign flag a chance to be heard, to have his day in court. It would occur to me that the policy is entirely proper providing the section is violated, but some reasonable opportunity to be heard ought to be given to the person so charged.

Mr. JONES of Washington. Mr. President, I have not any doubt but that the Shipping Board will make rules and regulations under which they will prescribe their procedure in a case of this kind. I do not think we ought to assume that they are apt to act arbitrarily in these matters. We give them authority to make rules and regulations to carry out the provisions of this act. I assume that they will do that, and that they will provide a way by which, upon a complaint being made, either on their own motion or otherwise, the party will have an opportunity to be heard.

I want to say, however, that I am assuming that our administrative agencies will act judiciously, fairly, and wisely. It may be a violent assumption, but we can not pass legislation upon any other assumption and expect good results. We can not pass legislation of this character, and to accomplish the purposes sought to be accomplished by this bill, if we are going to assume that our agents are not going to act properly; nor can we accomplish the purposes of this bill if we are very solicitous about our competitors.

I want to say that I am working for this bill, and have tried to get it framed in such a way that it will give us every possible advantage that we can get, without, of course, acting unjustly or unfairly. We will not have any consideration from our competitors. They are not going to be punctilious about treating our shippers and our ship operators fairly and justly, and giving them every possible chance to maintain themselves. On the contrary, they are going to do just what I stated a while ago: They are going to coerce people who want to trade with us to ship with them, and the purpose of this section is to prevent it.

As I said, I believe the Shipping Board will give these people an opportunity to be heard; but I followed the same principle in this matter that we followed in the act of 1916, where we gave the Secretary of the Treasury broad power, and we did not require him to give anybody hearings.

Mr. KING. Mr. President, the fact that we have legislation now that denies a person the right to be heard would not influence me in supporting similar legislation in this or any other bill. A bad precedent ought never to be followed, and ought not to be cited as justification for further legislation.

I am in entire sympathy with the purposes of the Senator. It is important that we should have a broad and comprehensive act dealing with this very important subject, one so vital to American interests and to the commercial prosperity and development of our country; but no matter how important a measure may be, we can not afford to incorporate within it provisions that may do an injustice, even to aliens, or those who may be carrying commerce under an alien flag.

I think I would be as punctilious in preserving the rights of a foreigner where there are dealings between nations, as there must be, as I would be in preserving the rights of Americans. That is to say, I would afford a full and fair opportunity for a foreigner to have his rights determined, and I would not act in a summary way in dealing with foreigners any more than I would act in a summary way in dealing with the rights of American citizens.

Mr. JONES of Washington. May I ask the Senator if it would meet his idea to insert, after the word "authorized," in line 16, the words "after due hearing"?

Mr. KING. Yes; that is entirely satisfactory.

Mr. JONES of Washington. Very well. That will be entirely satisfactory to me, and I offer that amendment, so that it will read "is hereby authorized, after due opportunity to be heard."

Mr. KING. Yes.

The PRESIDING OFFICER. The amendment of the Senator from Washington [Mr. JONES] to the amendment will be stated.

The ASSISTANT SECRETARY. On page 23, line 16, after the word "authorized," insert the words "after due opportunity to be heard," so that the clause will read:

It is hereby authorized after due opportunity to be heard to issue an order to that effect and notify the Secretary of Commerce thereof, etc.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendments were, beginning with line 1, on page 24, to insert the following as additional sections:

SEC. 22. That the board shall ascertain and determine the need for vessels between the ocean terminal of the Government railroad in Alaska and Pacific and other ports, and if suitable and satisfactory arrangements can not be perfected to meet such need through vessels privately owned and operated the board is directed to furnish suitable service until it can be taken over and supplied by private capital and enterprise;

SEC. 23. That from and after one year from the enactment of this act the coastwise laws of the United States shall extend to the island Territories and possessions of the United States not now covered thereby, and the board is directed prior to the expiration of such year to have established adequate steamship service at reasonable rates to accommodate the commerce and the passenger travel of said islands and to maintain and operate such service until it can be taken over and operated and maintained upon satisfactory terms by private capital and enterprise: *Provided*, That if adequate shipping service is not established within a year the President shall extend the period herein allowed for the establishment of such service in the case of any island Territory or possession for such time as may be necessary for the establishment of adequate shipping facilities therefor,

Mr. JONES of Washington. The Senator from New Jersey [Mr. EDGE] is interested in section 22, and he has an amendment which he desires to offer to it. I think he is also interested in section 23. I ask that those two sections go over.

The PRESIDING OFFICER. Without objection, sections 22 and 23 will be passed over for the present. The Chair hears no objection.

Mr. THOMAS. Mr. President, section 23 was the subject of a most interesting discussion yesterday afternoon, participated in by the junior Senator from New Jersey [Mr. EDGE], the senior Senator from Minnesota [Mr. NELSON], and the Senator having charge of the bill. The proposition covered by that section is, in my opinion, one of the most important features of the bill, if not the most important. It provides:

That from and after one year from the enactment of this act the coastwise laws of the United States shall extend to the island Territories and possessions of the United States not now covered thereby, and the board is directed prior to the expiration of such year to have established adequate steamship service at reasonable rates to accommodate the commerce and the passenger travel of said islands and to maintain and operate such service until it can be taken over and operated and maintained upon satisfactory terms by private capital and enterprise—

And so forth.

By that section the coastwise laws will be extended so as to embrace the Philippines and such other outlying dependencies or possessions of the United States as may be hereafter included in the lines of sea traffic. It not only establishes a complete monopoly for American lines between the Philippines and other American dependencies and a continental United States but in its operation it will preclude the possibility of travel and freight transportation between those countries and the continental United States in other than American bottoms.

The argument offered by the Senator in charge of the bill in support of this measure was a most powerful one, and, in my opinion, exhausted everything to be said in favor of it. From his standpoint, assuming the correctness of his premises, it is unanswerable; but I am unable to accept the proposition that the extension of the coastwise laws of the United States to the seagoing traffic of the world, whether confined to points within the jurisdiction of the United States or otherwise, will lead to those things which are essential to the permanent reestablishment of the American flag upon the seagoing lanes of international commerce. I have never been satisfied with the arguments so many times presented to support the monopoly which our coastwise laws have constructed, which has delivered the coastwise seagoing traffic into the hands of a few great concerns.

I know the old argument—and it is almost as old as navigation—that unless the commerce of a country is confined to the bottoms sailing under the ensign of that country it can not hope to establish itself among the carrier nations of the world, and that in the enactment of our coastwise laws and in their present proposed extension we are merely availing ourselves of the experiences of other countries through centuries of time, and we are doing the only thing that is possible to retain the traffic and prevent its falling into foreign hands.

Even if that were so, Mr. President, I should doubt the wisdom of the policy. But it is not so, if I read the history of navigation aright. It is true, as the Senator said yesterday, that throughout the eighteenth century and later the British Government prohibited all carriage between its colonies and England except by English bottoms, and carried that restriction so far as to virtually exclude the marine of its dependencies.

Some say, as the Senator from Washington intimated yesterday, that it is due to such a policy that Great Britain obtained the carrying of the world. But England abandoned that policy years ago, because it discovered that the restrictions imposed upon other nations and upon the commerce of the other nations necessarily provoked retaliation and resentment and, in one instance, successful revolution; and, following the course of a wisdom ripened by experience, she not only abandoned that policy but threw her home ports wide open to the ships of the world, in consequence of which her coastwise traffic increased, the home vessels engaged in it prospered, and the general position of Great Britain among the carrying nations was greatly strengthened.

Mr. SMITH of South Carolina. That was after she had established her trade.

Mr. THOMAS. No; it was done while her trade was being established.

Mr. KING. She had but little trade at that time measured by what she had later.

Mr. THOMAS. Her colonial policy, unless I am grossly misinformed, was changed because of the conviction of her statesmen that it was not only unwise and impolitic, but injurious as well. One of the grievances of the American colonies against Great Britain was based upon her exclusion of American bottoms from the West Indian trade, and from the carrying trade with Great Britain herself. One of the complaints outlined in the Declaration of Independence as a justification for the cause of which that immortal document is the exponent, was the destruction of our trade, and that destruction was due to the discriminations placed by acts of Parliament upon the carrying resources of the American colonies.

But independently of the question whether or not the policy was an unwise one—and I think if it ever was justified by any conditions those conditions have disappeared—and assuming that the coastwise laws of the United States will remain in force, as I have no doubt they will for many years, I am unable to perceive how the adoption of that policy even tends to promote the American carrying trade between the different countries of the world.

An illustration given by the Senator from Washington for the need of such legislation is the practice of a Canadian ship company, plying between Seattle and Vancouver, and between Vancouver and Alaskan ports. The complaint is that the coastwise laws are evaded by the practice of selling tickets by way of Vancouver between Seattle and Alaskan ports, the practice being to sell a ticket to Vancouver, followed by a transfer to another vessel, which carries the passenger to his ultimate destination. That is an evasion of the spirit of the coastwise law.

But, Mr. President, I do not see how evasions will be prevented by legislation of the most drastic character. If I want to go from Seattle to Alaska by way of Vancouver, I know of no power that can prevent me from doing so, and I know of no power that can prevent the operation of the economic laws governing business transactions which can prevent it. If it can be done more cheaply than to patronize an American vessel which will give a straight voyage between the two points, advantage will be taken of that fact, and all the legislation in Christendom can not prevent it.

Mr. JONES of Washington. Mr. President, may I interrupt the Senator?

Mr. THOMAS. I yield.

Mr. JONES of Washington. I recognize the truth of what the Senator says on that point. If I am going from Seattle to Skagway, and want to go to Vancouver and then take a British ship from there on, there is not a thing to prevent it. We recognize that in the bill. It is not this coastwise provision which covers that situation. We have another provision in the bill, aside from this coastwise proposition relating to the Philippines, which makes it an offense to sell a ticket for carriage in that way in this country. Of course, the Canadians can have their agencies at Vancouver. I can buy a ticket at Seattle to Vancouver, and then at Vancouver they can sell me a ticket on to Skagway; and we do not attempt to prevent that. By another provision in the bill I think we would prevent an evasion of the law. That is really the purpose. It is not with the hope that we may change that trade entirely, although I am inclined to think it will have considerable to do with that; but it will prevent a palpable evasion of our law.

Mr. THOMAS. That may be, Mr. President, and I have no doubt at all but it will increase the practice by methods which will evade the law, just as British restrictions in days past upon its carrying trade with its own colonies were the subject of constant and perpetual evasion, the governing motive always being one of gain.

Personally I would much prefer, if I had to make a trip to Skagway, to patronize a vessel of my own country, and that independent of my opinion of the tyranny and injustice of the coastwise laws. But in legislation of this kind, as the Senator from Washington very well said, we must always bear in mind the main object to be accomplished, and that is the reinstatement of lines of transportation sailing under the American flag and tending to revive our supremacy upon the sea.

If we are to include the Philippines in this system of laws, it must follow that the statutes providing penalties for palpable evasions of the law will necessarily apply to that branch of the so-called coastwise traffic covering a straight voyage of 10,000 miles in length, and subject, of course, to that element of competition to which I have already referred and which will be brought into activity if the dimensions of the Philippine carrying trade are sufficiently great to arouse it.

Under the provision of the bill to which the Senator refers I imagine that a Filipino desiring to come to the United States would be prevented from buying a ticket upon a line that would first touch at Shanghai or Nagasaki or at any other point between the point of embarkation and the point of destination.

Mr. JONES of Washington. No; Mr. President, if I understand the Senator correctly, that would not be done. There is nothing in the bill which would prevent a person from buying a ticket from Manila to Yokohama or Hongkong or any of those places and then buying a ticket from there to any port in the United States.

Mr. THOMAS. I understand that, but one can not, under the operation of the law, buy a ticket from Manila to San Francisco by way of those places.

Mr. JONES of Washington. In a foreign ship?

Mr. THOMAS. Yes; in a foreign ship.

Mr. JONES of Washington. No.

Mr. THOMAS. Exactly. Then I am right in my contention that the same restrictions will necessarily be placed upon oriental travel to the Philippines and from the Philippines which will be placed upon coastwise travel between Seattle and Skagway. I do not believe that such a provision, which, disguise it as we may, bears upon overseas traffic, will tend to inspire confidence in or give popularity to these newly established American lines.

Something was said about encouraging the relations between the Filipinos and this country, that it would serve to bind us more closely together; that it would be a recognition of the importance of their trade, and would go a great way toward continuing the present cordial relations which exist between the two peoples. But if I wanted to accomplish that my first step would be to abolish the tariff restrictions which we have imposed upon practically all the goods and articles of merchandise which the Filipinos are capable of sending to us.

The Senator from Minnesota [Mr. NELSON] referred to the statement which he said he heard in committee that such a line would give us the benefit of the annual output of Philippine sugar; but in the act of 1913, and before that, in the Payne-Aldrich Act, that was precisely what we did not want, and, as a consequence, the amount of Philippine sugar permitted to come to this country was limited to a certain tonnage. If my memory does not betray me, that is the law at present. How, then, with the existence of such restrictive trade regulations, can the question of transportation in any manner serve to increase the cordial relations between the two countries?

It is true that in many instances ships now sailing under the American flag are unable to obtain return cargoes, but that situation will neither be helped nor hurt by establishing a coastwise American traffic between the Philippines and the United States. That indicates very clearly the basic difficulty which Americans must recognize and overcome before they can establish a new merchant marine. They must provide, as other nations have provided, for return cargoes, and they can be secured by offering the necessary inducements by working up foreign trade, by copying the example of Germany and having American agents in every port where business is to be obtained, by beating Great Britain, Japan, and Norway at their own game.

The superiority of our merchandise, advantages in manufacturing cheaper goods, excellence in packing and transportation, plus furnishing an American market for the goods to be imported into this country, will alone give us our share of ocean-bound traffic. All the legislation which the ingenuity of man can devise will, in the absence of arrangements to overcome these difficulties, prove utterly powerless in diverting ocean-bound traffic from the present established lines to American bottoms.

We can have the best and fastest ships in the world, we can have the most experienced crews that training and experience can give, we can surpass Great Britain and Japan in every particular, so far as our ships and facilities go, and our purpose will fail inevitably unless we pay attention to these homelier but all-essential requirements and overcome these existing obstructions by a campaign of business, intelligently constructed and ably conducted, in Australia, in South America, in Africa, in Asia—aye, and in Great Britain, France, and Germany.

When Germany entered the race for commercial supremacy she began a system of shipbuilding. Coincident with that plan she educated many of her merchants in the languages of various countries, trained them as business men and turned them loose in ports and amid populations theretofore paying almost exclusive tribute to Great Britain. At the end of 20 or 25 years she had not only made an impression upon that commerce, but she had received, relative to tonnage, more than her share of it.

We can do the same thing, and unless we do the same thing all our present rosy dreams of a merchant marine worthy of this great Nation and devoted to the transportation of all articles, or nearly all of them, entering into international traffic, will prove in the end nothing but dreams. Hence I question very seriously the wisdom, to say nothing of the justice, of throwing our coastwise laws at one stroke of the legislative pen 10,000 miles across the Pacific Ocean, and I am just as sure that it will provoke retaliation and disappoint the hopes of all its advocates in its practical operation if it is permitted to stay in the bill.

International trade consists of an exchange of goods, disguise it as we may. There is not gold enough in the world, and never will be, to satisfy trade balances between the nations, and if they could be so satisfied it would be unwise, since it would consist of a constant disturbance of the financial balance which gold, as the basis of all value, can alone sustain if its situs is to be shifted with the changing balance of trade between the great manufacturing nations of the world and their customers.

No; it is only that which remains after imports and exports shall have been determined and their relation to each other that any other than goods or merchandise are or should be called upon to meet the demands of nations against each other.

Unless we prosecute the establishment of these lines with the coestablishment of commercial agencies equipped with power and capacity to secure an exchange of commodities, many instances like that cited by the Senator from Washington as occurring in Australia a few days ago will not only appear but will be multiplied to such a degree as to discourage the investment of private American capital in these newly established lines.

I had occasion the other day to refer to the inability of two American ships at Marseille to secure return cargoes, for which my very genial friend, the Senator from Washington, is in some degree responsible, because the only cargoes that were available were French wines, and, of course, under the provisions of the Volstead law and the eighteenth amendment to the Constitution of the United States that sort of merchandise has become contraband.

I read also of an American vessel taking a cargo to one of the ports in Portuguese South Africa which could not obtain a return cargo, owing to the fact that the British line and those behind it had long before them secured a practical monopoly of the trade of that port. That is not surprising.

The Senator said yesterday, and it is eternally true, that Great Britain does not propose to surrender a jot or tittle of the hold which she has over the transportation affairs of the world; neither did she propose to surrender anything to Germany nor to Japan nor to Norway, those nations before the war being her great competitors for ocean-bound traffic; but she could not resist, with all her power and influence, the application of those commercial principles which lie behind business success, both private and national.

I do not mean to say, Mr. President, that the Shipping Board will not establish these agencies or take due note of these conditions; I do not mean for a moment to imply that they have not long ago occurred to the Senator from Washington, who, as chairman of the Committee on Commerce, has attended to the discharge of his duties with an industry and ability that should commend him to the entire Nation; but I do object to magnifying a physical condition into the proportions which seem to be assumed as the basis for the existence of certain provisions in this bill.

As regards the Philippines, Mr. President, it is perhaps pertinent to question whether they should still be considered as an American possession. We are trying to give them self-government; they expect to enjoy complete independence of the United States in the course of a comparatively few years, and we are constantly justifying that anticipation. I should like to see them emancipated to-morrow, if it were possible; I hope their emancipation will not be delayed one instant beyond that period of time when it seems safe to make the experiment. No greater mistake in statesmanship was ever made in the United States than was made when, in a moment of misguided judgment, we acquired possession of the Philippine Islands, thereby changing our entire policy and dealing a blow to the operation of the Monroe doctrine, from which it has never recovered.

A great many Senators and quite a considerable proportion of the American people are apprehensive, and perhaps justly so, of the constantly increasing power and ambition of the Japanese Empire. I am not one of those, Mr. President, who for a moment entertain the possibility of conflict between that great people and our own, but we can not avoid the conviction that that general, indefinable feeling of apprehension which the nations of the world, including ourselves, entertained toward Germany prior to August, 1914, still exists with a shifting merely of the object which has aroused it and toward which it is directed. If, in the providence of God, there is stored away in the events of the future a collision between the United States and Japan, it is unfortunate to think that the outposts of this great Republic have been extended 10,000 miles across the sea and have planted themselves in the Philippine Islands, only about two days' sail from Japan, where, in the event of difficulty, they, our most defenseless and most exposed portion of territory, would lie at the mercy of that great Asiatic power. Hence my feeling of security without the Philippines, to say nothing of the justice of giving them their independence just as soon as their condition makes it feasible. So I shrink from the idea of including the Philippine Islands as an American possession in a great scheme of ocean transportation, which is the object of this bill, or of extending to them those restrictive laws which can only serve to irritate and discourage instead of producing that continued feeling of amity and satisfaction which the legislation of the Democratic Congress established in 1915. Therefore, I hope that the Senate, in its wisdom, will very carefully consider section 23 of this bill and very earnestly discuss its possibilities, to say nothing of what seems to me to be the injustice of extending a local monopoly across the sea so as to embrace a large and necessarily extensive line of ocean traffic before they vote to include this proposition in the bill now pending.

I have taken this occasion, Mr. President, to express my views upon the subject, although I understand that the section has gone over and will not be fully considered until the return of the junior Senator from New Jersey [Mr. EDGE].

Mr. KING. Mr. President, may I ask the Senator from Colorado, with his permission, before he resumes his seat, a question for information?

Mr. THOMAS. Certainly.

Mr. KING. I did not have the opportunity of hearing the address of the Senator from Washington [Mr. JONES], and I ask the Senator from Colorado if he knows whether the evidence before the committee or the facts with which he is conversant establish that the carrying bottoms of our country now engaged in the coastwise trade have been charging extortionate or, at least, unfair rates—rates that were more than ample to compensate them for their work in carrying the commerce between the various ports of the United States?

Mr. THOMAS. Mr. President, I am not a member of the Committee on Commerce; I have been too busy with other committees with which I am identified to read the evidence and statements which were made before it; and, of course, as a consequence, I am unable to answer any question which is based upon the details of the examination made by that committee. Neither am I prepared to make the statement unequivocally that the coastwise charges are extortionate; but the Senator from Utah knows that in the operation of every enterprise which is controlled by itself and which is protected by ironclad legislation it will not be particularly modest nor particularly conscientious in the fixing of its charges. I know that the coastwise trade of the United States is now and practically always has been extremely prosperous, and not only so but extremely alert to secure every possible advantage that congressional legislation can give it; and I am satisfied, in my own mind, that great reductions could be made to those who are compelled to patronize the coastwise lines without in the slightest degree imperiling their solvency or to a very great extent diminishing their profits.

Mr. JONES of Washington. Mr. President, I desire to refer for just a moment to the question asked by the Senator from Utah [Mr. KING]. Under the shipping act, as it now is, it is provided that:

> The term "common carrier by water in interstate commerce" means a common carrier engaged in the transportation by water of passengers or property on the high seas or the Great Lakes on regular routes from port to port between one State, Territory, district, or possession of the United States and any other State, Territory, district, or possession of the United States, or between places in the same Territory, district, or possession.

So that whatever coastwise trade we have on the high seas or on the Great Lakes is under the control of the Shipping Board to practically the same extent as the railroads are under the control of the Interstate Commerce Commission.

Referring especially to the Philippine Islands, if the coastwise laws were to be extended to the Philippines, the shipping lines and the ships engaging in that trade would be under the control of the Shipping Board with reference to rates, preferences, service, and all that sort of thing. There was, however, no complaint and no showing before the committee in any way of excessive charges or unfair practices or anything of that kind.

Mr. KING. Will the Senator permit an inquiry?

Mr. JONES of Washington. Certainly.

Mr. KING. I will propound two questions, and then the Senator can answer them both.

Mr. JONES of Washington. Very well.

Mr. KING. Was there any evidence before the committee which indicated that there had been or was a monopoly in the coastwise trade; and that, in the past if not at present, the charges made by those engaged in coastwise carrying were extortionate or, at least, unfair?

Mr. JONES of Washington. There were no suggestions of that kind by anybody before the committee, and I am sure if there was anything of that kind complaint would have been made to the Shipping Board, because the Shipping Board is specifically authorized to look into matters of that sort with reference to this character of coastwise trade.

Mr. KING. Mr. President, I should like to ask the Senator if there is not evidence before his committee or if there has not been evidence before the Commerce Committee that, in the past, at least, the coastwise traffic had drifted into the hands of a few large corporations and that they had crowded out or destroyed all competition and fixed rates such as their cupidity and their conscience allowed?

Mr. JONES of Washington. There has been no suggestion of that kind before the Committee on Commerce since I have been a member of it.

Mr. KING. One other question. In view of the privileges and advantages given to the coastwise carrying trade, amounting to a virtual monopoly, does this bill impose any obligation upon those engaged in the coastwise carrying trade to develop new ocean routes and to carry our flag to foreign ports? In other words, does this bill put into the hands of a few individuals a monopoly, give them the advantage of the coastwise trade, where the liabilities and dangers and hazards are not so great, and not require of them any activity or effort to engage in ocean traffic to foreign ports?

Mr. JONES of Washington. Oh, Mr. President, there is nothing in this bill that deals with the coastwise laws or coastwise shipping except the provision extending the application of the coastwise laws to the Philippine Islands, or to the island possessions of the United States, and the provision to prevent the evasion of the coastwise laws to which I referred yesterday, having in view especially the situation between Seattle and

Skagway, Alaska. We do not deal in general in this bill with the coastwise laws. They are left just as they are; we have not attempted to interfere with them. One reason why we have placed a provision in this bill to prevent the evasion of the coastwise laws in Seattle is that we do not believe that we ought to favor or wink at or tolerate the evasion of our coastwise laws by foreign shipping. If our coastwise laws should be abolished, that subject should be taken up and should be taken up in a separate measure; but so long as the coastwise laws remain on the statute books as they are we ought to see that they are observed. That is what we do in connection with the coastwise laws in this bill. The bill deals primarily with our foreign ocean-going shipping in the foreign trade.

Now, Mr. President, just a word or two with reference to one of the suggestions of the Senator from Colorado, for whose opinion and judgment I have very high regard, knowing that he is actuated in whatever he does and whatever position he takes by the highest and most patriotic motives. I agree absolutely with him that one great necessity for the development and in the development of our foreign trade is the establishment of American agencies—American business facilities—in foreign countries, more care upon the part of our manufacturers in packing their products, more care in catering to the needs and wishes and demands of their customers in foreign countries. These are among some of the most important things that our people must learn and accomplish in order to develop our foreign trade; and, Mr. President, one of the greatest agencies—in fact, one of the essential agencies—in the development of foreign business facilities upon the part of our people, the establishment of banking facilities, the establishment of American agents and business representatives in foreign countries, is to have an assurance that they will have regular, certain, and definite transportation facilities. I may be wrong about it, but my belief is that if we will assure the business men of this country that they will have regular, definite, and certain water transportation for a certain period of time they will establish the business agents and banking houses and banking facilities.

We hear lots of complaint about our not having banking facilities in South America, or commercial agencies there. If we will say to our people that for a period of five years we will maintain regular and certain and definite sailings between certain ports in this country and certain ports in South America our business people and our banking people will establish their commercial agencies and their banking facilities in those localities. That is a sine qua non of doing that; and one of the great purposes of this bill is to establish these regular routes and furnish these regular services.

The Senator suggests that there will be retaliation. I can see no excuse for any country retaliating against us for establishing and insisting upon transportation facilities to do the business between the main country and its possessions. All countries have done that in the past until they saw fit to abandon it, and no other country could complain. I am not going to discuss whether the Philippines should have their independence or not. That is a question, I think, that is foreign to this bill. We have the Philippines. They are ours now. How long they will stay so, I am not prepared to say. Whether it was wise for us to take them over, I am not going to discuss. Whether we should give them their independence hereafter, I am not going to consider. I am facing the situation as it is now. They are ours. There is some trade that we can get, and if we do not get it there will be nobody to blame except ourselves. It furnishes an opportunity for the construction of the character of ships that we need, not only in our ocean commerce, but for national defense in time of stress. It will furnish the very kind of ships that we ought to have had when this war broke out, and if we had had them probably the war would have been shortened by some months.

Mr. KING. Will the Senator permit a question?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Utah?

Mr. JONES of Washington. Certainly.

Mr. KING. The subject that the Senator from Colorado discussed is one to which I have not given very much attention, and I have not any settled views in regard to it; but I invite the Senator's attention to this fact:

Assume that we are anxious to obtain Pacific trade, and desire our boats to go to the Philippine Islands and to other oriental ports: Does the Senator think that this legislation would have a tendency to provoke upon the part of Australia and New Zealand, either directly or through the British authorities at London, retaliatory legislation, or retaliatory legislation upon the part of the Dutch with respect to Java, or similar legislation, retaliatory in kind, by the Chinese Republic, or by Japan, so that our vessels that might cross the wide Pacific could trade only with the Philippine Islands, that they could not carry a pound of freight from China or from Japan or from Java or from New Zealand or from any other of those countries in the Orient?

The Senator will see that if we enact legislation of this kind it may result in our vessels being denied the ports of other nations for the purpose of loading cargoes from those nations which might be carried to other nations or to our own land.

Mr. JONES of Washington. Mr. President, I do not think so. I really have not any fear of that; but if we are going to talk about retaliation, if there is any country that is in a position to carry on a war of retaliation, it seems to me that it is the United States.

Suppose Japan tried to retaliate against us. What is her best market? What is she paying hundreds of thousands of dollars a year subsidy to her shipping to do except to carry products to the United States? Does she want to be shut out of our ports? Will she invite a conflict of that sort? Not a bit of it.

Does Great Britain need us? Does Great Britain need our products? How long could she live without the millions and hundreds of millions of dollars' worth of products that she gets from the United States? I do not think she would contemplate for a moment entering into a contest of retaliation with us. I do not want to enter into a contest of retaliation with these other countries, but, Mr. President, I do not fear it; and if we are going to frame our legislation on the basis of our fears, we will never get anywhere, especially in the shipping world. If we are going to be deterred from doing what we think we ought to do for the building up of our shipping because of something we are afraid other countries may do to try to get even with us, we will get nowhere.

Mr. President, as I said a moment ago, there is not any country on the face of the earth that is as favorably situated as this country to enter into a war of retaliation, if there is any country on the face of the earth that wants to enter into it with us; but what excuse can any country have for retaliating against us because we deal as we see fit between ourselves and our own territory? Is there any country that thinks about retaliating against us because we confine the passenger and freight traffic between the city of New York and the city of New Orleans to our own ships? Not at all. They recognize our right to do it as a domestic problem; and so, while the Philippines are a good way off, they are a part of this country at this time, and the trade between us and them, so far as we see fit to treat it as such, is a domestic proposition; and no country would be justified in complaining of any attitude that we may take with reference to it.

There is not any question but that our friends in other countries will do everything in the world they can to prevent us from taking this transportation that we can take if we will. I note in the paper this morning that considerable interest is being manifested in the British Parliament over this shipping bill that is now pending.

What are they doing? Why, they are taking steps to look after their interests, and they have asked their ambassador to send them a copy of it. That is all right. That shows the right sort of spirit. That shows the right sort of way to deal with these matters. They are not going to leave anything undone to prevent us from getting on the sea and establishing ourselves upon the sea. They are going to do everything in the world they can to prevent it, and we have no ground for complaint. We have not any right to complain against it. The only basis of complaint that we can have is against ourselves for not taking advantage of the opportunities that present themselves to us to do what we would like to do.

Therefore, so far as I am concerned, this cry of retaliation has no terrors for me. It is always raised, it always has been raised, when we have attempted to do anything with reference to our merchant marine. I do not want any trouble with Japan. We are not going to have any trouble with Japan over shipping, over transportation, or things like that. I trust we never will have any trouble with her over any matter, but we need not worry about that in connection with this legislation.

Mr. President, I hope the Senate will give section 23 very careful consideration. I believe that when they do, and when they see the possibilities of it and see the opportunity that it presents to us, absolutely certain, with reference to our merchant marine, it will be adopted by a large vote.

Let me say here that there may be a great deal of doubt as to what the results of this legislation will be as a general proposition; there may be very much uncertainty as to whether or not our merchant marine will be built up under the policies laid down in this bill; but, Mr. President, there can be abso-

lutely no doubt as to what will result with reference to our shipping from the adoption of section 23. It will mean more ships for our merchant marine. It will mean finer ships for our merchant marine. It will mean greater transportation facilities on the Pacific, and, in my judgment, it will mean making Manila the great distributing center for the Orient, controlled and dominated by us, for the distribution of the products of this country, both manufactured and otherwise, and it will insure cargoes home. The Senator from Minnesota [Mr. NELSON] yesterday said that one great thing was for us to get cargoes home. That is true. There is not any doubt about our getting cargoes for home if we embrace the Philippines within the coastwise laws. We will bring their products to this country.

As I said yesterday, so far as my opinion goes, I believe that we could not do better in bringing about friendly and close relations between that Territory and this than to do what we propose to do in this bill, because the fact must not be overlooked that under the provisions of this bill we pledge ourselves to furnish ample transportation facilities, at fair and reasonable rates, for passenger and freight traffic.

Mr. President, that is all I am going to say about this section at this time.

The PRESIDING OFFICER. Sections 22 and 23 have already been passed over.

Mr. CALDER. Mr. President, as this section has been debated, I just wanted to add a word to what has been said.

Under the terms of section 23 it is proposed that the Shipping Board shall establish adequate steamship service, if necessary, to the several outlying possessions of the United States. Already Porto Rico, Alaska, and Hawaii are within the coastwise laws of the United States. This section extends these laws to the Philippines.

Mr. President, the people of the Philippines spring from a race different from most of us who live in continental United States. They were not accustomed to do business with this country and did not understand our methods until we took over the islands some 20 years ago. But since that date, despite the fact that they are a part of this Nation, except for the traffic in the United States Transport Service, practically all of their overseas trade to and from this country has been carried in foreign vessels.

From my observation of the shipping question, it has seemed to me that if we hope to establish and maintain definitely a trade with other parts of the world, and particularly with the Philippines, it must in the main be done in American bottoms. So, as a member of the Committee on Commerce, when this proposition was advanced in the committee I strongly urged its adoption.

I have been opposed, except where it could be clearly shown in the country's interest, to the Shipping Board establishing routes from American ports to other parts of the world; but I have insisted that we should give Government aid to those who are willing to establish such routes. But if there is one place, Mr. President, where the maintaining of an ocean going route is justified that place is to the Philippine Islands. I do not know how long these islands may be in our possession, but whether it be for 5 years or 50 years our commerce to them should be carried in American ships. There is nothing in this section to prevent vessels flying the Japanese flag from trading between Philippine ports and all the rest of the Orient, or to prevent English vessels, or vessels of any other nation, plying between the Philippine Islands and all the rest of the world, excepting direct trade with the United States.

The other day it was my privilege to attend a little gathering in New York City on the steamship *Huron*, a former German vessel taken over by our own Government during the war. This vessel has been reconditioned and with four other former German passenger steamers has been allocated to the Munson Steamship Co., who will operate a passenger service sailing weekly between New York and South American ports. I sat next to the ambassador from Uruguay, who told me that until the introduction of this service perhaps once or twice a year a tramp freighter flying the American flag would come into the port of Montevideo, the capital of Uruguay, loaded with some special cargo for Buenos Aires or Montevideo, but that no regular service had ever been maintained between the United States and South America by American merchant vessels, as against this condition regular routes were operated, with weekly sailings of modern passenger and freight liners, between ports in Italy, Spain, England, and Germany. This neglect on the part of the United States was responsible for the fact that practically all of South America's business had gone to Europe. It was not convenient for them to trade with us; we had no direct lines which could accommodate their business. The trade with Europe led to the establishment in South America—and this gentleman referred particularly to Uruguay and Argentina—of banking facilities, transportation agencies, and other handy and agreeable methods for doing business.

All of the gentlemen at this gathering on the *Huron* believed that the opening of this new line was the beginning of trade, both in passengers and freight, with the east coast of South America that would mean much to both countries. Speeches were made by ambassadors and ministers from South America. They welcomed this opportunity to trade with the United States. One could draw but a single conclusion from the statements made, and that was that we had neglected them and that naturally their trade had gone where their business was appreciated.

If all this is true, Mr. President, how much more important even than this South American trade is it that we should have a direct line of overseas traffic with the Philippine Islands, one of our dependencies.

So I am strongly for this provision in this section, and I am hopeful that when we come to the final consideration of it, it will meet with general approval. If it is a fact that we have not sufficient shipping facilities to carry our trade the proviso at the end of the section extending the time when our coastwise laws shall be effective in the Philippine trade will take care of the situation. Section 23 is a splendid thing for our merchant marine, and I am very strongly for it.

Mr. JONES of Washington. Mr. President, just a word. The Senator from Utah [Mr. KING] has been called out of the Chamber, but I have a very significant statement here which I want to read into the RECORD, and I hope that he and the Senator from Colorado will notice it, if they fear retaliation. I have not heard any suggestion in this country about our retaliating against other countries for giving preferences to their colonies, and yet I have here a statement quoting from Capt. C. B. Foster, of the *Melbourne*. This is a quotation from a pamphlet gotten out by the Continental Insurance Co. I think they get out regular issues of it. This pamphlet discusses England's policy, and I find in it the following:

> All along the Gold Coast of Africa an American boat does not get a show at any desirable cargo, Capt. C. B. Foster, of the *Melbourne*, said.
>
> "This is not unexpected, because British shipping gets preference among British colonies, but I don't know a single place where the United States shipping has an edge. We consider ourselves lucky if we can get an even break."

That, Mr. President, is in line with what I read yesterday from an official document from Canada, wherein they direct that their shippers and their merchants shall be given a preference over all others. Yet we are not talking about retaliation on account of that. They are doing what they have a perfect right to do, and what I think we ought to do.

The PRESIDING OFFICER. The next amendment of the Committee on Commerce will be stated.

The next amendment was, on page 24, after line 23, to insert:

> SEC. 24. That the act entitled "An act giving the United States Shipping Board power to suspend present provisions of law and permit vessels of foreign registry and foreign-built vessels admitted to American registry under the act of August 18, 1914, to engage in the coastwise trade during the present war and for a period of 120 days thereafter, except the coastwise trade with Alaska," approved October 6, 1917, is hereby repealed: *Provided*, That all foreign-built vessels admitted to the coastwise trade under such act for the full period covered by the act and which are wholly owned by persons who are citizens of the United States, and foreign-built vessels owned by the United States at the time of the enactment of this act, if sold to such persons, may operate in the coastwise trade so long as they are owned by such persons.

Mr. JONES of Washington. Under that proviso it appears that only a few vessels would be, we might say, favored; and apparently those vessels are owned by a particular company. There is considerable complaint about it, and there is a feeling that it really results in unfair and unjust treatment. That was not intended by the committee, and I desire to offer an amendment to take the place of the proviso. In lieu of the proviso I move to insert what I send to the Secretary's desk.

The PRESIDING OFFICER. The Senator from Washington offers an amendment to the amendment, which will be read.

The READING CLERK. On page 25, after line 6, in lieu of the proviso insert:

> *Provided*, That all foreign-built vessels admitted to American registry, wholly owned on February 1, 1920, by persons citizens of the United States, and all foreign-built vessels owned by the United States at the time of the enactment of this act, when sold and wholly owned by persons citizens of the United States, may engage in the coastwise trade so long as they continue wholly in American ownership.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Washington to the amendment of the committee.

Mr. JONES of Washington. I understand there are not a great many of those ships, and we believe that where the ships

are wholly owned by American citizens, built by American capital, there can be no injury done to the coastwise trade by allowing them to be admitted to American registry, so long as they continue in that ownership. Then, the Navy Department owns several small ships, some of which it has owned since the Spanish War. They are foreign built. They are very small. If they are given the privileges of the coastwise trade of the United States, they will be able to sell them at very much greater advantage to the United States, and they will be covered by this proviso.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 25, after line 13, to insert:

SEC. 25. That the owner of a vessel documented under the laws of the United States and operated in foreign trade shall, for each of the 10 taxable years beginning with the first taxable year ending after the enactment of this act, be allowed as a deduction for the purpose of ascertaining his net income subject to the war-profits and excess-profits taxes imposed by Title III of the revenue act of 1918 an amount equivalent to the net earnings of such vessel during such taxable year, determined in accordance with rules and regulations to be made by the board: *Provided*, That such owner shall not be entitled to such deduction unless during such taxable year he invested, or set aside under rules and regulations to be made by the board in a trust fund for investment, in the building in shipyards in the United States of new vessels of a type and kind approved by the board, an amount, to be determined by the Secretary of the Treasury and certified by him to the board, equivalent to the war-profits and excess-profits taxes that would have been payable by such owner on account of the net earnings of such vessels, but for the deduction allowed under the provisions of this section, or unless such owner, with the approval of the board (to be given only if because of the smallness of the amount involved the board deems it best for the interests of the United States), applies such amount on any mortgage indebtedness due to the United States for the purchase of ships.

That during the period of 10 years from the enactment of this act any person a citizen of the United States who may sell a vessel built prior to January 1, 1914, shall be exempt from all income taxes that would be payable upon any of the proceeds of such sale if the entire proceeds thereof shall be invested in the building of new ships in American shipyards, such ships to be documented under the laws of the United States and to be of a type approved by the board.

The Secretary of the Treasury, the Secretary of Commerce, and the chairman of the board are hereby authorized and directed to determine from time to time what shall be allowed for annual depreciation of vessels purchased from the United States, or vessels completed in the United States, since November 11, 1918, in order that the owners of such vessels shall, with respect to the capital cost thereof, be put as nearly as may be on a parity with the owners of ships under the flag of our foreign competitors in the world's carrying trade, and such allowances shall be embraced in the deductions allowed by law in determining the net income subject to income taxes and war-profits and excess-profits taxes; and if said Secretaries and the chairman of the board are unable to reach a unanimous decision in such matter, it shall be referred to the President and his decision shall govern therein.

Mr. JONES of Washington. Some Senators have asked that section 25 may be passed over until to-morrow.

The PRESIDING OFFICER. Without objection, on request of the Senator from Washington, section 25 will be passed over. The Chair hears no objection.

The next amendment was, on page 27, after line 12, to insert:

SEC. 26. That all mails of the United States shipped or carried on vessels shall, if practicable, be shipped or carried on American-built vessels documented under the laws of the United States. No contract with the Postmaster General for carrying mails on vessels so built and documented shall be assigned or sublet, and no mails covered by such contract shall be carried on any vessel not so built and documented. No money shall be paid out of the Treasury of the United States on or in relation to any contract for carrying mails on vessels so built and documented when such contract has been assigned or sublet or when mails covered by such contract are in violation of the terms thereof carried on any vessel not so built and documented. The board and the Postmaster General, in aid of the development of a merchant marine adequate to provide for the maintenance and expansion of the foreign or coastwise trade of the United States and of a satisfactory postal service in connection therewith, shall from time to time determine the proper rate of compensation to be paid for such service, and the Postmaster General is hereby authorized to enter into contracts to pay for the carrying of such mails in such vessels at such rate.

Mr. LENROOT. I should like to ask the chairman of the committee with relation to lines 21 and 22, on page 27. Does the present law prohibit the assigning of such contracts?

Mr. JONES of Washington. I do not think so; I will state the reason for the provision: It was called to my attention that, for instance, a contract might be let to an American citizen for carrying the mails and then he might turn it over to a foreign ship line. He was the agent of the foreign ship line; he took a contract in his own name and then turned the business over to the foreign line.

Mr. LENROOT. I am fully in sympathy with the provision.

Mr. JONES of Washington. The object is to prevent that practice.

Mr. LENROOT. My query concerned the case where a contract heretofore made had been sublet, when it was lawful to do so. This provides that no money shall be paid out of the Treasury on such a contract.

Mr. JONES of Washington. The intention was to have it apply to contracts hereafter made. It is not intended to affect previously made contracts.

Mr. LENROOT. Would it not be better to put in a clause that it shall apply to no contracts heretofore made?

Mr. JONES of Washington. Very well. In line 16, after the word "contract," I move to insert the words "hereafter made."

The PRESIDING OFFICER. The Senator from Washington proposes an amendment to the amendment, which will be stated.

The READING CLERK. On page 27, line 16, after the word "contract," insert the words "hereafter made," so that it will read:

No contract hereafter made with the Postmaster General for carrying mails, etc.

The amendment to the amendment was agreed to.

Mr. JONES of Washington. In line 21 I think we should put in the word "such" before the word "contract."

The PRESIDING OFFICER. The Secretary will state the amendment to the amendment.

The READING CLERK. On line 21, before the word "contract," insert the word "such," so that it will read:

No money shall be paid out of the Treasury of the United States on or in relation to any such contract for carrying mails, etc.

The amendment to the amendment was agreed to.

Mr. NELSON. Mr. President, I want to call the attention of the Senator from Washington to one fact. This section leaves it absolutely in the control of the Postmaster General to fix the compensation to be paid. There is no limitation. Beginning in line 4, on page 28, it reads that the board and the Postmaster General "shall from time to time determine the proper rate of compensation to be paid for such service, and the Postmaster General is hereby authorized to enter into contracts to pay for the carrying of such mails in such vessels at such rate." There is no limitation; they can fix any amount.

Mr. JONES of Washington. The language is "proper rate of compensation." I know there is no limit except the words "proper rate of compensation."

Mr. LENROOT. It clearly, it seems to me, authorizes the payment of a subsidy out of the Treasury for the building up of our merchant marine under the guise of a mail contract. That question has been fought out in Congress many, many times. I do not believe this door should be left wide open, as the Senator from Minnesota suggests, as it is in this provision. There certainly should be some limitation.

Mr. JONES of Washington. Does the Senator suggest a limitation? It is left to the board and the Postmaster General to fix a proper rate of compensation for carrying the mail, and they are permitted to take into consideration the development of a route.

Mr. LENROOT. It authorizes the board and the Postmaster General to give an outright subsidy, does it not?

Mr. JONES of Washington. Yes; you may call it so.

Mr. LENROOT. Does the Senator think that the section should be passed in this form?

Mr. JONES of Washington. Yes; if no one is going to make any objection to it.

Mr. LENROOT. I am objecting right now.

Mr. JONES of Washington. Will the Senator suggest some limitation, then? The committee considered it pretty fully, and we thought it was a wise provision to aid in the accomplishment of the great purpose we want to accomplish. Will the Senator suggest a limitation that he thinks ought to be placed on it?

Mr. LENROOT. I will suggest one limitation, but I do not know that it will be effective. In line 7, after the word "contracts," insert the words "within the limits of appropriations made therefor by Congress." Then there would be some limitation at any rate.

Mr. JONES of Washington. I accept that amendment to the amendment. I think that is a very good limitation.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. The Senator from Wisconsin [Mr. LENROOT] proposes an amendment to the amendment, which the Secretary will report.

Mr. NELSON. I rose to ask the Senator from Wisconsin, or the Senator from Washington, if he can give us any information as to what rates are allowed by the United States postal authorities for carrying mail? Is there not a limitation, or is it left entirely optional with the Post Office Department?

Mr. JONES of Washington. I think there is a regular pound rate or ounce rate.

Mr. LENROOT. There are specific limitations as to speed of ship, and so forth.

Mr. NELSON. Ought there not to be a similar limitation in this section?

Mr. JONES of Washington. I do not think we are paying out very much, if any, money under the act of 1891. That is the act under which we used to pay money for speed of ships, and so forth. But we are paying out a little over $3,000,000 a year for the carrying of our foreign mails, and $2,500,000 of that sum

is paid to foreign ships. It is at so much a pound, and there is a limitation in that.

The purpose of this provision is the carrying of our mails in our own ships. I do not assume that the Shipping Board and the Postmaster General will act recklessly in a matter of that kind, but I think the limitation proposed by the Senator from Wisconsin is a very excellent one. I assume that under it they would have to make their recommendations to Congress as to what they think they ought to make contracts for for carrying certain mails. Then it would be for Congress to approve such contracts and make the appropriation. So I think they would have an absolute limitation.

Mr. NELSON. I wish to ask the Senator another question. I agree with him in the proposition that our mails ought to be carried by American ships. There is no dispute about that, but I would not want the American ships to mulct us.

Mr. JONES of Washington. No; neither would I.

Mr. NELSON. I would suggest that while you require the Government to ship its mail in American ships, you also require that it shall be done at the same rate that it can be carried for in other ships. Otherwise you will have no limitation. If you leave it as it is now, it will be a stark, open subsidy, absolutely under the control of the Postmaster General and the board.

Mr. JONES of Washington. I suggest to the Senator from Minnesota that if we would leave it that way the foreign ships would carry the mail; they would underbid our ships.

Mr. NELSON. The Senator misunderstood me. Let the mail be carried in American ships by all means, not in foreign ships, but give no larger rate of pay than we can get it done for in foreign service, unless you want to grant a subsidy.

Mr. JONES of Washington. I am not scared at a subsidy. I want to build up these routes, and I expect this to be used for largely in the building of regular steamship lines or routes where there are none now, and where there would be no bids. I think the amendment suggested by the Senator from Wisconsin to the amendment covers the situation absolutely.

The PRESIDING OFFICER. The Secretary will report the amendment proposed by the Senator from Wisconsin to the amendment.

The READING CLERK. On page 28, line 7, after the word "contracts," insert the words "within the limits of appropriations made therefor by Congress."

The amendment to the amendment was agreed to.

Mr. LENROOT. Now, I move to strike out all the section, after the word "documented," in line 25, page 27.

The PRESIDING OFFICER. The Senator from Wisconsin moves an amendment, which the Secretary will report.

The READING CLERK. On page 27, line 25, after the word "documented," strike out the remainder of the section, down to and including the word "rate," on line 8, page 28.

Mr. LENROOT. If this amendment to the amendment is adopted, it will still leave the direction to the Postmaster General, in so far as his discretion permits, but still within the limits of compensation now provided by law, to have all the mails of the United States carried upon American ships, but it will take away from the Postmaster General and the board the right to grant a subsidy. Of course the amendment to the amendment which has just been adopted does protect the situation to some extent but not fully, because if Congress makes an appropriation of $3,000,000 for the carrying of foreign mail, it would still be possible for the Postmaster General to enter into a contract with one steamship company for carrying one-half of the mail and paying them the entire $3,000,000 for it.

I do not believe that the matter of subsidy should be settled in this bill. Certainly there was no thought upon the part of anyone I know of in connection with the consideration of any of this legislation that we would go into the matter of ship subsidies.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Missouri?

Mr. LENROOT. Certainly.

Mr. REED. I wanted to ask the Senator where his amendment is to be applied?

Mr. LENROOT. It strikes out all of the section after the word "documented," in line 25, page 27.

Mr. REED. The Senator proposes to strike out all the rest of the section, including the amendment which the Senator just offered?

Mr. LENROOT. Yes.

Mr. REED. So the bill in that case would not provide for carrying the mail at all?

Mr. LENROOT. Yes; it would leave the direction to the Postmaster General, under the limits of compensation now fixed, to give preference to American ships for the carrying of the mail.

Mr. REED. What is the object of the Senator in offering an amendment and having it agreed to, and then moving to strike it all out?

Mr. LENROOT. It is a very ordinary way of perfecting an amendment, to relieve the objection to the amendment as proposed as much as possible, although one is not in favor of the proposition as amended. It is a very common practice.

Mr. JONES of Washington. Mr. President, I have here a statement from the Postmaster General showing that the total amount paid for United States and foreign closed mail in steamships in 1919 was $3,195,770.40, and of this there was paid to foreign lines $2,350,609.25. That has no special bearing upon the proposition presented by the Senator from Wisconsin, but I wanted these facts to appear in the RECORD.

Now, Mr. President, I hope that the amendment to the amendment will not be agreed to. I am not going to take any special time in discussing it. I believe that we can leave the matter clearly to the Shipping Board and the Postmaster General as to what is necessary to be done in order to build up mail routes and transportation routes by sea, and especially with the limitation put in the section by the Senator from Wisconsin, which is in substance that no contract of that kind can be made until after they have submitted their estimates to Congress and Congress has made the appropriation for it. I know that both the subcommittee and the full committee, when this matter was under consideration, had in mind the necessity of doing something of this kind in aid of the American merchant marine. We did it purposely and with the intention of taking a step that in our judgment would encourage development along these lines. I shall not take the time of the Senate further.

Mr. CALDER. Mr. President, I agree with the statements made by the chairman of the committee, the Senator from Washington [Mr. JONES]. The subcommittee in considering the bill had in mind the fact that it might be necessary, in order to insure the operation of routes to certain parts of the world, to arrange for proper mail pay for carrying the mails—you may call it what you like, mail subvention or mail subsidy or mail assistance or anything else.

This Nation has invested over $2,000,000,000 in building up a merchant marine.

Mr. JONES of Washington. Three billion dollars.

Mr. CALDER. Yes; $3,000,000,000 in building up a great fleet of merchant vessels. We are going to have some difficulty in maintaining that fleet and operating it in competition with other nations. It is an old story, Senators may say, but now our money is in it. We must protect our investment even if it is necessary to put in a little more to keep it going. I am sure the people of this country will gladly give a little more to American ships to carry the American mail than we give to foreign ships for the same business. For one, I shall go that far.

I believe that with the first amendment of the Senator from Wisconsin [Mr. LENROOT], to which I am not objecting, we are amply protected from excessive mail rates, but I hope the amendment which he now offers will not prevail. If it does, I believe it will seriously impair the value of this legislation, which after all is proposed for the purpose of maintaining the American merchant marine on the seas.

Senators know that previous to the European war we carried just a little over 8 per cent of our foreign trade in American bottoms. We were unable to secure an American fleet until the people were awakened by the Great War to the Nation's need of it. Now we have it. Let us not let the expenditure of a little money, such as the amount that will be required by this section, stop its continuance.

I have always believed that if in the 20 years preceding the war we had spent $25,000,000 a year, or a total of about $500,000,000, we would have had a merchant marine when the war came on.

We did not do it. Some Senators, particularly from the Middle West, did not realize the situation as those of us who represent the States bordering the Atlantic and Pacific did, so we missed the opportunity. When the war came on we had to spend these vast sums of money, which would have been unnecessary if we had previously appropriated a reasonable sum over a period of years.

This is one of the best sections of the bill, and it will be destroyed if the amendment proposed by the Senator from Wisconsin is agreed to.

Mr. UNDERWOOD. Mr. President, I am very much interested in the bill, and especially in this section of the bill. The

history of this Government from the beginning shows that it has been impossible for us to maintain a merchant marine on the seas without some help from the Government. If we could control the matter entirely ourselves we could avoid subventions, but when we go upon the open seas to compete with the world we have got to fight the world on the basis on which it fights.

The question is historic. After the Revolutionary War, when we had won our liberties and our freedom as a Government, we still were under the control of British commerce, because Great Britain controlled the ships on the seas. The first tariff act that was ever passed by the American Congress contained a clause, written by James Madison, providing for a discriminating duty of 5 per cent in favor of goods brought into this country in American bottoms, sailed by American seamen. That act was modified from time to time. It was renewed during the term of President Jefferson, and a bill was signed by Jefferson imposing discriminating duties in favor of goods imported in American bottoms. Such a policy was necessary in order that we might build up an American merchant marine, and the result proved the wisdom of the legislation, for at the time these discriminating duties were originally passed we, practically speaking, had no merchant marine; but by the time Jackson became President of the United States our merchant marine controlled the seas.

Mr. JONES of Washington. Mr. President, may I interrupt the Senator from Alabama?

Mr. UNDERWOOD. Certainly.

Mr. JONES of Washington. I do not know whether or not the Senator thinks we have reached the section with reference to the abrogation of certain treaties.

Mr. UNDERWOOD. No; I understand the motion is to strike out the provisions of the bill in regard to compensation for carrying American mails.

Mr. JONES of Washington. That is correct.

Mr. UNDERWOOD. And I merely desired to draw the illustration.

When the present tariff law was passed the House of Representatives placed in the bill a discriminating duty in favor of American ships. The Senate modified it so as to meet treaties in force at that time. I believe if that modification had not been made by the Senate there would have been inaugurated an upbuilding of the American merchant marine which would have saved us many hundreds of millions of dollars which we had to expend during the recent war. The provision did not become operative because of those treaties. That difficulty is sought to be remedied in the pending bill, and I am in entire agreement with the Senator from Washington in his efforts in that direction.

However, it is clear, Mr. President, that if we do not discriminate in favor of American shipping, although we have built the greatest fleet this country has ever known, the day is not far distant when that fleet must anchor in the harbors of the United States and remain there because of the competition of foreign shipping manned by seamen who sail the ships at very much less wages than those for which American seamen can be employed.

More than that, almost every great nation of the world with whom we must compete to-day is paying subsidies or granting subventions to its own merchant marine. To-day British ships that sail through the Suez Canal receive a subvention, by way of a mail contract, that equals the toll they pay in going through the canal, giving them a distinct advantage over our ships, because we have no such subvention.

I think that any effort to prevent this Government from giving a reasonable subvention, by way of a mail contract, to American ships, if it is carried out through the terms of this bill, will result in a few years in the American ship not being able to compete with its foreign competitor, and the passage of this bill will have been in vain. It is a condition that confronts us and not a theory. It is no new matter. We have tried it out for years and years, and the American ship has been driven off the seas because the conditions of competition have been such that we could not meet them. One of the reasons why I am so heartily in favor of this bill is that it seeks to give an opportunity for the American ships, which we have built at great cost, to live and to serve the commerce of this Republic. I therefore hope that the amendment will be defeated.

Mr. LENROOT. Mr. President, this section is another illustration of Congress absolutely yielding its functions and duties to a subordinate body. Congress seems to have gotten so much into the habit of doing so during the recent war that it proposes to continue along the same line during times of peace.

Prior to the war no Senator would ever have dreamed of delegating to any board or to any commission the powers that are proposed to be delegated by this section. We have had many subsidy bills before Congress; we have a mail subvention law upon the statute books now; but Congress has always undertaken to retain to itself the function of determining the details of such subvention and not delegate unlimited power to a subordinate body. If Congress now, in time of peace, is going to continue to delegate its powers without limitation or restriction, there is no Senator upon this floor who will have any right to criticize the executive department of the Government for taking to itself the administration not only of executive powers but of the legislative powers of the Government as well.

I have before me the present mail subvention act, in which Congress went into great detail in classifying the ships, in prescribing the speed of the different classes, and the compensation to be given to the different classes. There are several sections in which Congress legislates upon the subject. If we are going to provide mail subsidies, Congress ought to take up the subject, and if it is necessary to amend the present act Congress ought to amend it and not delegate to the Shipping Board or to the Postmaster General the unlimited power to do so. If ship subsidies are necessary, Mr. President—and we had much testimony before the committee that they were not; that under present conditions American ships could compete and would continue to be able to compete with foreign ships—they ought not to be provided in this way. If a ship subsidy is ever needed to maintain the American merchant marine, it should be provided upon the proper, practical, scientific basis, by ascertaining the difference between the cost of operation of American ships and like foreign ships, and apply the subsidy fairly to overcome the difference in cost of operation.

There is no Senator who need deceive himself as to what will be attempted under this provision. Shipping lines, through one means or another, will try to secure favors and privileges. We had such a situation during the war in connection with getting ship contracts, and the same condition will follow, if there be no restrictions imposed, with reference to securing mail subsidies. It ought not to be permitted; Congress ought not to delegate any such broad and unlimited power; it ought not to allow the people's money to be taken out of the Treasury without restriction, except as a subordinate body may deem proper, and used for the granting of subsidies. If subsidies are necessary, the subject should be taken up separately, and Congress should act upon the details of the legislation and the methods by which the subsidy shall be granted.

Mr. JONES of Washington. Mr. President, just a word. The act of 1891, to which the Senator from Wisconsin has referred, has been practically a dead letter. We secured, I think, four ships under that act soon after it was passed, and we never obtained any more.

Mr. LENROOT. Was that because the compensation was not large enough?

Mr. JONES of Washington. I think so.

Mr. LENROOT. Then, the remedy is to amend that act and increase the compensation.

Mr. JONES of Washington. But we do not know that we would provide the right amount then. The trouble in a matter of this kind of Congress going into details is that it can not work them out right; it can not work them out to meet the situation as it may develop. The Shipping Board and the Postmaster General will know all the details; they will know the needs of particular routes and particular lines, and they can determine far better than we can what amount is needed and what ships should be paid in order to accomplish the purpose that it is desired to accomplish. We would have to take their judgment very largely, it is true; but whenever we attempt to work out the details of legislation of this kind, to accomplish a purpose of this character, we defeat our own ends.

Mr. LENROOT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Wisconsin?

Mr. JONES of Washington. I yield.

Mr. LENROOT. The Senator is mistaken in saying that the Shipping Board will submit their estimates to us as to what they propose to give to a certain line. Congress is to make an appropriation of a lump sum for the purpose of carrying our foreign mail, and, with the amendment which has been adopted, the Shipping Board and the Postmaster General together may take the entire sum and give it to one company, and then ask for more by way of a deficiency.

Mr. JONES of Washington. I take it that when they submit their estimates of appropriation they will submit a statement

as to the purpose for which they desire to expend the appropriation.

Mr. UNDERWOOD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Alabama?

Mr. JONES of Washington. I yield.

Mr. UNDERWOOD. If it will not interrupt the Senator, I should like to make a suggestion by way of illustration that is familiar both to the Senator from Washington and to the Senator from Wisconsin, for we were serving together in the House of Representatives when the bill was passed to establish rural-mail delivery routes. When that service was in its experimental stage, as the shipping mail service is, we provided for a blanket appropriation, leaving it entirely to the discretion of the Postmaster General to be expended until the service should develop to a point where we had from actual experimentation acquired sufficient information to establish fixed routes. The same thing applies to the shipping service. It is now in an experimental state, and will be so for some time to come; but when it works out and we ascertain what can be done and what can not be done, we then can do what we did in reference to the rural-mail routes—establish a fixed compensation. We could not ever have established the rural routes in this country if Congress in the beginning had attempted to lay down hard and fast rules; and neither can we accomplish by such a procedure the object desired to be attained in this instance.

Mr. LENROOT. Mr. President, if the Senator from Washington will yield, I should like to ask the Senator from Alabama a question.

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Wisconsin?

Mr. JONES of Washington. Yes.

Mr. LENROOT. Does the Senator contend that there was any subsidy to anybody in connection with the establishment of the rural routes in this country?

Mr. UNDERWOOD. Certainly there was no subsidy; and I do not claim that there is a subsidy under the provisions of the pending bill. We made the appropriations then to pay men to ride around in buggies and deliver the mail. We are proposing now that an appropriation in lump sum be made to allow the mail to be carried by men who sail on ships.

You may say that it is a subvention—it is certainly not a subsidy—but I am not captious about the word. I do not care what you call it. The word does not bother me. The cases are alike. When you established the great rural-route system of this country you knew that you could not lay down hard-and-fast rules. You gave an opportunity for experimentation, and you established a great system. The only way in which you can establish a great system in this case is to allow the opportunity for reasonable experimentation, and when that is accomplished the facts will probably be before Congress, a decade from now, to establish hard-and-fast rules.

Mr. JONES of Washington. Mr. President, the Senator has covered just the ground that I expected to cover.

Mr. REED. Mr. President, I should like to ask the Senator in charge of the bill whether or not he intends to bring it to a vote to-day?

Mr. JONES of Washington. I do not expect to get the bill to a vote to-day. I should like to get as far along with it as possible; but several sections have gone over until to-morrow.

Mr. REED. So that there will be no vote to-day?

Mr. JONES of Washington. Not on the bill.

Mr. REED. Mr. President, while I am on my feet I simply want to say that if I have any conception of this bill at all, it is one of very great importance. It ought to be considered with deliberation and care.

I apprehend that the great majority of the Members of the Senate are situated with reference to this bill much as I have been. Their attention has been directed to many other important measures which have absorbed their time and their energy. For my part, I have had no opportunity to study the bill at all, although I have been working to the limit of my strength. Other Members are just as busy as I am. We are trying to get through with the business which must be transacted in order to reach a recess or an adjournment at an early date. Consequently we have crowding here the various appropriation bills, the great question of declaring peace, and other problems that ought to receive the most studious investigation and the fullest debate.

I hope that this bill will not be rushed through. For my part, I have not made up my mind about it, because I have not had the opportunity to study it. I have heard of one or two measures in it which, if they have been correctly stated to me, demand very careful thought. I think the question just now raised by the Senator from Wisconsin [Mr. LENROOT] is a very important one. It may be that we have arrived at a time when the Democratic Party must abandon its long-time policy of refusing to vote subventions or subsidies—like the Senator from Alabama, I do not care which term is used—for the purpose of promoting American shipping. I do not want to take that step without mature consideration.

The sale of these vessels is a very serious question, the price we are to receive, the control of the vessels after they have been sold. I very much question whether a plan has been devised that will keep these vessels within the control of the United States. The inclination of my mind has been never to sell any of them, if they were good and serviceable craft, but either to run them under a department of the Government, or to charter them under such terms and conditions that the Government of the United States can always be certain that the policy of the United States to maintain a merchant marine and trade routes can be indubitably effectuated.

After some experience in drafting contracts and undertaking to place restrictions upon sales, I have arrived at the general conclusion that you never can effectively control anything unless you hold title to the property in question. Title can be preserved if the vessels are only chartered or leased; but if they are sold—sold to American companies—who shall say where the control of those American companies will ultimately go?

We have expended this vast sum of money in building vessels. We ought to see to it, without any question, that as the result of it all the United States shall have one of the greatest, if not the greatest, merchant marine afloat.

I have heard of another proposition in this bill—that it is proposed to extend the coastwise laws so as to cover into the coastwise business the trade between the United States and the Philippine Islands. I have not read that section of the bill, but let me ask the chairman of the committee if I am correct in that?

Mr. JONES of Washington. The Senator is correct.

Mr. REED. So that the trade between the United States and the Philippine Islands will be confined exclusively to vessels plying in the coastwise trade, and other vessels, commonly known as deep-sea vessels, will not be permitted to handle the business between the United States and the Philippines. Is that correct?

Mr. JONES of Washington. Oh, Mr. President, the deep-sea vessels of the United States will be able to handle it, but not the deep-sea vessels of foreign countries. The deep-sea vessels of the United States will be able to handle it. Every ship under the American flag can handle the trade between the Philippines and the United States.

Mr. REED. Then the Senator was not correct in his first statement; that is, he did not understand me.

Mr. JONES of Washington. That is what I meant.

Mr. REED. Coastwise business is coastwise business. A vessel engaged in the coastwise trade does not do deep-sea business, and a vessel engaged in deep-sea business does not do coastwise business.

Mr. JONES of Washington. The Senator, I think, is mistaken in this, or, rather, I got the wrong impression from him. Ships in the coastwise trade of the United States can engage, if they desire to do so, in the ocean or foreign trade of the United States, and American-built ships in the foreign trade can also engage in the coastwise trade; but, of course, the needs of the ordinary coastwise business are such that they do not do so. The extension of the coastwise laws to the Philippine Islands, however, would permit every American-built ship to engage in that trade, both ocean-going and the ordinary coastwise ship.

Mr. REED. I remember the modification the Senator mentions, because it was brought about by an amendment to the coastwise shipping laws with which, I believe, I had something to do, but it had escaped my attention for the moment.

Mr. JONES of Washington. Mr. President, may I say to the Senator that I have discussed this coastwise provision both yesterday and to-day. I will just state briefly that, to my mind, one of the great benefits that would come from putting the Philippines under the coastwise laws would be the development of fine ocean-going ships that would be necessary in that trade under the American flag.

Mr. REED. Yes; but it might have some other effects. It might have a very disastrous effect upon the business of the United States with the Philippine Islands; for if you establish a high rate between the Philippine Islands and the United States the trade of the Philippine Islands may go to other countries, and in our efforts to build up a ship line we may destroy a national commerce. So I think the question is one

requiring a good deal of thought and care. I am not passing on it. I will not state my own conclusion for the moment, but I am stating that it is a serious question.

The question has been raised here in the debate in the last few minutes of turning the control of this entire business over to a shipping board and allowing the Shipping Board and the Postmaster General to fix rates for postage. The suggestion has been made by the Senator from Wisconsin [Mr. LENROOT] that that business ought to be done by the Congress.

The countersuggestion is that Congress can not do business of that kind, and the Shipping Board must be endowed with plenary power.

Mr. President, I have not seen anything about the Shipping Board's performances up to date to lead me to the conclusion that we ought to confer any more powers upon that board. The more I see of Government boards established in Washington the more I think of county boards of supervisors, as they exist in the various States.

We witnessed the spectacle of this Shipping Board proposing to sacrifice these vessels. They were arrested at the suit of a private citizen of the United States, Mr. Hearst, and if he had not intervened I suppose the entire American fleet would have been sold almost at junk prices by this time. I understand that the decree of the court sustaining the injunction has been made final. With that staring us in the face, it is proposed to confer additional powers upon that same board. The personnel is not identical, but the board is the successor and, in part, composed of the same personnel as the board which proposed to sacrifice these ships.

I am not in favor of giving that sort of an organization any more power. Some plan ought to be devised to keep these ships in the ownership of the United States. If, then, it is desired to charter them or, to use the more common expression, lease them, that can be done under such terms and conditions as that the United States can compel the public service to be accommodated and benefited; but I believe any other plan is likely to prove very abortive.

Mr. President, there is too much government by boards in this country. The attempt has been a failure in every instance, as far as I know. We governed the railroads and had the poorest service ever rendered in the history of the United States; we lost a billion and a half dollars in the transaction, and we are not through yet with the bills that are still coming forward, and many of which will ultimately have to be paid.

I have a great deal of sympathy for the position of the Senator from Wisconsin [Mr. LENROOT] that Congress ought to keep the control, and that where Congress yields a control it should do it under fixed rules which command the agents of the Government to follow its policy and to keep within certain bounds and limits.

What is the character of the men we are getting on these boards? Who are they? They are absolutely unknown men, and in many instances they are put in positions where they control matters of almost vital importance to the Republic. The Interstate Commerce Commission is to be enriched with some new blood. The handling of the great problem of the transportation of the mightiest Nation on earth, a problem practical in every detail, is in part to be turned over to a gentleman who has distinguished himself in organized labor, and in part to another gentleman who has enjoyed the seclusion of a study in a college. That is not the way practical business men and practical men of affairs undertake to arrange for the general management of very great enterprises. It used to be the boast of railroad managements that in the majority of instances the man enjoying the powers of control over a great railway system had frequently begun in the humblest of capacities, as an employee, and had learned the business by hard labor and application, covering a long period of years, until familiar with every detail of the great work to be undertaken. Knowing every mile of the stretch of track, acquainted with the business to be transacted through carriage, and with the financial operations necessary to sustain the vast enterprise, this employee had at last reached the pinnacle of management.

Now, we propose to put in a position to control the destiny, not of one railroad but of all railroads, not of one line of transportation but of all lines of transportation, controlling in the aggregate the destiny of the Republic itself, so far as its commercial development is concerned, men utterly unacquainted with the business of railroading and at the same time unacquainted with the other duties falling upon them, to-wit, the semijudicial duties of determining according to the rules of law and evidence great questions brought for decision and adjustment. What I have said now of the Interstate Commerce Commission applies with tenfold force to many of these other boards and tribunals.

So I hesitate to turn three thousand million dollars' worth of ships over to a board, and then turn the board loose to do as it pleases. I think this bill requires debate and study, and for my part I shall give it all the time I am able to give it. I hope the chairman of the committee, in charge of the bill, will be prepared to ask for a recess, and that we may have some days for the consideration of the measure.

Mr. JONES of Washington. Mr. President, we will do the best we can. I know the Senator from Missouri has been engaged in other work, and I know that other Senators have been so engaged. I know that the Commerce Committee spent about three months or more on this measure. It spent two months in having hearings, and a month or two in considering the terms and details of the bill. Of course, we do not ask other Senators to take our judgment or our views with reference to it. We know how we have to take other problems very much as other committees have worked them out; but so far as I am concerned, I want every Senator to give all the time he can to the study of this measure. We want the help, aid, and counsel of all Senators who can give it attention. However, I hope that we shall be able to put the bill through as soon as we can, of course after proper consideration.

EXECUTIVE SESSION.

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session, the doors were reopened.

RECESS.

Mr. LODGE. I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, May 12, 1920, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate May 11, 1920.

DIRECTOR OF THE BUREAU OF FOREIGN AND DOMESTIC COMMERCE.

Roy S. MacElwee, of New York, to be Director Bureau of Foreign and Domestic Commerce in the Department of Commerce, vice Philip B. Kennedy, resigned. (By promotion from (First) Assistant Director of Foreign and Domestic Commerce.)

APPOINTMENTS AND PROMOTIONS IN THE NAVY.

The following-named officers of the United States Naval Reserve Force to be assistant surgeons in the Navy, with the rank of lieutenant (junior grade), from the 12th day of March, 1920:

Warren E. Bradbury,
William W. Hall,
William H. Wynn,
Martin A. Hatcher, and
Thomas H. Taber.

Paymaster Charles W. Eliason to be a pay inspector in the Navy, with the rank of commander, from the 30th day of October, 1919.

Paymaster John D. Robnett to be a pay inspector in the Navy, with the rank of commander, from the 4th day of April, 1920.

William H. Funk, a citizen of Indiana, to be an assistant surgeon in the Navy, with the rank of lieutenant (junior grade), from the 4th day of May, 1920.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 11, 1920.

AGENT AND CONSUL GENERAL.

Carroll Sprigg to be agent and consul general of the United States of America at Cairo, Egypt.

PUBLIC HEALTH SERVICE.

Gregorio M. Guiteras to be senior surgeon.
Royd R. Sayers to be passed assistant surgeon.
Edward C. Ernst to be passed assistant surgeon.
Peter J. Gorman to be passed assistant surgeon.
Louis L. Williams to be assistant surgeon general at large.

POSTMASTERS.

COLORADO.

Charles L. Grover, Aspen.
Erman D. Acton, Oak Creek.

CONNECTICUT.

Alfred A. Barrett, Berlin.
Warren A. Leonard, Ivoryton.

NEBRASKA.

Frank R. Galbraith, Ainsworth.
Ward W. Miller, Bayard.
Clarence Dillon, Beaver City.
Harry V. Ingram, Exeter.
Frank W. Fuhlrodt, Fremont.
Leah P. Rice, Harrison.
Clifford R. Young, Marqette.
Harry M. Townsend, Minatare.
Edwin R. Frady, Oakdale.
Etta H. Bartlett, Potter.
George E. Barto, Wakefield.
George E. Gilpin, Wilsonville.

NEW JERSEY.

Frederick J. Dushanek, Garwood.

PENNSYLVANIA.

Upton G. Hawbecker, Camp Hill.
James Woodburn, jr., Franklin.
Charles A. Graul, Mount Pleasant.
Laura C. Ehler, Shippensville.

HOUSE OF REPRESENTATIVES.

TUESDAY, *May 11, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

"Know ye that the Lord He is God; it is He that hath made us, and not we ourselves; we are His people, and the sheep of His pasture."

Help us, our Father in heaven, we beseech Thee, to accept life as a precious boon and give us the courage to live day by day to the moral and spiritual code which Thou hast written indelibly on the tables of the heart—to be honest, sincere, pure, noble.

"To love the Lord thy God with all thy heart, and with all thy soul, and with all thy mind.

"This is the first and great commandment.

"And the second is like unto it, thou shalt love thy neighbor as thyself," is pure and undefiled religion, all speculations of men to the contrary notwithstanding. Illustrated in the life, character, and precepts of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS.

Mr. REED of West Virginia. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. The gentleman from West Virginia asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

Mr. GARD. Reserving the right to object, what is the subject the gentleman desires to extend his remarks on?

Mr. REED of West Virginia. I spoke briefly on the peace resolution, and on account of sickness I did not get it in within the five-day limit.

The SPEAKER. Is there objection?

There was no objection.

RELIEF OF CERTAIN ARMY OFFICERS—CONFERENCE REPORT.

Mr. CRAGO. Mr. Speaker, I desire to call up the conference report on the bill (S. 2448) for the relief of certain officers of the United States Army, and for other purposes, and I desire that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Pennsylvania calls up the conference report on the bill S. 2448. The Clerk will read the bill by title.

The Clerk read as follows:

A bill (S. 2448) for the relief of certain officers of the United States Army, and for other purposes.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The SPEAKER. The Clerk will read the statement.

The statement was read.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2448) for the relief of certain officers of the United States Army, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment numbered 10.

That the Senate recede from its disagreement to the amendments of the House numbered 3, 4, 5, 7, 8, and 9, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed by the House insert the following: "the sum of $10,000"; and the House agree to the same.

Amendment numbered 2: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment as follows: In lieu of the matter proposed by the House insert the following:

"SEC. 2. Col. William A. Simpson: That the President of the United States, in his discretion, be, and he is hereby, authorized to appoint, by and with the consent of the Senate, Col. William A. Simpson, United States Army, retired, to the position and rank of brigadier general on the retired list.

"SEC. 2½. Col. Robert H. Peck: That Col. Robert H. Peck, Eleventh Infantry, Regular Army, who, under the authority of the act approved July 12, 1912, was, by the President, by and with the advice and consent of the Senate, appointed a captain of Infantry, United States Army, to take rank at the foot of the list of captains of Infantry, be, and he hereby is, restored to the position on the lineal list of majors of Infantry of the Regular Army which he would have held had he not been out of the service; that is to say, to a place on the lineal list of majors of Infantry just above that occupied by Maj. H. E. Yates. But nothing in this act contained shall entitle the said Robert H. Peck to back pay or allowances."

And the House agree to the same.

Amendment numbered 6: That the Senate recede from its disagreement to the amendment of the House numbered 6, and agree to the same with an amendment as follows: In lieu of the matter proposed by the House insert the following:

"Credit in the accounts of Col. Jesse McI. Carter: The accounting officers of the Treasury are authorized and directed to allow and credit in the accounts of Col. Jesse McI. Carter, Cavalry, United States Army, the sum of $352.23, disallowed against him on the books of the Treasury.

"SEC. 6½. Omer Germain Paquet: That the President be, and he is hereby, authorized to permit the reenlistment in the United States Army, at the grade held by him at the time of his dishonorable discharge from the service, of Omer Germain Paquet, formerly a quartermaster sergeant; and the said Omer Germain Paquet shall, for the purposes of computing continuous service, for ascertaining the rate at which he shall be paid, and for retirement, be considered to have served continuously from the date of his last enlistment."

And the House agree to the same.

Amendment numbered 11: That the Senate recede from its disagreement to the amendment of the House numbered 11, and agree to the same with an amendment as follows:

"SEC. 8. William Shelby Barriger: That the President of the United States, in his discretion, be, and he is hereby, authorized to appoint, by and with the advice and consent of the Senate, William Shelby Barriger, who enlisted in the Regular Army on September 15, 1900, and who rose to be a first lieutenant of Cavalry, at present temporary major of Quartermaster Department, a captain of Cavalry, to take rank at the foot of the regular list of captains of Cavalry: *Provided*, That no back pay or allowances shall accrue as a result of the passage of this act: *Provided further*, That the total number of captains of Cavalry is increased by one for the purpose of this act."

And the House agree to the same.

Amendment numbered 12: That the Senate recede from its disagreement to the amendment of the House numbered 12, and agree to the same with an amendment as follows:

"SEC. 9. Capt. J. C. Garrett: That the President of the United States, in his discretion, be, and he is hereby, authorized to appoint, by and with the advice and consent of the Senate, J. C. Garrett, formerly a captain of Cavalry, to take rank as if he had remained continuously in the service."

And the House agree to the same.

THOMAS S. CRAGO,
ROLLIN B. SANFORD,
J. W. WISE,
Managers on the part of the House.
J. S. FRELINGHUYSEN,
ARTHUR CAPPER,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2448) for the relief of certain officers of the United States Army, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report as to each of the said amendments, namely:

On No. 1: The amendment by the House proposed to pay Frank Barber a sum of $5,000 in lieu of the proposal of the Senate to permit him to receive compensation from the War Risk Insurance Bureau. The conference committee, being unable to agree as to which provision was most desirable, finally compromised by raising the sum to be paid Barber to $10,000.

On No. 2: This amendment by the House would strike out the provision placing Col. William A. Simpson on the retired list and insert in lieu thereof a provision for the relief of Col. Robert H. Peck. The conference committee decided to restore the provision affecting Col. Simpson and to accept the House provision for Col. Peck.

On Nos. 3 and 4: These two amendments merely correct the spelling of Maj. Daly's name.

On No. 5: The Senate conferees accepted this amendment which proposes to place Maj. Daly on the retired list with the rank of first lieutenant instead of major as proposed by the Senate.

On No. 6: The amendment by the House struck out the provision for the relief of Col. Carter and inserted one to permit the reenlistment of Omer Germain Paquet. The conferees decided that the claim of Col. Carter was just and should be paid. The Senate conferees accepted the House amendment regarding the reenlistment of Paquet, the Senate already having passed a bill providing for the same purpose.

On No. 7: The Senate conferees accepted the House amendment, a provision authorizing the appointment of Capt. Garrett, the House having inserted an amendment accomplishing the same thing at the end of this bill.

On No. 8: The Senate conferees accepted the House amendment striking out this provision.

On No. 9: The conferees on the part of the Senate accepted this House amendment for the appointment of John Elmer Wright to the rank of first lieutenant and his retirement immediately thereafter in that grade.

On No. 10: The conferees on the part of the House receded from this amendment. The conferees concluded that in view of the fact that a former bill concerning Harry Graham, which would accomplish a purpose similar to the proposed measure, had been vetoed by the President, it would be unwise to include this provision in the bill and thus imperil its chance of passage.

On Nos. 11 and 12: The conferees on the part of the Senate accepted these two amendments, the Senate having already passed similar provisions.

THOMAS S. CRAGO,
ROLLIN B. SANFORD,
J. W. WISE,
Managers on the part of the House.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. CRAGO. Yes.

Mr. BLANTON. I think the conferees ought to state the real facts in their report. Have the conferees given their real reasons about Harry A. Graham? They would intimate to this House that they are passing this up because they believe that by such action they will expedite the passage of this legislation, whereas I have good reason to believe that the conferees did not want this legislation passed, and I agree with them in the conclusion that they have reached on a later investigation of that matter. Is not that the fact?

Mr. CRAGO. I will state to the gentleman from Texas that that is probably true as to the personal attitude of some of the conferees.

Mr. BLANTON. But it is the attitude of every conferee who has given this matter investigation, is it not?

Mr. CRAGO. That may be true, too.

Mr. BLANTON. But we are leading the House and the Senate to believe that the House wants this legislation passed by the report of the conferees.

Mr. CRAGO. Not necessarily. We struck it out of the bill because we believed it was not fair that, regardless of the merits of this individual case, these other officers should be penalized by having the matter held up by retaining the Graham case in the bill.

Mr. BLANTON. If I were a conferee and had come to the conclusion which I have come to, and the conclusion to which the conferees have come, that this legislation ought not to pass, I would come up and say so.

Mr. CRAGO. Members will have that opportunity when the individual bill comes up.

Mr. Speaker, I do not know that I want to take any further time in explanation of this bill. It has been thoroughly explained to the House several times, and if there are no further questions I move the previous question on the adoption of the conference report.

The SPEAKER. The gentleman from Pennsylvania moves the previous question on the adoption of the conference report.

Mr. GARD. Mr. Speaker, will the gentleman withhold that for a moment?

Mr. CRAGO. Yes.

Mr. GARD. Will the gentleman explain just what the conference report does that he asks us to agree to? I did not hear it clearly.

Mr. CRAGO. Yes. The conference report, as shown by the statement, changes the amount that we are to pay to this English officer, who is totally blind.

Mr. GARD. Is that the officer who was injured by an explosion while instructing troops of the United States?

Mr. CRAGO. Yes.

Mr. GARD. How much is that increased?

Mr. CRAGO. That is increased to $10,000. The situation regarding that is briefly this: It was proposed to put him on the list of beneficiaries of the War Risk Insurance Bureau. That would have established a precedent that we did not want to establish at this time, and for that reason we gave him a lump-sum appropriation. The committee figured that eventually that would amount to about the same to him, so far as money is concerned, as would be allowed one of our own officers under similar conditions. An officer in our Army would get $100 a month and $20 for attendance, and on his death his widow would get $25 a month so long as she remained his widow, and so much for each child. Under this provision we settle with this officer in full, and we enable this officer, who has a wife and children, to provide himself with a little home, and we give him some recognition on the part of our Government for his great sacrifice.

Mr. GARD. And the House recedes, as I see from the statement, from the amendment which includes Capt. Graham?

Mr. CRAGO. We thought it best to do that; yes. That is what the gentleman from Texas [Mr. BLANTON] was talking about. We did not want to endanger the bill under the circumstances.

Mr. GARD. The amendments that the House put in are agreed to by the Senate?

Mr. CRAGO. Yes.

Mr. GARD. So that the only one that the House recedes from is Capt. Graham's restoration to the list?

Mr. CRAGO. Yes; except as shown in the report or statement.

Mr. GARD. That is receded from by the conferees?

Mr. CRAGO. Yes.

The SPEAKER. The gentleman from Pennsylvania moves the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the adoption of the conference report.

The conference report was agreed to.

EXTENSION OF REMARKS.

Mr. KING. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of cooperative live-stock shipping.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks on the subject of cooperative live-stock shipping. Is there objection?

There was no objection.

SUNDRY CIVIL APPROPRIATION BILL.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the sundry civil bill.

The SPEAKER. The gentleman from Iowa moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the sundry civil bill. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Minnesota [Mr. ANDERSON] will please take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870, the sundry civil appropriation bill, with Mr. ANDERSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13870, the sundry civil appropriation bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13870) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes.

Mr. HUDSPETH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HUDSPETH: On page 157, line 8, after the figures "$2,600,000," strike out the semicolon, insert a colon, and add the following: "*Provided*, That no part of the money herein appropriated for the Immigration Service shall be expended until the Secretary of Labor has allotted to the Director General of Immigration a sufficient sum to enable the Director General of Immigration to adequately equip the border patrol guard along the border of the United States and Mexico, so that said border patrol guard shall be in sufficient numbers to prevent the entry into the United States of undesirable aliens and undesirable persons prohibited from entering this country by law."

Mr. GOOD. Mr. Chairman, I make a point of order that this amendment changes existing law.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. HUDSPETH. I should like to cite the Chair to a case directly in point, found in section 3997 of Volume IV of Hinds' Precedents, where a similar limitation was held to be in order by Chairman Dalzell, of Pennsylvania.

Also to section 3997 of volume 4, where Chairman Lawrence, of Massachusetts, ruled in order a limitation similar in all respects with this one on the District of Columbia appropriation bill.

Also to section 3999 of the same volume, where a point of order by Mr. CANNON, of Illinois, against precisely this kind of a limitation was overruled by Chairman Boutell, of Illinois.

Also to sections 4000, 4002, 3939, 3940, and 3941 of the same volume, where almost identical limitations on appropriation bills were admitted under the Holman rule.

Mr. GOOD. While this amendment starts out as a limitation, yet after we finish the first sentence it provides for an enlargement of the expenditure, requires the adoption of a plan that will mean that more money shall be expended, and that the Secretary of Labor shall not expend any money until he increases the service, and in the end that will require an additional appropriation. That is the substance of it. That can not be called a limitation. The gentleman is simply putting his amendment in a little different form than the amendment he offered last night, which the Chair held out of order. Simply to start out with a limitation does not cure the evil of the gentleman's amendment. The evil is found in the fact that this amendment still directs the Secretary of Labor to do just what the gentleman's former amendment directed him to do, and the words of limitation entirely disappear when we read the remainder of the amendment. It is not a limitation at all, but a direction, just as clear and plain and direct as his former amendment, which the Chair ruled was a change of existing law.

Mr. BLANTON. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. BLANTON. The trouble is that the distinguished chairman of the Committee on Appropriations seems to be out of line with the decisions of four chairmen who have passed on this question.

Mr. GOOD. Oh, not at all. Each limitation must stand upon its own bottom, and the trouble with the gentleman from Texas, I fear, is that when he sees the word "limitation" he jumps at the conclusion that it is really a limitation, whether the words that follow the words which are a limitation on the appropriation amount to an enlargement of the appropriation or of the force. This pretended limitation is a camouflage.

Mr. BLANTON. The trouble is that, unfortunately for the distinguished gentleman, this proposed amendment offered by my colleague [Mr. HUDSPETH] has been passed on by a very prominent parliamentarian, who sat at that desk for years and gave parliamentary advice to very distinguished speakers.

Mr. GOOD. That may be, but sometimes very distinguished parliamentarians make very grave mistakes.

The CHAIRMAN. The Chair is ready to rule. The amendment proposed by the gentleman from Texas [Mr. HUDSPETH] is in the form of a limitation. While consideration must be given to the form of the amendment proposed as a limitation, for the purpose of determining whether it is in fact a limitation, still the question whether it is a limitation or not must in the last analysis be determined by whether it is a negative upon the appropriation or an affirmative direction addressed to the discretion of the officer for whose department the appropriations are made.

While the pending amendment is in the form of a limitation applying to the entire appropriation, it in fact undertakes to direct the discretion of the Secretary of Labor in a matter in which he now has full discretion.

The Chair thinks that the question involved in this limitation is similar to the question decided under paragraph 3957 of Hinds' Precedents, which is stated as follows:

The limitation must be upon the appropriation and not an affirmative limitation of official functions.

On April 24, 1900, the Post Office appropriation bill being under consideration in Committee of the Whole House on the state of the Union, Mr. W. T. Crawford, of North Carolina, offered to the paragraph appropriating for inland transportation by star routes the following amendment:

Of which sum $50,000 shall be used, under the direction of the Postmaster General, in supplying temporary service to the newly established offices in cases where the establishment of star routes is contemplated.

Mr. Eugene F. Loud, of California, having raised a point of order, the chairman held:

It is not a limitation upon the appropriation; it is a limitation upon the functions of the Post Office Department. It takes away from the Postmaster General that discretion that he now has and is, therefore, in the opinion of the Chair, obnoxious to the point of order, and the Chair sustains the point of order.

The present occupant of the chair thinks that the precedent which he has just cited is applicable to the amendment proposed by the gentleman from Texas [Mr. HUDSPETH] and therefore sustains the point of order. The Clerk will read.

The Clerk read as follows:

Enforcement of laws against alien anarchists: For the enforcement of the act entitled "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes," approved October 16, 1918, and acts amendatory thereof, including salaries and expenses of officers, clerks, and employees in the District of Columbia and elsewhere, per diem in lieu of subsistence, supplies, rentals, deportation expenses, and all other expenses incident to the enforcement of said laws, to be expended under the direction of the Secretary of Labor, $300,000; and the unexpended balance of the appropriation for this purpose, contained in the "second deficiency appropriation act, fiscal year 1920," is continued and made available during the fiscal year 1921: *Provided*, That these sums may be supplemented, if necessary, by specific allotment from the foregoing appropriation for "Expenses of regulating immigration" upon the written order of the Secretary of Labor.

Mr. BLANTON. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 157, beginning on line 24, strike out the paragraph down to and including line 15 on page 158.

Mr. BLANTON. Mr. Chairman, I think we ought to save this $300,000. It is absolutely useless and a waste of time and money for us to appropriate $300,000 on this item, when all we have to do is to go to any Member of Congress who has investigated this department and learn that Louis F. Post, the Assistant Secretary of Labor, the very officer in this department into whose hands you place the expenditure of this $300,000, is in league with the anarchists themselves, and releases them faster than the Attorney General can apprehend them.

Mr. LAYTON. May I interrupt to ask the gentleman a question?

Mr. BLANTON. Yes.

Mr. LAYTON. Is not that an indictment against the President of the United States?

Mr. BLANTON. Do you know that makes me tired when I hear that assertion, when we are convinced that an officer of this Government is an anarchist. It is simply "passing the buck." If you do not believe that fact exists, ask the chairman of the Republican Committee on Immigration, Mr. JOHNSON of Washington.

Mr. JOHNSON of Washington. Wait a minute, Mr. Chairman; the gentleman from Texas must not put words into my mouth.

Mr. BLANTON. Does not the gentleman believe that he is an anarchist?

Mr. JOHNSON of Washington. I have to take his word for it, and he says that he is not.

Mr. BLANTON. Has not the gentleman from Washington been convinced that he has been shielding anarchists?

Mr. JOHNSON of Washington. When the gentleman gets through with the floor I will take the floor and make a statement.

Mr. BLANTON. Well, I can cite the gentleman from Kansas [Mr. HOCH]; he is not weak-kneed. He will tell you that Louis F. Post is an anarchist and has been shielding anarchists, be-

cause he has a resolution in here to expel him, and it has been before the Rules Committee for days. And it would have been reported if the anarchists' lawyer, Ralston, had not been up before the committee to stop it.

Mr. LAYTON. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. LAYTON. I would like to get this matter straight. Why does not the President act?

Mr. BLANTON. Why, why does not Congress act, I will ask the gentleman. Why "pass the buck"?

Mr. LAYTON. You can not "pass the buck"; it is the President who should act if he has an official whom he believes to be an anarchist. Therefore the gentleman's statement is an indictment of the President as being in favor of anarchists.

Mr. BLANTON. I will tell you, if I thought that Congress was sick in bed and had been for some time I would not appeal to you. I believe you fellows over there are sick; you have got some kind of a malady because you do not act. But you are not sick in bed and have not been confined in bed for months, and therefore I am not going to the President in this appeal, but I am going to you, because you have the right, you have the power, you have the authority, if your knees do not weaken. [Laughter.]

Mr. LAYTON. Then the gentleman's conclusion is that we have a Government that is acephalous?

Mr. BLANTON. No; the gentleman is a distinguished physician; he has attended other men in this Nation who have been sick. That is one incident of human life, to get sick; and the gentleman from Delaware ought to know that better than anyone else. Are you going to condemn a man because he is sick? Are you going to condemn a man because good health has left him by reason of strenuous service to his country? It possibly might overtake some of us some day.

Mr. LAYTON. Suppose the captain of a ship is taken sick; who takes his place?

Mr. BLANTON. The next one in power. If the captain of this ship is sick, you are the next in power; but you will not act. Why do you not act? Congress has the power. Why do you not act?

Mr. LAYTON. Does the gentleman admit that the President is incompetent to act as President?

Mr. BLANTON. Oh, no; I do not admit any such thing. Oh, take the whole bunch of your party and combine you all together, and, absolutely well, you have not got half the ability that that sick man in the White House possesses right now.

Mr. LAYTON. Then, why does he not act?

Mr. BLANTON. Because he is sick.

Mr. LAYTON. And he can not act?

Mr. BLANTON. He will act when he gets well, and he will act in such a way that he will make you all sick when he gets well. [Laughter.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GOOD. Mr. Chairman, I would like to see if we can not agree on time for debate on this paragraph. I ask unanimous consent that all debate on this paragraph and amendments thereto close in 15 minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on the paragraph and amendments thereto close in 15 minutes. Is there objection?

There was no objection.

Mr. JOHNSON of Washington. Mr. Chairman, I rise in opposition to the amendment which proposes to strike out the paragraph for the enforcement of the law against alien anarchists. You will not get anywhere by striking out the appropriation of what little money we have, I dislike to hear any Member stand here on the floor and actually charge an officer of the Government with being an anarchist. I dislike further to have any Member put such words in my mouth. We all know that a resolution is being considered in the Rules Committee which might lead to a resolution of impeachment. Every Member of this House knows that impeachment charges are not lightly made; that they are of the highest privilege, and must be handled with dignity and the greatest fairness. To bandy the word "anarchist" about and charge it against any officer of the Government is to do just what that officer charges that Congress has done in its immigration laws; he charges that the law makes the word "anarchist" a verbal brickbat. I do not think the law uses the word in any such way. I think Mr. Post has read into the law what he should not have done.

I do not want my valiant friend from Texas to charge me with being weak-kneed simply because I want any part that I may have in the inquiry to be a fair one. The work of the Immigration Committee will go on. There is much yet to do in that committee, regardless of what may be done by the Committee on Rules.

I do say that in my opinion the Assistant Secretary is too sympathetic with attorneys for revolutionary alien clients who strive day and night against this Government. The Assistant Secretary is reached by personal visit or by telephone or otherwise, and in such cases the deportation warrants of such aliens are held up and very often decisions reversed after the statement has been made that the alien should be deported. The decision of the Secretary of Labor is supposed to be final, but it is not, apparently. In some of these cases no new evidence is offered.

We may get a few deportations of aliens of the anarchistic classes some day. On the *Buford* last December went 241, all properly deported. About 20 more have been sent. A few more are ready to go. Some one will really represent the Government one of these days and more will go.

It was presumed that on next Saturday a party of Russians would pass out of New York on a vessel for Odessa. Lo and behold, however, the ship that sails that day is not a ship of the United States, but is a carrier which goes only to Constantinople, and there the authorities would have to transship these deportees to Russia. Strange as it may seem, whatever Government rules at Constantinople now declines to have these alien anarchists who have been picked up in the United States within the limits of Constantinople for a single day. We have had many difficulties through the hairsplitting of our laws in getting these anarchists up to the point of deportation, and now they are not to go. Perhaps they will be released on nominal bond, for that has been a custom.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. KING. I have seen it stated in the public press, and I want to ask the gentleman as to the truth of it, that the Russian government has offered to pay the expenses of all of the ships necessary to take the undesirable Russians home.

Mr. JOHNSON of Washington. I do not know what the gentleman means by the "Russian government."

Mr. KING. Any government that is in control there.

Mr. JOHNSON of Washington. These anarchists themselves, these members of the Russian Workers, who start their platform by saying "We are anarchists; we are atheists; we are revolutionists," appeal to their representative to this Government, Ludwig Martens, who himself is being held on a deportation warrant, the final decision on which is not yet made, it having been postponed one or two times. They say he will take them free of charge. I hope our Government will be able to send Mr. Martens and all the rest of these Russian agitators, revolutionists, and communists, who have avowed themselves openly to be anarchists and against this Government, back to their own Russia.

Mr. KING. Has any government in Russia offered to pay the expenses of the deportation?

Mr. JOHNSON of Washington. Oh, they say so; but I do not think so.

Mr. VAILE. If this appropriation for expenses of deportation be stricken out, could we give a better excuse, then, for complete failure?

Mr. JOHNSON of Washington. It would be complete failure.

Mr. MILLER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. MILLER. Why is it necessary to deport these anarchists via Constantinople to Odessa? Why not send them by the northern route and deliver them into a port of Russia?

Mr. JOHNSON of Washington. I think as a matter of economy they are trying to find some commercial vessel sailing to some port in Russia. What I want to say to this membership is this: In my opinion, the whole immigration system is in a wretched state. I am not sure but that we will have to ask authority for a select committee to be appointed by the Speaker to sit during any recess that we may have for the purpose of rewriting the entire immigration and naturalization laws. I believe that to be necessary. It would be quite a heavy task. It is charged that these immigration laws are a crazy quilt, patched up, and they are, and it is a fact that in all of the immigration laws we have written we have marched up the hill rather stiffly, and then put a little loophole in whatever we have done sufficient for some officer who is not in sympathy with the law to find a way to escape it.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. RAKER. Is it not a fact that so far as the Committee on Immigration and Naturalization have gone under the resolution giving them the power, we have found that the law is now suffi-

cient and ample, but that the main thing is that there shall be more men to assist in its enforcement?

Mr. JOHNSON of Washington. Very largely so. If the gentleman will excuse me, I want now to call attention to this fact: This whole thing is a lump-sum appropriation. You have heard the appeal that a certain sum should be set aside for the protection of the Mexican border. That sum is needed. A similar sum is needed for the protection of the Canadian border. Yet out of this total sum comes the payment of all of the immigrant inspectors we have. At the port of New York 85 per cent of all the immigrants come in, and, in my opinion, there is at that port an entirely insufficient and underpaid number of inspectors. When an inspector quits in any port of the country it is almost impossible to fill his place. Inspectors must be men of high character; they have to be men with some understanding of the immigration laws. Further, the public is misunderstanding the whole deportation procedure. You will find the cry put up that men are being railroaded out of the country, and that cry is based upon the belief by people that every man held for deportation is entitled to a trial by jury, a full court trial. That is not the law at all. He is entitled to a hearing before the inspector.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. FESS. Did the gentleman hear the statement of the attorney representing Mr. Post before the Committee on Rules?

Mr. JOHNSON of Washington. Yes.

Mr. FESS. He makes the open charge that the Department of Justice is gathering up a lot of people on nothing more than mere suspicion, and that is a serious charge.

Mr. JOHNSON of Washington. I discussed that yesterday briefly, but I think in the bulk of those cases that the Department of Justice secured from the Department of Labor proper warrants on which to make arrests. They made arrests, however, in the form of raids, and where they gathered up many that they wanted with the Department of Labor warrants, they gathered also others with no warrant. The congestion was such that it took some time to sort them out and release them.

Mr. FESS. There is no necessity for more law, is there?

Mr. JOHNSON of Washington. Perhaps not, but I think that we would benefit by having as law the bill that this House passed by unanimous vote in the middle of last December, in which we made it a deportable offense for an alien to circulate revolutionary literature; that is, literature preaching the overthrow of this Government by force and violence. I can not see why an alien should be permitted to do that. I have a book here full of the stuff they actually distributed, and it is criminal. We hear this discussion of philosophical and other kinds of anarchists, and here they are. Here is some of their philosophical group, and then they are pictured here altogether, the good and the bad. There is Tolstoy, the fine one, from their standard, and here is Johann Most, the vicious one, all grouped together, all for revolution; and all of them in the United States who are aliens are deportable without any "ifs" or "ands" about it, Mr. Post to the contrary notwithstanding.

Mr. FESS. How do you know how to differentiate the good from the bad in literature?

Mr. JOHNSON of Washington. You can not. If the literature openly advocates the overthrow of this Government by force and violence and aliens belonging to the Communist Party, the Communist Labor Party, the Socialists, or any other party, distributes that literature, that can be made by this act of ours an overt act sufficient to warrant deportation, but until we do that we are not clearing up the situation in the United States in my opinion.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Washington. I hope this amendment will be defeated.

Mr. GOOD. Mr. Chairman——

Mr. RAKER. Mr. Chairman, before the gentleman proceeds, this is an important matter and I think some of the matters ought to be cleared up, and I ask that I may have five minutes on this particular subject.

Mr. GOOD. I think we have thrashed over this matter pretty thoroughly and——

Mr. RAKER. I want to say to the gentleman this: I am painfully disappointed in the statements made this morning in regard to the Immigration Service.

Mr. GOOD. Mr. Chairman, I ask that the gentleman be permitted to speak for five minutes in addition to the time already agreed upon.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the gentleman be permitted to speak for five minutes notwithstanding the unanimous consent already agreed to. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. Mr. Chairman and gentlemen of the committee, the Committee on Immigration have had this entire subject up for the last three months and more. We have held hearings here in Washington, New York, and elsewhere. We have had many men before the committee in regard to our immigration laws, and in regard to our naturalization laws. We have had inspectors from the Mexican border, from Tia Juana down to Brownsville; we have had inspectors from along the eastern coast and inspectors from the Canadian border that are in that part of the country as representatives of the United States Government; also from Philadelphia, St. Louis, Chicago, and elsewhere. I want to say to the committee that there is no question that there has been no one able to point out before that committee an imperfection in the law whereby we can not deport and dispose of these anarchists if we want to do so. The question is that we have not sufficient men in the service. Their compensation has not been sufficient. Along the Canadian border from Maine clear out to the Pacific Ocean it is shown that they can come through by the trainload without apprehension, and along the Mexican border there is no doubt from the unquestioned testimony that men can come over now at all times, anarchists and otherwise, because we have not enough inspectors along the line to guard it. The same way with regard to those who land on the vessels, and by personal inspection of the committee it has been demonstrated to us, so that no one can say to the contrary, that what we want is more inspectors there to do that work.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. RAKER. I would rather not. I desire to state this, and if I have any time I will yield to the gentleman. So the question that comes up is the question of more men to do the work. The question is of more men to assist in gathering together these men who are violating the law who are in this country, and no man yet has been able to say before that committee, from the very best lawyer in New York down, who by cross-examination has had to admit before that committee there are upon the statute books laws whereby we can have public hearings and whereby an arrest is made under the law, whereby an opportunity is given the party for a full and complete open hearing with counsel to represent him in every proceeding from the start to the finish, from the arrest of the man to the final determination of the Secretary of Labor. We do not need to change the law; all we want is more men to enforce it. Now, as to the question of the deportation of the anarchists there can be no question but what many, many men have been arrested and have been turned loose who should not have been. The Secretary of Labor rendered a proper decision relative to the deportation of anarchists, and that should be determined under that decision.

Some 10 days ago our committee ceased functioning and if we had gone on and continued going on under the authority given by this House for the subpœnaing of witnesses and swearing them we would have been able to bring before the House and bring before this department a sufficient presentation that these men would be continued to be sent abroad, as they should be, and there would be no fault in the law. Secretary Wilson's decision upon the question is ample and sufficient. He says if these men have violated the law, he says if they belong to organizations which teach anarchy and the destruction of property, teach the assassination of public officials and the overthrow of this Government, why should not they be deported? There is no need of camouflaging; there is no need of making a political question out of this. It is simply a question of enforcing our laws; but we have not enough money and we ought to appropriate it instead of striking out that which is already in the bill, for the purpose of carrying out the provisions of our present laws.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD, and I desire to insert in those remarks a statement made by Mr. Parker, under investigation before our Committee on Immigration, showing the cause and the charge against the 249 reds who were sent from this country last December. It has not been published, and I think the country ought to know the facts.

The CHAIRMAN. The gentleman from California asks unanimous consent to extend his remarks in the RECORD by including the material to which he refers. Is there objection?

Mr. MANN of Illinois. Mr. Chairman, reserving the right to object, how long is that?

Mr. RAKER. It is, I think, about six pages. It shows——

Mr. MANN of Illinois. Of printed hearings?

Mr. RAKER. Yes, sir.

Mr. MANN of Illinois. I have no objection.

The CHAIRMAN. The Chair hears no objection.

Mr. GOOD. Mr. Chairman, I am at a loss to understand the position of the gentleman from Texas who makes the motion. On yesterday a motion was made to increase the appropriation to the Attorney General to arrest the reds and the alien anarchists in the United States by $500,000, and the gentleman from Texas voted for the amendment.

Now, under the law, after there is once an arrest, the question of the trial and judgment is all turned over to the Department of Labor, and out of this appropriation the trial proceeds to judgment, and the Secretary of Labor renders the judgment. Now, the gentleman would have them arrested, thrown into jail without any appropriation for their trial or deportation when they are found guilty.

Mr. BLANTON. Will the gentleman yield?

Mr. GOOD. That would be certainly a useless thing to do.

Mr. BLANTON. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. BLANTON. The reason I am willing to give money to the Department of Justice and not to the Department of Labor is that I have full confidence in the integrity of the Department of Justice and not in the other.

Mr. GOOD. But what the gentleman would do would be simply to waste $500,000 by giving it to the Department of Justice, because no beneficial result would flow from it, if we stopped with the arrest. Now, I think there is a very healthy sentiment on both sides of the House with regard to this whole question. If there is a man here, I do not care on which side of the House he sits, who is not in favor of a vigorous enforcement of this law, I do not know who he is. I think there is a feeling on both sides of the House, quite generally, that the Assistant Secretary of Labor is not performing his full duty in this regard. Now, we appropriated $750,000 for the trial and deportation of alien anarchists in a deficiency bill, and on April 22, when the department came before the Committee on Appropriations asking for this appropriation of $600,000 for deportation, they had expended only $45,000 of the $750,000 and incurred obligations, they estimated, of approximately $170,000. That was on April 22 of this year.

Now, certainly this department is not functioning very vigorously along this line, but the position of the committee was that this law should be enforced, these alien anarchists deported, and whether Mr. Post is to be entrusted with the enforcement of the law next year or not I do not know, Congress does not know, but the committee was positive of one thing—that every red-blooded American in favor of the enforcement of the law and the deportation of every alien anarchist in the United States should go forward with that work, and that ample funds should be provided for the purpose. That is the reason for the appropriation. [Applause.]

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. JOHNSON of Mississippi. Instead of striking it out, would it not be better to give more to the department, and would not the striking of this out destroy the usefulness of that department?

Mr. GOOD. I think we have appropriated all that is necessary.

Mr. JOHNSON of Mississippi. Would it not destroy the usefulness of this department at this time?

Mr. GOOD. It would have, of course, some money of the regular appropriation to carry on deportation work; but it would have no money to carry on the work at all on a plan commensurate with the undertaking of the Attorney General. And the two things go hand in hand.

The CHAIRMAN. The time of the gentleman from Iowa has expired. The question is on the amendment of the gentleman from Texas [Mr. BLANTON] to strike out the section.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. RAKER and Mr. MANN of Illinois demanded a division.

The committee divided; and there were—ayes 1, noes 93.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For refund of immigration fine erroneously assessed and collected from J. D. Spreckels & Bros. Co. at San Francisco, Calif., $200.

Mr. BEE. Mr. Chairman, I interrupt in order to ask the gentleman from Iowa with reference to this $200 item of refund to J. D. Spreckels & Bros. Co. How does that get in the sundry civil bill, and why do not J. D. Spreckels & Bros. Co. take the usual course if this has erroneously been paid?

Mr. GOOD. It is one of those cases, a rather unusual case, where the reimbursement could not be made without an appropriation. The case, as I recall, is of an illiterate alien. It was thought that this alien was of a class that should be excluded, and, proceeding upon that assumption, the steamship company was fined $200. It subsequently developed that the alien was not of that class and was entitled to enter the United States, and now it is necessary to reimburse the steamship company for the actual amount of the fine that was paid.

Mr. BEE. I am not questioning the justice of the claim; but I have in mind, as a member of the Committee on Claims, bills pending before the committee that have been there for years, on the question of refund of taxes, and the gentleman from Michigan has one for the refund of a fine. I just wondered why J. D. Spreckels & Bros. Co. did not take their course through the Committee on Claims and have a bill introduced for their relief instead of providing for it in the sundry civil bill?

Mr. GOOD. I am advised that in cases of this kind, where a collection had been made through mistake in judgment—an erroneous collection—reimbursements have always been carried on this bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATURALIZATION SERVICE.

For compensation, to be fixed by the Secretary of Labor, of examiners, interpreters, clerks, and stenographers, for the purpose of carrying on the work of the Bureau of Naturalization, provided for by the act approved June 29, 1906, as amended by the act approved March 4, 1913 (Stats. L., vol. 37, p. 736), and May 9, 1918 (Stats. L., vol. 40, pp. 542, 548, inclusive), including not to exceed $50,000 for personal services in the District of Columbia, and for their actual necessary traveling expenses while absent from their official stations, including street car fare on official business at official stations, together with per diem in lieu of subsistence, when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, and for such per diem together with actual necessary traveling expenses of officers and employees of the Bureau of Naturalization in Washington while absent on official duty outside of the District of Columbia; telegrams, verifications of legal papers, telephone service in offices outside of the District of Columbia; not to exceed $13,400 for rent of offices outside of the District of Columbia where suitable quarters can not be obtained in public buildings; carrying into effect section 13 of the act of June 29, 1906 (34 Stats., p. 600), as amended by the act approved June 25, 1910 (36 Stats., p. 765), and in accordance with the provisions of the sundry civil act of June 12, 1917; and for mileage and fees to witnesses subpœnaed on behalf of the United States, the expenditures from this appropriation shall be made in the manner and under such regulations as the Secretary of Labor may prescribe, $525,000: *Provided*, That no part of this appropriation shall be available for the compensation of assistants to clerks of United States courts.

Mr. BLANTON. Mr. Chairman, I make a point of order against the following portion of the paragraph. On page 159, beginning with line 23:

And for such per diem together with actual traveling expenses of officers and employees of the Bureau of Naturalization in Washington while absent on official duty outside of the District of Columbia.

For the reason that it is new legislation and unauthorized by law. I call the chairman's attention to the fact that the per diem traveling expenses are fixed by law. This is an attempt to enlarge it and leave it unlimited, without any amount fixed even, and to let them be confined to whatever may be termed actual traveling expenses, without any limitation on them whatever. There is no law for it, and it is unauthorized.

Mr. GOOD. This does not change the law. The general law provides that the limit shall be a per diem of $4, and not to exceed $5 actual expenses.

The CHAIRMAN. The Chair will suggest that this amendment does not limit it to $5.

Mr. GOOD. That is existing law. There is nothing in this provision that gives them the right to exceed what is provided in the general statute.

Mr. MANN of Illinois. It is clearly an appropriation. Money under the law could not be paid out of an appropriation. This is merely an appropriation, and the money that is expended must be expended under the law. This does not change the law.

Mr. BLANTON. If there is law for it, there is no need for this appropriation.

Mr. MANN of Illinois. Oh, yes. There is need for appropriation. This is merely descriptive of the purpose of the appropriation.

Mr. BLANTON. The chairman is a good lawyer, and he knows that under the provisions of this clause, as written, it would not be limited necessarily to the $5 a day as a maximum.

Mr. MANN of Illinois. Mr. Chairman, of course, this is merely descriptive of what the $525,000 at the end of the paragraph is for. It does not enlarge the law or change the law, and without the language the $525,000 could not be paid for per diem expenses as the law provides, because there must be an appropriation as well a law for the payment of the money. This does not change the law.

Mr. GOOD. Mr. Chairman, the law provides as follows:

On and after July 1, 1914, unless otherwise expressly provided by law, no officer or employee of the United States shall be allowed or paid any sum in excess of expenses actually incurred for subsistence

while traveling on duty outside of the District of Columbia and away from his designated post of duty, nor any sum for such expenses actually incurred in excess of $5 a day.

Now, we are not changing that law. This appropriation, as stated by the gentleman from Illinois [Mr. MANN] is just descriptive of the purpose for which the money can be expended.

The CHAIRMAN. The Chair is ready to rule. The Chair was under the impression, when the point of order was first raised, that the purpose of this language was to repeal the law which limits the actual expenses which may be allowed to an officer of the Government while traveling on official business to $5. On careful examination of the provision the Chair is of the opinion that the provision to which the gentleman from Texas [Mr. BLANTON] makes the point of order does not change the existing law, and would not authorize the allowance of traveling expenses in excess of the amount fixed by law, but is simply an appropriation of an amount for the purpose of payment of the expense which is authorized by law.

Mr. BLANTON. Mr. Chairman, under the construction placed upon the law by the Chairman, the department would necessarily be guided by it, and therefore I withdraw the point of order.

The CHAIRMAN. The Chair overrules the point of order, and the Clerk will read.

Mr. SIEGEL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SIEGEL: Page 160, line 14, after the word "prescribe," strike out the figures "$525,000" and insert "and the requirement in section 4 of the act of June 29, 1906 (34 Stat. L., pt. 1, p. 596), that an alien shall file a certificate of arrival from the Department of Labor with the clerk of the court at the time of filing a petition for naturalization, is hereby repealed, $520,000."

Mr. RAKER. Mr. Chairman, I make the point of order against the amendment.

The CHAIRMAN. The gentleman from California makes a point of order against the amendment.

Mr. RAKER. The point of order is that it is new legislation. The law now requires, under the fourth section of the act of June 29, 1906—Thirty-fourth Statutes at Large, part 1, page 596—that the party on application for naturalization shall present a certificate of his landing, and this would repeal that. The legislative, executive, and judicial appropriation bill, which came in here some time ago, carried an amendment of that kind, and the Chair held it out of order.

The CHAIRMAN. Does the gentleman from New York desire to be heard on the point of order?

Mr. SIEGEL. I do. By the adoption of this amendment we would save at least $5,000, reducing the amount from $525,000 to $520,000. It would do away with the proposition of requiring every applicant for citizenship to produce a certificate of arrival.

I hold a letter in my hand from the Assistant Secretary of Labor, dated April 30, 1920, showing conclusively that at the port of New York at the present time there are 10,000 such applications that can not be acted upon, and that they are behind at least five months in acting upon them. They are behind at Montreal several months, and at various other ports the same regrettable condition prevails. I may also add that the Committee on Immigration and Naturalization has reported a bill, H. R. 13646, which repeals the certificate-of-arrival provision; and by the adoption of this amendment we would relieve at least a dozen clerks from doing this useless work and at the same time save $5,000. The newspapers and others interested in having aliens become American citizens, including the Bureau of Naturalization, are all in favor of the adoption of this amendment.

The CHAIRMAN. The Chair is ready to rule. The amendment of the gentleman from New York [Mr. SIEGEL] inserts the following provision in the paragraph under consideration:

And the requirement in section 4 of the act of June 29, 1906 (34 Stat. L., pt. 1, p. 596), that an alien shall file a certificate on arrival, from the Department of Labor, with the clerk of the court at the time of filing a petition for naturalization is hereby repealed, $520,000.

To this proposed amendment the gentleman from California [Mr. RAKER] makes the point of order that it is new legislation and therefore not in order on an appropriation bill.

The gentleman from New York [Mr. SIEGEL] contends that the amendment is in order under the Holman rule, because it reduces expenditures. The Chair thinks that the Holman rule, properly construed, so far as it relates to amendments offered by a Member on the floor, only permits legislation in the sense of legislation reducing the number or salary of officers of the United States or the compensation fixed by law to be paid out of the Treasury of the United States to such officer, or by reduction of the amounts of money carried by the bill; that the Holman rule does not contemplate the repeal, or make in order amendments which in effect repeal, the substantive provisions of law.

The Chair is aware of the fact that the opinion he is now rendering is in some respects not in line with the decisions which have recently been rendered by chairmen of the Committee of the Whole. The Chair will not at this time undertake to go into those precedents. The Chair is of the opinion that an amendment repealing substantive provisions of law is not in order under the Holman rule. The Chair therefore sustains the point of order.

Mr. SIEGEL. Mr. Chairman, I ask unanimous consent to insert in the RECORD a letter from the Department of Labor on the subject.

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks by inserting a letter from the Secretary of Labor. Is there objection?

There was no objection.

Following is the letter referred to:

DEPARTMENT OF LABOR,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, April 30, 1920.

Hon. ISAAC SIEGEL,
Representative in Congress, Washington, D. C.

MY DEAR MR. SIEGEL: In response to your letter of the 27th instant to the Commissioner of Naturalization, I beg to say that the delay in furnishing certificates of arrival for naturalization purposes is not due to any congestion in this work prevailing in the Bureau of Naturalization. For some time past that bureau has kept this line of work in such a state of currency that applications for certificates of arrival are handled by it on the date of receipt, or at most one or two days following. The delays are at ports of entry, where they are caused by apparently unavoidable congestion of other work.

To illustrate the state of arrearage in certificate of arrival work at Ellis Island, I may say that applications for such papers which the Bureau of Naturalization referred to Ellis Island in December, 1919, are now being received back with the required arrival certificates. This degree of arrearage has existed for many months past. I have at present no way of accurately stating just what congestion in this work exists at Ellis Island, but I would estimate that the Ellis Island immigration authorities now have on hand about 10,000 applications for certificates of arrival. These consist of applications received at that port from the Bureau of Naturalization, commencing from the early part of December, 1919.

Another port where a similar degree of arrearage exists, although not in the same proportion as regards numbers, is Montreal. At the other large immigration ports, such as Boston, Philadelphia, and Baltimore, the delay in furnishing certificates of arrival is comparatively slight and not sufficient to suggest ground for complaint.

Very sincerely, yours,

LOUIS F. POST,
Assistant Secretary.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Contingent expenses: For contingent and miscellaneous expenses of the offices at Washington, D. C., including purchase of blank books, maps, stationery, file cases, towels, ice, brooms, soap, freight and express charges; telegraph and telephone service; printing and binding; and all other miscellaneous items and necessary expenses not included in the foregoing, and necessary to collect loans made to corporations and associations, $20,000.

Mr. BLANTON. I move to strike out the last word. I notice under this heading which carries this $20,000 appropriation there is an item for printing and binding. The gentleman will remember the very large book which this Housing Corporation got out—an illustrated book with fine steel engravings in it, and so forth. It must have cost a great deal of money. Is the chairman going to permit that to be done over again?

Mr. GOOD. If the chairman of the Committee on Apropriations could stop some of this useless printing and binding he would certainly do it. That is not the only department of the Government that has engaged in this practice. One newspaper has sent me the dope that it received in one week from all the departments of the Government. Here it is. Most of the letters unopened. They say they do not open them.

Mr. BLANTON. But the gentleman is going far afield from the subject. I am confining it to this Housing Corporation, which got out this very large illustrated book with steel engravings in it. Is that going to be done over again this year out of this $20,000?

Mr. GOOD. At the time they got out that book they had unlimited funds. I do not think they propose to engage in any printing of that kind. It was the intention of the committee that the printing and binding and other expenses should necessarily be very limited. The Housing Corporation is a liquidating proposition. There is a bill now in conference——

Mr. BLANTON. Then if they go beyond the liquidating proposition in this printing and binding, they will go beyond the express will of this Congress?

Mr. GOOD. They certainly will. They certainly would not be warranted in going to any expense in republishing the book to which the gentleman refers, or anything like it.

Mr. CLARK of Missouri. Will the gentleman yield for a question?

Mr. GOOD. Certainly.

Mr. CLARK of Missouri. Is there no way in the world to stop the departments from running their printing presses?

Mr. GOOD. I do not know. There ought to be. Here is one publication entitled, "Preface to a Report of the United States Food Administration, by Herbert Hoover, April, 1920." Here are three copies of it received by one newspaper on one day, all printed on a very expensive calendared paper. Here are other reports, from all the departments, coming to this one newspaper every week. They say they do not read them, do not open them; that they throw them in the wastebasket; yet these Government clerks, 100,000 of them, are here in Washington, and it must be necessary to keep a great many of them just sending out this useless stuff.

Mr. CLARK of Missouri. I know that half the country newspapers protest against receiving these things at all.

Mr. GOOD. Certainly, and they are objecting to the useless waste of paper in this way, which deprives them of the paper they would like to have to publish their little papers.

Mr. BLANTON. Can we not stop it?

Mr. GOOD. It is an administrative proposition. The Congress can not run the legislative branch and the administrative branch too.

Mr. BLANTON. If we cut off this $20,000, they would not have the $20,000 to spend.

Mr. GOOD. The United States Housing Corporation have about $60,000,000 worth of property. They are selling that property, and selling it on payments. There is a good deal in the way of notices and things of that kind that must be sent to buyers, and for that purpose they must have a fund.

Mr. MANN of Illinois. Mr. Chairman, it is not always so easy to control these printing expenses. We may cut down the appropriation. Very recently some of the departments sent in deficiency estimates for appropriations and said that they were absolutely essential, that they must have additional money in order to be able to print the necessary data from day to day; things that ought to be printed, things that everybody believes ought to be printed. We can not specify in an appropriation bill in every case just what documents shall be printed with the money appropriated. This sort of extravagance in printing is not chargeable to any political administration. It is just the natural tendency and desire of men who wish to put into print something that has emanated from their brains—or lack of brains—and it is not entirely confined to administrative officers; because the CONGRESSIONAL RECORD shows that that feeling pervades even the sanctity of this Chamber, and sometimes I have suspected that it has even reached the person of my beloved friend from Texas.

Mr. BLANTON. I admit it. The CONGRESSIONAL RECORD is the best medium on God's green earth with which to reach the people of the United States, because it is absolutely uncensored, and the newspapers are not.

Mr. MANN of Illinois. People do not read the CONGRESSIONAL RECORD. The newspapers which receive the CONGRESSIONAL RECORD, as a rule, throw it in the wastebasket without taking off the cover, and nearly everybody else does.

Mr. BLANTON. The people are beginning to read it.

Mr. MANN of Illinois. The gentleman from Texas reads the CONGRESSIONAL RECORD because he has so much in it.

Mr. BLANTON. And the best things I ever read in it are speeches made in fights conducted on the floor by the distinguished gentleman from Illinois [Mr. MANN].

Mr. MANN of Illinois. Oh, they were good; but I did not take the trouble to read them.

Mr. BLACK. Mr. Chairman, on this subject of printing unnecessary documents the statement has been very properly made that Congress is not always responsible for what the heads of the executive departments print; but I want to take this occasion to call the attention of the House to the fact that each day there is sent to the membership the House Calendar, which, in my opinion, contains quite a good deal of unnecessary matter. Since I have been a Member of the House, the Sixty-sixth Congress is the first Congress in which that has been done. Heretofore we got our calendars over at the House document room or down at the desk whenever we wanted them. Now, I have no complaint to make at the custom of sending out the House Calendar to the offices of Members, but in that calendar is printed an index of bills. The whole document makes 108 pages daily, of which only 30 pages are devoted to the House Calendar and the other seventy-odd pages consist of an index that is printed from day to day, and is practically a reprint every day.

It is a waste of 30,000 pages of good white paper every day, and it occurs to me that a more businesslike and sensible method could be devised for printing the calendar. It is absolutely unnecessary to print this index of bills oftener than once a week. The printing of those 70 pages every day is nothing but waste and should be stopped. I made this suggestion to the Clerk of the House some time ago, but he has not seen fit to make any change. I hope those in charge of the printing of the calendar will devise some method to stop it. The item, of course, is not so very large, so far as money is concerned, but I am opposed to waste in any form, and the instance I have pointed out is a conspicuous example of it, and it is right under the nose of Congress.

Mr. MANN of Illinois. Mr. Chairman, the calendar used to be printed three times a week. I always thought myself that that was a sufficient number, but the House at one time concluded that it ought to have the calendar printed every day, and it has been printed every day. Now, the most valuable part of the calendar is the index.

Mr. BLACK. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. BLACK. It occurs to me that the index printed in the calendars is practically identical with what is known as the weekly or monthly compendium compiled under the direction of Mr. Loomis of the House.

Mr. MANN of Illinois. Which I think is practically valueless.

Mr. BLACK. One or the other ought to be discontinued; it looks to me like an exact duplication. The House is free in complaining about duplication in the Government departments. Let us stop it in our own printing.

Mr. MANN of Illinois. They are not a duplication at all.

Mr. BLACK. Does not the gentleman from Illinois admit that they are substantially a duplication of each other?

Mr. MANN of Illinois. I will be frank with the gentleman and say that I have at different times casually examined Mr. Loomis's publication. It is of no value to me whatever and no value in my office. The calendar is. The daily calendar is carefully examined every day in my office. If it was only published once a week I would get along, as far as I am concerned. An index to do any good must be up to date. There is where Members look to see the status of legislation. Every day we are asked in letters, and so forth, concerning the status of various pieces of legislation. If a bill has been reported to the House or passed by the House the index in the calendar gives the information. That is the way I acquire my information; I do not know how others get theirs. I do not believe in duplication of work. I think if we had a calendar printed two or three times a week it would be sufficient.

Mr. MOORE of Virginia. May I ask the gentleman a question?

Mr. MANN of Illinois. Certainly.

Mr. MOORE of Virginia. In view of the great experience of the gentleman and the great respect I have for his opinion, I want to ask him whether he thinks it would be worth while to undertake some method of notifying Members a little in advance of the business which is to be transacted the following day?

Mr. MANN of Illinois. It is not possible, any more than it is possible in court. In court they give notice of the cases that will be called on a certain day, and yet frequently I have had cases on call for three or four weeks without being reached.

Mr. MOORE of Virginia. I have found that in other legislative bodies—of course, the analogy may not be a strong one between the procedure possible here and that of other bodies—that such a practice obtains. For instance, in the French Assembly there is a notification given the evening before of business to be brought up at the next session, and so in Germany, and so in a modified way in England.

In 1861 there was a commission appointed in England by the House of Commons to revise the rules of that body, and on that commission were such men as Disraeli, Palmerston, and Bright. They brought in a report stressing it as something of the greatest importance that the House should know in advance the business to be transacted at a particular session, and then adhere to the program. I have thought that something of that kind might be devised here.

Mr. MANN of Illinois. I do not think it is possible, although I am free to say that I am not caught by surprise at anything that comes up. I think I can tell, as a rule, a day or three days ahead what is coming up better than the men that bring it up.

Mr. MOORE of Virginia. May I say a word further, because I am extremely anxious to get the gentleman's opinion? I think in the extra session we acted on 21 matters under rules which were brought in by the Committee on Rules. The matters referred to in those rules, with a single exception, were taken up immediately on the adoption of the rules.

I do not see how anybody could have known in advance, unless he was in the confidence of the Rules Committee or in the confidence of the leaders of the majority who are largely responsible for the course of business in the House, what was coming up. It seems to me it might be understood that a matter

to which a special rule pertains should not be taken up, except in case of emergency, until, say the day after the rule is adopted.

Mr. MANN of Illinois. The gentleman proposes a method of killing time. Take this case that we have to-day. Here is the sundry civil bill. The majority leader said the other day that we would finish it last week. I did not think that we could finish it before the end of this week. Both of us are mistaken. It comes up to-day with 30 pages unread. It might have been finished at 2 o'clock. Then what are you going to do, adjourn or go to something else?

Mr. BLANTON. Go fishing.

Mr. CLARK of Missouri. Mr. Chairman, I would like to have the gentleman's time extended 2 minutes.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that the time of the gentleman from Illinois be extended two minutes. Is there objection?

There was no objection.

Mr. CLARK of Missouri. Mr. Chairman, in the first place I want to remark that the gentleman from Illinois owes it to the House to get up some day and make a full exposition of how he learns so much about the business of the House. I have been industrious, but not as industrious as he has.

Now, as to the matter in controversy, why not have a bulletin board at the corner of the desk, like they have in churches. Somewhere about the pulpit they have a board on which a statement is made of the hymns that they are going to sing, in large letters, so that everybody in the congregation can see what they are. I do not see why that could not be done here. The Rules Committee ought to be compelled to give 24 hours' notice every time it brings in a rule.

They bring it on the House suddenly, and the House does not know a thing on the face of the earth about what is in the rule—no one except the Rules Committee, and several of that committee do not know it, for some of them do not attend the meetings. One must go to the gentleman from Kansas [Mr. CAMPBELL] to find out when he is going to bring this rule up. Every day 25 or 30 men will come to me, or pass where I am sitting and ask me what is going to come up to-morrow, or when a certain thing is going to come up. I do not know, and there is no way of finding out. I go over and ask Mr. MONDELL, and he does not know. I do not think there is any intentional effort to keep the House in a fog about what is coming up, but people ought to have fair notice because they are interested in some bills and not interested in others.

Take the "chicken-feed" business, as the gentleman from Illinois [Mr. MANN] terms it, which comes up on Unanimous Consent Calendar day. Half of the Members in the House do not care three whoops about it, and they do not want to be dragged over here and kept here. A few make a specialty of it, as the gentleman from Illinois does. He knows what is coming up on the calendar and what he is going to do about it. He already has his amendments fixed, and he will get hold of a fellow here and worry him nearly into insanity, and then finally state to him that if he will accept his amendments, which he already has typewritten, he will not object to his bill. In order to get the bill through in some shape, the man interested in it will accept any amendment on earth that the gentleman from Illinois suggests.

Mr. MANN of Illinois. And they are always good ones.

Mr. CLARK of Missouri. Most of them are good ones. I admit that. The records of this House for the last 10 years will show that the gentleman has had more bills through and more amendments put on bills than any 10 other men in the House. He pursues that course, and he ought to get down here and explain how he does it, so that somebody else can have as much information as he has, if that is possible, which I doubt.

Mr. MANN of Illinois. Mr. Chairman, I do not ask five minutes to explain how I do it, but I do ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MANN of Illinois. The gentleman from Virginia [Mr. MOORE], one of the ablest Members of the House, suggests that in other parliamentary bodies they are able to tell in advance what is coming up for consideration. That is frequently done in State legislatures, where bills are called on the first, second, and third reading, and it is not difficult to determine. There is no other Government in the world that has our form of irresponsible executive government. It is not difficult in other parliamentary bodies, where the executive consists of members of the legislative branch of the government, who have control of legislation, so long as they have the confidence of the chamber and remain in power, to tell what is coming up. When they lose power they go out of office. They determine what is coming up, and it is not difficult to do so. In this body there are a good many different committees, many of them of practically equal influence, and there is a constant strife between members of committees in this House who have reported bills as to which bill shall be taken up in preference to bills reported from other committees. There is no call of the calendar in this House, and if there were, we probably never would get through business. The only calendar that is called is the Unanimous Consent Calendar, and that is an entirely different thing from calling the calendar as it is usually understood. We have our form of government, with no centralization of authority in the legislative branch, and there can not be as long as we have our present form of Government, and there will always be this strife of effort on the part of Members and committees to have considered first the bills in which they are interested. You never can tell very far in advance how that will come out.

Whenever there has been any centralization of authority in this House, there has been an outcry against it. Take the cry of "Cannonism" in this House a few years ago. The former Speaker of this House, Mr. CANNON, had working under him, not an autocratic organization at all, but the smoothest working legislative machinery that has ever been known in this House. There was not very much controversy. Men were given an opportunity. More legislation was enacted during that period than during any other period of Congress, but there was an outcry against it, as there will be shortly against the power of the Committee on Rules, which constantly will seek to assume additional control of the House. Whenever you get this centralization of authority, you get with it the fight against it, because those who are not given preference are opposed to it. There are a great many bills on the calendar now that gentlemen want to have passed. Most of them ought never to be passed, but the Members who are interested in them want to get them considered. You can not tell very far in advance just the minute when something will come up, but there is one thing you can all do, if you will. You can all be prepared for the bills in which you are interested whenever they do come up, and that is not a difficult thing to do. That is what I do. [Laughter and applause.]

The Clerk read as follows:

The appropriations made herein under the title "United States Housing Corporation" shall be available for expenditure by the agency or agencies of the public service having jurisdiction of the affairs of the said corporation.

Mr. BLANTON. Mr. Chairman, I make the point of order against the paragraph beginning on line 23, page 161, and ending on line 2, page 162, as being unauthorized by law.

Mr. GOOD. Mr. Chairman, will the gentleman withhold the point of order for a moment?

Mr. BLANTON. Yes.

Mr. GOOD. The bill has passed both Houses which terminates the activities of the Housing Corporation. It transfers to the Treasury Department the function of winding up this establishment. All that is intended here is to make the appropriation and permit this appropriation to follow the transfer.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. BLANTON. The gentleman admitted just a few moments ago that this Housing Corporation has in its possession millions of dollars' worth of property and cash.

Mr. GOOD. Yes; but we have provided that that shall not be available, and as the cash comes in it must be covered into the Treasury of the United States.

Mr. BLANTON. But this particular paragraph provides that the appropriations made herein under the title "United States Housing Corporation" shall be available for expenditure by the agency or agencies of the public service having jurisdiction of the affairs of the said corporation.

Mr. GOOD. I will say to the gentleman that when we drew this provision it was not known, and I do not personally know now, just what the conferees have agreed to as to the agencies that will be intrusted with winding up the affairs of this company.

Mr. BLANTON. When this bill becomes a law there will be no need for this clause, will there?

Mr. GOOD. Yes; and that is just the reason it is put in.

Unless this provision is carried if we turn over to the Secretary of the Treasury the duty of winding up the United States Housing Corporation, he will have approximately $50,000,000 worth of collections to make and will have no funds to hire clerks unless this appropriation follows it.

Mr. BLANTON. If this clause goes in, has not this Housing Corporation authority under it to expend all——

Mr. GOOD. No; Congress has provided that the receipts shall be covered into the Treasury as miscellaneous receipts, and we must appropriate——

Mr. BLANTON. Then I withdraw the point of order.

Mr. LANGLEY. The gentleman from Iowa [Mr. GOOD] said that the pending bill proposing to repeal the act creating the

Housing Corporation provides that all these buildings throughout the country shall be turned over to the Treasury Department.

Mr. GOOD. I said activities.

Mr. LANGLEY. Well, activities. I desire to call the gentleman's attention to the fact that the House bill provided that the Plaza buildings—the Government hotels—should be put under the Public Buildings Commission. The Senate bill provides that these buildings shall be put under the Treasury Department along with the balance of these war buildings throughout the country. I may add that we are to have a conference with the Senate conferees at 3 o'clock this afternoon on that question and on two or three other questions of difference between the two Houses. Of course, I have no idea what agreement is likely to be reached, because we have not yet had a meeting of the conferees and have discussed the subject only informally and briefly. If the Housing Corporation, as proposed by the Senate amendment, is to be continued until June 30—and in view of the lapse of time I think now that this should be done—and these Plaza buildings are transferred to the Treasury Department, as proposed by the Senate, and continued for another year, I take it that the provisions which this sundry civil bill contains for the force necessary to conduct that work for the ensuing fiscal year is perhaps not in excess of what the work will require, although I have not gone into that in great detail. I understand that the gentleman from Iowa has had extensive hearings on the question and understands the whole situation, and I am willing to trust his judgment on it, so far as I am personally concerned on that point.

Mr. GOOD. I thank the gentleman for the correction.

The CHAIRMAN. The point of order is withdrawn, and the Clerk will read.

The Clerk read as follows:

WOMEN IN INDUSTRY.

To enable the Secretary of Labor to continue the investigation touching women in industry, including personal services in the District of Columbia and in the field, $75,000.

Mr. BLANTON. Mr. Chairman, I make the point of order against the paragraph as being legislation on an appropriation bill and unauthorized by law.

Mr. GOOD. Will the gentleman withhold that for a moment?

Mr. BLANTON. I do.

Mr. GOOD. There was carried in the current appropriation $40,000 for this service. This is one of the war-time services which was continued under the bill which was reported out last year.

Mr. BLANTON. But there is no law authorizing this.

Mr. GOOD. There is no law authorizing it, but there is a bill that has already passed the House creating this very department——

Mr. BLANTON. And hung up at the other end of the Capitol?

Mr. GOOD. Yes; the Senate has not acted upon it; but here is a force already at work, and I am told they are doing good work. The committee went into this matter somewhat in detail in regard to the work that that bureau, headed by women, attempting to help solve the problems of women——

Mr. BLANTON. I will say to the chairman if he wants to save time, he knows it is subject to the point of order——

Mr. GOOD. I do.

Mr. BLANTON. And I am going to make it eventually, but if he wants to save time, unless he wants to make a statement——

Mr. GOOD. I was in hope I might succeed in removing any objection the gentleman might have, but if it is a useless thing, of course——

Mr. BLANTON. I do not think the gentleman can convince me on this and the two subsequent items. I make the point of order.

The CHAIRMAN. The gentleman makes the point of order. The Chair sustains the point of order, and the Clerk will read.

The Clerk read as follows:

DIVISION OF NEGRO ECONOMICS.

To enable the Secretary of Labor to deal with the problems of negro workers and their relations to white employers and white workers, including personal services in the District of Columbia and in the field, $15,000.

Mr. BLANTON. Mr. Chairman, I make the point of order that this is new legislation and unauthorized by law.

Mr. BEE. Will the gentleman reserve it so that we can understand what is meant——

Mr. BLANTON. I reserve it for a moment, but I can tell the gentleman what is meant by it. This department is sending these negro organizers down into my colleague's State and States like Georgia, Alabama, Mississippi, and the Carolinas to unionize negro farm workers, unionize negro cooks in your pantry and kitchen, to insist on their charging wages up to $75, $80, $90, and even $100 a month and to work only 7 and 8 hours per day. This is what is known as "negro economics." [Laughter.] I make the point of order, Mr. Chairman.

The CHAIRMAN. Does the gentleman from Iowa desire to be heard on the point of order?

Mr. GOOD. Mr. Chairman, I assumed that perhaps the same ruling that was made last year in the employment service would apply to this, but I want to say to the gentleman from Texas, if I may digress just a minute, that there were some very learned negro gentlemen who came before the committee, men with college educations, who plead for this appropriation asked for by the Secretary.

Mr. BLANTON rose.

Mr. GOOD. Just a minute. Now, I want to give their point of view. The committee after weighing the matter decided to give something. Now they felt this way. The Government has a department here that has a large appropriation for the Indian. We recognize the Indian. We recognize the Indian Service in the United States; and we have a large bureau in the Department of the Interior dealing with the Indian. Now the colored men say, we are advised by these men, and I will say to the gentleman I know very little about the problem——

Mr. BLANTON. Will the gentleman let me give him some information? I know something about it.

Mr. GOOD. That the colored man was not recognized, and it was felt that his efficiency could be improved, that his usefulness could be extended, that his power to produce could be made more generally effective if he felt that he was some part of the Government in some way so far as the people of his own race was concerned. Now, the Secretary of Labor has the right, it seems to me, to create in his department a sort of bureau of this kind. He could employ these men, but he does not do it, and he comes to the Congress and wants to know whether it is the will of the Congress that he should do it, and the committee felt that this amount of money might well be expended for this race and felt that if they could extend their usefulness and their power and their production by being recognized, the committee was willing to grant that recognition.

Mr. BLANTON. Will the gentleman yield?

Mr. GOOD. I will yield.

Mr. BLANTON. Every single negro in my district, and there are lots of them, is my friend and will go the limit for me, and I want to say to the gentleman that the Secretary of Labor has already had for two years employed in his department one negro, whom he calls Director of Negro Economics, drawing a salary of $4,380.

He calls him "Doctor" So-and-so, trying to form a basis for that kind of a salary. And he has another negro down there, whom he calls "Assistant Director of Negro Economics," who has been drawing a salary of $1,740 with the bonus. I stated what they have been doing in the South a moment ago and what they have been doing in the Southwest, and I want to say that they have been stirring up strife and animosity in this race of people against the best friends they have on God's green earth, and I am not in favor of spending this money for the purpose of stirring up strife.

Mr. BYRNS of Tennessee. Mr. Chairman, in addition to what the gentleman from Iowa [Mr. GOOD] said, I think it fair to say that those who appeared before the committee in support of this appropriation disclaimed any such object or intention as the gentleman from Texas [Mr. BLANTON] has outlined. They based their claim entirely upon what the gentleman from Iowa [Mr. GOOD] has stated, upon the idea that if some recognition, whether it be great or small, was given to the negro population of the country, it would promote a better feeling of good will on their part, and that this particular work was devoted to stimulating the efficiency of the negro, in stimulating his desire to save and to purchase a home, and promoting his general welfare. And they put it upon the idea that it was not only a service to the negro worker, but a service to the white employer, because it served to make the negro more efficient and more industrious and more anxious to render the best service.

Mr. KNUTSON. Will the gentleman from Tennessee yield?

Mr. BYRNS of Tennessee. I will.

Mr. KNUTSON. I would like to ask the gentleman from Tennessee if there is a corresponding bureau for white economics?

Mr. BYRNS of Tennessee. Oh, the whole department is devoted to that.

Mr. BLANTON. It is white and negro together. It is not exclusively white.

Mr. BYRNS of Tennessee. It was the contention that, although it was a small appropriation, it was a special recognition of the negro worker.

Mr. BLANTON. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield first to the gentleman from Delaware.

Mr. LAYTON. Aside from prejudices of all sorts, the question of the millions of that race that are in our country, the fact

that they are here and a part of our body politic seems to me to be a good argument why we should do something to improve their condition, because, as a matter of fact, from the standpoint of economics they are a very important factor even in the gentleman's own State.

Mr. BYRNS of Tennessee. The gentleman is correct. And this appropriation is very small and would simply provide for a very limited force here in the District of Columbia.

Mr. BLANTON. The gentleman from Tennessee knows that every dollar that is appropriated by this Government for economics or under that head is appropriated for every colored man just as well as for every white man.

Mr. BYRNS of Tennessee. That is true.

Mr. BLANTON. They are not segregated. And the gentleman will further agree with me, I believe, when I say that if you keep these directors of negro economics out of Tennessee and out of Texas and out of Mississippi, the Negro race will be a great deal better off, and they will have a great deal more friendship exhibited to them by the white people.

Mr. BYRNS of Tennessee. That may be entirely true, but I do not think the record will sustain the gentleman in his contention that any such disturbance as he refers to in Texas is brought about by this service.

Mr. BEE. There is nothing in Texas along the line the gentleman from Texas [Mr. BLANTON] has referred to, but there is the disturbance caused by bringing in these men from New York and elsewhere, to teach different doctrines and who are not under the department of economics at all. Nothing of the former kind has happened in my district.

Mr. BLANTON. Oh, yes. I can show the gentleman articles from one of the Denison papers and letters from Texas that set forth that state of affairs exactly.

Mr. GOOD. Mr. Chairman, I think these three provisions, commencing on line 8, page 162, ending with line 9 on page 163, fall within the same class concerning which the House, as I recall, has on former occasions had a decision. The first ruling was on the provision providing for the Employment Service, and the ruling was made by the then presiding Chairman of the committee, the gentleman from Tennessee [Mr. GARRETT], in which he held that the Employment Service was not within the contemplation of the provisions of the act creating the department. Subsequently the committee followed the ruling with regard to that when the bill was again considered. I have not examined closely into that ruling. The House having twice acted upon the matter, I am not inclined to urge the reversal of that ruling, especially in view of the matter that provision can be made without it.

Mr. MANN of Illinois. Mr. Chairman, the present Chairman a moment ago overruled the decision of a former Chairman at this session concerning the Holman rule, and it may be that the present Chairman might have a very different opinion concerning the proposition involved here from that of the Chairman who ruled upon the subject before. The general language of the law creating the Department of Labor and defining in a way, at least, the purpose of the department, is sufficiently broad in its very comprehensive terms to include all these items in the bill and a thousand more. When the matter was up on the question of the ruling in reference to the Employment Bureau before, it was the ruling of the Chair, practically, at least, that this general language in the beginning of the law creating the department was not a sufficient foundation upon which to predicate by an appropriation act the creation of new divisions or bureaus in the Department of Labor not otherwise provided for by legislation. And it was a close question. I am not going to argue it with the Chair whether it ought to be ruled one way or the other, but if the Chair happens to be familiar with the proposition, happens to entertain a different view with reference to the organic act of the department, I think it is perfectly proper for the Chair to express that view and follow it.

Mr. BLANTON. Mr. Chairman, will the Chair hear one word further from me?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. BLANTON. I call the attention of the Chair to the rule that has been expressed by the Speaker of the House on various occasions, that where a ruling has been made in the committee, unless there is some very great and good reason why that rule should be changed, the Speaker should follow it in the House. This precedent, made by Chairman GARRETT, which has been cited by the Chairman of this committee, has been followed, sustaining this point of order to just such items made on two different occasions in this Congress in the committee, the Speaker upholding it after we got back into the House. I think, under the circumstances, this Chairman not having any very great reason for changing the rule twice expressed by the Committee of the Whole and twice followed by the House will not see fit to change it at this time.

The CHAIRMAN. The Chair is ready to rule. The provision of law creating the Department of Labor, and bringing within the Department of Labor the activities of the Government which previously affected the relations between employers and employees particularly, and labor in general, are very broad. If the provision now under consideration is construed in such a way as to authorize the creation of a new bureau in the department, the Chair is of the opinion that the paragraph is not in order. The Chair thinks the paragraph is susceptible of this construction. The Chair is inclined to think that the language of the paragraph under consideration goes somewhat beyond the authority which is granted in the act creating the Department of Labor; and in view of the further fact that the matter has been held not to be in order, as the Chair understands, upon previous occasions, the Chair feels constrained to sustain the point of order. The Clerk will read:

The Clerk read as follows:

EMPLOYMENT SERVICE.

To enable the Secretary of Labor to foster, promote, to develop the welfare of the wage earners of the United States, to improve their working conditions, to advance their opportunities for profitable employment by maintaining a national system of employment offices in the several States and political subdivisions thereof, and to coordinate the public employment offices throughout the country by furnishing and publishing information as to opportunities for employment, and by maintaining a system for clearing labor between the several States, including personal services in the District of Columbia and elsewhere, and for their actual necessary traveling expenses while absent from their official station together with their per diem in lieu of subsistence, when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, supplies and equipment, telegraph and telephone service, and printing and binding, $225,000.

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph. It is new legislation upon an appropriation bill, and unauthorized by law.

The CHAIRMAN. For the reason given in the preceding decision of the Chair, the Chair sustains the point of order.

Mr. BLACK. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The Chair will state to the gentleman from Texas that, the paragraph having been stricken out, there is nothing upon which to base his pro forma amendment. The Clerk will read.

The Clerk read as follows:

LEGISLATIVE.

Statement of appropriations: For preparation, under the direction of the Committees on Appropriations of the Senate and House of Representatives, of the statements for the second session of the Sixty-sixth Congress, showing appropriations made, new offices created, offices the salaries of which have been omitted, increased, or reduced, in definite appropriations, and contracts authorized, together with a chronological history of the regular appropriation bills, as required by law, $4,000, to be paid to the persons designated by the chairmen of said committees to do the work.

Mr. BLACK. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLACK. I wish to refer to the need for the work of an employment agency; and although we have passed that item, I would like to take this occasion to refer to the industrial conference that was appointed by the President some time ago to investigate the industrial relations of capital and labor. In this connection I do not want to be understood as criticizing the gentleman from Texas [Mr. BLANTON] for making the point of order, because that is his right under the rules of the House, and I have no criticism to make of any Member exercising his right. But I think that one of the most important activities that the Department of Labor can have is a properly organized employment agency to cooperate with and coordinate the employment agencies of the several States and municipalities.

This industrial conference that the President appointed some time ago had for its chairman Mr. W. B. Wilson, the Secretary of Labor. Mr. Herbert Hoover, I believe, was the vice president. Attorney General Gregory, of my own State, was a member, and other well-posted men in the economics and industry of the country were members of that conference. I would like to take the opportunity to read an extract from the report of the conference. This is what it has to say with reference to the employment agency:

PUBLIC EMPLOYMENT CLEARING HOUSE.

The problem of unemployment is aggravated by the fact that at the present time there is no adequate method for mobilizing such a so-called labor reserve as, in spite of all efforts to reduce unemployment, may at any given time actually exist. At the present time there are many labor reserves but no mobilized reserve. The creation of a Federal Reserve System in banking has mobilized and coordinated the Nation's credit reserves. Under such a system the Nation can transact a larger volume of business on a given capital and credit than would be attainable under a system of separate banks acting individually in their localities. Similarly the country's productive capacity can be increased by the creation of a unified system of labor exchanges, making what is in effect a single labor reserve that can be drawn on by industry in any part of the Nation.

The conference recommends establishing a system of employment exchanges, municipal, State, and Federal, which shall in effect create a national employment service. The employment problem is in the first instance a local problem. The first objective must be the placement of local men in local establishments in order to keep as large a number of the employees as possible at home with their families. But no purely local approach to the problem is or can be effective. Labor surplus and labor shortage exists side by side within the country at the same time, although not necessarily within the same State. Carpenters or machinists may be out of work in Chicago at the same time that there is a demand for such artisans in Pennsylvania.

Perhaps more important is the constant problem of bringing labor from the towns and cities to the farms, both locally and in times of great seasonal demand for farm operations when the need of the farmer requires the more extensive transfer of labor from both his own and neighboring States.

Now, Mr. Chairman, if the Department of Labor has any useful function to perform at all, and certainly no one would deny but that it has, it is to assist in the problem of unemployment. We have expended millions of dollars in developing the industries of the country from the purely material side of it, but there is a disposition, a dangerous lethargy on the part of the country, to overlook the human element in industry.

Not long ago I read an incident of two prominent men of industry who were viewing the great Niagara Falls, and one of them looked at those great waters plunging over the precipice with a roar of mighty power and said, "There is the greatest source of undeveloped power in the United States." The other prominent man of industry by his side said, "No; the greatest undeveloped source of power in the United States is the man power of the United States." I think that he was right. We are striving for a spirit of cooperation between capital and labor in order that the production of the country may be increased, and without that cooperation we can not have an increase in production. One of the best means to do that is to minimize unemployment.

I do not favor the establishment of local Federal employment agencies. That is not contemplated under the appropriation that was contained in the bill. What was in contemplation was that the Federal Employment Agency should cooperate with the 12 or 15 States that have their own employment agencies, and then with the chambers of commerce in the different cities that have taken up this work so as to have a clearing house for the work.

Now, I understand that at the present time there is very little unemployment in the United States. I dare say that there has been no time in the history of our Government when there was more universal prosperity and less unemployment. But we can not expect those conditions to continue indefinitely. They will not continue indefinitely, and therefore we ought to have in this Department of Labor, when the time of unemployment does come that is sure to come in the course of time, some agency that can keep in touch with the different sections of the country. We ought not to wait until it rains to begin to cover our house.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Texas is recognized in opposition to the pro forma amendment.

Mr. BLANTON. Mr. Chairman, beginning with its initial issue, the Olden Advance devotes each week several columns to vicious attacks against me. Who is paying for it? Could its editor, Don H. Biggers, afford it without pay? Where did he get the $250 about which he has written so many of you? Note the following letter just received:

CLYDE GROWERS' ASSOCIATION.

CLYDE, TEX., *May 7, 1920.*

Hon. THOMAS L. BLANTON,
Washington, D. C.

DEAR FRIEND: I wish to advise you that Mr. Don H. Biggers, previously of Lubbock, Tex., has been owing the Clyde Growers' Association $62.79 since 1917. The present manager, Mr. O. S. Maggart, and the previous manager, Mr. Carl C. Grubb, have repeatedly asked him by letter to settle, and he ignores their requests. The farmers who compose the association have shared in the loss. We still consider "our" Congressman "honorable."

Yours, R. O. CARNES.

After all, Mr. Chairman, it is not surprising that a newspaper editor who will beat fruit and vegetable farmers out of $62.79 worth of their produce and refuse to pay them, is yet able to devote each week columns of his space to attacks on me, and make $250 special deposits in banks, when the radical leaders now after my scalp have bragged about the unlimited funds they will expend to defeat me. For these radicals leaders, Mr. Chairman, want the farmers to get just as little as possible for their products.

The CHAIRMAN. The Clerk will read.

Mr. MONDELL. Mr. Chairman, I very much regret that three items, women in industry, division of negro economics, and the employment service, went out on points of order.

I very much regret that the gentleman felt called upon to make the point of order. I simply want to say, Mr. Chairman, that I feel entirely confident that before we adjourn these services will be provided for.

Mr. BLANTON. Probably the gentleman from Kansas [Mr. CAMPBELL] now has a hip-pocket rule ready.

Mr. BLAND of Indiana. Mr. Chairman, I do not think it will require any hip-pocket rule. The gentleman from Wyoming [Mr. MONDELL] has stated what I think is the mind of the Committee on Labor, and I believe that before this session ends we will have completed a bill to take care of these three important items. I think they are important. I do not think they should have gone out on a point of order. I think the passage of this bill will make it impossible for them to be stricken out on a point of order again.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. CANNON having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed joint resolutions of the following titles, in which the concurrence of the House of Representatives was requested:

S. J. Res. 160. Joint resolution to provide for the preservation and maintenance of the records of the Joint Commission on Reclassification of Salaries; and

S. J. Res. 161. Joint resolution to exempt the New York Barge Canal from the provisions of section 201 of H. R. 10453.

The message also announced that the Senate had passed without amendment the bill (H. R. 9944) authorizing the Secretary of the Treasury to accept on behalf of the United States the donation by Sedgwick Post, No. 10, Grand Army of the Republic, of its memorial hall property in Bedford, Taylor County, Iowa, for Federal building purposes.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2448) for the relief of certain officers of the United States Army, and for other purposes.

SUNDRY CIVIL APPROPRIATION BILL.

The committee resumed its session.

The Clerk read as follows:

Office of the Public Printer: Public Printer, $6,000; purchasing agent, $3,600; chief clerk, $2,750; accountant, $2,500; assistant purchasing agent, $2,500; cashier and paymaster, $2,500; clerk in charge of CONGRESSIONAL RECORD at the Capitol, $2,500; private secretary, $2,500; assistant accountant, $2,250; chief timekeeper, $2,000; paying teller, $2,000; clerks—4 at $2,000 each, 10 of class 4, 13 of class 3, 12 of class 2, 10 of class one, 15 at $1,000 each, 11 at $900 each, 1 $840; paymaster's guard, $1,000; doorkeepers—chief $1,200, 1 $1,200, 5 assistants at $1,000 each; 2 messengers, at $840 each; delivery men—chief $1,200, 5 at $950 each; telephone switchboard operator, $720; 3 assistant telephone switchboard operators, at $600 each; 7 messenger boys, at $420 each; in all, $153,930.

Mr. PELL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PELL: Page 165, line 20, after the word "paymaster," strike out "$2,500" and insert in lieu thereof "$3,000."

Mr. GOOD. I reserve a point of order on the amendment. Does the gentleman wish to speak on it?

Mr. PELL. I just want about two minutes.

Mr. GOOD. I reserve the point of order.

Mr. PELL. I thank the gentleman very much. This man who is now cashier and paymaster is named Wilver, and he has been on the job for 20 years and is at present in charge of an expenditure of over $20,000,000 a year. He not only does his own work regularly—the work that he is paid for doing—but he also does a great deal of night work, for which he is not paid at all, and I am informed by the members of the force over there that if they happen to be sick he will come around to their homes personally and see that they get their money. His record is excellent, and I think he deserves this slight increase. He now gets $2,500 with the $240 bonus, making $2,740, so that the $3,000, which carries no bonus, is only an advance of $260 a year, which I think he well deserves. [Applause.]

Mr. GOOD. Mr. Chairman, I make the point of order. The salary is fixed by law.

The CHAIRMAN. The Chair thinks the amendment of the gentleman from New York changes existing law by increasing the salary of an officer whose salary is fixed by law, and the Chair therefore sustains the point of order.

The Clerk read as follows:

For public printing, public binding, and paper for public printing and binding, including the cost of printing the debates and proceedings of Congress in the CONGRESSIONAL RECORD, and for lithographing, mapping, and engraving, for both Houses of Congress, the Supreme Court of the United States, the Supreme Court of the District of Columbia, the Court of Customs Appeals, the Court of Claims, the Library of Congress, the Smithsonian Institution, the Interstate Commerce Commission, the Pan American Union, the Executive Office, the United

States Geographic Board, and the departments; for salaries, compensation, or wages of all necessary employees additional to those herein specifically appropriated for (including the compensation of the foreman of binding, the foreman of printing, and the foreman of press work, at $3,000 each); rents, fuel, gas, electric current, gas and electric fixtures; bicycles, electrical vehicles for the carriage of printing and printing supplies, and the maintenance, repair, and operation of the same, to be used only for official purposes, including the maintenance, repair, and operation of motor-propelled passenger-carrying vehicles for official use of the officers of the Government Printing Office when in writing ordered by the Public Printer (not exceeding $1,500); freight, expressage, telegraph and telephone service; furniture, typewriters, and carpets; traveling expenses, stationery, postage, and advertising; directories, technical books, and books of reference, not exceeding $500; adding and numbering machines, time stamps, and other machines of similar character; machinery (not exceeding $100,000); equipment, and for repairs to machinery, implements, and buildings, and for minor alterations to buildings; necessary equipment, maintenance, and supplies for the emergency room for the use of all employees in the Government Printing Office who may be taken suddenly ill or receive injury while on duty; other necessary contingent and miscellaneous items authorized by the Public Printer; and for all the necessary materials and equipment needed in the prosecution and delivery and mailing of the work, $5,783,710.

Mr. MACGREGOR. Mr. Chairman, I should like to ask the chairman of the committee about the item of indexing the CONGRESSIONAL RECORD. It seems to me that that is an awfully expensive proposition.

Mr. GOOD. As I recall the testimony, it shows that the indexing of the CONGRESSIONAL RECORD is now being done for $1.25 a page. The price paid in the last Congress, I think, was $1.50 a page. There has always been more or less controversy with regard to it. It is a matter primarily with the Joint Committee on Printing. That committee has charge of that work. That committee is attempting to bring about some reforms in the matter of printing. To what extent it will succeed is, of course, somewhat problematical. I have a letter from the gentleman from Pennsylvania [Mr. KIESS], a member of the Joint Committee on Printing, in which he says that the total amount paid to the indexer in 1918 was $14,807.82, and in 1919, $13,844.98; that out of this the indexer has to pay the salaries of his employees and other expenses. At the present time I understand there are three or four indexers and other employees. The assistant superintendent of documents at the Government Printing Office, of whom we made inquiry in the hearings as to what it would cost if the work was done at the Government Printing Office—you will find his testimony on page 2372 of the hearings—stated that it would require four indexers and three other persons in addition to the indexers to do the work. Of course, if it takes seven persons, $13,000 is not an excessive price to pay for the indexing. It would cost more than that if we had to pay by hiring persons and putting them on the pay roll.

Mr. MACGREGOR. Yes; but during the last six sessions of Congress it had cost $149,603, an average of over $25,000 a session, which seems to me to be pretty good pay.

Mr. BLAND of Indiana. I should like to ask the chairman of the Committee on Appropriations with reference to this item:

For the Patent Office: For printing the weekly issue of patents, designs, trade-marks, and labels, exclusive of illustrations; and for printing, engraving illustrations, and binding the Official Gazette, including weekly, monthly, bimonthly, and annual indices, $575,000.

I notice several places in the bill where the Government is carrying appropriations for engravings and different kinds of printing. Has the committee considered the advisability of the Government doing its own work in this regard?

Mr. GOOD. All of the printing is done, of course, at the Government Printing Office. The engraving is done outside. As I recall, the Commissioner of Patents wishes to equip a separate engraving establishment to engrave the designs, trade-marks, and things of that kind.

Mr. BLAND of Indiana. The gentleman will notice that that is just one item, $575,000, or more than half a million dollars a year that we are paying to outside concerns.

Mr. GOOD. Oh, no; not at all. A very small part of that is paid for the engraving. That is for the entire printing of the weekly issue of patents, designs, and trade-marks, as well as the Official Gazette, and the weekly, monthly, bimonthly, and annual indices.

Mr. BLAND of Indiana. Since we have down here the best Printing Office in the world, why is not the work done there?

Mr. GOOD. Oh, that money is largely expended at the Government Printing Office. Only a small part of it is expended outside.

Mr. BLAND of Indiana. That is not my information.

Mr. GOOD. That is the fact.

Mr. BLAND of Indiana. I am asking for information.

Mr. GOOD. The engraving work is done outside, but not a line of printing is done outside. This is the appropriation for the printing of the weekly issue of patents, designs, trade-marks, and labels, as well as the Official Gazette, and practically all of that is expended at the Government Printing Office, and that is true with regard to the other items. If the gentleman will turn back to page 168 he will find that we carry for printing and binding an appropriation of $5,783,710. That is the total amount carried in this item for printing and binding. Now, that is distributed $2,000 for printing the congressional proceedings, debates, documents, and so forth——

Mr. BLAND of Indiana. If those are the facts, they are different from what I understood; and I was informed by one who ought to know that most of the $575,000 is left to outside people who make the engravings and illustrations for the Patent Office. It is quite a large item. I have not the figures here at hand, but I understand we pay outside parties for the engravings and illustrations.

Mr. GOOD. The Government Printing Office does let out the photolithographic work, the engraving work required for the production of certain trade-marks and labels. But when it comes to printing they are turned over to the Public Printer. The Government owns no plant for this process of photolithographing and engraving.

Mr. BLAND of Indiana. Why not?

Mr. GOOD. Because there has never been any appropriation for it and there has never been any authorization.

Mr. BYRNS of Tennessee. Mr. Chairman, I move to strike out the last word. There was some criticism of the administration of the Government Printing Office in the discussion on the second deficiency appropriation bill. In view of what has been said, I have felt that something should be said relative to the Public Printer and the administration of his office, and I requested Mr. Russell Beene, the efficient and capable statistician of the Printing Office, to furnish me with some facts and figures covering a period of a few years past in the administration of that office.

What are the facts with regard to the operations of the Government Printing Office during the present administration? I call attention to the hearings, which contain a table of comparative production which covers the past nine fiscal years, divided into three-year periods, the last three years of the former administration and the first three and the last three years of Mr. Ford's management of the office as Public Printer. It shows a total product during the nine-year period of $71,673,009, and of this amount the last three years, 1917, 1918, and 1919, carry more than 46 per cent of the whole; in other words, within less than 3 per cent of that of the combined product of the six preceding years, 1911–1913 and 1914–1916. Some big figures of printing production are to be found in this table. Of a total of 37,189,000,000 printed pages, the output of the office for the past three years was 17,927,000,000, in excess of 48 per cent of the total for nine years, and as compared with 7,884,000,000 for the years 1911–1913. The bound publications total 10,353,000, round numbers, for the past three years, as compared with 4,310,000 for 1911–1913, or 52 per cent plus compared with 21 per cent plus in a total of 19,784,067 bindings for the nine-year period.

The paper cost entering into the product of the office totals $18,489,439.85, and of this amount approximately 64 per cent was consumed during the past three years, and is 127.59 per cent in excess of the total for the three-year periods 1911–1913 and 1914–1916 combined. The production of the office, all operations combined, has increased since 1915 more than 70 per cent in volume. It appears to be creditable management that with this increase in production the actual expenditures for the three-year period 1917–1919 for the office of the Public Printer for the clerical force and the watch force combined—that portion of the appropriation carried under legislative—was $186,612.13, as compared with $187,128.36, or $516.23 less than it was for the three-year period 1911–1913, and shows a reduction from 3 per cent plus to less than 1.72 per cent for this item of overhead charges for the total expenditures of the office for the periods in question. These figures obtained, though the expenditures of the office of the superintendent of documents were not taken into consideration, and notwithstanding the fact that the product computed for 1911–1913 includes $517,260 for postal-card paper—the Printing Office was furnishing paper and printing the postal cards at that time—and $700,000 for excess charges on account of scale prices to Congress and the departments, which was reduced 5 per cent and 2½ per cent additional and made effective during 1914–1916; in other words, the charges to Congress and the departments as carried in this table of comparative production referred to would have been $1,217,260 greater for 1914–1916 had the Printing Office continued to buy postal-card stock purchased by the Post Office after 1914 and had the scale of prices for work produced remained the same as it was from 1911–1913.

I am informed that while in 1918 the Printing Office reached its peak of production on account of the war, and notwithstanding the drastic action of the Printing Committee in its curtailment of printing authorized by law, the production of the Government Printing Office for the present fiscal year will vary but slightly in money cost to that of 1918. There has been an ad-

vance in wages of the principal trades throughout the office of approximately 40 per cent, and the cost of paper is uprecedented and continues to climb with each succeeding day. Newsprint paper purchased by the Public Printer at 2.3 cents per pound in 1911 now is almost unattainable at a figure less than 12 cents per pound. An appropriation made for printing and binding at this time of $12,000,000 would not more than suffice for an equal production in volume of printing, as compared with an appropriation of approximately $6,000,000 prior to 1915.

We are appropriating vast sums of public money for the various activities of the Government, scientific research and the gathering of trade statistics, and so forth, and to deny funds to the Public Printer for the printing of this departmental data is "locking the stable after the horse is stolen." There undoubtedly is much printing that is a waste of money; on the other hand, a great deal more printing of the right sort might be done that would bring 1,000 per cent returns to the country if it could be had in the volume that it should be had.

The total expenditures on account of allotment and repay printing for the present fiscal year will approximate $13,000,000. Of this amount, printing and binding alone will carry an excess of $12,000,000; holiday appropriation, $357,394; leaves of absence, $558,000; and legislative, $212,190. It is evident from these figures that the estimates submitted for 1921, totaling $9,138,635, with increased wages, increased cost of paper, materials, and supplies, are minimum figures, and if not provided the result will be the usual clamor, as we have witnessed this year, for deficiencies.

The committee, in its wisdom, reduced the printing and binding estimates of the Public Printer for the present fiscal year $2,385,000. To date deficiencies approximating $1,786,000 have passed the House. The original estimates of the Public Printer have been exceeded by the granting of special repay funds. Indirect appropriations or funds available from the departments for printing, known as repay money, has been provided in excess of $4,500,000. I am advised by officials of the Government Printing Office that it would be much more economical for the Government to have the appropriations made under the allotment plan rather than the repay plan. The work under these circumstances could be apportioned during the year in such a way that there would be a greater uniformity in production and a corresponding saving. What is known as slack periods in the various branches of the office could thus be minimized.

The Printing Office is a great factory, and to secure maximum production at a minimum cost the Public Printer should not be placed in a position where he does not know whether the departments are going to be furnished with the necessary funds to pay for their printing. Until the past two years Congress has provided funds according to the Public Printer's estimates, and as soon as we departed from that program more or less confusion has necessarily resulted.

Contending that the increase in the volume of work thrown upon the office force by section 11 of the legislative bill, requiring that all printing should be done at the Government Printing Office, made a reduction of the office force impracticable, the Public Printer shows, on page 2220, that the number of bills rendered for eight months of the present fiscal year compared with a similar period for 1915 were 46,216 and 35,196, or an increase of 31.31 per cent this year. Repay work or printing not provided for in allotted appropriations has increased the past four years from $703,524.30 to $5,171,568.28, or 635.094 per cent.

The following extract from the second report of the Provost Marshal General to the Secretary of War pays a high tribute to the efficiency of the Government Printing Office:

> The printing of this quantity of forms was a task of such proportions as to tax to the utmost the Government Printing Office. This institution, however, responded admirably to the unprecedented demands made upon it, and some remarkable records were made. The most notable of these was the printing of forms of all kinds for the registration, classification, and mobilization of the registrants of September 12, 1918. This immense task was performed during a period of 50 days. Several records for quantity and speed made during this time deserve special mention. Fifteen million questionnaires were printed in 34 days. Fourteen and one-half millions of one-page leaflets were printed within 60 hours after the presses were started, at an average hourly production of 240,000 copies. Thirty-two and one-half million registration cards were turned out in eight days; and numerous other achievements could be mentioned. Historians of the future, in recording the many wonderful deeds to the credit of the Nation during this war, should not overlook the assistance rendered by the Government Printing Office in raising the National Army; and this report would not be complete without an acknowledgment of the manner in which that establishment performed its portion of the work.

So far we have been dealing with the production. Taking up finances, I note from examination of the Public Printer's report that the Public Printer has not spent all the moneys coming into his possession and which he might have spent had he been inclined to any other course than that of conscientious and economical handling of Government money, and note that the average sum reverting to the Treasury from all appropriations under the Public Printer for the period 1911–1913 was $217,360.66, for the period 1914–1916 the average turned back to the Treasury was $153,362.85, while for the last three fiscal years, 1917 to 1919, inclusive, an average of $951,390.94 available funds were turned back into the Treasury. During the fiscal year 1919 the Public Printer refused to expend $2,282,747.46 Government funds, and that unusual amount, an amount in excess of combined reversions to the Treasury of the 10 previous years, was saved to the taxpayers of the country. Now, to this $2,282,747.46 that reverts unexpended for 1919 add $384,606.77, miscellaneous receipts—receipts from sales of waste paper and other miscellaneous sources which were also deposited in the Treasury—and you have a grand total of $2,667,354.23, more than ten times—more than 1,000 per cent—in excess of the average of the 10-year period preceding. These facts should be worth considering when we withhold from the Public Printer and those officials under him who are entitled to it that recognition due them.

I append the following:

Comparative statement of the productive operations for the fiscal years 1911–1913, 1914–1916, and 1917–1919, covering the most important items entering into printing and binding.

Operation.	1911–1913	1914–1916	1917–1919	Per cent of increase or decrease over 1911–1913.	
				1914–1916	1917–1919
Total printing and binding charges	[1]$19,486,173.94	$19,052,475.21	$33,134,020.38	[2] 2.225	70.039
Jackets written	167,479	160,863	185,928	[2] 3.950	11.016
Estimates written	96,816	95,963	124,998	[2] .880	29.109
Total production of ems	6,148,854,900	6,626,400,800	7,284,351,900	7.766	18.467
Hours of time-work in composing section	837,116	740,477	892,124	[2] 11.540	6.571
Electrotyping and stereotyping, square inches	39,286,464	38,411,641	47,501,890	2.226	20.912
Postal cards produced	2,933,058,349	3,209,133,669	2,487,565,850	9.413	[2] 15.189
Money-order books shipped	1,527,949	1,854,494	2,039,977	20.370	33.511
Forms sent to press	517,374	501,553	716,805	[2] 3.050	38.547
Charge impressions in press room	2,884,755,102	3,149,560,333	8,713,423,982	9.179	202.051
Sheets folded by machine	335,261,089	442,766,678	754,486,361	32.000	125.044
Sheets gathered by machine	299,355,305	321,315,544	523,871,607	7.335	75.000
Tips made by machine	35,596,196	35,157,224	42,459,998	[2] 1.230	19.282
Copies wire stitched	76,502,716	99,536,046	242,718,927	30.100	217.268
Copies paper covered	11,050,390	18,404,356	36,629,796	66.540	231.480
Books and pamphlets trimmed	174,305,326	195,369,962	471,650,189	12.080	170.589
Sheets cut	762,972,004	774,908,105	1,432,233,526	15.770	87.718
Books rounded and backed	5,009,246	5,253,283	8,538,987	.4.870	70.464
Books marbled and edged	1,001,493	863,436	775,671	[2] 13.785	[2] 22.549
Stamping impressions	15,631,091	14,636,128	13,442,312	[2] 6.355	[2] 14.001
Books cased in	5,189,201	5,300,767	8,610,572	2.149	65.933
Number of indexes	254,453	344,876	646,652	35.530	154.134
Sheets passed through ruling machines	73,620,615	75,443,175	161,701,685	2.470	119.642
Signatures sewed	279,692,216	267,947,879	367,529,284	[2] 4.199	31.405
Sheets punched	58,475,800	89,282,356	436,540,718	52.680	646.532
Sheets perforated	34,232,210	45,382,562	54,374,566	33.550	58.840

[1] Includes $517,260.53 for postal-card paper and over $700,000 excess charges, comparable with those of 1914–1916; the scale of charges having been reduced 5 per cent and 2½ per cent, covering the later period, making the comparative figure for 1911–1913, $18,268,913.41, or an increase per cent of 4.289 instead of the decrease per cent 2.225 as above.
[2] Decrease per cent.

The Clerk read as follows:

During the fiscal year 1921 any department or independent establishment of the Government ordering printing and binding from the Government Printing Office (other than that specifically provided for by allotment) shall advance to the Public Printer 90 per cent of the estimated cost of the work at the time the order is placed and upon completion of such work shall pay to the Public Printer a sum sufficient to complete payment of the actual cost thereof. The sums so advanced to the Public Printer shall be placed to the credit of the Government Printing Office on the books of the Treasury Department and be subject to requisition by the Public Printer.

Mr. GOOD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Committee amendment: Page 168, line 12, after the word "Printer," insert the words "upon written request"; and in line 17, strike out the words "Government Printing Office" and insert in lieu thereof the words "appropriation public printing and binding."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The committee amendment was agreed to.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. REAVIS having taken the chair as Speaker pro tempore, a message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had approved and signed bills and joint resolution of the following titles:

On May 10, 1920:

H. R. 6750. An act to deport certain undesirable aliens and to deny readmission to those deported;

H. R. 12460. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the admission of the State of Maine into the Union;

H. R. 12824. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the admission of the State of Alabama into the Union;

H. R. 13139. An act for the sale of isolated tracts in the former Fort Berthold Indian Reservation, N. Dak.;

H. R. 8314. An act to provide for the training of officers of the Army in aeronautic engineering;

H. R. 9615. An act authorizing the Secretary of the Interior to correct an error in an Indian allotment; and

H. J. Res. 80. Joint resolution to correct an error in the wording of the appropriation of $71,000 made in the act approved July 9, 1918, and to authorize the Secretary of War to pay said sum to respective parties entitled thereto.

SUNDRY CIVIL APPROPRIATION BILL.

The committee resumed its session.

The Clerk read as follows:

For the Department of Agriculture, including not to exceed $47,000 for the Weather Bureau, and including the annual report of the Secretary of Agriculture, as required by the act approved January 12, 1895, and in pursuance of the joint resolution numbered 13, approved March 30, 1906, and also including not to exceed $250,000 for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by Senators, Representatives, and Delegates in Congress, as they shall direct, $725,000.

Mr. MANN of Illinois. Mr. Chairman, this item carries an appropriation for printing the farmers' bulletins. I notice that the farmers' bulletins recently—and I do not know how recently—all have on the front page illustrations which, in my judgment, mar the beauty and usefulness of the bulletins, and undoubtedly are rather expensive. They do not add anything to the bulletins. They do not add anything to the knowledge contained in the bulletins, and for the life of me I can not see why the Agricultural Department wants to spend its money on useless cover illustrations rather than in useful printing. If they were fine illustrations, like some magazines have on the covers, it might have some beneficial quality of beauty, but they are not. It is just a waste of money.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. DAVIS of Tennessee. Does not the gentleman think the illustrations are calculated to attract the attention of the farmers to whom they are sent, and that that is the primary purpose, with a view of getting them interested to the extent that they will read the publication?

Mr. MANN of Illinois. I do not think so. A farmer who will not read one of these bulletins except upon the basis of the illustration will not make use of the bulletins. The illustrations do not illustrate what is in the bulletins. It is just a pure extravagance without any beneficial result whatever. I read all the farmers' bulletins, and I suppose other Members do. They have an entertaining quality, but I never pick up a new one without feeling ashamed that there should be such poor illustrations and such a waste of money in making them.

The Clerk read as follows:

In addition there is appropriated for the operation, maintenance, and extension of water works, sewers, and pavements in the cities of Panama and Colon, during the fiscal year 1921, the necessary portions of such sums as shall be paid as water rentals or directly by the Government of Panama for such expenses.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word in order to ask unanimous consent to insert in the RECORD a table showing the activities of the commission to determine the mineral claims, about which I asked a question of the chairman the other day.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The statement is as follows:

WAR MINERALS RELIEF COMMISSION.

Statement for week ending April 24, 1920.

Total number of claims originally filed	1,203
Number of claims previously recommended for action	692
Number of claims recommended for action during week	33
Total number of claims recommended for action	725
Total number of claims remaining to be considered	478
Total amount of all claims	$16,655,481.94
Total amount of all claims acted on to date	$7,406,857.34
Total amount of all claims yet to be considered	$9,248,624.60
Number of awards recommended to April 24, 1920	130
Amount claimed	$2,946,544.44
Amount recommended for allowance	$1,025,257.65
Number of claims recommended for disallowance to April 24, 1920	595
Amount claimed	$4,460,312.90
Claims decided during week (24 disallowed, 9 allowed in part)	33
Total amount claimed in all claims decided during week	$411,492.49
Amount recommended in the 9 claims partially allowed	$48,252.25

Status of claims on May 1, 1920.

Total claims assigned to auditors	518
Total claims assigned to engineers	528
Total auditors' reports received	349
Total engineers' reports received	419
Total chief engineers' reports	331
Total claims assigned to examiners	303
Total reports ready for examiners	28
Total claims now in hands of engineers	109
Total claims now in hands of auditors	169

The Clerk read as follows:

THE PANAMA CANAL.

For every expenditure requisite for and incident to the maintenance and operation, sanitation, and civil government of the Panama Canal and Canal Zone, including the following: Compensation of all officials and employees, including $1,000 additional compensation to the Auditor for the War Department for extra services in auditing accounts for the Panama Canal; foreign and domestic newspapers and periodicals; law books not exceeding $500, textbooks, and books of reference; printing and binding, including printing of annual report; rent and personal services in the District of Columbia; purchase or exchange of typewriting, adding, and other machines; purchase or exchange, maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles; claims for damages to vessels passing through the locks of the Panama Canal, as authorized by the Panama Canal act; claims for losses of or damages to property arising from the conduct of authorized business operations; claims for damages to property arising from the maintenance and operation, sanitation, and civil government of the Panama Canal; acquisition of land and land under water, as authorized in the Panama Canal act; expenses incurred in assembling, assorting, storing, repairing, and selling material, machinery, and equipment heretofore or hereafter purchased or acquired for the construction of the Panama Canal which are unserviceable or no longer needed, to be reimbursed from the proceeds of such sales; expenses incident to conducting hearings and examining estimates for appropriations on the Isthmus; expenses incident to any emergency arising because of calamity by flood, fire, pestilence, or like character not foreseen or otherwise provided for herein; per diem allowance in lieu of subsistence when prescribed by the Governor of the Panama Canal, to persons engaged in field work or traveling on official business, pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914; and for such other expenses not in the United States as the Governor of the Panama Canal may deem necessary best to promote the maintenance and operation, sanitation, and civil government of the Panama Canal, all to be expended under the direction of the Governor of the Panama Canal and accounted for as follows:

Mr. GOOD. Mr. Chairman, I offer the following amendment as a new paragraph.

The Clerk read as follows:

SEC. 2. That, beginning with the fiscal year 1921, the Federal Farm Loan Board shall, as soon as possible after the close of each half of each fiscal year, levy upon the Federal land banks and joint-stock land banks, in proportion to their gross assets, an assessment equal to the amounts expended from all appropriations on account of salaries (including any additional compensation) and expenses of the board and its appointees and employees for the half of the fiscal year then closed. The board, in making such assessment, shall assess exclusively against either class of banks such expenses as may be incurred exclusively on behalf of such class. Such assessments shall be covered into the Treasury of the United States as miscellaneous receipts.

Mr. McKEOWN. Mr. Chairman, I make the point of order against that as new legislation.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

(b) The director, with the approval of the President, shall appoint and fix the compensation of such employees and make such expenditures for rent, printing, telegrams, telephone, law books, books of reference, periodicals, stationery, furniture, office equipment, other supplies, and necessary expenses of the office as may from time to time be provided for by Congress. All employees in the bureau whose compensation is less than $5,000 a year shall be appointed from lists of eligibles furnished by the Civil Service Commission and in accordance with the civil-service laws and regulations.

Mr. SIEGEL. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. SIEGEL: Page 181, line 12, after the word "regulations," strike out the period and insert the following: "*Provided, however*, That honorably discharged soldiers, sailors, and marines shall be given a preference in the making of appointments."

Mr. GOOD. Mr. Chairman, I make the point of order on the amendment.

Mr. RAKER. Mr. Chairman, I make the further point of order that this should be read by sections, and that the reading of the provisions has not been completed.

The CHAIRMAN. The Chair would state to the gentleman from California that the bill is being read by paragraphs.

Mr. GOOD. Mr. Chairman, I withdraw the point of order. That is the law now, and I do not believe we ought to adopt it at the present time. The items in this provision are just the same items that were in the bill that passed the House. The amendment the gentleman from New York is offering is simply a restatement of existing law.

Mr. SIEGEL. I do not think it is subject to the point of order.

Mr. GOOD. It is not subject to the point of order.

The CHAIRMAN. The Chair does not think it is subject to the point of order.

Mr. RAKER. Mr. Chairman, should not the entire section be read before it is open to amendment or objection?

The CHAIRMAN. The Chair will state to the gentleman from California that appropriation bills are read by paragraphs, and while this is substantive legislation, it is a part of the appropriation bill.

Mr. RAKER. Then the first paragraph has been passed?

The CHAIRMAN. Yes. The question is on agreeing to the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. SIEGEL) there were—ayes 11, noes 7.

So the amendment was agreed to.

Mr. BRIGGS. Mr. Chairman, I move to strike out the last word. Is this budget legislation here the same legislation that the House passed recently, which went over to the Senate?

Mr. GOOD. It is.

The Clerk read as follows:

PAR. 12. The comptroller general shall appoint, remove, and fix the compensation of such officers and employees in the department as may from time to time be provided for by Congress, and perform all other duties of a head of an independent Government establishment. All such appointments, except to positions carrying a salary of $5,000 a year, shall be made from lists of eligibles furnished by the Civil Service Commission, and in accordance with the civil-service laws and regulations. No person appointed by the comptroller general shall be paid a salary in excess of $5,000 a year, and not more than three persons appointed by him shall be paid a salary at that rate. Until March 5, 1921, no person who at the time of the passage of this act holds office as one of the six auditors referred to in paragraph 10, and who in pursuance of paragraph 11 is transferred to the accounting department, shall be removed from office or have his compensation reduced, except for cause. All officers and employees of the department, whether transferred to the department in pursuance of paragraph 11 or appointed by the comptroller general, shall perform such duties as may be assigned to them by the comptroller general. The comptroller general shall make such rules and regulations as may be necessary for carrying on the work of the department.

Mr. SIEGEL. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. SIEGEL: Page 188, line 19, after the word "regulations," strike out the period and insert: "*Provided, however*, That honorably discharged soldiers, sailors, and marines shall be given a preference in the making of appointments."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

PAR. 13. The comptroller general shall investigate, at the seat of government or elsewhere, all matters relating to the receipt and disbursement of public funds and shall make to Congress, at the beginning of each regular session, a report in writing of the work of the accounting department containing recommendations concerning the legislation he may deem necessary to facilitate the prompt and accurate rendition and settlement of accounts and concerning such other matters relating to the receipt and disbursement of public funds as he may think advisable. In such regular report, or in special reports at any time when Congress is in session, he shall make recommendations looking to greater economy or efficiency in public expenditures. He shall make such investigations and reports as shall be ordered by either House of Congress or by any committee of either House having jurisdiction over revenue, appropriations, or expenditures. The comptroller general shall also, at the request of any such committee, direct assistants from his office to furnish the committee such aid and information as the committee may request. The comptroller general shall specially report to the Congress every expenditure or contract made by any head of a department in any year in excess of the appropriation to such department and in violation of law.

Mr. GOOD. Mr. Chairman, on page 189, line 14, the word "containing" is misspelled. I ask unanimous consent that the Clerk be directed to correctly spell the word.

The CHAIRMAN. Without objection, it will be so ordered.

There was no objection.

Mr. GOOD. Mr. Chairman, also on page 185, at the end of line 15, I move to strike out the letter "a" and insert the word "are."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 185, line 15, after the word "Treasury," strike out the letter "a" and insert the word "are."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MANN of Illinois. Mr. Chairman, I move to strike out the last word in order to ask the gentleman from Iowa a question. In paragraph 12 it is provided that the comptroller general shall perform all other duties of the head of an independent Government establishment. I do not know just what is meant by the head of an independent Government establishment, but I would like to ask whether this is a suggestion that the comptroller general shall perform the duties of a member of the President's Cabinet?

Mr. GOOD. Not at all. It was intended by creating this office that it should be as near to the legislative branch of the Government as it is possible to put it. If it could be practically an arm of the Congress, it would perhaps be better, but under our form of government it was not thought that such a plan could be devised, and the best we could do was to make it an independent establishment answerable to Congress and to Congress alone. Therefore it was made an independent establishment. There never has been any intention or thought of this office being a department with a Cabinet head.

Mr. MANN of Illinois. Of course, it is created as a department.

Mr. GOOD. As an independent department.

Mr. MANN of Illinois. All departments are independent, and they are the only ones that have heads. Commissions do not have heads—that is, in the singular. I did not know whether this contemplated that this department should have a head who would have the same duties to perform, which, of course, are extralegal, as the head of one of the departments of the Government, where he is created a Cabinet officer.

Mr. GOOD. It was not intended to give him that position.

Mr. MANN of Illinois. I am satisfied with the gentleman's explanation. It could only be done by the President calling him in?

Mr. GOOD. Yes.

The Clerk concluded the reading of the bill.

Mr. GOOD. Mr. Chairman, I ask unanimous consent at this point to insert in the RECORD a statement made on the budget by the Chamber of Commerce of the United States.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to insert in the RECORD a statement by the Chamber of Commerce of the United States. Is there objection?

Mr. CALDWELL. Mr. Chairman, I object.

Mr. BYRNS of Tennessee. Mr. Chairman, I hold in my hand a memorandum prepared by Prof. W. F. Willoughby, a director of the Institute for Government Research and a writer on economics, who has been for years a student of Government problems. I think that this memorandum which has been prepared will be of very great interest to the Members of the House and that it is a real contribution to the subject of budget legislation. I ask unanimous consent that I may be permitted to insert it in the RECORD.

The CHAIRMAN. Is there objection?

Mr. BLANTON. Mr. Chairman, reserving the right to object, coming from the source it does, I take it that it is all right, but some of these scholarly gentlemen from whose pen some documents have come have been inoculated with a little too much socialism of late. This is absolutely free of that, is it? Has the gentleman read it?

Mr. BYRNS of Tennessee. So far as I know it is. I have read it. It is a discussion of the budget system.

Mr. BLANTON. I withdraw the reservation of objection.

The CHAIRMAN. Is there objection?

There was no objection.

The memorandum referred to is as follows:

MEMORANDUM ON THE STATUS OF THE PROPOSED BUREAU OF THE BUDGET.

(By W. F. Willoughby.)

In proposals now pending before Congress looking to the establishment of a national budget system, substantial agreement has been reached regarding almost all of the important features of the proposal, except that in relation to the status and location of the bureau of the budget which it is proposed to create for the purpose of handling the detail work to be done in the preparation of the budget for submission to the Congress.

In respect to this feature opinion is sharply divided between the two principles of having this bureau constitute a special agency directly attached to the office of the President, and of having it constitute a special service within the Treasury Department and subject to the general direction and control of the Secretary of the Treasury.

The Institute for Government Research, as a result of its study of the budgetary systems of other countries, and of the special character of the problem in our own country, due to the character of our political system, is strongly of the opinion that the first-named principle should be followed. The reasons leading to this opinion are as follows:

1. The primary purpose sought in seeking to have the National Government go upon a budgetary basis is that responsibility for the preparation of a definite, complete, and consistent financial and work program should be placed squarely upon the President. Anything that would tend to obscure or lessen this responsibility should be avoided. It is believed, therefore, that if responsibility for the preparation of the budget is placed, in the first instance, upon the Secretary of the Treasury, this responsibility, in the eyes of the public at least, will rest rather with the Secretary of the Treasury than with the President.

It is true that the President is responsible for the acts of the Secretary and that the budget as prepared will go forward as the President's budget. Nevertheless, the fact will remain that the budget in its details will represent the work and judgment of the Secretary of the Treasury and the President's responsibility will be the secondary one of accepting this budget, or at best of revising it in the general features only. This will be well known by the public, with the result that it will not hold the President to the same accountability for its proposals that it would if the preparation of the budget were made his direct, affirmative act.

A budget system should be viewed from its political as well as its purely administrative aspects. It has been repeatedly pointed out that the National Government will not have an economical and efficient administration until the voters of the country demand it. It is thus highly desirable that the matter of efficiency and economy be made a political issue; that is one of the tests that will be applied by voters in exercising their electoral function. This can only be attained by making the President directly responsible for his financial and work program. As ex-President Taft has expressed it, the preparation and submission of the budget should be the supreme act of his administration by which the voters are to judge regarding both his proposals and the manner of their fulfillment. The President is the only administrative officer who is elected by the people and is thus the only administrative officer who can be held directly responsible politically.

2. Again, the advocates of a budget system seek by this change in our methods of financial administration to accentuate the responsibility of the President as the head of the administration, or, to express it more directly, as the general manager of the Government as a business corporation. At the present time he has this responsibility only in a most general way. Only in slight degree do the people now hold him directly responsible for the details of administrative organization, procedure, and activities. With the responsibility squarely placed upon him for formulating a budget, he will be compelled to make known in a formal manner his opinion as to what the Government should do and the character of organization that should be provided for its accomplishment. If the bureau of the budget is located in the Treasury Department this responsibility will be shared with, if it is not deemed to be primarily that of, the Secretary of the Treasury.

3. In connection with the foregoing it is important to appreciate that a budget is essentially a work program, as well as a financial proposal. Advocates of conferring authority in respect to the preparation of the budget upon the Secretary of the Treasury fail to give due weight to this fact. Their tendency is to look upon the work of preparing a budget as little more than that of revising estimates of expenditure needs as formulated in the first instance by bureau and departmental heads. They have in mind merely the work of paring down estimates. It must be apparent that the really important thing is the determination of what work shall be undertaken and the scale on which it shall be prosecuted. Responsibility for making decisions of this kind can only be properly placed upon the President. This point was excellently stated by Prof. Cummings in a debate on the relative merits of the Good and McCormick bills at the annual meeting of the American Political Science Association held at Cleveland, Ohio, on December 30, 1919. Replying to those who had spoken in favor of the McCormick proposal that the responsibility for the preparation of the budget be placed on the Secretary of the Treasury, he said:

"I feel a good deal of diffidence in presuming to differ with the gentlemen who last spoke, but I think I must differ with all three of them. I think that they make their fundamental mistake in viewing the budget as a financial measure. It is a financial measure simply incidentally. Your budget is your program of work; it is your administrative program, and the administrative program is up to the President, the chief executive officer, and not up to any financial man. The finances are entirely matters of detail and entirely matters that are purely incidental, and the total amount in your budget should not be fixed by your estimated revenues but by your estimated needs, which is an administrative thing and not a financial thing. You should not take the amount of revenue you raised last year and say 'our budget can not exceed that, no matter what our needs are.' You have got to take your needs first, get them to the point where you are sure they are needs, and then dig up enough revenue to carry them into effect. What does our Government exist for? To give service; not simply to cut down expenditures or to spend money; that is an important part of its program but it is incidental to taking care of its needs. Now, your administrative program certainly does not belong with the Secretary of the Treasury, it belongs with the Chief Executive."

The formulation of a work program, which is the important feature of a budget, in a word is a responsibility of the President, and this responsibility must be direct. It must, moreover, be exercised in direct conjunction with the formulation of the proposals for the means by which this program is to be financed. If the President is to make decisions in respect to what shall be done and the Secretary of the Treasury to determine the amount of money to be asked of Congress with which to put such decisions into effect, the result will be to divide responsibility between the President and the Secretary of the Treasury. If the latter should really exercise his powers in a positive manner we would have in effect two business managers for the Government.

4. The preparation of a budget, moreover, means something more than passing upon the work, proposals, or programs of the heads of departments. It also means the determination of the particular service or department that shall be intrusted with the performance of an activity once decided as advisable. It is submitted that the only administrative officer who can properly do this is the President. He is the only administrative officer who is the recognized superior of all other administrative officers and whose decision will, as a matter of course, be unhesitatingly acquiesced in. It is impossible to believe that the heads of departments will be equally willing to acept the decisions of the Secretary of the Treasury who, since the organization of our Government, has had only coordinate rank with their own. Ex-President Taft, in discussing this point before the House Select Committee on the Budget, put this matter in this way. He said:

"Now, I think it would be a mistake to place this under the Secretary of the Treasury for the reason that the Secretary of the Treasury is running one of the departments. The Secretary of the Treasury runs one of the departments of the Government, and he is like the Secretary of any other department. If you select the Secretary of the Treasury as the officer to consider the estimates of the other departments, you are going to get into difficulties. Members of the Cabinet are not different from other people, and the pride of department, pride of bureau, and of all the things under them serve to make them all human. Now, the President is the head of the Government, so far as the Executive is concerned, and what he says is more likely to go than what the Secretary of the Treasury says."

It is significant that, with the single exception of Mr. Glass, the Secretary of the Treasury, this position was strongly indorsed by all the witnesses who appeared before that committee who had had practical experience in the conduct of the administrative affairs of the Government—Mr. Franklin D. Roosevelt, Assistant Secretary of the Navy; Mr. Henry S. Stimson, former Secretary of War; Mr. Charles D. Norton, former private secretary to President Taft; Mr. Arthur P. Davis, Director of the Reclamation Service; and Judge W. W. Warwick, Comptroller of the Treasury. This is the opinion of the present chairman of the House Committee on Appropriations, Mr. JAMES W. GOOD, and his predecessor in that position, Mr. Swager Sherley. The former, arguing this point, in an address delivered before the Illinois Manufacturers' Association in Chicago, January 9, 1920, said:

"Who shall prepare the budget is a question frequently asked and one that a group of men commissioned to work out a budgetary system for the United States are trying to solve. The more I study the problem the more thoroughly do I become convinced that there can be but one answer to this question. The President is responsible in the main for the work of his administration. He is the only official in the Government who is elected by all the people. He appoints the members of his Cabinet and subordinate officials. The President, and the President alone, can bring about a harmonious working together of his official family, and to him should be committed the responsibility for the preparation of the budget. To give one of the members of his family the power to regulate and control all the activities carried on by the other members of his official family is unnatural and unworkable. For the next 25 years the big political questions in this country will center, not around questions of the coinage of silver or the tariff, but rather around the big business problems of economy and taxation. If this be true, the great act of every administration for the next quarter of a century will be its financial program, and at every general election the electors will be called upon to pass judgment on the economy and efficiency of the administration then in power.

"Of course, the President can not perform this monumental task in person. He must be given a staff of his own choosing upon whom he can place the utmost confidence and who will do the work and prepare for him a budget in accordance with his plan and in harmony with his views. Congress must create a machine by which he can do the work. But the budget when prepared must be the President's budget. The responsibility must be his, and his alone, and the act must be his act. If duplications exist in the services and the budget provides for their continuance, or if waste and extravagance find a place in the estimate of appropriations as contained in the budget, the President will be responsible if they are included in his program. For that responsibility he and his party must answer in the succeeding election."

The testimony of Mr. Swagar Sherley, the predecessor of Mr. GOOD as chairman of the House Committee on Appropriations, is equally to the point, and is all the more significant in that it represents a reversal of the opinion first held by him. In his testimony before the House Committee on the Budget, he said:

"My thought, in the past, has been that the Secretary of the Treasury should be made the true premier of the Cabinet, and as Secretary of the Treasury should be charged with the function of revising the estimates of his colleagues, but the more I think about that the more I have come to doubt the wisdom of such a provision. The advantages of it are that Congress could very clearly and very directly make it his duty. The Secretary of the Treasury is more peculiarly the officer and agent of the Congress of the United States than any Cabinet officer, and Congress would clearly have the power to require him to perform these functions. But there is necessarily engendered, through such procedure, a friction between that Cabinet officer and other Cabinet officers that might very seriously impair the usefulness of his work and the harmony that ought to exist between executive officers so intimately related, and I have, therefore, rather been led to the belief that the President should be given the facilities for having brought to his attention a consideration of the estimates submitted by the various heads, and that he must then, at the Cabinet table, have determined, under his direct supervision, this question of revision of the estimates of various departments by the Cabinet officers.

"It is very difficult, it seems to me, to give primacy in the true sense to any member of the official family of the President, and, after all, the responsibility rests upon him, and his hand should really be the guiding hand to determine what involves not only a question of expenditure but, through expenditure, the question of administrative policy in the highest sense.

"I have come, therefore, rather to the opinion that it would be desirable to place under the President a sufficient corps of assistants to enable him to acquire the information that he desires and to perhaps put at the head of that an officer whose title and relationship would

be such as to plainly indicate that he was the particular, confidential, close executive officer of the President. If you simply make him a bureau chief in the ordinary acceptation of that term, you will obtain the irritation of all the Cabinet officers at dictation from a bureau chief, in a sense, even more marked than if you made the Secretary of the Treasury or some other Cabinet officer the medium for performing this work. But if you make him, so to speak, the close, confidential agent of the President who brings to the President the information whereby the President, in turn, brings to the Cabinet the data that enables them as his advisers to determine the question, I believe that it would be possible to bring about the harmonious cooperation so necessary for a real reform, for back of any machinery, back of any possible plan, must be the desire on the part of the Executive and his official family to work out the result."

The contrary opinion of Mr. GLASS should be viewed in the light that he undoubtedly had in mind chiefly the work of revising estimates in the sense of cutting down the amounts of money asked, and that he was in a position where it was but natural that he should seek to promote the influence of the particular department of which he was the head.

For the reasons that have been given, it is believed that it will be difficult, if not impossible, for the Secretary of the Treasury effectively to pass upon the proposals of his colleagues at the Cabinet table. It is to be apprehended, therefore, that if the attempt is made to confer any such power upon him he will exercise it in either a timid or perfunctory manner.

5. A further objection to placing authority in respect to the preparation of the budget in the hands of the Secretary of the Treasury is that the Treasury Department is now one of the biggest spending departments of the Government. Overhead or general direction and control, such as is contemplated by a budget system, should be exercised by an officer or organ which is not itself a spending department. The advocates of conferring budgetary power upon the Secretary of the Treasury have sought to meet this objection by proposing that the Treasury Department be stripped of all of its nonfinancial services. This, however, would only partially meet the needs of the situation. The department would still have the administration of a large number of very important and expensive services—the Customs Service, the Internal Revenue Service, the mints, the Bureau of Engraving and Printing, the supervision of national banks, etc.

In this connection it is desirable to distinguish clearly between financial functions which have to do with general or public financial affairs and those which have to do with direction or control of the expenditure side of Government operations. At the present time the functions of the Treasury Department are exclusively of the first kind, if exception be made of the audit of public accounts, which latter function, it is now very generally argued, should be transferred to an independent office reporting directly to the fund-granting authority—Congress. The two classes of functions are wholly dissimilar and confusion in respect to them is due only to the fact that both are designated as financial. Giving to the President a bureau of the budget directly attached to his office would thus in no way lessen the present sphere of activities or importance of the Secretary of the Treasury. To put the bureau of the budget in the Department of the Treasury would mean that one of the biggest spending departments of the Government would be controlled by itself.

6. It has been urged in support of the proposal that the bureau of the budget be located in the Treasury Department that this is the system that obtains in Great Britain, a country which it is acknowledged has an exceptionally efficient budgetary system. Examination, however, will show that this is not a fact. The British treasury, notwithstanding its name, is not a department for the collection, custody, and issue of public moneys, the administration of the public debt, the collection of the revenues, or, indeed, for the performance of any of the important tasks having to do with the direct handling of the financial affairs of the Government. All these matters are handled by other services, known as the revenue services, the commissioner of the public debt, the Bank of England, etc., which are only nominally under the treasury, in much the same way as are all the other spending departments of the Government. The treasury itself, properly speaking, is nothing but a general organ of overhead administration and control having as its primary and almost its sole function the general control of the revenue and spending departments. It has, in a word, practically the status and functions that it is believed the bureau of the budget should have if made an independent service directly under the direction and control of the President. Thus the report of the exceedingly able select committee on national expenditure of the British House of Commons, which made a thorough study of the English budgetary system in 1918, criticized severely the one or two instances where the treasury department had itself undertaken the performance of governmental tasks, and said:

"We believe that the Treasury can not fully exercise its powers of control if it is itself a spending department, and we recommend that the direct responsibility for old-age pensions, which now rests with the board of customs and excise, a subdepartment of the treasury, should be transferred as soon as may be to another department."

A study of the British system would therefore tend to support the position that the bureau of the budget should have this independent status rather than that of having it made a subordinate service under one of the spending departments.

Even were the foregoing not true, the differences between the political systems of England and the United States are such as to render it practically impossible to make our Treasury Department function as does the British Treasury. Almost from time immemorial the British Treasury has been recognized, both inside and outside of the Government, as having a status not only distinct from but superior in authority to the other departments. The history of our Treasury Department has been the reverse of this. For the last hundred years the other departments have looked upon themselves and the Treasury Department as coordinate members in the President's Cabinet. It is almost impossible to conceive of their changing their attitude in this respect, and unless they do it is futile to seek to have the Secretary of the Treasury perform in a really effective manner the function of overhead supervision and control that is of the very essence of the powers of the British Chancellor of the Exchequer.

7. The only affirmative objections that are brought against locating responsibility for the preparation of the budget directly upon the President and in giving to him his own service through which he may meet this responsibility are that the director of such a bureau would either become a sort of super-Cabinet administrative officer or would have a standing that would not enable him courageously to pass upon and revise the estimates of Cabinet officers, and that the President would not have the time to discharge the additional duties thus placed upon him.

In respect to the first, it is of the utmost importance to appreciate that the proposal to create a bureau of the budget under the President does not carry with it any grant of power directly to that service. All grant of power is made directly to the President. The bureau of the budget will be merely the executing agent of the President. It will be the President who will make the decisions. He, and he alone, is in a position to assert his opinion and will over Cabinet officers. The bureau will thus have as its functions merely the raising of questions to be passed upon by the President, and the taking of the necessary steps to insure that decisions once made are carried out. The position of the director of the bureau will thus be strictly analogous to that of the present Private Secretary of the President. The latter will in effect have two private secretaries, one to assist him in handling his general political and personal affairs, and the other to assist him in the discharge of his duties as administrator in chief of the Government. No question can thus arise in respect to either the director of the bureau of the budget becoming an official superior in authority or power to the members of the Cabinet or being in a position where he can not act independently and vigorously in the way of bringing before the President matters affecting the efficiency of the organization of the administrative branch of the Government for the performance of its duties or the relative importance of demands made by the several subdivisions for the grant of funds.

In respect to the second, it is, of course, to be recognized that all the detail work of securing and maintaining records and information regarding the organization or activities of the Government, the justification for the demands made to engage in new activities, or to expand those already under way, the receipt and analysis of requests for funds as they originate in the several services and departments, and the final compilation of the budget, will be performed by the bureau of the budget, no matter where it is located. The President will thus be called upon merely to pass upon specific points that are raised by the bureau as the result of its examination of the estimates as received by it and its special study of administrative problems. It is believed that the President will, in normal times at least, have abundant opportunity to do this work. Both President Taft and his former private secretary, Charles D. Norton, in their testimony before the House Select Committee on the Budget stated unhesitatingly that he would. Thus Mr. Taft, addressing himself directly to this point, said:

"Now it is asked, Can the President do it? Yes; he can do it if you give him the assistants and the machinery with which to do it. If you give him a budget staff such as the Good bill gives him and have that staff made up of competent and expert men who know how, he can devote time to deciding questions that are critical in respect to policy, as the budget shall disclose. When there is a question as between a department and the budget staff as to whether something shall be cut down in the departments, the President would be there to act as final authority and to decide. He is thus backed up by the budget staff if he agrees with them, or by the department if he thinks they have gone too far and cut too much to the quick. Now, the budget is to contain: First, an estimate of the regular income; second, of the revenue and the method of raising it, or so much as the plan of expenditures may require; and, third, the estimates of expenditure with all of it based on the showing of prior years. It is to be the financial working plan of the Government; it is to be the financial review of the state of the mint; and it will contain the personality of the President. It will contain a résumé of his views as to the policy of the Government in every important field of finance, and that will draw to it a great deal of the Government's policies of all kinds.

"Of course, it will involve great labor on the part of the President in determining what those policies should be, but it will be something that he has got to meet; it will be something that he has got to take a part in; and while he has many duties, there will be no duty more important than this."

In practical operation the system would work about as follows: The bureau of the budget, in compiling the estimates, would, for example, find that there are three distinct services of the Government engaged in performing hydrographic and marine survey work—the Coast and Geodetic Survey, making surveys, preparing charts, etc., for the coasts of the United States and its dependencies; the Lakes Survey of the War Department, making marine surveys and preparing charts for the Great Lakes; and the Hydrographic Office of the Navy Department, copying or otherwise reproducing charts of other countries and making special surveys in outlying waters. It would be the duty of the director of the bureau to raise before the President the question as to whether this system of having three distinct services for performing identically the same character of work was a proper one, and whether it would not be more efficient and economical to have all this work done by a single service. The President is the only officer who properly can pass upon a question such as this, involving, as it does, the activities of three separate departments. He could either act upon the recommendation of his director of the budget, or, what is more likely, following the British practice, provide for the appointment of a joint committee, composed of representatives of the departments affected and his own Bureau of the Budget, to consider and report upon the matter before making his final decision.

8. To sum up in a few words the position taken by the advocates of placing direct responsibility for the preparation of the budget upon the President and of giving to him his own service, independent of any of the administrative or spending departments, through which to meet this responsibility, is that a budget after all is but a tool of administration, the means to an end. The real thing sought is to bring about a situation where the President will really and effectively discharge his duties as general manager of the business corporation. That this will mean added duties and responsibilities for the President is, of course, evident; but until these duties are discharged, not merely occasionally, but currently, it is futile to expect that efficiency and economy in the administration of public affairs that the stockholders of any large corporation demand as a matter of right of their executive officers. The system advocated thus means not merely that the President shall once a year perform the important act of submitting his financial and work program, but that he shall currently throughout the year discharge in a more direct manner the duties of a general manager as regards the control of all subordinate services. Only as he does this will he be in a position intelligently to formulate his budget when the time comes. At the present time the President has no agency through which he can keep in close touch with administrative affairs. The bureau of the budget which it is proposed to give to him will furnish such an agency, and it must be evident that no agency located within one of the spending departments could possibly perform these duties in an equally efficient way.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that we return now to page 50 of the bill, to an item that we passed over, commencing with an amendment pending, offered by the gentleman from Oklahoma.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. Without objection, the Clerk will read the paragraph passed over, together with the amendment.

There was no objection.

The Clerk read as follows:

For continuing the work of furnishing headstones of durable stone or other durable material for unmarked graves of Union and Confederate soldiers, sailors, and marines in national, post, city, town, and village cemeteries, naval cemeteries at navy yards and stations of the United States, and other burial places, under the acts of March 3, 1873, February 3, 1879, and March 9, 1906; continuing the work of furnishing headstones for unmarked graves of civilians interred in post cemeteries under the acts of April 28, 1904, and June 30, 1906; and furnishing headstones for the unmarked graves of Confederate soldiers, sailors, and marines in the national cemeteries, $100,000.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Oklahoma.

The Clerk read as follows:

Amendment offered by Mr. MCKEOWN: Page 50, line 12, after the period insert a new paragraph:

"For furnishing headstones of durable stone or other durable material for the graves of soldiers, sailors, and marines of the war with Germany in national, city, town, and village cemeteries, naval cemeteries at navy yards, and stations of the United States, where on account of the financial condition of relatives or other circumstances no headstone can be erected, $50,000."

Mr. GOOD. Mr. Chairman, I think a point of order was reserved to the amendment. Since that paragraph was under consideration I have read the matter, taken it up with Maj. Lemly, who has charge of this division, to see what the situation is. I doubt very much if they really have the power to do what they claim they are doing. I think it will be necessary to have legislation to buy headstones, if that is determined by the Congress, to place over the graves of the soldiers of this war whose bodies are returned and placed in private cemeteries or in cemeteries outside of national cemeteries. Now, they would have authority under the provision of law for the purchase of headstones in national cemeteries, but Maj. Lemly advised the committee that the department proposes to work out this matter and come to the Congress with a concrete proposition in reference to it. The committee has reported all the department asked for, $100,000. Whatever may be the will of the Congress in the matter, of course, will be the will of the Committee on Appropriations. That is to say, if the Congress shall enact legislation to provide headstones to be placed over the graves of these soldiers, no matter in what cemeteries the bodies may be interred; if that legislation be enacted, why, of course, the appropriation will be forthcoming, so I trust the gentleman will withdraw his amendment.

Mr. McKEOWN. Mr. Chairman, I suggest to the gentleman, does not he think it will be necessary to amend the language, even though we do not appropriate any additional money? Does not the gentleman think that the language proposed in the paragraph ought to be amended, after the word "marine," in line 3, to include "soldiers, sailors, and marines of the war with Spain and the war with Germany"? I do not believe that language, while they may give it that construction——

Mr. GOOD. They say they are doing that very thing, and the language is broad enough.

Mr. McKEOWN. I know, but I think it is a dangerous policy to permit a department to be forced to construe language in order to meet a condition that arises. I think the Congress ought to give full authority in its language, so that the department will not be inclined to make a forced construction. I would like to withdraw the amendment and offer an amendment to include those words in line 3.

Mr. GOOD. Well, now, if the gentleman will read the language carefully he will see that this includes:

And other burial places under the acts of March 3, 1873, February 3, 1879, and March 9, 1906; continuing the work of furnishing headstones for unmarked graves of civilians interred in post cemeteries under the acts of April 28, 1904, and June 30, 1906.

I will say this to the gentleman, I do not know what the will of the Congress is with regard to this matter, and I do not believe the gentleman knows, and the Congress ought to go into it first and then appropriate afterwards.

Mr. McKEOWN. The amendment which I propose now does not propose to add an additional dollar to the appropriation. It simply makes it so they can use it if they have the money, and I think it ought to be put in.

Mr. GOOD. What I am afraid of in making amendments on the floor in matters of this kind is that we may do something so that the Department will say that they can not expend the money in the procurement of headstones. Now, they say they can secure headstones and have been securing headstones not only for the soldiers of the Civil War and the War with Spain but for soldiers of the war with Germany. That being the case, it seems to me that the administrative officers having decided that question, I would look with some disfavor upon amending it until I know the matter has been submitted to the administrative officers for fear we might make a worse mess of it.

Mr. McKEOWN. That is the very thing that I am complaining about, that we ought not to permit a department to make a strained construction of language which is plain and which does not apply and does not include these soldiers, but we ought to so say so that they will not have to make a strained construction.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. MANN of Illinois. Is it not a fact that this money must be expended in accordance with certain acts of Congress named in the paragraph?

Mr. McKEOWN. Yes; I take it that is true.

Mr. MANN of Illinois. Well, any amendment which the gentleman offered would not affect those acts of Congress, would it?

Mr. McKEOWN. Well, if they are using the money now, I will say to the gentleman from Illinois, and applying it to the soldiers of the War with Spain without any special act of Congress, why, it would certainly cover that situation.

Mr. MANN of Illinois. Well, I do not know how it is used now, except as stated by the gentleman from Iowa. Congress has passed special legislation upon this subject several times, and this paragraph in the bill making the appropriation authorizes these things in accordance with certain acts of Congress. That is all they can do, it seems to me. The legislation is on the statute books.

Mr. McKEOWN. Does not the gentleman think that some provision should be made to take care of the soldiers of the last war, those of the late war with Germany, in marking their graves as well as the others?

Mr. MANN of Illinois. Well, it may be that some provision ought to be made, although I doubt very much the desirability of offering to pay a fixed sum of money to the relatives of every one who died regardless of the need for it.

Mr. McKEOWN. But my provision covers wherever the financial condition of the relatives is such that they can not construct a monument.

Mr. MANN of Illinois. That is the amendment which the gentleman sought to propose and withdrew.

Mr. McKEOWN. Yes, sir.

Mr. MANN of Illinois. And offered in place of it language which does not cover that, and I doubt whether the suggested amendment now would do any good or make any change because the appropriation is to be expended under the provision of certain acts of Congress.

I do not recall just what they are. I am frank to say that. I do not think we could enlarge it without legislating.

Mr. McKEOWN. Mr. Chairman, I ask unanimous consent to withdraw the amendment inserting a new paragraph and to offer the amendment which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. MCKEOWN: On page 50, line 3, after the word "marines," insert the words "soldiers, sailors, and marines of the War with Spain and of the war with Germany."

Mr. GOOD. Mr. Chairman, I make the point of order on that.

The CHAIRMAN. Does the gentleman from Oklahoma [Mr. MCKEOWN] desire to be heard on the point of order?

Mr. McKEOWN. Mr. Chairman, I do not care to take up further time of the committee. I think that legislation ought to be enacted, and I think the demand is very clear. If the gentleman is going to make a point of order I will say that I do not think it is subject to a point of order.

The CHAIRMAN. The Chair, of course, can not concern himself with the merits of the gentleman's amendment. The Chair has examined, so far as he has been able, during the informal debate that has just taken place, the law with reference to the placing of headstones at the head of graves of soldiers and sailors of the United States. The Chair finds that there is authority for the purchase and placement of these headstones, so far as soldiers who fought in the Civil War are concerned, but is unable to find any authority for the purchase and placement of headstones of soldiers or sailors of the late World War. The Chair therefore thinks that the amendment is new legislation and is not in order upon an appropriation bill, and therefore sustains the point of order.

Mr. GOOD. Mr. Chairman, I ask unanimous consent to return to page 65, to the item beginning on line 3.

The CHAIRMAN. Without objection, the Clerk will report the item passed over, and the pending amendment to the same.

Mr. GOOD. Mr. Chairman, this item was not passed over. I just want to offer an amendment striking out the word "Aqueduct," in line 3, and insert in lieu thereof the word "Georgetown," so as to make it conform to the amendment offered on the floor of the House.

The CHAIRMAN. Without objection, the Clerk will report the amendment.

The Clerk read as follows:

Page 65, line 3, strike out the word "Aqueduct" and insert in lieu thereof the word "Georgetown."

The CHAIRMAN. Without objection, the amendment will be agreed to.

There was no objection.

Mr. GOOD. Mr. Chairman, I ask to return to page 102, line 17.

The CHAIRMAN. The Clerk will read the paragraph passed over on page 102 and the pending amendment.

The Clerk read as follows:

Page 102, line 17: "Okanogan project, Washington: For operation and maintenance, continuation of construction, and incidental operations, $196,000."

Also the following amendment was read:

Amendment by Mr. WEBSTER: Page 102, line 17, after the word "operations," strike out "$196,000" and insert in lieu thereof the following: "$666,000: *Provided*, That no part of the moneys hereby appropriated shall become available for the construction of a permanent pumping plant until such action has been taken as may be satisfactory to the Secretary of the Interior to relieve the lands of the Okanogan project from liability for the obligations of the Methoy-Okanogan irrigation district to the extent deemed necessary by the said Secretary to fully safeguard the interests of the United States for the funds invested in that project."

Mr. FRENCH. Mr. Chairman——

The CHAIRMAN. The Chair wishes to state that a point of order is pending.

Mr. GOOD. I withdraw my reservation of the point of order.

The CHAIRMAN. The gentleman from Idaho is recognized on the amendment.

Mr. FRENCH. Mr. Chairman, I want to direct the attention of the House for just a few minutes to the importance of the amendment of the gentleman from Washington [Mr. WEBSTER].

A very critical situation confronts the Government and confronts the settlers upon the Okanogan project. There are 8,000 acres of land involved and it was originally planned as a project to be reclaimed entirely through a gravity system by means of storage waters from what seemed to be ample watersheds. The Government, through the reclamation engineers, exercised all proper care in providing for the number of acres to be reclaimed. It made an examination covering a period of at least five years and found that the snowfall and the waterfall in the watersheds above the land was abundantly sufficient to furnish from 30,000 to upward of 50,000 acre-feet annually. That would mean, then, between 3 and 5 feet of water on every acre of the project. The project was carried through on this basis and succeeding years justified the action of the Government. The land was settled and the settlers put the land almost entirely into orchards, and to-day the 8,000 acres of land are covered with fruit trees. Three years ago the settlers were disappointed in a change of climatic conditions, and instead of from thirty to over fifty thousand acre-feet in the watershed the amount fell to approximately 8,000 to 10,000 acre-feet, and the year following only 14,000 acre-feet of water was available, or less than 2 acre-feet for each acre of land, and the following year, which is this year, 4,000 acre-feet of water, or, in other words, 6 inches of water for each acre under the project. Here had occurred a climatic change that no human being could foresee.

A most critical situation has arisen. The orchards are new. They are young. Unless water can be furnished to the tract now while the orchard is growing the trees will be stunted and the effect of not having water at this time will mean the same for them as insufficient nourishment means to a child. It simply stunts the growth, and the trees in the future years, no matter if water shall be furnished, will not be able to be the successfully bearing trees that they would be if the water can now be furnished. The land being in orchard presents an entirely different situation than if the land were in wheat or other annual crop. The amount of money asked for can be used in the latter part of this summer and next fall and next spring in the construction of a pumping plant to supplement the gravity-flow system that now exists. The department estimates that the amount will be ample. The water can be pumped from the Okanogan River, which flows right below the bench on which the tract of land is located.

More than that, the Director of the Reclamation Service advises me that the situation is absolutely critical, and regardless of what we may do with regard to others of the projects that have been the object of supplemental estimates, this project must be taken care of or great loss will occur.

I will say further that I have at least two projects in my own State that have been reported and recommended in the supplemental estimates. There are several others in the Western States of the same nature, but not one of them is on all fours with the project I have referred to. They are important, and as money shall come into the reclamation fund they should be taken care of. But, gentlemen, this project is critical. The others can be taken care of by supplemental appropriations later on this year from the receipt of moneys under the gas and oil leasing laws or other land laws, if the moneys shall be available. But for the immediate need it is most important and necessary that this amendment shall be carried through.

Again, it is necessary in order to protect the interests of the Government. The Government has one and one-quarter million dollars invested in the project. The settlers have twice as much, and both their interests must be protected.

Now, some one may say, "Why does not the project as a project hypothecate the values therein and borrow the money and put in a pumping plant?" The project can not do it, for the reason that it is a Government project, and the Government's claim covers the first lien on all the land under the project, and therefore no community moneys could be borrowed. Furthermore, the same reason that obtains to prevent the community or project from borrowing money prevents the individuals themselves from borrowing money to carry on this work that is so vitally necessary.

Mr. LAYTON. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. LAYTON. Suppose the water supply fails next year and the year after and the year after that? Would they still ask Congress for help?

Mr. FRENCH. No. The relief furnished will be of permanent character. It will be an auxiliary system. The main system will be the gravity flow. This will be an auxiliary system to help out in case of need, and its cost will be paid for by the settlers the same as the original cost. [Applause.]

Mr. MONDELL. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The gentleman from Wyoming withdraws the point of order.

Mr. MONDELL. I think the appropriation should be made, but I regret the conditions which seem to make it necessary. I am not at all certain that what is now proposed to be done will permanently relieve the situation at Okanogan. A pumping plant such as is now proposed here, such as seems to be required, involves in addition to the large initial expenditure the expenditure of a large amount of money annually for operation and will lay a very heavy additional burden on these settlers. I do not know just who is responsible for the situation which seems to exist. Some one is, I fear, grievously at fault. Some one has committed a very great error of judgment in the computation of the water supply for this project, making it necessary to add the supplemental pumping system. But it seems at least we are told this must be done to save the investment which has been made, and the best we can do is to hope that the settlers may be able to pay out, and what is more, that they will realize the unusual action that is being taken in their behalf and be disposed to pay promptly. [Applause.]

Mr. GOOD. Mr. Chairman, in a statement that I made when the bill was presented I tried to make clear what the purpose of the committee was in regard to the supplemental estimate, aggregating $5,000,000 for reclamation projects. Since that time the Director of the Reclamation Service has written me a letter with regard to this one project. I read a portion of his letter regarding this item. He says:

It is of the utmost importance that this special estimate for the Okanogan project be allowed in full, as any shortage in this may be fatal to the bearing orchards and destroy the value of the property on which the security of the Government investment rests.

I dislike to see this amount of money appropriated in addition to that already carried. But Mr. Davis further makes it plain that there is no question but that this additional amount will be received by the reclamation fund out of the provisions of the oil-leasing bill. That being the case I do not want to take the responsibility of saying that we should not aid this project, which the director thinks is critical, and where he thinks the Government investment may be impaired or even lost, unless some provision is made to supply these orchards with water. I do not care for myself to take the responsibility of opposing the amendment. Both the director and those who are familiar with the project and the needs of the service there

and have a peculiar knowledge with regard to it, are urgently requesting it.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. RAKER. The committee had hearings upon this particular item, did they not?

Mr. GOOD. Yes. We had hearings upon all of them.

Mr. RAKER. What is the amount?

Mr. GOOD. The amount is $470,000.

Mr. RAKER. That is to put in a supplemental plant?

Mr. GOOD. To put in a pumping plant, to make good the shortage of the water for this project, consisting of about 8,000 acres of land, practically all in orchards.

Mr. RAKER. Do these people agree to pay the additional expense?

Mr. GOOD. Yes. It brings the total cost up, as I recall, to $150 an acre.

Mr. RAKER. Mr. Chairman, I move to strike out the last seven words of the amendment.

The CHAIRMAN. The gentleman from California is recognized.

Mr. RAKER. Mr. Chairman, from the statement made by the chairman of the committee [Mr. GOOD] and the gentleman from Idaho [Mr. FRENCH], of course, this project needs consideration. But we hope that this $470,000 additional will not be so much that the land owners will not be able to pay out, and that before the money is expended——

Mr. GOOD. The value of the crop is about $300 a year per acre.

Mr. RAKER. Then, in addition to that, it just shows the magnanimity of three or four of the other States that have not received any of this reclamation fund on the sales of public lands. We are just now putting into the reclamation fund a large sum of money by virtue of the oil-leasing bill, which comes back from royalties that are being paid to the Government. Of course, our people in California will feel a little bit curious to realize at the very moment when the money is placed in the reclamation fund, with so many thousand acres of land in California susceptible of irrigation, where the yield per acre is from three to five times as much as indicated on the land designated, that the funds should be transferred to another State. But successful development is what we want, and we wish to protect this project and see that it is carried out, with the view in mind that these proper projects in California, which State, if furnishing a large amount of this money, will afterwards be provided for.

The CHAIRMAN. The pro forma amendment, without objection, will be withdrawn. The question is on agreeing to the amendment offered by the gentleman from Washington [Mr. WEBSTER].

The amendment was agreed to.

Mr. BLANTON. Mr. Chairman, I move to strike out the last paragraph in the bill.

The CHAIRMAN. The Chair will state that there is nothing pending now before the committee. The last paragraph has been passed.

Mr. GOOD. What does the gentleman want?

Mr. BLANTON. I want just two minutes.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that the gentleman from Texas may proceed for two minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. BLANTON. Mr. Chairman, we have just finished the last great supply measure, and, much to my surprise, we did not have the usual speech from the gentleman from Wyoming [Mr. MONDELL] telling us just exactly how much money this Republican House had saved on this particular bill. The last time I figured it up, according to the gentleman's estimates, we had saved $1,800,000,000.

I only wish that we had numerous other supply measures to be acted upon at this session before we recess, because if we had, and if the gentleman could keep up the same ratio, he would probably have us out of debt before we recessed. [Laughter.] I do not know why he has not availed himself of the opportunity; but I want to say that next week the 19th of May will come around. It is usual on great anniversary occasions to have some kind of commemoration of the event, and when we get back into the House, either to-day or to-morrow, I am going to ask unanimous consent of the House that on the 19th of May I be permitted to proceed, say, five hours, in order to tell the country, in commemoration of the anniversary of the great Republican Party taking charge of this House, some of the great constructive (?) measures which have been passed (?) by the party in power.

Mr. GOOD. Does the gentleman think five hours would be sufficient?

Mr. BLANTON. I hardly think so. I think it would take a longer time than that.

Mr. STEVENSON. I think that in five minutes everything that this Republican majority has done could be told, with time to spare. [Laughter.]

Mr. BLANTON. I do not want the gentleman from South Carolina to interrupt my attempt at facetiousness.

On motion of Mr. GOOD, the committee rose; and Mr. MANN of Illinois having taken the chair as Speaker pro tempore, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the sundry civil appropriation bill, H. R. 13870, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. GOOD. I move the previous question on the bill and amendments to the final passage.

The SPEAKER pro tempore. The gentleman from Iowa moves the previous question on the bill and amendments to the final passage.

The previous question was ordered.

The SPEAKER pro tempore. Is a separate vote demanded on any of the amendments?

Mr. BLANTON. I ask for a separate vote on the two Newton amendments. I presume the vote could be taken on both at one time. They are similar amendments, and I ask unanimous consent that the vote may be taken on the two at one time.

The SPEAKER pro tempore. The gentleman from Texas asks for a separate vote on the two so-called Newton amendments. Is a separate vote demanded on any other amendment? If not, the Chair will put them en bloc.

The other amendments were agreed to.

The SPEAKER pro tempore. The question now recurs upon the so-called Newton amendments; and the gentleman from Texas [Mr. BLANTON] asks unanimous consent that the vote be taken on both amendments together. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the Newton amendments.

The Clerk read as follows:

Page 18, line 3, strike out the figures "$2,357,000" and insert in lieu thereof the figures "$2,569,000."

Page 18, line 17, strike out the figures "$1,905,000" and insert in lieu thereof the figures "$2,023,125."

The SPEAKER pro tempore. The question is on agreeing to the amendments.

The question being taken, the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BLANTON. Division, Mr. Speaker.

The House divided; and there were—ayes 71, noes 13.

Mr. BLANTON. Mr. Speaker, I make the point of no quorum present. I do not like that 13 vote.

The SPEAKER pro tempore. The gentleman from Texas makes the point of no quorum present. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll. Those in favor of agreeing to the amendments will, as their names are called, answer "yea," those opposed "nay."

The question was taken; and there were—yeas 240, nays 38, answered "present" 2, not voting 147, as follows:

YEAS—240.

Ackerman	Candler	Evans, Mont.	Hickey
Almon	Chindblom	Evans, Nebr.	Hicks
Anderson	Christopherson	Fisher	Hoey
Andrews, Md.	Classon	Flood	Holland
Andrews, Nebr.	Cleary	Fordney	Houghton
Anthony	Coady	Foster	Howard
Ashbrook	Copley	Frear	Hudspeth
Ayres	Crago	Freeman	Hull, Iowa
Babka	Cramton	Fuller, Ill.	Hull, Tenn.
Barbour	Crowther	Gallagher	Hutchinson
Barkley	Cullen	Gallivan	Igoe
Bee	Currie, Mich.	Gandy	Ireland
Benham	Dale	Ganly	Jacoway
Benson	Dallinger	Gard	James
Black	Darrow	Garland	Johnson, Ky.
Bland, Ind.	Davis, Minn.	Glynn	Johnson, S. Dak.
Bland, Mo.	Davis, Tenn.	Godwin, N. C.	Johnson, Wash.
Bland, Va.	Dickinson, Mo.	Goldfogle	Juul
Boies	Dickinson, Iowa	Goodall	Kahn
Booher	Doughton	Green, Iowa	Kearns
Bowers	Dowell	Greene, Mass.	Keller
Briggs	Drewry	Hardy, Colo.	Kincheloe
Britten	Dunbar	Hardy, Tex.	King
Brooks, Ill.	Dunn	Harreld	Kinkaid
Browne	Dupré	Haugen	Kleczka
Burdick	Eagan	Hawley	Knutson
Burke	Eagle	Hays	Lampert
Byrns, Tenn.	Elliott	Hersey	Lanham
Caldwell	Esch	Hersman	Lankford

Layton	Moore, Ohio	Rainey, Ala.	Stiness
Lea, Calif.	Moore, Va.	Rainey, J. W.	Stoll
Lehlbach	Moores, Ind.	Raker	Strong, Kans.
Lesher	Morgan	Ramsey	Sweet
Linthicum	Mott	Ramseyer	Swope
Little	Mudd	Randall, Calif.	Tague
Lonergan	Murphy	Randall, Wis.	Taylor, Ark.
Lufkin	Neely	Rayburn	Taylor, Tenn.
Luhring	Nelson, Mo.	Reavis	Thomas
McAndrews	Newton, Minn.	Reed, N. Y.	Tilson
McArthur	Newton, Mo.	Reed, W. Va.	Timberlake
McClintic	Nicholls	Ricketts	Treadway
McGlennon	Nolan	Riordan	Vaile
McKeown	O'Connell	Robsion, Ky.	Venable
McKinley	O'Connor	Rogers	Walters
McLane	Ogden	Rubey	Ward
McLaughlin, Mich.	Oldfield	Sanders, La.	Watkins
McLaughlin, Nebr.	Oliver	Sanders, N. Y.	Watson
MacGregor	Olney	Schall	Weaver
Magee	Osborne	Scott	Welling
Maher	Padgett	Sells	Welty
Major	Paige	Sherwood	White, Me.
Mapes	Park	Siegel	Wilson, Ill.
Mays	Parker	Sims	Wilson, Pa.
Mead	Parrish	Sinnott	Wingo
Michener	Pell	Slemp	Winslow
Miller	Peters	Small	Woods, Va.
Milligan	Phelan	Smith, Idaho	Woodyard
Minahan, N. J.	Pou	Smith, Mich.	Young, N. Dak.
Monahan, Wis.	Purnell	Stedman	Young, Tex.
Mooney	Radcliffe	Stephens, Miss.	Zihlman

NAYS—38.

Blanton	Garner	Mann, Ill.	Sumners, Tex.
Box	Good	Mansfield	Tincher
Brand	Greene, Vt.	Martin	Vinson
Buchanan	Hamilton	Mondell	Webster
Byrnes, S. C.	Hoch	Montague	White, Kans.
Cannon	Johnson, Miss.	Quin	Wilson, La.
Clark, Mo.	Jones, Tex.	Robinson, N. C.	Wise
Collier	Larsen	Sisson	Wright
Dominick	Luce	Stevenson	
French	McDuffie	Summers, Wash.	

ANSWERED "PRESENT"—2.

Langley Wason

NOT VOTING—147.

Aswell	Echols	Kendall	Rucker
Bacharach	Edmonds	Kennedy, Iowa	Sabath
Baer	Ellsworth	Kennedy, R. I.	Sanders, Ind.
Bankhead	Elston	Kettner	Sanford
Begg	Emerson	Kiess	Scully
Bell	Evans, Nev.	Kitchin	Sears
Blackmon	Fairfield	Kraus	Shreve
Brinson	Ferris	Kreider	Sinclair
Brooks, Pa.	Fess	Lazaro	Smith, Ill.
Brumbaugh	Fields	Lee, Ga.	Smith, N. Y.
Burroughs	Focht	Longworth	Smithwick
Butler	Fuller, Mass.	McCulloch	Snell
Campbell, Kans.	Garrett	McFadden	Snyder
Campbell, Pa.	Goodwin, Ark.	McKenzie	Steagall
Cantrill	Goodykoontz	McKinley	Steele
Caraway	Gould	McPherson	Steenerson
Carew	Graham, Ill.	MacCrate	Stephens, Ohio
Carss	Graham, Pa.	Madden	Strong, Pa.
Carter	Griest	Mann, S. C.	Sullivan
Casey	Griffin	Mason	Taylor, Colo.
Clark, Fla.	Hadley	Merritt	Temple
Cole	Hamill	Moon	Thompson
Connally	Harrison	Morin	Tillman
Cooper	Hastings	Nelson, Wis.	Tinkham
Costello	Hayden	Overstreet	Towner
Crisp	Heflin	Platt	Upshaw
Curry, Calif.	Hernandez	Porter	Vare
Davey	Hill	Rainey, H. T.	Vestal
Dempsey	Huddleston	Reber	Voigt
Denison	Hulings	Rhodes	Volstead
Dent	Humphreys	Riddick	Walsh
Dewalt	Husted	Rodenberg	Whaley
Donovan	Jefferis	Romjue	Wheeler
Dooling	Johnston, N. Y.	Rose	Williams
Doremus	Jones, Pa.	Rouse	Wood, Ind.
Drane	Kelley, Mich.	Rowan	Yates
Dyer	Kelly, Pa.	Rowe	

So the amendments were agreed to.

The following pairs were announced:

Until further notice:

Mr. WALSH with Mr. CONNALLY.
Mr. LONGWORTH with Mr. KITCHIN.
Mr. MORIN with Mr. HAYDEN.
Mr. HERNANDEZ with Mr. HASTINGS.
Mr. COLE with Mr. KETTNER.
Mr. BACHARACH with Mr. CARSS.
Mr. SNYDER with Mr. CARTER.
Mr. RHODES with Mr. TILLMAN.
Mr. KELLEY of Michigan with Mr. STEELE.
Mr. FAIRFIELD with Mr. DAVEY.
Mr. MADDEN with Mr. BELL.
Mr. ROWE with Mr. MOON.
Mr. FESS with Mr. DEWALT.
Mr. DYER with Mr. RUCKER.
Mr. FOCHT with Mr. CASEY.
Mr. BUTLER with Mr. CAMPBELL of Pennsylvania.
Mr. CAMPBELL of Kansas with Mr. CRISP.
Mr. MERRITT with Mr. LAZARO.
Mr. WHEELER with Mr. GRIFFIN.
Mr. WOOD of Indiana with Mr. OVERSTREET.
Mr. GRIEST with Mr. CAREW.
Mr. MCKINLEY with Mr. GARRETT.
Mr. YATES with Mr. HARRISON.
Mr. KIESS with Mr. CLARK of Florida.
Mr. TEMPLE with Mr. HUDDLESTON.
Mr. GRAHAM of Pennsylvania with Mr. FERRIS.
Mr. NELSON of Wisconsin with Mr. HEFLIN.
Mr. WILLIAMS with Mr. LEE of Georgia.
Mr. MACCRATE with Mr. BRINSON.
Mr. VARE with Mr. SABATH.
Mr. ELSTON with Mr. WHALEY.
Mr. KREIDER with Mr. ASWELL.
Mr. KENNEDY of Rhode Island with Mr. SULLIVAN.
Mr. STEPHENS of Ohio with Mr. UPSHAW.
Mr. EDMONDS with Mr. HUMPHREYS.
Mr. SANFORD with Mr. TAYLOR of Colorado.
Mr. TINKHAM with Mr. SMITHWICK.
Mr. MCKENZIE with Mr. DRANE.
Mr. TOWNER with Mr. BANKHEAD.
Mr. BROOKS of Pennsylvania with Mr. DOOLING.
Mr. KENDALL with Mr. MANN of South Carolina.
Mr. VOLSTEAD with Mr. HENRY T. RAINEY.
Mr. CURRY of California with Mr. GOODWIN of Arkansas.
Mr. SHREVE with Mr. ROWAN.
Mr. THOMPSON with Mr. SEARS.
Mr. RODENBERG with Mr. EVANS of Nevada.
Mr. KELLY of Pennsylvania with Mr. CARAWAY.
Mr. SNELL with Mr. SCULLY.
Mr. ROSE with Mr. BLACKMON.
Mr. DENISON with Mr. JOHNSTON of New York.
Mr. BEGG with Mr. HAMILL.
Mr. HULINGS with Mr. CANTRILL.
Mr. DEMPSEY with Mr. ROMJUE.
Mr. STRONG of Pennsylvania with Mr. SMITH of New York.
Mr. PORTER with Mr. DENT.
Mr. BURROUGHS with Mr. DONOVAN.
Mr. HILL with Mr. BRUMBAUGH.
Mr. JONES of Pennsylvania with Mr. DOREMUS.
Mr. SANDERS of Indiana with Mr. FIELDS.
Mr. ROUSE (for) with Mr. STEENERSON (against).

Mr. LANGLEY. Mr. Speaker, I voted "aye," but I have a general pair with the gentleman from Florida [Mr. CLARK]. I do not know how he would vote, and I therefore withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. DICKINSON of Missouri. Mr. Speaker, I offer the following motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. DICKINSON of Missouri. No; I am in favor of the bill.

The SPEAKER. Is there any Member opposed to the bill who wishes to offer a motion to recommit? If not, the Clerk will report the motion of the gentleman from Missouri.

The Clerk read as follows:

Mr. DICKINSON of Missouri moves to recommit this bill to the Committee on Appropriations, with instructions to report the same back to the House forthwith with an amendment on pages 53 and 54, by striking out the words and figures "not exceeding $100,000," on lines 23 and 24, page 53, and also striking out the words to the end of the sentence following those figures and inserting in lieu thereof the following: "not exceeding $500,000 for personal services in the cemeterial division, Office of the Quartermaster General, War Department, for compiling, recording, preparing, and transmitting data incident to the disposition of the remains referred to herein; this sum may be expended notwithstanding the third proviso of the paragraph entitled 'Temporary employees, War Department,' contained in the legislative, executive, and judicial appropriation act for the fiscal year 1921."

Mr. GOOD. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was being taken, when Mr. DICKINSON of Missouri demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 131, nays 153, answered "present" 2, not voting 141, as follows:

YEAS—131.

Almon	Babka	Benson	Bland, Mo.
Ashbrook	Barkley	Black	Bland, Va.
Ayres	Bee	Bland, Ind.	Booher

Brand	Godwin, N. C.	Martin	Riordan
Briggs	Goldfogle	Mays	Robinson, N. C.
Brumbaugh	Hersman	Mead	Romjue
Buchanan	Hoey	Milligan	Rouse
Burke	Holland	Minahan, N. J.	Rubey
Byrnes, S. C.	Howard	Montague	Sanders, La.
Byrns, Tenn.	Hudspeth	Moon	Sherwood
Caldwell	Hull, Tenn.	Mooney	Sims
Candler	Igoe	Moore, Va.	Small
Clark, Mo.	Jacoway	Morgan	Stedman
Cleary	Johnson, Ky.	Neely	Stevenson
Coady	Johnson, Miss.	Nelson, Mo.	Stoll
Collier	Jones, Tex.	Nicholls	Sumners, Tex.
Cullen	Kincheloe	O'Connell	Tague
Davis, Tenn.	Lanham	O'Connor	Taylor, Ark.
Dickinson, Mo.	Larsen	Oldfield	Thomas
Dominick	Lea, Calif.	Oliver	Venable
Doughton	Lesher	Olney	Vinson
Drewry	Linthicum	Overstreet	Watkins
Dupré	Lonergan	Padgett	Weaver
Eagan	McAndrews	Park	Welling
Evans, Mont.	McClintic	Parrish	Welty
Fisher	McDuffie	Pell	Wilson, La.
Flood	McGlennon	Phelan	Wilson, Pa.
Gallagher	McKeown	Pou	Wingo
Gallivan	McKinley	Quin	Wise
Gandy	McLane	Rainey, H. T.	Woods, Va.
Ganly	Maher	Rainey, J. W.	Wright
Gard	Major	Randall, Calif.	Young, Tex.
Garner	Mansfield	Rayburn	

NAYS—153.

Ackerman	French	Lehlbach	Ricketts
Anderson	Fuller, Ill.	Little	Robsion, Ky.
Andrews, Md.	Fuller, Mass.	Longworth	Rogers
Andrews, Nebr.	Garland	Luce	Sanders, N. Y.
Anthony	Glynn	Lufkin	Sanford
Barbour	Good	Luhring	Schall
Benham	Goodall	McArthur	Scott
Blanton	Graham, Ill.	McKenzie	Sells
Boies	Green, Iowa	McLaughlin, Mich.	Sinnott
Box	Greene, Mass.	McLaughlin, Nebr.	Sisson
Britten	Greene, Vt.	MacGregor	Smith, Idaho
Brooks, Ill.	Hamilton	Magee	Smith, Mich.
Browne	Hardy, Colo.	Mann, Ill.	Steenerson
Burdick	Harreld	Mapes	Stiness
Campbell, Kans.	Haugen	Michener	Strong, Kans.
Cannon	Hawley	Miller	Summers, Wash.
Chindblom	Hays	Monahan, Wis.	Sweet
Christopherson	Hersey	Mondell	Swope
Classon	Hickey	Moore, Ohio	Taylor, Tenn.
Copley	Hicks	Moores, Ind.	Tilson
Crago	Hoch	Mott	Timberlake
Cramton	Houghton	Mudd	Tincher
Crowther	Hull, Iowa	Murphy	Treadway
Currie, Mich.	Hutchinson	Newton, Minn.	Vaile
Dale	Ireland	Newton, Mo.	Volstead
Dallinger	James	Nolan	Ward
Darrow	Johnson, S. Dak.	Ogden	Wason
Davis, Minn.	Johnson, Wash.	Osborne	Watson
Dickinson, Iowa	Juul	Paige	Webster
Dowell	Kahn	Parker	White, Kans.
Dunbar	Kearns	Peters	White, Me.
Dunn	Kelier	Purnell	Wilson, Ill.
Elliott	King	Radcliffe	Winslow
Esch	Kinkaid	Raker	Woodyard
Evans, Nebr.	Kleczka	Ramsey	Young, N. Dak.
Fordney	Knutson	Ramseyer	Zihlman
Foster	Lampert	Randall, Wis.	
Frear	Langley	Reed, N. Y.	
Freeman	Layton	Reed, W. Va.	

ANSWERED "PRESENT"—2.

Eagle	Madden

NOT VOTING—141.

Aswell	Echols	Kendall	Sears
Bacharach	Edmonds	Kennedy, Iowa	Shreve
Baer	Ellsworth	Kennedy, R. I.	Siegel
Bankhead	Elston	Kettner	Sinclair
Begg	Emerson	Kless	Slemp
Bell	Evans, Nev.	Kitchin	Smith, Ill.
Blackmon	Fairfield	Kraus	Smith, N. Y.
Bowers	Ferris	Kreider	Smithwick
Brinson	Fess	Lankford	Snell
Brooks, Pa.	Fields	Lazaro	Snyder
Burroughs	Focht	Lee, Ga.	Steagall
Butler	Garrett	McCulloch	Steele
Campbell, Pa.	Goodwin, Ark.	McFadden	Stephens, Miss.
Cantrill	Goodykoontz	McKinley	Stephens, Ohio
Caraway	Gould	McPherson	Strong, Pa.
Carew	Graham, Pa.	MacCrate	Sullivan
Carss	Griest	Mann, S. C.	Taylor, Colo.
Carter	Griffin	Mason	Temple
Casey	Hadley	Merritt	Thompson
Clark, Fla.	Hamill	Morin	Tillman
Cole	Hardy, Tex.	Nelson, Wis.	Tinkham
Connally	Harrison	Platt	Towner
Cooper	Hastings	Porter	Upshaw
Costello	Hayden	Rainey, Ala.	Vare
Crisp	Heflin	Reavis	Vestal
Curry, Calif.	Hernandez	Reber	Voigt
Davey	Hill	Rhodes	Walsh
Dempsey	Huddleston	Riddick	Walters
Denison	Hulings	Rodenberg	Whaley
Dent	Humphreys	Rose	Wheeler
Dewalt	Husted	Rowan	Williams
Donovan	Jefferis	Rowe	Wood, Ind.
Dooling	Johnston, N. Y.	Rucker	Yates
Doremus	Jones, Pa.	Sabath	
Drane	Kelley, Mich.	Sanders, Ind.	
Dyer	Kelly, Pa.	Scully	

So the motion to recommit was rejected.

The Clerk announced the following additional pairs:

On the vote:

Mr. VOIGT (for) with Mr. LAZARO (against).

Mr. GOODWIN of Arkansas (for) with Mr. EAGLE (against).

Until further notice:

Mr. REAVIS with Mr. TAYLOR of Colorado.

Mr. MAGEE with Mr. STEAGALL.

Mr. WALTERS with Mr. KITCHIN.

Mr. COOPER with Mr. CRISP.

Mr. COSTELLO with Mr. STEPHENS of Mississippi.

Mr. SLEMP with Mr. DRANE.

Mr. DEMPSEY with Mr. LANKFORD.

Mr. MCFADDEN with Mr. RAINEY of Alabama.

Mr. MCCULLOCH with Mr. HARDY of Texas.

Mr. MADDEN. Mr. Speaker, did the gentleman from Georgia, Mr. BELL, vote?

The SPEAKER. He did not vote.

Mr. MADDEN. Mr. Speaker, I am paired with him. He and I were sitting in the Postal Committee all of the afternoon. I voted "no," and I desire to withdraw my vote of "no" and answer "present."

The name of Mr. MADDEN was called, and he answered "Present."

Mr. EAGLE. Mr. Speaker, I desire to withdraw my vote of "no" and answer "present."

The name of Mr. EAGLE was called, and he answered "Present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the bill was passed.

On motion of Mr. GOOD, a motion to reconsider the vote by which the bill was passed was laid on the table.

ELECTION TO COMMITTEES.

Mr. GARNER. Mr. Speaker, I move the election of Mr. MILLIGAN, of Missouri, as minority member of the Committee on the Census and the Committee on the Revision of the Laws.

The SPEAKER. The gentleman from Texas offers a motion, which the Clerk will report.

The Clerk read as follows:

Mr. GARNER moves the election of Mr. MILLIGAN, of Missouri, to membership on the Committee on the Census and the Committee on the Revision of the Laws.

The SPEAKER. The question is on agreeing to the motion.

The motion was agreed to.

CONSTRUCTION OF HATS.

The SPEAKER. The Chair will take the liberty of notifying the Members of the House that this evening the gentleman from Connecticut, Mr. TILSON, will deliver in the caucus room a lecture, accompanied by moving pictures, upon the construction of hats, to which the Members and their families are invited.

Mr. CLARK of Missouri. Could not the gentleman from Connecticut be induced to give us all a hat? [Laughter.]

CONTESTED-ELECTION CASE—SALTS V. MAJOR.

Mr. DALLINGER. Mr. Speaker, by direction of the Committee on Elections No. 1, I submit herewith a unanimous report upon the contested-election case of James D. Salt against Samuel C. Major, in the seventh congressional district of Missouri.

The SPEAKER. The gentleman from Massachusetts submits a privileged report, which will be referred to the House Calendar and ordered printed.

AGRICULTURAL APPROPRIATION BILL—CONFERENCE REPORT.

Mr. HAUGEN. Mr. Speaker, I submit herewith a conference report on the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921, for printing under the rule.

Mr. GARNER. Mr. Speaker, may I ask the gentleman from Iowa when he expects to call up his report?

Mr. HAUGEN. If I may do so, I expect to call it up on Thursday next, although I have not yet conferred with the Speaker.

Mr. LANGLEY. Are garden seeds provided for in the bill?

Mr. HAUGEN. That provision was stricken out in the Senate, though it is still in conference, and the House will have an opportunity to vote upon it.

ORDER OF BUSINESS.

Mr. SMALL. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes on Thursday next, immediately after the reading of the Journal and the disposition of business on the Speaker's table.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to address the House on Thursday next immediately after the reading of the Journal and the disposition of business on the Speaker's table. Is there objection?

Mr. GREENE of Massachusetts. Mr. Speaker, I understand that the Committee on Interstate and Foreign Commerce are to have Wednesday and Thursday of this week. Does this take those days away from that committee? If that should be interfered with, I shall object.

Mr. MONDELL. Mr. Speaker, I am not clear that the House has definitely fixed Thursday as a Calendar Wednesday day.

Mr. GREENE of Massachusetts. They ought to fix it this week.

The SPEAKER. Is there objection?

Mr. GREENE of Massachusetts. I object, Mr. Speaker, until we get this other matter settled.

SENATE JOINT RESOLUTIONS REFERRED.

Under clause 2 of Rule XXIV, Senate joint resolutions of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. J. Res. 160. Joint resolution to provide for the preservation and maintenance of the records of the Joint Commission on Reclassification of salaries; to the Committee on Reform in the Civil Service.

S. J. Res. 161. Joint resolution to exempt the New York Barge Canal from the provisions of section 201 of H. R. 10453; to the Committee on Interstate and Foreign Commerce.

ADJOURNMENT.

Mr. GOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 4 o'clock and 35 minutes p. m.) the House adjourned until to-morrow, Wednesday, May 12, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of Commerce, submitting a supplemental estimate of appropriation, required by the Bureau of Foreign and Domestic Commerce to cover expenses of compiling foreign trade statistics during the fiscal year 1921 (H. Doc. No. 761); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of War, transmitting a further report of the Chief of Engineers, containing an additional partial list of cases in which determinations have been made in accordance with section 10 of the act approved March 2, 1919 (40 Stats., 1290); to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. REAVIS, from the Committee on the Judiciary, to which was referred the joint resolution (H. J. Res. 339) to create a joint committee on the reorganization of the administrative branch of the Government, reported the same with an amendment, accompanied by a report (No. 959), which said joint resolution and amendment were referred to the Committee of the Whole House on the state of the Union.

Mr. DALLINGER, from the Committee on Elections No. 1, to which was referred the contested election case of James D. Salts against Sam C. Major, submitted a report (No. 961) thereon, which said report was referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. MOONEY, from the Committee on War Claims, to which was referred the bill (S. 3381) for the relief of Gertrude Lustig, reported the same without amendment, accompanied by a report (No. 957), which said bill and report were referred to the Private Calendar.

Mr. MacGREGOR, from the Committee on Claims, to which was referred the bill (H. R. 13600) for the relief of Mrs. William B. Ryan, reported the same without amendments, accompanied by a report (No. 958), which said bill and report were referred to the Private Calendar.

Mr. PETERS, from the Committee on Naval Affairs, to which was referred the bill (H. R. 10520) for the relief of Richard P. McCullough, reported the same without amendment, accompanied by a report (No. 962), which said bill and report were referred to the Private Calendar.

He also from the same committee to which was referred the bill (H. R. 7535) for the relief of Ellen M. Willey, reported the same without amendment, accompanied by a report (No. 963), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 3215) for the relief of I. C. Johnson, jr., reported the same without amendment, accompanied by a report (No. 964), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 12337) for the relief of Anthony Sulik, reported the same without amendment, accompanied by a report (No. 965), which said bill and report were referred to the Private Calendar.

Mr. PETERS, from the Committee on Naval Affairs, to which was referred the bill (H. R. 12080) to advance Capt. Benjamin S. Berry to the permanent rank of major, reported the same without amendment, accompanied by a report (No. 966), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. RAKER: A bill (H. R. 14027) providing for the reuse of boxes, bags, or other packages by manufacturers of tobacco, snuff, and cigars, and for other purposes; to the Committee on Ways and Means.

By Mr. TAGUE: A bill (H. R. 14028) to provide for election contests in the Senate and House of Representatives of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. BOOHER: A bill (H. R. 14029) to provide for the erection of an addition to the post-office building at St. Joseph, Mo., and for alterations to the present building; to the Committee on Public Buildings and Grounds.

By the SPEAKER: Memorial of the Legislature of the State of New Mexico, requesting Congress to enact legislation defining the legal status of the Pueblo Indians in the State of New Mexico; to the Committee on Indian Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 14030) granting a pension to Sarah C. Mattox; to the Committee on Invalid Pensions.

By Mr. BLAND of Indiana: A bill (H. R. 14031) granting an increase of pension to William A. Benge; to the Committee on Invalid Pensions.

By Mr. COPLEY: A bill (H. R. 14032) correcting the military record of Ernest R. Crouch; to the Committee on Military Affairs.

By Mr. GRIFFIN: A bill (H. R. 14033) granting a pension to Elizabeth H. Du Hamel; to the Committee on Invalid Pensions.

By Mr. HAYS: A bill (H. R. 14034) granting a pension to Mary F. Stone; to the Committee on Invalid Pensions.

By Mr. IGOE: A bill (H. R. 14035) granting a pension to Hattie Geske; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14036) granting a pension to Lillie Geske; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 14037) for the relief of William H. Estabrook; to the Committee on Military Affairs.

By Mr. MUDD: A bill (H. R. 14038) granting a pension to Matilda S. Brewer; to the Committee on Invalid Pensions.

By Mr. WELTY: A bill (H. R. 14039) granting a pension to Emma Brock; to the Committee on Invalid Pensions.

By Mr. WHALEY: A bill (H. R. 14040) for the relief of the owners of the Danish steamship *Flynderborg;* to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3565. By the SPEAKER (by request): Petition of Ministers' Alliance of Nashville, Tenn., favoring relief for Armenia; to the Committee on Foreign Affairs.

3566. Also (by request), petition of sundry ex-service men of the State of Oregon, favoring the passage of the Sherwood bill, House bill 10373, for a $500 bonus for soldiers; to the Committee on Ways and Means.

3567. Also (by request), petition of Ancient Order of Hibernians in America, Division No. 3, Patton, Pa., favoring the recognition of the Irish republic and the passage of the Mason bill; to the Committee on Foreign Affairs.

3568. By Mr. CULLEN: Petition of American Steamship Owners' Association, New York City, urging increased compensation to employees of Coast Guard Service; to the Committee on Naval Affairs.

3569. Also, petition of the Madison Club of the Eighteenth Assembly District, Brooklyn, N. Y., urging immediate report of Joint Commission on Salaries in Postal Service; to the Committee on the Post Office and Post Roads.

3570. By Mr. ESCH: Petition of Wisconsin Manufacturers' Association, urging early action on the part of Congress to readjust and increase the salaries of postal employees; to the Committee on the Post Office and Post Roads.

3571. By Mr. GALLIVAN: Petition of joint postal organizations of Boston; National Association of Post Office Laborers, James J. McCarthy, Boston; Coolidge Corner postal employees, Brookline; and M. Condron, Boston; all in the State of Massachusetts, urging early action on the part of Congress to readjust and increase the salaries of postal employees; to the Committee on the Post Office and Post Roads.

3572. Also, petition of James DeNormandie, jr., opposing House bill 12466; to the Committee on the Public Lands.

3573. Also, petition of St. Patrick Branch, Friends of Irish Freedom, West Boston, Mass., favoring the Mason bill, relative to Ireland; to the Committee on Foreign Affairs.

3574. Also, petition of North End Post, No. 53, American Legion; Roxbury Post, No. 44, American Legion, Boston; and three citizens of Boston, Mass., urging immediate passage of soldier-bonus legislation; to the Committee on Ways and Means.

3575. Also, petition of Weston & Flint, Boston, Mass., favoring increased salaries for school-teachers in the District of Columbia; to the Committee on the District of Columbia.

3576. By Mr. GRIFFIN: Petition of P. J. Kane, Democratic Club of New York City, urging favorable and early action on the report of the Joint Congressional Postal Commission, providing for increased salaries for post-office employees; to the Committee on the Post Office and Post Roads.

3577. By Mr. KENNEDY of Iowa: Petition of postmasters of New London, Grandview, Harris, Anita, and Alburnett, all in the State of Iowa, favoring an increase of salary for postal employees; to the Committee on the Post Office and Post Roads.

3578. By Mr. McGLENNON: Petition of Wharton Miners' Union, No. 268, of Wharton, N. J., favoring amnesty for political prisoners; to the Committee on the Judiciary.

3579. Also, petition of Charles Carroll of Carrollton Branch, Thomas F. Meagher Branch, Pierce McCan Branch, Thomas McDonough Branch, and the Wolfe Tone Branch of Friends of Irish Freedom; the Sacred Heart Holy Name Society, and the Holy Name Society, Sacred Heart Parish, all of Jersey City, N. J., in connection with the diplomatic recognition of Ireland, etc.; to the Committee on Foreign Affairs.

3580. By Mr. RAKER: Petition of Chamber of Commerce of the State of New York, protesting against any blanket bonus for soldiers and sailors; to the Committee on Ways and Means.

3581. Also, petition of Merced County Farm Bureau, Calif., indorsing the Capper-Hersman bill and urging its early enactment; to the Committee on the Judiciary.

3582. Also, petition of Mr. and Mrs. Preussler, of Macdoel, Calif., protesting against compulsory military training and conscription; to the Committee on Military Affairs.

3583. By Mr. ROGERS: Petition of Wilmington Post 136, American Legion of Boston, Mass., favoring the passage of the bonus bill; to the Committee on Ways and Means.

3584. By Mr. ROWAN: Resolutions adopted by the Board of Aldermen of New York City, urging the Joint Commission on Postal Salaries to make their report and to increase the salaries of all postal employees so that same may be acted upon before Congress adjourns; to the Committee on the Post Office and Post Roads.

3585. By Mr. SNYDER: Petition of Retail Dry Goods Association, of Herkimer, N. Y., for a declaration of a state of peace and a revision of the present method of taxation, and opposing the granting of cash bonuses for ex-service men; to the Committee on Ways and Means.

3586. Also, petition of Retail Merchants of the Herkimer (N. Y.) Chamber of Commerce opposing the passage of the McNary bill to stamp the manufacturers' cost on boots and shoes; to the Committee on Interstate and Foreign Commerce.

3587. By Mr. TREADWAY: Petition of postal employees of North Adams, Mass., with regard to the civil-service retirement bill and urging immediate report by the postal wage commission; to the Committee on Reform in the Civil Service.

SENATE.

WEDNESDAY, *May 12, 1920.*

(Legislative day of Tuesday, May 11, 1920.)

The Senate met at 12 o'clock noon, on the expiration of the recess.

TERMINATION OF WAR WITH GERMANY.

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes.

Mr. HITCHCOCK obtained the floor.

Mr. THOMAS. Mr. President——

Mr. HITCHCOCK. I yield to the Senator.

Mr. THOMAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Reading Clerk called the roll, and the following Senators answered to their names:

Borah	Gronna	McCumber	Smith, Md.
Brandegee	Hale	McKellar	Smith, S. C.
Calder	Harris	McNary	Smoot
Capper	Henderson	Moses	Spencer
Chamberlain	Hitchcock	Myers	Sterling
Comer	Johnson, Cal.	Nelson	Swanson
Culberson	Jones, N. Mex.	Norris	Thomas
Curtis	Jones, Wash.	Nugent	Trammell
Dial	Kellogg	Overman	Underwood
Dillingham	Kendrick	Page	Wadsworth
Edge	Kenyon	Phelan	Walsh, Mass.
Elkins	Keyes	Phipps	Warren
Fernald	King	Pittman	Williams
Frelinghuysen	Lenroot	Robinson	
Gay	Lodge	Sheppard	

Mr. SWANSON. My colleague [Mr. GLASS] is unavoidably detained from the Senate. I will let this announcement stand for the day.

Mr. WALSH of Massachusetts. I wish to announce that the Senator from Missouri [Mr. REED] is engaged on a subcommittee of the Committee on Manufactures.

Mr. GRONNA. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent, due to illness. I ask that this announcement may stand for the day.

Mr. McKELLAR. The Senator from Arizona [Mr. ASHURST], the Senator from Mississippi [Mr. HARRISON], the Senator from Louisiana [Mr. RANSDELL], and the Senator from Montana [Mr. WALSH] are absent on official business.

The VICE PRESIDENT. Fifty-eight Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed a bill (H. R. 13870) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the Speaker of the House had signed the enrolled bill (S. 795) to provide for the disposition of public lands withdrawn and improved under the provision of the reclamation laws, and which are no longer needed in connection with said laws.

PETITIONS AND MEMORIALS.

Mr. LODGE presented a telegram in the nature of a memorial from the general convention of the Albanian Orthodox Church of America, remonstrating against the enactment of legislation declaring it to be the sense of the Senate that northern Epirus should be awarded to Greece by the peace conference, which was ordered to lie on the table.

Mr. TOWNSEND presented a petition of sundry post-office employees of Coldwater, Mich., and a petition of sundry post-office employees of Otsego, Mich., praying for an increase in the salaries of postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented a petition of the Women's Clubs of Jackson, Mich., praying for the enactment of legislation providing for the public protection of maternity and infancy, which was referred to the Committee on Public Health and National Quarantine.

He also presented a petition of Hamlin Resort Grange, No. 1354, Patrons of Husbandy, of Ludington, Mich., praying for the enactment of legislation granting to farmers the right of collective bargaining, which was referred to the Committee on the Judiciary.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TRAMMELL:

A bill (S. 4367) for the relief of Mrs. K. C. Higginbotham; to the Committee on Claims.

By Mr. SPENCER:

A bill (S. 4368) for the relief of Barry County, Mo.; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 4370) granting to Henry Cronin a commission as first lieutenant in the Army; to the Committee on Military Affairs.

By Mr. TOWNSEND (for Mr. NEWBERRY):

A bill (S. 4371) granting a pension to William Bushey; to the Committee on Pensions.

By Mr. BORAH:

A bill (S. 4372) to encourage the establishment of farms and suburban homes by veterans of the World War; to the Committee on Public Lands.

By Mr. JONES of Washington:

A joint resolution (S. J. Res. 195) to suspend the requirements of annual assessment work on mining claims in the Territory of Alaska during the year 1920; to the Committee on Mines and Mining.

DIVISION OF MINES AND GEOLOGY.

Mr. HENDERSON. Mr. President, I introduce a bill to create a division of mines and geology in the Department of the Interior, and ask that it be referred to the Committee on Mines and Mining.

I wish to call the attention of the Senator from New Jersey [Mr. FRELINGHUYSEN] to this bill. The Senator from New Jersey recently introduced a bill to provide for the appointment of a Federal coal commission. The bill which I introduce proposes to create a division of mines and geology in the Department of the Interior and bring together all the governmental mining activities and place them under one head. I should like to have the Senator from New Jersey consider this measure in connection with his proposal for a Federal coal commission, with the idea of referring the powers and duties to be created under his bill to this division for the purpose of saving duplication of work.

The bill (S. 4369) to create a division of mines and geology in the Department of the Interior was read twice by its title and referred to the Committee on Mines and Mining.

AMENDMENTS TO SUNDRY CIVIL APPROPRIATION BILL.

Mr. MYERS submitted an amendment proposing to appropriate $1,200 to compensate Benjamin O. Kerlee for injuries received while employed in the service of the Government as a workman in the Kaniksu National Forest in the State of Idaho during the year 1915, etc., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. CULBERSON submitted an amendment proposing to appropriate $50,000 for an addition to the post-office building at Dallas, Tex., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

THE DYE INDUSTRY.

Mr. MOSES submitted an amendment intended to be proposed by him to the bill (H. R. 8078) to regulate the importation of coal-tar products, to promote the establishment of the manufacture thereof in the United States, and, as incident thereto, to amend the act of September 8, 1916, entitled "An act to increase the revenue, and for other purposes," which was ordered to lie on the table and be printed.

HOUSE BILL REFERRED.

H. R. 13870. An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had on this day approved and signed the act (S. 2528) to grant certain lands to the city of Pocatello, State of Idaho, for conserving and protecting the source of its water supply.

TERMINATION OF WAR WITH GERMANY.

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes.

Mr. HITCHCOCK. Mr. President, the mountain has labored and brought forth a mouse. The resolution now before the Senate, as it has been reported from the committee with amendments, may not be stillborn, but it is certainly a very feeble product contrasted with that which we had been led to expect as a substitute for a peace treaty.

We have had great expectations. Six months ago the effort was initiated to bring into the Senate something which would produce peace, something which should constitute a settlement of the war through which we have passed, something which might take the place of the treaty of peace which we had rejected. Some of the resolutions presented here and elsewhere gave indications of strength and virility, at least. They attempted by holding out threats to Germany to compel that country to accord to us the benefits, or some of them, provided in the peace treaty. They were mandatory in their character. They threatened Germany with a commercial war and with other evils if Germany failed to accord to us the protection of our interests, which are now utterly unprotected in the absence of treaty reservations.

I want to-day to follow somewhat the zigzag course of these sundry resolutions, which have at last wound up here in the Senate with the impotent conclusion reached by this substitute resolution framed by the Senator from Pennsylvania [Mr. KNOX] and reported by the Senator from Massachusetts [Mr. LODGE].

First of all, there came last November after the vote on the treaty a resolution presented by the Senator from Massachusetts [Mr. LODGE]. It was very brief and to the point. It declared the war between the United States and Germany at an end. For some reason the Senator from Massachusetts deserted his child after he had brought it to the Senate doorstep. No action was taken upon it either in the committee of which he is chairman or in the Senate in which he is leader on the Republican side.

Then there came the second attempt, made by the Senator from Pennsylvania [Mr. KNOX]. His resolution resolved "that peace exists between the United States and Germany."

The fine distinction there is between a declaration that the war is at an end and the declaration that peace exists between the United States and Germany I shall not undertake to discuss, but in that respect the resolution presented by the Senator from Pennsylvania differed from the resolution presented by the Senator from Massachusetts. There was one respect, however, in which the Senators agreed, and that was to abandon their resolutions, for the Senator from Pennsylvania followed the example of the Senator from Massachusetts, and abandoned his resolution.

On December 16 the third effort was made toward a so-called peace resolution. The Senator from Pennsylvania [Mr. KNOX] reported from the Committee on Foreign Relations, to which the other resolution had been referred, a resolution which made an entirely fresh start in the great work of securing peace by an unconstitutional method. It made no effort to revive either the Knox or the Lodge plan as its leading proposition, but made, as I have said, an entirely fresh start. It proposed to repeal the declaration of war passed by Congress in April, 1917, and provided that unless Germany should give us the benefits of the treaty that we had rejected, the President might prohibit commercial intercourse with that nation. What did that proposition involve? It involved a war of another sort; it involved a destructive commercial contest; it involved cutting ourselves off from all benefit of trade with Germany and leaving the rest of the world to enjoy all of the benefits that we lost.

That proposition, however, had the support of both the Knox and the Lodge forces upon the committee. It was reported out and placed upon the calendar last December, and there it has rested as completely abandoned as were the other attempts which never emerged from the committee. I think it was abandoned because it aroused no public enthusiasm in the United States. The people pretty thoroughly realized that there were serious difficulties in the way of reaching a peace settlement by that method. They realized, in the first place, that it was impossible without the cooperation of the President of the United States, with whom these statesmen seriously objected to cooperating; they realized that if the President should take such a course, and should declare an embargo, it would bring upon the United States one of the greatest disasters imaginable.

Nevertheless something had to be done. Intransigent statesmen, who had been absolutely unwilling to yield a jot or a tittle in the consideration of the peace treaty toward reaching a compromise, realized that there was upon them a growing responsibility to do something, and so the fourth attempt was undertaken.

Conferences began between certain Senators and certain Members of the House of Representatives. It was proposed to abandon the old tradition that the Senate, with the President, had control over foreign affairs, to the exclusion of the House of Representatives, and in the distress of the moment to take the House of Representatives into partnership with the Senate in an effort to do an unconstitutional thing in reaching a peace settlement. Conferences were held between Senators and Members of the House of Representatives, and the fourth attempt took form in the shape of a joint resolution differing in some respects from any that had been theretofore proposed, but combining also some of their features.

The very Senators who here have denounced parts of the treaty of Versailles as a violation of our Constitution entered into a deliberate attempt, in partnership with the House of Representatives, to secure in an unconstitutional way a peace settlement which can only come as the result of a treaty duly negotiated and ratified. They forgot, apparently, that the question of giving to the Congress of the United States the power to declare peace was specifically withheld in the Constitutional Convention of 1787; they forgot, apparently, that after the Constitutional Convention had decided to vest in the Congress the power to declare war and when the argument was made that the same body which declared war should also have the power to declare peace when that proposition came to a vote in the convention every State represented voted "no," including the State of Pennsylvania, represented here by Senator KNOX, and the State of Massachusetts, represented by Senator LODGE. Every State, in the framing of the Constitution, withheld from Congress, which has the power to declare war, the power to declare peace, the argument being obvious that the declaration of war was an overt, simple act, which the Congress, representing the people, could perform, whereas the negotiation of a peace treaty and the making of a peace settlement was something which, in the very nature of things, the great legislative body, composed of two houses, could not do. So it was deliberately and specifically denied to Congress that it should have the power to make peace; and yet these constitutional devotees, these men who are afraid to take a step toward doing away with war, for fear it may infringe some possible construction of the Constitution, deliberately enter into a movement to defy the Constitution and to enter a peace settlement in an unconstitutional way.

For 130 years the United States has recognized that there is only one way to make peace; for 130 years every peace settlement has been made by treaty, and every writer has recognized that peace settlements could not be made in any way except by a treaty negotiated by the President with the consent of the Senate.

Mr. LENROOT. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Wisconsin?

Mr. HITCHCOCK. I yield.

Mr. LENROOT. The Senator recognizes, does he not, that the termination of the Civil War was declared by act of Congress, and it is only the act of Congress that the Supreme Court has recognized as definitely fixing the date of the termination of the Civil War?

Mr. HITCHCOCK. Certainly; but I am not talking about domestic concerns, and the Civil War was a domestic concern.

Mr. LENROOT. But it was a war.

Mr. HITCHCOCK. It was an insurrection.

Mr. LENROOT. It was a war, and was so recognized.

Mr. HITCHCOCK. It was a domestic concern. I am talking about wars with foreign countries that require negotiations to bring about a settlement.

Mr. LENROOT. If the Senator will yield further, the constitutional provision to which the Senator refers does not differentiate between a war with a foreign country and a domestic war; and they were both wars.

Mr. HITCHCOCK. If the Senator wants to take the position that domestic violence can only be settled as a foreign war is settled, he is correct; but it is manifest that the foreign affairs of the United States are placed in the sole and only control of the Executive. The Constitution specifically places in him the sole power to negotiate treaties and settle foreign affairs, and the only restriction upon him is that in making treaties he must have the consent of two-thirds of the Senators present and voting. I do not care to discuss the constitutional question; I only mention this phase of the matter, because these Senators have been sticklers for strict constitutional construction; and there can not be any question after what we know of the discussions of the Constitutional Convention that the States when they formed the Union deliberately withheld from Congress the power to make a peace settlement. No question of this kind has been raised for 130 years. The Senate has gloried in its exclusive right, with the President, to control the foreign affairs of the country.

The House resolution, framed after negotiations and conferences between Senators and Members of the House, provided in brief for a recognition of the theory presented by the Senator from Massachusetts; it avoided the Knox theory of declaring peace, and adopted the Lodge theory of declaring the war at an end. Then it repealed the war powers of the President.

It further provided that unless Germany within 45 days, by some proper legislative or administrative action, should waive all demands against the United States, except such as she would be entitled to under the rejected peace treaty, the President might or should declare a commercial war; it gave him the privilege of declaring it, and made it his duty to do so. Then, it went further and specifically reserved our rights under the armistice of November, 1918, and declared that we did not waive the fines, penalties, and forfeitures which had been exacted during the war, and that we specifically ratified and retained them. This was evidently an effort at compulsion; it was an effort to compel Germany to grant us a peace settlement that would protect the rights which were protected under the peace treaty which we had rejected.

The resolution passed the House and came to the Senate, where it was referred to the Committee on Foreign Relations. The Committee on Foreign Relations struck out everything except the enacting clause and substituted an entirely new resolution prepared by the Senator from Pennsylvania [Mr. KNOX].

This joint resolution is mild and weak compared with the House joint resolution. It diminishes down to the point where we can say that "the mountain has labored and brought forth a mouse." There is no attempt to declare peace. Evidently the statesman-lawyer from Pennsylvania has concluded that as the Constitutional Convention specifically withheld from the Congress the power to declare peace, that attempt should be avoided; but there is a declaration that the war is at an end, and I leave the lawyers of the Senate to distinguish between the two. Evidently there is a distinction made by these various efforts to bring about peace. We apparently are confronted with the proposition that while the Congress has no power to declare peace, it may have power to declare the war at an end.

The Senator from Pennsylvania [Mr. KNOX], in his speech here the other day, labored long and industriously to establish one proposition, and he cited numerous well-known authorities to prove that peace may come by a cessation—as he called it, the silent cessation—of hostilities. He cited, among the older authorities, the attitude of Secretary Seward in the sixties, when he insisted in his diplomatic correspondence that the war in South America had come to an end by the cessation of hostilities; and the Senator from Pennsylvania declared that that position of Secretary Seward had put the United States in the attitude of recognizing that war could come to an end by the mere cessation of hostilities, and he accepted that as the established policy of the United States. He says "our country was committed to that principle." Well, now, if we are committed to that principle, why this joint resolution? Hostilities ceased in November of 1918. If there is no war now, why attempt to bring it to an end by a joint resolution? How can we terminate a war that does not exist?

Our Army, after that settlement, was demobilized and reduced to a peace basis. All of our actions indicate that so far as the United States is concerned we are slowly resuming with Germany a condition inconsistent with war. Since January, 1919—a little over a year—we have sold to Germany hundreds of millions of dollars of goods, and purchased from her a smaller amount; and yet we are told that this joint resolution is necessary to open commercial relations and to end the war which was terminated when the hostilities terminated by the armistice of 1918.

The real trouble is that the Senator from Pennsylvania is engaged in an effort to make a peace settlement and not to end the war. He has been compelled to abandon the threat of commercial war with Germany, because the people of the United States would not tolerate any such disaster to the country. He has been compelled to abandon the attempt even to request the President to inaugurate a commercial war to carry this joint resolution into effect, and his joint resolution has diminished down to the point where it does little more than to declare the war at an end and to repeal the joint resolutions by which war was declared.

One thing he holds out as a threat to Germany in this joint resolution reported from the Senate Committee on Foreign Relations to compel Germany to give us the benefit of the treaty we rejected, and that one thing is this: He declares in his joint resolution that unless Germany gives us those concessions which

were provided for in the treaty, we will continue to hold the German property in this country. Well, of what value is that? We are continuing to hold that property now. There is nothing new and nothing further in the threat that we are going to continue to do it. Moreover, we have a stronger hold on that property now than we would have if this peace resolution should go into effect. We are holding it now under our war powers. After we have repealed our declaration of war, and officially declared here that the war is at an end, German nationals might claim rights in our courts; and our hold upon the German property is about as feeble a threat, as mild a compulsion, as can be conceived.

Again I say, "the mountain has labored and brought forth a mouse."

Mr. KELLOGG. Mr. President, will the Senator yield?

Mr. HITCHCOCK. I yield.

Mr. KELLOGG. Did I understand the Senator to say that commerce was going on between this country and Germany? Is it not a fact that under the trading with the enemy act all such commerce, except as permitted by the President, is prohibited?

Mr. HITCHCOCK. I have secured from the Department of Commerce a statement of our exports to Germany and our imports from Germany since January, 1919. I am not able to give the exact figures now, but my recollection is that up to the 1st of April our exports to Germany, during that period, were over $145,000,000. I have not investigated as to how this is done, but I imagine it is done under the terms of the treaty itself, which permit the resumption of commerce when Germany and three of the main parties to the controversy have signed the treaty.

Mr. KELLOGG. That treaty does not apply to the United States until it is ratified by the Senate, and that does not authorize an American national to deal with German nationals; does it?

Mr. HITCHCOCK. I think if the Senator examines the last paragraph in the treaty he will find that commerce is resumed between all the belligerants and Germany, when the treaty goes into effect as to the first three nations.

Mr. KELLOGG. Who made such a treaty for the United States?

Mr. HITCHCOCK. I am not disputing the Senator. The fact is that we have the commerce, and I am only giving him my assumption as to how we got it. If we have it, that is sufficient, and it is not very important to know how we got it. I am giving the Senator my theory of the case. We, as a Nation, can get no benefits as a war settlement from a treaty until we ratify it; but if the treaty provides that the commerce of Germany is open to the world after three nations at war with Germany have signed it, I suppose, like any other nation, under the armistice we could take advantage of it.

Now, Mr. President, I want to say a few words concerning the argument presented by the Senator from Pennsylvania [Mr. KNOX], and then I shall be through.

He states that—

> The welfare and safety of the Nation imperatively demand that we know we have peace.

Well, I suppose if that is true now, it was true during all the long, weary months when we tried to get a ratification of the treaty, and I am not able to understand now why Senators have become so anxious for peace when they were so indifferent to the great opportunity that was presented a short time ago to secure it in the legitimate way.

Again, the Senator from Pennsylvania says in rather alarming tones:

> The whole world seethes with revolution.

Does the Senator from Pennsylvania think that his little four-by-nine resolution is going to put a stop to the "seething of revolution" throughout the world.

Again, he says:

> Our own Nation is in ferment and turmoil. Force and strife are rampant and threaten the destruction not only of our property but of our free institutions and even of our very lives.

I am afraid the Senator from Pennsylvania must have been consulting a ouija board to have discovered any such condition as that, and I am very sure that, even if it were true, the adoption of this impotent resolution would not cure it.

Again, the Senator from Pennsylvania says:

> And yet we stand and have stood for months as a rudderless ship foundering in the trough of tremendous seas.

My nautical knowledge is limited, but I do not know how a rudderless ship can stand either in the trough of the sea or anywhere else, and I am very sure that no relief can come to such a ship by a little joint resolution of this sort.

He further says:

> We must not dare longer to delay a return to the ordered government of peace.

Why not? He chose, with others, that alternative. We presented here an opportunity for a full and complete settlement and a timely settlement. He and his associates were the ones that dared to delay, not we. And what stop could be put to such a delay by the enactment of a little joint resolution like this, that would be utterly disregarded by Germany?

Further, he says:

> We must not hazard a further postponement in turning our undivided deliberations to our home problems.

Oh, that is splendid! Congress has been in session for a year, and the Senator from Pennsylvania declares that we must not hazard a further delay or postponement in turning our undivided deliberations to our home problems. Why does he not do it? This has not anything to do with home problems. Why has the Congress neglected the home problems for the past year? It has been in session; its power has been complete; committees have been organized. Why have not the home problems been attacked if they exist?

Again, he says:

> As a preliminary step, the Executive must be returned to his peace-time powers and prerogatives.

It does not require the adoption of a resolution of this sort to return the Executive to his peace-time powers and prerogatives. This resolution would not do it, except in the clause by which it repeals the war-time powers. I believe the Senator from Washington [Mr. JONES] has introduced a bill to repeal those war-time powers. If there is virtue in that proposition, it can be attacked in a separate way. It does not take a resolution attempting to compel a peace settlement in violation of the Constitution to repeal the war-time powers of the President of the United States.

Again, he says:

> The resolution before us is designed to bring us to this.

Just think! This resolution is designed to put a stop to the seething of revolution throughout the world; it is designed to put a stop to the ferment and turmoil throughout the United States which threatens our lives and our property, and all these other evils pictured by the Senator from Pennsylvania.

Then, the Senator from Pensylvania uses this language:

> The course of the President * * * leaves no chance for doubt that he will continue, hereafter as heretofore, to thwart, so far as he is able, every attempt on the part of the Senate, the Congress, or the people, to take any action immediately or remotely affecting in however slight a degree, through change or modification, the provisions of the treaty of Versailles as it came to us fresh from his signature.

That really is delicious, Mr. President, that the President of the United States, who for something like six months has been a bedridden invalid, much of that time in danger of his very life, has been devoting himself to thwarting the Senate and the Congress and the people in an effort to bring about peace. The fact is that the President of the United States, in the exercise of his constitutional power, his exclusive and sole constitutional power, negotiated a treaty; he brought it to the Senate; he asked for the consent of the Senate to its ratification; and the Senate failed to give that consent and sent it back to the White House. Who is thwarting, who is hindering, who is delaying, under those circumstances? The Senate did not give its consent. The Senate did not function, and it did not function because there was a deliberate refusal to compromise differences, as there might have been a compromise. Yet we are told that this unfortunate invalid in the White House, hardly able to do the necessary things which he must do as an Executive, has been spending his time thwarting the people, thwarting the Congress, in trying to secure peace. Why did not the Senate give its consent to ratify the treaty?

Mr. LENROOT. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Wisconsin?

Mr. HITCHCOCK. I yield.

Mr. LENROOT. If the President had not written the letters which he did to the Senator from Nebraska and others, and had not used his influence upon Democratic Senators, does not the Senator know that the treaty would have been ratified with these reservations?

Mr. HITCHCOCK. No; I do not.

Mr. KELLOGG. Mr. President——

The VICE PRESIDENT. Does the Senator yield to the Senator from Minnesota?

Mr. HITCHCOCK. I yield.

Mr. KELLOGG. I should like to ask the Senator how much compromise there was in the President's letter the other day to the national committeeman in Oregon?

Mr. HITCHCOCK. The President's letter in that case declared his devotion to the League of Nations and denounced the Lodge reservations. That is all it did. I denounce them. I will never consent to them, and many other Senators never would, and millions of people never would. But those Lodge reservations were matched by reservations on this side of the aisle. I had the honor to offer five reservations, and they were indorsed by the President, and they were a tender of compromise. On article 10 I offered a reservation which was a compromise. There was some doubt as to whether the President would accept it, but we on this side of the aisle were willing to stand for it. You did not accept it. It was drawn by a former Republican President of the United States, and yet you refused to accept it. We offered all the compromise; you offered none. You refused all.

Again the Senator from Pennsylvania says:

He—

That is, the President—

has preferred to keep the country in an alleged state of war for now almost a year rather than abate one jot or tittle of the full measure his isolated will had set for the Nation.

Mr. President, how can a man say a thing of that sort to the Senate of the United States with a straight face? To keep the country in an alleged state of war for a year! The President came back here with the treaty and delivered it to the Senate in July, 1919, and the Senate sent it to the Committee on Foreign Relations, of which the Senator from Pennsylvania [Mr. KNOX] is a member. That committee locked up that treaty within the four walls of its committee room for two months, although they might just as well have reported it out in one week. They kept it for two months, locked up there, delaying peace.

The Senator from Pennsylvania was one of the Senators whose votes made that outrageous delay possible, and when it came into the Senate, by a report of the committee, on the 10th of September, as I recall it, it was debated up to the 15th of November. Yes; it had been debated before September. We had been debating it here all through May, June, July, and August, and then September, October, and until the 15th of November, and when finally patience ceased to be a virtue, and I offered a resolution of cloture to stop debate, the Senator from Pennsylvania voted against it. He did not want to stop debate. He was not then afraid of delay. Not only that, but when my resolution was beaten and the Senator from Massachusetts [Mr. LODGE] offered another resolution of cloture, which was generally supported throughout the Senate, the Senator from Pennsylvania, who now talks about delay, voted even then against putting an end to debate and bringing action to the fore. He voted against ratifying the treaty in any form. Yet he talks about the President of the United States keeping the country in a state of war, when he was instrumental himself in continuing that perfectly outrageous delay, and if he had had his way we would have been debating the question even to this very day.

Mr. JONES of New Mexico. I should like to inquire of the Senator if the debate did not begin even earlier than he has stated? Did it not begin in December, 1918, and run all through the early months of 1919, before the treaty itself was actually presented to the Senate?

Mr. HITCHCOCK. The Senator is entirely correct.

Mr. BORAH. The debate really began in January, 1917, on the question of a league of nations. It has been going on ever since that time and it will continue for some time yet.

Mr. THOMAS. Mr. President, will it interrupt the Senator if I call his attention to two Supreme Court decisions regarding the termination of rebellion or civil war between the States?

Mr. HITCHCOCK. I will be very glad to have the Senator do it.

Mr. THOMAS. The inquiry of the Senator from Wisconsin [Mr. LENROOT] a few minutes ago, directed to the Senator from Nebraska, was to the effect that Congress had by resolution declared a state of peace, or enacted a state of peace, between the States of the Union theretofore engaged in civil war. I was very much aroused by the inquiry, because it seemed to conflict with my recollection of the facts. Upon a very hasty examination of the question since then I have discovered that my memory was not at fault, and in order to set the question at rest I would like to call the attention of the Senate to the case of United States against Anderson, reported in Ninth Wallace, on page 56, in which the Supreme Court says:

As respects rights intended to be secured by the above-mentioned abandoned or captured property act, "the suppression of the rebellion" is to be regarded as having taken place on the 20th of August, 1866, on which day the President by proclamation declared it suppressed in Texas "and throughout the whole of the United States of America," that same date being apparently adopted by Congress in a statute continuing a certain rate of pay to soldiers in the Army "for three years after the close of the rebellion, as announced by the President of the United States by proclamation bearing date August 20, 1866." (U. S. Repts., 9 Wall., p. 56.)

A few years subsequently, in the case of McElrath v. United States (102 U. S. Repts.), the same question presented itself, and Justice Harlan, on page 438 of the volume, asks the question in his opinion:

But when was the rebellion suppressed and peace inaugurated? Not until the 20th day of August, 1866, on which day the President announced, by proclamation, that the insurrection against the national authority was at an end, and that "peace, order, tranquillity, and civil authority" then existed "in and throughout the whole of the United States of America." (14 Stat., 814; United States v. Anderson, 9 Wall., 71; the Protector, 12 id., 702.) The effect of that proclamation, as fixing the time when the rebellion closed, was distinctly recognized by Congress in the act of March 2, 1867. (102 U. S. Repts., Otto 12, p. 438.)

A subsequent enactment, if you please. So I think it is fair to say that the official close of the rebellion was the proclamation of the President of August 20, 1866, and the resolution of Congress upon the subject merely recognized and confirmed that date.

Mr. HITCHCOCK. I thank the Senator from Colorado for his interruption, and I recall now noticing heretofore that the President did issue a proclamation to that effect.

Mr. KELLOGG. Will the Senator permit me to ask a question of the Senator from Colorado?

Mr. HITCHCOCK. I yield.

Mr. KELLOGG. I should like to ask the Senator from Colorado if he thinks, in a foreign war, the President has any power by proclamation to declare peace, concluding the terms of peace?

Mr. THOMAS. No, Mr. President; I do not say that. My only purpose was to call the attention of the Senate to the two decisions, of which I had some general recollection, and which confirmed that recollection, whereby the President, by proclamation of August 20, 1866, did declare a state of peace, which had been used as the official termination of the war. The only resolutions of Congress upon the subject postdated the proclamation of the President and merely recognized it as official.

Mr. LENROOT. Mr. President, will the Senator from Colorado yield?

Mr. THOMAS. I have not the floor.

Mr. HITCHCOCK. If very brief, I will yield. I am about through.

Mr. LENROOT. In each of those cases—and there is a third case, with which the Senator may be familiar—the Senator realizes that the action was predicated upon Congress ratifying the act of the President.

Mr. THOMAS. Yes; but the ratification succeeded——

Mr. LENROOT. Oh, certainly.

Mr. THOMAS. The ratification succeeded the proclamation of the President, and referred to it incidentally, the subject matter of the resolutions being entirely different from the fixing of the date when peace was declared and officially announced as between the warring States.

Mr. HITCHCOCK. Mr. President, I have about finished. In conclusion I wish to read another statement made by the Senator from Pennsylvania, although before I leave this I ought to make some comment upon the statement by the Senator from Pennsylvania in this paragraph which I have just read denouncing the President's "isolated will." I think it is the Senate of the United States that is isolated—not the President.

The President entered into a treaty with all the nations engaged in the war. He agreed with them. This treaty has now been ratified by the nations that participated in the war, with the exception of the United States. But, to show that the President is not isolated, let me show what the real facts are about the League of Nations.

Fifteen States are now members of the league, having signed and ratified the treaty of Versailles. Thirteen additional States, neutral in the war, having been invited to join the league, have now done so.

Now, who is isolated? Is it the President of the United States, who entered into this great international compact to preserve the peace of the world, already ratified by almost every nation on earth that is permitted to join it, or is it the Senate of the United States, which has refused ratification of that great treaty?

But I must conclude. The Senator from Pennsylvania finally said:

He—

Referring to the President—

has conjured up every power within the whole vast executive domain in his efforts to compel this Senate to surrender its will and judgment to him, to become mere automatons to register his mandate, to approve this treaty in its last minutiæ of detail as he sent it to us.

Why, Mr. President, is there then no great issue involved in this difference in the Senate? Is it a mere little detail, as the Senator from Pennsylvania indicates? On the contrary, it is a great issue.

The Senator from Pennsylvania [Mr. KNOX], the Senator from Idaho [Mr. BORAH], and others have demanded that the United States shall not pledge itself to maintain the political independence and territorial integrity of the nations in the league. They object to that pledge. The President of the United States wants it kept as it was written. That does not present an insignificant detail. It presents a great issue, and the Senator from Pennsylvania must know it. That is an issue that is going before the people of the United States in this election, and to charge that the President is indulging in trifles and insignificant differences with the Senate is to indict his own associates who have clung tenaciously to the claim that the United States should not make that pledge.

Mr. President, we entered into the war and associated ourselves with certain nations. We were practically under a pledge to remain with those nations until a peace was concluded and we were a party to it. Now it is proposed to desert, now it is proposed by these various peace and end-the-war resolutions to make a separate deal with Germany, to compel Germany to make a separate deal with us. How does that comport with the utterances and the pledges of Senators so few months ago?

In the Forum Magazine for December, 1918, the Senator from Massachusetts made this statement:

> The President, who delivered the war message, and Congress, who voted for war, would be guilty of the blackest crime if they were willing to make a peace on the status quo ante bellum and re-create the situation which existed before the war. If we send our armies and our young men abroad to be killed and wounded in northern France and Flanders with no result but this, our entrance into war with such an intention was a crime which nothing can justify. The intent of Congress and the intent of the President was that there could be no peace until we could create a situation where no such war as this could recur. We can not make peace in the ordinary way. We can not, in the first place, make peace except in company with our allies. It would brand us with everlasting dishonor and bring ruin to us also if we undertook to make a separate peace.

And now the same Senators are willing to violate the Constitution, to induce the House of Representatives to usurp powers that do not belong to it, in order that they may make a separate peace with Germany, which they so recently unmeasuredly denounced.

Mr. President, we all know that this is a waste of time, a complete waste of time. If by any chance, which I hope may not occur, this resolution should pass and the conferees should agree upon some settlement of differences between the House and the Senate, we all know that the resolution will be vetoed. Those who proposed the resolution know it; they know that while the people may be asking for peace this will not bring peace. The people have asked for bread and it is proposed to give them a stone. Even if the President should approve it, Germany would not accept it. The people ask for bread and you propose to give them a stone. We are wasting our time. Senators may vote for this resolution; some may vote for it not believing in it. I can hardly think that it will pass the Senate, but if it does we know it will be a waste of time, because it can never be approved by the President nor passed over his veto.

VALUE OF COTTON CONTRACTS.

Mr. COMER. Mr. President, cotton is bought or sold on the exchanges for two distinct purposes, with distinct sets of interests. The producer, the dealer, the manufacturer, buy as a hedge to insure the safe conduct of their business; the gambling interests operate on the exchanges for the purpose of making money out of the variations in price. The more stabilized the price, the nearer it conforms to spot middling, the greater the benefit to the business class; the less stabilized the price, the more it can be factitiously changed, the greater the interest of the gambler.

The producer and the manufacturer are the only ones that give value; the dealer is a convenience, the gamblers add nothing of value, do not increase the supply a bale, do not decrease the supply a bale, and can only be useful in giving an index as to what the value is and will be. If this knowledge comes from correct data and skilled prognostics, from natural and demand conditions, correctly judging same, then it is useful; when it comes from any false, factitious combinations, exercising an unnatural influence, an ephemeral influence, then it is bad.

Beyond an index value, the exchange creates no value, adds no value, and when it does not truly index value, when the prices are manipulated, then the farmer, dealer, and manufacturer are the sufferers. The spinner is the one consumer of cotton. It is his purchases which make the demand; the farmer is the one producer of cotton, it is his production which makes the supply. These two great interests meet on the broad field of supply and demand, and if you will add to this consumption, then you have absolutely the only interest which can add or take away value; and if within the law any business assumes to accomplish value, making a fiat price, that business becomes dangerous to the best interests of everything connected with legitimate cotton handling. Whenever anything attempts to make or assumes to make a fiat price, I do not care what it is, it is dangerous.

Operations on the exchanges act as a medium indexing price and guaranteeing transactions. In New York the charge is $20 per hundred bales, and a contract is insured by deposit of $10 to $20 a bale. The New Orleans charge for handling a contract of 100 bales is $15, and they, too, require a deposit of $10 to $20 a bale. This is legitimate and increases or decreases according to changes in price.

If the claims made by the exchanges that they would have an influence increasing the value of low-grade cotton were true, if by law we were to attempt to give them the power to increase the price of low-grade cotton, then they would have the power, which we would accentuate by law, to make a value, and if they could make a value, then they could increase it or decrease it at will, because the power to create carries the power to change.

The Sherman antitrust law, which the Government has invoked so many times to prevent the joining together of great factors in commerce for the purpose of at pleasure making a price, increase it up or down, was enacted and is used to prevent this very thing.

The exchanges' constant assertion that the power to tender low grades through the exchanges increases the value of these low grades and brings them into enforced use, and their constant method of dangling this lure before the eyes of the low-grade holders and their representatives, exactly as a phantom minnow is trolled, is an admission of the power and ability to manipulate the market in disregard of a value fixed by supply and demand, and the energy with which they prosecute this idea evidences their ultimate desire to retain the control now in their hands for a selfish advantage. The argument is absolutely false and is the camouflage with which they are concealing the devices for ambuscading the unwary.

The history of the cotton exchanges shows that the more low grades which they can tender on the exchanges the more usable becomes the multiplex of off-grade cotton, with which they can manipulate and destroy the stability of any contract. The exchanges all admit that if the proposed amendment is passed the price of a contract will advance, and this is true. It will advance and should advance to a parity of spot-cotton value, and to the very extent that the new delivery of one-half middling and above will assimilate to the value of spot cotton to that extent will the contract be stabilized commensurate with the price of the supply and demand of cotton. They claim that the proposed amendment will hurt cotton as a banking proposition; in other words, injure the credit of it. On the contrary, to the very extent that it increases the stability of the contract to the spot market to that very extent will it increase its value as a banking asset. To the full extent that the readers of the market—those most interested in it—can day by day take up the contract quotations—a contract quotation which is stabilized with the market and is not subject to the various vicissitudes of the conditions made by a factitious market—to that very extent will cotton as collateral be more desirable. Any business man prefers a supply and demand price back of his collateral rather than a factitious price by a coterie of people.

Summing this up, if the exchanges had their claimed power to make a value to low grades or any grade ulterior to the supply-and-demand price, then immediately this would become one of the most dangerous influences in the cotton business. If they can increase it to a higher price, they can decrease it to a lower price in spite of the economic law, and in every age this has been regarded as one of the greatest dangers that follows from a combination of capital.

The exchanges have by unbusinesslike processes accumulating within the law combinations of types of cotton and at unnatural prices as fictitiously made prices been used to fictitiously depress cotton values, thus interfering with the regular course of honest business and making difficult and dangerous the accomplishment by business men of the very usufruct for which the exchanges were designed.

Again assuring every Member of Congress that by every rule of business, by every law of political economy, that all the statements of the exchanges that the proposed amendment stabilizing values will hurt the producer, the dealer, and the

manufacturer, and all the statements that this amendment will prejudiciously work to the spinner's interest, against the producer and dealer, are absolutely without fact and are used as a camouflage to screen their determination to maintain the gamblers' province in our cotton-futures law.

One of my colleagues in the Senate wrote me a letter and inclosed a letter, to which he requested me to reply. The letter which was sent to the Senator and by him forwarded to me is as follows:

MY DEAR SENATOR: I want you to read carefully this letter and note the comments on the Comer amendment. It seems to me that they have discriminated against low-grade cotton already to almost ruin the farmer who has low grade. Prior to the war strict low-middling cotton was only 50 to 100 points below middling cotton, now it is 300 to 350 points below middling cotton. Low-middling cotton was only 200 points off, and now it is 750 points off. The actual commercial difference in manufacturing cotton is 100 off for strict low and 250 off for low middling. It looks like they are doing all they can to take the farmers' cotton as low as possible, regardless of what the mill man makes. Please look into this amendment.

In reply I sent the Senator the following letter:

MY DEAR SENATOR: Yours of the 8th, with inclosure from ———, asking me to reply to same, received. Thank you very much, but the discussions that I have made on this subject, March 25, 30, April 1, 3, 17, 29, and May 8, if carefully read, answer every statement by Messrs. Bache & Co.

They are exchange members who sent him a circular.

I would be glad that you carefully read same, as this question, whether the amendment carries now or not, will be of urgency until the exchange quotations will reliably conform to spot cotton quotations, and it will be impossible for any coterie of would-be speculators to use the exchanges to make a fiat market.

Unquestionably, you remember the silver and gold discussions, when it was seriously urged by a great many smart people that gold was not a commodity, was not subject to the law of supply and demand, and its value did not oscillate with the use and market for same, that it was like a yardstick, remaining one length, one measure under any and all circumstances. You will remember the attempt the Government made to stamp a fiat value on silver. Time has demonstrated that no commodity has an unwavering value; that it is subject to all the laws of supply and demand; that even as strong as the unified government of the largest nations of the world they could not establish a fixed, unvarying value of gold. How much less is this preposterous assertion by the exchange propagandist that the exchanges impart a fiat value to cotton and that the usufruct of certain grades in the exchanges imparts value.

The New York Exchange price on 10 different grades by the Smith-Lever bill is secured and furnished by the Bureau of Markets in the Agricultural Department, and this is secured by getting daily from 10 spot markets (Norfolk, Va., Augusta, Ga., Savannah, Ga., Montgomery, Ala., New Orleans, La., Memphis, Tenn., Little Rock, Ark., Dallas, Houston, and Galveston, Tex.) quotations from spot sales on 10 different grades and the compositeness of these 10 grades, which makes the basis middling, and on this basis the futures contract price, furnished by the Bureau of Markets, makes the differentials in the different grades. In other words, under the law the Bureau of Markets gets from the actual spot sales of the 10 spot markets the price of cotton and furnishes it to the exchanges. The exchanges do not make value.

There is a difference between the New York and the New Orleans exchanges, for New Orleans gets its exchange price from the spot sales of the day; that is the arrangement.

The exchanges get the values on the different grades from the actual sales of 10 spot markets—the very places and, possibly, at the very prices to which the spinner goes to buy this cotton.

Mr. ——— submits, as to the ground of his complaint, that low-grade cotton has been very much discriminated against, and mentions the difference in price now and before the war of strict low middling and low middling as compared to middling. Mr. ——— overlooked the fact that both of these grades—strict low middling and low middling—are tenderable by the exchanges under the law.

I am inclosing you differentials made by the New Orleans exchanges on 210 bales which were tendered us on a 200-bale May contract, and which was received at these differences and shipped out. Will call particular attention that the basis middling was 39.67, i. e., the exchange middling; the real middling was at least 41 cents. There were 199 bales of low middling delivered on this at 850 points off middling basis at New Orleans, or at a price of 31.17. I am sure Mr. ——— could get at least that much or more for low middling cotton anywhere within the cotton belt. This is a copy of an actual delivery to the Avondale Mills last week.

The exchanges—I mean the exchange members, the speculators—want all the low grades possible to remain tenderable on a contract; not that it is possible to add 1 cent to the value of low grades, but by the use and assembly of low grades that they can depress the market. This has been the exchange history for years, and the very thing we have been fighting.

The exchanges have tried to impress upon the Members of Congress that cotton is delivered through the exchanges. This is far from a fact; it is not intended that a bale should be delivered through the exchanges. The exchanges are supposed simply to index the value of spot cotton; and a contract on the exchange is bought not for delivery but as a hedge. There has been less than 10,000 bales passed through the New York exchange this year, yet there have been millions of bales sold; there have been less than 25,000 bales passed through the New Orleans exchange. Our company has bought and sold on the New Orleans exchange more than 25,000 bales, out of which we have only taken this 210 bales delivered, and that was largely an accident.

The exchanges never propose to add any value to the price of cotton until at a time when some restrictive legislation against the power to gamble and depress cotton on the exchanges is before Congress, at which time they become great friends to the farmer and to the price of cotton.

With regards and best wishes.

Yours, very truly,

——— ———.

MAY 10, 1920.

I read now a copy of the letter I wrote to the gentleman, whose letter was forwarded to me:

MY DEAR SIR: As requested by Senator ———, I am answering your recent letter to him regarding my proposed amendment to the cotton-futures act, and for your consideration I am inclosing copy of my speech before the Senate under date of April 17 on the subject.

Will call your attention to the following statement to impress upon you the fallacy of cotton exchanges protecting low grades: If the exchanges can furnish a medium by which the owners of low-grade cotton can sell and deliver their low grades, who is the man that is going to take this cotton through the exchanges? Nobody has cotton delivered to them on the exchanges except they take it willingly and nobody is going to take cotton willingly unless they have a place where they can put it. In other words, unless there is a commercial demand for it, unless there is a spinner who will take it, he would much prefer having it direct from the dealer and free from the exchange delivery costs.

If the owners of low-grade cotton should attempt to force deliveries through the exchanges all they would do would be to depress the value of contracts down to the point where the buyer would prefer to take the cotton rather than to take his loss in money, and when it reaches that point the owners of low-grade cotton would not have to deliver it through the exchanges, because that would be the price that the owner could get in the commercial markets.

This is abundantly borne out by the fact that for years past all that the dealers on the exchanges have used the low grades for is to assemble it in such a multiplex manner that few spinners could use it and they had to put the price of cotton down, making of the exchanges not a market of value to the owners of low grades, or any grade, but being of such an assembly that the market is forced down by the tender, and this is where they make their money. The exchanges are making this low-grade fight, as I have said, to camouflage, to keep the power to gamble the market.

With regards,

Yours, very truly,

——— ———.

MAY 10, 1920.

I have here the circular of J. S. Bache & Co., members of the New York Stock Exchange, and, like Mr. Thompson, mighty good folks. They are sending out this circular broadcast; they quote from the Wall Street Journal:

COMER AMENDMENT DISREGARDS PRODUCERS' INTERESTS, OPERATORS SAY.

And it was this circular that they sent to this gentleman here mentioned that brought out the letter to the Senator from one of the Southern States. He writes:

Now, remember that Mr. COMER is a big man in his way; has achieved large things. I have known him for many years. He is a man who has won his way to great financial success as a mill owner, who has been president of the Alabama railroad commission, and fought the railroads and other great corporations when one ordinarily would expect him to be their supporter.

That is true, Senators. The contest in Alabama was to break the control of the railroads over the State, and to have an equalized freight rate—I mean a rate that was not made as high as the traffic would stand. On that occasion I made the fight for the people, just as in this case. Notwithstanding I am a spinner, notwithstanding I belong to the class who would not ordinarily make the fight, I am fighting for the people in this matter to break the power to gamble on this great product; and I am greatly surprised that there should be any objectors here or anywhere else to this move we are trying to make.

A man who won the office of governor of his State and now is United States Senator is a man of achievement.

I am a southerner; my wife and all our kinfolk are southerners. We are southern in our sympathies, and I have only the best interests of the South at heart. And with this knowledge of and sympathy for the South, I believe that this Comer amendment will hurt the cotton farmer as nothing in our time has done. It is a spinner's bill, for the benefit of the spinners, and that benefit will accrue at the expense of the man who grows cotton.

To appreciate how much of a spinners' bill this is, it should be understood that low-grade cotton is far more expensive to make into fabric than is the high-grade staple. Labor in the mills is largely on piecework basis. A worker can not handle low-grade material so rapidly as he can the high grade; consequently there is dissatisfaction among the workers when too large a percentage of the staple is of the lower grades. As the workers' output and pay is reduced by the low grades, so the output of the mill is reduced.

He is writing that to show that this is a spinners' contract, because, by George, he has got it into his head that we can go back to the exchanges and get our cotton. Now, that has been proven nonsense forever, and yet this man comes and repeats it. It is nonsense. Why, we go on the market to get our cotton. We go where the cotton is sold to get our cotton. We do not go to the exchanges for it.

Under these conditions it at once becomes clear why the spinner wants high-grade cotton.

Why, of course, that is why he wants high-grade cotton—because he can make more money out of it, and his demand for it makes it higher. If he could make more money out of low-grade cotton, would he not go and buy it? And if you do not pass this measure what is there to compel him to take any grade of cotton that he does not want? Why, it is a simple market game, just like anything else is. A man goes to the market and buys what he desires, what he can make the most money out of; and the fact that you change this from a lower to a higher grade contract would not change the consumption, would not change the amount used in the mills by one single

bale. It could not do it. How could it do it? It is nonsense to troll a minnow like that before reasonable people.

Under these conditions, it at once becomes clear why the spinner wants high-grade cotton—

And yet that man is trying to insinuate that we are making the delivery half-and-half because we want high-grade cotton. His head is not wide enough open to see that we have got to go to the market for high-grade cotton, and the fact that the high grade is made tenderable here to stabilize the market is not to enable the spinner to go there to get a bale.

I do not understand how an exchange man, one who has sense enough to be on the exchange, can continue to reiterate a statement like that.

Under these conditions, it at once becomes clear why the spinner wants high-grade cotton, particularly at the present, when the demand for strictly high-grade cloths is larger than ever.

That is exactly why he wants it. The demand for high-grade cloths is larger than ever.

The Comer amendment would make for just this condition which the spinners want.

Mr. SHEPPARD. Mr. President, what is the Senator reading from, and what is the date of it?

Mr. COMER. I am reading from Bache's circular, which was sent to me a day or two ago, dated April 30.

Mr. SHEPPARD. Whose circular?

Mr. COMER. J. S. Bache & Co., of New York; good, big people.

Mr. SHEPPARD. What is the date of it?

Mr. COMER. April 30. I got it this week. It was sent to me by a Senator. Some gentleman had sent it to him with the letter which I read, and the Senator sent it to me to answer.

Mr. SHEPPARD. They are cotton brokers, are they?

Mr. COMER. Yes; they are cotton commission men and extensive dealers; among the very best.

Mr. SHEPPARD. Cotton commission men?

Mr. COMER. Yes; exchange members.

The Comer amendment would make for just this condition which the spinners want. It would force the delivery of high-grade raw material to the tremendous disadvantage of the grower, whose crop can not be all strictly high grade.

Now, Senators, that is immaculate nonsense. The amendment would have no such effect. The amendment simply forces the contract quotation to a value commensurate with the selling price of the cotton—that is all—and the very minute the contract price goes higher than the market that very minute contract values would go down. Of course, they would. That is the way the contract market adjusts itself.

I will read an extract from the speech of the Senator from Louisana [Mr. RANSDELL] in the RECORD of May 8.

Mr. RANSDELL. What page?

Mr. COMER. It is on page 7281, in the left-hand column, about middleway of the page:

Obviously the immediate effect of the Comer amendment will be to upset dealings in cotton which require hedging, because a man will hesitate to sell a hedge under which he may be required to deliver more cotton above the grade of middling than he may possibly be able to command. At the same time the buyers of the large ratio of low-grade cottons still to be sold will be enabled to hammer the price upon the contention that such cottons will not be tenderable on contract.

Now, the Senator makes this mistake there—that is, that the exchange is a clearing house for merchandise. The exchange is a clearing house of prices. The exchange does not clear cotton. It is the index of price; and when you say that this amendment will have a tendency to hurt low-grade cotton and to increase the price of high-grade cotton, you deny every single law of economics—every single one. It is nonsense. It is not so. It could not be so; and all this exchange insinuation is done for the purpose of influencing the men who live in States where they have low-grade cotton, all this insinuation that it will hurt off-grade cotton, they know is not true.

At the same time the buyers of the large ratio of low-grade cottons still to be sold will be enabled to hammer the price upon the contention that such cottons will not be tenderable on contract.

Now, Senator, if you will excuse me for the expression, you said at the beginning of this controversy that you did not understand these things. Well, that statement shows clearly that you do not understand this matter, because that statement could not be made by a man who did understand it. We are buyers of low-grade cotton. We buy thousands of bales of it. We go into the market to buy it. We go where it is for sale in the market; and the contention that if this amendment passes it would not be tenderable, or if it was tenderable it would hurt the value of it, is not so. The tenderable value could only be the spot value. If every bale of cotton was tenderable it could not be higher than the spot value, I do not care where it is; and it is the buying of cotton in the markets and the price that is gotten together by the Bureau of Markets and used as the exchange value on cotton.

The Senator says:

In the present situation, under the Comer amendment, it is a very reckless man who would agree to deliver, say, in September, any large volume of white middling cotton except at a price far beyond the present quotations.

That is so, but yet we do it. If we want cotton delivered in September we go on the exchange and hedge it. We could hedge any month; but, mark you, the buyer himself, the seller himself, puts a ratio of value as compared to exchange value. I read you the other day where the exchange price of good middling cotton was 350 points above middling. That is what they would sell it at. They would sell you a thousand bales of good middling cotton at 350 points over middling basis. That is what it meant, and you can do it to-day. Of course, the price is higher. We all understand that; but if a man wants that grade, and he has to have that grade, he pays the price.

Then the seller goes on the exchange and hedges the sale. What I am trying to do is to have the hedge based on the price of spot middling cotton and not on the basis price middling, which price is now, as I have repeatedly shown, being oscillated up and down by a fictitious arrangement of the prices of off grades.

The Senator said:

At the same time the buyers of the large ratio of low-grade cottons still to be sold will be enabled to hammer the price upon the contention that such cottons will not be tenderable on contract. In the present situation, under the Comer amendment, it is a very reckless man who would agree to deliver, say, in September, any large volume of white middling cotton except at a price far beyond the present quotations. At the same time, a man would be as equally reckless who would agree, under that amendment, to purchase for September delivery cotton below middling at present quotations, if such cotton should be denied the privilege of tender on contract.

What has tender on contract to do with it? There is tender on thousands of bales of cotton bought on basis middling, above or below, as the case may be. You can do that any day, and always could do it, and always will be able to, and you can do it under the amendment. You can do it more safely under the amendment than you can the other way, because under the amendment the prices are stabilized. That is what we are contending for. You know what you are doing, and when you say it is a spinner's contract, it refers to every man who uses cotton legitimately, and the three—consumer, dealer, and spinner—are the ultimate consideration in the cotton prices.

He says further:

The result to be reasonably expected from the Comer amendment is an artificial enhancement of the price of cotton above middling, and a corresponding depreciation of the price of cotton below middling.

Everybody understands that the very date the amendment goes into effect basis middling would advance. Everybody knows that. But how on earth that should affect the farmer injuriously is more than I can understand, and, as Mr. Lyday, of Texas, well said, the very fact that the exchange price of middling would go up will have a tendency to draw the lower grades up. He said that, and he said it very wisely, because it is true, and you can not get beyond it.

Senator, you asked me a question the other day. May I ask you a question now?

Mr. RANSDELL. Certainly.

Mr. COMER. You asked me the other day who paid for this advertisement we were getting up, and I answered you very truthfully. May I ask you who pays for all this camouflage that the exchanges are getting out?

Mr. RANSDELL. I do not know anything about it. I do not know of any camouflage they are getting out.

Mr. COMER. You do not?

Mr. RANSDELL. No, sir.

Mr. COMER. Have you been reading this stuff they get up?

Mr. RANSDELL. To what camouflage do you allude?

Mr. COMER. This which you read. Let me show you. What is contained in this paper is camouflage.

Mr. RANSDELL. I read to you the other day, when this bill was under consideration, a letter from the president of the cotton exchange, Mr. Butler.

Mr. COMER. Yes.

Mr. RANSDELL. He is the president of that great association in New Orleans which we know as the New Orleans Cotton Exchange. He was on a visit to the city of Washington and wrote that letter in response to questions from me. He had been on to New York. He is now on his way to Europe.

Mr. COMER. That is not what I am driving at.

Mr. RANSDELL. What are you driving at?

Mr. COMER. Who pays Mr. Bowen?

Mr. RANSDELL. I do not know.

Mr. COMER. Who pays Mr. Calvin?

Mr. RANSDELL. I do not know.

Mr. COMER. Who pays for all these circulars which go through here?

Mr. RANSDELL. I do not know anything about that.

Mr. COMER. They get paid, do they not?

Mr. RANSDELL. I can not answer that question. I know nothing about who pays them.

Mr. COMER. I am sorry.

Mr. RANSDELL. I know nothing about it.

Mr. COMER. You do not know how these circulars are paid for, who pays for them?

Mr. RANSDELL. Senator, will you please designate to what circulars you allude? Name them. Put them down. What circulars have I used that were paid for by anybody? I wish you would show them to me. I have not used any paid circulars. I read here a telegram from Mr. I. N. McAllister, of my State, who is the president of the farmers' union. I read a telegram from Mr. Arthur Morgan, who is the secretary of that farmers' union in Louisiana. I read a telegram from Mr. Whitehurst, of the State of Oklahoma, president of the State board of agriculture, Oklahoma City. If you will tell me just what circulars I have used——

Mr. COMER. I was under the impression that you had quoted from some circulars other than those.

Mr. RANSDELL. No, Senator; you are mistaken.

Mr. COMER. I am glad you corrected it.

Mr. RANSDELL. I will tell you what I read. I read a letter from Mr. W. B. Thompson, addressed to Mr. Wanamaker, and I commented in full on that. I read from a letter of Mr. Leroy Percy, of Greenville, Miss., addressed to yourself, and I commented very fully on that. I commented on what happened at the Montgomery convention, and read from their resolutions. But if I read from any circulars or any letters other than that, I do not know it. Of course, I read that letter from Mr. Butler, president of the New Orleans Cotton Exchange, and so stated at the time. You are mistaken, Senator. I do not recollect reading any of these circulars.

Mr. COMER. I am very glad I am mistaken, Senator. There have been hundreds of these circulars sent through, and evidently at great expense.

There have been hundreds of telegrams sent through by the exchanges. In fact, all the opposition to this amendment practically has come that way. I want to congratulate the Senator and others for the splendid defense they have made of the New Orleans Exchange. You stand by your State, Senator. You believe in State rights, do you not?

Mr. RANSDELL. I thank the Senator for his compliment.

Mr. COMER. I believe also that Louisiana stood very strongly by the Louisiana lottery, but you were not there then; I am not referring to you.

Mr. RANSDELL. Louisiana abolished the lottery a great many years ago. I was quite a young man at the time, and I do not remember very much about the history of that. I was trying to make a living in north Louisiana as a young, struggling lawyer. But it is a great many years ago; and Louisiana abolished it without any outside help, I may say. Our own people abolished it.

Mr. COMER. I thought the Government did.

Mr. RANSDELL. Oh, no, sir. The Senator is mistaken. It was abolished by the Louisiana people. The Government did pass some laws restricting the transportation of lottery tickets in the mails, and then the managers of that lottery carried it on very successfully through the medium of the express service. Then, largely under the leadership of the present Chief Justice of the United States, Edward Douglass White, and former United States Senator Murphy J. Foster, who were very active in the effort, the lottery was abolished long ago by the people of Louisiana themselves.

Mr. COMER. I knew you were very loyal to your State, not only in the lottery business, away back yonder, but also in the matter of tariff, and I want to compliment you for all those things.

Mr. RANSDELL. I try to stand by all the legitimate and proper interests of my State, and I endeavored to make it clear during this debate that I was speaking first and foremost for the cotton producers of my State, being a humble producer myself; and, secondly, for that big business institution of my State, the cotton exchange, trying to defend it from what I thought were not quite fair attacks; and especially my personal friend, Mr. W. B. Thompson, who I thought was unfairly assailed; and as he was not here to speak for himself, I thought I would have to talk for my friend. I will do it every time, and the Senator would, too. He would not respect me if I did not defend my friend.

Mr. COMER. You made a very good talk, Senator, I am sorry to say, not for the good in the exchange but defending a lot of the evils in the exchange. The good of the exchange we are trying to sustain; the evils of the exchange we are trying to correct, that is all.

Mr. RANSDELL. There is a vast difference of opinion frequently, you know, between good men. The Senator is entitled, of course, to his opinion, just as I am entitled to mine.

Mr. COMER. It depends very largely on the question of environment.

Mr. RANSDELL. Yes; it certainly does. And I am a farmer who raises cotton and likes to sell it at a good, high price. The Senator from Alabama spins that cotton, and naturally likes to buy it at a good, low price. There is just the difference. It is a question of whose ox is being gored.

Mr. COMER. Senator, when you make a law by which one man or set of men influence the market, higher or lower, then that law is dangerous; on the contrary, when two parties are in the market, one selling and the other buying, and the laws of supply and demand are unrestricted, unbiased, then both parties have free use of every facility afforded by the supply and demand markets of the world, and as long as both the cotton producer and cotton spinner go into the markets of the world and buy and sell, untrammeled by interference from anybody or any special devices by anybody, that is safe, and that is what we want. This is what governs and controls the business of the world, and any interference with same has always proven disastrous to the producer and hurtful to the manufacturer and consumer.

Mr. RANSDELL. In regard to that, I would like to say that there have been future markets for a great many years, and Congress took up the question of regulating them several years ago. There was very prolonged debate on the subject for several years. In 1914, after the most prolonged discussion, we passed several very stringent regulatory provisions in regard to dealings on the exchanges in the New York market and the New Orleans market, and we have been getting along, I assume, fairly well under those changes and regulations which were made at that time. Last year—not quite a year ago—the Congress in its wisdom sought to further regulate. A slight change was made, and it was very fully considered. I did not hear of anybody opposing it particularly. But now—and, of course, I say this with all due respect—when the Senator, by an amendment, wants to completely annul the effect of the law passed in 1914, I say that the fair thing to do is to thrash the matter out very fully in committee, to let us hear both sides before doing it.

Mr. COMER. Senator——

Mr. RANSDELL. I yield.

Mr. COMER. It is my floor, you know.

Mr. RANSDELL. All right; you have the floor.

Mr. COMER. You say the amendment annuls. Do you speak that knowingly?

Mr. RANSDELL. That is the way I construe it. No, Senator; I do not speak it knowingly. I say that is my construction of it.

Mr. COMER. That is the construction which the exchanges explain to you—that it will annul it. You do not know it?

Mr. RANSDELL. I have read to you, Senator, all the views of the exchange that have been given to me. I read Mr. Thompson's letter; I read Mr. Percy's letter.

Mr. COMER. I understood you got your views from those?

Mr. RANSDELL. I got my views from those and from my own common sense. I claim to have just a little bit of common sense, and I have applied what little the Lord endowed me with to construing the provisions of your amendment.

Mr. COMER. I want to call the attention of the Senator to the fact that all of this trouble in the House and in the Senate has come from exchange propaganda.

Mr. RANSDELL. Absolutely not.

Mr. COMER. It is their statements that have made it, and when you say the amendment will annul your cotton-futures act, that is the very furthest from the fact. Instead of annulling it, it will make it better; it will put it on a higher basis and protect every legal business engaged in it.

Mr. RANSDELL. The Senator is hardly stating that fairly. Senator Leroy Percy, of Greenville, Miss., is not an exchange man. Mr. A. P. Learned, of Natchez, Miss., is a cotton producer. He is not an exchange man, so far as I know and believe. Mr. I. N. McAllister is not an exchange man. He lives in the hills of north Louisiana and is president of the Farmers' Union. Mr. Arthur Morgan is not an exchange man. I have introduced a good many witnesses here besides members of the exchange. Mr. Whitehurst, president of the State Board of Agriculture, of Oklahoma, I assume is not an exchange man, though I do not know positively. I do not think there is an exchange in the State of Oklahoma. I have brought in a good deal of evidence

besides that of the exchanges. You brought in evidence to show that at the great cotton convention at Alabama the vote was 16 to 15 in favor of your amendment. That was supposed to be farmers.

The votes of several of the States were against the amendment. That influenced me somewhat.

Mr. COMER. All the propaganda that I have seen or heard of anywhere and all the influence against the amendment has come from the exchanges. I have not heard of a single solitary bit of it coming any other way.

May I say to the Senator from Louisiana [Mr. GAY] that in the article he placed in the RECORD Monday this statement is made:

This mischievous and interested meddling with the complex machinery of the cotton trade would be harmful to the cotton producer, spinner, and merchant—

He says this is hurtful to the spinner. He goes on a bit further:

This mischievous and interested meddling with the complex machinery of the cotton trade would be harmful to the cotton producer, spinner, and merchant, and to the users of cotton goods, for the following reasons:

The paramount value of the future cotton is its hedge or protective value. It was never intended that such contracts should take the place of specific grade and staple contracts between the spinner and the merchant, and it can never become such substitute.

This man makes a clean statement, Senator, just exactly like we have been contending. That is a clean, clear-cut statement of every contention of ours.

Going on further, he says that it will hurt the spinner and the consumer; in fact, the whole business; and then says:

The future contract is used by the cotton trade as a policy of insurance against price fluctuations.

That is all true. I know that is true.

The spinner desiring to contract ahead for his manufactured product and not having the stock in hand and probably not procurable except out of the crop not yet made or even planted, may so contract with impunity if he can go into the future market and protect himself against loss by the purchase of a hedge. When the actual supplies are needed he goes into the spot market and purchases the particular grade and staple required for his mill, and he thereupon closes out his protective contract or, in other words, cancels his price insurance policy.

Then a little further down he says:

If either the spinner or merchant elects to take actual delivery on the future contract when the same matures, they can use such grades and staples as may be under their needs or contracts usable, and the residue may be delivered on future contracts sold against the same.

That is the old method. Under the old method they would buy, say, a thousand bales of contract cotton and have it delivered. They would select out of this 200 or 500 bales, and resell the balance on the exchange, and they would continue to do that until it became just dregs. It is just like taking coffee grounds and boiling them over and over again.

He says this:

In order that there may be both buyers and sellers, it is necessary that the terms of the future contract must be fair to both, and that it shall contain no pitfalls for either.

That is exactly what we want, fair to both and no pitfalls for either. That is the kind of contract we want, and that is what the amendment carries out. It does not mean anything else.

Mr. RANSDELL. May I inquire of the Senator if he has placed in the RECORD any letters or telegrams from producers urging the passage of his amendment—I mean producers, the men who raise the cotton?

Mr. COMER. Yes; I think I have.

Mr. RANSDELL. Will the Senator be good enough to refer me to them?

Mr. COMER. I do not recollect just at this moment. I have made a fight for farmers for 10 years of my life, and I want to say that it is the rarest thing ever that you ever get a letter from a farmer. That is the rarest thing ever. If you fight for a farmer you have got to take the lead and keep it. You have to fight on what you know about the case. If you take the statement made just a while ago that I read from the New York Journal of Commerce, they said I made the fight in Alabama for lower freight rates, freight rates which helped every farmer in Alabama, and yet I made that fight by myself. I had no letters of commendation from them. You do not get them. It is from the interests, the camouflaged interests, that you get those things from. It always was so and always will be so. You touch their interest and you touch all the propaganda they can get out, but the farmers' interest you never hear a word from, never.

Mr. RANSDELL. I have put in the RECORD several communications from farmers.

Mr. COMER. They did not do it. The only thing I have seen from the farmer on your side is from a farmer in Arkansas.

Mr. RANSDELL. Possibly not, but I have every right to assume that these people who telegraphed me and who sent me communications are farmers, as did the presidents of the farmers' associations, men that I know are farmers, and I have a right to assume that this letter from Mr. Whitehurst is from a farmer, and I believe it was from a farmer.

Mr. COMER. It may be possible, but I guarantee that every single solitary line of it came from the exchanges. It always does. I never heard of one of them coming in any other way.

Mr. RANSDELL. I should like to have the Senator show me, if he can, in any of the speeches he has made here, one single solitary indorsement from a farmer, from a man who produces crops.

Mr. COMER. I will not do it to-day, but I will send them to you. I have them.

Mr. RANSDELL. I mean in the RECORD.

Mr. COMER. I will put them in the RECORD if you want it.

Mr. RANSDELL. I thought the Senator had put them in, substantiating his own case.

Mr. COMER. I do not recollect.

Mr. RANSDELL. I put in all I had.

Mr. COMER. I am sure you did.

TERMINATION OF WAR WITH GERMANY.

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes.

Mr. THOMAS. Mr. President, my committee engagements have interfered very materially with my desire to investigate the interesting constitutional aspects of the pending peace resolution as fully as I desired. Inasmuch, however, as an engagement made some time ago requires me to speak upon the resolution this afternoon, if I discuss it at all, I have determined to present to the Senate some views which I entertain regarding its character, and particularly as it involves the organic powers of Congress.

I am as anxious for the resumption of peace conditions in the United States as any man in this body can be. I deplore as deeply as anyone the continued unrest and discontent which prevalent anomalous conditions justify. We are neither at war nor at peace. Like Mahomet's coffin, we are suspended somewhere between the two.

Hostilities ceased long ago. Demobilization of the American Expeditionary Forces was completed many months since. Cancellation of war contracts, sale of war materials, the dissolution of improvised war boards, the manufacture of equipment for the Army and for the Navy—all these are matters of the past. American business, American manufacturers, the industries which are characteristic of peace time have long since been resumed, and yet we are not at peace. The laws are in force; the courts are engaged in the administration of justice; the lines of transportation have been restored to their owners—indeed, it is difficult to conceive of any specific condition affecting business, industry, economics, or agriculture, except as regards the labor condition, which did not characterize our people and their pursuits prior to the 6th day of April, 1917.

But we are not at peace. The fiction of a war status still prevails, and must be and remain with us until something effectual is done to remove it.

This resolution is designed to accomplish the change. It has been prepared by the ablest constitutional lawyer on the Republican side of the Senate. It has been carefully considered and reported from the committee, the majority of whose members belong to his political faith. It has received the sanction of that majority. Originally it was a House resolution, for which it has been substituted, and which, after considerable discussion, was passed by a decided majority.

Now, if the Congress has power to enact a measure of this sort, I see no reason why it should not exercise that power. If it has no such authority, then the time consumed in its consideration will have been wasted. Those who advocate the resolution as a matter of course go upon the theory that such power exists. Those who oppose it do so in part for political reasons, while others of them are actuated by the sincere conviction, however erroneous, that its enactment will constitute an invasion of Executive authority.

The Congress, ever since I have been a Member of the Senate, has never lost an opportunity to denounce Executive invasions of its prerogatives. More anathemas have been thundered against the President of the United States in this Chamber during the last seven years, because of his actual or assumed invasion of legislative authority, than I could recite in a fortnight.

The indignant remonstrances of Senators and Representatives, jealous of their authority and jurisdiction, determined to safeguard it against Executive encroachment, have characterized not only Republican but some Democratic discussion. In a few instances they have seemed to be justified.

Those who have so protested should see to it that while directing attention to the beam in the presidential eye they should not overlook the motes in their own. They should be as prone to refrain from an invasion of presidential authority as they are swift to denounce that authority when it transgresses their own.

The first question, therefore, which occurs to me regarding this resolution concerns the power and authority of Congress to enact it. In that connection it must be remembered, Mr. President, that this is very much more than a repealing resolution. It contains an elaborate proviso, supplemented by two additional sections, which constitute the substance of the measure, and it is with these that we are concerned in determining the extent of our legislative power. That Congress may repeal any law which it has enacted goes without saying. Of course, a repeal is impossible which affects vested rights based upon previous legislation; and no repeal of a legislative declaration can alter the fact forming the basis thereof if that fact actually exists. If, for example, a state of war actually existed between Germany and the United States on the 6th day of April, 1917, our repeal of our declaration to that effect does not alter the fact. It merely recognizes that at the time of the passage of the repealing statute or resolution that state of war no longer exists.

I make no question, therefore, Mr. President, that if Congress in its wisdom determined that a resolution repealing the act of April 6, 1917, should be enacted, it would be clearly within its power so to do. Hence I am not concerned with the simple question of the right of repeal, because that is not the pending resolution; that is merely an incident of the resolution; the moving cause for its preparation and proposed enactment. The purpose of the measure is to create a status between belligerents, determining, among other things, property rights and mutual claims of nationals, both against respective governments and each other, basing our authority to do so upon the assumption that we are merely enacting a repealing statute. If I am correct, Mr. President, in that assumption—which, I have no doubt, will be vigorously controverted—then we should be concerned with what follows the recital of repeal, leaving that practically out of the question.

This brings us to the proposition, Has the Congress of the United States the power to make peace? If it has, then there should be an end to the discussion of authority. If it has not, then the proviso and succeeding sections—except, perhaps, the last one, dealing with the former Empire of Austria-Hungary, the dual monarchy—are the exercise of a peace-making function, always belonging to the executive of a nation, in the absence of constitutional provisions to the contrary.

Mr. President, the question is not a new one; but, notwithstanding its age, it is ever interesting, always the subject of controversy, and never yet fully determined. We must consider it from the viewpoint of fundamental principles, for the proceedings of the Constitutional Convention give us very little information regarding it. Those proceedings were secret; they were private; they were rigidly safeguarded from public knowledge. The only records we have consist of the daily memoranda of Mr. Madison, one of the members of the convention, and what are known as Yates' Secret Debates, covering only a part of the session, and ending, as I recall, about August 17, 1787; but they do throw a little light upon the proposition.

When the war powers of the new Government were under consideration, the committee having charge of the subject reported a resolution to the effect that "Congress shall have power to make war"; but, inasmuch as the word "make" seemed to be too comprehensive, broad enough, in fact, to include the waging and prosecution as well as the making of war, the word "declare" was substituted for the word "make," as that language now appears in the Constitution. "Congress shall have power to declare war." It has not the power to wage it, except in so far as legislation providing supplies and equipment for armies, and so forth, is concerned. Before the paragraph was finally accepted, however, another amendment was offered, so as to make the phrase read "Congress shall have power to declare war and make peace." That became the subject of discussion, to what extent, as I have intimated, posterity is not informed; but the amendment, after consideration, was unanimously rejected, doubtless because that generation, having the experiences of the Continental Congress before it and fully alive to the defects of the Articles of Confederation, properly determined that the power to make peace should not be expressly conferred upon the Congress but remain with the Executive.

The only inference I can draw from that incident, Mr. President, is that the framers of the Constitution in their wisdom determined to divide the ancient prerogative of the Crown, including both the power to declare war and the power to make peace, between the legislative and executive departments, giving to the former the power to declare war, and leaving to the latter the authority to make peace. That the provision was wise in a republican form of government needs no argument, for, since the people wage war, it is they, through their representatives, who should declare it, but since the making of peace involves, or is apt to involve, infinite controversy and to affect many important considerations between the belligerents requiring negotiation, the exercise of diplomacy, and a full consideration of all that might result from the covenants of the contract—for that is what a treaty is—and inasmuch as in all such matters concentration of authority in a single individual is infinitely better than its diffusion among a large number, the power to make peace was negatively included in the executive powers of the Chief Magistrate.

Mr. BRANDEGEE. Mr. President——

Mr. THOMAS. I yield.

Mr. BRANDEGEE. When the Senator says that the framers of the Constitution confided to Congress the power to declare war, does he mean the exclusive and entire power?

Mr. THOMAS. The entire power in the sense that all other legislative power is conferred upon it. Of course, it must be done by joint resolution requiring Executive approval.

Mr. BRANDEGEE. That is what I am coming to, of course. Does the Senator think that the President has the power to veto a declaration of war by Congress?

Mr. THOMAS. I do.

Mr. BRANDEGEE. Then, of course, the Congress would have the power to declare war the veto of the President to the contrary notwithstanding.

Mr. THOMAS. It has the power to act precisely as it has to act upon other forms of legislation; that is my opinion.

Mr. BRANDEGEE. Then, I assume that the Senator would admit that the Congress had power to declare peace in the same way.

Mr. THOMAS. Yes; Mr. President, I think the Congress would have the power to declare peace in the same way, provided its declaration is limited to a cessation of hostilities; but when it comes to fixing conditions and terms upon which the peace resolution becomes effective, I must part company with the Senator; that is, if I may judge from the Senator's question that my position does not appeal to his judgment.

Mr. BRANDEGEE. Of course, this is more or less of a novel and complicated question——

Mr. THOMAS. It is complicated, but it is not novel.

Mr. BRANDEGEE. It may not be entirely novel, but in the way in which it is presented now it is somewhat unusual, and the circumstances are unusual, too; but what I was coming to was this: If Congress does have power to declare that a state of war exists, the Senator would not doubt that we had authority to repeal the joint resolution by which we did declare the status of war to exist?

Mr. THOMAS. I so stated at the opening of my remarks.

Mr. BRANDEGEE. I was not on the floor when the Senator said so.

Mr. THOMAS. I so stated.

Mr. BRANDEGEE. The Senator is aware, of course, that the joint resolution which Congress did pass in relation to the matter in question was not a formal declaration of war, with no acts preceding it; but Congress specifically declared, at the suggestion of the President, that inasmuch as the Imperial German Government had committed repeated acts of war upon us, therefore Congress declared that a state of war did formally exist. They made a formal declaration that the status of war created by the acts of Germany existed.

Mr. THOMAS. Of course, the Senator is aware of the fact that every congressional declaration of war assumed that form. We never declared war in any other form than that a state of war existed because of the conduct or misconduct of the adversary.

Mr. BRANDEGEE. And whatever constituted the state of war which Congress formally declared or recognized at that time had been done by the Imperial German Government, and in no part by us.

Mr. THOMAS. Yes; that is correct.

Mr. President, it is extremely difficult to draw a distinct line of demarcation between the power of Congress by joint resolution to create peace, so to speak, to bring about peace by a repealing resolution, and its power to fix terms upon which the

resolution is to become effective, or terms and conditions of any sort accompanying the declaration.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER (Mr. NUGENT in the chair). Does the Senator from Colorado yield to the Senator from Connecticut?

Mr. THOMAS. I do.

Mr. BRANDEGEE. The Senator made that assertion once before, and I intended to allude to it when I rose before, but I was diverted. Do I understand the Senator to say that Congress, in its declaration that a state of war no longer exists, or in its repeal of its previous declaration of a state of war, can not state the conditions upon which the present repeal shall take effect?

Mr. THOMAS. I would not make a statement as broad as that.

Mr. BRANDEGEE. I beg the Senator's pardon; I misapprehended him. I thought he did.

Mr. THOMAS. No; on the contrary, I am very grateful to the Senator for calling my attention to it. What I said was designed to apply to this specific joint resolution. I distinctly disclaim authority or ability or capacity to announce a general proposition which would distinctly define and fix the limitations between legislative and executive power in a matter of that sort; but I think that we can perhaps determine by specific instances like the one before us upon which side of such a line the attempted exercise of power may be classified.

As said by the Senator, this is in one sense a new subject; that is to say, it is always new, and I presume always will be, since it is a subject upon which the best and the ablest men must differ, and since there is no tribunal of which I have any knowledge to which the question can be submitted for decision, except as an incident to something else. It is the exercise of a political power, and concerns a distinctly political subject, with which the judicial power has nothing to do, except in so far as conditions arising which lead to controversy may make it necessary to define some specific legislative act, or to fix some specific date as the beginning of new or different conditions.

I shall not undertake to say, and I do not think it would be edifying if I did, on how many occasions this has been the subject of debate. I shall content myself by referring to but one historic incident, and that is the admission of the State of Texas by joint resolution of Congress.

Senators will recall that under the administration of Mr. Tyler a treaty was negotiated between the young Republic of Texas and the United States, under the terms of which, and subject to certain conditions subsequent, the State of Texas was to be admitted into the Union, and to become one of its sovereign Commonwealths. That treaty aroused a bitter and somewhat chronic controversy, resulting in 1837, if I remember correctly, in a rejection of the treaty by the Senate. Shortly afterwards, the next presidential election approaching, the Democratic Party nominated James K. Polk, and the Whig Party Henry Clay, as their respective candidates for the Chief Magistracy, and the issue of Texas became quite as overshadowing as the issue of ratification of the pending treaty may become in the presidential election of 1920. Mr. Clay was defeated by a small popular majority very largely because of his somewhat indefinite attitude upon the subject of Texas. Mr. Polk, urged by the more dominant will of Andrew Jackson, espoused the cause of Texas and Oregon, and was elected, as I have said, largely upon that issue.

During the closing days of Mr. Tyler's administration a series of joint resolutions, varying in many particulars from each other, but all having the common purpose of admitting Texas, was introduced first in the House and then in the Senate, culminating finally in the adoption of a joint resolution by a very considerable majority, and that joint resolution received the approval of the President only a very short time before his term expired, under which Texas was admitted into the Union. The incident furnishes one of the most interesting discussions of constitutional power that can be found in the records of Congress. The opponents of the measure, I think very properly, contended that the admission of a distinct and separate sovereignty into the American Union could not be brought about by a joint resolution, but must be the subject of negotiation and agreement. It was contended, of course, in support of the joint resolution, that the power to admit States, being without limitation, applied indefinitely, and, instead of being confined to a territory of the United States existing at the time of the ratification of the Constitution, was applicable under any circumstances and in any case where the admission of a State was desired.

The resolution contained conditions and requirements to which the Republic of Texas must accede; and one of the strongest arguments made against its constitutionality, among others, was the fact that under the Constitution Senators are required to have been citizens of the United States for nine years at the time of their election, and Members of the House of Representatives are required to have been such citizens for seven years, which, of course, would be out of the question in the event of the acceptance by Texas of the terms of the joint resolution and her consequent absorption into the Union.

I believe that that joint resolution was unconstitutional, but it was effective, quite effective, immediately effective; and inasmuch as no means could be supplied for testing the constitutionality of the joint resolution by the judicial department, which, perhaps, would be without jurisdiction in the premises under any circumstances, it has been accepted and sanctified by the verdict of time and offers, in my judgment, the best, if not the only, precedent for the joint resolution now under consideration.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado further yield to the Senator from Connecticut?

Mr. THOMAS. I yield.

Mr. BRANDEGEE. Does the Senator remember whether the question was raised in either branch of Congress under the clause of the Constitution which makes each House the judge of the qualifications and election of its own Members?

Mr. THOMAS. I think it was. I say that with some confidence, because both Houses of Congress numbered among their Members the very best legal talent in the country. It was the epoch of Webster and Benton and Calhoun and that great galaxy of statesmen of the former century who made the Congress of the United States illustrious by their discussions of all of the great questions, then entirely novel, which presented themselves from time to time in proposed legislation.

Mr. BRANDEGEE. I am not familiar with the legislative history of that period by any recent reading of it, and I do not remember what that fact was; but if the question was raised, then, in the opinion of both Houses, the act must have been constitutional, if they received the Senators and Representatives from that State.

Mr. THOMAS. There was acquiescence in the joint resolution.

Mr. BRANDEGEE. And if the question was not raised, it must have been tacitly accepted.

Mr. THOMAS. I am satisfied that it was raised.

Mr. BRANDEGEE. I have no doubt that it must have been.

Mr. THOMAS. But after the controversy was brought to a culmination by the enactment of the resolution all further opposition, except in the way of protest, disappeared.

The slavery question was then very active, and its proponents and opponents kept the question alive for a number of years succeeding. The historians who deal with the subject, in the expression of their views regarding the validity of the resolution, are very naturally influenced in some degree by its political phases, from which no man can fully separate himself, however earnestly he may try to do so.

So much, then, Mr. President, by way of history. If any Senator desires, as a matter of interest, to investigate the question further, he will find a most instructive book upon the subject entitled "The President's Authority Over Foreign Affairs," by Prof. Corwin, of Princeton University; but I can not give any more time to its elaboration.

I come now to the joint resolution, and read from the Senate committee's substitute for the joint resolution as passed by the House:

> That the joint resolution of Congress passed April 6, 1917, declaring a state of war to exist between the Imperial German Government and the Government and people of the United States, and making provisions to prosecute the same, be, and the same is hereby, repealed, and said state of war is hereby declared at an end.

If the President of the United States should approve a resolution so beginning and so ending, it would become a valid law, one wholly within the province of the Congress to enact, and therefore within the power of the President to accept. But this is attended with a proviso of far-reaching importance, and a proviso is always a limitation of the statute itself. The very name implies its purpose. A certain proposition is enacted into law, "except" or "on condition" or "provided," and what follows may be considered as and is made a part thereof. The proviso reads:

> *Provided, however,* That all property of the Imperial German Government, or its successor or successors, and of all German nationals which was, on April 6, 1917, in or has since that date come into the possession or under control of the Government of the United States or of any of its officers, agents, or employees, from any source or by any agency whatsoever, shall be retained by the United States and no disposition thereof made, except as shall specifically be hereafter provided by Congress, until such time as the German Government has, by treaty with the United States, ratification whereof is to be made by and with the advice and consent of the Senate—

Of course, that is superfluous—

made suitable provisions for the satisfaction of all claims against the German Government of all persons, wheresoever domiciled—

And so forth.

Mr. BRANDEGEE. Mr. President——

Mr. THOMAS. I will yield in just a moment.

That is, provided that all this property was taken into the possession of our Government and subject to the control of the Congress until a treaty shall be negotiated by Germany, the substance of which treaty is included in the proviso.

I now yield to the Senator from Connecticut.

Mr. BRANDEGEE. Just in passing, I want to give the reason for the insertion in this proviso of the language which the Senator says is superfluous, to wit, that the treaty is to be ratified by the Senate. It appears on the face of it to be superfluous, but I will state the reason for putting it in.

As the Senator from Pennsylvania [Mr. KNOX] informed the committee, the claims which are deposited in the Department of State by our citizens have been held to be subject to whatever settlement the Executive may desire to make of them, and the private citizen, after he has filed his claim and submitted it to the State Department, inasmuch as the settlement of it depends upon negotiations with a foreign power, waives his control over it and it is within the power of the Executive, at least by unbroken precedent, either to abandon the claim or to compromise it or press it and settle it upon any terms which the Executive may desire. That is the reason why the terms made in the German treaty should be subject to ratification by the Senate.

Mr. THOMAS. The reason, Mr. President, is easily understood, but my reason for characterizing it as superfluous is that the Constitution provides expressly that every treaty must have the ratification of the Senate by a specified majority before it becomes a treaty. While I have the very highest respect for the legal ability of the distinguished Senator from Pennsylvania, who doubtless is overcautious about the matter, I am unable to see its pertinency in connection with the use of the word "treaty." But, of course, it does no harm. That is merely a digression. Now, let us see what the requirements of this proposed treaty are. It says:

Made suitable provisions for the satisfaction of all claims against the German Government of all persons, wheresoever domiciled, who owe permanent allegiance to the United States, whether such persons have suffered, through the acts of the German Government or its agents since July 31, 1914, loss, damage, or injury to their persons or property, directly or indirectly, through the ownership of shares of stock in German, American, or other corporations, or otherwise, and until the German Government has given further undertakings and made provisions by treaty, to be ratified by and with the advice and consent of the Senate, for granting to persons owing permanent allegiance to the United States most favored nation treatment, whether the same be national or otherwise, in all matters affecting residence, business, profession, trade, navigation, commerce, and industrial property rights, and confirming to the United States all fines, forfeitures, penalties, and seizures imposed or made by the United States during the war, whether in respect to the property of the German Government or German nationals, and waiving any pecuniary claim based on events which occurred at any time before the coming into force of such treaty, any existing treaty between the United States and Germany to the contrary notwithstanding.

And the President is requested to open negotiations for this purpose immediately. If in a repealing resolution a proviso requiring for its effectiveness a treaty containing these terms can be imposed by Congress, then it follows that if it so desires the Congress can impose any other terms, however extensive. It is just as much within our power to condition this resolution upon the ratification of the League of Nations by Germany, or indeed by a third power, as it is to provide for the things we find here.

That is the end of the proviso except the clause:

To these ends, and for the purpose of establishing fully friendly relations and commercial intercourse between the United States and Germany, the President is hereby requested immediately to open negotiations with the Government of Germany.

But the joint resolution goes further and declares:

SEC. 2. That in the interpretation of any provision relating to the date of the termination of the present war or of the present or existing emergency in any acts of Congress, joint resolutions, or proclamations of the President containing provisions contingent upon the date of the termination of the war or of the present or existing emergency, the date when this resolution becomes effective shall be construed and treated as the date of the termination of the war or of the present or existing emergency, notwithstanding any provision in any act of Congress or joint resolution providing any other mode of determining the date of the termination of the war or of the present or existing emergency.

That undoubtedly is within the power of Congress.

Mr. KING. Mr. President, before the Senator proceeds to a discussion of the point to which he is now directing attention, I would like to have his opinion as to whether the proviso which he has just read would not imply that before the war ceased Germany, by some legislative act, would have to accept the provisions of the proviso?

Mr. THOMAS. No; I do not think the resolution is susceptible of that construction, because the proviso relates to property in our possession, taken from German nationals, and not to the repealing clause preceding it. But it does involve the determination by a treaty, the terms of which are dictated, of the ultimate relations between the two warring nations growing out of their war.

Mr. KING. If I may trespass further upon the Senator's time, pending the negotiation of that treaty what must ensue in the interregnum? Is there a state of war or is it a state of peace? Are we not in the same situation we are in now?

Mr. THOMAS. For all practical purposes we are in the same condition, I think, we are in now, because section 3 provides:

That until by treaty or act or joint resolution of Congress it shall be determined otherwise, the United States, although it has not ratified the treaty of Versailles, does not waive any of the rights, privileges, indemnities, reparations, or advantages to which it and its nationals have become entitled under the terms of the armistice signed November 11, 1918, or any extension or modifications thereof or which under the treaty of Versailles have been stipulated for its benefit as one of the principal allied and associated powers and to which it is entitled.

If these rights, privileges, and indemnities are not waived, notwithstanding our rejection of the treaty, but are claimed under this repealing resolution and withheld until by some other treaty or act or joint resolution it shall be determined otherwise, I fail to see any great difference between our status after the resolution and before. I confess that that part of the resolution surprises me somewhat, emanating, as it does, from the Committee on Foreign Relations. Some members of that committee are unfortunately so mentally constituted that they can not accept the treaty at all, and in that they have my sympathy. Yet, strange to say, they propose to retain all the good things for America in that treaty, notwithstanding their rejection of it.

Mr. BRANDEGEE. Mr. President, are there any Members so unfortunate as not to be able to accept the treaty who are not members of the Foreign Relations Committee?

Mr. THOMAS. I do not think many of those were left off the committee on the other side.

Mr. BRANDEGEE. I understood the Senator from Colorado himself to be one of those unfortunates, and he is not on the committee.

Mr. THOMAS. A very few of us on this side are equally benighted, and one of them, meaning myself, had to retire from the committee; but that was through the fortune of war.

I have voted against the acceptance of that treaty, and one of the impelling motives driving me to that position rests upon the overwhelming penalties and indemnities which it places upon Germany in contravention of the terms preceding the armistice. I would be compelled to vote against the joint resolution, even if I thought it was entirely within the powers of Congress to enact it, because of section 3. I do not think it reflects much credit upon the American Congress, to be perfectly frank about it, to reject the treaty and then in a resolution declaring peace reserve our right to all the benefits we would have had under and by virtue of the treaty if we had accepted it. I do not think that is good Americanism. I do not think it is justice. The treaty is either good or bad, and we should not take the attitude of hanging onto the material advantages and emoluments which it gives us while at the same time rejecting it in toto.

Mr. BRANDEGEE. Mr. President——

Mr. THOMAS. I yield to the Senator from Connecticut.

Mr. BRANDEGEE. Although the Senator thinks the treaty is too harsh on Germany, as I understand him——

Mr. THOMAS. No.

Mr. BRANDEGEE. He does not object to insisting that Germany shall compensate this country for the damage she caused us?

Mr. THOMAS. Yes; I do; emphatically; because that was our attitude from the time we entered the war. We said this was a war in vindication of our rights upon the sea and against an autocracy, a form of government that was a menace to our civilization. Moreover, in the President's letter of November 5, 1918, to the German chancellor, the extent of reparation was clearly defined, and Germany's acceptance of it was doubtless largely influenced by that fact, a condition which was deliberately and constantly ignored and disregarded by the conference of Versailles.

Mr. President, I think I have discussed the terms of the measure at sufficient length to indicate my position concerning it. I regard it as a clear invasion of the Executive power, as an effort by Congress, if not to exercise, at least to dictate the application of the treaty-making power by the Executive of the United States, a clear overstepping of the boundary fixed by the Constitution and, generally speaking, observed throughout

our history between the power to declare war and the power to negotiate for peace.

Moreover, it establishes a precedent which at some time, in a crisis of this country in which, while at war, if a serious breach should occur between the legislative and the executive branches of the Government, and in which the action of the Congress, possessed of a two-thirds majority against the administration, might not only paralyze the military powers of the Government, but very seriously or vitally menace its existence.

In all such legislation he, and he only, is wise who casts his horoscope over the future to perceive, as far as he can, the effect which the influence of such legislation may have at other times and in other crises which the Republic must inevitably encounter so long as human nature remains unchanged.

Mr. President, I listened with extreme interest, as I always do, to the discussion of the joint resolution by the distinguished Senator from Pennsylvania [Mr. KNOX]. That he proves his position goes without saying. That he established from his premises that the war long ago ended is evident to all who heard him or who have read his speech. His position in substance was that, inasmuch as we declared war against the Imperial Government, expressly excepting the German people from its operation, politically at least, and inasmuch as the Imperial Government has been overthrown, and inasmuch as the armistice was not an armistice, but a capitulation, ergo, the war came to an end with its execution.

But assuming that to be true, what are we here for at present? Why consider this resolution at all? Is not the capitulation itself a treaty of peace, although made with the German people, against whom we were not waging war?

According to the Senator's argument, we were at peace when the treaty was negotiated. According to his argument we were at peace when the Kaiser abdicated. If not, then surely peace came to a bleeding world when the capitulation was signed and acted upon. Assuming that to be true, then I concede that the semistate of war which has prevailed since the date of those occurrences is wholly unjustifiable. If that be true, then it must follow that the President's announcement on the 11th day of November, 1918, that the war was at an end was his official proclamation of the fact, and, of course, established the date of the end of the war, thereby terminating all of our war legislation.

There seems to be such a thing as proving too much, if this is an instance. If it is necessary for a great lawyer and statesman like the distinguished Senator from Pennsylvania to base his argument in support of this resolution upon that hypothesis, then, indeed, it must follow that only by such hypothesis can he justify his resolution.

But certainly we must, in our calmer moments, concede that the statement of the President, in announcing the terms of the armistice to the Congress that the war was at an end, necessarily related to actual hostilities and not to the resumption of the peace relations. Moreover, if it be true, as the Senator says, that we have destroyed the only thing that we were at war with, then why negotiate a peace with the German people, our war having been conducted against their Government and not themselves?

I have always regarded these statements and declarations that we were not at war with the German people as so much camouflage. No man acquainted with the history of the German people, to whom the term Hun has been applied through centuries of time, and who supported the German Imperial Government to a man, not only in Germany but the world over, can keep a straight face and pretend that this war was not waged against Germany in all that that term implies. We fought the Kaiser, we fought the junkers, we fought the German farmers, we fought the German socialists, we fought the German democracy, we fought the German Protestants, we fought the German Catholics, and everything that was German.

Mr. KING. The professors and preachers.

Mr. THOMAS. Yes; including, as the Senator from Utah suggests, the professors and the preachers. We fought all those, for without their support the Imperial German Government never could have moved a finger. They fought as long as that support was available and surrendered and abdicated only when the morale of the people behind the lines collapsed utterly.

So do not let us advocate or oppose this resolution upon any such theory. It will not help us in the election any more than it helped us in the war, for whatever else may be said I do not believe you can fool a Dutchman on that proposition.

The Senator from Nebraska [Mr. HITCHCOCK] this morning discussed the argument of the Senator from Pennsylvania [Mr. KNOX] quite in extenso. I am unable to add very much to what he has said. But the Senator from Pennsylvania indulged in a most interesting and instructive discussion of war powers and peace powers, their relations to each other, the exercise of the war powers in times of war only, and the exercise of peace powers in times of peace, when all powers under our Constitution are dormant. He said, on page 6564 of the RECORD:

> Since war powers are given for the successful conduct of war, and for that purpose only, it necessarily follows that when the war is ended—

"Necessarily follows," mind you—

> that is, when actual hostilities cease—the war powers terminate. There is no principle of our constitutional system that is more vital or fundamental than this. Because if this were not the principle, then a malminded administration could provoke a war, pass war-power legislation bestowing autocratic power upon executive officers, and then, hostilities having actually ceased, refuse to make formal peace by treaty and so hold the people under an intolerable despotism until revolution would be their only recourse for relief. But reason and principle are against this. From these it follows that when the war is ended by the cessation of actual hostilities, the war powers ipso facto and of necessity at that moment cease, wholly irrespective of any action either by the treaty-making power or by the Congress in reference thereto.

On the same page the Senator said:

> Now, if the foregoing are correct principles, and I submit they are and must be, then since the war powers come into force with the beginning of hostilities and become dormant again with the end of hostilities it necessarily follows that even Congress itself can not exercise those powers before hostilities begin nor after they end. And from this it follows that any attempt by Congress so to do is illegal and unconstitutional.

If that be the correct doctrine, then any attempt to exercise such powers by the administration is unconstitutional and the Executive should be impeached. If that be true—and in the abstract, I presume, it is true—then surely there is not the slightest need for the passage of this resolution; because if it is unconstitutional for Congress to exercise any war power except during the existence of actual hostilities, it is equally unconstitutional for it to declare, or to assume 18 months after those hostilities have ceased, that the war still continues; in other words, if, from a constitutional standpoint, war and hostilities are convertible terms, and if war powers cease when hostilities cease, then all the war powers exerted, either by the Congress or by the administration, since the 11th day of November, 1918, have been extra constitutional; and that is what we should say in terms by this resolution instead of providing for a termination of the war, plus a conditional treaty to be imposed upon Germany for the purpose of effectuating it.

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. THOMAS. Certainly.

Mr. KING. If the statement made by the Senator from Pennsylvania, just read by the Senator from Colorado, is correct in principle, would not the enforcement of the war-time legislation, for instance, the Lever Act and other acts that may occur to the Senator's mind, be illegal? Would not those acts ipso facto cease to exist?

Mr. THOMAS. Necessarily so.

Mr. KING. So that all prosecutions under the Lever Act would be illegal and the decision of the Supreme Court upholding the Lever Act quite recently was erroneous?

Mr. THOMAS. That is correct. The Senator anticipated me there. I was about to call attention to the fact that the logic of the Senator from Pennsylvania and that of the Supreme Court in the war-time prohibition case were not reconcilable.

Mr. KING. That is true.

Mr. THOMAS. Apart from other considerations involved in that decision, the fact stands out that the conclusion of the court is necessarily and fundamentally based upon the position that we are still in a state of war.

Mr. McCUMBER. Mr. President——

Mr. THOMAS. I yield to the Senator.

Mr. McCUMBER. I wish to ask the Senator from Colorado if he has heard in any of the prosecutions under war-time acts of a demurrer being filed upon the ground that there was no law to sustain the charge?

Mr. THOMAS. In just one instance I have heard of such a plea, which occurred in my own State in a very peculiar way. A certain department store was about to be investigated by the grand jury for alleged violation of the Lever Act, when a bill was filed before the United States court to enjoin the grand jury from conducting its investigation upon that and other grounds. His honor sustained the application and granted the injunction; but whether upon that ground or not I do not know.

Mr. President, the address delivered yesterday upon the merits of this resolution by the senior Senator from North Dakota [Mr. McCUMBER], in my judgment, exhausted the subject, as he always does when he considers one from the standpoint of law and Constitution. His logic is inexorable; it is unanswerable; and, in my judgment, it so completely disposes of the legality of this resolution as it stands that I would be imposing myself upon the Senate if I attempted further to

elaborate the same proposition. I shall, therefore, as regards this resolution, content myself with the reasons that I have attempted to express and which convince me that it is beyond our power to act upon it.

However, Mr. President, I am constrained before taking my seat to submit to the Senate some observations upon a recent telegram sent by the President of the United States on the 9th day of May to one G. E. Hamaker, of Portland, Oreg. I do so very unwillingly and only in the discharge of what I believe to be an unavoidable personal duty, for the telegram, apart from its immediate purpose, virtually imputes dishonor to every Senator voting against the treaty or for the treaty with reservations. The President says such action is "utterly inconsistent with the Nation's honor and destructive of the world leadership which it had established," and so forth. This telegram, appearing like a bolt from the blue, is addressed to an obscure and unknown individual living in the city of Portland, Oreg., whose chief claim to distinction, I understand, is his animosity to Oregon's great senior Senator [Mr. CHAMBERLAIN], and who is now and has been for some time engaged in the effort to procure his defeat for renomination at the primaries on the 21st of May.

With all due respect to the President of the United States, whose leadership I have steadfastly followed whenever I could do so in accord with the dictates of my conscience and my convictions, he might at least have given this document to the world through the medium of the official organization of the national Democracy or of the minority leaders of the Senate or the House. He might at least have selected some prominent and well-known agency for the expression of this opinion, instead of utilizing an obscure individual, living across the continent and evidently caring as little about the treaty as any man in the United States, but perfectly willing to use that or any other weapon for the accomplishment of his political objective.

Mr. BRANDEGEE. Mr. President——

Mr. THOMAS. I yield.

Mr. BRANDEGEE. The Senator refers to this individual as an "obscure" person. I have seen it stated in the public prints that, instead of being obscure, he is the campaign manager of the opponent of the senior Senator from Oregon in the Democratic primaries in that State.

Mr. THOMAS. That should make him very prominent——

Mr. BRANDEGEE. I think it will before he gets through.

Mr. THOMAS. Because a Democrat in Oregon who opposes the renomination of the senior Senator from that State deserves the sort of notoriety enjoyed by "the youth who fired the Ephesian dome."

I do not, Mr. President, contend for a moment that this pronunciamento of the Executive was designed to aid the enemies of the senior Senator from Oregon; I do not know as to that; but I feel very sure that it justifies such an impression by anyone who sees fit to entertain it. I so state because the senior Senator from Oregon, as the chairman of the Senate Committee on Military Affairs during the greatest crisis of the world's history, had the misfortune to incur the displeasure of the President, since which time, although I have no knowledge of the facts, their relations have not been as cordial as I wish they might have been.

I do not wonder, Mr. President, that Senator CHAMBERLAIN aroused opposition in the discharge of his duties as chairman of that vastly important committee. From the commencement to the close of his administration he stood for America and devoted his days and his nights, frequently at the expense of his health, to the cause of his country, thereby writing for himself a record which shall endure as long as the people of this Republic entertain sentiments of gratitude and appreciation for the services of their public men. He inevitably incurred animosities, provoked opposition, and aroused the hostility of many people and of many interests, but nothing swerved him from the pathway of his overwhelming duties. I do not hesitate to say that the chairman of that committee contributed as much to the success of American arms, and because of his position, as any of his compatriots. I say that in derogation of no one; but, from the fact that I was a humble member of that committee during the same period, I know that he lived for nothing save the discharge of the duties of his position. He consecrated his physical and mental energies to the great cause of American arms, with a complete disregard of his own personal welfare and his own personal obligations. He made mistakes and many of them, but who does not? He sometimes occupied attitudes and advanced policies which I could not accept, and yet he may have been right and I may have been wrong; but through it all, Mr. President, his ceaseless vigilance and his enduring service have fully justified the confidence of the people of Oregon, consisting of an overwhelming preponderance of political opponents, but who, nevertheless, for the last 20 years, as governor and as Senator, have availed themselves of his services and kept him at the helm of public affairs. I have too much confidence in such a constituency to believe for a moment, now that the war is over and the victory is won, they will retire their great fellow citizen, their eminent statesman, to the shades of private life. He has served them, he has served his country, too well and too long to merit such a fate.

Mr. President, I think what I have said is due to the Senator from Oregon, not because I contend or even insinuate that any presidential attack has been made upon him, but because of the impressions created by the extraordinary circumstances attending this Executive outburst, and which justify some tribute from a man who knows of the labors of one of the most useful Members the Senate ever had.

Mr. JONES of Washington. Mr. President——

Mr. THOMAS. I yield.

Mr. JONES of Washington. As a Member on this side of the Chamber, I want to join the Senator from Colorado in his very deserved tribute to the Senator from Oregon; and I want to ask the Senator if, in his opinion, our boys would have been at Chateau-Thierry when they were had it not been for the brave stand of the Senator from Oregon?

Mr. THOMAS. Why, Mr. President, no man who knows the facts can answer that otherwise than in the negative.

Mr. JONES of Washington. I have said many times, and I sincerely believe, that he is more responsible than any other man in this country for having our boys at Chateau-Thierry at the critical time they were there.

Mr. THOMAS. Mr. President, I do not wish to be invidious; there is honor enough in this war for all; but those with whom the Senator from Oregon personally cooperated, with whom he was daily thrown into intimate contact, know what the burden of the day was and how heavily responsibility rested upon his shoulders. A man who under all circumstances never lost confidence even in the darkest hour, maintained unfaltering courage, kept forging ahead, and imparting enthusiasm to his associates and inspiring all with the contagion of a splendid example is not the man to be punished after the victory has been won in a country like ours, where genuine service is appreciated, even though not always rewarded.

Mr. PHELAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from California?

Mr. THOMAS. I do.

Mr. PHELAN. The value of the services of the Senator from Oregon is so considerable, not only to his country but more particularly to that part of his country which fronts upon the Pacific, that I am sure his colleagues would be loath to lose him as a Member of the Senate.

The Senator from Colorado stated that the President addressed some obscure person "where rolls the Oregon," and he implied that the President might have had in mind some other purpose than that conveyed by the reading of the message—simply a redeclaration of his policy with respect to the so-called Lodge reservations.

Mr. THOMAS. I so stated, Mr. President.

Mr. PHELAN. I should like to add to the discussion, however, the thought that while the President is entitled to his views, the Senate is also, as a coordinate body, entitled to its views. It has not been infrequent for Presidents and other distinguished persons to convey their sentiments in letters addressed to humble persons; but it is not fair to infer that there was any intention on the part of the President, because his correspondent happened to reside in Oregon, to reflect upon the Senator from Oregon. Furthermore, I am informed that the Secretary to the President has disavowed, on behalf of the President, any intention to make such a reflection.

Mr. THOMAS. I do not know whether the disavowal has been made or not, but it ought to be made.

Mr. PHELAN. I am informed that by telephone the President, through his secretary, has disavowed any intention to make any reflection upon the Senator from Oregon, doubtless according him the same right which he claims for himself to express and hold his opinion. Therefore I think it should appear in the RECORD that no antagonism has been shown by the Executive toward the distinguished Senator from Oregon, whose long service in this body has made him invaluable, and whom his colleagues, I believe, desire to see returned.

Mr. THOMAS. Mr. President, I have carefully avoided casting any imputation whatever upon the President's motives, but I am not so charitably inclined toward the recipient of the message, and I do not wish to do him injustice. What I say regarding him, however, is based upon assurances coming from gentlemen who, I know, would not misrepresent the facts.

But, Mr. President, while it is true that the Executive is not only entitled to but should be encouraged in expressions of official opinion regarding all matters coming within administrative jurisdiction, and which, I am sorry, have not more frequently characterized the present administration, nevertheless it is our right, when reflections are made upon our official conduct by such declarations, to make fitting reply. Indeed it may be averred that silence under such conditions might well be construed as an acceptance of their truth.

The President says:

I think it imperative that the party should at once proclaim itself the uncompromising champion of the Nation's honor and the advocate of everything that the United States can do in the service of humanity; that it should therefore indorse and support the Versailles treaty and condemn the Lodge reservations as utterly inconsistent with the Nation's honor and destructive of the world leadership which it has established.

I am not concerned with the Lodge reservations, but if they are utterly inconsistent with the Nation's honor, then the rejection of the treaty is more inconsistent with it; and if both are so inconsistent, then every Senator who voted for the Lodge reservations and everyone who voted for the rejection of the treaty comes under the imputation of the President's criticism. In other words, not content with advocating a policy to be followed by his party, the President unfortunately asperses the Members of this body who have been unable to agree with him.

I voted, Mr. President, against ratification of this treaty, and I believe I have familiarized myself as thoroughly with it as any Member of this body. If it ever comes to the Senate again while I am here, my vote will be the same. Outside of the three Democratic malignants, of whom I am, unfortunately, one, 21 of my Democratic associates voted for ratification with reservations, thereby dishonoring the Nation, destroying the hope of the world, and rejecting the greatest document ever submitted to the inspection of mankind. They are Messrs. ASHURST, BECKHAM, CHAMBERLAIN, FLETCHER, GORE, HENDERSON, KENDRICK, KING, MYERS, NUGENT, OWEN, PHELAN, PITTMAN, POMERENE, RANSDELL, SMITH of Georgia, SMITH of Maryland, TRAMMELL, WALSH of Massachusetts, WALSH of Montana, and WOLCOTT. If you add to those the names of the 3 who are totally depraved, we have an aggregate of 24 men on this side of the Chamber who have incurred the censure and bear the reproach of the Chief Magistrate of the United States.

Mr. KING. Mr. President, will the Senator yield?

Mr. THOMAS. Yes; the Senator is one of them.

Mr. KING. I do not rise for any explanation or any apology. I merely wanted to invite the Senator's attention to the fact that there was a number of Senators who were absent and paired in favor of the reservations.

Mr. THOMAS. Those gentlemen, Mr. President, I shall not add to the list of the banned.

Mr. KING. They will be glad to have their names in the RECORD.

Mr. THOMAS. That may be; but inasmuch as those gentlemen can prove an alibi, if it becomes necessary, I shall not have the temerity to add them to my list.

On the other side of the Chamber are quite a number of gentlemen who have been equally indifferent to their country's honor, but I am inclined to think that they can take care of themselves. Whether they can or not, I am obliged to devote such time as remains to me to my companions in iniquity on this side of the Chamber.

And let me say, Mr. President, that if the Democratic Party next June in San Francisco shall commit itself to the unconditional ratification of the treaty of Versailles, it will write Ichabod above the door of its convention hall, for its glory will have departed.

We had another Democratic President in 1896 who became the whole party before his term expired, and who took occasion to deliver a similar bull of excommunication in 1896, which did not prove wholly disconcerting. We did not bow to the yoke then, but we stood by what we conceived to be a great Democratic principle, incurred Mr. Cleveland's hostility and that of his friends, and went down to defeat and to 16 years of exile. History may repeat itself; but if so, then its warnings are thrown away upon men of the highest intelligence and political experience.

The President says:

Let us prove to our late associates in the war that at any rate the great majority party of the Nation, the party which expresses the true hopes and purposes of the people of the country—

In all of which I agree—

intends to keep faith with them in peace as well as in war.

* * * * * * *

The League of Nations is the hope of the world. As a basis for the armistice, I was authorized by all the great fighting nations to say to the enemy that it was our object in proposing peace to establish a general association of nations under specific covenants for the purpose of affording mutual guaranties of political independence and territorial integrity to great and small states alike, and the covenant of the League of Nations is the deliberate embodiment of that purpose in the treaty of peace.

The chief motives which led us to enter the war will be defeated unless that covenant is ratified and acted upon with vigor. We can not in honor whittle it down or weaken it, as the Republican leaders of the Senate have proposed to do.

I read again:

The true Americanism, the only true Americanism, is that which puts America at the front of free nations and redeems the great promises which we made the world when we entered the war, which was fought not for the advantage of any single nation or group of nations, but for the salvation of all.

If I construe this language correctly, Mr. President, it means that certain promises and pledges were made to all the world by the people of the United States when we entered the war, the redemption of which depended upon victory, and all of which are included in the treaty of Versailles; that we stood pledged in advance to them, and that the rejection of this treaty means their repudiation. This must be the basis of the imputation which this announcement casts upon the honor and the moral integrity of those who declined to vote for the unconditional ratification of the treaty.

Mr. President, that brings me to a necessary consideration of what pledges were made and by whom they were made when we entered the war, and their binding force upon the consciences of the American people, for if we did pledge ourselves to the contents of the pending treaty, then regardless of its consequences we should stand by our agreement and ratify the treaty. But I deny, Mr. President, as earnestly as it is in my power to do so, that any motives save those appearing in the address of the President on the 2d of April, so far as they have been accepted by the Congress, or such as may be found in the legislation of that period, were made or could have been made to the world binding either the representatives of the people or the people themselves, and he who asserts their existence, of course, has the burden of sustaining the charge.

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER (Mr. CURTIS in the chair). Does the Senator yield to the Senator from Nebraska?

Mr. THOMAS. I yield.

Mr. HITCHCOCK. What has the Senator to say concerning the speech of the President delivered to the joint session of the House and Senate on the 8th of January, 1918, in the midst of the war?

Mr. THOMAS. Mr. President, I have this to say, that the pledges to which the Senator must refer, and the pledges to which the President refers, are those which led us to enter the war. He says so in terms.

Mr. HITCHCOCK. This is a speech of the Executive of the United States, who, by the Constitution, is charged with the sole duty of conducting foreign affairs and of initiating peace propositions. He called the House and Senate into session. He laid down certain purposes of the war. Among those was the formation of an association of nations, or league of nations, for the prevention of war in the future. That address was delivered officially. It was delivered to both Houses of Congress. It was received with applause, and not a voice was raised, either in the House of Representatives or in the Senate, in criticism of that pledge of the President for the formation of a league of nations for eight months after it was delivered.

Now, I ask the Senator, under those circumstances, when the constitutional officer of the United States, in the presence of the legislative body, laid that down as one of the objects of the war, had not the world a right to believe that the Nation proposed to live up to it?

Mr. THOMAS. Mr. President, I am glad the Senator asked me that question, because I know that he believes and has acted upon the belief that it was his duty to recognize that pledge and to make it effectual in the treaty. But if that particular pledge is binding upon the Senator's conscience, and if he thinks that it should be binding upon my conscience as well, were not the other pledges then made equally binding upon the conscience of the President, and why did he virtually abandon them?

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield?

Mr. THOMAS. I yield.

Mr. HITCHCOCK. When the President laid down those purposes for which we were fighting he did not lay them down as the purposes for which our associate nations were fighting, and when he got together with them to agree upon terms of peace and the terms of an armistice he could speak only for the United States. He was bound in the very necessities of the

case to make such settlement as he and they could together agree upon. Now, he and they did agree to the terms of this League of Nations, and, as I said, in the United States there was not, officially or otherwise, any protest anywhere from anybody against the formation of a League of Nations for eight months after the President proclaimed it.

Mr. THOMAS. Mr. President, the Senator, like the President, has become obsessed with one of 14 points. That one point is so sharp, so prominent, and so persistent that it has impaled them both; they have lost their sense of perspective, the Senator as an able leader of the treaty forces here, the President as the sole actual representative of the people of the United States at Versailles.

These 14 points, Mr. President, have been harped on for a long time; but inasmuch as the question propounded by the Senator deserves consideration, let us see what they are for a moment:

1. Open covenants of peace openly arrived at, after which there shall be no private international understandings of any kind, but diplomacy shall proceed always frankly and in the public view.

There is one of the pledges, if the speech of the 8th of January embodies pledges as the Senator contends, which has not only been forgotten but constantly disregarded. The negotiations were not open; and I do not think they should have been open, let me say, because a public convention of a peace conference in Paris would have been just about as successful as a circus in a Catholic church. Publicity is impossible where the affairs of nations are being considered and agreements are so difficult to arrive at.

After which there shall be no private international understandings of any kind.

Mr. President, the world teemed with private understandings during the period covered by the sessions of the Versailles conference. They have been disclosed here, among others, understanding as to Egypt and Persia, the latter being an especially good illustration, against which no protest was registered, even at Versailles, by the American delegation.

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Nebraska?

Mr. THOMAS. "But diplomacy shall proceed always frankly and in the public view." I yield.

Mr. HITCHCOCK. Suppose the Senator is able to demonstrate that every other one of the 13 points was abandoned by the President; does that prove his statement that there was no pledge for a League of Nations?

Mr. THOMAS. Oh, no; it does not prove that.

Mr. HITCHCOCK. Then why take up the time of the Senate to argue it? The Senator made the statement that there has been no pledge for the formation of a League of Nations. I point him to that speech, and, in answer to it, he undertakes to say that other pledges were made and broken. Is that any reason for breaking this one, even admitting that he is correct, which I deny?

Mr. THOMAS. The President uses the plural. It is the Senator from Nebraska who uses the singular. I am not assailed as dishonoring my country and my party because I have declined to vote for a treaty containing a pledge. It is the Senator, and not I, who seeks to confine this entire controversy to one assurance. I contend that the last of these 14 points is no more important than any of the others, and was no more important at the time they were announced; and all of them succeeded our entry into the war.

The second point was:

Absolute freedom of navigation upon the seas, outside territorial waters, alike in peace and in war, except as the seas may be closed, in whole or in part, by international action for the enforcement of international covenants.

That poor pledge went glimmering almost before it was enunciated.

Mr. HITCHCOCK. Mr. President——

Mr. THOMAS. I will yield in just a moment. It was expressly excluded from the note of November 5, 1918, and the President himself said that it did not amount to anything—I do not use his exact language—because it had not occurred to him at the time of its announcement that with a universal league of nations the seas would be free, anyhow. Therefore he turned his back upon this, which, in my judgment, is an essential to the existence and operation of a successful league of nations. Gone? Why, Mr. President, it never came.

I yield to the Senator from Nebraska.

Mr. HITCHCOCK. The Senator claims that there was such a pledge made as he has just recited?

Mr. THOMAS. I am reading from the speech to which the Senator called my attention.

Mr. HITCHCOCK. Then he, of course, admits that this pledge was made for a league of nations, which before that he denied.

Mr. THOMAS. I have not denied it at all. I have said it was not proclaimed before our entry into the war.

Mr. HITCHCOCK. I understood the Senator did deny it before I rose to interrogate him.

Mr. THOMAS. The Senator did not ask that question.

Mr. HITCHCOCK. He denied that the United States was ever pledged to a league of nations.

Mr. THOMAS. The Senator asked me if I regarded the President's speech of January 8 as constituting a pledge of America to the Allies for the war. My reply was that I regarded these pledges, if any, which were made at the time of our entrance into the war, as showing the purposes for which we entered it, and to which the President's last announcement expressly referred.

Mr. HITCHCOCK. But now I understand the Senator asserts that this pledge which he has mentioned was a pledge. If that was a pledge, then this one referred to by the President was a pledge. I should like the Senator to say specifically whether he now admits that the United States was pledged?

Mr. THOMAS. No; I do not.

Mr. HITCHCOCK. Then the Senator comes back to his original position, and I ask him how he can otherwise interpret the President's speech, delivered officially in the presence of the Senate and the House, and which went without any question for eight months? If that was not a pledge, what is a pledge?

Mr. THOMAS. Is the Senator through?

Mr. HITCHCOCK. Temporarily. I thank the Senator.

Mr. THOMAS. The Senator is now so far through that I can answer him. The Senator asserts that the League of Nations' point as one of the 14 points was a pledge of this Nation to a League of Nations and that I have admitted it; that it is a pledge because it was applauded when it was received and was not questioned for some eight months. If that constitutes a pledge, then everything that the President said on every occasion during the war was a pledge, because it was always applauded and nobody objected at the time. Certainly the Senator will not contend that every time the President opened his lips during the war and spoke upon a subject he pledged, or had authority to pledge, the people of the United States to something which they are in honor bound to incorporate in a subsequent treaty of peace.

I say, in answer to the Senator's question, that that is a pledge only in the sense that the other 13 are pledges, and no more; and that neither he nor anyone else is justified in exalting one of the 14 points out of all proportion to the others. The Scriptures tell us that Aaron's rod was once turned into a serpent, and other rods as well. Whereupon the serpent from Aaron's rod swallowed all the others. This ceremonial is dwarfed into insignificance by the Senator's contention. This fourteenth point has assumed all the proportions of Aaron's rod to those who justify the President's last fulmination.

But I proceed:

The removal, so far as possible, of all economic barriers and the establishment of an equality of trading conditions among all the nations consenting to the peace and associating themselves for its maintenance.

Is that a pledge? If so, show me where it is covered in this treaty. I recall that the President on the 27th of September said that it would be an insincere and an insecure peace which did not do away with all these commercial rivalries which are the fruitful sources of the plans and purposes of war; and a more solemn truth never fell from human lips. Make all the leagues you please and they will shrivel into nothingness so long as trade wars may continue in the world, a fact which the President perceived and expressed far more eloquently than can I. But this fundamental condition, this pledge, as the Senator from Nebraska would call it, received no consideration, so far as we are able to determine, no consideration whatever, at Versailles. Was the honor of the Nation thereby tarnished?

Mr. LODGE. Mr. President, I dislike to interrupt the Senator, but I can not refrain from asking him if, when he compared the 14 points to Aaron's rod, he intended to suggest that they were a serpent?

Mr. THOMAS. Oh, no; I only compared one of them to that rod and I would not even pretend that that was a serpent. The Senator from Nebraska, however, endowed it with a similar swallowing capacity.

Adequate guaranties given and taken that national armaments will be reduced to the lowest point consistent with domestic safety.

Does any such guaranty appear in the treaty? What has become of it? We do consent that the league, when once established, shall make recommendations on the subject. But armaments, both by land and sea, are increasing progressively, and,

if I understand the situation the world over, its people were never so belligerent as they have been since the cessation of hostilities. Half a dozen wars are now in prosecution; turbulence, vindictiveness, animosities, and antagonisms characterize humankind everywhere, both in their foreign relations and particularly within their domestic affairs. For that I blame no one. It is the inevitable consequence of the greatest conflict in which humanity was ever engaged. But it ill comports with an enduring peace.

I will take another:

A free, open minded, and absolutely impartial adjustment of all colonial claims, based upon a strict observance of the principle that in determining all such questions of sovereignty the interests of the populations concerned must have equal weight with the equitable claims of the Government whose title is to be determined.

There is another noble sentiment comprised within the purview of the 14 points. Has there been even a pretense at free or an open minded or an absolutely impartial adjustment of all colonial claims? Why, Mr. President, the treaty sweeps every colony from Germany and turns them over to France and Great Britain without saying "by your leave" to a single resident.

That in determining all such questions of sovereignty the interests of the populations concerned must have equal weight with the equitable claims of the Government whose title is to be determined.

Was Shantung disposed of under this fifth point or pledge? Was the population concerned consulted at all? Is not Austria forbidden, regardless of the wishes of her people, to merge with Germany? Has not the Saar Valley and its people been torn from the side of Germany almost at the same time that the demand for self-determination in Fiume was pressed to the limit?

I shall not discuss Shantung. It has been overdiscussed heretofore. I am unable to say just how the final arrangement was made which gave it to Japan, but as long ago as last September my attention was called to an article in the magazine called Asia upon that subject, written by Mr. Patrick Gallagher, well known as a correspondent on far eastern affairs. After returning from a prolonged residence in the Philippines and China, he became associated with the Far Eastern Bureau in New York City. He attended the peace conference to report the eastern angle of the discussion, and since his return has affiliated himself with the Far Eastern Syndicate, with headquarters in Washington. In the September number of the journal called Asia Mr. Gallagher contributes an article entitled "Marquis Saionji moves," which will be found beginning on page 894 of the magazine. I am constrained, in connection with the fifth point, to read the closing column and a half of the article, and I invite the interested attention of my auditors to it.

The British and the French and the Japanese delegations listened to Mr. Wilson—

This is regarding Shantung—

And then they talked these matters over among themselves; and they came to the conclusion that our delegation was not very learned or very practical, at the top, in the matter of the Chinese question. They decided that among themselves they could play ball, good, profitable ball, and they played it. Now, it is curious that upon droll circumstances great historic happenings are ofttimes built. I am afraid that I have been very serious, very dreary, in trying to unravel for the readers of Asia the tangled skein of the Paris conference. So let us all laugh, as the Japanese laughed on the night of April 30.

On the forenoon of April 24 a young Japanese newspaper man of no importance (and with less knowledge of what was actually happening at Japanese headquarters, the Hotel Bristol, than some of his American confrères) happened into 4 Place de la Concorde and whispered the news to one of the most admittedly brilliant American special correspondents, "The Japanese delegation is packing up." The great American reporter whisked his Japanese friend away from the press-room, and together they hurried to the Hotel Bristol, where, surely enough, they found boxes and boxes, and more boxes, and trunks, and trunks, and more trunks, piled one upon the other, in the hotel courtyard. Moving silently and stealthily, like melodramatic villains, the representatives of East and West fourth estate sallied forth once more. This time their destination was the Hotel Meurice, where Marquis Saionji, Baron Makino, and Mr. Ijuin had their suites. Again Japanese trunks and more trunks; Japanese boxes and more boxes; great crates of the Marquis's favorite fish plucked from the placid waters of Lake Chusendji, and dried according to a special and ancient recipe; handsome steamer trunks with brass and rawhide knobs; trunks to the right and trunks to the left; and bellhops and valets scurrying hither and yon. The bright reporters rushed to the Bourse, and the news was flashed all over the world that the Japanese delegation was packing up; that Mr. Ijuin, the Japanese Ambassador at Rome, had called upon Baron Sonnino, the Italian Foreign Minister, and pledged Japan's support to the Italian Adriatic position; that the conference was collapsing, because Wilson would not give Italy Fiume, or Japan Kiaochow, or acknowledge the racial and national equality of the Japanese.

Within the same hour Mr. Odagiri, the famous Japanese banker, mentioned casually to Mr. Thomas W. Lamont that there was more than one side to the Chinese financial consortium plans being pushed by the American Government, and that it would be difficult for the Japanese to come in if Japan should leave the peace conference defeated on all points. Upon the same day Lord Robert Cecil told Col. House that, while Baron Makino was loyally eager to aid a League of Nations, it was becoming increasingly difficult to assure Japanese support on account of the general attitude of the conference toward Japan. A few minutes later Col. House learned about the trunks, and the boxes, and the expected exodus of the Japanese delegation from Paris. He got in touch with the President at once. Somebody confirmed the wild rumors. The President immediately reversed himself in the matter of Kiaochow, shut himself away from his far eastern advisers and the Chinese, and assented to Baron Makino's solution. I am in a position to know that the Japanese conceded nothing, nor did they bargain their racial amendment for the Shantung articles. They won upon their own terms and upon facts. Mr. Wilson lost all the tricks upon silly gossip.

The trunks and boxes at the Hotel Bristol and the Hotel Meurice were piled one upon the other in preparation for transfer to the magnificent villa at 50 Rue de Bassano, that had just been leased for the Marquis Saionji. The Marquis was not moving out. He was moving in.

Mr. President, I do not, of course, confirm the truth of that report, but it has never been denied. If it be true that the fundamental question underlying the Shantung situation was solved upon the outward appearance of a possible exodus from Paris of the Japanese delegation, in God's name how can we accept the assurances that we have received about this treaty being the embodiment of pledges which have been made and which we can not with honor reject?

My friend from Nebraska [Mr. HITCHCOCK] has left the Chamber. Hence I shall not burden those who remain to hear me upon the remaining nine points of the celebrated fourteen. They have been put in the RECORD so frequently that I hesitate to act upon the suggestion of the Senator from Missouri [Mr. REED], but I again assert that if these be the pledges to which the President referred in his recent letter, then surely I may be pardoned if I exercise my individual right as a Senator of the United States to judge upon the merits of the question myself when I discover that but one of all the pledges then given has been embodied in the treaty, and that at the expense of concessions which not only ignore but frequently contradict the terms of the other thirteen.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Connecticut?

Mr. THOMAS. I yield.

Mr. BRANDEGEE. I do not think the Senator from Colorado understood the Senator from Nebraska, who, as it seemed to me, claimed that it was necessary in the dickering over there to abandon 13 points in order to prevent getting dishonored by abandoning the fourteenth.

Mr. THOMAS. Probably not. The suggestion is one, however, which I will leave to the consideration of the Senator from Nebraska. It is nevertheless very certain that vital requirements were yielded for the sake of securing some sort of a league.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Missouri?

Mr. THOMAS. I yield.

Mr. REED. Assuming, now, that the mere fact that the President of the United States prepared a speech one day and said that he favored 14 different propositions constituted a contract on the part of this Nation if it were accepted, did the Senator from Colorado ever hear of one party to a contract which contained 14 provisions being bound by the acceptance of the other party, when the other party repudiated thirteen-fourteenths of the document and only accepted one proposition that he liked?

Mr. THOMAS. I never heard that until now; but we are living in new and strange times.

Mr. REED. Did the Senator from Colorado ever before hear of the proposition that the 110,000,000 people of the United States should be bound in international matters of the most solemn character by the mere fact that the individual who happens to be President made a speech of a certain character? Did he ever hear that doctrine until within the last three or four months?

Mr. THOMAS. Mr. President, I can readily conceive that the Chief Executive of the Nation can, as its spokesman, commit the country to a great many things. I would not feel justified in saying that I never before heard of such things, but I am unwilling to admit the proposition that a war was entered into upon so-called pledges made some six or eight months after it began.

Mr. REED. Did the Senator ever know of an autocratic government that went further than to follow the doctrine that when the king uttered a decree it bound the people?

Mr. THOMAS. Oh, yes; the king——

Mr. REED. Did the Senator ever hear of an autocratic government going further than that?

Mr. THOMAS. Yes; I have, although that is going pretty far.

Mr. REED. I should like to be informed of an instance where an autocratic government went further than that.

Mr. THOMAS. Oh, Mr. President, absolute despotisms can do anything, and we have had them in the world for centuries.

Mr. REED. Exactly. But did the Senator ever hear of an absolute despotism that could go further than to hold that the mere word of the despot became binding upon all the people?

Mr. THOMAS. Oh, no; not unless it was accepted or acquiesced in by the people.

Now, Mr. President, just a word upon the causes of this war. Every people in deliberately entering upon a great conflict enjoy a spiritual exaltation. It is a melancholy reflection upon our poor human nature that the sentiment of fraternity and brotherhood is more active in times of bloody conflict than in times of peace and quiet, where good will is supposed to be the ruling sentiment of communities. So in declaring our purpose in this war, under the influence of that psychological faculty which unites races and peoples in times of peril, and which stimulates them to sacrifice in the defense of the assertion of a common cause, we declaimed in lofty eloquence our lofty motives. Germany and Austria spoke the same language; indeed, one of them proclaimed under the same influences that hers was a war for defense of home and fireside, for the spread of culture among the nations of the earth, for their uplift, their civilization, and their permanent well-being.

Congressmen on the floor of the Senate and on the floor of the House, the President, and public speakers at great meetings called to support and sustain the Government—all of them pivoted their action in the supreme crisis upon the highest attributes of human nature, upon the loftiest of human purposes, and in many instances correctly; yet, Mr. President, if we really entered the war to make the world safe for democracy, if we entered the war for the destruction of the last vestiges of autocratic despotism, if we entered the war prompted by all the impelling forces of international altruism, then we should have entered it the moment the first German soldier crossed the boundaries of Belgium; then we should have declared war against Germany on the night of the day of the sinking of the *Lusitania;* then we should have entered it the moment the first stages of the submarine warfare were authorized; then we should have entered it as soon as we perceived—and we very soon did perceive—the existence of German intrigue and domestic interference throughout the land designed to destroy our neutrality and to compel our identification with the great European struggle. But we did not take immediate action; we waited until the month of February, 1917, when the war was two and a half years old, after oceans of blood had been spilled and billions of treasure had been wasted, and then we acted. Why? Because our citizens were murdered upon the high seas; because their property was ruthlessly destroyed; because our rights upon the ocean, the great highway of all the nations, were violated not only once but many times, and with an impunity which subjected us to the reproach of cowardice. Only then did the German ambassador receive his passports. The President of the United States, among other things in his message to the joint session of the 2d of April, truly said:

> We enter this war only where we are clearly forced into it because there are no other means of defending our rights.

That was eternally true. We went into the war because we could not help ourselves. If our rights had not been invaded we never should have entered it; we would have permitted it to be waged to its bloody finish, and Germany to-day, in consequence, would be the master of the Eastern Hemisphere, if not of the world.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Connecticut?

Mr. THOMAS. I yield.

Mr. BRANDEGEE. Instead of entering the war on broad principles of altruism and of service to humanity, were we not month after month alleged to be waiting for the Germans to perform an overt act against us? Was not that the daily suggestion in the newspapers that at last, perhaps, an overt act would be committed?

Mr. THOMAS. That is absolutely true. It was the attitude of my party, whose declarations at St. Louis were to that effect, and while in connection therewith we announced our purposes and our lofty intentions toward all the world, including our enemies, the fact remains that the people of the United States responded to the war because of the outrages inflicted upon their fellow citizens, which demonstrated the need for war if we were to preserve our country from a foreign invader, sure to come, once he had broken down the barriers of an intervening ocean.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Missouri?

Mr. THOMAS. I yield.

Mr. REED. In this connection I should like to call the Senator's attention to the language of the President himself in his message of the 3d of February, 1917. It will be remembered that Germany had served notice that she proposed to renew her submarine warfare. The President came before the Congress, and, after having given an epitome of the correspondence and of the facts, stated this:

> Notwithstanding this unexpected action of the German Government, this sudden and deeply deplorable renunciation of its assurances, given this Government at one of the most critical moments of tension in the relations of the two Governments, I refuse to believe that it is the intention of the German authorities to do in fact what they have warned us they will feel at liberty to do. I can not bring myself to believe that they will indeed pay no regard to the ancient friendship between their people and our own or to the solemn obligations which have been exchanged between them and destroy American ships and take the lives of American citizens in the willful prosecution of the ruthless naval program they have announced their intention to adopt. Only actual overt acts on their part can make me believe it even now.

Mr. THOMAS. Yes; that is in keeping with the extract which I read from the message of April 2.

On the 9th of May the President said, among other things:

> I was authorized by all the great fighting nations to say to the enemy that it was our object in proposing peace to establish a general association of nations under specific covenants for the purpose of affording mutual guarantees of political independence and territorial integrity to great and small States alike, and the covenant of the League of Nations is the deliberate embodiment of that purpose in the treaty of peace.

Mr. President, that is true, but it is not all of the truth. The President was authorized by the Allies to speak for them as well as for himself, not only regarding this covenant, but regarding all other terms embodied in the correspondence between the German Government and the President, beginning early in October and culminating with the German note of November 7. I affirm, because it is demonstrable from the treaty, that the terms outlined in the President's letter of November 5, which included many other things than this association and which were pledges or contracts equal to that of the league, have not been kept with Germany, but were largely disregarded, at least with the tacit consent, certainly without the opposition, of the American delegation at Versailles.

Let me read the letter of November 5 upon this subject:

> In my note of October 23, 1918, I advised you that the President had transmitted his correspondence with the German authorities to the Governments with which the Government of the United States is associated as a belligerent, with the suggestion that if those Governments were disposed to effect peace upon the terms and principles indicated their military advisers and the military advisers of the United States be asked to submit to the Governments associated against Germany the necessary terms of such armistice as would fully protect the interests of the peoples involved and insure to the associated Governments the unrestricted power to safeguard and enforce the details of the peace to which the German Government had agreed, provided they deemed such an armistice possible from the military point of view.
>
> The President is now in receipt of a memorandum of observations by the allied Governments on this correspondence, which is as follows:
>
> "The allied Governments have given careful consideration to the correspondence which has passed between the President of the United States and the German Government. Subject to the qualifications which follow, they declare their willingness to make peace with the Government of Germany on the terms of peace laid down in the President's address to Congress of January, 1918, and the principles of settlement enunciated in his subsequent addresses. They must point out, however, that clause 2, relating to what is usually described as the freedom of the seas, is open to various interpretations, some of which they could not accept. They must, therefore, reserve to themselves complete freedom on this subject when they enter the peace conference.
>
> "Further, in the conditions of peace laid down in his address to Congress of January 8, 1918, the President declared that invaded territories must be restored as well as evacuated and freed, and the allied Governments feel that no doubt ought to be allowed to exist as to what this provision implies. By it they understand that compensation will be made by Germany for all damage done to the civilian population of the Allies and their property by the aggression of Germany by land, by sea, and from the air."

Mr. President, that proposal was accepted. Its meaning is perfectly clear, that compensation will be confined to damage done the civilian population of the Allies and their property by German aggression, and it was an enlargement of one of the President's 14 points relating to the subject. When this treaty was made, however, notwithstanding this solemn pledge of the United States and the other allies, this restriction was thrown to the winds and Germany compelled to agree to make reparation not only for the elements to which it was limited but for all pensions and separation allowances of the Allies everywhere, including ourselves.

The President has said, and said very truly, that we wanted no indemnities in this war; that we would ask for no reparation. The Senator from Pennsylvania [Mr. KNOX] cited a long list of benefits and advantages that we have secured, and which

are property rights. He did not elaborate the point which I am considering, but to which he referred.

In annex 1 of article 244 of the treaty, among other things cited as damage caused to the peoples of the allied and associated powers and for which compensation must be made, are:

All pensions and compensation in the nature of pensions to naval and military victims of war (including members of the air force), whether mutilated, wounded, sick, or invalided, and to the dependents of such victims, the amount due to the allied and associated Governments being calculated for each of them as being the capitalized cost of such pensions and compensation at the date of the coming into force of the present treaty on the basis of the scales in force in France at such date.

The cost of assistance by the Governments of the allied and associated powers to prisoners of war and to their families and dependents.

Allowances by the Governments of the allied and associated powers to the families and dependents of mobilized persons or persons serving with the forces, the amount due to them for each calendar year in which hostilities occurred being calculated for each Government on the basis of the average scale for such payments in force in France during that year.

Mr. President, the German representatives protested against these items. They appealed to the agreement of November 5, which they had accepted, and to the definition placed upon the President's point regarding indemnity as it appeared specifically in his letter of November 5, but all in vain. They were compelled, under duress, to accept these terms without regard to the original contract.

It may be, Mr. President, that they should have been required to do so; but that is not the point. If we are sacredly to observe pledges made to our allies during the war, and if Senators dishonor themselves when they fail to accept the President's interpretation of them, it is equally evident that pledges made by all the Allies to the enemy, and constituting the basis of the armistice, are in honor binding upon them. The amount which Germany will be required to pay in consequence of this disregard of the preliminary agreement, embracing pensions and separation allowances to all nations, including our own, can not well be comprehended by the finite mind. It gives to the United States of America, if we saw fit to insist upon it, the right to require Germany to pay every pension and every separation allowance that we made in consequence of the war, or that we may be required to make hereafter—a sum reaching into untold billions; a sum which no nation in the world, not even our own, could ever pay; a sum imposed upon a defeated nation in direct contradiction to a solemn pledge given to it in advance of the capitulation.

Mr. President, if I am dishonored because I am unable to accept this treaty, what shall be said of the official delegation of the United States which threw to the winds a solemn international understanding and, with its heel upon the prostrate form of the vanquished enemy, demands his last drop of blood and exacts it in the teeth of a solemn covenant?

Mr. President, I might extend this discussion indefinitely if it were necessary to vindicate the position which my associates and I have taken regarding this very solemn subject, but I do not think that by doing so I could add to the strength of what has been said. I wish, however, before taking my seat to refer to what may be called the aftermath of this treaty and which should impress upon us the importance of full and complete information as to what was done and what was agreed to be done by the President and his associates in order to secure his League of Nations before we yield to his requirements. I do not know. Time will tell. Time has already revealed some very important situations coming from a very high source. My own conviction is that the President was so obsessed with the one thing which had taken control of his intellect and his emotions and which had become the sine qua non of his existence—the League of Nations—that he was prepared to make any sacrifice seemingly indispensable to securing his beloved league in some shape to bring across the waters and lay before the Senate for ratification.

One of the greatest of modern Frenchmen is André Tardieu. Save only Clemenceau, he was the most prominent French figure at the Versailles conference. He occupied a commanding position during the war, and that required his presence in America on several occasions. He was present at nearly all of the meetings of the so-called Big Four, and constantly in the confidence and the counsels of Clemenceau.

On the 19th of March, the day of the rejection of the treaty, Tardieu, in an article contributed to a Paris paper, said that Wilson planned to aid world finance and agreed that the league should be the agency for stability; and this has never been contradicted, because it can not be. It is as nearly authoritative as any official declaration of the conference itself. The article reads:

That President Wilson agreed to the principle that the League of Nations should be the agency for the establishment and maintenance of world financial stability as well as world political stability, and that the treaty once ratified he planned a campaign to advocate these conditions, is asserted by André Tardieu in an article he has written for L'Illustration.

M. Tardieu's declaration is interesting in view of the present financial situation. He argues that had it not been for the turn that political events took in America and for the President's illness France might to-day be in a better economic situation.

M. Tardieu's statement appears at the end of a long article arguing against revision of the treaty. He contends that the trouble is not with the treaty but with lack of solidarity among the Allies.

"Here is the great gap, and it is not in the treaty itself," he writes. "The treaty regulates only relations between Germany and the Allies. But peace, like war, has to be organized. It is only too clear that responsibility for the present situation grows out of events in Washington. Already, in the month of February, M. Clemenceau and his collaborators posed this vital financial question. Not without difficulty they had accepted the principle of a financial League of Nations. In June President Wilson, with his counsellor, Mr. Lamont—

We all know who Mr. Lamont is, the head of the house of Morgan—

"studied a plan of solidarity for which, after the treaty was ratified, he intended to make a campaign through the United States. Political fights and his sickness have ruled otherwise. Nothing has been done, and France at the hour I write finds her only guaranties in the treaty itself."

Mr. President, we can only conjecture what that means. It is of vastly significant importance. It clearly indicates that the Presdent proposed to make a campaign in favor of the project. I think, therefore, it is perfectly within bounds to assume that its meaning is a plan for the consolidation or merger of all the debts of the Allies with the credit of the Allies and of the United States behind the mass. I know that about this time, or very shortly before, various communications appeared in the public press, evidently inspired, urging a merger of the debts of France and England, of the United States and Italy, into a common pool, and, of course, for the protection of those owning the securities. Is it possible, Mr. President, that our delegation, in order to secure the so-called league, were required to consent tentatively to a financial plan that could be made effective only through a presidential campaign throughout the country? Of course, it goes without saying that such a plan would be impossible without the sanction of Congress. But that very fact explains the need for the campaign.

Let me go a step further. Five days afterwards M. Tardieu contributed another article to the same paper, in which he said that Wilson gave a Rhine guaranty and that it might prolong the French occupation beyond 1935; that Clemenceau exacted it and obtained it as a resource in case the Senate rejected the alliance plan. This is dated Paris, March 24, and reads:

André Tardieu, who was a member of the French peace commission, says that in April, 1919, President Wilson agreed with Premier Clemenceau that in the event of the nonratification of the Franco-American military treaty France should be entitled to indefinite occupation of the Rhine.

Mr. President, that is a tremendous statement. The President of the United States, according to this eminent Frenchman, negotiated a treaty of alliance between England, France, and the United States, which France thought should supplement the League of Nations, and which I think is still before this body for consideration, a treaty which requires us to go to the aid of France if at any time within its life hostilities between Germany and that Republic shall occur; and in the event of its nonratification here, then the President agrees that France shall be given indefinite occupation of all that part of Germany which lies to the west of the Rhine. That, again, Mr. President, requires for its validity the concurrence of the Senate and a treaty arrangement. But the people of the United States ought to understand that scores of consequences may inevitably result from the ratification of this treaty, which at present we can only conjecture.

Tardieu has spoken twice. In one instance he tells us that financial solidarity will follow the political solidarity created by the league; in the next, that if the Senate rejects this treaty of alliance—which I am sure they will, and which I know they should—then France may indefinitely occupy all of Germany west of the Rhine.

Mr. President, how will that situation comport with a permanent and enduring peace? How will that situation comport with the self-determination of peoples? Where in all history has the territory of a great people been indefinitely occupied by the military power of an enemy which did not result in certain and inevitable war? It is the due, and has been the due, of the Senate ever since this measure came before it for consideration to receive every possible item of information concerning it, every agreement or understanding, conditional or otherwise, accompanying it, every concession considered concerning it, or they should continue to refuse its ratification.

One more reference, Mr. President, and I am through. I hold in my hand a clipping from an article entitled "Poland," from the pen of Kenneth L. Roberts, in the Saturday Evening Post

of April 17, 1920. It is a long and highly illuminating article, evidently written from personal knowledge, and gives an impartial but graphic account of political and industrial conditions in that new country. The article reads:

Poland is in a generous state of flux. Her boundaries are particularly fluxish, especially the boundaries which face Russia and the Bolsheviks. The peace conference has carefully refrained from defining these boundaries, so that nobody is able to come within 300 miles of locating them with any accuracy.

Think of a treaty, Mr. President, designed to subserve an enduring peace for all mankind which leaves the boundaries of new countries anywhere within a radius of 300 miles, among peoples whose racial differences have been the fruitful cause of many wars, and whose thirst for dominion will inevitably impel each and all of them to claim this disputed region.

The article continues:

They have been left as hazy and indistinct as a kerosene lamp in a London fog and offer remarkably fine grounds for future wars. The peace conference failed in many notable respects, but it was a complete success at providing every country in central Europe with boundaries to fight over. I might add that there are very few countries which will fail to take advantage of the opportunities with which the peace conference has so generously provided them. That, at least, is the opinion of every American military man and every American observer that I met in central Europe—and they are the only disinterested and impartial people to be found in that large and troubled stretch of territory. Everybody else has an ax to grind. Some have only one ax in need of grinding, but most of them have as many axes awaiting the sharpener as a stage magician has rolls of colored paper which he produces to mystify his audience.

And the United States seems to have been unanimously elected to the position of official ax grinder. To change the simile a trifle, if the United States joins with her well-known heartiness in the League of Nations she will be the energetic member who will be expected to remove the chestnuts from the fire. She will have to be the one who will have to endure the curses of those who are impatiently awaiting the chestnuts, as well as the one who will have to apply the salve to the burns on her fingers.

The intensity with which Americans in central Europe mention the League of Nations is truly passionate. They usually lead off in the same way. "When I came over here," says each one of them, "I was all for the League of Nations. But I've changed now; believe me, I've changed! Let them sign the peace treaty as soon as they can, but for the love of Mike don't let them get mixed up with the League of Nations! If they want to fight, and we tell them not to fight, do you think they'll stop? Not so that you could notice it! Help them, because they need help; but stay out of the league!" And so they run on, from morning to night and through most of the night as well, whenever they can find a warm room in which to sit.

Mr. President, the conditions of central and Balkan Europe are such, and made worse by the treaty, that conflict and collision, controversy and bloodshed, are inevitable, not only in one but in almost every section of that unhappy country, and largely the result of this treaty confusion in boundaries.

As this correspondent says, if they want to fight—and they do—how can we stop them? There is just one way. We can mobilize another expeditionary force; we can take the young man of America away from the bosom of his family; we can transport him four or five thousand miles across the sea; we can place him in the trenches of central and eastern Europe, and the people will foot the bill. We will do it, not once but many times. We will do it so long as these conditions exist, and when you consider that the League of Nations can not be amended except by unanimous consent, that means that they will exist permanently.

And yet Senators of the United States, sworn to support the Constitution of the United States and to execute the laws, endowed by that Constitution with a portion of the treaty-making power, are charged with dishonorable conduct because, forsooth, they have hesitated to accept this league as written.

Mr. President, I resent the imputation, and I decline to act in obedience to any command which is not in harmony with my own conscience and my own convictions of public duty. I am prepared to take every consequence which the power, either of the Executive or the people, may see fit to visit upon my devoted head, but I want, every time I look in the mirror, to greet a face of which I am not ashamed. No question of expediency or of partisanship can in the slightest degree influence my conduct in considering a great document freighted with the destinies of the people of the world through all the tides of time.

I protest against making this mighty question the sport of party politics. I have striven to the best of my ability to divorce the subject from every political consideration except those of the highest and most universal character. And no man, however exalted, can fetter the limbs of my party, and, with a rope around its neck, drag it, unresisting and unprotesting, to the fate of a certain dissolution.

Mr. KELLOGG. Mr. President, I wish to give notice that on the convening of the Senate to-morrow at 12 o'clock, with the permission of the Senate, I shall submit some remarks upon the pending joint resolution.

NATIONAL PROHIBITION.

Mr. EDGE. Mr. President, I ask unanimous consent to have printed in the RECORD the complaint and briefs in the case of the State of New Jersey testing the legality of the eighteenth amendment and the so-called Volstead Act. I do not make the request from the standpoint of the merits of the question of prohibition or antiprohibition, but it is such a clear and conclusive review of the doctrine of State rights that I believe as a historical document the public should have an opportunity to read it.

These briefs differ from others printed in the RECORD on the same subject, inasmuch as this is a case brought by a sovereign State through its attorney general and is distinct from a suit representing a private individual. The question of prohibition is only incidental to the principle of State rights involved.

The PRESIDING OFFICER (Mr. ASHURST in the chair). The Senator from New Jersey asks unanimous consent to have printed in the RECORD the briefs which he has indicated. Is there objection? There being no objection, it is so ordered.

The matter referred to is as follows:

"SUPREME COURT OF THE UNITED STATES.

"*October Term, 1919. No. 30. Original.*

"[State of New Jersey, Complainant, *v.* A. Mitchell Palmer, Attorney General, and Daniel C. Roper, Commissioner of Internal Revenue, Defendants.]

"SUPPLEMENTAL BRIEF OF COMPLAINANT ON THE POWER TO AMEND UNDER ARTICLE V.

"The Colonies under the Government of England had law-making rights, which were stated by Edmund Burke in his classic speech, asking for conciliation with the Colonies. His fourth resolution was:

"'Each of the Colonies have within themselves a body chosen in part or in the whole by the freeman, freeholders, or other free inhabitants thereof, commonly called the General Assembly or the General Court, with powers legally to raise, levy, and assess, according to the several usages of such Colonies, duties and taxes toward defraying all sorts of public services.' (J. Dodsley, London, 1775, p. 45.)

"The distinction between the powers of the British sovereign and the legislative powers of the Colonies marks the original distinction between National Government and local government. As the King of England had authority to govern in affairs of national and foreign nature, so the Colonies, by their assemblies, had the authority to govern in their internal affairs, commonly designated as powers of economy and police.

"When the Colonies became independent States, Congress exercised the national powers which had formerly attached to the British sovereign, and the various independent States retained the powers of economy and police. When the Constitution was made effective and the Union was established, the National Government was exercised and has since been exercised under the powers enumerated in the Constitution, and such national powers not enumerated in the Constitution of constructive nature were still in the people of the United States, as distinguished from the people of the States by reason of the diversity of the citizenship.

"Mr. Patterson, of New Jersey, who was associated with Mr. Witherspoon in the Constitutional Convention, afterwards one of the justices of this court, passed upon the matter of a prize taken at sea, before the Constitution became effective, and when the States were acting nationally under the Articles of Confederation. Concerning the powers of Congress at that time, in reaching his conclusions in the case, he said (Penhalow *v.* Doane, 3 Dall. 54, p. 80):

"'Much has been said respecting the powers of Congress * * *. To determine what their powers were we must inquire what powers they exercised. Congress raised armies, fitted out a Navy and prescribed rules for their government; Congress conducted all military operations, both by land and sea; Congress emitted bills of credit; received and sent ambassadors and made treaties; Congress commissioned privateers to cruise against the enemy, directed what vessels should be liable to capture, and prescribed rules for the distribution of prizes. These high acts of sovereignty were submitted to, acquiesced in and approved by the people of America.'

"These were the powers of the people of the United States as distinguished from the powers of the respective States because the high acts of sovereignty so exercised by Congress were, as he stated, submitted to, acquiesced in, and approved by the people.

"The powers in the people of the United States as distinguished from those in the States or in the National Government are very clearly stated in Tucker's Blackstone Appendix, page 303:

"'To comprehend the full scope and effect of the tenth article, by which certain rights are said to be reserved to the States, respectively, or to the people, it is to be recollected that there are powers, exercised by most other Governments which in the United States are withheld by the people, both from the Federal Government and from the State governments; for instance, a tax on exports can be laid by no constitutional authority whatever, whether of the United States or of any State; no bill of attainder or ex post facto law can be passed by either; no title of nobility can be granted by either. Many other powers of government are neither delegated to the Federal Government, nor prohibited to the States, either by Federal or State Constitutions. These belong to that indefinite class of powers which are supposed necessarily to devolve upon every Government, in consequence of the very act of its establishment, where no restrictions are imposed on the exercise of them * * *.'

"In discussing the powers of the Government of the United States as distinguished from those still in the people of the United States and those reserved to the respective States, Mr. Justice Brewer, in Kansas *v.* Colorado (206 U. S., 46, pp. 89–90), said:

"'The proposition that there are legislative powers affecting the Nation as a whole, which belong to, although not expressed in the grant of powers, is in direct conflict with the doctrine that this is a Government of enumerated powers. That this is such a Government clearly appears from the Constitution, independently of the amendments, for otherwise there would be an instrument granting certain specific things made operative to grant other and distinct things. This natural construction of the original body of the Constitution is made absolutely certain by the tenth amendment. This amendment, which was seemingly adopted with prescience of just such contention as the present, disclosed the widespread fear that the National Government might, under the pressure of a supposed general welfare, attempt to exercise powers which had not been granted. With equal determination the framers intended that no such assumption should ever find justification in the organic act, and that if in the future further powers seemed necessary, they should be granted by the people in the manner that had been provided for amending that act. * * * The argument of counsel ignores the principal faction in the article, to wit, "the people." Its principal purpose was not the distribution of power between the United States and the States, but a reservation to the people of all powers not granted. The preamble of the Constitution declares who framed it, "we the people of the United States," not the people of one State but the people of all the States, and Article X reserves to the people of all the States the powers not delegated to the United States. The powers affecting the internal affairs of the States, not granted to the United States by the Constitution nor prohibited by it to the States are reserved to the States, respectively, and all powers of a national character which are not delegated to the National Government by the Constitution are reserved to the people of the United States. The people who adopted the Constitution knew that in the nature of things they could not foresee all the questions which might arise in the future, all the circumstances which might call for the exercise of further national powers than those granted to the United States, and after making provision for an amendment to the Constitution by which any needed additional powers would be granted, they reserved to themselves all powers not so delegated. This Article X is not to be shorn of its meaning by any narrow or technical construction but is to be considered fairly and liberally so as to give effect to its scope and meaning.'

"See also earlier opinion by the same distinguished jurist to the same effect in the case of Turner *v.* William (194 U. S., p. 295).

"Mr. Justice Moody, in Twining *v.* State of New Jersey (211 U. S., p. 97), further enumerated the rights and privileges of national citizenship as the right to pass freely from State to State, the right to petition Congress for the redress of grievances, the right to vote for national officers, the right to enter the public lands, the right to be protected against violence while in the lawful custody of a United States marshal, and the right to inform the United States authorities of violations of its laws.

"The true situation was very clearly stated, as above set forth, in the same case (p. 97), where Mr. Justice Moody said, referring to Mr. Justice Miller's opinion in the Slaughterhouse cases:

"'The fourteenth amendment * * * removed the doubt whether there could be a citizenship of the United States independent of the citizenship of the State by recognizing or creating and defining the former.'

"He quoted:

"'It is quite clear, then, that there is a citizenship of the United States and a citizenship of the State, which are distinct from each other, and which depend upon different characteristics or circumstances in the individual.'

"He said further:

"'The description of the privileges and immunities of State citizenship, given by Mr. Justice Washington, in Corfield *v.* Coryell (4 Wash. C. C., 371), is then quoted (by Mr. Justice Miller), page 76, said to include: "Those rights which are fundamental," to embrace "nearly every civil right for the establishment and protection of which organized government is instituted" and "to be the class of rights which the State governments were created to establish and secure." This part of the opinion (of Mr. Justice Miller) then concludes with the holding that the rights relied upon in the case are those which belong to the citizens of States, as such, and are under the sole care and protection of the State governments.'

"Mr. Justice Moody continued (p. 97) to the effect that the fundamental rights of State citizens are inherent in State citizenship, that this right is a privilege or immunity of that citizenship only and distinguished from the rights of United States citizenship by saying:

"'Privileges and immunities of citizens of the United States, on the other hand, are only such as arise out of the nature and essential character of the National Government, or are specifically granted or secured to all citizens or persons by the Constitution of the United States,' citing Slaughterhouse cases (16 Wall., 36, 79); In re Kemmler (136 U. S., 436, 448); Duncan *v.* Missouri (152 U. S., 377, 382).

"In the succinct words of the third paragraph of the syllabus of the Twining case:

"'There is a citizenship of the United States and a citizenship of the State which are distinct from each other (Slaughterhouse cases, 16 Wall., 36); and privileges and immunities, although fundamental, which do not arise out of the nature and character of the National Government, or are not specifically protected by the Federal Constitution, are attributes of State, and not of national, citizenship.'

"In conclusion, it is clear that the right to amend the Constitution of the United States in the manner provided in Article V, by either method, is a right incident to the powers of the citizens of the United States as distinguished from the right of the citizens of the respective States; that no amendment may be made to the Constitution of the United States not of right belonging to the citizenship of the United States; that all powers not enumerated in the Constitution and not of right appertaining to the citizenship of the United States, are reserved to the respective States under Article X, which are the internal police powers of the States, and among such powers, it is settled, is the right to legislate concerning the manufacture, use, and sale intrastate of intoxicating liquors; that, therefore, the sumptuary law, now attempted to be incorporated as a fundamental law in the Constitution of the United States, is invalid because not granted by those in whom the right existed.

"Respectfully submitted.

"THOMAS F. MCCRAN,
"Attorney General.
"FRANCIS H. MCGEE,
"Assistant Attorney General."

"SUPREME COURT OF THE UNITED STATES.

"October term, 1919. No. 30. Original.

"[State of New Jersey, Complainant, *v.* A. Mitchell Palmer, Attorney General, and Daniel C. Roper, Commissioner of Interna' Revenue, defendants.]

"BRIEF OF COMPLAINANT ON MOTION TO DISMISS.

"STATEMENT OF THE CASE.

"The State of New Jersey having been granted leave to file its bill of complaint herein, a motion has been made on behalf of the defendants asking that said bill of complaint be dismissed upon the allegations that the matters and things set forth therein present nothing justiciable in their nature nor within the jurisdiction of this court and, further, that there is no equity in said bill of complaint and that the facts stated therein present no cause of action against the defendants.

"The bill of complaint on which this honorable court on this motion is asked to pass is filed by the State of New Jersey as one of the States of the United States and on behalf of its people and prays that a writ of injunction issue against the defendants named therein for the purpose of restraining them from enforcing within its territorial jurisdiction the provisions of Title II of an act of the Sixty-sixth Congress of the United States, designated as the national-prohibition act, which is in-

tended to enforce the so-called eighteenth amendment to the Constitution of the United States.

"As averred in the bill of complaint, these defendants, if permitted to enforce this act of Congress within the State, will override and destroy the inalienable rights of the State of New Jersey and of its people to control the internal affairs of the State and will cause pecuniary loss to the State and affect the public health and welfare.

"The complainant bases its right to relief upon the following grounds:

"That acting under the provision of Article V of the Constitution and by virtue thereof, two-thirds of the Houses of Congress may not propose and three-fourths of the 'legislatures' of the several States may not ratify, without the consent of New Jersey, any change in the Constitution of the United States in the form and to the extent purported to have been done in the case of the so-called eighteenth amendment.

"That the so-called eighteenth amendment was not adopted in the manner provided in Article V of the Constitution, either with respect to the action of the Houses of Congress in proposing the said amendment or with respect to the action of three-fourths of the several States in ratifying same.

"That the national prohibition act is void in that it was enacted under the provisions of the so-called eighteenth amendment. That said defendants, acting under the authority of said void act of Congress, threaten to interfere with and are interfering with the State of New Jersey in the enforcement of its laws having for their object the regulation of the traffic in intoxicating liquor.

"*That if the said eighteenth amendment be held to be a valid amendment to the Constitution, then, it is contended by complainant, that under section 2 thereof the State has exclusive power to enforce within the territorial limits of New Jersey in intrastate commerce the provision of section 1 of said amendment, and that it has been interfered with in the exercise of this power and of its laws by defendants' action in threatening to enforce the national prohibition act within the State of New Jersey.*

"That if the eighteenth amendment be a valid amendment, and if Congress has a right to legislate in a manner binding upon the State of New Jersey in its internal affairs, then the complainant contends that the national prohibition act is not appropriate legislation under said amendment.

"I. THE CONSTITUTION IN ITS RELATION TO THIS CONTROVERSY.

"A. The nature of the Constitution.

"'What is a constitution? It is the form of government denoted by the mighty hand of the people in which certain first principles of fundamental law are established. The Constitution is certain and fixed.' (Van Horn *v.* Dorrance, 2 Dallas, 304, 308.)

"'Constitutions should consist only of general provisions; the reason is that they must necessarily be permanent and that they can not calculate for the possible change of things.' (Mr. Hamilton in the New York Convention, Elliott's Deb., vol. 2, p. 364.)

"'At this late date it ought not to be necessary to repeat that the object of the framers of that instrument was to lay the foundations of the Government, to set up its framework, and to establish merely the general principles by which it was to be animated; avoiding, as far as possible, any but the most fundamental regulations for controlling its operations.' (Mr. Justice Pitney in Southern Pacific Co. *v.* Jensen, 244 U. S., 205, 227.)

"'That the framers of the Constitution did not intend to restrain the States in the regulation of their civil institutions, adopted for internal government, and that the instrument they have given us is not to be so construed, may be admitted.' (Dartmouth College *v.* Woodward, 4 Wheat., p. 629.)

"'The maintenance of the authority of the States over matters purely local is as essential to the preservation of our institutions as is the conservation of the supremacy of the Federal power in all matters entrusted to the Nation by the Federal Constitution. In interpreting the Constitution it must never be forgotten that the Nation is made up of States to which are entrusted the powers of local government, and to them and to the people the powers not expressly delegated to the National Government are reserved. (Lane Co. *v.* Oregon, 7 Wall., 71, 76.) The power of the States to regulate their purely internal affairs by such laws as seem wise to the local authority is inherent and has never been surrendered to the general Government. (Slaughterhouse cases, 16 Wall., 36, 63; Kidd *v.* Pierson, 128 U. S., 1, 21; Hammer *v.* Dagenhart, 247 U. S., 275, 276.)

"'The framers of the Constitution unquestionably had no other intent in the formation of the instrument than to incorporate therein the fundamental, permanent law for the guidance of government, rather than to make it an instrument usable for legislative purposes in the sense of formation of municipal law.' (Slaughterhouse cases, 16 Wall., 63.)

"'The original and supreme will organizes the Government and assigns to different departments their respective powers. It may either stop here or establish certain limits not to be transcended by those departments. The Government of the United States is of the latter description. The powers of the legislature are defined and limited, and that those limits may not be mistaken or forgotten the Constitution is written.' (Marbury *v.* Madison, 1 Cranch., 137.)

"'The genius and character of the whole Government seems to be that its action is to be applied to all the external concerns of the Nation and to those internal concerns which affect the States generally, but not to those which are completely within a particular State.' (Gibbons *v.* Ogden, 9 Wheat., 195.)

"The powers granted to the Government of the United States under the Constitution are enumerated therein. It is a Government of limited, delegated powers, and has no powers other than those delegated and such as arise by necessary implication from such delegation.

"B. The relation of the State of New Jersey to the Federal Government under the Constitution.

"The prerogatives and powers of New Jersey during the colonial period, the declarations of the first and second Continental Congresses, in which conventions representatives of New Jersey participated, the adoption of her first constitution, July 2, 1776, suitable to her needs and uses as a free and independent State, and the subsequent acknowledgment of her freedom and independence by the treaty of Paris, September 3, 1783, are detailed in the bill of complaint (Art. IV).

"The Articles of Confederation, signed July 9, 1778, constituted a league of friendship among the American States for the better security of their liberties. Under these articles New Jersey did not yield, surrender, or delegate any legislative power over its internal affairs—economy and police or of intrastate commerce—and by Article II thereof it was expressly provided that each State retain its sovereign freedom and independence and every power, jurisdiction, and right not expressly delegated to the United States in Congress assembled, and further, by Article XIII, provided: 'Nor shall any *alteration* at any time hereafter be made in any of them' (i. e., of the articles), 'unless such alterations be agreed to in the Congress of the United States and afterwards confirmed by the legislatures of every State.'

"The Constitution became effective by the ratification of the ninth State on June 21, 1788. The National Government, which at that time came into existence, comprised, however, only nine States. The people of the State of New Jersey, as the third ratifying State, so acted in good faith and with full assurance that only such portion of sovereign power was relinquished by them as was necessary and essential to the creation and establishment of a limited national government for the purposes and with the powers enumerated in the several articles of the Constitution, and that nothing might be the subject of an amendment under Article V thereof, except matter dealing with the structure and form of the said limited national government, and that nothing might thereafter be the subject of an amendment which by the nature thereof would tend, ultimately, to the destruction either of the said limited national government or of the several States.

"II. THE POWER TO AMEND THE CONSTITUTION UNDER ARTICLE V.

"A. Limitations upon the amending power.

"The framers of the Constitution never intended that the instrument should be of an immutably permanent and abiding nature. They therefore inserted in the Constitution Article V, providing a method by which amendments to that instrument might be made. Such amendments should be germane to the scope of the original instrument; of a character consonant with the idea of government rather than of direct legislation. In other words, it should be of such a nature that the scope of the power originally delegated would be in no wise altered.

"'That useful alterations will be suggested by experience could not but be foreseen. It was requisite, therefore, that a mode for introducing them should be provided. The mode preferred by the convention (Article V) seems to be stamped with every mark of propriety. * * * It, moreover, equally enables the General and the State governments to originate the amendment of errors, as they may be pointed out by the experience on one side or the other.' (Federalist, 43, pp. 338, 346.)

"'The term "amendment" implies such an addition or change within the lines of the original instrument as will effect an improvement or better carry out the purpose for which it was framed.' (Livermore *v.* Waite, 102 Cal., 113, 118, 119.)

"'The power to amend, too, must not be confounded with the power to create. The difference between creating and amending a record is analogous to that between the construction and repair of a piece of personal property.' (Gagnon *v.* United States, 193 U. S., p. 457.)

"The fifth article was, therefore, inserted in the Constitution for the purpose of making such necessary and needful changes as experience should demonstrate for the carrying on of the limited National Government created under the Constitution. The ordinary and natural meaning of the terms used in the fifth article and the purpose to be accomplished limit the authority granted by the article to matters germane—changes in the distribution and regulation of governmental powers. All grants of power are necessarily limited by the nature of the subject matter to which they relate. This is what confines the exercise of the judicial power to questions which are in their nature justiciable and is what confines the exercise of the taxing power to things which in the nature of our dual government are subject to taxation.

"The fact that the phrase concerning the internal police of the States was omitted and that the phrase that no State should be deprived of its equal suffrage in the Senate was included is not an argument to the effect that it was intended thereby to be so read as to permit an amendment to the Constitution tending or effectuating the destruction of the internal police powers of complainant. As Mr. Madison said at that time, 'to begin with these special provisos, and every State will insist on them for their boundaries, exports, etc.' (Madison's Notes, Farrand, vol. 2, pp. 629–631.)

"This court has repeatedly held and it is settled that the police power is the power of State government, without which the excuse for the existence of the States composing the Union would be done away with. (Texas *v.* White, 7 Wall., 700.)

"The ninth and tenth amendments, declaratory of the Constitution itself, fixed the reserved rights of the States. The words 'reserved to the respective States or the people,' it is settled, refers to the police power. In this connection reference is made to the remarks of Mr. George T. Curtis in his Constitution of the United States, volume 1, pages 160–161. The ninth and tenth amendments are exceptions or provisos to each article in the Constitution, no less so to the fifth article than to any other article. The article in question should be considered as if those amendments had been written therein.

"'We know of no rule,' said Chief Justice Marshall in Gibbons against Ogden, Ninth Wheaton, page 1, in discussing the powers granted to the General Government under the Constitution, 'for construing the extent of such powers other than is given by the language of that instrument which confers them, taken in connection with the purposes for which they were conferred.'

"B. The meaning of the word 'amendment.'

"Article 13 of the confederation, as previously observed, provided that no *alteration* might be made except as confirmed by the legislatures of every State. In the convention which subsequently formulated the Constitution, the word 'amendment' was used advisedly rather than the words 'alter,' 'change,' 'diminish,' 'abolish,' 'add,' 'explain,' or 'revise,' which are words that an inspection of the various constitutions then in existence show to have been in use at that time. Such words are of different or of broader meaning than the word 'amendment.' The word 'amendment' implies a change which is closely related to the subject matter of the instrument.

"In the Passenger cases (7 How., 283, 453) Mr. Justice McKinley said that the acknowledged accuracy of the language and clearness of diction in the Constitution would seem to forbid the imputation of so gross an error to the distinguished authors of that instrument in the confounding of such words or the employment of them indiscriminately.

"It is very significant that the word *alteration* as used in the Articles of Confederation, in referring to changes in that instrument which were required by it to be made only upon the consent of all the States, was not used in the Constitution in Article V, with reference to such changes as might be permitted. It is settled that the framers of the Constitution used with great nicety words to express the exact meaning intended by them, and the fact that the Constitution may be amended without the consent of the people themselves in convention, but may be made merely by their agents, as proposed by Congress and ratified by three-fourths of the States, as was done in the present instance, or by conventions in three-fourths of the States only and not by all the people, shows clearly that the use of the word 'amendment' did not grant in such method to those having the power of amendment the right to make such alterations which would be equivalent to the creative power used in the original construction of the instrument, but rather that the word 'amendment' has an exact limited and defined meaning.

"Mr. Chief Justice Taney, in the Passenger cases (supra, p. 493), said: 'Everyone will admit that a construction which suggests a word of larger meaning than the word used in the Constitution could not be justified or defended upon any principle of judicial authority.'

"Reference to the earlier dictionaries which were in existence at the time of the use of the word in Article V clearly demonstrates that it was used in the signification of the correction of an error and the substitution of something better of the same nature. The power granted was for the purpose of preventing the defeat of the original provision in case the governmental power granted was found to be defective. Mr. Chief Justice Taney in the same opinion said: 'The members of the convention unquestionably used the words they inserted in the Constitution in the same sense in which they used them in their debates."

"In the proceedings of the Continental Congress new matter not amendatory was referred to as a proposition under 'color of amendment,' and throughout the debates all new matter under the rules which was submitted and not amendatory of the proposition under discussion could not be discussed without a postponement of the matter in hand, for the reason that it was not, in fact, an amendment of the proposition under discussion, but new or creative matter under color of an amendment. (Hinds' Precedents, secs. 5753–5767.)

"The defense of Article V in the Federalist exhibits the same view of the character of an amendment. 'For my part,' said Mr. Hamilton, 'I acknowledge a thorough conviction that any amendments, which may upon mature consideration, be thought useful, will be applicable to the organization of the Government, not to the mass of its powers.' (The Federalist, No. 85, p. 551.)

"C. The alternative method of amendment under Article V.

"There are two methods prescribed in Article V for amending the Constitution. One, whenever two-thirds of both Houses shall deem it necessary Congress shall propose amendments, or, upon the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States or by conventions in three-fourths thereof, as the one or the other mode of ratification may be proposed by the Congress.

"Though there may be no objection in principle to an amendment which concerns the right of suffrage, an example of the effect of ratification by the legislatures rather than by the people in convention assembled, is suggested in that New Jersey has twice, by popular vote, refused to amend its constitution to permit female suffrage, yet at the present session of its legislature a proposal of an amendment to the Constitution of the United States was ratified which, by way of illustration, may be fairly indicative of what we may expect in the future.

"The construction of the words of Article V, in the light of the ninth and tenth amendments, indicates that the conferred power to amend by the agents of the people, viz, Congress and the legislatures, is only such as permits of a change in the subject matter of the Constitution as is germane thereto, that no other powers than those originally granted may be incorporated among the enumerated powers as has been hereinabove set forth.

"The fact that no power to make changes, other than in structural, governmental matters, is implied in the amending article under the doctrine that special powers conferred on agents limits them to matters germane to the grant. Therefore, the idea that amendments, purely legislative, though national in scope, may be made by the agents of the people, rather than by the people themselves, is denied, because the power was never delegated to such agents. If, however, this court shall conclude that Article V indicates a method of alteration by way of incorporating in the fundamental law such legislative matter which restricts the people in their habits of life, heretofore exclusively a State function under the police power, it, nevertheless, is clear, it is submitted that such a revolutionary proceeding may only take place by the action of the people assembled in convention, as in the first instance, when the Constitution was originated, though acting under the amending clause by the affirmative vote of three-fourths of the respective States. 'The assent of the States, in their sovereign capacity, is implied in calling a convention and thus submitting that instrument. It required not the affirmance, and could not be negatived, by the State governments.' (McCulloch *v.* Md., 4 Wheat., 316, 404.)

"Both the Federal and State Governments, as stated by Mr. Madison in the Federalist, are 'but different agents and trustees of the people, constituted with different powers and desig-

nated for different purposes' (than are their agents in convention assembled delegated to form a constitution).

"In Lane County *v.* Oregon (7 Wall., 71, 76) Mr. Chief Justice Chase said: 'Both the States and the United States existed before the Constitution. The people, through that instrument, established a more perfect union by substituting a National Government acting with ample power directly upon the citizens, instead of the confederate government which acted with powers, greatly restricted, only upon the States. But in many articles of the Constitution the necessary assistance of the States, and, within their proper spheres, the independent authority of the States, is distinctly recognized. To them nearly the whole charge of internal regulation is committed or left; to them and to the people all powers, not expressly delegated to the National Government, are reserved.'

"If any part of this reserved power may be delegated by amendment of the Constitution to the National Government, it must have been the intent of the people, if there was any such intent at all, that such alteration should only be made by the calling, through Congress, of conventions for ratification in three-fourths of the several States. The alternative method for ratification, incorporated in the article, must be used in such a case if such legislative matter can possibly be incorporated in the Constitution at all.

"It is elsewhere noted that the Houses of Congress were asked to make the alleged proposal to amend in the present case not because they deemed the amendment necessary but because they should not stand in the way of ratification by the legislatures. It will also be observed that the proposal in the words of the resolution was made to the 'States' instead of to the respective 'legislatures,' contrary to the practice heretofore followed, indicating that in the minds of the proposers the idea was more or less consciously present that in this case the subject matter was sufficiently revolutionary to require ratification by the people in their sovereign capacity, rather than by the legislatures to whom such a power was never originally delegated and which is not now at their disposal.

"'In any event, there can be no loss (by amendment) of separate and independent autonomy to the States through their union under the Constitution, but may it not be unreservedly said that the preservation of the States and the maintenance of their governments are as much within the design and care of the Constitution as the preservation of the Union and the maintenance of the National Government? The Constitution in all its provisions looks to an indestructible Union, composed of indestructible States.' (Texas *v.* White, 7 Wall., 725.)

"D. The so-called eighteenth amendment is legislative in nature and revolutionary in character, and, therefore, improper under Article V.

"The distinction between an amendment to a constitution and lawmaking power under a constitution is well recognized. The power to amend the Constitution of the United States and the manner in which that power shall be exercised is clearly set forth in Article V. The delegation of legislative power to the Congress is specifically provided for in Article I. The functions of each are separate and distinct.

"The distinction between an amendment to the Constitution and the lawmaking power under a constitution is well stated by the Supreme Court of Pennsylvania, passing upon the question as to whether the amendment provision in the constitution of that State called for submission to the governor of resolutions passed under it. The court said: 'It is also necessary to bear in mind the character of the work for which it provides. It is constitution making; it is a concentration of all the power of the people in establishing organic law for the Commonwealth, for it is provided by the article that "if such amendment or amendments shall be approved by a majority of those voting thereon, such amendment or amendments shall be a part of the constitution." It is not lawmaking, which is a distinct and separate function, but it is a specific exercise of the power of a people to make its constitution.' (Commonwealth *v.* Griest, 196 Penn. St., 396, 404.)

"The Constitution of the United States, in Article I, provides 'All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.' The grant of power is exclusive. There is no other legislative power granted under the Constitution.

"Legislative power is the exercise by the lawmaking body of the right to make rules and regulations for the conduct of persons subject thereto, in the interest of the whole nation, and necessarily implies the right of the majority to change the rules of conduct so established. It deals, generally, with the safety, health, morals, welfare, and general conduct of the community as distinguished from the form of government raised up by the people. Constitutions define the form of government, legislatures prescribe the rule of conduct for the individual. The so-called eighteenth amendment is legislative, not constitutional, matter, and, therefore, could not be enacted under Article V, whatever might be said of the right to delegate to Congress the power to enact legislation, under Article I, which would be changeable by the will of the majority at any time. The distinction between fundamental and legislative power is thus clear and explicit.

"Mr. Jameson, in his work on Constitutional Conventions, fourth edition, section 85, defines the difference between fundamental laws and ordinary municipal laws, the latter said to be enactments and rules for the government of civil conduct, while fundamental laws, rather, are expressions of the sovereign will in relation to the structure of the government, the extent and distribution of its powers, the modes and principles of its operation, and the apparatus of checks and balances proper to insure its integrity and continued existence.

"This court, in discussing the necessary and proper powers delegated to Congress by the Constitution, comments upon the distinction between the fundamental provisions contained in the Constitution and mere legislation, to the effect that to give to the latter the immutable character of fundamental law would be contrary to the purposes of the founders of our National Government. This provision is made in a Constitution intended to endure for ages to come, and consequently to be adapted to the various crises of human affairs, should not be of such a nature as is comprehended within the character and property of a legal code. (McCulloch *v.* Md., 4 Wheat., 415.) Such is the nature of the prohibition contained in the so-called eighteenth amendment.

"President Wilson, in his work 'The State,' published in 1895, comments on the distinction between the fundamental law and legislation, and the practice of incorporating in State constitutions legislative matter, as well as fundamental law, and further distinguishes such practice from that followed in the construction of the Federal Constitution. He says:

"'894. *Nonconstitutional provisions in State constitutions.*—One of the most characteristic features of our State law is the threatened loss of all real distinction between constitutional and ordinary law. Constitutions are, of course, advertised by their name to be bodies of law by which government is *constituted*, by which, that is, government is given its organization and functions. Private law, the regulation of the relations of citizens to each other in their private capacities, does not fall within their legitimate province. This principle is fully recognized in the construction of our Federal Constitution, which is strong and flexible chiefly because of its great, its admirable simplicity and its strictly *constitutional* scope. But constitution making in the States, especially in the newer States, has proceeded upon no such idea. Not only do the constitutions of the States go very much more into detail in their prescriptions touching the organization of the Government, they go far beyond organic provisions and undertake the ordinary, but very different, work of legislative enactment. They commonly embody regulations, for example, with reference to the management of State property, such as canals and roads, and for the detailed administration of the State debt; they determine the amounts and sorts of property which are to be exempt from seizure for private debt; they formulate sumptuary laws, such as those forbidding the sale of intoxicating liquors; at a score of points they enter without hesitation or misgiving the field usually reserved for the action of legislative bodies.'

"'896. *The objections to the practice* are as obvious as they are weighty. General outlines of organization, such as the Constitution of the United States contains, may be made to stand without essential alteration for long periods together; but in proportion as constitutions make provision for interests whose aspects must change from time to time with changing circumstances they enter the domain of such law as must be subject to constant modification and adaptation. Not only must the distinctions between constitutional and ordinary law hitherto recognized and valued tend to be fatally obscured, but the much to be desired stability of constitutional provisions must in great part be sacrificed. Those constitutions which contain the largest amount of extraneous matter, which does not concern at all the structure or functions of government, but only private or particular interests, must of course, however carefully drawn, prove subject to most frequent change. In some of our States, accordingly, constitutions have been as often changed as important statutes. The danger is that constitution making will become with us only a cumbrous mode of legislation.

"'This court, so far as its function required, has always held, with a steady and an even hand, the balance between State and Federal power, and we trust that such may continue to be the history of its relation to that subject so long as it shall have

duties to perform which demand of it a construction of the Constitution, or of any of its parts.' (Slaughterhouse cases, 83 U. S. 36.)

"As was said in Hammer *v.* Dagenhart (247 U. S., 251, 274, 275), citing the Dartmouth College case (4 Wheat., 518, 629): 'The framers of the Constitution did not intend to restrain the States in the regulation of their civil institutions adopted for internal government, and that the instrument they have given us is not to be so construed may be admitted.'

"In South Carolina *v.* United States (199 U. S., p. 448), it was said: 'There are certain matters over which the National Government has absolute control and no action of the State can interfere therewith, and there are others in which the State is supreme, and in respect to them the National Government is powerless. *To preserve the even balance between these two Governments and hold each in its separate sphere is the peculiar duty of all courts, preeminently of this, a duty ofttimes of great delicacy and difficulty.*'

"The so-called eighteenth amendment is revolutionary in character and marks a departure from the well-established distinction between constitutional and legislative matter, as well as that it interferes with the police powers of the States and the right to regulate their internal affairs. The serious consequences, which will flow from a proposal such as is contained in the so-called eighteenth amendment prompts us to use the language employed by Mr. Justice Miller in the Slaughterhouse cases (16 Wall., p. 78): 'These consequences are so serious, so far-reaching and pervading, so great a departure from the structure and spirit of our institutions the effect is to fetter and degrade the State governments by subjecting them to the control of Congress in the exercise of a power heretofore universally conceded to them of the most ordinary and fundamental character; when, in fact, it radically changes the whole theory of the relations of the State and Federal Governments to each other and of both these Governments to the people.'

"III. THE SO-CALLED EIGHTEENTH ARTICLE OF AMENDMENT WAS NOT CONSTITUTIONALLY PROPOSED.

"A. The proposal is subject to judicial review.

"In supporting the argument of complainant that the amendment was not constitutionally proposed, the question arises whether the proposal as made by both Houses is subject to review as a judicial question in this court.

"It is true that in Field *v.* Clark (143 U. S., p. 649) this court held that an act of Congress is complete and unimpeachable when the enrolled bill, signed by the Speaker of the House of Representatives and by the President of the Senate in open session receives the approval of the President and is deposited in the Department of State.

"Mr. Justice Harlan, speaking for the court, recited at length (pp. 673–674), the reasoning of Chief Justice Beasley in the case of Pangborn *v.* Young, reported in 32 New Jersey law, 29, 30, that upon grounds of public policy, as well as upon the ancient and well-settled rules of law, such a bill could not be contradicted by legislative journals or in any other mode, citing cases. That case and cases of like nature have to do with the question of the accuracy of the prescribed method having been followed.

"The present situation is quite dissimilar in that it is alleged that the proposal has not been made as the Constitution directs; that it is a matter of substantive law and not a mere matter of accurate procedure.

"The same chief justice cited authoritatively in the case of Field *v.* Clark, supra, said in State *v.* Rogers (27 Vroom, 480, 616), speaking for the Supreme Court of New Jersey in a case which involved the question as to which body was a valid State senate, that in an inquiry whether the legislature or any other body or officer has violated the regulations of the Constitution: 'It is entirely plain that the decision of that subject must rest exclusively with the judicial department of the Government.'

"In Bott *v.* Secretary of State (63 N. J. Law, pp. 289, 294, etc.) the court of errors and appeals, in an opinion by Mr. Justice Dixon, quoted from opinions of various State courts, including the Rogers case, to the effect that amendments not made in accordance with rules prescribed by the fundamental law are subject to review judicially.

"The allegation in the bill presents in the first instance difficulty by reason of the fact that precedent, judicial and practical, confronts us. This court, however, has not hesitated in certain instances to declare the correct principle upon the discovery of error in previous adjudications or in practice, though long continued, when convinced that the question involved unforeseen difficulties at the time that the erroneous conclusion was originally promulgated or practiced. One of the leading cases is that of Genesee Chief *v.* Fitzhugh (12 Howard, 443), where Chief Justice Taney said (p. 456) that the question erroneously decided in the case of The Thomas Jefferson (10 Wheaton, 428) at the later time presented difficulties which could not have been foreseen at the time of the rendering of the erroneous decision, and reversed that case.

"In the Legal Tender cases (12 Wall., 457) this court overruled the earlier decision in Hepburn *v.* Griswold (8 Wall., 603), where the court said that in a case of far-reaching consequences rather than in cases of private right it is not unprecedented, both in this country and in England, to overrule decisions previously made.

"Counsel therefore approaches this subject with confidence that the court will open its mind to the presentation of that which in the premises appears to counsel to be worthy of the most serious reconsideration in view of the momentous ultimate difficulties which may arise and have arisen in this case by reason of what seems to complainant to be an erroneous practice and annunciation of principle on the question of the costitutional method of proposing amendments under Article V.

"B. Congress did not, by two-thirds in number of both Houses, affirmatively vote for the proposal of the resolution.

"Article I, section 7, paragraph 3, provides that every resolution to which the concurrence of the Senate and House of Representatives may be necessary (except on the question of adjournment) shall be presented to the President of the United States, and before the same shall take effect shall be approved by him, or, being disapproved by him, shall be repassed by two-thirds of the Senate and House of Representatives, according to the rules and limitations prescribed in the case of a bill.

"In the case of Hollingsworth *v.* Virginia (3 Dallas, 378) this court, in 1798, held that a resolution under the fifth article need not be signed by the President, as every other resolution (except on the question of adjournment) is required to be signed by him, for the reason that the same vote is required to repass it over his veto as would be required in the first instance—that is, by two-thirds of both Houses—and this practice has been continuously followed since that time.

"It will be observed that all resolutions except those proposing amendments to the Constitution and those having to do with adjournments are differentiated in class since that time.

"Constitutional proposals, not being subject to the signature of the President, are therefore exceptions to the provisions of the third paragraph of section 7, Article I, namely: That such a resolution is to be passed by two-thirds of the Senate and House of Representatives, according to the rules and limitations prescribed in case of a bill, nor is such a proposal, when properly carried out in accordance with the Constitution, an act done in a legislative sense, since it is not required to be enacted as other bills are required to be.

"Section 5 of the first article, paragraph 1, provides that the majority of each House shall constitute a quorum to do business. It is manifest that, if all the Members of each House attend and vote on the passing of a bill, that a majority is necessary for the purpose, and the deduction is warranted, therefore, that the Constitution, in providing that it shall be a majority which shall constitute a quorum to do business, provided for a quorum on that basis, the phrase 'doing business' also meaning the carrying on of legislative matter conducive to the enactment of laws under such rules and regulations as may have been enacted by the body in question for the purpose.

"The Constitution, by the fifth article, provides that whenever two-thirds of both Houses shall deem it necessary to propose amendments to the Constitution in the required alternative followed in the present instance it is manifest that the business of both Houses is not the same business for which either House of Congress, separately organized, operates in the passage of laws. In one case 'doing business' is passing legislative acts in the shape of municipal law; in the other the performance is an act not legislative and not carried out in the form of legislation, but the making of a proposal deemed necessary to effectuate a change in the fundamental law.

"The Constitution does not prescribe what constitutes a quorum of both Houses in the passage of a concurrent resolution proposing an amendment. Can it be presumed that a quorum, as provided in the Constitution for the enactment of a law, which requires only a majority of all the Members to pass bills is sufficient in the case of a proposal to amend the Constitution, if voted upon affirmatively by less than two-thirds of the membership of both Houses, when there is no constitutional requirement as to the necessary number to constitute a quorum to do such high and solemn business? It is submitted that if the Constitution had provided, in Article V, that two-thirds of both Houses should constitute a quorum that it might then be

reasonable to assume that a two-thirds vote of such quorum would constitute the necessary vote to make a valid constitutional proposal of this nature; but, in the absence of such constitutional limit as to a quorum, can it be assumed that the Constitution, as originally drafted, should be construed to permit action in the absence and the affirmative vote of the required number, as contained in the article, namely, two-thirds of the membership of both Houses rather than by two-thirds of a majority necessary to do ordinary legislative business?

"Complainant's contention is that the Congress, in making such proposal, acts as the agent of the people of the United States, and as such the individual Members of both Houses constitute their agents in the necessary proposal, and no vote of less than two-thirds of both Houses, complete in number in the absence of a provision as to the number required to constitute a quorum, should be considered a valid action.

"In the case of Missouri Pacific Railway *v.* Kansas (248 U. S., 276) the court held, in an opinion by Mr. Chief Justice White, that the vote of two-thirds of each House to pass a bill over a veto means two-thirds of a quorum of each House, which would be two-thirds of a majority of its Members and not two-thirds of all the Members of the body, in which decision, on page 281, it is said that there is an identity between the provision of Article V of the Constitution as to the amending power as to the two-thirds vote in the submission of proposals and the requirements as to the two-thirds vote necessary to override a veto, making the practice of the one applicable to the other. It is submitted that as the question of the amendment of the Constitution was not before the court in that case, the conclusion arrived at in that instance was not necessarily consequent upon the reference by way of comparison to the amending clause to the Constitution; such a statement in the opinion was dictum and is not a precedent binding on this court.

"It is therefore submitted that as the full number of both Houses amounted to 529 Members, and two-thirds thereof to 353 Members, and but 329 Members voted affirmatively, it was not affirmatively resolved by two-thirds of both Houses in number as is required by the Constitution, and that, therefore, the alleged article of amendment is not a part of the Constitution of the United States and is invalid.

"C. The proposal does not, on its face, disclose that both Houses deemed the amendment necessary.

"The first 10 amendments to the Constitution were proposed by a preamble, which recited that two-thirds of both Houses deemed it necessary that the following articles be proposed to the legislatures of the several States, and so forth. The resolution as originally written (see Annals of Congress, Gales & Seaton Ed. of 1834, vol. 1, 777) did not recite that the amendments were deemed necessary. The resolution was amended by the committee to which it was referred, including the essential clause (see Annals of Congress, Gales & Seaton Ed. of 1834, vol. 1, 780–88; 5 Hinds' Precedents, section 7029, p. 1011, note 2). The erroneous form of proposal which has been since followed appears in the Statutes at Large of the United States, published subsequently to the publication above referred to (by Messrs. Little & Brown, in 1845, p. 97). Subsequently amendments to the Constitution were proposed following the erroneous form, stating merely that both Houses concurred in the amendment, rather than that two-thirds of both Houses deemed it necessary.

"It appears from the CONGRESSIONAL RECORD, volume 56, part 1, pages 5644 and 434, as well as by such record in volume 52, part 6, page 65, Appendix, and also by the report of the House committee of the Sixty-fifth Congress, second session, 211, part 1, December 14, 1917, pages 1 and 2, that Members of Congress did not vote upon the proposition upon the basis of the necessity as to the national prohibition contained in the proposal, but passed it on to the legislatures of the respective States upon the theory that it was not becoming in the Members of both Houses to refrain from making such proposal in view of the demand upon them. Their judgment was not exercised to the effect that prohibition was necessary or that the proposal thereof for the purpose of bringing about prohibition in the manner provided in the so-called article was essential.

"In the passage of a constitutional amendment by the people of a State, the ratification by the people of the proposal of the legislature in a State is accomplished by means of the secret ballot. Each and every elector is enabled to exercise his prerogative of suffrage on the business in hand and without subjection to influence or pressure from his neighbor. Not so the Members of both Houses of Congress in the proposal of a constitutional amendment or the passage of a law, and it seems that the framers of the Constitution of the United States in drafting the clause, incorporating almost irrevocable provisions in the fundamental law, realized the necessity of protecting the Representatives to the extent of requiring that they should go on record as deeming the subject matter of the proposal to be necessary, and not that they should merely acquiesce in the proposal of the article advocated, for the purpose of its submission to the legislatures, in order that they might indicate that they individually were not avowed exponents and protectors of the 'liquor traffic.'

"The question of the traffic in liquor is capable of legislative correction and has been in the process of such correction for years, and is not itself necessarily a vital part in any sense of the fundamental law.

"This court is not asked to pass upon the policy of Congress in proposing the amendment, but is asked to declare the proposal invalid, because no discretion within the meaning of the Constitution has been exercised by those who proposed it, as appears on the face of the so-called eighteenth article. The provisions of the Constitution are mandatory and are subject to observance in detail according to its words in the fifth article, and the question as to whether that article has been complied with is clearly one for the determination of this court for the protection in the future of the citizens of the United States, and, indeed, of the respective States, for this court will, undoubtedly, take judicial notice of the fact that it has become a simpler method to propose and ratify an amendment to the Constitution in the manner in which the so-called eighteenth article was submitted and purports to have been ratified than it is and will be to gain the consent of the majority of the people to changes in the fundamental law.

"When the constitutional meaning is clear a practical construction by legislative action, though repeated several times and never before challenged, can not overthrow what is seen to be a constitutional requirement. (Fairbank *v.* United States, 181 U. S., 283, 311.) Frequent violations of the Constitution do not justify this court to give sanction to them by furthering an erroneous practice or construction. It is the highest duty, of course, not to perpetuate error. The fact that previous amendments to the Constitution have not been properly made a part of such instrument does not justify a present construction which is contrary to the intent of the founders of our Federal Government, because neither Congress nor the courts have the lawful power to so construe the fundamental article of government delegated by the power of the people themselves when once convinced of the error. (See Oakland Paving Co. *v.* Hilton, 69 Calif, 479, 502; Warfield *v.* Vandivere, 60 Atlantic, Md., 538.)

"Such a present construction as to the method prescribed by the Constitutiton for a two-thirds vote of both Houses, by which an amendment to the Constitution is deemed necessary, would not operate to disturb prior amendments where the practice in the procedure has been erroneously carried out, by reason of the fact that the people themselves have acquiesced in those particular instances. (Pease *v.* Peck, 18 Howard, 595, 597.) In Barden *v.* Northern Pacific Railway (154 U. S., 288) this court said, on page 322, that those doctrines only will eventually stand which bear the strictest examination and the test of experience.

"IV. THREE-FOURTHS OF THE STATES HAVE NOT RATIFIED IN THE CONSTITUTIONAL SENSE.

"The Constitution by Article V, by one method, confers upon the Congress power to propose amendments to the 'legislatures' of the several States, which, when ratified by three-fourths thereof, become parts of the Constitution.

"Nineteen States have incorporated in their constitutions the initiative and referendum feature, whereby a division of legislative power is made between the representative branches of the Government and the people. Two other State constitutions contain referendum provisions only. The State of Ohio, one of the 19 States, has in its constitution an express provision that amendments to the Federal Constitution must be submitted to the people of that State for ratification.

"In Ohio a submission of the eighteenth amendment has taken place and was rejected at the polls on November 4, 1919, which rejection has been upheld by the Supreme Court of Ohio and is now pending on writ of error in this court. (Hawke *v.* Smith.)

"In 12 States petitions have been presented for submission of the present proposition to the people. In the States of Washington, Nebraska, and Missouri decisions favorable to submission have been obtained.

"In the States of California, Michigan, Missouri, Nebraska, New Mexico, and Oklahoma the question of submission to a referendum vote is now pending. The action of the people in petitioning for a referendum in those States thereby qualifies the people as a part of their legislatures under their respective constitutions.

"This leads directly to the proposition that in the referendum States the people have reserved the right to make themselves a

part of the 'legislatures' (Davis *v.* Ohio, 241 U. S., 565); and, having exercised this right, the amendment has not been and can not be validly ratified until the people of a sufficient number of States have approved the amendment at the polls. The word 'legislature' means the body or bodies exercising the legislative function.

"The framers of the Constitution had in mind that the word 'legislatures,' as used therein, might possibly comprehend law-making bodies under changed conditions, as is expressed in South Carolina *v.* United States (199 U. S., 437–448):

"'The Constitution is a written instrument. As such its meaning does not alter. That which it meant when adopted it means now. Being a grant of power to a Government, its language is general and as changes come in social and political life it embraces in its grasp all new conditions which are within the scope of the powers in terms conferred. In other words, while the powers granted do not change, they apply from generation to generation to all things to which they are in their nature applicable. This in no manner abridges the fact of its changeless nature and meaning.'

"There is no definition in the Constitution of the word 'legislature.' The several States were left free to repose their legislative power in any body or set of men they might desire.

"When, by Article V, it was provided that constitutional amendments be ratified by the legislatures of the several States, clearly it was intended that the ratification should be by the legislative power. In referendum States the people have reserved to themselves the option of becoming not merely a third constituent of the legislature but may, if they choose, exercise a legislative authority superior to the acts of their assemblies. The division of legislative power between representative assemblies and the people is best exemplified in the constitution of the State of Utah (see Kettleborough on 'State Constitutions,' p. 1355). Article 6, section 1, of the constitution of Utah, provides: 'The legislative power of the State shall be vested—

"'(1) In a senate and house of representatives, which shall be designated the Legislature of the State of Utah;

"'(2) In the people of the State of Utah, as hereinafter stated.'

"Where the legislative power is divisible the consent of all the constituent parts must be obtained in order that a ratification may be valid.

"In the State of Florida the constitution provides that Federal amendments can not be ratified except by a 'legislature' elected after the proposed amendments have been submitted to the State for ratification.

"That in referendum States the question of the ratification of the eighteenth amendment must be submitted to the people before the 'legislatures' of these States can be said to have passed on the question of ratification is sustained by a number of authorities. (State *v.* Polley, 26 S. Dak., 5; State *v.* Hildebrant, 94 Ohio State, 154, affirmed 241 U. S., 565; State *v.* Howell, 181 Pac., 920 (Sup. Ct., Wash.); State *v.* Amsbury, Dist. Ct., Lancaster County, Nebr., Morning, J., Aug. 18, 1919; Hawke *v.* Smith, Sup. Ct. Ohio, Sept. 30, 1919, now pending on writ of error in this court as docket No. 582; Carson *v.* Sullivan, Circ. Ct. Cole County, Mo., Slate, J.)

"The contention that the power delegated in the Constitution originally to amend by legislatures in the sense contended for by the defendants, which purports a ratification of the so-called eighteenth article by the representative bicameral bodies of the respective States, is a power then delegated and now irrevocable is answered by taking into consideration the fact that the people of the respective States might entirely by their constitutions abolish such bodies in the form they existed at the time the Constitution was first adopted, and that, therefore, no ratification of the Constitution by the legislatures of the respective States, in the sense contended for in the case at bar, would be possible, the consequences being that the statesmen who framed the instrument and the people who ratified it had no such thought in mind and, therefore, that Constitution does not so read.

"Three-fourths of the States, therefore, have not ratified the so-called article and, the constitutional requirements not having been complied with, it is not a part of the Constitution.

"V. PRIOR AMENDMENTS TO THE CONSTITUTION.

"In an examination of the 17 prior amendments it is submitted that they disclose subject matter germane to the original instrument.

"It is settled that the first 10 amendments, as is set forth in the preamble thereto, are merely safeguards declaratory and restrictive of the express or implied declarations of the main body of the instrument. The Constitution was not changed thereby as to powers, and said amendments are regarded as contemporaneous with it because of the conditional requirement upon the entry of some of the States, and consequently of all, that they should become a part thereof for the express purpose of safeguarding the rights and liberties of the individuals composing the several States.

"The first 10 amendments to the Federal Constitution contain no restrictions upon the powers of the State, but were intended to operate solely on the Federal Government. (Barron *v.* Baltimore, 7 Peters, 243; Spies *v.* Illinois, 123 U. S., p. 166; Brown *v.* New Jersey, 175 U. S., p. 174.)

"The eleventh amendment was for the purpose of requiring a construction of the original instrument to the effect that the judicial power should not extend to controversies between a State and citizens of another State, a contrary construction having been placed upon the instrument in Chisholm *v.* Georgia, 2 Dall., 419.

"The twelfth amendment was corrective of the method of the election of President and Vice President of the United States.

"The thirteenth, fourteenth, and fifteenth amendments were the result of the Civil War and the circumstances which gave rise to it. As was said in the Slaughterhouse cases (83 U. S., p. 36), these amendments may be said to rise to the dignity of a new Magna Charta.

"The thirteenth amendment blotted out slavery and forbade forever its restoration. This subject had been dealt with in the original Constitution (Art. I, sec. 2, par. 3) in its reference to representation determined by the number of free persons; Article I, section 9, paragraph 1, which prohibited Congress from interfering with the migration or importation of such persons as any of the States should think proper to admit prior to the year 1808; Article IV, section 3, which provided that no person held to service or labor in one State under the laws thereof, escaping into another, should in consequence of any law or regulation therein be discharged from such service or labor, but should be delivered up upon demand.

"Slavery at that time was contrary to the laws of England. (Somerset *v.* Steward, 20 State Trials 1, 82.) In 1789 the Quakers of New York and Philadelphia, assembled in their annual meeting, drew up petitions asking the Congress to take steps toward abolishing the trade in slaves and, as an effective measure, to prohibit vessels employed in that trade from being entered and cleared at the various ports. The petitions were submitted to the House of Representatives February 11, 1790, and on the following day another petition from the Pennsylvania Society for Promoting the Abolition of Slavery was received. The several petitions were referred to a special committee and later to the Committee of the Whole House. (See House Journal of 2d sec. of the 1st Cong., p. 14.)

"That committee reported that under the Constitution Congress was restrained from prohibiting the importation of slaves until 1808 and was restrained from the emancipation of slaves until that time, and that the Congress had no authority to interfere in the internal regulations of particular States, in the principles of morality and religion, and other matters for their comfort and well-being, referred to in the report.

"The Committee of the Whole House found and reported that the migration or importation of slaves could not be prohibited prior to 1808; that Congress had no power to interfere with their emancipation in any of the States; but that Congress had authority to restrain the African slave trade.

"The report of the committee was laid on the table. (See Documentary History of the United States, Woodrow Wilson, vol. 5, pp. 272–274.) We believe that it is unquestioned, and therefore unnecessary to quote from the debates that the failure to prohibit slavery in the Constitution originally, or to emancipate the slaves, was due to the compromise and inability at that time to formulate a union on any other basis. The matter was, therefore, left in abeyance, and the Civil War ultimately resulted as might have been expected on a compromise so contrary to the Declaration of Independence.

"Mr. Lincoln in his first inaugural address, quoted from one of his own earlier speeches, saying:

"'I have no purpose, directly or indirectly, to interfere with the institution of slavery in the States where it exists. I believe I have no lawful right to do so, and I have no inclination to do so.'

"He called attention to the Republican platform which nominated him, which contained the following:

"'*Resolved*, That the maintenance inviolate of the rights of the States, and especially the right of each State to order and control its own domestic institutions, according to its own judgment exclusively, is essential to that balance of power on which the perfection and endurance of our political fabric depend. * * *'

"The position taken by him was the strongest possible declaration in favor of the rights of the respective States. The abolishing of slavery, as this court has said, was by the arbitrament of war and in this manner the change in the internal affairs of the States was effectuated in accordance with the emancipation proclamation.

"The ratification of the amendments to the Constitution, by the southern legislatures, the States not being permitted to return to the Union until this had been done, is not analogous to the present situation.

"The fourteenth amendment was held, in the Slaughterhouse cases, to remove the difficulty as to the definition of citizenship, which impaired the right of the freedman to and had reference to the limitations placed thereon in the Dred Scott case, and it was to remove this difficulty and to clearly define citizenship, not only in the United States but in the State, that the first clause was incorporated, and Mr. Chief Justice Field, in Bartemyer *v.* Iowa (18 Wall., 129, 138), said that by the fourteenth amendment no one had ever pretended, as far as he knew, that that amendment interfered in any respect with the police power of the State.

"The second clause defined the rights of citizens which have at all times been enjoyed by the citizens of the several States, among whom the negro was necessarily incorporated as a part, subsequent to the war.

"The third clause was declaratory of the life, liberty, and property of the individual, protected by due process of law, but this, as was stated in U. S. *v.* Cruikshank (92 U. S., 542), added nothing to the rights of one citizen as against the other.

"The fourth clause merely provided that no person should be denied within its jurisdiction equal protection of the laws.

"The fifteenth amendment merely invested the citizens of the United States with a new constitutional right; that is, exemption from discrimination in the exercise of the elective franchise on account of race, color, or previous condition of servitude. (U. S. *v.* Cruikshank, 92 U. S., 542, citing Miner *v.* Happersett, 21 Wall., 178.)

"The sixteenth amendment had reference to a power of taxation delegated to the Congress by the Constitution, and merely provided for a different exercise thereof.

"The seventeenth amendment changed the method of election of United States Senators.

"All of these amendments, it will be seen, are but matters germane to the original Constitution, having to do with government and not with municipal law, and were corrective of errors concluded to be existent in the original document or improvements on the original Constitution, and are entirely dissimilar, it is respectfully submitted, in nature from the present so-called eighteenth article.

"VI. CONCURRENT POWER—WHAT CONCURRENT POWER MEANS.

"*Concurrent power under the eighteenth amendment is a power in the Federal Government to enforce the amendment only so far and to the extent that the same relates to the external concerns of the United States and within the peculiar domain of the Federal Government to regulate commerce among the States as heretofore, as distinguished from the right of the State of New Jersey to enforce said amendment intrastate by virtue of the power conferred on said State exclusively under said amendment.* (Complainant's bill, art. 22, pp. 35-36.)

"*A. A literal interpretation.*

"The eighteenth amendment provides:

"'SECTION 1. After one year from the ratification of this article the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited.

"'SEC. 2. The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.'

"A literal interpretation of the amendment presents some novel and perplexing inquiries, which lead to startling conclusions. The amendment literally construed contemplates the United States as a whole. The prohibition contained therein is directed against the manufacture, sale, transportation within, importation into, or exportation from the United States and all territory subject to its jurisdiction of intoxicating liquors for beverage purposes.

"Under section 1, the States as sovereign entities, having separate governments, boundaries, jurisdictions, and functions—in short, the units—are disregarded. Under such an interpretation State governments are not recognized, State boundaries disappear, State jurisdictions are ignored. The compact mass, the aggregate, is the jurisdiction within which the amendment is to be enforced.

"The enforcement of the prohibition contained in the amendment within the United States and territory subject to its jurisdiction is committed to two agencies:

"1. The Congress;

"2. The several States.

"The division of power between the two enforcing agencies limits neither of them. Their respective powers to carry out the provisions of the amendment are operative within the territory designated in the amendment. The enforcement power is as broad as the jurisdiction. Therefore the legislative powers of the several States, whatever they may be, or in what manner they shall be exercised, are operative *equally* throughout the United States and the territory subject to its jurisdiction in interstate commerce as well as in foreign commerce and the right of the Congress to legislate for different localities within the State having utterly divergent conditions of life and habits can not be denied. Certainly such an effect was never contemplated.

"The principle of decentralization is one which almost seems a part of the very nature of the race to which we belong. (Cooley Const. Lim. (7th ed.), 263.)

* * * * * * *

"The constitutional amendment was proposed and ratified after this manner:

"In the Sixty-fifth Congress Senator SHEPPARD by joint resolution (No. 17) proposed the enforcement clause as follows:

"'The Congress shall have power to enforce this article by appropriate legislation *and nothing in this article shall deprive the several States of their power to enact and enforce laws prohibiting traffic in intoxicating liquors.*'

"The latter part of the clause was later eliminated, so that it read when it was sent to the House from the Senate:

"'The Congress shall have power to enforce this article by appropriate legislation.'

"It is obvious from this reading that had it been finally passed in this latter form there would have been given to Congress the power to enforce the prohibition in the manner in which Congress has heretofore enforced constitutional amendments where it has been given power to do so by appropriate legislation. Had section 2 of the amendment been left in the shape as submitted by the Senate to the House of Representatives, the contention of the defendants as made in these cases would be the correct one.

"The Lower House, however, amended the clause to read as it was finally passed, after the Senate had concurred therein, so that it now reads and is operative as follows:

"'The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.'

"The result is either that the several States have the power according to the literal interpretation or have the power alleged by the complainant.

"It is clear, therefore, that as proposed by Congress and as ratified by the legislatures of three-fourths of the States, there was no intention that paramount power should be given to Congress to enforce the prohibition, and also that a different construction as to concurrent power is to be placed upon the amendment than would otherwise have been the case.

"It is submitted that it is the duty of this honorable court to place upon this amendment such a construction as will make it reasonably effective. In the words of Mr. Webster in his argument in the case of Gibbons *v.* Ogden (9 Wheat., p. 20):

"'A reasonable construction must be given to the Constitution; and such construction is as necessary to the just power of the States as to the authority of Congress.'

"*B. The true construction of concurrent power in eighteenth amendment.*

"In approaching the question now under discussion it is necessary that we constantly keep before us our peculiar dual form of government. This is clearly defined by Mr. Justice Brewer in the case of South Carolina *v.* United States (199 U. S., 437):

"'We have in this Republic a dual system of government, National and State, each operating within the same territory and upon the same persons, and yet working without collision because their functions are different. There are certain matters over which the National Government has absolute control, and no action of the State can interfere therewith, and there are others in which the State is supreme and in respect to them the National Government is powerless. To preserve the even balance between these two Governments and to hold each in its separate sphere is the peculiar duty of all courts, preeminently of this—a duty oftentimes of great delicacy and difficulty.'

"In Kent's Commentaries, volume 1, lecture 18, page 388, Mr. Justice Chase is cited from the case of Calder *v.* Bull (3 Dall.,

386), where he said, 'that the State legislatures retained all the powers of legislation which were not expressly taken away by the Constitution of the United States, and he held that no *constructive powers* could be exercised by the Federal Government.'

"In Sturges *v.* Crowninshield (4 Wheaton, 193), also cited by Kent in the same connection, it is stated: 'That the powers of the States remained, after the Constitution, what they were before, except so far as they had been abridged by that instrument. The mere grant of a power to Congress did not imply a prohibition on the States to exercise the same power.'

"'Not only, therefore, can there be no loss of separate and independent autonomy to the States through their union under the Constitution, but it may be not unreasonably said that the preservation of the States and the maintenance of their governments are as much within the design and care of the Constitution as the preservation of the Union and the maintenance of the National Government.' (Texas *v.* White, 7 Wall., 700, 725.) 'In other words, the two Governments, National and State, are each to exercise their power so as not to interfere with the free and full exercise by the other of its powers.' (McCulloch *v.* Maryland, 4 Wheaton, 316.)

"Mr. Justice Swain, in Railroad Co. *v.* Fuller (84 U. S., 560), said:

"'In the complex system of polity which exists in this country the powers of government are divided into four classes:

"'(1) Those which belong exclusively to the State;

"'(2) Those which belong exclusively to the National Government;

"'(3) Those which may be exercised concurrently and independently by both; and

"'(4) Those which may be exercised by the States, but only until the Congress shall see fit to act upon the subject. The authority of the State then retires and lies in abeyance until the occasion for its exercise shall occur.'

"Mr. Chief Justice Marshall, in McCulloch *v.* Maryland (4 Wheaton, 316), said, on page 430:

"'We have a principle which is safe for the States and safe for the Union. We are relieved, as we ought to be, from clashing sovereignty; from interfering powers; from a repugnancy in a right in one Government to pull down what there is an acknowledged right in another to build up; from the incompatibility of a right in one Government to destroy what there is a right in another to preserve.'

"To keep each Government within its sphere and to preserve the even balance of power between them has been the concern of this court from the beginning.

"The framers of the eighteenth amendment must be presumed to have known the constitutional history of this country and the dual form of government under which it operates, as declared by this court from time to time. With these decisions in mind, did they not for the purpose of making the eighteenth amendment reasonably effective, intend that in matters of local government the individual States would enforce it, in which sphere of action they are supreme, and that in its external features the power of enforcement should be committed to the Congress, in which sphere the Congress is supreme?

"An examination of the cases and a history of the legislation leading up to the enactment of the eighteenth amendment justifies this view.

"At the time of the ratification of the eighteenth amendment the Federal Government had the power to prohibit the transportation of intoxicating liquors in interstate commerce and the States had a similar power to prohibit intoxicating liquors within their territorial limits. The amendment conferred no power to prohibit but took from each of these sovereign governments the power to regulate the subject matter of intoxicants for beverage purposes within their respective spheres of action. The amendment did, however, for the first time in the history of the Constitution, confer in express terms a power upon the States to enforce a Federal amendment, which power is described to be concurrent with that of the National Government.

"The Federal legislation enacted under the commerce clause of the Constitution for the regulation of intoxicating liquor has invariably recognized the right of the State to control intoxicants as a matter of local self-government.

"The acts of the Congress were in the nature of ancillary legislation for the purpose of more effectually aiding the States, within their respective jurisdictions, to prohibit that which under their police powers the States had the right to do.

"We will not burden the court with a long citation of cases of the futile attempts of the States to prevent shipments from territory commonly described as wet into States which had enacted prohibition laws. Eventually recourse was had to the Congress, and under the commerce clause of the Constitution the Wilson Act of 1890 was enacted, which provided that fermented, distilled, or other intoxicating liquors transported into any State or territory should, upon arrival, be subject to the operation and effect of the laws of such State or Territory.

"The Webb-Kenyon Act of 1913 provided that the shipment or transportation of intoxicating liquors from one State into another intended to be used in violation of any law of such State or Territory should be a misdemeanor.

"The Reed Act is an amendment to the Webb-Kenyon law.

"Although Congress always had the right to suppress intoxicating liquors in interstate commerce under the guise of regulation, it refrained from so doing, merely aiding the States to more effectively carry out their enactments, and this, it is submitted, discloses on the part of the Federal Government a legislative purpose to leave the control of intoxicants to the States, it being one of the powers of local self-government. (Clark Distilling Co. *v.* Western Maryland Railroad Co., 242 U. S., 311.)

"Thus the power that Congress always possessed to prohibit the transportation in interstate commerce of intoxicating liquors and which it did not in the past deem wise to adopt as a general policy is now made obligatory upon it under the amendment.

"From the history of the legislation it can be conclusively argued that the concurrent power clause of the eighteenth amendment, under which the States have an authority coequal with the Federal Government, confirms the policy which Congress and the prohibition States pursued for the more effective regulation of intoxicating liquors, and such policy under the amendment is now extended to all the States of the Union.

"C. The concurrent power granted in section 2 of the amendment must be construed so as not to work conflict or inconsistency.

"Had Congress only been endowed with power by the amendment as in several other cases, to enforce the prohibition by appropriate legislation, the States could not have legislated in any way which would have at all conflicted with the terms of any congressional enactment.

"The use of the words which extended to Congress and the several States concurrent power precludes the construction that has heretofore been placed upon the power of Congress with respect to that of the States since the word 'concurrent' has not heretofore been used in the Constitution. The use of the term in the Constitution is new, and it is submitted that the construction placed upon 'concurrent jurisdiction' by the courts in the case of boundary jurisdiction between the States is not applicable to the present situation any more than the ruling of the courts of England with respect to tidal streams as navigable waters is applicable to the tidal streams in this country. The courts of the United States have found it necessary to define differently the navigability of the streams with respect to tidal waters, because of the different situation existing in the United States than from that of England, in which country streams that are not tidal are not navigable. So where the operation of the powers of the National Government are distinguished from those of the respective States, it is our insistment that this court will find it necessary to place a construction upon the words 'concurrent power' which will be appropriate to the enforcement of the amendment giving due respect to the rights of the State governments and the rights of Congress.

Mr. Webster, in the argument in Gibbons *v.* Ogden (9 Wheat., p. 12), said:

"'What sort of *concurrent* powers were these, which could not exist together? * * * The Constitution was framed for all the States. * * * It is the true wisdom of these governments to keep their actions as distinct as possible. The General Government should not seek to operate where the States can operate with more advantage to the community; nor should the States encroach on ground which the public good, as well as the Constitution, refers to the exclusive control of Congress.'

"Mr. Justice McLean, in the License cases (5 How., 504, p. 592), said:

"'That the police power of a State and the foreign commercial power of Congress must stand together. Neither of them can be so exercised as materially to affect the other. The sources and objects of these powers are exclusive, distinct, and independent, and are essential to both governments.

"'This power (internal police) can neither be abdicated or bargained away (by the States), and is inalienable, even by express grant.' (Mr. Justice Pitney, Atlantic Coast Line R. R. Co. *v.* Goldsborough, 232 U. S., 548, p. 558; Denver & Rio Grande R. R. Co. *v.* Denver, 250 U. S., 241, p. 244.)

"It is necessary to so construe 'concurrent power' to enforce the prohibition that a true concurrence may take place in power and effect. Such a concurrence may be illustrated by two individuals making separate journeys by separate routes to the same place of destination, or it may be further illustrated

by the use in war of an army and a navy, the objective being a victory, the power used being concurrent but distinct, neither encroaching upon the other, and neither necessarily requiring the withdrawal of the one or the other because of conflict.

"The defendants, if our understanding of their contention is correct, hold to the view that there is no real concurrent power, but that Congress is supreme, and that the States may exercise jurisdiction in the premises by necessary uniformity in legislation with that of Congress, which, we contend, is a mere dependence.

"In the Passenger cases it is said, Seventh Howard, 282, at page 399:

"'That a concurrent power excludes the idea of a dependent power.'

"It is submitted that this was stated in considering the Constitution when it contained no such grant of power in words as in the present instance, and had to do with the subject of the right of the States to legislate on a matter with which Congress was endowed with power under the Constitution; and at page 396:

"'A concurrent power in the States to regulate commerce is an anomaly not found in the Constitution. If such power exist, it may be exercised independently of the Federal authority.'

"Such power—that is, concurrent power—now exists if the present article of amendment is determined by this court to be valid. The question is how may such an anomaly not heretofore found in the Constitution be exercised in the manner indicated in the eighteenth amendment? In the words of Mr. Justice McLean:

"'The State power may be exercised independently of the Federal authority if such power exist.'

"The power exists by reason of the fact that the States are to have 'concurrent power' with Congress. How, then, may Congress and the States act independently and yet exercise the concurrent power conferred? *It is submitted that it may only be accomplished by each power acting in its sovereign and exclusive sphere*, namely, the Congress in interstate commerce, in the Territories, in the District of Columbia, and in foreign affairs, on the one hand, and the respective States in the exercise of their police powers on the other.

"In this way only may a real concurrence of power be exercised and harmoniously carried out.

"To extend to the States a power concurrent with Congress in its exclusive sphere, it is submitted, would be to extend to the States a power not intended by those who framed and those who concurred in the amendment. And, conversely, it is equally true that it was never intended by the same reasoning to extend to Congress a power to operate in those things which concern alone the decentralized governments of the respective States according to the peculiar needs of the people of the locality in which sphere the States are supreme.

"It is our insistment that if the defendants' contention be correct and the eighteenth amendment authorizes Congress to enforce the same within the State of New Jersey, it follows as a matter of course that it has also authorized the State of New Jersey to enforce the amendment wherever foreign commerce or commerce between the States, in intoxicating liquors, directly touches the State of New Jersey. The result of such a construction would be to make a sweeping radical change in the whole theory which has been evolved from the Constitution of the United States in regard to the exclusive control of Congress over a wide field of commerce.

"It was said in re Rahrer (140 U. S., 545), at 554:

"'The power of the State to impose restraints and burdens upon persons and property in conservation and promotion of the public health, good order, and prosperity is the power originally and always belonging to the States, not surrendered by them to the General Government nor directly restrained by the Constitution of the United States, and essentially exclusive.'

"In the Civil Rights cases (109 U. S., 313) Mr. Justice Bradley said:

"'That legislation under that amendment can not properly cover the whole domain of rights appertaining to life, liberty, and property, defining them and providing for their vindication. That would be to establish a code of municipal law regulative of all private rights of man and man in society. It would be to make Congress take the place of the State legislatures and to supersede them. It is absurd to affirm that, because the rights of life, liberty, and property (which include all civil rights that men have) are by the amendment sought to be protected against invasion on the part of the State without due process of law Congress may, therefore, provide due process of law for their vindication in every case; and that, because the denial by a State to any persons of the equal protection of the laws is prohibited by the amendment, therefore Congress may establish laws for their equal protection.'

"In Barbiere *v.* Connelly (113 U. S., 27, 31) Mr. Justice Field said:

"'It is not to be doubted that the power to make the ordinary regulations of police remain with the individual States and can not be assumed by the National Government.'

"This power to prohibit, therefore, in view of these well-settled principles in our constitutional law should be construed just in the sense in which they have been understood in the Constitution. The power to prohibit, which the National Government possessed, was part of its power under the commerce clause of the Constitution. The remainder of the power to prohibit was vested in the States. The power which is vested in the States is to be construed in connection with the tenth amendment to the Constitution, which expressly reserves to the States all powers not conferred on the Federal Government.

"In principle this case is not essentially different from the claims made under the fourteenth amendment in the Slaughter-house cases (83 U. S., 36, p. 78). Again the contention that that amendment had conferred powers which were essentially State powers upon the Federal Government, Mr. Justice Miller said, as we have before quoted:

"'These consequences are so serious, so far-reaching and pervading, so great a departure from the structure and spirit of our institutions; when the effect is to *fetter and degrade the State governments* by subjecting them to the control of Congress in the exercise of powers heretofore universally conceded to them, of the most ordinary and fundamental character; when, in fact, it radically changes the whole theory of the relations of the State and Federal Governments, to each other and of both these governments to the people, the argument has a force irresistible *in the absence of language* which expresses such purpose too clearly to admit of doubt.'

"Mr. Justice McLane in the Passenger cases (48 U. S., 383, p. 399), *in discussing the impossibility of a real concurrent power existing in two distinct sovereignties* to regulate the same thing and in a situation where there existed only such concurrent power as has been heretofore defined to mean the supremacy of Congress in place of conflict, said:

"'That the action of one, unless there be an arrangement'—that is, as to uniformity of legislation—'must necessarily precede the action of the other, and that which is first, being competent, must establish the rule.'

"He contended that—

"'Such was an unequal power unless one might undo what the other does, and that this must be the result of their action.'

"He continued by saying:

"'But the argument is that a State, acting in a subordinate capacity, wholly inconsistent with its sovereignty, may regulate foreign commerce until Congress shall act on the same subject, and that the State must then yield to the paramount authority * * *.'

"He added, however:

"'But this argument degrades the States by making their legislation, to the extent stated, subject to the will of Congress. State powers do not rest upon this basis. * * *

"'State powers are at all times and under all circumstances exercised independently of the General Government and are never declared void or inoperative except when they transcend State jurisdiction.'

"The reasoning in Prigg *v.* Penn. (16 Pet., 539), leads to the same logical result—the right to have fugitive slaves returned was created by the Federal Constitution. Therefore, being a right created by the Constitution, it must, according to the majority opinion in that case, be enforced by the national authority exclusively and not by the States. In other words, a national right must be under the jurisdiction of the National Government. If the right to have the slaves returned had been a right vested in the States before the adoption of the Constitution, the plain inference is that the States then would have had the power.

"In construing, therefore, this power to prohibit, we must separate it into its parts, assigning the parts which are national to the National Government and the remaining parts to the States. This construction would interpret the second section, declaratory of what the constitutional rule in this case would be in giving force to the concurrent power clause, such an interpretation as to fully maintain the proper balance of power, avoiding what would otherwise be an inevitable conflict of sovereignty, and we submit it expounds the true intent of the amendment.

"This amendment affects the commerce clause in the Constitution, and it must be construed to restrict the will of Congress

to permit interstate shipments of intoxicating liquors, for beverage purposes, into the States. We give full effect to this perplexing question under the well-settled rules of construction.

"The whole theory of the relations between National and State Governments would be thrown out of joint if the power of the States was in anywise impaired by this eighteenth amendment. Would it not, as Mr. Justice Miller said in the Slaughterhouse cases, above quoted, 'constitute this court a perpetual censor upon all legislation of the States on the civil rights of their own citizens under this amendment, with authority to nullify such as it did not approve as consistent with those rights as existed at the time of the adoption of this amendment? * * *' As he further said (p. 82): 'Under the pressure of all the excited feeling growing out of the war, our statesmen have still believed that the assistance of the States, with power for domestic local government, including the regulation of their civil rights, was essential to the perfect working of our complex form of government. * * * Though they have thought proper to impose additional limitations upon the States and to confer additional power on that of the Nation, whatever fluctuations may be seen in the history of public opinion on this subject during the period of our national existence, we think it will be found that this court, so far as its functions required, has always held with a steady and even hand the balance between State and Federal power, and we trust that such may continue to be the history of its relation to that subject, so long as it shall have duties to perform which demand of it a construction of the Constitution or any of its parts.'

"The defendants have contended before the bar of this court in earlier cases, and probably will so contend in this case, that the expression 'concurrent jurisdiction' as defined heretofore in this court refers to separate, distinct, and independent action by the States and by Congress respectively, exercised by the two Governments, as stated in the case of Fox *v.* State of Ohio, 5 How., 410, 418, to the effect that the exercise of a concurrent jurisdiction might be productive of occasional interferences in the policy in any branch of administration. In the same connection it was there said there were three cases of alienation of State sovereignty, namely:

"'Where the Constitution in express terms granted an exclusive authority to the Union; where it granted in one instance an authority to the Union and in another prohibited the States from exercising the like authority; and where it granted authority to the Union to which a similar authority in the States would be absolutely and totally contradictory and repugnant.'

"It will be observed as the words 'concurrent power' were defined in that opinion and as contended for by the defendants, there were no express words in the Constitution granting such a power but that always under the Constitution, in case of any conflict whatever, the Constitution was supreme in authority and that, therefore, Congress had paramount power in the premises to enforce as distinguished from any other power.

"The dissenting opinion by Mr. Justice Story, in Houston *v.* Moore, 5 Wheat., 47, has the same thought in view to the effect that the powers—

"'So granted are never exclusive of similar powers existing in the States, except where the Constitution has expressly in terms given an exclusive power to Congress or the exercise of a like power is prohibited to the States, or there is a direct repugnancy or incompatibility in the exercise of it by the States.'

"The defendants will contend that the power of Congress is not of such a nature as would be necessarily exclusive but is to be exercised by Congress with the States retaining their right to exercise it at the same time, subject only to the qualification that in the case of a direct conflict between State and Federal laws the latter must prevail.

"All the definitions heretofore made of concurrent power are such as define an entirely different exercise of power than is now granted in the amendment. The amendment, if upheld by this court, grants a power from the people of the United States to the States of the Union and to Congress. The source is the same as it flows to both agencies of government, the National Government and the governments of the respective States. By its words it gives to all exactly the same authority to carry into effect and enforce by prohibition the manufacture, sale, or transportation of intoxicating liquors for beverage purposes within, the importation thereof into, or the exportation thereof from, the United States and all territory subject to the jurisdiction thereof, and concurrent power is granted to all to enforce the same by appropriate legislation. This grant by the legislatures of the respective States, in ratifying the proposal, is an entirely different grant than those heretofore enumerated in the Constitution. It entirely removes from the reading of this amendment the application of the clause in the Constitution as to the supremacy of the enactment of Congress which would displace or run counter to an enactment of any one or all of the States. The States must retain their powers of economy and police in order to maintain their sovereignty, and the words 'concurrent power' must be, it is submitted, defined in a sense exclusive to the States and exclusive to the United States in accordance with the needs of each State and the United States, otherwise the use of the word 'appropriate' in connection with the word 'concurrent' can not properly be made. While appropriate legislation has been defined to be such as may be necessary and proper, in this case, it is submitted, the word 'proper' has the sense of peculiar or exclusive, and as applied to the express grant of power equally to the Congress and the several States it must be such that there may be no conflict because the idea of concurrence immediately ceases when it is necessary for the one governmental body to withdraw in favor of the other.

"In the Passenger cases we find, by again referring thereto (7 How., p. 399), it was said:

"'Concurrent power in two distinct sovereignties to regulate the same thing is as inconsistent in principle as it is impracticable in action. It involves a moral and physical impossibility. Joint action is not supposed, and two independent wills can not do the same thing.'

"And we add that it is also clear that 49 independent wills can not do the same thing, and that if they must coucur by joint or uniform legislation, Congress would have supreme power and not concurrent power, which would be a construction, we submit, authorizing legislation not appropriate in the premises.

"Under the construction contended for by the plaintiff, with each sovereign acting within its supreme sphere, it will make effective the prohibition contained in the eighteenth amendment, without conflict between the Federal Government and the sovereign States, without conflict in their operations and without disturbing that dual form of government which is the genius and character of our Nation.

"VII. THE NATIONAL PROHIBITION ACT IS NOT APPROPRIATE LEGISLATION.

"As alleged in the bill of complaint in this action the defendants herein are threatening to enforce within the State of New Jersey the national prohibition act, having for its purpose, by title 2 thereof, the enforcement of the so-called eighteenth amendment.

"The part of the so-called eighteenth amendment pertinent to this discussion reads as follows:

"'SECTION 1. After one year from the ratification of this article the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all Territories subject to the jurisdiction thereof for beverage purposes is hereby prohibited.

"'SEC. 2. The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.'

"The subject matter prohibited by the said amendment is intoxicating liquor for beverage purposes. Section 1 speaks for itself. It is a plain prohibition, providing for the suppression of intoxicating liquor for beverage purposes. Section 2 is merely a grant of power to enforce the provisions of section 1. The mere statement of the phrase 'beverage purposes' implies its meaning. The phrase 'intoxicating liquor' has a well-defined meaning in the law. The last-mentioned phrase is defined in Black's Law Dictionary as follows:

"'Any liquor used as a beverage and which when so used in sufficient quantities ordinarily or commonly produces entire or partial intoxication.

"'Any liquor intended for use as a beverage or capable of being so used which contains alcohol either obtained by fermentation or by the additional process of distillation in such proportion that it will produce intoxication when imbibed in such quantities as may practically be drunk.'

"The enforcing agency is here limited to carrying out the provisions of a specific prohibition. Any enforcing act should, therefore, be tested out by inquiring whether the subject matter is consonant with the definition of the subject matter contained in the prohibitory amendment itself.

"An examination of the text of Title II of said act (Exhibit II, p. 41, bill of complaint) shows that Congress has by said act framed a definition of the phrase 'intoxicating liquor,' which definition, as complainant shows, includes liquor containing an alcoholic content so fixed as not to be intoxicating in fact; that regardless of their intoxicating or nonintoxicating qualities, said act purports to prohibit and to illegally regulate by name the use of liquids denominated 'beer,' 'ale,' and 'porter'; that

said act illegally attempts to regulate the manufacture, sale, possession, and use of liquor for medicinal purposes; that said act illegally limits the amount of liquor that may be, for medicinal purposes, used internally during a definite period of time, and illegally attempts to prohibit the use of liquor for medicinal purposes for any but a known ailment; prohibits its use in conjunction with other medicines, and further illegally attempts to regulate the manufacture, sale, possession, and use of liquor intended to be used for nonbeverage purposes.

"In short, the said act purports to regulate and prohibit things not within the prohibition of the Constitution. It is submitted that there is nothing in either section of the amendment directly permitting this to be done. Neither is there any merit in the possible claim that, as a means of making the provisions of the amendment effective, Congress may prohibit and regulate, by definition or otherwise, liquids not in fact intoxicating or not in fact used for beverage purposes.

"In framing its enforcement legislation Congress has not that degree of liberty of action with which its war powers may be exercised nor that degree of freedom from restraint with which the several States may exercise their police power. (Purity Extract Co. *v.* Lynch, 226 U. S., 192.)

"The power of Congress in this instance is to enforce a prohibition expressly limited in its scope, and to permit it, under an authorization to enforce, to enlarge the scope of the prohibition by suppressing and regulating things not comprehended in the amendment is, in effect, to thwart the will of the people as expressed in their Constitution and further to interfere with rights to an extent beyond that necessary to remedy the mischief aimed at in amending the Constitution. (Slaughterhouse cases, 16 Wall., 36; Civil Rights cases, 109 U. S., 1; the Employers' Liability cases, 207 U. S., 463.)

"In this connection it is pertinent to quote from the well-reasoned opinion (not yet reported) of Judge Geiger in the United States District Court for the Eastern District of Wisconsin, in the case of Manitowoc Products Co. against Hiram A. Sawyer and others, a case in which this particular part of the act of Congress was attacked on substantially the same grounds as here:

"'These suggestions all lead us back to the fundamental and elementary principle that in enforcing a prohibition, the end of the enforcing act, therefore its subject matter must come within the confines of the constitutional subject matter. If this is not true, then, as suggested, what is the limit to an enforcing power when once exercisable in respect of definition for enforcing purposes; when the legislature may say with scarce a limitation on its right that it may define as culpable that which, under the constitutional provision, is left inculpable.

"'We are not here dealing with a legislative provision seeking to prescribe a rule of evidence which when presented shall furnish a *presumptive* or *prima facie* basis for inferring culpability. We are dealing with a provision of a legislative act aimed to enforce a constitutional prohibition against intoxicating liquor, but which, being enforced, *denies to the individual, conclusively, opportunity to assert that he is outside of the range of constitutional interdiction.* The plaintiffs' product—in point of fact containing five times the alcoholic content prescribed by the enforcing act—is, in this case, conceded not to be intoxicating liquors; and were the case before us upon indictment, the result would be a conviction and an establishment of guilt under the enforcing act, notwithstanding the full concession that nothing has been done to establish *constitutional culpability.* Obviously, though without desiring to pass upon it as a question in issue, if one-half of 1 per cent were prescribed by the enforcing act as a *presumptive* basis, or a *prima facie* showing of the intoxicating quality of the product, we should have before us a markedly different case; for then the *constitutional fact* would not only have to be established, but the party accused would have *full opportunity to negative culpability.* It may be conceded that the presence of alcohol is a chief characteristic of intoxicating liquors. But the very concession in the present case demonstrates that the fact—the *intoxicating quality* of the prohibited thing, which *by the Constitution* is placed within *the field of disputation*—may depend wholly upon the matter of the *degree* of alcoholic content.

"'Therefore, the constitutional terms themselves measure the field of and place within it the fact or facts open to disputation. To permit legislative power to enter this field, enlarge or restrict it, prescribe the range of disputation by giving an element of fact the conclusive, indisputable force of establishing *culpability,* simply destroys the amendment, or, *in the present case, transforms it into a general grant of power, not to enforce the subject of prohibition of "intoxicating liquors for beverage purposes," but to legislate upon the broad subject of beverages;* and the particular enforcing act and any other act which may be framed under the power of definition forbids and punishes and will forbid—*or permit,* if in legislative discretion that is proper—*percentages;* and will foreclose inquiring into the *fact* which the Constitution declares is the *condition* of prohibition, just as effective as (see Bailey *v.* Alabama, 219 U. S., 219) *breach* of a contract was attempted to be made *conclusive* evidence of *fraudulent* breach under a statute aiming to punish the latter.

"'In this connection cases cited and the view expressed that by including nonintoxicants in a definition of intoxicants the legislature does not thereby presume to make intoxicants out of nonintoxicants are not at all pertinent. Probably all will concede at least that limitation on legislative power. The controversy arises when the legislation charged solely with the enforcement of a limited prohibition directs its efforts to matters outside of the limitation, interdicts them conclusively as of the same grade of culpability and subject to the same penalties as the constitutionally prohibited thing; when it punishes as intoxicating that which is not so, and which, upon the law before us, the *national sovereignty has left free to be done by not prohibiting it.*

"'Every consideration of the matter requires a negative answer to the question propounded by the plaintiff in this case; that the act in question, in so far as it defines or it attempts to define intoxicating liquors, by including therein nonintoxicants, can not be sustained.'

"VIII. THE COURT HAS JURISDICTION OF THIS CONTROVERSY.

"*A. The State of New Jersey is a real party in interest.*

"The State of New Jersey, in compliance with its duty to protect the health of its people, has licensed persons to engage in the practice of medicine and surgery within its borders. The persons so licensed are, in effect, its agents in the preserving of the public health. The bill of complaint in this cause alleges that alcoholic liquor, used either alone or in conjunction with other medicines, is in common use by physicians and surgeons in the State of New Jersey in the prevention and cure of diseases and other ailments; that these defendants threaten to enforce within said State the provisions of Title II of the act of Congress known as the national prohibition act, which act in a drastic manner regulates the use by physicians and surgeons of alcoholic liquor in the prevention and cure of diseases and other ailments, and, consequently, it is respectfully asserted, the health of the people of said State is jeopardized.

"As alleged in the bill in this cause, the State of New Jersey, for the common benefit of all of its people, maintains, either directly or through its municipal agencies, numerous hospitals for the insane, the feeble-minded, the epileptic, the aged and infirm, persons afflicted with tuberculosis, homes for soldiers, and various other institutions; that in its conduct of these institutions the State employs physicians; that the use of alcoholic liquors for the prevention and cure of diseases and other ailments by these physicians is also drastically interfered with by the act which defendants threaten to enforce.

"It is asserted, therefore, that the State of New Jersey occupies the position of parens patriæ, guardian, trustee, and representative for (a) the people of the State and (b) its dependents and wards so resident in its numerous institutions.

"In Heckman *v.* United States (224 U. S., 413) it was held that the United States had capacity to maintain a suit to set aside conveyances made by allottee Indians of allotted lands. The theory upon which the United States was held capable of maintaining the action in this case was the recognition by the court of the dependent status of the Indians and the duty of the United States in the premises.

"In United States *v.* New Orleans Ry. Co. (248 U. S., 507) the court, in sustaining the right of the United States to institute the action, said: 'There is an obligation for those for whose benefit the suit is brought.' (Missouri *v.* Illinois, etc., 180 U. S., 208; Kansas *v.* Colorado, 185 U. S., 125, 206 U. S., 46; Georgia *v.* Tenn. Copper Co., 206 U. S., 230.)

"If the so-called eighteenth amendment to the Constitution of the United States is a valid amendment, then, it is respectfully asserted that by section 2 of said amendment the duty is placed on the State of New Jersey (exercising power concurrently with Congress) to enforce the provisions of section 1 of said amendment, and it is therefore by virtue of this duty the right of the State of New Jersey to ask this court to restrain these defendants from interfering with its proper exercise of the power so given to enforce the said amendment.

"In re Debs (158 U. S., 564) the question arose concerning the jurisdiction of a court of equity at the suit of the Government to enjoin interference with the transportation of the mails. The court, while adverting to the fact that the United States had a property in the mails, declined to place its de-

cision upon that ground alone, and rested it also upon governmental duty. The court said (pp. 584, 586):

"'Every government intrusted by the very terms of its being with powers and duties to be exercised and discharged for the general welfare, has a right to apply to its own courts for any proper assistance in the exercise of the one and the discharge of the other, and it is no sufficient answer to its appeal to one of those courts that it has no pecuniary interest in the matter. * * * The National Government, given by the Constitution power to regulate interstate commerce, has by express statute assumed jurisdiction over such commerce when carried upon railroads. It is charged, therefore, with the duty of keeping those highways of interstate commerce free from obstruction, for it has always been recognized as one of the powers and duties of a government to remove obstructions from highways under its control.'

"In Kansas *v.* Colorado (206 U. S., 86) the United States rested its petition for intervention upon its duty of legislating for the reclamation of arid lands. This duty was regarded as sufficient cause for permitting its intervention in the controversy. (See also United States *v.* San Jacinto Tin Co., 125 U. S., 273; United States *v.* Bell Tel. Co., 128 U. S., 315.)

"Contrary to the provisions of the tenth amendment of the Constitution, these defendants are threatening to interfere with the reserved powers of the State of New Jersey, as alleged in the bill of complaint, and the State is therefore justified in maintaining this suit not only to protect its rights as a sovereign State but likewise for the people of the State.

"The State further claims the right to institute this suit to prevent irreparable damage in the way of loss of ratable property, taxes, and license fees, which it will sustain should the defendants be permitted to enforce within its borders the unconstitutional act in question.

B. This action is not against the United States.

"In Traux *v.* Raich (239 U. S., 33) the court said:

"'As the bill is framed upon the theory that the act is unconstitutional and that the defendants, who are public officers concerned with the enforcement of the laws of the State, are about to proceed wrongfully to the complainant's injury, through interfering with his employment, it is established that the suit can not be regarded as one against the State. Whatever doubt existed in this class of cases was removed by the decision in Ex parte Young (209 U. S., 123, 155, 161), which has repeatedly been followed.' (Ludwig *v.* West. Union Tel. Co., 216 U. S., 146; Western Union Tel. Co. *v.* Andrews, 216 U. S., 165; Herndon *v.* C. R. I. & P. R. R., 218 U. S., 135, 155; Hopkins *v.* Clemson College, 221 U. S., 636, 643, 645; Philadelphia Co *v.* Stimson, 223 U. S., 605, 607, 620; Home Tel. & Tel. Co. *v.* Los Angeles, 227 U. S., 278, 293.)

"C. The questions involved are constitutional questions and therefore justiciable.

"We ask the court in the case at bar, in the determination of the questions submitted, to construe the Constitution of the United States.

"First, as to whether the so-called eighteenth amendment is a proper addition to the instrument, in view of the express and implied limitations contained in Article V; and

"Second, whether the national prohibition act, by Title II, is constitutional.

"When the validity of the alleged amendment and the constitutionality of the legislation thereunder is questioned there is presented to this court for determination a justiciable question. For the reasons set forth in the bill of complaint and which are discussed in this brief, it is respectfully submitted a justiciable question has been presented. (Bott *v.* Secretary of State, 63 N. J. L., 289, and cases cited therein; United States *v.* Lee, 106 U. S., 196, 208-9; Koehler & Lange *v.* Hill, 60 Iowa, 543, 603; Hammond *v.* Clark, 136 Ga., 312; 12 Corpus Juris, p. 880, and cases cited in note 36.)

"It is respectfully submitted that the motion of the defendants should be denied.

"THOMAS F. MCCRAN,
"Attorney General.
"FRANCIS H. MCGEE,
"Assistant Attorney General."

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"SUPREME COURT OF THE UNITED STATES.

"October term, 1919. No. —. Original.

"[State of New Jersey, complainant, *v.* A. Mitchell Palmer, Attorney General, and Daniel C. Roper, Commissioner of Internal Revenue, defendants.]

"MOTION TO FILE ORIGINAL BILL.

"Now comes the State of New Jersey, by its attorney general, Thomas F. McCran, and moves the court for leave to file the bill of complaint herewith exhibited, in a suit between the State of New Jersey and citizens of other States, and arising under the Constitution and laws of the United States, for the purpose of enjoining the defendants from enforcing within the State of New Jersey, by an abuse of power, without lawful and constitutional authority or by a wrongful and erroneous interpretation thereof, such titles and sections of an act of Congress, the short title of which is the 'National prohibition act,' as apply and are designed to give effect to the so-called eighteenth article of amendment to the Constitution of the United States of America; and that proper process may issue thereon, notifying the defendants of the filing of said bill, and that they appear and answer thereto and defend the same.

"STATE OF NEW JERSEY,
"By THOMAS F. MCCRAN,
"Attorney General of the State of New Jersey."

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"SUPREME COURT OF THE UNITED STATES.

"October term, 1919. No. —. Original.

"[State of New Jersey, complainant, *v.* A. Mitchell Palmer, Attorney General, and Daniel C. Roper, Commissioner of Internal Revenue, defendants.]

"ORIGINAL BILL IN EQUITY.

"The State of New Jersey, complainant, brings this bill of complaint for itself and representatively for its citizens in their sovereignty against the defendants above named, and respectfully shows unto this honorable court as follows:

"I. That the State of New Jersey is one of the States of the United States and that the defendant, A. Mitchell Palmer, is a citizen of the State of Pennsylvania, duly appointed and acting Attorney General of the United States, and Daniel C. Roper is a citizen of the State of South Carolina and the duly appointed and acting United States Commissioner of Internal Revenue, and that both officials reside in the Capital of the United States.

"II. This is a suit of a civil nature, arising under the Constitution and laws of the United States against citizens of other States of the United States, who, as designated officials of the Government of the United States, with their and each of their subordinates, agents, and servants, are charged with the duty in their respective spheres of action, of enforcing acts of Congress under the Constitution, and is for the purpose of enjoining them from acting, by an abuse of power, without lawful and constitutional authority or by a wrongful and erroneous interpretation thereof, to enforce, within the State of New Jersey, the so-called national prohibition act of Congress of October 28, 1919, or such titles and sections thereof as apply and are designed to give effect and carry out the prohibitions of the so-called eighteenth amendment to the Constitution in intrastate commerce and as interfere with and limit the taxing power of the State of New Jersey; as interfere with, restrict, and prohibit the collection of the internal revenues of complainant; and as interfere with the government of its institutions and of its wards; and as limit, impair, and interfere with its powers of economy and police, as well as the businesses and liberties of its citizens to its irreparable injury as hereinafter more particularly set forth, in which congressional enactment aforesaid the defendants are officially charged with the enforcement of the provisions thereof and the prohibitions therein contained. The restraint is sought because the national prohibition act is, or such aforesaid parts thereof are, invalid, unconstitutional, and void, and the said so-called eighteenth amendment, though purporting to be the fundamental authority for said national prohibition act, is not, either in whole or in part, an amendment to the Constitution, but is wholly null and void and not enforceable in the State of New Jersey, while the State of New Jersey has not, nor have the people thereof ratified or consented to said so-called amendment, and because whether said so-called amendment and national prohibition act are void or not, there exists the intent on the part of said defendants wrongfully to so construe and hurtfully enforce the 'concurrent power' clause of said so-called eighteenth amendment, and thus, furthermore, and, in any event, to make, on such account said national prohibition act by such construction and enforcement unconstitutional and void.

"III. The rights and interests of the State of New Jersey and its citizens are involved in the premises, and therefore this suit, under the executive direction of the governor of the State of New Jersey, is instituted, both under the common law by the attorney general of said State and by him under the statutory authority in such case made and provided.

"IV. The complainant alleges that, as a colony, Nova Ceserea, or New Jersey, was settled largely by subjects of Sweden and of the States of the Netherlands and of the British Crown, and that said colonists, as hereinafter set forth, exercised and enjoyed the inherent right of self-government in the management and control of their own affairs as a community and in the establishment of their civil institutions for the protection of

the rights and liberties of the individual in so far as the same were applicable to their new conditions and circumstances.

"(a) That letters patent from Charles II, King of England, were granted and delivered, dated March 12, 1664, to his brother James, the Duke of York, in which the said King gave and granted unto his said brother, his heirs and assigns, certain territory therein described, granting therein and thereby to the said Duke of York, his deputies, agents, commissioners, and assigns such power and authority as therein described to govern the subjects of such King, his heirs and successors, as should from time to time adventure themselves unto or that should at any time thereafter inhabit any part or parts therein referred to, which territory the State of New Jersey, as now constituted, formed a part, according to such laws, orders, ordinances, directions, and instruments as by the said duke should be established; so always as the said statutes, ordinances, and proceedings should not be contrary to, but as near as conveniently might be, agreeably to the laws, statutes, and Government of the realm of England; also to make, ordain, and establish all manner of orders, laws, directions, instructions, form, and ceremonies of government and magistracy fit and necessary for and concerning the government thereof, so always that the same should not be contrary to the laws and statutes of the realm of England as near as might be agreeable thereunto; and gave and granted unto the said duke, his heirs and assigns, and also to all and every such governor or governors or other officers or ministers as by the said duke, his heirs or assigns, should be appointed to have power and authority of government and command in and over said inhabitants of said territory for their safety and defense.

"(b) That shortly after the making of said grant the territory included therein was conquered by the military powers of the States of the United Provinces of the Netherlands, and shortly thereafter the said territory was surrendered to the King of England, and thereupon, in order to make good and affirm and establish the aforesaid grant, the said King of England, by his letters patent, bearing date on or about the 29th day of June, 1674, granted and conveyed unto the said Duke of York all the rights, powers, and privileges contained in the patent first hereinbefore mentioned.

"(c) That by lease dated the 23d and release dated the 24th of June, 1664, the said Duke of York, after reciting the grant previously made to him by the aforesaid letters patent, granted, bargained, sold, released, and confirmed to Lord John Berkeley and Sir George Carteret the territory of Nova Ceserea, or New Jersey, in as full and ample a manner as the same had been granted to the said Duke of York by the before-recited letters patent, and all the estate, right, title, interest, benefit, advantage, claim, and demand of the said James, Duke of York of in and to the said premises, etc., to have and to hold, etc., the said tract of land and premises, their heirs and assigns forever, etc., as by reference to the said release will more fully and at large appear.

"(d) That a concession and agreement of the lords proprietors aforesaid of the Province of Nova Ceserea, or New Jersey, dated February 10, 1664, to and with all and every the adventurers and all such as should settle or plant there was made and published on or about said time by the said John Berkeley and George Carteret, for the purpose of inducing people to settle and dwell in New Jersey, and together with subsequent declarations, was a pledge, guaranty, and assurance to such settlers, relating to the power and rights of the governor and council and secretary or register, surveyor general, assemblymen, and other officers and to the legislative power of the assembly, as they should judge most conducive to the general good and welfare of the Province as by reference thereto will more fully appear. These grants and concessions bear even date with the appointment and commission of Sir Philip Carteret, the first governor of New Jersey, appointed by the said proprietors—Lord John Berkeley and Sir George Carteret.

"(e) That by quinpartite deed dated June 1, 1676, between said George Carteret of the first part, William Penn of the second part, Gawn Lawry of the third part, Nicholas Lucas of the fourth part, and Edward Billinge of the fifth part, it was recited, inter alia, the conveyance of his (Berkeley's) moiety to or half of Nova Ceserea, or New Jersey, by said John, Lord Berkeley, by bargain and sale deed, dated March 18, 1673, to John Fenwick, and by two other indentures, one of bargain and sale, dated February 9, 1674, from John Fenwick and Edward Billinge (who claimed equitable interests) of the one part, and William Penn, Gawn Lawry, and Nicholas Lucas of the other part, and by the second being an indenture of tripartite grant, release, or confirmation, dated February 10, 1674, between said John Fenwick, Edward Billinge of the second part, and the said William Penn, Gawn Lawry, and Nicholas Lucas of the third part, and by several other good and sufficient assurances in the law duly executed, said moiety or half part of all said land so conveyed as aforesaid to said Fenwick was conveyed unto and vested in the said Penn, Lawry, and Lucas, their heirs and assigns forever, so that the said last-mentioned held and were actually seized of the other undivided moiety or half part of all and every, the said premises of Nova Ceserea, or New Jersey, as tenants in common with Sir George Carteret, who was then actually seized of the other undivided moiety or half part of all and every the same premises, who held the same to him and his heirs in common with the said William Penn, Gawn Lawry, and Nicholas Lucas. And it was further recited in said deed that said Carteret, Penn, Lawry, and Lucas had agreed to make a partition of New Jersey into two parts, and therein and thereby said Billinge, Penn, Lawry, and Lucas granted to Sir George Carteret, his heirs and assigns forever, the easterly part of New Jersey, to have and to hold in severalty, and Sir George Carteret, by the same indenture, granted to said Penn, Lawry, and Lucas, their heirs and assigns forever, the westerly part of New Jersey, to have and to hold to them, their heirs, and assigns in severalty, and the division line between east and west Jersey was therein described as by reference thereto will more fully appear.

"(f) That both of said tracts of East and West Jersey were, by a deed of surrender from the proprietors of East and West Jersey of their right or pretended right of government, surrendered and yielded up for themselves and heirs to Anne, Queen of England, including all powers of government as to New Jersey granted by King Charles II to the Duke of York, and by the Duke of York to the said proprietors, as by reference to the said surrender will more fully appear, and which surrender was accepted by the Queen in council April 17, 1702, and ordered to be enrolled in Her Majesty's high court of chancery; that thereafter on the 16th day of November in said year the said Queen issued instructions to the then captain general or governor of Nova Ceserea or New Jersey, to wit, Edward, Lord Cornbury, that he should call together certain persons therein designated, who should constitute the membership of her council of said Province and one general assembly, to consist of 24 members, to be chosen in the manner therein designated by the inhabitants, householders of the city or town of Perth Amboy, in East New Jersey; 2 by the inhabitants, householders of the city and town of Burlington, in West New Jersey; 10 by the freeholders of East New Jersey; and 10 by the freeholders of West New Jersey, with power to make laws as therein enumerated for the government of the colony, which government, complainant avers, continued until the declaration of colonial rights by the American Congress of October 14, 1774, and the establishment at Burlington of the first constitution of New Jersey, on July 2, 1776, as hereinafter set forth in items (g) and (h) of this paragraph.

"(g) That the colony of New Jersey, when declaring a dissolution of the Government of Great Britain over the colony, the more effectually to unite the people of the colony and enable them to exert their whole force in their own necessary defense against the military powers under George the Third, King of England, by advice of the Council of the American Colonies to such colonies, adopted for themselves, respectively, with other colonies, a government such as should best conduce to their own happiness and safety and the well-being of America in general as was set forth in the preambles thereto, and established at Burlington, in said State, July 2, 1776, in Provincial Congress, a constitution in and by which a government suitable to the needs and uses of a free and independent State and people came then and there into being and which still exists under the new constitution of the State as originally ratified by the people at an election originally held August 13, 1844, with subsequent amendments, wherein it is set forth and declared that government is instituted for the protection, security, and benefit of the people, and that they have the right at all times to alter or reform the same, whenever the public good may require it, and wherein it is declared that all men are by nature free and independent and have certain natural and unalienable rights, among which are those of enjoying life, liberty; acquiring, possessing, and protecting property; and of pursuing and obtaining safety and happiness.

"(h) That by a declaration of colonial rights by the American Congress, known as the First Continental Congress, sitting in Philadelphia, adopted October 14, 1774, at which were duly elected delegates from New Jersey, it was declared that the colonists were entitled to life, liberty, and property, and that they had never ceded to any sovereign power whatever a right to dispose of either without their consent; that our ancestors, who first settled these colonies, were entitled to all rights, liberties, and immunities of free and natural-born subjects within

the realm of England, and further that the exercise of legislative power in the several colonies by a council appointed during pleasure by the Crown was unconstitutional, dangerous, and destructive to the freedom of American legislation, all and each of which the aforesaid deputies in behalf of themselves and their constituents claimed, demanded, and insisted on as their indubitable rights and liberties, which could not be taken away from them, altered, or abridged by any power whatever without their own consent by their representatives in their several provincial legislatures, and that said First Continental Congress in an address to the inhabitants of the several Anglo-American Colonies, adopted October 21, 1774, in reference to certain statutes of the British Parliament stated to be oppressive, declared that their immediate tendency was to subvert the right of having a share in legislation by rendering assemblies useless, and that the Second Continental Congress, at Philadelphia, on July 6, 1775, proclaimed that the colonists took up arms because by one statute it was declared that Parliament can 'of right make laws to bind us in all cases whatsoever.'

"(i) That by the American Revolution, which took place by the Declaration of Independence, bearing date July 4, 1776, and by its aforesaid Constitution, the State of New Jersey asserted and maintained its right to exercise complete legislative powers over its internal affairs and was and from thenceforth has been a free and independent State, and as such entitled to have and to hold all such rights as free and independent States may have and hold, to do all acts and things which independent States may of right do; and by force of said revolution and said independence the said State of New Jersey became invested with all and every power of government, property and rights of property within and appertaining to said State, which immediately before said revolution were vested in the Crown of England, and at the conclusion of said War of Independence against the Government of England its freedom and independence as a sovereign State was acknowledged by Great Britain in the treaty of Paris of September 3, 1783.

"(j) That the State of New Jersey, by Articles of Confederation, signed July 9, 1778, formed a league of friendship with other American States for the 'security of their liberties,' and under said Articles of Confederation New Jersey did not yield or surrender or delegate any legislative power over its internal affairs and civil institutions nor its powers of economy and police; and it was expressly provided by Article II of said Articles of Confederation that 'each State retains its sovereignty, freedom, and independence, and every power, jurisdiction, and right which is not by this confederation expressly delegated to the United States in Congress assembled,' and further provided by Article XIII, 'Nor shall any alteration at any time hereafter be made in any of them unless such alteration be agreed to in a Congress of the United States and be afterwards confirmed by the legislatures of every State.'

"(k) That by the ratification of the Constitution of the United States by the ninth State on June 21, 1788, the United States of America, under the Articles of Confederation, ceased to exist, and the United States of America, under the Constitution of the United States, composed of the several States, having agreed thereto, came into being, and the Government thereof was organized in March, 1789. That the State of New Jersey was the third State to ratify the Constitution on December 18, 1787, but said act of ratification by the people of New Jersey was made in good faith and with full assurance that said State and the people thereof relinquished only such portion of sovereign power as was necessary and essential for the creation and establishment of a limited National Government for the purposes and with the powers enumerated in the several articles of said Constitution, and that nothing might be the subject of an amendment under Article V thereof which is of a class that could by the nature thereof tend to the destruction either of the United States or the several States nor that might properly be the subject of general legislation as to its internal affairs; nor did the State of New Jersey by any of the 17 amendments thereto afterwards surrender any of the powers, including the powers of economy and police, which were expressly reserved to the States, respectively, or to the people, by the tenth article of amendment, and that the Constitution prior to amendment was accepted and put in force in anticipation of and in reliance upon the adoption of the first amendments afterwards made thereto, as an American bill of rights, interpretative and declaratory of the rights of life, liberty, and property of the citizens of the respective States, and which rights were always and originally comprehended within the words and meaning of the Constitution as first adopted as by the Bill of Rights were so interpreted and declared.

"V. And complainant is advised and therefore avers that the Constitution of the United States does not delegate to the National Government, nor to the people of the United States, any power of economy and police nor power of legislation with respect to the internal affairs and intrastate commerce of the State of New Jersey, nor is said power with respect to the internal affairs of the State of New Jersey prohibited by said Constitution to the State of New Jersey, but is expressly reserved to said State or to the people, according to the determination of the people of said State.

"VI. And complainant alleges that the Sixty-fifth Congress of the United States of America, at its second session, begun and held at the Capitol on Monday, December 3, 1917, assumed, as complainant is advised, a power not delegated to Congress by any provision of the Constitution of the United States, and in derogation of the Constitution of the United States and of the constitution of the State of New Jersey, and of the rights of the people thereof, and in a manner not authorized as aforesaid, purported to enact a joint resolution entitled 'Joint resolution proposing an amendment to the Constitution of the United States,' afterwards known as and called the 'eighteenth amendment,' but without first resolving by a two-thirds vote of both Houses of Congress, as a condition precedent to the submission thereof to the several States for the ratification thereof by the respective legislatures of three-fourths of said States; that the proposed amendment was deemed by said two-thirds of both Houses necessary and without an affirmative vote thereof by two-thirds in number of membership of both Houses of said Congress that said proposal was deemed necessary.

"VII. And complainant is advised and alleges that although the proposal of the so-called eighteenth amendment to the Constitution of the United States, as aforesaid, was unconstitutional, inoperative, and void, on December 28, 1917, the Secretary of State of the United States, without authority in law and under the form, guise, and pretense of complying with constitutional procedure, forwarded, as complainant is informed and believes, a certified copy of said 'joint resolution proposing an amendment to the Constitution of the United States,' to the governor of each State of the United States, and that the governor of each of said States, as complainant is advised, thereafter submitted said proposal of amendment as an eighteenth article of amendment to the Constitution of the United States, as set forth in said joint resolution of Congress, as aforesaid, to their respective bicameral houses of senate and assembly, and thereafter such bodies to the number of three-fourths thereof in the several States of the United States, assuming a power not delegated to said bodies by any provision of the Constitution of the United States, enacted resolutions of alleged ratification of the so-called eighteenth amendment to the Constitution of the United States as submitted by Congress, under the form, guise, and pretense of complying with constitutional procedure.

"VIII. And complainant is advised and alleges that in 21 of said States purporting to have ratified by their respective legislatures the said proposed amendment to the Constitution of the United States, namely, in the States of South Dakota, Oregon, Nevada, Montana, Oklahoma, Maine, Missouri, Michigan, Arkansas, Colorado, Arizona, California, Ohio, Nebraska, Washington, North Dakota, Mississippi, Utah, Massachusetts, Maryland, and New Mexico, the said bicameral bodies are duly restricted by provisions for an initiative and referendum vote or in the two last-named States by provisions for a referendum vote only of the people, and that in fact the said referendum vote only of the people, and that in fact the said States did not by their respective bicameral bodies and by vote of the people of said State ratify according to their respective constitutions the said purported proposal of amendment called the eighteenth amendment; and further that three States, namely, the States of Connecticut, Rhode Island, and New Jersey, have not ratified the said alleged proposal in any respect or manner, and therefore that three-fourths of the legislatures, in the constitutional sense, have not ratified the same, though thereafter certified copies of the resolution of alleged ratification of the so-called eighteenth amendment by the aforesaid bodies, except the Legislatures of Connecticut, Rhode Island, and New Jersey, were forwarded to the State Department of the United States, the certification of the alleged ratification from each State illegally and erroneously setting forth that the proposal contained in said joint resolution of amendment to the Constitution of the United States had been duly adopted as an amendment to the Constitution of the United States by the legislatures of said States, according to the provisions of the Constitution of the United States. Thereafter and under date of January 29, 1919, the Acting Secretary of State, purporting to act in compliance with the statute of the United States in such case made and provided, gave public notice, in and by a certain proclamation of said date, that said alleged amendment to the Constitution

of the United States had been duly ratified by the legislatures of three-fourths of the several States in the United States, and had, accordingly, become valid to all intents and purposes as part of the Constitution of the United States. A copy of said notice or proclamation of the Acting Secretary of State is hereunto attached, marked 'Exhibit I,' to which reference is prayed. The said notice or proclamation embodies a full and accurate copy of the joint resolution of the Houses of Congress above referred to, as well as a full and accurate copy of the said alleged amendment to the Constitution of the United States, now known as the eighteenth article of amendment thereto.

"IX. Complainant is advised and therefore avers that said alleged eighteenth article of amendment to the Constitution of the United States is wholly null and void for all and singular the following reasons, to wit:

"(1) That the power purported to be exercised by Congress in enacting said joint resolution to submit thereby to the legislatures of the several States the alleged eighteenth amendment to the Constitution was not delegated to the Congress by the provisions of Article V of the Constitution, relating to amendments, in that it is not an amendment thereof within the true intent and meaning of that article, and the attempt to exercise such power was a proceeding unconstitutional and revolutionary, in that a written Constitution was well known and understood throughout the United States in the years 1787 to 1790, inclusive, to be an instrument prescribing, regulating, and providing for the exercise of powers of Government by the legislative, executive, and judicial branches thereof, and not to be itself an exercise of such powers, that such was intended to be the Constitution of the United States itself, that such was the intent and meaning of Article V in describing the instrument to be amended in accordance with the terms of that article, and that such was the intent and meaning thereof was declared and made clear by the tenth article of amendment to the Constitution, reserving to the respective States or to the people, as they themselves should determine, the powers not expressly delegated to the United States by the Constitution nor prohibited by it to the States, in order to form a more perfect union and permit, at all times, to the citizens of New Jersey, the right to alter or reform their own government whenever the public good might require it, as declared by article 1, section 2, of the constitution of New Jersey, wherein it is set forth that government is instituted for the protection, security, and benefit of the people, which right as aforesaid to so alter or reform the prohibition of the so-called eighteenth amendment by the citizens of New Jersey, in the interest of local government will be forever after denied them, tending thereby to destroy the essence of the Federal system intended to be created by the Constitution of the United States and thereby tending likewise to the disruption of the United States, rather than to the maintaining of the more perfect union which the public good requires.

"(2) That the special power conferred upon the legislatures of the several States of ratification of proposals to amend the Constitution of the United States was necessarily limited by the nature and purpose of the instrument the amendment of which was authorized; that the powers so conferred were to extend to alterations or additions which were in the nature of constitutional provisions, and did not extend to the exercise of ordinary legislative powers regulating the conduct of life, morals, and religion by private individuals nor of intrastate commerce, constituting government by legislation in the respective States nor to legislative powers of the Congress of the United States; and the prohibition by the alleged eighteenth amendment is mere legislation and not an amendment of the Constitution, but a pretense in the form and guise of an amendment to establish laws unalterable by the people by legislative act, thus wrongfully attempting to regulate and prohibit and deprive them, in their respective States and in the State of New Jersey, of liberty and property.

"(3) That two-thirds of the Members of both Houses of Congress did not as aforesaid in number by affirmative vote, necessary to a proposal of an article of amendment to the Constitution of the United States, deem it necessary or make such a proposal of the joint resolution purporting to propose to the legislatures of the several States the so-called eighteenth amendment, nor did they, by such resolution or otherwise, declare that they deemed the same necessary, and that according to the true intent and meaning of Article V of the Constitution of the United States it is a condition precedent to any amendment that two-thirds of said Members shall, in their judgment, deem an amendment necessary, and evidence their judgment by due action on their part before the Congress shall have power to propose to the several States any such amendment to said Constitution.

"(4) That the said joint resolution proposing an amendment to the Constitution of the United States was not ratified by the legislatures of three-fourths of the respective States in the sense and meaning of the use of the term 'legislatures' in the Constitution of the United States as alleged in article 8 of this bill; and that, in any event, whatever might be the power of the people of the United States acting through conventions elected for that purpose or otherwise to include in the National Constitution ordinary acts of legislation unalterable by the people of the respective and several States contrary to any grant conferred or delegation of power given in the Constitution, and expressly reserved by the tenth article of amendment, and in contravention of ordinary acts of legislation under the power granted to the Congress by Article I of the Constitution of the United States, such as purports to be exercised by the prohibitions and alleged authority of said so-called eighteenth amendment, no such power has been exercised by the people of the United States in respect of such alleged eighteenth amendment, but the proposal was submitted, or attempted to be submitted, in the manner provided in Article V of the Constitution in the alleged exercise of a special power conferred by that article contrary to the true intent and meaning thereof, and that in most of the States the so-called ratification was made by the senate and house of assembly therein, as in each State, respectively, denominated, some of the houses of which, particularly as in the case of Florida, were elected by the people before the joint resolution containing the proposal was adopted by the Congress.

"(5) The prohibitions contained in and the alleged powers authorized in and conferred by the so-called eighteenth amendment were not legislation passed by the Congress and submitted to the President of the United States, and are not, therefore, law in the legislative sense, and the purported and alleged ratification of the prohibition contained in and the alleged powers authorized and conferred by said alleged amendment were withheld from submission to the people of the several States having in their constitutions provisions for reference to them of legislative acts of their respective legislatures before the taking effect thereof, and such acts purporting to ratify the proposal and amend the Constitution of the United States were not legislative acts, so that the law purporting to be constitutional matter as to method and form of government, though not so, has never been passed in the exercise of legislative power as delegated to the United States in and by said Constitution.

"(6) That the exercise of legislative power regulative and prohibitory of decentralized government in internal affairs of the several States under the people thereof in the guise and form of amendment to the Constitution of the United States, such as is attempted to be exercised in and by the alleged eighteenth amendment, thus establishing by centralization of power and authority without the consent of the State of New Jersey and its people and of other States and peoples thereof of laws unalterable and unreformable at all times by them is inconsistent with the fundamental purpose expressed in its preamble to form a more perfect Union and secure the blessings of liberty to posterity, and establishes a precedent whereby no powers will be reserved to the respective States or to the people and no limitation will exist, as expressed in the first 10 articles of amendment or elsewhere in said Constitution, but the powers reserved to and vested in the several States may be annulled and destroyed under the guise and pretense of amending the said Constitution.

"X. And complainant is further advised and believes, and therefore alleges, that although the so-called eighteenth amendment is not a valid amendment to the Constitution of the United States and is inoperative and void, the Sixty-sixth Congress of the United States of America at its first session illegally and erroneously assuming that a power has been delegated to Congress, by the provisions of the so-called eighteenth amendment, passed on October 28, 1919, over the veto of the President of the United States, an act entitled 'An act to prohibit intoxicating beverages, and to regulate the manufacture, production, use, and sale of high-proof spirits for other than beverage purposes, and to insure an ample supply of alcohol and promote its use in scientific research and in the development of fuel, dye, and other lawful industries,' with the short title of 'National prohibition act,' with the intent and purpose of enforcing the so-called eighteenth amendment within the State of New Jersey and the other States of the Union. A copy of the portion of said act of Congress dealing with the subject of prohibition under the alleged eighteenth article of amendment to the Constitution

of the United States, so far as material to the present cause of action, and being Title II of said act of Congress is hereunto attached, marked 'Exhibit II,' and reference thereto is prayed as fully as if herein set forth at length.

"XI. And complainant further shows and alleges that the State of New Jersey, in the exercise of its inherent and exclusive right to manage and control its internal affairs as a separate community and a free and independent State, as aforesaid, and to pursue such policy by such legislation as will provide adequate revenue by developing the resources and encouraging industries within its territorial limits, and to regulate the welfare, morals, and conduct of its citizens, has permitted and caused to be legally established from the beginning within the State extensive and numerous manufactories for the production of intoxicating beverages and liquors for beverage purposes, and that many millions of dollars are invested therein and in the business of retailing the products thereof, and said manufactories and businesses have greatly added to the value of the ratable property within the State; that there are within the State, at the present time, large quantities of intoxicating beverages and liquors that were manufactured for beverage purposes prior to the alleged ratification and taking effect of the so-called eighteenth amendment, and said manufactory properties, real and personal, and intoxicating beverages are of great value as ratable property, amounting to many millions of dollars in money of the United States of America, and hitherto have been, and now are to some extent, a large source of revenue from taxation to complainant; and that should the aforesaid provisions of the national prohibition act be enforced, and continue to be enforced, within the State of New Jersey, the extensive business of manufacturing and selling intoxicating beverages and liquors for beverage purposes within the State of New Jersey will be destroyed and is now in the process of destruction, and the value of the property especially adapted for use in said businesses will be, and has already been, greatly depreciated, and the intoxicating beverages and liquors within the meaning of said statute, of use for beverage purposes now within the State, manufactured for beverage purposes prior to the alleged ratification and taking effect of the so-called eighteenth amendment, will become, and have practically for such purposes already become, of little or no value, whereby the revenue to the State of New Jersey from all said property, based upon the valuation thereof, will be, and has already to the material reduction of its necessary revenue from taxation, been seriously impaired and to the detriment of the self-government of the State and the welfare of its institutions, to the great and irreparable injury of complainant.

"XII. And complainant further shows and alleges that the State of New Jersey, through its municipal subdivisions, grants and has heretofore granted licenses for the sale of spirituous, vinous, malt, and brewed liquors containing more than one-half of 1 per cent of alcohol by volume, fit for the use for beverage purposes, and that the State of New Jersey and its municipal subdivisions have for many years derived annually and now derive, or until the taking effect of the so-called eighteenth amendment to the Constitution of the United States did derive, extensive revenue from the fees for said licenses, said revenue amounting in the year 1918 to the sum of $2,442,899.46 lawful money of the United States of America, and such sum represents approximately the average revenue for other years prior thereto, which has been and is used in a large measure for the support of its said municipal subdivisions, and that should said national prohibition act be enforced within the State of New Jersey the said revenues to the State of New Jersey and to its municipal subdivisions will be entirely lost, to the great and irreparable injury of complainant.

"XIII. And complainant is further advised and alleges that in and by section 1 of Title II of said act it is provided that 'intoxicating liquor shall be construed to include alcohol, brandy, whisky, rum, gin, beer, ale, porter, and wine, and in addition thereto any spirituous, vinous, malt, or fermented liquor, liquids, and compounds, whether medicated, proprietary, patented, or in and by whatever name called, containing one-half of 1 per cent or more of alcohol by volume which are fit for use for beverage purposes,' and in and by section 3 of Title II of said act it is provided that 'no person shall on or after the date when the eighteenth amendment to the Constitution of the United States goes into effect manufacture, sell, barter, transport, import, export, deliver, furnish, or possess any intoxicating liquors,' viz, within the State of New Jersey, and such acts so alleged as offenses and crimes are therein made punishable by heavy fines, imprisonments, and forfeitures, as set forth in other portions of Title II of said act.

"XIV. And the complainant further shows and alleges that under an 'act to regulate the practice of medicine and surgery, to license physicians and surgeons, and to punish persons violating the provisions thereof,' enacted in the year 1894, with its supplements and amendments, it has regulated and now regulates and controls the practice of medicine and conduct by physicians and surgeons in professional practice in the State of New Jersey, and that its State board of examiners charges and collects from applicants for licenses fees for deposit in the State treasury on the issuance of such licenses to practice medicine and surgery in the State, wherein it is provided that any person, after the enactment of the statute, except as therein otherwise provided, who shall commence and continue the practice of medicine and surgery in any of its branches in said State without first having obtained and filed the license therein provided for contrary to the provisions of the act shall be deemed guilty of a misdemeanor and punished by fine and imprisonment, or both, as therein set forth; that the license therein provided is and has been issued to successful applicants who are and have been heretofore qualified and authorized to practice all branches of medicine and surgery, and that the examination of applicants for licenses is conducted covering subjects as follows: Obstetrics and gynecology, practice of medicine, including surgical anatomy and diseases of the eye, ear, and genitourinary organs, anatomy, physiology, chemistry, histology, pathology, bacteriology, hygiene, medical jurisprudence, and in such other subjects as the board of examiners may decide. That the national prohibition act, by Title II thereof, provides that no one shall manufacture, sell, purchase, transport, or prescribe any liquor for medicinal purposes without first obtaining a permit from the defendant commissioner when prescribed by a physician, as therein provided, except in certain limited cases therein set forth; that the said permits are limited to one year and may be granted as a condition subsequent to the giving of a bond, in the discretion of the defendant commissioner, in such form and amount as he may prescribe to insure compliance with the terms and provisions of the said title, and on the refusal of a permit by the commissioner to any applicant for such permit, the applicant may have a review of his decision before a court of equity, during the pendency of which, or until the final ruling, no prescription may be written, and that arbitrarily and unreasonably, contrary to the recognized usage of medical men in the State of New Jersey and from time immemorial, no physician is permitted by its terms to prescribe liquor, to afford relief from some ailment, of not more than a pint of spirituous liquor in 10 days to be taken internally (or even in the form of stimulating enemas in emergency), nor to prescribe liquor as a preventative of disease or ailment, particularly after exposure to wet and cold, to relieve internal congestion resulting from exposure, for the purpose of preventing acute respiratory diseases or ailments, nor are exceptions found therein permitting prescriptions whereby licensed physicians may prescribe alcoholic liquor in conjunction with other medicines, and, as a consequence, the prescribing of liquor with any other medicine or drug is prohibited in using combined stimulation when essential, thus preventing the proper exercise of the license or permit issued to practicing physicians of said State; and, further, that said title and section permit and authorize the absolute refusal, in the discretion of the commissioner, subject to appeal as therein provided, of licenses to those licensed and heretofore licensed to practice medicine and surgery in said State, which is contrary to the rights of the complainants and in divers other respects offending against it as a free and independent State and of the liberty, health, property, and welfare of its people, to its irreparable injury.

"XV. And the complainant further shows and alleges that it owns, conducts, and controls, either directly or through and in conjunction with its municipal and county agencies in government, numerous hospitals for the insane of great size, a village for epileptics, State prisons and penitentiaries, homes for boys and for girls, homes for the feeble-minded, and for tubercular patients, and reformatories; also soldiers' homes and various other institutions or agencies correctional and charitable in their nature, and maintains thereat physicians resident and employed by the State of New Jersey and its municipal and county subdivisions, and that it calls in for the care and treatment, in conjunction with its resident physicians, such physicians as are conducting the general practice of medicine and surgery in the various communities of the State. That in many cases in the practice of medicine such physicians in care of the wards, patients, and those confined in involuntary servitude for crimes and offenses, treat such patients with liquor within the meaning of the national prohibition act, with and without combination with other drugs, for the purpose of pro-

ducing heat and energy in pathological depressive states and in lethargic-physiological activities due to advancing years as well as to conditions in which the waning life force from general debility, senility, or any other cause requires stimulation, and especially in pneumonia and influenza cases, and in other necessities of bodily need, all of which care and treatment by its licensed and employed physicians and surgeons has been, is being, and will be seriously impaired, and perhaps without fault on the part of such physicians, the defendant commissioner may deprive them entirely or temporarily of the liberty of action permitted in said State by its licensing authority and freedom of judgment in the performance of their professional duties and in the employment of said professional servants, all of which is detrimental to the public health and the health of its wards and patients, and contrary to the fundamental charter and rights of the complainant and welfare of the people of the State of New Jersey in the premises.

"XVI. And complainant is informed and believes, and therefore alleges, that said national prohibition act by Title II, in section 1 thereof, defines the words 'intoxicating liquors' intended and required to be subject to the prohibition of the alleged eighteenth amendment, as meaning those liquors which contain one-half of 1 per cent or more of alcohol by *volume*, except such liquor as is exempted as to persons or uses, as therein noted, to which reference is hereby prayed, and complainant further alleges that the said standard of alcoholic content so fixed by said act is not intoxicating in fact, and that a content of 3½ per cent of alcohol in liquid by volume, and even a much larger per cent of such content of alcohol by volume, in liquid, is not intoxicating, when used for beverage purposes, and that liquor containing but one-half of 1 per cent of alcohol by *volume* is substantially less than one-seventh of the amount necessary to constitute such liquor an intoxicating beverage in fact.

"And complainant further alleges that the manufacture and sale of such nonintoxicating liquor, namely, spirituous, vinous, malt, or brewed liquor, is authorized and lawful under the existing laws of the State of New Jersey, authorizing the licensing thereof by sale for regulation and revenue, and that numerous persons, within the definition of the said act of Congress in the State of New Jersey, citizens thereof, prior to and at the time of the alleged ratification and taking effect of the so-called eighteenth amendment and the enactment of said national prohibition act, were engaged under the laws and licenses of the complainant State in the manufacture and sale for beverage purposes of such nonintoxicating liquor containing not to exceed 2¾ per cent of alcohol by *weight*, which is equivalent to 3⅘ per cent of alcohol by *volume;* which manufacture and sale for beverage purposes are prohibited by the terms and provisions of the said national prohibition act, and which prohibitions and restrictions therein contained are contrary to the terms of said so-called eighteenth amendment and are wholly erroneous in statement of fact as to what alcoholic content in liquid to be used for beverage purposes constitutes liquor intoxicating and is contrary to the definition and finding of fact as established by the provisions of an existing law of the State of New Jersey of March, 1920, entitled 'An act to prohibit the manufacture, sale, or transportation within the State of New Jersey of intoxicating liquors for beverage purposes, defining the term "intoxicating liquors," and providing for the punishment of violations hereof,' which is hereunto annexed and made a part hereof, marked Exhibit III, reference to which is hereby prayed as if recited at length. That in and by section 2 of said act of the State of New Jersey intoxicating liquors are defined to be any alcoholic beverage containing more than 3½ per cent by volume, and any such alcoholic beverages are in said act prohibited from manufacture, sale, or transportation in said State; and said national prohibition act, by Title II, if enforced in the State of New Jersey contrary to the legislative enactments of said State, is unconstitutional, arbitrary, and oppressive, and deprives the complainant of revenue from its said licenses.

"XVII. And complainant alleges that by Title II of said act of Congress the word 'liquor' is defined and construed to include alcohol, brandy, whisky, rum, gin, beer, ale, porter, and wine, and in addition thereto any spirituous, vinous, malt, or fermented liquor, liquids, and compounds, whether medicated, proprietary, patented, or not, and by whatever name called, containing one-half of 1 per cent or more of alcohol by volume, which are fit for use for beverage purposes, and said act prohibits the use of the names of beer, ale, and porter in connection with the manufacture and sale of nonintoxicating malt beverages. And complainant further alleges that the names beer, ale, and porter have from time immemorial been used to designate and describe the malt beverages now familiar to the public under those names regardless of the alcoholic content or intoxicating qualities thereof; that many varieties of beer, ale, and porter contain less than one-half of 1 per cent of alcohol by *volume;* and that the deprivation of the right heretofore existing to manufacture liquids by their appropriate and long-established and widely known names of beer, ale, and porter in intrastate commerce, though not intoxicating in fact nor by the definition of Congress, as set forth in this bill, is unreasonable, unnecessary, arbitrary, and oppressive, and contrary to and injurious to the rights and interests of the complainant to license for revenue under its legislative enactments the manufacture or sale of nonintoxicating beverages by such names, and detrimental to the welfare of said State and its people.

"XVIII. And complainant is advised by counsel, and therefore avers, that said portion of the national prohibition act which by its terms is required to be enforced from and after the taking effect of the so-called eighteenth amendment, and by reason of its taking effect is now enforceable, and, as complainant is informed and believes, is considered by defendants enforceable, and is intended to be enforced according to its terms by them according to the construction placed upon said act by them severally and jointly, as aforesaid, and is now being and will be so enforceable and enforced by them after the conclusion of peace between the United States of America and the Government of Germany and the allies of Germany upon proclamation of the President of the United States that peace exists when such proclamation is made, as provided by the act of Congress of August 10, 1917, entitled 'An act to provide further for the national security and defense by encouraging production, conserving the supply, and controlling the distribution of food products and fuel,' so that the war-time prohibition shall then cease, yet complainant is now and will be continuously hereafter subjected to irreparable injury by the provisions of said national prohibition act, enforceable or to be enforced, both now and hereafter, irrespective of the restrictions of war-time prohibition.

"XIX. And complainant is further advised, and therefore avers, that the defendants above named are by law expressly charged with the duty of enforcing the terms and provisions of that portion of the national prohibition act hereto annexed as Exhibit II and herein complained of within the State of New Jersey, and are now engaged in carrying out and intend unlawfully and unconstitutionally, by abuse of power, to attempt to carry out the provisions and enforce the prohibitions thereof without first having obtained the consent of the State of New Jersey or the people thereof, so as to deprive the State of New Jersey of that liberty in such management and self-government to which it always was and still is entitled as a free and independent State under the Constitution of the United States.

"XX. And complainant is advised, and therefore avers, that said portion in this bill excepted to of the national prohibition act of October 28, 1919, is unconstitutional and void and beyond the power of the Federal Government to enforce for all and singular the following reasons, to wit:

"(a) Because said act of Congress was enacted under and pursuant to the alleged authority purported to be conferred upon Congress in and by the alleged eighteenth article of amendment to the Constitution of the United States, which is itself null and void, as hereinbefore alleged.

"(b) Because said act of Congress prohibits and restricts the manufacture and sale in intrastate commerce of intoxicating liquors in the State of New Jersey from the time of the taking effect of said so-called eighteenth amendment.

"(c) Because the State of New Jersey has not concurred in the provisions of said national prohibition act of October 28, 1919, and if enforced without its concurrence or contrary thereto would violate, override, and nullify the rights and powers vested in and reserved to the State of New Jersey in respect to its internal and intrastate affairs and concerns under the Constitution of the United States and the amendments thereto.

"(d) Because said act of Congress interferes with and will depreciate and in a large measure destroy the taxable value of real and personal property manufactured and used in the manufacture and sale of liquor in the State of New Jersey, and is therefore destructive of free and independent government of the State of New Jersey under the people.

"(e) Because said act of Congress, by its provisions, has deprived and will permanently deprive complainant of its revenue from licenses from the manufacture and sale of spirituous, vinous, or fermented liquor, liquids, and compounds containing more than one-half of 1 per cent of alcohol by *volume*, amounting annually to not less than $2,442,899.46, thus depriving the

State directly and in its municipal subdivisions of a large part of the revenue necessary for the support of its State government.

"(f) Because said act of Congress, by its provisions, purports to and does interfere in the internal government of the people of the State of New Jersey, and operates to punish them by heavy fines, imprisonments, and forfeitures for violation of its provisions, thus preventing the application for licenses for sale of nonintoxicating beverages permitted under the laws of the State of New Jersey, which impairs the revenues of complainant.

"(g) Because said act of Congress, by its provisions, restricts the practice of physicians and surgeons of the State of New Jersey in the professional conduct in internal practice as regulated and licensed by complainant, and jeopardizes and menaces the health of its citizens and the rights and liberties of said physicians and surgeons in maintaining the public health, undertaking to severely punish them for violation of its prohibitions and provisions, and in the discretion of the defendant commissioner to deprive any or all of them from prescribing in their professional practice intoxicating liquors.

"(h) Because said act of Congress, by its provisions, interferes, hampers, prohibits, and restrains the complainant's employed physicians and surgeons, as well as its licensed physicians and surgeons, from their proper exercises of discretion in the treatment and prescribing for and in behalf of the wards, patients, and prisoners of the State of New Jersey in its own institutions and hospitals and those of its municipal subdivisions, and by its provisions makes it possible and provides that the license, in the exercise of the discretion of the defendant commissioner, may be refused or suspended as respects said physicians and surgeons, thus unwarrantably interfering in the internal and private affairs of said State government and making the exercise of their professional duties dependent upon the will or discretion of said defendant.

"(i) Because, in so far as it affects nonintoxicating liquors, said act of Congress is not *appropriate* legislation to enforce the prohibition contained in section 1 of said alleged eighteenth article of amendment to the Constitution of the United States, which is expressly confined and limited to intoxicating liquors, and because liquids denominated beer, ale, or porter, though nonintoxicating and not containing more than one-half of 1 per cent of alcohol, are by its terms prohibited.

"(j) Because said act of Congress, by its provisions, in attempting to regulate and prohibit in the State of New Jersey the manufacture and sale of nonintoxicating liquors as defined by the New Jersey Legislature, and in attempting to interfere with the regulation of the health, liberty, and property of the citizens of New Jersey, contrary to its exclusive and inherent powers of economy and police, is not appropriate legislation.

"XXI. And complainant further shows and alleges that the so-called eighteenth amendment to the Constitution of the United States, by section 2 thereof, provides that 'the Congress and the several States shall have concurrent power to enforce this article by appropriate legislation,' to wit, the prohibition contained in section 1 of said so-called article of amendment (Exhibit I). And complainant, not in any manner waiving its unalienable sovereign right and power to govern and control its internal affairs, and especially in respect of those sought to be ruled by said so-called eighteenth amendment, nor in any manner conceding that said amendment is valid, and protesting that said so-called amendment is an unlawful, revolutionary, and confiscatory invasion of its sovereignty, nevertheless shows: That contrary to the provisions of said section 2, and without any authority, constitutional or otherwise, Congress, by enacting the said national prohibition act, by its provisions, prohibitions, and restrictions has attempted to interfere with and encroach upon the exclusive power of the State of New Jersey to enforce said amendment intrastate, if the so-called article of amendment is valid, and the defendants have already, irrespective of the final decree of this honorable court, undertaken, and complainant is informed and believes intend, to enforce the said act, according to its terms, in the State of New Jersey, and have interfered and intend to interfere with the internal affairs and intrastate commerce of said State and thereby to override, encroach upon, and to such extent destroy complainant's powers of economy and police to the jeopardy of the welfare, health, happiness, liberty, and property of its citizens, in violation of the powers conferred by section 2 of said so-called eighteenth article of amendment; and complainant further is advised and alleges that the prohibition of the so-called eighteenth amendment is enforceable, if at all, if valid, within the State of New Jersey by its own State power, or concurrence, under its own laws in the enforcement thereof, as in this bill of complaint set forth and otherwise, and not contrary thereto, and particularly under the provisions of an act entitled 'An act to prohibit the manufacture, sale, or transportation within the State of New Jersey of intoxicating liquors for beverage purposes, defining the term "intoxicating liquors," and providing for the punishment of violations thereof,' as aforesaid.

"And complainant further alleges that the power of the Federal Government by virtue of said so-called amendment, if valid, is a power to enforce said so-called amendment only so far and to the extent that the same relates to the external concerns of the United States and within the peculiar domain of the Federal Government to regulate commerce among the States, as heretofore, as distinguished from the right of the State of New Jersey, to enforce said so-called amendment intrastate, and to regulate its internal affairs, in that said alleged amendment confers on the State of New Jersey the right and power to legislate thereunder within its own borders.

"Forasmuch, therefore, as complainant is without adequate remedy at law and its only protection in the premises must arise from the powers of this honorable court, in the exercise of its original jurisdiction, the State of New Jersey respectfully prays that there be granted a writ of subpœna issuing out of this honorable court to be directed to the said A. Mitchell Palmer, Attorney General of the United States, and to the said Daniel C. Roper, United States Commissioner of Internal Revenue, the defendants herein named, demanding them and requiring them and each of them to appear and answer thereto, but not under oath, answer under oath being hereby expressly waived; and that the so-called eighteenth amendment be declared invalid, unconstitutional, usurpatory, and void; and that such portion of the national prohibition act as applies or relates to the enforcement of the so-called eighteenth amendment enacted by Congress under the assumed authority of said so-called amendment be declared unconstitutional and void, or if said so-called eighteenth amendment and the portions of the national prohibition act dependent thereon shall be found to be valid in whole or in part, or in any case, that defendants, their assistants, subordinates, agents, and servants be enjoined and restrained from enforcing such portions of the said national prohibition act in the State of New Jersey, in such manner as to interfere with the regulation of the internal affairs of the complainant, and that complainant may have such other and further relief as to this court may seem just and equitable in the premises.

"STATE OF NEW JERSEY,
"By THOMAS F. MCCRAN,
"*Attorney General of the State of New Jersey.*"

"UNITED STATES OF AMERICA,
"*District of New Jersey, ss:*

"I, Thomas F. McCran, being duly sworn, depose and say that I am the attorney general of the State of New Jersey; that I have read the foregoing bill of complaint and know the contents thereof; that so far as the same are allegations of fact they are true of my own knowledge, and so far as they are allegations upon advice, information and belief, I believe them to be true.

"THOMAS F. MCCRAN.

"Subscribed and sworn to in the city of Trenton and county of Mercer, at the capitol of the State of New Jersey, in said district, this 2d day of March, 1920.

"WM. B. MACKEY, JR.,
"*A Master in Chancery of New Jersey.*"

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"EXHIBIT I.

"AMENDMENT TO THE CONSTITUTION, 1919.

"[Frank L. Polk, Acting Secretary of State of the United States of America.]

"*To all to whom these presents shall come, greeting:*

"Know ye that the Congress of the United States at the second session, Sixty-fifth Congress, begun at Washington on the 3d day of December, in the year 1917, passed a resolution in the words and figures following, to wit:

"'Joint resolution proposing an amendment to the Constitution of the United States.

"'*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of the Constitution when ratified by the legislatures of the several States as provided by the Constitution:

"'ARTICLE —.

"'SECTION 1. After one year from the ratification of this article the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation

thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited.

"'SEC. 2. The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.

"'SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress.'

"And, further, that it appears from official documents on file in this department that the amendment to the Constitution of the United States proposed as aforesaid has been ratified by the legislatures of the States of Alabama, Arizona, California, Colorado, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Montana, Nebraska, New Hampshire, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, South Dakota, South Carolina, Texas, Utah, Virginia, Washington, West Virginia, Wisconsin, and Wyoming.

"And, further, that the States whose legislatures have so ratified the said proposed amendment constitute three-fourths of the whole number of States in the United States.

"Now, therefore, be it known that I, Frank L. Polk, Acting Secretary of State of the United States, by virtue and in pursuance of section 205 of the Revised Statutes of the United States, do hereby certify that the amendment aforesaid has become valid to all intents and purposes as a part of the Constitution of the United States.

"In testimony whereof I have hereunto set my hand and caused the seal of the Department of State to be affixed.

"Done at the city of Washington this 29th day of January, in the year of our Lord 1919.

[SEAL.] "FRANK L. POLK,
"*Acting Secretary of State.*

EXHIBIT II.

"An act (H. R. 6810) to prohibit intoxicating beverages, and to regulate the manufacture, production, use, and sale of high-proof spirits for other than beverage purposes, and to insure an ample supply of alcohol and promote its use in scientific research and in the development of fuel, dye, and other lawful industries.

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the short title of this act shall be the 'national prohibition act.'

* * * * * * *

"TITLE II.

"PROHIBITION OF INTOXICATING BEVERAGES.

"SEC. 1. When used in Title II and Title III of this act (1) the word 'liquor' or the phrase 'intoxicating liquor' shall be construed to include alcohol, brandy, whisky, rum, gin, beer, ale, porter, and wine, and in addition thereto any spirituous, vinous, malt, or fermented liquors, liquids, and compounds, whether medicated, proprietary, patented, or not, and by whatever name called, containing one-half of 1 per cent or more of alcohol by volume which are fit for use for beverage purposes: *Provided*, That the foregoing definition shall not extend to dealcoholized wine nor to any beverage or liquid produced by the process by which beer, ale, porter, or wine is produced, if it contains less than one-half of 1 per cent of alcohol by volume, and is made as prescribed in section 37 of this title, and is otherwise denominated than as beer, ale, or porter, and is contained and sold in, or from, such sealed and labeled bottles, casks, or containers as the commissioner may by regulation prescribe.

"(2) The word 'person' shall mean and include natural persons, associations, copartnerships, and corporations.

"(3) The word 'commissioner' shall mean Commissioner of Internal Revenue.

"(4) The term 'application' shall mean a formal written request supported by a verified statement of facts showing that the commissioner may grant the request.

"(5) The term 'permit' shall mean a formal written authorization by the commissioner setting forth specifically therein the things that are authorized.

"(6) The term 'bond' shall mean an obligation authorized or required by or under this act or any regulation, executed in such form and for such a penal sum as may be required by a court, the commissioner, or prescribed by regulation.

"(7) The term 'regulation' shall mean any regulation prescribed by the commissioner with the approval of the Secretary of the Treasury for carrying out the provisions of this act, and the commissioner is authorized to make such regulations.

"Any act authorized to be done by the commissioner may be performed by any assistant or agent designated by him for that purpose. Records required to be filed with the commissioner may be filed with an assistant commissioner or other person designated by the commissioner to receive such records.

"SEC. 2. The Commissioner of Internal Revenue, his assistants, agents, and inspectors shall investigate and report violations of this act to the United States attorney for the district in which committed, who is hereby charged with the duty of prosecuting the offenders, subject to the direction of the Attorney General, as in the case of other offenses against the laws of the United States; and such Commisioner of Internal Revenue, his assistants, agents, and inspectors may swear out warrants before United States commisioners or other officers or courts authorized to issue the same for the apprehension of such offenders, and may, subject to the control of the said United States attorney, conduct the prosecution at the committing trial for the purpose of having the offenders held for the action of a grand jury. Section 1014 of the Revised Statutes of the United States is hereby made applicable in the enforcement of this act. Officers mentioned in said section 1014 are authorized to issue search warrants under the limitations provided in Title XI of the act approved June 15, 1917 (40th Stat. at L., p. 217, et seq.).

"SEC. 3. No person shall on or after the date when the eighteenth amendment to the Constitution of the United States goes into effect, manufacture, sell, barter, transport, import, export, deliver, furnish, or possess any intoxicating liquor except as authorized in this act, and all the provisions of this act shall be liberally construed to the end that the use of intoxicating liquor as a beverage may be prevented.

"Liquor for nonbeverage purposes and wine for sacramental purposes may be manufactured, purchased, sold, bartered, transported, imported, exported, delivered, furnished, and possessed, but only as herein provided, and the commissioner may, upon application, issue permits therefor: *Provided*, That nothing in this act shall prohibit the purchase and sale of warehouse receipts covering distilled spirits on deposit in Government bonded warehouses, and no special tax liability shall attach to the business of purchasing and selling such warehouse receipts.

"SEC. 4. The articles enumerated in this section shall not, after having been manufactured and prepared for the market, be subject to the provisions of this act if they correspond with the following descriptions and limitations, namely:

"(a) Denatured alcohol or denatured rum produced and used as provided by laws and regulations now or hereafter in force.

"(b) Medicinal preparations manufactured in accordance with formulas prescribed by the United States Pharmacopœia, National Formulary, or the American Institute of Homeopathy that are unfit for use for beverage purposes.

"(c) Patented, patent, and proprietary medicines that are unfit for use for beverage purposes.

"(d) Toilet, medicinal, and antiseptic preparations and solutions that are unfit for use for beverage purposes.

"(e) Flavoring extracts and sirups that are unfit for use as a beverage, or for intoxicating beverage purposes.

"(f) Vinegar and preserved sweet cider.

"A person who manufactures any of the articles mentioned in this section may purchase and possess liquor for that purpose, but he shall secure permits to manufacture such articles and to purchase such liquor, give the bonds, keep the records, and make the reports specified in this act and as directed by the commissioner. No such manufacturer shall sell, use, or dispose of any liquor otherwise than as an ingredient of the articles authorized to be manufactured therefrom. No more alcohol shall be used in the manufacture of any extract, sirup, or the articles named in paragraphs b, c, and d of this section which may be used for beverage purposes than the quantity necessary for extraction or solution of the elements contained therein and for the preservation of the article.

"Any person who shall knowingly sell any of the articles mentioned in paragraphs a, b, c, and d of this section for beverage purposes, or any extract or sirup for intoxicating beverage purposes, or who shall sell any of the same under circumstances from which the seller might reasonably deduce the intention of the purchaser to use them for such purposes, or shall sell any beverage containing one-half of 1 per cent or more of alcohol by volume in which any extract, sirup, or other article is used as an ingredient, shall be subject to the penalties provided in section 29 of this title. If the commissioner shall find, after notice and hearing as provided for in section 5 of this title, that any person has sold any flavoring extract, sirup, or beverage in violation of this paragraph, he shall notify such person, and any known principal for whom the sale was made, to desist from selling such article; and it shall thereupon be unlawful for a period of one year thereafter for any person so notified to sell any such extract, sirup, or beverage without making an appli-

cation for, giving a bond, and obtaining a permit so to do, which permit may be issued upon such conditions as the commissioner may deem necessary to prevent such illegal sales and, in addition, the commissioner shall require a record and report of sales.

"SEC. 5. Whenever the commissioner has reason to believe that any article mentioned in section 4 does not correspond with the descriptions and limitations therein provided, he shall cause an analysis of said article to be made, and if, upon such analysis, the commissioner shall find that said article does not so correspond, he shall give not less than 15 days' notice in writing to the person who is the manufacturer thereof to show cause why said article should not be dealt with as an intoxicating liquor, such notice to be served personally or by registered mail, as the commissioner may determine, and shall specify the time when, the place where, and the name of the agent or official before whom such person is required to appear.

"If the manufacturer of said article fails to show to the satisfaction of the commissioner that the article corresponds to the descriptions and limitations provided in section 4 of this title, his permit to manufacture and sell such article shall be revoked. The manufacturer may by appropriate proceeding in a court of equity have the action of the commissioner reviewed, and the court may affirm, modify, or reverse the finding of the commissioner as the facts and law of the case may warrant, and during the pendency of such proceedings may restrain the manufacture, sale, or other disposition of such article.

"SEC. 6. No one shall manufacture, sell, purchase, transport, or prescribe any liquor without first obtaining a permit from the commissioner so to do, except that a person may, without a permit, purchase and use liquor for medicinal purposes when prescribed by a physician as herein provided, and except that any person who in the opinion of the commissioner is conducting a bona fide hospital or sanatorium engaged in the treatment of persons suffering from alcoholism may, under such rules, regulations, and conditions as the commissioner shall prescribe, purchase and use, in accordance with the methods in use in such institution, liquor to be administered to the patients of such institution under the direction of a duly qualified physician employed by such institution.

"All permits to manufacture, prescribe, sell, or transport liquor may be issued for one year, and shall expire on the 31st day of December next succeeding the issuance thereof: *Provided*, That the commissioner may, without formal application or new bond, extend any permit granted under this act or laws now in force after August 31 in any year to December 31 of the succeeding year: *Provided further*, That permits to purchase liquor for the purpose of manufacturing or selling as provided in this act shall not be in force to exceed 90 days from the day of issuance. A permit to purchase liquor for any other purpose shall not be in force to exceed 30 days. Permits to purchase liquor shall specify the quantity and kind to be purchased and the purpose for which it is to be used. No permit shall be issued to any person who within one year prior to the application therefor or issuance thereof shall have violated the terms of any permit issued under this title or any law of the United States or of any State regulating traffic in liquor. No permit shall be issued to anyone to sell liquor at retail, unless the sale is to be made through a pharmacist designated in the permit and duly licensed under the laws of his State to compound and dispense medicine prescribed by a duly licensed physician. No one shall be given a permit to prescribe liquor unless he is a physician duly licensed to practice medicine and actively engaged in the practice of such profession. Every permit shall be in writing, dated when issued, and signed by the commissioner or his authorized agent. It shall give the name and address of the person to whom it is issued and shall designate and limit the acts that are permitted and the time when and place where such acts may be performed. No permit shall be issued until a verified, written application shall have been made therefor, setting forth the qualification of the applicant and the purpose for which the liquor is to be used.

"The commissioner may prescribe the form of all permits and applications and the facts to be set forth therein. Before any permit is granted the commissioner may require a bond in such form and amount as he may prescribe to insure compliance with the terms of the permit and the provisions of this title. In the event of the refusal by the commissioner of any application for a permit, the applicant may have a review of his decision before a court of equity in the manner provided in section 5 hereof.

"Nothing in this title shall be held to apply to the manufacture, sale, transportation, importation, possession, or distribution of wine for sacramental purposes, or like religious rites, except section 6 (save as the same requires a permit to purchase) and section 10 hereof, and the provisions of this act prescribing penalties for the violation of either of said sections. No person to whom a permit may be issued to manufacture, transport, import, or sell wines for sacramental purposes or like religious rites shall sell, barter, exchange, or furnish any such to any person not a rabbi, minister of the gospel, priest, or an officer duly authorized for the purpose by any church or congregation, nor to any such except upon an application duly subscribed by him, which application, authenticated as regulations may prescribe, shall be filed and preserved by the seller. The head of any conference or diocese or other ecclesiastical jurisdiction may designate any rabbi, minister, or priest to supervise the manufacture of wine to be used for the purposes and rites in this section mentioned, and the person so designated may, in the discretion of the commissioner, be granted a permit to supervise such manufacture.

"SEC. 7. No one but a physician holding a permit to prescribe liquor shall issue any prescription for liquor. And no physician shall prescribe liquor unless after careful physical examination of the person for whose use such prescription is sought, or if such examination is found impracticable, then upon the best information obtainable, he in good faith believes that the use of such liquor as a medicine by such person is necessary and will afford relief to him from some known ailment. Not more than a pint of spirituous liquor to be taken internally shall be prescribed for use by the same person within any period of 10 days, and no prescription shall be filled more than once. Any pharmacist filling a prescription shall at the time indorse upon it over his own signature the word 'canceled,' together with the date when the liquor was delivered, and then make the same a part of the record that he is required to keep as herein provided.

"Every physician who issues a prescription for liquor shall keep a record alphabetically arranged in a book prescribed by the commissioner, which shall show the date of issue, amount prescribed, to whom issued, the purpose or ailment for which it is to be used, and directions for use, stating the amount and frequency of the dose.

"SEC. 8. The commissioner shall cause to be printed blanks for the prescriptions herein required, and he shall furnish the same free of cost to physicians holding permits to prescribe. The prescription blanks shall be printed in book form and shall be numbered consecutively from 1 to 100, and each book shall be given a number, and the stubs in each book shall carry the same numbers as and be copies of the prescriptions. The books containing such stubs shall be returned to the commissioner when the prescription blanks have been used, or sooner if directed by the commissioner. All unused, mutilated, or defaced blanks shall be returned with the book. No physician shall prescribe and no pharmacist shall fill any prescription for liquor except on blanks so provided, except in cases of emergency, in which event a record and report shall be made and kept as in other cases.

"SEC. 9. If at any time there shall be filed with the commissioner a complaint under oath setting forth facts showing, or if the commissioner has reason to believe, that any person who has a permit is not in good faith conforming to the provisions of this act, or has violated the laws of any State relating to intoxicating liquor, the commissioner or his agent shall immediately issue an order citing such person to appear before him on a day named not more than 30 and not less than 15 days from the date of service upon such permittee of a copy of the citation, which citation shall be accompanied by a copy of such complaint, or in the event that the proceedings be initiated by the commissioner, with a statement of the facts constituting the violation charged, at which time a hearing shall be had, unless continued for cause. Such hearing shall be held within the judicial district and within 50 miles of the place where the offense is alleged to have occurred, unless the parties agree on another place. If it be found that such person has been guilty of willfully violating any such laws, as charged, or has not in good faith conformed to the provisions of this act, such permit shall be revoked, and no permit shall be granted to such person within one year thereafter. Should the permit be revoked by the commissioner, the permittee may have a review of his decision before a court of equity in the manner provided in section 5 hereof. During the pendency of such action such permit shall be temporarily revoked.

"SEC. 10. No person shall manufacture, purchase for sale, sell, or transport any liquor without making at the time a permanent record thereof showing in detail the amount and kind of liquor manufactured, purchased, sold, or transported, together with the names and addresses of the persons to whom sold, in case of sale, and the consignor and consignee in case of transportation, and the time and place of such manufacture, sale, or transportation. The commissioner may prescribe the form of such record, which shall at all times be open to inspection as in this act provided.

"SEC. 11. All manufacturers and wholesale or retail druggists shall keep as a part of the records required of them a copy of all permits to purchase on which a sale of any liquor is made, and no manufacturer or wholesale druggist shall sell or otherwise dispose of any liquor except at wholesale and only to persons having permits to purchase in such quantities.

"SEC. 12. All persons manufacturing liquor for sale under the provisions of this title shall securely and permanently attach to every container thereof, as the same is manufactured, a label stating name of manufacturer, kind and quantity of liquor contained therein, and the date of its manufacture, together with the number of the permit authorizing the manufacture thereof; and all persons possessing such liquor in wholesale quantities shall securely keep and maintain such label thereon; and all persons selling at wholesale shall attach to every package of liquor, when sold, a label setting forth the kind and quantity of liquor contained therein, by whom manufactured, the date of sale, and the person to whom sold, which label shall likewise be kept and maintained thereon until the liquor is used for the purpose for which such sale was authorized.

"SEC. 13. It shall be the duty of every carrier to make a record at the place of shipment of the receipt of any liquor transported, and he shall deliver liquor only to persons who present to the carrier a verified copy of a permit to purchase which shall be made a part of the carrier's permanent record at the office from which delivery is made.

"The agent of the common carrier is hereby authorized to administer the oath to the consignee in verification of the copy of the permit presented, who, if not personally known to the agent, shall be identified before the delivery of the liquor to him. The name and address of the person identifying the consignee shall be included in the record.

"SEC. 14. It shall be unlawful for a person to use or induce any carrier, or any agent or employee thereof, to carry or ship any package or receptacle containing liquor without notifying the carrier of the true nature and character of the shipment. No carrier shall transport nor shall any person receive liquor from a carrier unless there appears on the outside of the package containing such liquor the following information:

"Name and address of the consignor or seller, name and address of the consignee, kind and quantity of liquor contained therein, and number of the permit to purchase or ship the same, together with the name and address of the person using the permit.

"SEC. 15. It shall be unlawful for any consignee to accept or receive any package containing any liquor upon which appears a statement known to him to be false, or for any carrier or other person to consign, ship, transport, or deliver any such package, knowing such statement to be false.

"SEC. 16. It shall be unlawful to give to any carrier or any officer, agent, or person acting or assuming to act for such carrier an order requiring the delivery to any person of any liquor or package containing liquor consigned to, or purporting or claimed to be consigned to, a person, when the purpose of the order is to enable any person not an actual bona fide consignee to obtain such liquor.

"SEC. 17. It shall be unlawful to advertise anywhere, or by any means or method, liquor, or the manufacture, sale, keeping for sale, or furnishing of the same, or where, how, from whom, or at what price the same may be obtained. No one shall permit any sign or billboard containing such advertisement to remain upon one's premises. But nothing herein shall prohibit manufacturers and wholesale druggists holding permits to sell liquor from furnishing price lists, with description of liquor for sale, to persons permitted to purchase liquor, or from advertising alcohol in business publications or trade journals circulating generally among manufacturers of lawful alcoholic perfumes, toilet preparations, flavoring extracts, medicinal preparations, and like articles: *Provided, however,* That nothing in this act or in the act making appropriations for the Post Office Department, approved March 3, 1917 (39 Stat. L., pt. 1, p. 1058 et seq.), shall apply to newspapers published in foreign countries when mailed to this country.

"SEC. 18. It shall be unlawful to advertise, manufacture, sell, or possess for sale any utensil, contrivance, machine, preparation, compound, tablet, substance, formula, direction, or recipe advertised, designed, or intended for use in the unlawful manufacture of intoxicating liquor.

"SEC. 19. No person shall solicit or receive, nor knowingly permit his employee to solicit or receive, from any person any order for liquor or give any information of how liquor may be obtained in violation of this act.

"SEC. 20. Any person who shall be injured in person, property, means of support, or otherwise by any intoxicated person, or by reason of the intoxication of any person, whether resulting in his death or not, shall have a right of action against any person who shall, by unlawfully selling to or unlawfully assisting in procuring liquor for such intoxicated person, have caused or contributed to such intoxication, and in any such action such person shall have a right to recover actual and exemplary damages. In case of the death of either party, the action or right of action given by this section shall survive to or against his or her executor or administrator, and the amount so recovered by either wife or child shall be his or her sole and separate property. Such action may be brought in any court of competent jurisdiction. In any case where parents shall be entitled to such damages, either the father or mother may sue alone therefor, but recovery by one of such parties shall be a bar to suit brought by the other.

"SEC. 21. Any room, house, building, boat, vehicle, structure, or place where intoxicating liquor is manufactured, sold, kept, or bartered in violation of this title, and all intoxicating liquor and property kept and used in maintaining the same, is hereby declared to be a common nuisance, and any person who maintains such a common nuisance shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or be imprisoned for not more than one year, or both. If a person has knowledge or reason to believe that his room, house, building, boat, vehicle, structure, or place is occupied or used for the manufacture or sale of liquor contrary to the provision of this title, and suffers the same to be so occupied or used, such room, house, building, boat, vehicle, structure, or place shall be subject to a lien for and may be sold to pay all fines and costs assessed against the person guilty of such nuisance for such violation, and any such lien may be enforced by action in any court having jurisdiction.

"SEC. 22. An action to enjoin any nuisance defined in this title may be brought in the name of the United States by the Attorney General of the United States or by any United States attorney or any prosecuting attorney of any State or any subdivision thereof or by the commissioner or his deputies or assistants. Such action shall be brought and tried as an action in equity and may be brought in any court having jurisdiction to hear and determine equity cases. If it is made to appear by affidavits or otherwise, to the satisfaction of the court or judge in vacation, that such nuisance exists, a temporary writ of injunction shall forthwith issue restraining the defendant from conducting or permitting the continuance of such nuisance until the conclusion of the trial. If a temporary injunction is prayed for the court may issue an order restraining the defendant and all other persons from removing or in any way interfering with the liquor or fixtures or other things used in connection with the violation of this act constituting such nuisance. No bond shall be required in instituting such proceedings. It shall not be necessary for the court to find the property involved was being unlawfully used as aforesaid at the time of the hearing, but on finding that the material allegations of the petition are true, the court shall order that no liquors shall be manufactured, sold, bartered, or stored in such room, house, building, boat, vehicle, structure, or place, or any part thereof. And upon judgment of the court ordering such nuisance to be abated, the court may order that the room, house, building, structure, boat, vehicle, or place shall not be occupied or used for one year thereafter; but the court may, in its discretion, permit it to be occupied or used if the owner, lessee, tenant, or occupant thereof shall give bond with sufficient surety, to be approved by the court making the order, in the penal and liquidated sum of not less than $500 nor more than $1,000 payable to the United States, and conditioned that intoxicating liquor will not thereafter be manufactured, sold, bartered, kept, or otherwise disposed of therein or thereon, and that he will pay all fines, costs, and damages that may be assessed for any violation of this title upon said property.

"SEC. 23. That any person who shall, with intent to effect a sale of liquor, by himself, his employee, servant, or agent for himself or any person, company, or corporation, keep or carry around on his person, or in a vehicle, or other conveyance whatever, or leave in a place for another to secure, any liquor, or who shall travel to solicit, or solicit, or take, or accept orders for the sale, shipment, or delivery of liquor in violation of this title is guilty of a nuisance and may be restrained by injunction, temporary and permanent, from doing or continuing to do any of said acts or things.

"In such proceedings it shall not be necessary to show any intention on the part of the accused to continue such violations if the action is brought within 60 days following any such violation of the law.

"For removing and selling property in enforcing this act the officer shall be entitled to charge and receive the same fee as the sheriff of the county would receive for levying upon and

selling property under execution, and for closing the premises and keeping them closed a reasonable sum shall be allowed by the court.

"Any violation of this title upon any leased premises by the lessee or occupant thereof shall, at the option of the lessor, work a forfeiture of the lease.

"SEC. 24. In the case of the violation of any injunction, temporary or permanent, granted pursuant to the provisions of this title, the court, or in vacation a judge thereof, may summarily try and punish the defendant. The proceedings for punishment for contempt shall be commenced by filing with the clerk of the court from which such injunction issued information under oath setting out the alleged facts constituting the violation, whereupon the court or judge shall forthwith cause a warrant to issue under which the defendant shall be arrested. The trial may be had upon affidavits, or either party may demand the production and oral examination of the witnesses. Any person found guilty of contempt under the provisions of this section shall be punished by a fine of not less than $500 nor more than $1,000 or by imprisonment of not less than 30 days nor more than 12 months, or by both fine and imprisonment.

"SEC. 25. It shall be unlawful to have or possess any liquor or property designed for the manufacture of liquor intended for use in violating this title or which has been so used, and no property rights shall exist in any such liquor or property. A search warrant may issue, as provided in Title XI of public law No. 24 of the Sixty-fifth Congress, approved June 15, 1917, and such liquor, the containers thereof, and such property so seized shall be subject to such disposition as the court may make thereof. If it is found that such liquor or property was so unlawfully held or possessed, or had been so unlawfully used, the liquor, and all property designed for the unlawful manufacture of liquor, shall be destroyed, unless the court shall otherwise order. No search warrant shall issue to search any private dwelling occupied as such unless it is being used for the unlawful sale of intoxicating liquor, or unless it is in part used for some business purpose, such as a store, shop, saloon, restaurant, hotel, or boarding house. The term 'private dwelling' shall be construed to include the room or rooms used and occupied not transiently but solely as a residence in an apartment house, hotel, or boarding house. The property seized on any such warrant shall not be taken from the officer seizing the same on any writ of replevin or other like process.

"SEC. 26. When the commissioner, his assistants, inspectors, or any officer of the law shall discover any person in the act of transporting, in violation of the law, intoxicating liquors in any wagon, buggy, automobile, water or air craft, or other vehicle, it shall be his duty to seize any and all intoxicating liquors found therein being transported contrary to law. Whenever intoxicating liquors transported or possessed illegally shall be seized by an officer, he shall take possession of the vehicle and team or automobile, boat, air or water craft, or any other conveyance, and shall arrest any person in charge thereof. Such officer shall at once proceed against the person arrested under the provisions of this title in any court having competent jurisdiction; but the said vehicle or conveyance shall be returned to the owner upon execution by him of a good and valid bond, with sufficient sureties, in a sum double the value of the property, which said bond shall be approved by said officer, and shall be conditioned to return said property to the custody of said officer on the day of trial to abide the judgment of the court. The court, upon conviction of the person so arrested, shall order the liquor destroyed, and, unless good cause to the contrary is shown by the owner, shall order a sale by public auction of the property seized, and the officer making the sale, after deducting the expenses of keeping the property, the fee for the seizure, and the cost of the sale, shall pay all liens, according to their priorities, which are established, by intervention or otherwise at said hearing or in other proceeding brought for said purpose, as being bona fide and as having been created without the lienor having any notice that the carrying vehicle was being used or was to be used for illegal transportation of liquor, and shall pay the balance of the proceeds into the Treasury of the United States as miscellaneous receipts. All liens against property sold under the provisions of this section shall be transferred from the property to the proceeds of the sale of the property. If, however, no one shall be found claiming the team, vehicle, water or air craft, or automobile, the taking of the same, with a description thereof, shall be advertised in some newspaper published in the city or county where taken; or, if there be no newspaper published in such city or county, in a newspaper having circulation in the county once a week for two weeks and by handbills posted in three public places near the place of seizure, and if no claimant shall appear within 10 days after the last publication of the advertisement, the property shall be sold and the proceeds, after deducting the expenses and costs, shall be paid into the Treasury of the United States as miscellaneous receipts.

"SEC. 27. In all cases in which intoxicating liquors may be subject to be destroyed under the provisions of this act the court shall have jurisdiction upon the application of the United States attorney to order them delivered to any department or agency of the United States Government for medicinal, mechanical, or scientific uses, or to order the same sold at private sale for such purposes to any person having a permit to purchase liquor, the proceeds to be covered into the Treasury of the United States to the credit of miscellaneous receipts, and all liquor heretofore seized in any suit or proceeding brought for violation of law may likewise be so disposed of, if not claimed within 60 days from the date this section takes effect.

"SEC. 28. The commissioner, his assistants, agents, and inspectors, and all other officers of the United States, whose duty it is to enforce criminal laws, shall have all the power and protection in the enforcement of this act or any provisions thereof which is conferred by law for the enforcement of existing laws relating to the manufacture or sale of intoxicating liquors under the law of the United States.

"SEC. 29. Any person who manufactures or sells liquor in violation of this title shall for a first offense be fined not more than $1,000, or imprisonment not exceeding six months, and for a second or subsequent offense shall be fined not less than $200 nor more than $2,000 and be imprisoned not less than one month nor more than five years.

"Any person violating the provisions of any permit, or who makes any false record, report, or affidavit required by this title, or violates any of the provisions of this title for which offense a special penalty is not prescribed, shall be fined for a first offense not more than $500; for a second offense not less than $100 nor more than $1,000, or be imprisoned not more than 90 days; for any subsequent offense he shall be fined not less than $500 and be imprisoned not less than three months nor more than two years. It shall be the duty of the prosecuting officer to ascertain whether the defendant has been previously convicted and to plead the prior conviction in the affidavit, information, or indictment. The penalties provided in this act against the manufacture of liquor without a permit shall not apply to a person manufacturing nonintoxicating cider and fruit juices exclusively for use in his home, but such cider and fruit juices shall not be sold or delivered except to persons having permits to manufacture vinegar.

"SEC. 30. No person shall be excused on the ground that it may tend to incriminate him or subject him to a penalty or forfeiture from attending and testifying or producing books, papers, documents, and other evidence in obedience to a subpœna of any court in any suit or proceeding based upon or growing out of any alleged violation of this act; but no natural person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing as to which, in obedience to a subpœna and under oath, he may so testify or produce evidence, but no person shall be exempt from prosecution and punishment for perjury committed in so testifying.

"SEC. 31. In case of a sale of liquor where the delivery thereof was made by a common or other carrier, the sale and delivery shall be deemed to be made in the county or district wherein the delivery was made by such carrier to the consignee, his agent, or employee, or in the county or district wherein the sale was made, or from which the shipment was made, and prosecution for such sale or delivery may be had in any such county or district.

"SEC. 32. In any affidavit, information, or indictment for the violation of this act separate offenses may be united in separate counts and the defendant may be tried on all at one trial, and the penalty for all offenses may be imposed. It shall not be necessary in any affidavit, information, or indictment to give the name of the purchaser or to include any defensive negative averments, but it shall be sufficient to state that the act complained of was then and there prohibited and unlawful, but this provision shall not be construed to preclude the trial court from directing the furnishing the defendant a bill of particulars when it deems it proper to do so.

"SEC. 33. After February 1, 1920, the possession of liquors by any person not legally permitted under this title to possess liquor shall be prima facie evidence that such liquor is kept for the purpose of being sold, bartered, exchanged, given away, furnished, or otherwise disposed of in violation of the provisions of this title. Every person legally permitted under this title to have liquor shall report to the commissioner within 10 days after the date when the eighteenth amendment of the

Constitution of the United States goes into effect, the kind and amount of intoxicating liquors in his possession. But it shall not be unlawful to possess liquors in one's private dwelling while the same is occupied and used by him as his dwelling only, and such liquor need not be reported, provided such liquors are for use only for the personal consumption of the owner thereof and his family residing in such dwelling and of his bona fide guests when entertained by him therein; and the burden of proof shall be upon the possessor in any action concerning the same to prove that such liquor was lawfully acquired, possessed, and used.

"SEC. 34. All records and reports kept or filed under the provisions of this act shall be subject to inspection at any reasonable hour by the commissioner or any of his agents or by any public prosecutor or by any person designated by him, or by any peace officer in the State where the record is kept, and copies of such records and reports duly certified by the person with whom kept or filed may be introduced in evidence with like effect as the originals thereof, and verified copies of such records shall be furnished to the commissioner when called for.

"SEC. 35. All provisions of law that are inconsistent with this act are repealed only to the extent of such inconsistency and the regulations herein provided for the manufacture or traffic in intoxicating liquor shall be construed as in addition to existing laws. This act shall not relieve anyone from paying any taxes or other charges imposed upon the manufacture or traffic in such liquor. No liquor revenue stamps or tax receipts for any illegal manufacture or sale shall be issued in advance, but upon evidence of such illegal manufacture or sale a tax shall be assessed against, and collected from, the person responsible for such illegal manufacture or sale in double the amount now provided by law, with an additional penalty of $500 on retail dealers and $1,000 on manufacturers. The payment of such tax or penalty shall give no right to engage in the manufacture or sale of such liquor, or relieve anyone from criminal liability, nor shall this act relieve any person from any liability, civil or criminal, heretofore or hereafter incurred under existing laws.

"The commissioner, with the approval of the Secretary of the Treasury, may compromise any civil cause arising under this title before bringing action in court; and with the approval of the Attorney General he may compromise any such cause after action thereon has been commenced.

"SEC. 36. If any provision of this act shall be held invalid it shall not be construed to invalidate other provisions of the act.

"SEC. 37. Nothing herein shall prevent the storage in United States bonded warehouses of all liquor manufactured prior to the taking effect of this act, or prevent the transportation of such liquor to such warehouses or to any wholesale druggist for sale to such druggist for purposes not prohibited when the tax is paid, and permits may be issued therefor.

"A manufacturer of any beverage containing less than one-half of 1 per cent of alcohol by volume may, on making application and giving such bond as the commissioner shall prescribe, be given a permit to develop in the manufacture thereof by the usual methods of fermentation and fortification or otherwise a liquid such as beer, ale, porter, or wine, containing more than one-half of 1 per cent of alcohol by volume, but before any such liquid is withdrawn from the factory or otherwise disposed of the alcoholic contents thereof shall under such rules and regulations as the commissioner may prescribe be reduced below such one-half of 1 per cent of alcohol: *Provided*, That such liquid may be removed and transported, under bond and under such regulations as the commissioner may prescribe, from one bonded plant or warehouse to another for the purpose of having the alcohol extracted therefrom. And such liquids may be developed, under permit, by persons other than the manufacturers of beverages containing less than one-half of 1 per cent of alcohol by volume, and sold to such manufacturers for conversion into such beverages. The alcohol removed from such liquid, if evaporated and not condensed and saved, shall not be subject to tax; if saved, it shall be subject to the same law as other alcoholic liquors. Credit shall be allowed on the tax due on any alcohol so saved to the amount of any tax paid upon distilled spirits or brandy used in the fortification of the liquor from which the same is saved.

"When fortified wines are made and used for the production of nonbeverage alcohol and dealcoholized wines containing less than one-half of 1 per cent of alcohol by volume, no tax shall be assessed or paid on the spirits used in such fortification, and such dealcoholized wines produced under the provisions of this act, whether carbonated or not, shall not be subject to the tax on artificially carbonated or sparkling wines, but shall be subject to the tax on still wines only.

"In any case where the manufacturer is charged with manufacturing or selling for beverage purposes any malt, vinous, or fermented liquids containing one-half of 1 per cent or more of alcohol by volume, or in any case where the manufacturer, having been permitted by the commissioner to develop a liquid, such as ale, beer, porter, or wine containing more than one-half of 1 per cent of alcohol by volume in the manner and for the purpose herein provided, is charged with failure to reduce the alcoholic content of any such liquid below such one-half of 1 per cent before withdrawing the same from the factory, then in either such case the burden of proof shall be on such manufacturer to show that such liquid so manufactured, sold, or withdrawn contains less than one-half of 1 per cent of alcohol by volume. In any suit or proceeding involving the alcoholic content of any beverage the reasonable expense of analysis of such beverage shall be taxed as costs in the case.

"SEC. 38. The Commissioner of Internal Revenue and the Attorney General of the United States are hereby respectively authorized to appoint and employ such assistants, experts, clerks, and other employees in the District of Columbia or elsewhere, and to purchase such supplies and equipment as they may deem necessary for the enforcement of the provisions of this act, but such assistants, experts, clerks, and other employees, except such executive officers as may be appointed by the commissioner or the Attorney General to have immediate direction of the enforcement of the provisions of this act, and persons authorized to issue permits, and agents and inspectors in the field service, shall be appointed under the rules and regulations prescribed by the civil-service act: *Provided*, That the commissioner and Attorney General in making such appointments shall give preference to those who have served in the military or naval service in the recent war, if otherwise qualified, and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sum as may be required for the enforcement of this act, including personal services in the District of Columbia, and for the fiscal year ending June 30, 1920, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $2,000,000 for the use of the Commissioner of Internal Revenue and $100,000 for the use of the Department of Justice for the enforcement of the provisions of this act, including personal services in the District of Columbia and necessary printing and binding.

"SEC. 39. In all cases wherein the property of any citizen is proceeded against or wherein a judgment affecting it might be rendered, and the citizen is not the one who in person violated the provisions of the law, summons must be issued in due form and served personally, if said person is to be found within the jurisdiction of the court.

"TITLE III.

"GENERAL PROVISIONS.

"SEC. 21. Titles I and III and sections 1, 27, 37, and 38 of Title II of this act shall take effect and be in force from and after the passage and approval of the act. The other sections of Title II shall take effect and be in force from and after the date when the eighteenth amendment of the Constitution of the United States goes into effect.

"EXHIBIT III.

"An act to prohibit the manufacture, sale, or transportation within the State of New Jersey of intoxicating liquors for beverage purposes, defining the term 'intoxicating liquors,' and providing for the punishment of violations hereof.

"Whereas on February 9, 1920, upon a public hearing before the joint committee of the Senate and House of Assembly of New Jersey, evidence was produced and witnesses examined in an inquiry to ascertain the intoxicating quality of certain beverages, and it was then and there established to the satisfaction of the Legislature of the State of New Jersey that beverages containing alcohol not to exceed 3½ per cent by volume were not in fact intoxicating—

"*Be it enacted by the Senate and General Assembly of the State of New Jersey:*

"1. It shall be unlawful for any person, firm, or corporation to manufacture, sell, or transport within this State any intoxicating liquors for beverage purposes, and any person, firm, or corporation violating the provisions hereof shall, upon conviction thereof, be punished by a fine not exceeding $100 for the first offense, and for a second offense $500, or by imprisonment not exceeding three months, as the court may direct, or both: *Provided*, said violation or offense shall be prosecuted only after indictment by a grand jury.

"2. The term 'intoxicating liquors,' within the meaning of this act, shall be interpreted and is hereby defined to be any alcoholic beverage containing more than 3½ per cent of alcohol by volume.

"3. This act shall not be construed and is not intended in any sense or manner whatsoever to operate impliedly as a ratifica-

tion of the so-called eighteenth amendment to the Constitution of the United States, or in recognition of the validity thereof.

"4. This act shall take effect immediately but shall not become operative until the cessation of the present state of war, as and when proclaimed by the President of the United States.

"Approved March 2, 1920."

RECESS.

Mr. CURTIS. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and the Senate (at 5 o'clock and 5 minutes p. m.) took a recess until to-morrow, Thursday, May 13, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *May 12, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Father in heaven, in obedience with the scriptural injunction, pray without ceasing, we pray with millions and will continue to pray that Thy kingdom may come and Thy will be done in earth as in heaven.

Yet we realize that as long as men practice deceit, cheating, stealing, lying, murdering, and the despoliation of truth, the kingdom of heaven will be in abeyance; but when honesty, truth, justice, mercy shall abide in the hearts of men, the kingdom shall be ours in this life and the life to come. In Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

STANDARD FOR HAMPERS, ETC.

Mr. VESTAL. Mr. Speaker, I move that the House proceed with the consideration of the bill H. R. 12350——

Mr. BLANTON. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. MANN of Illinois. Why not have a roll call on the motion?

Mr. BLANTON. I withhold the point of order.

The SPEAKER. The gentleman from Indiana moves that the House proceed with the consideration of the bill which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 12350) to fix standards for hampers, round-stave baskets, and split baskets for fruits and vegetables, to establish a standard box for apples, and for other purposes.

Mr. BLANTON. Mr. Speaker, a point of order——

The SPEAKER. Will the gentleman permit the Speaker to make a statement? The Chair would like to state that the Committee on Coinage, Weights, and Measures has occupied two Wednesdays, and under the rule this bill can only be considered by a two-thirds vote of the House; and the question is——

Mr. BLANTON. Mr. Speaker, I make the point of order that the committee has lost its place on Calendar Wednesday, and the next committee should be called.

The SPEAKER. Well, the rule is that the committee can keep its place by a two-thirds vote, and it will require a two-thirds vote.

Mr. BLANTON. Then I will withdraw the point of order.

The SPEAKER. The question is on the motion of the gentleman from Indiana to consider the bill which the Clerk reported by title. Does the gentleman from Texas wish to make the point of order of no quorum?

Mr. BLANTON. Not until the House divides.

The question was taken.

The SPEAKER. The Chair is in doubt.

Mr. MANN of Illinois. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Illinois makes the point of order there is no quorum present. It is clear that there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 179, nays 113, not voting 135, as follows:

YEAS—179.

Ackerman	Ashbrook	Bland, Va.	Brooks, Pa.
Anderson	Babka	Boies	Burdick
Andrews, Md.	Benham	Britten	Burroughs
Andrews, Nebr.	Bland, Ind.	Brooks, Ill.	Campbell, Kans.
Chindblom	Greene, Mass.	McKenzie	Rowe
Christopherson	Griffin	McKinley	Sanford
Classon	Hadley	McLaughlin, Mich.	Scott
Coady	Hamilton	McLaughlin, Nebr.	Sells
Copley	Hardy, Colo.	Madden	Siegel
Crago	Haugen	Magee	Sinclair
Cramton	Hawley	Mann, Ill.	Sinnott
Crowther	Hays	Mapes	Slemp
Currie, Mich.	Hersey	Michener	Smith, Idaho
Dale	Hersman	Miller	Smith, Mich.
Dallinger	Hickey	Minahan, N. J.	Steenerson
Davis, Minn.	Hicks	Monahan, Wis.	Stiness
Dickinson, Iowa	Hill	Mondell	Strong, Kans.
Dowell	Holland	Mooney	Summers, Wash.
Dunbar	Houghton	Moore, Ohio	Sumners, Tex.
Dunn	Hull, Iowa	Moores, Ind.	Sweet
Echols	Humphreys	Morgan	Swope
Edmonds	Ireland	Mott	Taylor, Tenn.
Elliott	James	Nelson, Wis.	Thompson
Esch	Jefferis	Newton, Minn.	Tilson
Evans, Nebr.	Johnson, Wash.	Newton, Mo.	Timberlake
Fairfield	Juul	Nolan	Tincher
Fess	Kahn	Ogden	Tinkham
Flood	Kearns	Paige	Towner
Fordney	Keller	Parker	Vaile
Foster	King	Pell	Vestal
Frear	Kinkaid	Peters	Voigt
Freeman	Kleczka	Phelan	Volstead
French	Knutson	Platt	Ward
Fuller, Ill.	Lampert	Porter	Wason
Gallivan	Langley	Purnell	Watson
Gandy	Layton	Raker	Webster
Ganly	Lea, Calif.	Ramsey	White, Kans.
Gard	Lehlbach	Ramseyer	White, Me.
Garland	Little	Randall, Wis.	Wilson, Ill.
Glynn	Lonergan	Reavis	Woods, Va.
Goldfogle	Longworth	Reed, N. Y.	Woodyard
Good	Luce	Reed, W. Va.	Yates
Goodall	Lufkin	Ricketts	Young, N. Dak.
Graham, Ill.	Luhring	Robsion, Ky.	Zihlman
Green, Iowa	McArthur	Rogers	

NAYS—113.

Almon	Drewry	Maher	Rubey
Ayres	Dupré	Major	Rucker
Barbour	Eagan	Mansfield	Sanders, La.
Barkley	Evans, Mont.	Martin	Sanders, N. Y.
Bee	Evans, Nev.	Mead	Sherwood
Bell	Fisher	Milligan	Sims
Benson	Gallagher	Montague	Sisson
Black	Garner	Moon	Small
Bland, Mo.	Godwin, N. C.	Moore, Va.	Stedman
Blanton	Goodykoontz	Neely	Stevenson
Box	Graham, Pa.	Nelson, Mo.	Stoll
Brand	Hardy, Tex.	Oldfield	Tague
Briggs	Hoch	Oliver	Taylor, Ark.
Brinson	Howard	Olney	Taylor, Colo.
Brumbaugh	Hudspeth	Osborne	Thomas
Buchanan	Hull, Tenn.	Overstreet	Treadway
Byrnes, S. C.	Igoe	Padgett	Upshaw
Byrns, Tenn.	Johnson, Ky.	Park	Vinson
Caldwell	Johnson, Miss.	Parrish	Weaver
Candler	Jones, Tex.	Pou	Welling
Cannon	Kincheloe	Quin	Welty
Clark, Mo.	Lanham	Radcliffe	Wilson, La.
Cleary	Larsen	Rainey, Ala.	Wilson, Pa.
Collier	McClintic	Rainey, H. T.	Wingo
Crisp	McDuffie	Randall, Calif.	Wright
Cullen	McGlennon	Rayburn	Young, Tex.
Davis, Tenn.	McKeown	Robinson, N. C.	
Dominick	McLane	Romjue	
Doughton	MacGregor	Rouse	

NOT VOTING—135.

Anthony	Doremus	Kendall	Rodenberg
Aswell	Drane	Kennedy, Iowa	Rose
Bacharach	Dyer	Kennedy, R. I.	Rowan
Baer	Eagle	Kettner	Sabath
Bankhead	Ellsworth	Kiess	Sanders, Ind.
Begg	Elston	Kitchin	Schall
Blackmon	Emerson	Kraus	Scully
Booher	Ferris	Kreider	Sears
Bowers	Fields	Lankford	Shreve
Browne	Focht	Lazaro	Smith, Ill.
Burke	Fuller, Mass.	Lee, Ga.	Smith, N. Y.
Butler	Garrett	Lesher	Smithwick
Campbell, Pa.	Goodwin, Ark.	Linthicum	Sneli
Cantrill	Gould	McAndrews	Snyder
Caraway	Greene, Vt.	McCulloch	Steagall
Carew	Griest	McFadden	Steele
Carss	Hamill	McKinley	Stephens, Miss.
Carter	Harreld	McPherson	Stephens, Ohio
Casey	Harrison	MacCrate	Strong, Pa.
Clark, Fla.	Hastings	Mann, S. C.	Sullivan
Cole	Hayden	Mason	Temple
Connally	Heflin	Mays	Tillman
Cooper	Hernandez	Merritt	Vare
Costello	Hoey	Morin	Venable
Curry, Calif.	Huddleston	Mudd	Walsh
Darrow	Hulings	Murphy	Walters
Davey	Husted	Nicholls	Watkins
Dempsey	Hutchinson	O'Connell	Whaley
Denison	Jacoway	O'Connor	Wheeler
Dent	Johnson, S. Dak.	Rainey, J. W.	Williams
Dewalt	Johnston, N. Y.	Reber	Winslow
Dickinson, Mo.	Jones, Pa.	Rhodes	Wise
Donovan	Kelley, Mich.	Riddick	Wood, Ind.
Dooling	Kelly, Pa.	Riordan	

So, two-thirds not having voted in favor thereof, the motion was rejected.

The Clerk announced the following pairs:
Until further notice:
Mr. WALSH with Mr. CONNALLY.
Mr. COLE with Mr. HAYDEN.
Mr. SNYDER with Mr. CARTER.
Mr. RHODES with Mr. TILLMAN.
Mr. HERNANDEZ with Mr. HASTINGS.
Mr. ELSTON with Mr. WATKINS.
Mr. BUTLER with Mr. STEELE.
Mr. COOPER with Mr. CARSS.
Mr. CURRY of California with Mr. DRANE.
Mr. DYER with Mr. O'CONNELL.
Mr. MCPHERSON with Mr. LAZARO.
Mr. KELLEY of Michigan with Mr. HEFLIN.
Mr. SNELL with Mr. HARRISON.
Mr. BURKE with Mr. SULLIVAN.
Mr. GREENE of Vermont with Mr. EAGLE.
Mr. JOHNSON of South Dakota with Mr. JOHNSTON of New York.
Mr. STRONG of Pennsylvania with Mr. DEWALT.
Mr. STEPHENS of Ohio with Mr. STEPHENS of Mississippi.
Mr. DARROW with Mr. KETTNER.
Mr. SMITH of Illinois with Mr. SMITH of New York.
Mr. FOCHT with Mr. CAMPBELL of Pennsylvania.
Mr. ANTHONY with Mr. GARRETT.
Mr. MERRITT with Mr. WISE.
Mr. KIESS with Mr. KITCHIN.
Mr. MASON with Mr. DENT.
Mr. BOWERS with Mr. MANN of South Carolina.
Mr. WOOD of Indiana with Mr. ASWELL.
Mr. MUDD with Mr. LINTHICUM.
Mr. HARRELD with Mr. JACOWAY.
Mr. RIDDICK with Mr. HOEY.
Mr. KENDALL with Mr. DAVEY.
Mr. COSTELLO with Mr. CASEY.
Mr. MCCULLOCH with Mr. LEE of Georgia.
Mr. WILLIAMS with Mr. DONOVAN.
Mr. HUSTED with Mr. BLACKMON.
Mr. KENNEDY of Iowa with Mr. BOOHER.
Mr. WINSLOW with Mr. JOHN W. RAINEY.
Mr. SANDERS of Indiana with Mr. LESHER.
Mr. DEMPSEY with Mr. LANKFORD.
Mr. MORIN with Mr. DOOLING.
Mr. TEMPLE with Mr. FERRIS.
Mr. RODENBERG with Mr. CARAWAY.
Mr. BACHARACH with Mr. SABATH.
Mr. WALTERS with Mr. ROWAN.
Mr. GRIEST with Mr. MCANDREWS.
Mr. BEGG with Mr. VENABLE.
Mr. GOULD with Mr. NICHOLLS.
Mr. REBER with Mr. SMITHWICK.
Mr. VARE with Mr. SCULLY.
Mr. BROWN with Mr. HUDDLESTON.
Mr. MURPHY with Mr. O'CONNOR.
Mr. ROSE with Mr. RIORDAN.
Mr. ELLSWORTH with Mr. SEARS.
Mr. SHREVE with Mr. BANKHEAD.
Mr. DENISON with Mr. WHALEY.
Mr. KRAUS with Mr. MAYS.
Mr. KENNEDY of Rhode Island with Mr. FIELDS.
Mr. HULINGS with Mr. CANTRILL.
Mr. KREIDER with Mr. CLARK of Florida.
Mr. MACCRATE with Mr. DICKINSON of Missouri..
Mr. MCKINLEY with Mr. CAREW.
Mr. MCFADDEN with Mr. HAMILL.
Mr. JONES of Pennsylvania with Mr. GOODWIN of Arkansas.
Mr. HUTCHINSON with Mr. DOREMUS.
Mr. KELLY of Pennsylvania with Mr. STEAGALL.
The result of the vote was announced as above recorded.

Mr. SMALL. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from North Carolina rise?

Mr. SMALL. To ask unanimous consent to address the House to-morrow morning for 15 minutes after the reading of the Journal and the disposition of business on the Speaker's table.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that to-morrow morning, after the reading of the Journal and disposition of business on the Speaker's table, he may address the House for 15 minutes. Is there objection?

Mr. GREENE of Massachusetts. Mr. Speaker, I object.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 795. An act to provide for the disposition of public lands withdrawn and improved under the provisions of the reclamation laws, and which are no longer needed in connection with said laws.

AIDS TO NAVIGATION.

The SPEAKER. The Clerk will call the roll of committees.

Mr. ESCH (when the Committee on Interstate and Foreign Commerce was called). Mr. Speaker, by direction of the Committee on Interstate and Foreign Commerce I call up the bill H. R. 10183, the lighthouse bill.

The SPEAKER. The gentleman from Wisconsin calls up, by direction of the Committee on Interstate and Foreign Commerce, a bill which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 10183) to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes.

The SPEAKER. This bill is on the Union Calendar. Therefore the House automatically resolves itself into the Committee of the Whole House on the state of the Union.

Thereupon the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10183, with Mr. MADDEN in the chair.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 10183) to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes.

Be it enacted, etc., That the Secretary of Commerce is hereby authorized to establish, provide, or improve the following aids to navigation and other works in the Lighthouse Service, under the Department of Commerce, in accordance with the respective limits of cost hereinafter respectively set forth, which shall in no case be exceeded:

Constructing or purchasing and equipping lighthouse tenders and light vessels for the Lighthouse Service, $5,000,000.

THIRD LIGHTHOUSE DISTRICT.

Extending and enlarging the machine shop at the general lighthouse depot, Tompkinsville, Staten Island, N. Y., $15,000 additional to the amount appropriated in act of July 19, 1919.

Riprap to reinforce foundations and protect them from damage by sea and ice and make more accessible boat landings at certain light stations, $134,000.

FOURTH LIGHTHOUSE DISTRICT.

Improving the aids to navigation at the entrance to Delaware Bay, $148,500.

SIXTH LIGHTHOUSE DISTRICT.

Completing the lighthouse depot for the sixth lighthouse district at Charleston, S. C., $60,000.

SEVENTH LIGHTHOUSE DISTRICT.

Establishing and improving aids to navigation in Tampa Bay, Fla., $17,500.

Purchasing site and constructing and equipping a lighthouse depot for the seventh lighthouse district, $250,000.

TWELFTH LIGHTHOUSE DISTRICT.

Improving aids to navigation and establishing new aids at Ludington, Mich., $50,000.

SIXTEENTH LIGHTHOUSE DISTRICT.

For improvements to aids to navigation in Alaska, including improving of Point Retreat and Cape Hinchinbrook Light Station, $32,500.

Continuing construction of the lighthouse depot for the sixteenth lighthouse district, $12,000.

EIGHTEENTH LIGHTHOUSE DISTRICT.

Establishing aids to navigation, California, $25,000.

Constructing two keepers' dwellings at the Goat Island Lighthouse Depot, Calif., $16,500.

NINETEENTH LIGHTHOUSE DISTRICT.

Constructing and equipping a lighthouse depot at Honolulu, Hawaii, $120,000, in lieu of $90,000 authorized in act of August 28, 1916

SEC. 2. That hereafter the salary of the Superintendent of Naval Construction in the Bureua of Lighthouses shall be $4,000 per annum.

Also, the following committee amendment was read:

Page 3, line 12, strike out "Bureua" and insert in lieu thereof the word "Bureau."

Mr. ESCH. Mr. Chairman, this bill is to take care of the Lighthouse Service. For years it has been the custom to introduce an annual bill taking care of this service, but owing to certain conditions and war emergencies we have not been able to do this during the last two years. This accounts possibly for a larger appropriation carried in the pending bill.

The section of the bill to which I wish to call particular attention is the one appropriating $5,000,000 for the construction or purchasing and equipping lighthouse tenders and light vessels for the Lighthouse Service. The main item of the bill is this item of $5,000,000, which provides for a building program for this very essential service, and in order that the House may fully understand the reasons why the Committee on Interstate and Foreign Commerce recommended this sum I wish to give some of the details of the present Lighthouse Establishment and its present urgent needs.

There are to-day in the Lighthouse Service 117 vessels. Of these 117 vessels 54 are tenders and 63 are light vessels, making a considerable establishment. The average life of a lighthouse tender is 25 years, that of a lightship 30 years. Of the vessels now in the service, of these 117, 17 are more than 25 years old. 20 are more than 30 years old, 12 are over 50 years old, 8 are over 60 years old, and 1 is over 70. I think that statement will

create an impression in your mind that there is a good deal of old material in the present establishment, and that if this establishment is to perform its functions we must reduce the average age of the vessels in the service. The idea of having 12 vessels over 50 years of age and 8 over 60 years and 1 over 70 years is not creditable.

Mr. YATES. Will the gentleman yield?

Mr. ESCH. Yes.

Mr. YATES. What is the average age now? Has the gentleman figured it up?

Mr. ESCH. Of all the vessels in the service?

Mr. YATES. Yes.

Mr. ESCH. I can not give you that, but I can state that 29 of them ought to be condemned to-day.

Mr. BLANTON. Will the gentleman yield?

Mr. ESCH. Yes.

Mr. BLANTON. By the age of a vessel does the gentleman mean the life of a vessel where it would be considered in first-class running order?

Mr. ESCH. By average age we mean the point of useful service, and when the point is passed the vessel gets less and less efficient.

Mr. BLANTON. You would not consider that the 29 ships which the gentleman says have passed that point——

Mr. ESCH. They are still in the service.

Mr. BLANTON. You would not consider that in estimating the age of vessels?

Mr. ESCH. No. The point is that when you go beyond the average age of these vessels the cost of maintenance becomes too great. There have been quite a number of losses in the last two years. In January, 1918, our lightship on Diamond Shoals, off Cape Hatteras, was sunk by a German submarine. We lost another by a collision with a barge off the Long Island coast. Another was destroyed by ice, and was never heard from. There was another lost by fire. Two have been condemned. One of those, the *Gardenia*, was over 40 years of age.

The Lighthouse Service demands a peculiar type of vessel; in fact, two peculiar types of vessels, the type for the tender and the type for the lightship. The two are absolutely distinct. The vessels of both types must be stanchly constructed. The tenders must be built for the work in hand. They must have large open deck space forward for the hoisting apparatus and to lodge the large buoys, which have to be placed at very dangerous points. These lighthouse tenders must be so constructed that they can handle a buoy 60 feet in length and weighing 20 tons. They must work in dangerous places and in all kinds of weather. In fact, the lighthouse tenders must go to places which other vessels shun. They must take the buoy to exposed points, to dangerous shoals, or to dangerous rocks, and oftentimes a tender must go within a few feet of the rocks. They need not have large cargo space, but they must have large deck space.

I state these facts because it may be contended here that the Lighthouse Service could have gotten vessels from the Navy, such as mine sweepers. The mine sweeper is not adapted to the work of a lighthouse tender. The mine sweeper has a large open after-deck space. The tender has an open deck space forward for its work. The mine sweeper has a high freeboard; the tender has not. There are other structural differences which make it impossible to use the mine sweeper as a lighthouse tender. We took this up with the Lighthouse Bureau, and also conferred with Admiral Strauss, who had charge of the mine sweepers in the North Atlantic. The opinion of both of these authorities is to the effect that the mine sweeper is not adapted for the purposes of a lighthouse tender, and hence we can not rely upon the mine sweeper to supply the Lighthouse Service with tenders.

The present complement of vessels is insufficient. The 117 are not adequate, not merely because of the fact that some of them are so old that they ought to be condemned to-day, but also because they are not sufficient to meet the needs now, irrespective of the increased aids to navigation which we are providing for in this bill and which must be provided for in the near future. Notwithstanding the fact that in the last 10 years the aids to navigation have increased 38 per cent, we have not had a corresponding increase in tenders or lightships. During the last nine years there have been added only 11 tenders and 7 light vessels, 18 in all. The average annual increase in the equipment of light vessels and tenders should be four vessels, two lightships and two tenders. So that in the last nine years we have hardly supplied one-half of the needs of the service. We have added in the last 10 years 3 lighthouse districts, making 19 in all; 1 for Alaska, 1 for Hawaii, and 1 for Porto Rico.

This service takes care of 47,300 miles of shore line. It takes care of 16,000 aids to navigation. Notwithstanding an increase of 38 per cent of aids to navigation in 10 years, we have not increased the number of ships necessary to take care of this increase of work. It is on that account that we are asking for this building program of $5,000,000. We have now only four more tenders than we had in 1910, and we have three fewer light vessels than we had in 1910, notwithstanding the large increase of the work of the lighthouse bureau.

We can not get these vessels from the Shipping Board. We sought vessels from that board. They had none to give. The Shipping Board does not build vessels of this type, and in fact does not build vessels of the smaller type, but builds freighters of 3,000, 5,000, 6,000, 8,000, 10,000, and 11,000 tons capacity. We could get no vessels from the Shipping Board. We could get no vessels from the Navy. That was conclusively shown by the fact that when war broke out the President ordered the turning over to the Navy of 50 vessels of the Lighthouse Service, and they remained with the Navy until war had ended. We can get, therefore, nothing from the Shipping Board and nothing from the Navy. We could not use the mine sweepers of the Navy, and so we were compelled to come to Congress and ask for an appropriation that would provide the necessary naval equipment for this service.

While these 50 vessels were under the Navy during the period of the war they were subjected to very hard service. They were kept on stations for months at a time, when they ought to have been sent to dry dock for repairs. This is another reason which places the condition of these vessels in such shape that we are compelled to make large repairs and also seek new vessels to supply the places of those which are found to be unseaworthy.

Another matter that has persuaded the committee to ask for this building program is the fact that 29 vessels out of the 117 are without power—that is, they are not self-propelling. All of them really ought to be self-propelling, and especially the lightships. And yet we find that of the lightships there are nine that have no power. Imagine a lightship upon a dangerous station blown from her moorings in a storm. A light vessel blown from her station in a time of storm constitutes a most dangerous situation. If she has no power, she can not get back to her station; if she has no power, she is at the mercy of the storm. The Navy, during the war, assigned three mine sweepers to serve as lightships. They were found inadequate for the job; two of them were blown from or were compelled to leave their stations on account of their unfitness to resist wind and heavy seas while anchored.

We ought to bring this service up to a point so that every light vessel would be supplied with its own power to enable it to get back to its station should it be blown from its station by storm. Twenty-nine, as I stated, of these vessels ought now to be condemned. They have reached the point where the cost of repairs is prohibitive. The repairs have not been kept up in the last two or three years for the reasons I have already stated; and unless repairs in a service so exacting and severe as this are kept up the service rapidly deteriorates. The building program provided in this bill, authorizing $5,000,000, is to construct 17 vessels. Of these, 13 are to be light vessels and 4 to be tenders.

Mr. YATES. Will the gentleman yield?

Mr. ESCH. Yes.

Mr. YATES. What has been done in regard to appropriations in the last few years?

Mr. ESCH. We have not had the appropriations which were authorized by the bills that were passed from the Committee on Interstate and Foreign Commerce. As I stated, the last appropriation made was in 1917. In the sundry civil bill of 1919 an appropriation was made for the replacement of the light vessel off Diamond Shoals that was destroyed by the German submarine, and an appropriation was made to replace the light vessel that was lost in the ice off of Hog Island, and, I think, for one more vessel. But those three vessels which were appropriated for last year only took the places of three vessels which were destroyed, and did not provide for the then needs of the service, and certainly did not provide for the coming needs of the service. So this new program of 13 light vessels and 4 tenders is required to meet present needs and the needs for the next three years. With these new light vessels we could supplant some of the vessels that have not their own power. If we authorize $5,000,000 to carry out this building program, we will be enabled to let contracts at one time for several vessels of the same type and tonnage, and when we do that we can get lower bids. That ought to be understood by every Member of the House.

Mr. BEE. Will the gentleman from Wisconsin yield?

Mr. ESCH. Yes; I yield to the gentleman from Texas.

Mr. BEE. Is there a special character of vessel that can be used only for lighthouse purposes?

Mr. ESCH. Absolutely.

Mr. BEE. Obsolete war vessels and other vessels of that kind can not be utilized in the Lighthouse Service?

Mr. ESCH. They can not. We tried it with the mine sweepers and they were found defective, and two of them were blown from their stations. Now, as I stated, if we have this program, it will enable the Lighthouse Service to let contracts for this number of vessels, and by so doing we can get the vessels built at a cheaper rate. I have felt for some years that the policy of appropriating for only one vessel at a time was an unwise and wasteful policy. Should this program be authorized by the House and by Congress, the Lighthouse Service could let contracts for these light vessels, classified as they are, and get lower bids than could be obtained if we should continue the policy that has been pursued heretofore of appropriating for only one vessel at a time. We can get lower bids, because a shipyard would be more ready to offer a bid knowing that it could build two, three, four, or five vessels of the same type than if it was given a contract for only a single vessel. These vessels being of a peculiar type, shipbuilders are not so eager to put in bids, but if they know that they can have several of the same type to build they will be more ready to present their bids.

Mr. EDMONDS. Will the gentleman yield?

Mr. ESCH. Yes.

Mr. EDMONDS. I notice the appropriation here is for lighthouse tenders and light vessels. Does the gentleman mean to say that there are not boats under the control of the Navy Department or of the Shipping Board that could be used for lighthouse tenders?

Mr. ESCH. We got two vessels from the Navy, one 60 feet long and the other 48 feet long, and they are now being used by the Lighthouse Service for inner channel work. They are not usable in the open sea.

Mr. EDMONDS. It is only recently that we were notified by the Navy Department, when they came before the Committee on the Merchant Marine and Fisheries, that they wished the opportunity to transfer a number of small foreign vessels that they had bought to American registry. They could be used in this service, could they not?

Mr. ESCH. Does the gentleman mean used as a light tender or as a lightship?

Mr. EDMONDS. I do not mean as a lightship, for which you say special construction is required, but a lighthouse tender is not a specially constructed ship, is it?

Mr. ESCH. The gentleman certainly did not hear my statement. A lighthouse tender must be of peculiar construction. It must have a large open forward deck, small cargo space, but a large deck, on which can be erected the hoisting derrick and tackle to handle buoys 60 feet long. Are those vessels that we are getting from Germany capable of doing that kind of work?

Mr. EDMONDS. I am not talking about vessels from Germany. I am talking about the vessels that are in the Navy Department now, that would be capable of handling this work, I should imagine.

Mr. ESCH. We have tried to get vessels from the Navy Department, as I have already stated, and all we have gotten are these two small vessels.

Mr. MILLER. Will the gentleman yield?

Mr. ESCH. I yield to the gentleman from Washington.

Mr. MILLER. Of the 13 lightships to be constructed, can the gentleman from Wisconsin give some idea what vessels they are to replace, whether in the Pacific or the Atlantic?

Mr. ESCH. If the gentleman will refer to the report, he will find, on pages 4 and 5, a statement as to the location of these vessels and the names of those that they are to supplant.

Mr. CLEARY. Will the gentleman yield?

Mr. ESCH. I yield to the gentleman from New York.

Mr. CLEARY. I simply wish to suggest a reason why ordinary vessels can not do this work. If a ship or barge is sunk along the coast or in a harbor, immediately it becomes the business of the lighthouse tender to go and place a buoy to mark the sunken vessel. The lighthouse tender has to be of shallow enough draft so that she can go in any ordinary place and drop that buoy for the protection of other vessels. This can not be done by a large vessel which is not equipped for this special service. The lighthouse tenders have their derricks and equipment for the placing of these buoys, and they need to be made for that special business. There is no doubt about that.

Mr. ESCH. I thank the gentleman for his suggestion.

It may be suggested that we should defer this building program until costs of vessel construction are reduced. We thought we ought not to wait for a possible reduction in the cost of construction, because the cost of construction is likely to continue high for some years to come. Gentlemen, in the case of such great necessity it does not seem to me to be wise for the Government to defer the building program in the hope that at a distant day the cost of construction may be lowered. The need is imminent.

Do you realize that the Lighthouse Service is practically an insurance for the merchant marine and the Navy of the United States? That is what it is for. We have appropriated something like $3,600,000,000 for the merchant marine, and it may reach a total of $4,000,000,000—something over 3,000 vessels within two or three years. In 1918 we appropriated $450,000,000 for the Navy. In these two services alone we have a total appropriation aggregating four and one-half billions. All this has recently been added to the shipping of the United States, and the Lighthouse Service has got just that much more to protect. It seems to me that we can make no more profitable investment than in the Lighthouse Service, a service which is to protect the mighty merchant marine which we are now putting on the seas and these added ships of the Navy, with the thousands of men that man them, not to say anything of the thousands of vessels and their crews of other nations that come to our ports.

We certainly should not hesitate to appropriate this $5,000,000 for a building program which can be carried out in bulk more cheaply than if continued over a series of years, building one or two each year. We ought not to hesitate to carry out a plan which will add security to the shipping of the United States and our Navy and to the fleets of the world.

The other day this House appropriated $400,000 to commemorate the three hundredth anniversary of the landing of the Pilgrims. Yesterday we appropriated $450,000 for a reclamation project out West to take care of 8,000 acres used for an orchard. Here is almost a million dollars appropriated by this House in its wisdom—and I do not question its wisdom—for these things that do not affect life or property. I am asking for $5,000,000 to protect thousands of lives and billions of property. If we can appropriate for these two purposes it ought not to stagger us to appropriate $5,000,000 to protect our merchant marine and our Navy and the fleets of the world, with billions of property represented by them. These are some of the considerations which persuaded your committee to make this recommendation.

Mr. MONTAGUE. Will the gentleman yield?

Mr. ESCH. Certainly.

Mr. MONTAGUE. Would the gentleman suggest to the House that the report of the committee is a unanimous report?

Mr. ESCH. It is a unanimous report. And I further appeal to this House to support this appropriation, because the Lighthouse Service is a service for the protection of life and property. During last year there were 111 cases where this service saved lives and protected property. With all this fine record of achievement behind it, even with lessened equipment and the crippled and aged condition of some of the vessels, we ought to come to its rescue and put it on its feet for the coming years, and when due consideration is given to these reasons I trust the House will support the committee in this building program.

I have nothing further to urge at this time, but ask that when this item is reached it will meet with the unanimous approval of the membership of the House, and that you will not be dissuaded from supporting the appropriation because of urgent appeals that will be made to you to cut appropriations to the bone. You can cut some appropriations to the bone, but in doing so you may cripple a necessary service. I contend that this is a necessary service, and that this is the last kind of service which ought to be crippled by the failure to give the appropriation that is asked for.

Mr. FREAR. Will the gentleman yield?

Mr. ESCH. I will.

Mr. FREAR. What is the system of appropriating in other countries for this same kind of service?

Mr. ESCH. In England the lighthouse service is under the board of trade, so that it is a part of the budget.

Mr. FREAR. And it is not necessary to come up singly to the House for consideration?

Mr. ESCH. No.

Mr. LAYTON. Will the gentleman yield?

Mr. ESCH. I will.

Mr. LAYTON. I find on page 2 an appropriation for improving the aids to navigation at the entrance of Delaware Bay, $148,500. Has the gentleman any information as to the condition of the lighthouse known as the Cape Henlopen Light?

Mr. ESCH. The facts as presented to the committee are that the Cape Henlopen Lighthouse was built many years ago on a sand dune, and on account of the inroads of the sea the lighthouse will be undermined in the very near future.

Mr. LAYTON. That is my information.

Mr. ESCH. And on that account we put in this item for the construction of a lighthouse on the breakwater 140 feet in height, which will be of much greater service than the present light.

Mr. LAYTON. I am much interested in it, and that is the reason of my inquiry.

Mr. MILLER. Will the gentleman yield?

Mr. ESCH. I will.

Mr. MILLER. The bill does not carry any appropriation for the seventeenth lighthouse district, which includes Oregon and Puget Sound. I wish to state that I am in receipt of a letter from the Northwestern Towboat Association, which informs me that there is an appropriation necessary for the continuation of several lights in the Puget Sound district. I would like to ask in the light of such a communication how the committee came to eliminate any appropriation for that district.

Mr. ESCH. We took care of the seventeenth district in a prior appropriation bill, and there was no suggestion made to the committee that there was any further aid needed for the seventeenth district.

Mr. MILLER. There was no recommendation from the Secretary for the seventeenth district?

Mr. ESCH. No, sir.

Mr. HICKS. Will the gentleman yield?

Mr. ESCH. I will.

Mr. HICKS. Coming from a seacoast district and realizing the importance of all aids to navigation, I am in sympathy with this bill. Is it not a fact that with the great increase in the merchant marine in this country, if there was ever a time when we ought to give all these aids to navigation, now is the time?

Mr. ESCH. The committee was so persuaded.

Mr. CROWTHER. Mr. Chairman, will the gentleman yield?

Mr. ESCH. Yes.

Mr. CROWTHER. Is it not a fact that the light vessels so far have been principally of wood construction—wooden boats?

Mr. ESCH. Yes.

Mr. CROWTHER. Those that have been built up to within a few years have been largely of wood construction?

Mr. ESCH. Yes.

Mr. CROWTHER. Is there any idea of having them in the future made of steel construction?

Mr. ESCH. Iron and steel—iron because it has a greater resisting power to salt water—as far as the hull goes. The Cross Rip light vessel, which was destroyed within the last two years by being caught in the ice off Long Island Sound, was a wooden vessel, 66 years old. She had no power of her own. She was caught in the ice and sunk, leaving no trace behind. I say that it is criminal negligence to place men on vessels of that character and subject them to such dangers. [Applause.]

Mr. CROWTHER. I want to say to the gentleman that I thank him for his statement, and I think he is right. I think it would be just as unwise to pull every block signal off a railroad as to do away with this service.

Mr. MONTAGUE. Mr. Chairman, will the gentleman yield?

Mr. ESCH. Yes.

Mr. MONTAGUE. Are not the bulk of these ships now of wooden construction?

Mr. ESCH. Up to I think 10 years ago the bulk were. Under the old lighthouse board that was the policy, but since the lighthouse board was abolished and the Bureau of Lighthouses was established, they have been building them of iron and steel.

Mr. MONTAGUE. Have we many vessels now that have any auxiliary power in the way of steam or gasoline to take care of them?

Mr. ESCH. All vessels that have been constructed in recent years are self-propelling.

Mr. MONTAGUE. But only in recent years.

Mr. ESCH. I gave the number. There are 12 light vessels not self-propelling.

Mr. CLEARY. Mr. Chairman, will the gentleman yield?

Mr. ESCH. Yes.

Mr. CLEARY. It is true that wooden vessels, where they lie in salt water, become bored with these borers, and they have to be taken ashore every once in a while and have their bottoms painted and fixed over. With iron and steel vessels that is not necessary. That is an additional reason for the construction of these vessels of iron and steel. I have had losses amounting to thousands of dollars through neglect because of this. These borers would make a regular sponge of the timbers.

Mr. ESCH. The testimony before our committee given to us by one of the inspectors was that he had gone into some of the light vessels, the old wooden vessels, and with a hammer had knocked out some of the timbers.

Mr. CLEARY. That is true. They are just like a sponge.

Mr. ESCH. Mr. Chairman, I reserve the remainder of my time.

Mr. SIMS. Mr. Chairman, I understand that there was some kind of an agreement made about time. I was not here, but I would like to know what it is.

Mr. ESCH. No; I have not made any statement in regard to that.

Mr. SIMS. Then I was misinformed.

Mr. ESCH. I have no objection to having the gentleman from Tennessee control half of the time. I understand that there are two hours allowed under the rule.

Mr. SIMS. I want to ask that the time be yielded to the gentleman from Michigan [Mr. DOREMUS], because he had charge of the lighthouse bill in the last Congress.

Mr. MANN of Illinois. Mr. Chairman, it seems to me hardly proper that the committee should control time on both sides, though I have no objection, if I can get some time myself. I think it is bad practice for the committee to take control of the time, for and in opposition to the bill, unless some one on the committee is actually opposed to it. The statement was made here that all the members of the committee are in favor of the bill.

Mr. LONGWORTH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LONGWORTH. If no gentleman rises in opposition to the bill, is not the debate limited to one hour?

The CHAIRMAN. The Chair is inclined to think it would be.

Mr. RAYBURN. If a man gets recognition, I understand that he is recognized for an hour.

Mr. SIMS. Mr. Chairman, I ask for recognition.

Mr. MANN of Illinois. Mr. Chairman, I ask for recognition.

The CHAIRMAN. Is the gentleman from Tennessee opposed to the bill?

Mr. SIMS. I am not, but I am the ranking member on the committee.

The CHAIRMAN. Is the gentleman from Illinois opposed to the bill?

Mr. MANN of Illinois. I am. I will yield to anyone on that side who is opposed to the bill.

Mr. SIMS. I would do that also, and I supposed that the gentleman from Wisconsin would yield the time.

The CHAIRMAN. Is there any gentleman on the committee who is opposed to the bill?

Mr. RAYBURN. Reserving the right to say whether I am or not [laughter], I just want to have the matter straightened out. Of course, everyone wants the gentleman from Illinois [Mr. MANN] to have all of the time that he desires, because he is very instructive at all times.

Mr. MANN of Illinois. After that, the gentleman can get any time he wants. [Laughter.]

Mr. RAYBURN. Has any precedent been established in the House in respect to the control of the time? I would like to have the matter settled.

Mr. MANN of Illinois. About the matter of the control of time?

Mr. RAYBURN. I thought under the rule that whoever got recognition was entitled to an hour.

Mr. MANN of Illinois. The rule provides that there shall be two hours of general debate, one-half to be controlled by those in favor of the bill and one-half by those opposed to the bill.

Mr. RAYBURN. The gentleman should have his hour, then, under the circumstances.

Mr. STEVENSON. One-half to be controlled by those in favor of the bill and one-half to be controlled by those opposed to the bill. It does not necessarily require that the man shall speak against the bill.

Mr. MANN of Illinois. I never heard that point of order raised except by the parliamentary inquiry of the gentleman from Ohio [Mr. LONGWORTH].

Mr. SIMS. I would be very glad to yield the gentleman some time if I had control of it.

Mr. MANN of Illinois. Mr. Chairman, I am not going to take up much time, but I want to submit an observation about this bill. I am in favor of the Lighthouse Service, and I have had a good deal to do with legislation relating to the Lighthouse Service. I have had a good deal to do with the appropriations or the authorizations made for the support of the Lighthouse Service—I think more than any other Member of either body of Congress—during a series of years.

This is the first time, I think, that there has been a general authorization to the Lighthouse Board to expend $5,000,000 for vessels without any limitation whatever as to the character of the vessel as between the two kinds—tenders or light vessels—

and the cost of the vessels. This is a blanket authorization to expend $5,000,000. I am not sure, but I would like the judgment of the chairman of the Committee on Interstate and Foreign Commerce as to whether, under this language in the bill, the Lighthouse Service would be compelled to equip all of the vessels that it started within the limitation of $5,000,000.

Mr. ESCH. I do not know that it has started any——

Mr. MANN of Illinois. Oh, no; but when it has started these. I will be more careful in my grammar.

Mr. ESCH. I think they will. The trouble has been, as the gentleman well knows, in this service——

Mr. MANN of Illinois. I know what the trouble has been, but I wanted to get at what the result is here, as to whether it is the construction of the committee under the language of the bill, which is "in accordance with the respective limits of cost hereinafter respectively set forth, which shall in no case be exceeded." Then it provides for constructing or purchasing and equipping lighthouse tenders and light vessels for the Lighthouse Service, $5,000,000. I say this is the first time such language has ever been carried in a bill of this kind, I think. Now, will this require them only to construct or purchase such vessels as shall be completely constructed and equipped out of the $5,000,000, or can they commence vessels under this and come in for more money?

Mr. ESCH. I do not think so.

Mr. MANN of Illinois. Very well.

Mr. ESCH. I think the building program, as pointed out on page 4 of the report, shows exactly what they will do with the money.

Mr. MANN of Illinois. Oh, well, that does not go at all. The program suggested by the Lighthouse Service to-day will not be carried out to-morrow, and has not been for 20 years, and there have been excuses for it. I am not criticizing the service in that respect. They have not built a vessel for years according to the figures which they first submitted, and the gentleman from Wisconsin and I both know that; and I am not criticizing the Lighthouse Service in that respect. Whether they ought to be criticized, I do not know.

Mr. ESCH. Of course, the gentleman realizes that the two vessels appropriated for and authorized in 1917 were never built, because one carried an appropriation of $150,000 and the other $130,000, and the bids were twice the amount of the authorization.

Mr. MANN of Illinois. Yes. I realize also that what they say they propose to do now in your report does not necessarily indicate what they are going to do any more than it has in the past. They never have followed what they said they were going to do in the past; and I would say there have been good excuses. I am not saying that there are not. Here is what seems to me to be the fact: The Lighthouse Service is a great service, and ought to be maintained, and it is maintained. We have the best Lighthouse Service and the best Life-Saving Service in the world, bar none, and have had for years; and we have always been told that the vessels were old, worn out, would not last; and the gentleman from New York [Mr. CLEARY] now explains to us the reason why—that some kind of a bug, I believe they call it the teredo, although I do not know, attacks the wooden vessels and eats them up. I suppose that accounts for the fact the Lighthouse Service has one in existence that is over 70 years old, and a great many over 60 years old, and a great many over 50 years old; and I am surprised the bugs have not eaten those up in this length of time.

Mr. CLEARY. May I explain?

Mr. MANN of Illinois. Certainly.

Mr. CLEARY. They take the lighthouse vessel, just like they do the rest of the boats and barges, take them in once a year temporarily and paint the bottom and fix the bottom to protect them against the teredo. With a steel and iron vessel this does not become necessary.

Mr. MANN of Illinois. They take them in and sweep off the barnacles. I am not going to discuss whether the lighthouse vessel should be wooden or steel or iron. The department will determine that. There has been some controversy about it. The best experts we ever had were in favor of the wooden vessel. I do not know whether they ought to be wood or iron. Maybe we ought to build them of aluminum; but I do not know, and no one here knows. We ought to leave that to the department that has to act. Here is the fact: We have expended enormous sums of money owing to the war in the acquisition of vessels under the Navy and under the Shipping Board and in the Army. We have got vessels to throw away; we have got vessels to burn if they were not under water; that is, we would have vessels to burn. Their hulls are below water, so you can not burn them; but we have got more vessels than we know what to do with. Now, I am familiar with the construction of lighthouse vessels and lighthouse tenders. I have been on them many times, made many inspection trips, with respect to the Lighthouse Service. It is desirable to have a special type of vessel for a light vessel. It is desirable to have a special type of vessel for a lighthouse tender, but it is not necessary at all. There are plenty of vessels now under the control of the Navy Department, the War Department, and the Shipping Board which can well be utilized for all lighthouse purposes with very little expenditure of money for their equipment, yet the Lighthouse Board does not want to do it, or the Lighthouse Service, of course. They prefer to build their own vessels. The naval constructor wants to supervise the construction of new vessels. It is perfectly natural; I do not criticize him for it. There is no service that wants to take a vessel from some other service. They always want to put in their own vessels. These lighthouse tenders went in under the Navy during the war and did the naval work. They were well enough constructed for that purpose, and equally it is true that many of the naval vessels now of no use to the Navy can go in and do the same character of work for the Lighthouse Service without constructing new vessels. Now, the committee reports that the mine-sweeping vessels of the Navy are not properly constructed either for lighthouse tenders or for light vessels. That may be true; I do not know.

They have not reported on any other character of vessels in the report, except so far as the statement made by the former Secretary of Commerce, Mr. Redfield. And I am not going to comment upon Mr. Redfield. He was a fine gentleman. He did not know much about the Lighthouse Service, but he was the finest special pleader that ever sat in this body or any other. His business, as he considered it, was to get more things for his department. He never hesitated about making a statement that was necessary to do that. They have vessels now under the Shipping Board, as I am advised, that can be well used for this purpose. Why should we go to the trouble of authorizing the construction of new vessels in order to throw away vessels that we now have? Is that common sense? There is no provision in this bill for the acquisition from the Shipping Board or the Navy of any vessels that can be utilized. Would the gentleman in charge of the bill be opposed to giving at least authority to the Department of Commerce to acquire vessels from the Shipping Board or the Navy if they can be acquired and utilized for this purpose?

Mr. ESCH. I say that we will have no objection to that. We went into that, and we thought we secured information to the effect that there were no vessels that could be used for this service.

Mr. MANN of Illinois. Where is that information contained? It was not in the report.

Mr. ESCH. You will find in the hearings that Mr. Putnam states that he had applied to the Shipping Board and could get no vessels that were suitable, and that the Navy Department could not furnish any because, in fact, the Navy was asking for the lighthouse vessels.

Mr. MANN of Illinois. Why, certainly, at that time. That was when he referred to. The Navy was then wanting the lighthouse vessels. They do not want them now. The Navy has got vessels to throw away, and everybody here knows it, and many of which can be easily used for this purpose.

Mr. ESCH. What type of Navy vessel can do the work of the lighthouse tender outside of the mine sweeper?

Mr. MANN of Illinois. I can not tell the gentleman. If the gentleman and I became involved in the discussion of types of vessels, we would both be absolutely lost. I know what they need, in a way, for lighthouse tenders. I have been on them many times, been with them while inspecting their work, to see what they did and how they did it, in order to know so far as I could, legislatively, what they did, and I am in sympathy with the idea.

Mr. EDMONDS. I would like to call the gentleman's attention to the fact that we have got a new Secretary of Commerce now who knows something about ships, and he probably might find some.

Mr. CLEARY. I might suggest to the gentleman that the only proper way would be to have a committee appointed who understood the subject, and come to a correct conclusion regarding it.

Mr. MANN of Illinois. You could not get the committee out of Congress.

Mr. CLEARY. I did not mean out of Congress.

Mr. MANN of Illinois. Not except by investigation would they understand the subject. I am not criticizing that. There ought to be some correlation of these activities between the departments. Of course a department that can come to Congress and get an appropriation for new vessels will not utilize

old vessels in the hands of some other department. We are the center of these things, not the departments. We ought to require them to give consideration to these subjects before we authorize them to expend new money in new contracts for new vessels. This bill itself admits that there are vessels now constructed which may be utilized for lighthouse tenders and for light vessels which were not built for that purpose. Does not the gentleman admit that the bill says that? Because the bill authorizes the purchase of existing vessels. Never has a vessel been built for a lighthouse tender or for a light vessel specifically, and yet the bill authorizes the purchase of vessels now in existence. And if there are vessels now in existence for that purpose some of them are under the control of the Shipping Board. They are not very valuable for commercial purposes in ordinary times. So I do not think we ought to provide an appropriation of $5,000,000 to construct new vessels for the Lighthouse Service and then turn around and throw away a lot of vessels which we have already in existence and which can be used for that purpose.

I am perfectly willing to yield my time to anybody over there. If I am permitted, I will yield the balance of my time to the gentleman from Tennessee [Mr. SIMS].

The CHAIRMAN. The gentleman from Illinois yields 45 minutes.

Mr. SIMS. Mr. Chairman, I yield to the gentleman from Louisiana [Mr. SANDERS] such time as he may need.

Mr. SANDERS of Louisiana. Mr. Chairman, on Monday, April 26, I secured unanimous consent from the House to insert in the CONGRESSIONAL RECORD a resolution adopted by the Mississippi Valley Association, at St. Louis, on April 20, 1920, asking in behalf of the cotton producers and other cotton interests in the Mississippi Valley that no final action be taken upon the Comer amendment to the Agricultural bill without full and public hearings first being had.

It is not my purpose at this time to discuss the so-called Comer amendment. It is a measure upon which men engaged in the cotton industry differ, and therefore deserves the widest discussion before being finally acted upon. But the Comer amendment deals with a phase of the cotton industry that only arises after the crop leaves the farm. I wish to-day to discuss some of the phases of the cotton industry having to do with the cultivation of the crop and to refute some of the charges which are sometimes made against the cotton farmers of the South.

Fortunately no studied defense is required to disprove these charges. In all the range of fluctuating prices that have come to us as a result of the World War there is not another staple raw commodity that can show so small an advance as cotton. This showing at a time when all the world is crying for relief from advancing prices can be established by the official figures of the United States Government.

After the cotton has left the farm, however, this condition does not continue, but, on the contrary, figures obtained from Government sources show that once the cotton has reached the hand of the manufacturers it has been subjected to the same orgy of inflated prices that has occurred with all the other necessaries of life.

The odd feature about this matter, Mr. Chairman, lies in the fact that the advances after the cotton reaches the manufacturers is regarded as quite natural and as a thing to be expected during the prevailing period of inflation. No better illustration of this could be had than the manner in which the public received an announcement recently sent out from Baltimore dealing with the enormous advance in the wages of the textile workers who use this southern-grown cotton in the manufacture of ready-made garments. The article, which appeared in the Washington Post, said:

BALTIMORE, *April 23.*

The lure of gold is leading some clothing workers here to disregard their health in the effort to try to make $100 a week.

Many are now making $90 a week. They are working on piecework, and have speed as well as skill. * * *

A certain sporting element enters into the contest. Those in the $90 class are trying to hit just a few dollars more than one another. The great goal is the $100 mark.

The fortunes being made in the clothing industry here are attracting workers from great distances. Some of these workers are idle, unable to find work. Even regular workers are idle, too, and insist that the $90 men are doing double work, thus causing others to be jobless.

There is nothing in this news item suggestive of the squalor and hunger and dirt once prevailing in the piece-goods trade and which inspired Thomas Hood to write his immortal lines on The Song of the Shirt.

But the money earned by the workers is as nothing compared to the profit made by the mill owners who transform the raw material into the finished product.

With a view of getting first-hand information on this phase of the industry, the men who organized the American Cotton Association recently traced certain of the shipments of raw cotton from southern points to the mills in New England and in Europe, where it is transformed into the finished product.

On one shipment of strict middling cotton that had been sold at 41 cents per pound the manufactured goods sold for $1.45 per pound; the cost of manufacturing was 22 cents, which left to the manufacturer 80 cents profit per pound. He frankly stated that he could pay a dollar a pound for cotton, basis middling, and still make a handsome profit.

How these manufacturers justify their course in charging enormous prices for their manufactured product while resorting to every expedient in their power to bear down the price to the producer is illustrated by one manufacturer, who is quoted as saying:

I frankly acknowledge that we are making an enormous and excess profit out of every pound of cotton to-day, but then we are giving the great part of these profits to the Government, and if the profits were distributed among most of the producers the Government would not get the benefit of them.

No fairer illustration of the enormous profit that is being exacted by the manufacturers could be had than the following figures, taken from the Textile World Journal, showing the range of prices of three sizes of combed yarns, taken semiannually, from June, 1914, to December, 1919. The three sizes are No. 40, 2-ply; No. 60, 2-ply; and No. 80, 2-ply:

	June.	Dec.
1914.		
2-40S	$0.43	$0.38
2-60S	.55	.50
2-80S	.75	.70
1915.		
2-40S	$0.40	$0.50
2-60S	.52	.65
2-80S	.72	.85
1916.		
2-40S	$0.58	$0.85
2-60S	.75	1.03
2-80S	1.00	1.25
1917.		
2-40S	$0.85	$0.90
2-60S	1.10	1.15
2-80S	1.40	1.45
1918.		
2-40S	$1.00	$0.95
2-60S	1.25	1.20
2-80S	1.55	1.50
1919.		
2-40S	$1.20	$2.50
2-60S	1.55	3.50
2-80S	2.00	4.75

Along the same line may be cited an extract from the proceedings before the Senate Committee on the District of Columbia, which recently investigated the high cost of living. The testimony disclosed the cost of the raw cotton entering into various articles of merchandise and the price at which the cotton sold in the manufactured state:

	Cost of cotton.	Cost of article.
1 piece of gingham	$0.25	$4.50
1 piece of voile	.195	3.48
1 handkerchief	.015	.25
2 pair socks	.045	.80

These illustrations of the immense increase in the price of manufactured cotton are by no means exceptional or unusual. Were it necessary to establish proof an immense array of data would be forthcoming from the official reports of our own and foreign Governments, for the same conditions have prevailed in manufacturing circles on both sides of the Atlantic. They may be summarized in a report of Ross E. Holaday, the Amer-

ican consul, at Manchester, England. Under date of December 31, 1919, he said:

In reviewing the Lancashire cotton market for 1919, the Manchester Guardian refers to it as "cotton's great year." "It began in gloom," the Guardian remarks, "passed on to a stage when orders were sufficiently numerous to make the Royal Exchange rather a cheerful place, and ended in such a plethora of good things that manufacturers were obliged sometimes to quote impossible prices to keep would-be purchasers at bay."

Let us compare these evidences of unprecedented prosperity in all branches of the cotton-manufacturing industry with the meager returns of the southern cotton farmer who labored with his family through 12 long months to produce his crop. The Census Bureau, in a report bearing date of November 15, 1919, announced that there were "approximately 2,000,000 growers" of cotton in this country, and the Department of Agriculture, in the Monthly Crop Reporter of December, 1919, announced that the estimated crop for the year 1919 would amount to 11,030,000 bales. This would mean an average of about 5½ bales to the family of five. The average weight of that cotton was 500 pounds to the bale, and it sold, according to the Department of Agriculture, at an average price of 29 cents per pound for lint cotton, yielding the grower what amounted to practically an advance of a quarter of a cent a pound over the previous crop, which brought an average price for the entire United States of 28.76 cents per pound.

We are thus able to ascertain from official figures how much cotton the southern people produced, the price at which they sold it, and we are equally fortunate in being able to ascertain from official figures just what it cost them to produce it. By casting up the two columns we are also able to decide whether or not the charge of profiteering can be justly laid at the door of the farmer.

When the pending annual appropriation bill of the Department of Agriculture was being prepared a few months ago, Dr. H. C. Taylor, the Chief of the Office of Farm Management, gave some interesting information on the cost of producing cotton. He was before the committee on December 19, 1919, and testified to the very exhaustive efforts that had been made by the department to ascertain the cost of producing the leading staple crops grown in this country, embracing cotton, wheat, tobacco, and sugar.

The cotton-cost studies were made during 1919 in South Carolina, Georgia, Alabama, and Texas, and showed the basic elements of the cost of producing cotton on 830 farms. Wheat-cost data was obtained in Kansas, Missouri, Nebraska, Minnesota, North Dakota, and South Dakota, on approximately 650 farms. The study of the cost of producing sugar beets was obtained from about 260 farms, in Utah and Idaho. The cost of producing tobacco was studied on 150 representative tobacco farms in Kentucky, in cooperation with the State experiment station. Investigations were also conducted on 25 farms in various States of the corn belt to ascertain the cost of fattening cattle. It will therefore be seen that by far the most exhaustive tests were conducted with respect to cotton. Investigations and comparisons were made for two years—1913, immediately preceding the outbreak of the World War, and 1918, which marked the close of that great cataclysm.

For 1913 the costs were shown for 534 farms, 268 of which were operated by white men who owned their farms, and 49 by white tenants. The results were also studied of 31 negro owners and 186 negro-tenant operated farms. In 1918 there were 550 farms, 280 of which were conducted by white owners, 56 by white tenants, 48 by negro owners, and 166 negro tenants.

These figures show a wide range in the cost of production on different farms for each year. In 1913 6 farms produced cotton below 7 cents per pound, while 3 had costs above 30 cents per pound. In 1918 only 2 farms had costs of less than 13 cents per pound, while on 10 farms the costs were above 50 cents per pound. Seventeen per cent of the farms, producing 17 per cent of the cotton in 1913, had costs below 10 cents per pound, while 19 per cent of the farms, producing only 9 per cent of the cotton, had costs of 16 cents or more per pound. In 1918, 16 per cent of the farms, producing 25 per cent of the cotton, had costs under 20 cents per pound, while 16 per cent of the farms, producing only 7 per cent of the cotton, had costs of 35 cents or more per pound. In 1913 over 50 per cent of the farms produced cotton within a range of 10 to 14 cents per pound, and in 1918 50 per cent of the farms produced within a range of 20 to 30 cents per pound.

Summarizing the testimony it may be stated that a very large part of the crop was actually sold below the cost of production.

The question is now being asked, and very properly, it seems to me, Mr. Chairman, why the Government with these facts at hand did not make them public earlier and assist in putting a stop to the torrent of denunciation which has been turned upon the cotton producer by those interested in having him surrender his crop at ruinous prices.

It has been also pointed out that the Government figures are not entirely fair to the cotton growers, even as they stand. But based on the actual returns from 842 farms scattered over the South, from South Carolina to Texas, it was shown that the average cost on these farms was 28 cents per pound for lint cotton. But these farms gave a very much higher average yield than the net yield for the entire South. In this report the average yield of 842 farms selected is given at 227 pounds of lint cotton per acre, but, as a matter of fact, the average yield of the entire South in 1918 was only 155.9 pounds per acre. Where the yields were high the cost per pound was comparatively low, and where the yield was light cost was high, is the statement of the department, but that is a fact which is so well known that, as has been well stated, it hardly needed publication.

The department, basing its estimate on the return of these 842 farms, says, "The cost almost coincides with the price actually received for the crop in question, namely, about 29 cents."

Dr. Taylor gave a very careful analysis of the costs incurred during the two years under comparison. It covered an examination of the labor, fertilizer, ginning, use of land, and other costs, and showed that labor was the largest single cost connected with the growing of cotton. The labor cost in 1913 was $16.52 per acre, or 5.15 cents per pound of lint, and $34.46 per acre, or 10.79 cents per pound of lint, in 1918. The expense for the use of cotton land, including real estate overhead expense, was second in importance. This cost in 1913 was $10.44 per acre, or 3.26 cents per pound of lint, and $21.37 per acre, or 6.9 cents per pound of lint, in 1918. The cost of fertilizer was $6.11 per acre, or 1.9 cents per pound of lint, in 1913, and $9.23 per acre, or 2.89 cents per pound of lint, in 1918. Ginning amounted to 93 cents per acre, or 0.3 cent per pound of lint, in 1913, and $1.76 per acre, or 0.5 cent per pound of lint, in 1918. "Other costs," including interest, shelter, and depreciation on machinery and mules, and minor items amounted to $5.28 per acre, or 1.65 cents per pound of lint, for 1913, and $9.64 per acre, or 3 cents per pound of lint, in 1918. The total cost on these farms was $39.28 per acre, or 12.25 cents per pound of lint, in 1913, and $76.46 per acre, or 23.9 cents per pound of lint, in 1918.

These figures, Mr. Chairman, are a complete answer to any charge of profiteering that may be leveled against the cotton producer. Reduced to their final analysis, they mean that the average family of five in the cotton belt, as a result of 12 months of labor, realized approximately 5½ bales of lint cotton, averaging 500 pounds to the bale, and worth on an average 29 cents a pound, or $797.50, and 2½ tons of cotton seed with an average value of $72.65 a ton, or $181.65, making a total for the year's operations of $979.15. Against this return there was an outlay, as explained by the itemized costs I have quoted, which practically wiped out the entire receipts. Surely no fair-minded person with these facts before him would charge the cotton farmer with profiteering.

If further proof of this statement is wanted, it is to be had in the official statement of the Louisiana Crop Review for the year 1919, just issued by the United States Department of Agriculture. This interesting compilation gives the final estimates of the acreage, production, and farm values of the field crops grown in that State as compiled by the Bureau of Crop Estimates.

These official figures show that the average value per acre of the produce of the cotton farmer, based on the price of that staple on December 1, 1919, was $32.20; as against this average return of the cotton farmer, the man who allowed his land to lie fallow and gathered the wild hay realized a value per acre of $33, while those who cultivated sweet and Irish potatoes realized $103.50 and $140.80 per acre, respectively. Some of the other figures quoted of the average yields per acre are illuminating. Sorghum sirup, which is produced over a wide area in the United States, netted $116.60 per acre, while peanuts and tobacco averaged $78.74 and $282.10 per acre, respectively.

While Mr. L. M. Estabrook, Chief of the Bureau of Crop Estimates, was testifying on January 6, 1920, an illuminating sidelight was thrown on this matter of increased cost in the production of cotton. The bureau chief had been discussing all of the great staple crops of the country, and the very accurate system that the department has developed for estimating their probable yield, when one of the members from one of the Northeastern States which produces no cotton asked if the crop at "40 cents a pound is not profitable?" Mr. Estabrook replied:

Not any more so than the growing of wheat at $2.26 a bushel. The costs of production are high. The cost of picking cotton is running from 4 to 6 cents a pound. That is as much as the lint used to sell for. In those days I have myself picked cotton many times for half a cent a pound, and if anyone should have told me that I would live to see cotton picking at 4 to 6 cents a pound I would have expected to get rich at picking cotton.

Here is an increase of 1,200 per cent in the picking of the cotton alone.

In the discussion that followed around the committee table it developed that the labor for hoeing cotton had advanced to $3 a day, whereupon the Member who had started the discussion announced that in his section farm hands were getting from $10 to $12 a day for picking up potatoes for which work they had formerly been paid $2.

While the hearings developed that farm labor was the most serious problem and the most expensive factor entering into the production of cotton, an adequate supply at any figure having been impossible to obtain for harvesting the last crop, yet there had been a marked advance in all the other elements entering into the production of the crop, such as the number of horse hours required, the amount of fertilizer, manure, seeds, sacks required, the charge for ginning, insurance, taxes, machinery, overhead, and use of land. Having secured those basic factors, the department was enabled to tell with almost absolute accuracy what it cost to produce the crop. And in the face of the results no one can charge that the producers have received an unusual profit.

Not only has the cotton farmer not been a profiteer but it has only been a matter of months since he has been coming into a fair share of the fruits of his labor and the sweat of his brow. Ever since the Civil War he has been the victim of a successfully conducted propaganda to depress the price of his raw material. That word "propaganda," Mr. Chairman, is one of the terms that have come into general use as a result of the World War. While it has been a part of the wonderful vocabulary of the English-speaking people for ages, we did not hear much of it until Europe became engaged in the mighty death grapple that continued from 1914 for more than four years. Then one began to hear about and presently to have evidence of the world-wide propaganda that was being conducted by the German General Staff in Berlin as a part of the program that was to bring world dominion to the German people. Our countrymen wondered at its splendid organization, but even before we entered the World War we saw its advance halted and finally routed by the even more skillfully organized propaganda of the British.

The force that displayed this triumph of efficiency had for half a century received its principal training in systematically defeating the efforts of the American cotton farmer to better his condition. Nowhere was this better understood than in Louisiana, because the titanic struggle that for more than half a century has been conducted between the representatives of the men who grew the crop and the English spinners was upon the floor of the New Orleans Cotton Exchange. We of Louisiana have been able to see with our own eyes the methods pursued by the powerful financial interests which finally succeeded in making the great staple crop of the South come to be known as "Misery cotton."

We began to see daylight, Mr. Chairman, when after long wandering in the wilderness of defeat the Democratic Party was returned to power. Among the first of its wholesome acts was to pass the farm loan act and the Federal reserve act, which enabled the small farmers to get financial relief without cringing before the International Money Trust, which was in league with the International Spinning Trust, and receiving small financial favors at ruinous rates of interest.

These achievements have come as a result of organization growing out of war conditions, and the cotton growers of the South realize as never before the necessity of maintaining organization in the future if they are to hold what they have already secured and are to successfully evade the assaults that are yet to be expected from the forces that have always preyed upon them.

These precautions are necessary. The British spinners have, in fact, fired the first shot. Consul General Skinner reported from London under date of January 22, 1920, that the Empire cotton-growing committee, appointed in July, 1917, "to investigate the best means of developing the growing of cotton within the (British) Empire, and to advise the Government as to the necessary measure to be taken for this purpose," has made known to the board of trade the results of its investigations. After stating that there is evidence of a world shortage of cotton, and that there is no prospect whatever of there being a full supply of cotton for some years to come; that the prices of cotton are in excess of anything recorded since the cotton famine in the sixties, the report points out—

That the shortage of cotton affects the whole world.

That the British Empire is specially affected.

That the cotton industry is, in many respects, the most important British industry.

That the shortage of cotton is most marked in those finer kinds which, for reasons explained, constitute the chief requirements of the British mills.

That the British cotton industry draws four-fifths of its supplies of cotton from the United States, and that it is dangerous to be so largely dependent on the climatic vagaries of one portion of the world. It is also noted that the United States is, year by year, requiring for its own consumption an increasing proportion of its own crops.

That experience shows that in many parts of the Empire the growing of cotton is or could be made exceedingly profitable to the country growing it. Egypt, the Sudan, Uganda, and some of the West Indian Islands are named.

But the cotton industry of the South, which has at last recovered from the harrowing conditions that hung over it for decades following the Civil War, is now eager to measure swords with the spinners. While the British are attempting to cultivate cotton fields in the dominions that they have established all over the earth, the people of the South are establishing looms in the fields already producing cotton at home. It is going to be the greatest industrial battle the world has ever seen, and the men of the South will have foemen worthy of their steel, but no one who is familiar with the history of achievement in the South, and who appreciates the resources at her command, can have any doubt of the result.

The magic wand of wealth is now touching the American cotton fields wherever the fleecy staple is grown. Only a few days ago the newspapers carried an announcement that the Goodyear Tire & Rubber Co. is investing $30,000,000 in 40 acres of factory buildings in Los Angeles simply to be near the supply of long-fiber cotton grown in that section of California.

This announcement is only typical of the announcements daily appearing in the public press and bears out the statement of the Census Bureau relative to the growth of the American cotton industry which has just been made public. It publishes a table showing the activity of the American cotton spindles from 1840 to 1919, and adds:

The most significant fact brought out by this table is the rapid growth of the industry in the cotton-growing States. In 1880 there were only 561,360 active cotton spindles in these States, and the quantity of cotton consumed was 188,748 bales. In 1919, 14,846,239 spindles were operated, and the quantity of cotton and linters consumed in 1918 was 4,414,052 bales. Between 1900 and 1918 the consumption in these States almost trebled, while in the New England States it increased 38.4 per cent, and in all other States 42.6 per cent. The consumption in 1900 in the cotton-growing States amounted to 39.3 per cent of the total for the country, compared with 49.3 per cent for the New England States and 11.4 per cent for all other States. For the year ending July 31, 1918, the consumption in the cotton-growing States formed 57.4 per cent of the total for the country, that in the New England States 34.4 per cent, and that in all other States 8.2 per cent. Of the total number of spindles operated during 1919, 42.5 per cent were in the cotton-growing States, 51.7 per cent in the New England States, and 5.8 per cent in all other States.

The prosperity of a people is measured by their balance of trade. When they are creditors it means that the other peoples of the earth must pour gold into their coffers to settle for the products of their fields and factories. It is the economic ambition of every nation to be in the creditor class, and it is the proud distinction of the United States to be at the very head of that class. Many factors have contributed to that distinction, but perhaps the principal reason is that our exports are made up of well-balanced cargoes of raw materials from our fields, our forests, and our mines as well as the finished material of our factories. Most of the other important commercial people confine their exports largely to manufactured goods.

How commanding has become our position in the trade of the world has been graphically summarized in the statement recently issued by the Department of Commerce reviewing the foreign commerce of the United States for the fiscal year ending June 30, 1919.

It points out that the commerce of the United States with foreign countries during the year ending June 30, 1919, amounted to $10,329,000,000, consisting of imports of $3,096,000,000 and exports of $7,233,000,000. The commerce of the last fiscal year, it says, has been in many respects phenomenal. Our exports and our imports of merchandise and the excess of exports over imports were the largest in the history of the country. The imports exceeded any prewar year by about 65 per cent and the exports were larger by about 195 per cent. The imports were $150,000,000 greater than the preceding year. The exports were $1,310,000,000 greater, and the excess of exports over imports exceeded the preceding year's excess by $1,160,000,000.

From the time of the declaration of war until the signing of the armistice the monthly exports averaged about $500,000,000, but with the coming of the armistice, which made possible the discontinuance or modification of war-time restrictions on trade and released an increasing amount of shipping space employed by military forces, and the large output of American shipyards,

the exports became larger and larger, until June, the last month of the fiscal year, when they were reported at $928,000,000. For the six months' period from January to June the monthy average exceeded $676,000,000.

The report, proceeding to show how our export trade has grown by leaps and bounds, continues:

Perhaps a better understanding of the magnitude of our export trade during the fiscal year 1919 and the remarkable growth brought about by the war may be had when it is realized that the average monthly exports during any fiscal year had never reached $100,000,000 prior to 1898, and that the $200,000,000 monthly average was not attained until the fiscal year 1913. For a few months after the beginning of the European war our export trade was adversely affected, but the business of supplying belligerent countries with munitions soon expanded enormously, and the first time that the $300,000,000 mark was passed was in September, 1915. Five months later $400,000,000 was reached. The $500,000,000 mark was exceeded in August, 1916; $600,000,000 in January, 1917; $700,000,000 in April, 1919; and, finally, the total of $928,000,000 was reported for June, 1919.

When we analyze the factors that have contributed, over a long period of years, in building up the overseas commerce of the United States to the preeminent position it presently occupies, we realize that cotton more than anything else has contributed to that prosperity. During the past five years, while Europe was converted into one vast armed camp, while helpful industry was paralyzed, and the world witnessed the greatest slaughter and destruction it has ever seen, the preeminence of cotton was not so marked. During that period our every energy was strained in forwarding munitions of war and foodstuffs to sustain the embattled hosts, whose far-flung lines stretched across Europe from the North Sea to the shores of Asia. But even during that period, when so many looms and spindles were idle, our cotton shipments easily continued to occupy the first place among raw materials exported. This is illustrated by the report for the fiscal year 1919, which shows that of the $1,226,485,683 value of such goods, raw cotton to the amount of 5,353,895 bales, valued at $873,579,669, constituted the lion's share. In the preceding year, out of a total of $897,324,090, cotton amounted to $665,024,655.

But when we consider the additional sums that we derived from the sale of our manufactured cottons, the oil and the meal that was yielded by the seed, and all the additional by-products of this wonderful plant, the sum is enormously increased. Thus, for the fiscal year ending June 30, 1919, we exported unmanufactured cotton of all kinds to the amount of $904,753,000; manufactures of thread and yarn to the amount of $7,201,000; bleached, unbleached, dyed, and printed cloths to the extent of $35,347,000; handkerchiefs and mufflers amounting to $6,947,000; laces, veils, and nettings to the amount of $117,533,000; plushes, velvets, hosiery, and wearing material to the amount of $93,542,000; making a grand total of manufactured cottons amounting to $261,466,000. Cottonseed oil was shipped abroad to the value of $45,172,000, but owing to the disarranged conditions of shipping following the armistice there was a total absence of our usual lucrative trade in cottonseed cake and meal. The figures here given, however, show a grand total of cotton and its by-products in the manufactured and unmanufactured state aggregating $1,211,391,000 exported for the year ending June 30, 1919.

In conclusion, I desire to call the attention of all the country to the fact that it is just as important that the South be prosperous as it is that any other section of the Union be wealthy. The prosperity of the South is largely dependent upon the price obtained by it for its chief product, cotton. A prosperous South makes a growing market for the products of North and East and West, and the Nation as a whole is therefore directly interested in the price obtained by the South for its great crop.

The tremendous volume of cotton and its products that we export keeps the balance of trade safely in our favor, and a fair price realized by the southern farmer for his product wonderfully enhances his value as a purchaser of the products of the rest of the Union.

So intimately entwined are all our activities and all our commercial relations that it is to the interest of every section of these United States to see that every other section is prosperous, and I feel and believe that the people of the North and the East and the West are to-day gratified in the knowledge that prosperity and peace and plenty have come to our section of the Union.

Many a year we have struggled against adverse conditions and adverse surroundings, but our people have ever had before them the thought that some day they, too, would share in the general prosperity of the Nation. That day seems to have dawned for us, and the only one who objects to the South receiving a fair price for its great product is he who puts his own selfish gain above the welfare of all the people of our country.

I want you to know that we rejoice in the prosperity and the wealth that has come to every section of the Union, and we feel that all of our fellow Americans rejoice with us in the prosperity that now seems assured to the Southland. [Applause.]

Mr. SIMS. Mr. Chairman, I reserve the rest of my time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Constructing or purchasing and equipping lighthouse tenders and light vessels for the Lighthouse Service, $5,000,000.

Mr. MANN of Illinois. Mr. Chairman, I move to strike out the last word. I am constructively occupying the time.

The CHAIRMAN. The Chair will call the gentleman's attention to the fact that this bill is being read by sections.

Mr. MANN of Illinois. This bill has always been read by paragraphs.

The CHAIRMAN. It is not a general appropriation bill.

Mr. MANN of Illinois. I understand.

Mr. ESCH. That has been the uniform practice.

The CHAIRMAN. By paragraphs?

Mr. ESCH. Yes.

Mr. MANN of Illinois. Mr. Chairman, I offer the following amendment, to come after the sum on line 11.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. MANN of Illinois: Page 1, after the figures in line 11, insert: "*Provided*, That the Secretary of War, the Secretary of the Navy, and the Shipping Board shall report to the Secretary of Commerce such vessels as they are willing to dispose of and which by reasonable alterations can be used for light vessels or lighthouse tenders, and if the use of the vessels should be justified by the necessary expenditure for alterations, transfer of the ships shall be made to the Department of Commerce and they shall be used for the purposes of this act, and the appropriation herein shall be available for such repairs and be reduced by the sums saved by the use of such vessels."

Mr. MANN of Illinois. Mr. Chairman, that amendment was prepared by the gentleman from Pennsylvania [Mr. EDMONDS]. I notice it says at the end of the amendment, "the appropriation herein." There is no appropriation, and I ask to have that changed to the "sum herein authorized."

The CHAIRMAN. The Clerk will report the amendment as it is asked to be changed.

The Clerk read as follows:

Modified amendment: After the figures on line 11 insert: "*Provided*, That the Secretary of War, the Secretary of the Navy, and the Shipping Board shall report to the Secretary of Commerce such vessels as they are willing to dispose of and which by reasonable alterations can be used for light vessels or lighthouse tenders, and if the use of the vessels should be justified by the necessary expenditure for alterations, transfer of the ships shall be made to the Department of Commerce and they shall be used for the purposes of this act, and the sum herein authorized shall be available for such repairs and be reduced by the sums saved by the use of such vessels."

Mr. ESCH. I gather from that that the Secretary of Commerce would be the judge as to the alterations of such vessels as might be in the possession of the Shipping Board and also those which might be in the possession of the Army and the Navy?

Mr. MANN of Illinois. That is the idea; and the language of the bill is that "The Secretary of Commerce is hereby authorized to establish, provide, and improve the following aids to navigation," so that there will be no possible question as to the authority.

The CHAIRMAN. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment as amended.

The amendment as amended was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Purchasing site and constructing and equipping a lighthouse depot for the seventh lighthouse district, $250,000.

Mr. BRIGGS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BRIGGS: Amend the bill by adding, on page 2, between lines 19 and 20, the following: "Eighth lighthouse district: Improving Galveston Jetty light station, Tex., including fog-signal station, $6,500."

Mr. BRIGGS. Mr. Chairman and gentlemen of the committee, this is a fog-signal station to which I referred on the floor of the House here a day or two ago, when the sundry civil bill was under consideration and with reference to which something of a discussion arose as to whether there was sufficient authorization for its construction under existing law. The original provision for the construction of a light and fog-signal station on this south jetty at Galveston was contained in the

sundry civil bill of 1896, and additional provision was carried for that purpose in the bill for 1908. The light station has been completed, but the fog signal has not been; in fact, they have been unable to do anything toward the installation of a compressed-air fog signal.

The value of commerce that is flowing through Galveston Harbor to-day is estimated at about $800,000,000 a year. That was approximately the figure for the year 1919. Those jetties project out into the sea about 6½ or 7 miles and in foggy weather it is oftentimes necessary to hold ships in port until the fogs clear for want of this signal. The pilots and commercial association of Galveston have been urging me to have provision made for adequate fog warnings. The Bureau of Lighthouses in the Department of Commerce has recommended the fog signal as urgent and deserving the appropriation. I understand that the chairman of this committee has no objection, and surely the safety of the great ships and their enormously valuable cargoes should not be longer jeopardized by failing to provide this safeguard of commerce.

Mr. ESCH. I understand that this is to install a compressed-air fog signal?

Mr. BRIGGS. Yes; to install a compressed-air fog signal.

Mr. ESCH. And it is in group No. 1 of the recommendations of the Lighthouse Service?

Mr. BRIGGS. Yes; in group 1.

Mr. ESCH. I have no objection.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TWELFTH LIGHTHOUSE DISTRICT.

Improving aids to navigation and establishing new aids at Ludington, Mich., $50,000.

Mr. BEE. Mr. Chairman, I want to ask the gentleman a question. I notice nothing in the bill with reference to the lighthouse at Port Aransas, and I also read the hearings, and there was nothing said there about that lighthouse. The reason why I was specially interested in it was that they had a very severe storm at that point last December, and I visited it shortly afterwards, and this lighthouse had withstood the storm, but at the same time it indicated that it needed some repairs to it in the foundation. But I notice neither in the report nor in the hearing anything in reference to it.

Mr. ESCH. I think that might be carried or covered by the item on page 2, second paragraph—

Riprap to reinforce foundations and to protect them from damage by sea and ice and make more accessible boat landings at certain light stations, $134,000.

Mr. BEE. That probably would cover it.

Mr. MANN of Illinois. I also suggest that if it is for the repair of a lighthouse, it is not necessary to go into this bill. It is covered by the appropriation bill.

Mr. BEE. That is the information I wished to get. I am obliged to the gentleman. I saw the lighthouse. It was the only building that stood after that storm, that lighthouse at Port Aransas.

Mr. ESCH. That was the storm of September, 1919?

Mr. BEE. Yes; at Corpus Christi.

Mr. ESCH. There was very serious loss throughout the entire Gulf coast, and many of the buoys were carried away, and some of the riprap around the lighthouses was damaged.

Mr. BEE. That will be covered by the appropriation?

Mr. ESCH. Yes.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. ESCH. Yes.

Mr. MANSFIELD. At Port Lavaca, near the point spoken of by the gentleman from Texas [Mr. BEE], they had some little towers for lights, on the bay there, for the benefit of the fishing and oyster craft. They have no light there at this time at all, and the bureau claims that there is no appropriation at present available for that purpose. Is there anything in this bill to authorize that?

Mr. ESCH. If they stated it required a separate appropriation, this bill would not reach it, because we have no such item, and no such item was brought to the attention of the committee. If it is thought that the needs of navigation are such as to require their installation, I have no doubt the committee might give it favorable consideration, but it has never been presented.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. That hereafter the salary of the superintendent of naval construction in the Bureau of Lighthouses shall be $4,000 per annum.

With a committee amendment, as follows:

Page 3, line 12, correct the spelling of the word "Bureau."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SWEET. Mr. Chairman, the bill now under consideration has for its purpose the authorization of aids to navigation and for other works in the Lighthouse Service.

The total amount of authorization carried by the bill for various projects and items amounts to $5,791,000. The amount of authorization contained in the first bill introduced in this Congress on this subject, House bill 6499, was $6,503,400.

The difference in the amounts of authorizations in the two bills is largely due to the appropriations made in the sundry civil act of July 19, 1919, and the first deficiency appropriation act, fiscal year 1920, approved November 4, 1919.

Your committee was of the opinion that the authorizations contained in this bill were necessary in order that the work in connection with the Lighthouse Service might be effectively managed and performed and that the projects to be undertaken were necessary for the proper preservation of life and property.

I am of the opinion that serious objection will not be made by any Member of the House to any of the authorizations in this bill, except possibly as to the items for constructing or purchasing and equipping lighthouse tenders and light vessels for the Lighthouse Service in the sum of $5,000,000.

The items comprised in the authorizations in the bill outside of this particular item amount to $791,000.

At the outset, then, I will call the attention of the House to the first item in the bill, found on the first page, which is as follows:

Constructing or purchasing and equipping lighthouse tenders and light vessels for Lighthouse Service, $5,000,000.

This particular item contemplates a building program of 17 vessels at an estimated cost of $5,130,000. From careful estimates and examinations as to the condition and further serviceability of vessels of the Lighthouse Service, it is found that within the next five years 18 lighthouse vessels and 10 tenders should be replaced with vessels of the types indicated, as shown by the report that accompanies the bill, and one light vessel should be built for a new station.

As it will require under favorable conditions from two to three years after appropriation is made before vessels are available for service, it appeared to your committee that funds should be provided now for 17 vessels most urgently needed, in addition to three vessels for which estimates have been heretofore submitted, two to be built under the authorizations of June 20, 1918, and one to replace Diamond Shoal light vessel.

An itemized statement of the additional vessels and the estimated cost of each, the authorization of which is now deemed necessary by your committee, will be found in the report which accompanies the bill.

In the nine years since 1910 but 11 tenders and 7 light vessels have been built, a total of 18, or only one-half the number of replacements necessary to maintain the service on a uniform basis without allowing for any increase.

According to statements made to your committee during the hearings held on this bill, it was disclosed that in order to maintain a fleet of 54 tenders and 63 light vessels an average of 2 tenders and 2 light vessels must be built each year.

During the last nine years 36 vessels should have been constructed to meet ordinary conditions. Instead, only 16 have been built, or less than one-half the number of replacements necessary to maintain the service on a uniform basis.

The building program proposed in this bill will simply do that which should have been done during the last nine years.

During the war the vessels of the Lighthouse Service were wholly under the control of the Navy Department. The aids which the navigation service maintains has increased since 1910 from 11,660 to 16,000, or an increase of about 38 per cent. Three new districts have also been added—Alaska, Porto Rico, and Hawaii.

The number of gas buoys which the tenders must maintain have increased from 225 to 600, the number of automatic shore lights have increased from 117 to about 600. The present depleted fleet in the Lighthouse Service is thus required to do at least 38 per cent more work than before.

I also call the attention of the Members of the House to the fact that this country has the most extensive Lighthouse Service in the world; that the service covers 47,300 miles of general coast line and rivers; that at the present time the Lighthouse Service employs 117 vessels, of which 54 are tenders and 63 light vessels.

It is necessary for these vessels to keep up the most continuous and extensive patrol of the coasts of the United States.

In speaking of the service of these vessels, the Commissioner of Lighthouses in his annual report to the Secretary of Commerce, stated in part:

No vessels are exposed to more severe usage than the vessels of the Lighthouse Service. The tenders are continuously on the go, handling buoys of great weight in proportion to the size of the vessel, as well as large quantities of coal and other supplies, and in working buoys must navigate close to the edges of reefs and shoals, in waters which other vessels shun. The light vessels must remain at anchor in exposed positions off the coast during the most severe gales and hurricanes. The handling of buoys and supplies must often be done in a seaway under difficult or dangerous conditions.

The United States is making a very large investment in shipping. The total amount authorized or appropriated by Congress for the Emergency Fleet Corporation to October 15, 1918, was $3,671,000,000, covering the purchase and construction of over 3,100 vessels, or more than double the total number of seagoing merchant vessels of the United States at the beginning of the war.

I also wish to call the attention of the House to the fact that the expenditures of the Navy Department for the construction of new vessels for the one fiscal year 1918 were about $450,000,000. It is important that the great investment that the Government has in shipping and the vessels in connection with the Navy Department should and must be amply protected. The privately owned shipping of this country and the shipping of other countries which visit our shores should and must be protected.

It also appeared in the hearings that the useful life of a lighthouse tender is about 25 years and a light vessel about 30 years under normal conditions. The average age of the vessels of the Lighthouse Service is at present for tenders 22 years, for light vessels 28 years, and for each class this average has increased by three years since 1914, owing to the lack of replacement of vessels.

Of the light vessels now in use, 20 are more than 30 years old, and of the tenders 17 are more than 25 years old. Some of the light vessels are over 50 years old. From the foregoing it appeared plain to your committee that in order to maintain 54 tenders and 63 light vessels with a useful life, as stated above, it was evident that, on an average, two tenders and two light vessels must be built each year to maintain the service on a uniform basis, without allowing for any increase.

According to the report of the Commissioner of Lighthouses to the Secretary of Commerce:

The deficiency of vessels in the Lighthouse Service has been much accentuated by an unusual number of casualties in the last year and a half. Since January, 1918, Diamond Shoal light vessel has been sunk on station by a German submarine; Cornfield Point light vessel has been run into by a barge and sunk on station; Cross Rip light vessel has been destroyed by the ice; Thirty-five Foot Channel light vessel has been destroyed by fire at a contractor's dock; and Bush Bluff light vessel and the tender *Gardenia* have been condemned as worn out and not worth repair.

All of the tenders of the Lighthouse Service excepting one were, by order of the President, placed on duty with the Navy Department during the period of the war, and during this time, from April, 1917, to July, 1919, have been performing various duties for that department in addition to doing their regular lighthouse work. Some of this naval duty, such as the handling of protection nets, has been strenuous work for these vessels. As a result of this, as well as the shortage of tenders and the difficulty of effecting repairs under war conditions, there has unavoidably been an unusual deterioration of vessels.

I also call attention of the House to the fact that no appropriation for lighthouse vessels has been made since the act of June 12, 1917, or more than two years. Due to war conditions and insufficiency of appropriations, no new contracts for lighthouse tenders have been made since September, 1915, and since June, 1916, only one light vessel has been contracted for.

The question naturally arose as to whether or not vessels could be obtained from other sources to perform useful service in connection with the Lighthouse Service.

The commissioner in his annual report has the following to say upon this subject:

Very thorough investigation has been made as to the possibility of obtaining vessels suitable for work of the Lighthouse Service from the Shipping Board or from vessels no longer needed by the Navy on account of the cessation of the war. It was found that the Shipping Board had no vessels in any way suitable. From the Navy two small vessels have been transferred, which will be used for shoal-water tender work, but they will be of but limited usefulness. Lighthouse tenders and light vessels are both vessels of unusual requirements, and it is impracticable to meet the special needs of this work by adapting vessels built for other purposes.

I also call attention to the statements made by Commissioner Putman, of the Lighthouse Service, in a letter written to Chairman ESCH on December 11, 1919, in regard to this subject, which is in part as follows:

In reply to your letter of December 10 I beg to state that the possibility of utilizing the Navy type of mine sweepers for vessels for the Lighthouse Service was considered last year immediately after the armistice, officers of this service inspecting these vessels and examining their plans, and it was concluded that their design differed so fundamentally from the main requirements for either lighthouse tenders or light vessels that they would not be serviceable for either purpose, and that the cost of adapting them, if that were practicable, would be out of proportion to their future usefulness. This opinion has been confirmed by conference on the subject which I have had to-day, after receipt of your letter, with Admiral Strauss, who was in charge of the recent mine-sweeping operations in the North Sea, and who further informs me that all of our naval vessels used in these recent operations were of the new type above referred to.

2. The fundamental difficulty in this matter is that the mine sweepers are a very special type of vessel designed for efficiency in that particular work, and that buoy tenders and light vessels are also very specialized vessels of unusual type, and that there is great risk to the crews and property and loss of efficiency in attempting to utilize unsuitable vessels on these exacting and dangerous duties of the Lighthouse Service.

3. The first requirement of a lighthouse tender is a large, open deck space forward for the handling of buoys, moorings, etc. The Navy mine sweepers have the upper works carried well to the bow and the hull lines narrowed toward the bow, leaving practically no deck space available for buoy work; they have large deck space aft for handling mines, but this space is not useful for handling buoys and moorings, and on a buoy tender should be utilized for quarters, etc. Other extensive alterations would be necessary, and the cost of the structural changes would be very large.

4. The Navy mine sweepers in no way conform to the requirements for light vessels. Their size would only justify their use on the more exposed stations. Their high and exposed upper works, sharp lines forward, and mooring from a high deck make them dangerous vessels to attempt to keep anchored in exposed stations in the open sea off the coast. Their unsuitability for this purpose was proven by actual trial, for shortly after the armistice the Navy Department placed a number of these vessels on stations off the Atlantic coast as temporary lightships, in addition to those of the Lighthouse Service, to facilitate the return of transports, and much difficulty was experienced with them because of their unsuitability of design for this special service. In a number of cases in severe weather these vessels were compelled to leave their stations and seek port, a condition which could not be tolerated with regular light vessels, whose continued presence on station in severe weather is of the highest importance to the safety of lives and property.

The lighthouse tenders and the light vessels used in connection with the Lighthouse Service must be constructed along well-defined lines in order to be useful in the Lighthouse Service.

Your committee consequently was of the opinion that it was absolutely necessary for the Government to build vessels especially adapted to the Lighthouse Service.

In support of this particular item of five million in the bill, I wish to call attention to the statement made by Secretary Redfield during the hearings, which is, in part, as follows:

There is one point which I wish especially to emphasize, and that is that in order to maintain a fleet of 54 tenders and 63 light vessels an average of 2 tenders and 2 light vessels must be built each year, and this has been the constant recommendation of the department. In the 9 years since 1910, however, but 11 tenders and 7 light vessels have been built, a total of 16, or only one-half the number of replacements necessary to maintain the service on a uniform basis without allowing for any increase. But on the other hand, not only have we had this serious naval work to do, the vessels being throughout the war wholly under the control of the Navy Department, but since 1910 the number of aids to navigation which the service maintains has increased from 11,660 to over 16,000—a total of 4,415, or 38 per cent—and 3 new districts, Alaska, Porto Rico, and Hawaii, have been added; and, furthermore, the number of gas buoys which the tenders must maintain has increased from 225 to 600, and the number of automatic shore lights from 117 to about 600. So that with a depleted fleet, which has been replaced at but half the former rate, we are called upon to do 38 per cent more work than before.

In addition to that, I need hardly to remind this committee of the great increase in our own fleet, which brings upon us a correspondingly heavier responsibility. I think it is hardly necessary for me to add anything to that except this word: From six and one-half years' experience with these vessels and these men, the force of seamen which this service maintains is all but unique. These men know our shores as nobody else knows them. They live in intimate, daily contact with all the dangers of our coasts. They should have the finest and safest types of vessels for the work. I am sure it would be your desire that the equipment should be fully up to the merits of the service and the quality of the men that command them. These ships are as valuable for war as for peace and invaluable alike in both.

The bill that we are now considering is simply an authorization for aids to navigation and for other works in the Lighthouse Service. It will be necessary for the Appropriation Committee to go over the authorizations provided in this bill and make such appropriations as may be deemed necessary to meet the exigencies of the situation which will, in their judgment, be deemed wise and proper, taking into consideration the enormous expenditures which have been made and must of necessity be made to properly conduct governmental affairs during the period of reconstruction through which we are now passing.

I realize that it is necessary for the American Congress to practice economy. However, in practicing economy I do not believe that it is wise to neglect the Lighthouse Service to such an extent that it will cripple that service so that it can not be efficiently managed and performed, for it has to do largely with the preservation of life and property.

As to the other items in the bill, I especially call your attention to the report that accompanies the bill, for in each instance I believe that the purposes and the necessity for the same are fully and amply set forth.

I believe that, taking all matters into consideration, the House should pass this bill just as it has been reported by the Committee on Interstate and Foreign Commerce.

Mr. ESCH. Mr. Chairman, I move that the committee do now rise and report the bill to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The CHAIRMAN. The question is on agreeing to the motion of the gentleman from Wisconsin.

Mr. BLANTON. A division, Mr. Chairman. We want a record.

The committee divided; and there were—ayes 36, noes 0.

So the motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MADDEN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 10183) to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes, had directed him to report the same back to the House with sundry amendments with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put the amendments in gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. ESCH, a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. BRIGGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the gentleman's request?

There was no objection.

Mr. CROWTHER. Mr. Speaker, I make the same request.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Speaker, before we take up this other bill, which is a very important matter, I think we ought to have a quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. It is clear that there is no quorum present.

Mr. ESCH. I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Anthony	Echols	Kendall	Sabath
Baer	Ellsworth	Kennedy, Iowa	Sanders, Ind.
Bankhead	Elston	Kennedy, R. I.	Schall
Begg	Emerson	Kettner	Scully
Blackmon	Evans, Nev.	Kiess	Sears
Bowers	Ferris	Kitchin	Sells
Brinson	Fess	Kreider	Shreve
Burke	Fields	Lankford	Sinclair
Butler	Flood	Lazaro	Small
Campbell, Pa.	Focht	Lee, Ga.	Smith, Ill.
Cantrill	Frear	Lesher	Smith, N. Y.
Caraway	Fuller, Mass.	Linthicum	Smithwick
Carew	Garrett	Longworth	Snell
Carss	Goodwin, Ark.	Luhring	Snyder
Carter	Gould	McAndrews	Steagall
Casey	Graham, Ill.	McCulloch	Steele
Clark, Fla.	Greene, Vt.	McFadden	Steenerson
Cole	Griest	McKinley	Stephens, Miss.
Connally	Hadley	McLaughlin, Nebr.	Stephens, Ohio
Cooper	Hamill	McPherson	Stevenson
Costello	Harrison	Major	Strong, Pa.
Cramton	Hastings	Mann, S. C.	Sullivan
Curry, Calif.	Hayden	Mason	Temple
Dale	Heflin	Merritt	Thomas
Darrow	Hernandez	Morin	Tillman
Davey	Hill	Murphy	Towner
Davis, Tenn.	Hoey	Nelson, Wis.	Vare
Dempsey	Huddleston	Nicholls	Venable
Denison	Hulings	O'Connell	Walsh
Dent	Husted	Porter	Walters
Dewalt	Hutchinson	Reber	Whaley
Donovan	Jefferis	Rhodes	Wheeler
Dooling	Johnson, S. Dak.	Riordan	Williams
Drane	Johnston, N. Y.	Rodenberg	Wood, Ind.
Dunn	Jones, Pa.	Rose	Wright
Dyer	Kelley, Mich.	Rowan	
Eagle	Kelly, Pa.	Rucker	

The SPEAKER. On this call 281 Members have answered to their names. A quorum is present.

Mr. ESCH. I move to dispense with further proceedings under the call.

The motion was agreed to.

LEAVE TO EXTEND REMARKS.

Mr. GOLDFOGLE. Mr. Speaker, I ask unanimous consent to insert in the RECORD remarks on certain postal conditions.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD on postal conditions. Is there objection?

There was no objection.

AQUEDUCT BRIDGE.

Mr. ESCH. Mr. Speaker, by direction of the Committee on Interstate and Foreign Commerce I call up the bill (H. R. 10328) to amend an act approved May 18, 1916, entitled "An act to provide for the removal of what is known as the Aqueduct Bridge, across the Potomac River, and for the building of a bridge in the place thereof."

The SPEAKER. The gentleman from Wisconsin calls up a bill which the Clerk will report.

The Clerk read the title of the bill.

The SPEAKER. This bill is on the Union Calendar. The House automatically resolves itself into the Committee of the Whole House on the state of the Union, and the gentleman from New York [Mr. HICKS] will please take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10328, with Mr. HICKS in the chair.

The CHAIRMAN. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the first section of an act approved May 18, 1916, entitled "An act to provide for the removal of what is known as the Aqueduct Bridge, across the Potomac River, and for the building of a bridge in the place thereof," be amended so as to read as follows:

"SEC. 1. That the Secretary of War be, and he is hereby, authorized to cause to be constructed a bridge across the Potomac River at or near what is now known as the Aqueduct Bridge, replacing said bridge with a substantial structure, at a total cost for the bridge and the necessary approaches thereto of not more than $2,100,000."

With the following committee amendments:

Page 1, line 3, after the word "first," strike out the word "section" and insert in lieu thereof the words "and fourth sections." Page 2, after line 4, insert:

"SEC. 4. That the sum of $150,000, or so much thereof as may be necessary, is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purpose of securing proper plans and for the payment of any lands, easements, rights, or property necessary in the construction of said bridge: *Provided*, That the plans and specifications herein authorized shall be so drawn and prepared as to insure the construction of a bridge and approaches thereto within the limit of cost of $2,100,000 as fixed herein. The Secretary of War shall advise with the Commission of Fine Arts in regard to the location, plans, and specifications of said bridge and approaches. As soon as the plans and specifications are approved the Secretary of War shall give public notice of the specifications and invite competitive bids for the construction of the bridge and approaches thereto according to the specifications, reserving the right to reject any and all such bids."

Mr. ESCH. Mr. Chairman, the purpose of this bill is to increase the authorization for the construction of the bridge across the Potomac River at Georgetown. The original bill appropriating for this purpose $1,000,000 was carried by the act of May 18, 1916.

In January or February, 1917, bids were submitted for the construction of the bridge under the plans prescribed by the War Department after conference with the Fine Arts Commission, but the bids that were so submitted were considered excessive, and the Secretary of War concluded he would build the bridge on his own account and employ the necessary help.

Owing to war conditions and a scarcity of labor and the increased cost of materials, it has been found impossible to complete this bridge under the original estimate of $1,000,000. The pending bill is to increase the authorization from $1,000,000 to $2,100,000, based on a careful estimate submitted to the committee by the Chief of Engineers.

The status of the work to-day is approximately as follows: The work is about 40 per cent completed. All the subaqueous work has been completed, and all piers are above water except one. A large portion, if not all, of the structural steel required is on hand, and a good portion of the lumber required for forms is on hand, as are also the barges and tow equipment. So that there is now required possibly 50 per cent more to complete the structure, 10 per cent being represented by equipment and material now on hand.

Mr. JUUL. Will the gentleman yield?

Mr. ESCH. I will.

Mr. JUUL. I want to ask why we do not find in this bill the usual formula that the District is to pay one-half of the cost of construction?

Mr. ESCH. Because that is contained in the act of May 18, 1916, the original act. The original act says that the District shall pay one-half, so that it was not necessary for us to repeat it.

Mr. JUUL. But you are appropriating an additional amount of money. Is not it necessary that in this bill making this additional appropriation you should provide that the District should pay one-half?

Mr. ESCH. I do not think so, in view of the fact that this bill only amends two sections of the original bill.

Mr. JUUL. Of course, I would yield to the gentleman's superior knowledge.

Mr. ESCH. I do not claim any superior knowledge, but that is my construction of it.

Mr. JUUL. How can the provision in the original bill be carried over to limit this appropriation when nothing is said in the bill about it? In other words, the provision in the original bill only refers to the amount appropriated in the original bill. If the gentleman says it is all right, I suppose——

Mr. MONTAGUE. Will the gentleman yield?

Mr. ESCH. I will yield to the gentleman.

Mr. MONTAGUE. I would say to the gentleman from Illinois that this bill is not an appropriation, it is an authorization. The gentleman may recollect that a few days ago we passed a bill carrying an appropriation of $500,000 for this bridge with language which amply meets the criticism of the gentleman from Illinois.

Mr. JUUL. If the gentleman from Virginia will permit, you have in the original bill an appropriation of a certain amount of money, and you put in a limitation on the amount that the Government is to pay. Now you come in with this bill and provide for a larger amount of money, but there is no provision such as is in the other bill.

Mr. MONTAGUE. The same limitation applies to this sum.

Mr. JUUL. There is nothing in this bill which says that the limitation is to affect this. I ask the gentleman in all fairness how the provision in the original bill can affect this?

Mr. MONTAGUE. There is nothing in this bill except the existing law, as stated by the chairman of the committee, a provision that covers the objection raised by the gentleman from Illinois.

Mr. JUUL. The gentleman would not state as a good lawyer and as the ex-governor of a State that that is so.

Mr. MONTAGUE. As a member of the committee and an ordinary lawyer, I think that is so. [Laughter.]

Mr. JUUL. The gentleman is a good lawyer, but I do not think this would cover it.

Mr. YATES. Will the gentleman yield?

Mr. ESCH. Yes.

Mr. YATES. I have read the testimony in this case, and there was testimony by Maj. Taylor, I think.

Mr. ESCH. He has charge of the work.

Mr. YATES. He made a statement that unless this authorization was passed at once or very soon, it might create additional expense to the United States.

Mr. ESCH. Yes; but it has been taken care of currently by an appropriation of $150,000 in one of the deficiency appropriation bills recently passed and $500,000 carried in the sundry civil bill passed the other day. I do not know that these appropriations could have been made had anyone raised the point of order, because the original bill contained the limit of cost.

Mr. YATES. I was not driving at that so much as to the urgent necessity for making the authorization.

Mr. ESCH. He has money enough to continue the work. He has a balance on hand to-day of something like $62,000 out of the $150,000 appropriated in a deficiency appropriation bill; but it is necessary to have funds immediately in order to keep the work going.

Mr. BROOKS of Pennsylvania. Is the bridge being built by contract?

Mr. ESCH. No; by the Government, by day labor.

Mr. BROOKS of Pennsylvania. No cost-plus arrangement?

Mr. ESCH. No; not at all; it was to avoid the necessity of that form of contract that the Government is doing it itself. Now, in order to justify this doubling, practically, of the appropriation based on the original estimate, I wish to call attention to some increases of cost of materials between the period of the first appropriation and now.

Cement a barrel cost, January, 1917, $1.30; at present it is $2.40. Lumber per thousand January, 1917, cost $21 to $45, and at present it is $45 to $70. Steel January, 1917, was 3 cents a pound and now it is 4 cents. Coal was $3.50 a ton and at present it is $6.45. Crushed stone in January, 1917, cost $2.90, and to-day it is $3.80. Common labor per diem January, 1917, was $1.75 and to-day it is $4.

Labor conditions, Maj. Taylor informed the committee, were somewhat better now than last year, but the efficiency is not as good as it was some time ago. With the amount of the appropriation authorized in this bill he is confident that the bridge can be constructed.

As gentlemen know, it is wholly within Federal jurisdiction, because both the District terminal and the Virginia terminal are on Government lands. That, of course, reduced the cost of the right of way on the Virginia side. The bridge will serve a very needed purpose, and it would be indeed a foolish thing if we left it in its present uncompleted condition, subject to deterioration of the structure, as well as deterioration of the materials now on the ground. Every reason in the world justifies the completion of this very necessary structure at the very earliest convenient date. It is the most used highway between the District of Columbia and Arlington and Fort Myer, both of them Government properties. For these reasons the committee was persuaded that we should approve an authorization increasing the original amount from $1,000,000 to $2,100,000.

I reserve the remainder of my time and yield 10 minutes to the gentleman from Virginia [Mr. MONTAGUE].

Mr. MONTAGUE. Mr. Chairman, I do not think any statement is needed in addition to that made by the chairman of the committee. The report of the committee for this increase and authorization is unanimous. The question is very simple. There was a necessity for the bridge, as is demonstrated by the act of 1916, which authorized its construction. The existing bridge has become very unsafe. Once, and perhaps oftener, traffic has been suspended. Repairs have been made on the piers, but it has been discovered by the engineers that those repairs have been inadequate and in the nature of things can not be made adequate, that there is no way out except a new bridge. The Congress appropriated $1,000,000 for the bridge. No contract was let. The Engineers of the Government undertook to construct this bridge, and they submitted plans and specifications which called for nine hundred thousand and odd dollars, which was a conservative estimate and well within the range of prices of material and labor. The extraordinary rise in the cost, as shown by the gentleman from Wisconsin [Mr. ESCH], necessitates this additional authorization. Therefore the question is, Shall the Government lose the money that has been expended and fail to meet the dire necessities of the situation, or appropriate the supplementary sum of $1,000,000 to complete the work, and thus meet the requirements and necessities of the Government?

Mr. LAYTON. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. LAYTON. Is it a fact that if this matter is not attended to right away, if you delay for a year or two while the country's finances are in the condition they are, there will be any loss by depreciation?

Mr. MONTAGUE. Mr. Chairman, I will state to the gentleman, as by his question he clearly anticipates, there will be a loss. There will be depreciation in material, and in the plant, and there will be wastage generally.

It will be bad economy to wait for a better day. It is good economy to do the work now. This House appropriated $500,000 a few days since in the sundry civil bill to be credited on this $1,000,000 authorization, showing that the House appreciated thoroughly the necessity for the continuation of the construction.

Mr. LEA of California. Mr. Chairman, I use that bridge to some extent, and it will be necessary to make extensive repairs if this bridge does not replace the old one shortly. There is no doubt about that.

Mr. LAYTON. I rose to ask the question only because as a Member of Congress it seems to me that we are all of us interested in the very serious situation which confronts us in respect to national finances. If it is imperatively necessary that this work should be done because of industrial, agricultural, or other interests, and there will be a loss if it is not done, then, of course, it is a matter that should be voted. I am interested only in the matter of economy.

Mr. MONTAGUE. I can sincerely answer in the affirmative the questions which the gentleman has propounded. It is an obviously economical thing to do, and an obvious necessity that it should be done. I agree with the gentleman, and I hope my votes now and hereafter will show that I favor the exercise of every practical economy by the Government until we are upon a thoroughly sound financial basis again. [Applause.] I should not have concurred in this report if I did not believe this additional authorization a most pressing need.

Mr. PARRISH. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. PARRISH. I notice that this act is amendatory of an act approved May 18, 1916.

Mr. MONTAGUE. Yes.

Mr. PARRISH. I understand that in that act it is provided that the District of Columbia shall bear one-half of the cost of this bridge. Will the act be left so that the District will pay one-half of this additional authorization?

Mr. MONTAGUE. Oh, yes; I think there is no doubt that the limitation as to the proportionate obligation on behalf of the District and the Federal Government will remain as it is. We do not amend that limitation, but leave it just as it is. Section 6 of the act to which the gentleman from Texas refers provides that one-half of the entire expense of constructing this bridge and its maintenance when constructed, including the amount appropriated in section 4 of the act, shall be paid by the District of Columbia. Then there is another provision in the act which I may mention, that the traffic carried by electric lines and street railways shall likewise pay some proportion of fares and charges to the Government.

Mr. PARRISH. I understand that both ends of this bridge rest on public land.

Mr. MONTAGUE. Both ends of the bridge rest on land owned by the Government of the United States.

Mr. LAYTON. In other words, the original act, in so far as the provisions which the gentleman has quoted are concerned, will not be affected by this amendment calling for an increase of money.

Mr. MONTAGUE. This act that we are now considering does not touch section 6 of the original act. That remains in full force; it will be an existing portion of this bill if enacted.

Mr. JUUL. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. JUUL. I wanted to state to the gentleman that I am not speaking in an unfriendly way on the subject, for I am for the bill——

Mr. MONTAGUE. I appreciate the gentleman's attitude.

Mr. JUUL. I think the present bridge is a disgrace and that we ought to have a new one.

Mr. MONTAGUE. I am more concerned about its danger than its disgrace.

Mr. JUUL. The gentleman knows that later legislation supersedes legislation of an earlier date?

Mr. MONTAGUE. Yes.

Mr. JUUL. Here comes a piece of legislation that not in the slightest degree refers to section 6 of the original act, which places a limitation on the former appropriation. There are a number of very good lawyers in this country who would no doubt claim that as the legislation now proposed makes no reference to the section limiting the former appropriation, therefore this legislative body had not in mind that section 6 had application also to this added appropriation.

I want to ask the gentleman if it would not be fair to people who are worried about this matter to accept an amendment stating that the restrictions of section 6 should have reference to it. I can draw the amendment in five minutes——

Mr. MONTAGUE. Personally I have no objection. If the gentleman does not misconstrue me to be discourteous, I think it is mere surplusage; but I have no objection.

Mr. JUUL. I am not so sure it is surplusage.

Mr. MONTAGUE. I have respect for the gentleman's opinion; I have just expressed my own.

Mr. MANN of Illinois. Will the gentleman allow me to make a suggestion to my colleague?

Mr. MONTAGUE. Certainly.

Mr. MANN of Illinois. If this bill passes in the form it is in, it only changes two sections of an act now upon the statute books. It goes in as a part of that statute, under our practice a new law, and all the rest of the sections remain in force applicable to the new or newly amended sections.

Mr. JUUL. I bow with deference to the greater learning of my distinguished colleague from Illinois, but I want to tell the gentleman that here is a legislative proposition that comes in and provides for a specific sum of money without restriction. Now, the great question that is involved in this legislation is whether or not it was the intention of this legislative body that any part of the former legislation restricting the legislation in the former bill should apply to legislation that is passed years after?

The gentleman well knows that if there is any doubt on a proposition that the later legislation would govern, of course. I bow with the deepest humility to the greater learning and far greater experience of the gentleman from Illinois, but I have seen questions exactly like this debated and the older legislation lost out in every instance.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JUUL. I hope we can get enough time to settle this matter. It is a matter of a million dollars.

Mr. ESCH. I will yield the gentleman five minutes.

Mr. TILSON. Before the gentleman starts, will he yield for a question?

Mr. JUUL. Certainly.

Mr. TILSON. May I make this suggestion to the gentleman from Illinois, that if we pass this bill as it stands it will be equivalent to rewriting the entire law. It will be the same as if the entire law were carried in this particular bill, including these two sections that are here carried, and there could be no object, no good purpose served by reinserting legislation that already is in effect. This is simply adding some amendments to two sections of a law that is already in force.

Mr. JUUL. Now, I want to ask the gentleman a question, and I hope he will answer it loud enough so that gentlemen will hear it. Does the gentleman mean to tell me that a restriction placed by a legislative body in a bill 2, 4, or 10 years ago will restrict the present Congress when no mention is made in the present bill that the limitation shall apply?

Mr. TILSON. If it is carried in the law which remains in effect, certainly. The law will remain in effect with this restriction in it, because when other sections are inserted which do not specifically repeal the restriction, it remains in full force and effect. As I said in the beginning, it is the same as if we were reenacting the entire act, including any restrictions, together with these new amendments in it.

Mr. JUUL. There is no line in the former bill restricting the appropriations of this Congress.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. JUUL. I will if I have time.

Mr. MANN of Illinois. The gentleman has five minutes.

Mr. JUUL. When do the five minutes start?

Mr. MANN of Illinois. The strongest case, of course, will be provisions creating crime?

Mr. JUUL. Yes.

Mr. MANN of Illinois. And it is the constant practice, and sustained by the court, where a certain section of a statute provides that a violation of other sections of the statute shall be crimes or misdemeanors if Congress should amend some of the other sections of the statutes and put in new provisions without saying anything about the change of the penal provision, yet that relates back to the time you changed the law providing for new duties?

Take the interstate commerce act, for instance. It has been amended a great many times since I have been in this House with old penal provisions still applicable and many new provisions inserted in their place in the law without saying anything about it.

Mr. JUUL. Will the gentleman yield in my time? I want to know from the distinguished gentleman from Illinois what harm could come to this bill by placing in it an amendment stating that the bill now before us should be subject to the limitations of section 6 of the former act?

Mr. MANN of Illinois. Well, the harm that can come is largely a matter of form. Here is a section supposed to go in by this amendment as though it were originally written in the former bill, and to say in that that it shall be subject to another section of the same act supposedly in force, it seems to me, looks as though Congress did not know what it was doing.

Mr. JUUL. But you are appropriating a new amount of money——

Mr. MANN of Illinois. No; we are not appropriating here at all. This is only an authorization. There is no appropriation here by this bill.

Mr. JUUL. I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back half a minute.

Mr. ALMON. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. ALMON. To ask the Chairman a question. If work was suspended on the bridge would it not necessarily result in great deterioration and waste of the material?

Mr. ESCH. Yes, sir. That is clearly presented to us by Maj. Tyler, not so much in the concrete abutments but in the structural steel that is now on hand, and in the lumber.

Mr. ALMON. And would not the Government suffer considerably by the organization becoming disorganized, and would they not have to build up another organization later on?

Mr. ESCH. Yes; that is true. And if nothing is done we will have to store the material and hire watchmen.

Mr. ALMON. To say nothing of the danger of the old bridge.

Mr. ESCH. If there is no further discussion, Mr. Chairman, I ask for the reading of the bill.

The CHAIRMAN. The Chair would like to ask the gentleman if there is any Member who desires to speak in opposition to the bill?

Mr. ESCH. There has been no further request for debate.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the first section of an act approved May 18, 1916, entitled "An act to provide for the removal of what is known as the Aqueduct Bridge, across the Potomac River, and for the building of a bridge in the place thereof," be amended so as to read as follows:

"SEC. 1. That the Secretary of War be, and he is hereby, authorized to cause to be constructed a bridge across the Potomac River at or near what is now known as the Aqueduct Bridge, replacing said bridge with a substantial structure, at a total cost for the bridge and the necessary approaches thereto of not more than $2,100,000."

Also the following committee amendments were read:

Page 1, line 3, after the word "first," strike out the word "section" and insert in lieu thereof the words "and fourth sections."

Page 2, after line 4, insert:

"SEC. 4. That the sum of $150,000, or so much thereof as may be necessary, is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purpose of securing proper plans and for the payment of any lands, easements, rights, or property necessary in the construction of said bridge: *Provided*, That the plans and specifications herein authorized shall be so drawn and prepared as to insure the construction of a bridge and approaches thereto within the limit of cost of $2,100,000 as fixed herein. The Secretary of War shall advise with the Commission of Fine Arts in regard to the location, plans, and specifications of said bridge and approaches. As soon as the plans and specifications are approved the Secretary of War shall give public notice of the specifications and invite competitive bids for the construction of the bridge and approaches thereto according to the specifications, reserving the right to reject any and all such bids."

Mr. BLANTON. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. BLANTON. I move to strike out the last word. I wanted to ask the chairman of the committee why it is necessary to provide a possible expenditure of $100,000 for the purchase of easements or condemnation of property in order to build this bridge? There is already sufficient easement where the old bridge is, is there not?

Mr. ESCH. That has already been done. There was a separate appropriation of $150,000 for providing for plans and for architect's fees and for the purchase of necessary land—lands on the Georgetown side. These lands were occupied by buildings, and those buildings were torn down and the cost deducted from the appropriation of $150,000. There is something of that appropriation not yet expended.

Mr. BLANTON. How much of this $2,100,000 is payable by the District of Columbia?

Mr. ESCH. Half of it is payable by the District of Columbia.

Mr. BLANTON. How much is payable by the other side of the river?

Mr. ESCH. Nothing. That is Government property.

Mr. BLANTON. The other side of the river is owned by the Government?

Mr. ESCH. Yes.

Mr. BLANTON. It is a military reservation——

Mr. ESCH. That is my recollection.

Mr. BLANTON (continuing). And the numerous citizens of Virginia who live just outside of that military reservation and get the benefit of this $2,100,000 bridge, who enjoy driving over it without stopping the speed of their fine automobiles, pay nothing?

Mr. ESCH. There is no method that I know of to secure a contribution on the part of the State of Virginia.

Mr. BLANTON. I will state to the distinguished chairman of this committee that down where I live, when a bridge is built across a stream, say between two counties, on a county line or near a county line, where the people of one county enjoy the privileges of it almost as much as the people of another, both of those counties come in and jointly stand the expense of building that bridge. They pay the fiddler when they dance down in my country. And it does occur to me that these people over in Virginia who are to profit by the building of this $2,100,000 bridge should come in and share a part of the expense, at least, with the Government of the United States and with the District. Has not the gentleman ever considered that phase of the matter?

Mr. ESCH. The question was presented, of course, at the hearings, and I think some explanation was made by the gentleman from Virginia [Mr. MOORE], who introduced the bill.

Mr. BLANTON. The bill was introduced by the gentleman from Virginia [Mr. MOORE], I take it?

Mr. ESCH. I think that would be proper.

Mr. BLANTON. The Virginia people are pushing this?

Mr. ESCH. I think there is no denying the fact that the citizens of Virginia will avail themselves of the bridge, but it also reaches Fort Myer and Arlington. There are a great many governmental agencies across the river, like Arlington, and Fort Myer, and the Arlington Radio Station.

Mr. CANNON. Can you suggest any provision by which the gentleman from Texas [Mr. BLANTON] and the gentleman in charge of the bill, and myself, say, could be made to contribute?

Mr. BLANTON. We contribute all the time. We are contributing every day that we stay here. If the gentleman will just go over into Virginia and try to buy something, he will contribute all right.

I want to ask the distinguished chairman one other question. The gentleman has heard of what they call the million-dollar bridge on Connecticut Avenue, I am sure?

Mr. ESCH. Yes; it was built some years ago.

Mr. BLANTON. Is it true that the Government paid a million dollars for that bridge?

Mr. ESCH. I do not know. Some member of the District Committee could give that information, no doubt.

Mr. MANN of Illinois. It is worth it, if they did.

Mr. BLANTON. Did we pay that?

Mr. MANN of Illinois. I think so.

Mr. BLANTON. I was riding over that bridge some time ago with one of my constituents, who happens to be an expert engineer, and I remarked the fact, with a good deal of pride and gratification, that that bridge cost a million dollars. It is something Congress did—not the Sixty-sixth Congress, but some previous Congress; you know other Congresses have done something for the people besides the Sixty-sixth Congress—and I remarked that the Government paid a million dollars for that bridge, and he wanted to look it over, and he did look it over, and he said, "Well, if the Government did pay a million dollars for that bridge, in my judgment, somebody got rich on it."

Mr. MANN of Illinois. Well, I will say that probably there was never the slightest suspicion of anybody in connection with the construction of the Connecticut Avenue Bridge. It is a wonderful piece of engineering work. I doubt whether it could be duplicated to-day for $2,500,000.

Mr. BLANTON. Everything now has gone up.

Mr. MANN of Illinois. I do not know now who the commissioners were when that bridge was constructed, although I understand they have their names on it.

Mr. BLANTON. Does not the gentleman from Illinois believe that the people of Virginia should pay something toward this bridge?

Mr. MANN of Illinois. I think they should, but I am sure they will not. [Laughter.] I will make a suggestion to the gentleman from Texas along these lines:

People from Virginia are always asking for a new bridge, not one to replace one that has gone but a new one. They used to want one to be called a "memorial bridge" on the plea that it would be a reconciliation between the North and the South, to cost $5,000,000. They want one now as a memorial for the soldiers who died in the recent World War. Let us stand together and not let them have all the bridges that they want, but let us have the bridges that are necessary. They have to use them, and we can not stop it. There is no practical way.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. BLANTON. The gentleman from Virginia—all of them, in fact, the entire delegation—are such big men and generous men and men of such good judgment [applause] and know so well what is right and proper that I want to ask the Chairman if he does not think that if he would put a little amendment on this bill to the effect that a certain per cent, say, at least 10 per cent, of the cost of this bridge should be borne by the interested parties in Virginia, these gentlemen from Virginia, as I am sure they would, would get busy and see to it that Virginia comes in and does what she ought to do and pays 10 per cent, or whatever proportion may be decided upon?

Mr. JUUL. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. JUUL. Would the gentleman insult the great State of Virginia by asking them to put up only 10 per cent?

Mr. BLANTON. I want to appeal to them in such a way that they will not turn the appeal down.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MOORE of Virginia. The facts are these: The bridge rests at both ends on land belonging to the Government of the United States, and even if there were no community known as the State of Virginia it would be absolutely necessary in the interest of the United States and of the District of Columbia to have the bridge. A great deal of the produce that arrives in the District will come over it. A great deal of the travel southward from the District of Columbia will go over it.

Mr. BLANTON. Does the gentleman believe that Virginia ought not to bear any part of this expense?

Mr. MOORE of Virginia. I do not believe Virginia should pay any part of the expense.

Mr. BLANTON. Then I withdraw my suggestion. I have such confidence in the distinguished gentleman from Virginia. [Applause.]

Mr. MOORE of Virginia. A minute more. I want just to make one other remark. There has been allusion to a memorial bridge. Frankly speaking, at some time in the future I hope to see such a bridge built. I understand the only pending bill providing for the construction of a memorial bridge was offered in the Senate by a Member of the Senate from the far West, who thinks that there should be built across the Potomac a Lincoln-Lee memorial bridge. The suggestion is made in that way, and not by the State of Virginia or anyone representing the State.

Now, this particular bridge, called the "Aqueduct Bridge" sometimes and the "Key Bridge" sometimes—and it seems we are about to call it the "Georgetown Bridge"—will replace a bridge that has been in use for many, many years, and the new structure, as has been stated, is an absolute necessity. The bad condition of the old structure creates a situation that must be dealt with promptly and with sufficient liberality.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. SUMMERS of Washington. Would the gentleman from Virginia have any objection to naming this the "Memorial Bridge," and thereby save $5,000,000?

Mr. MOORE of Virginia. Really, I am more interested in the substance of the thing than, so to speak, in the shadow represented by the name.

Mr. SUMMERS of Washington. Let us call this the "Memorial Bridge," and thus save the $5,000,000 required by the other bridge.

Mr. MOORE of Virginia. I do not oppose the proposition of the gentleman from Illinois [Mr. MANN], so far as the name is concerned. Perhaps, however, it would not be a mistake to give the bridge the name adopted by the War Department in honor of the author of the Star-Spangled Banner. Or it has occurred to me that it might very properly be called the "George Mason Bridge," in honor of a great statesman who has no monument here. I think Mr. Mason once owned the land at the south end of the bridge. But such is my anxiety to see the bridge completed that I leave to other gentlemen—very cheerfully leave to them—the matter of determining how the bridge shall be designated.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Virginia. I do not think I have the floor.

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] has the floor.

Mr. MOORE of Virginia. I am identified with the gentleman from Texas in a very pleasant way by the manner in which he acquiesces in my desire. [Laughter.]

Mr. BLANTON. I yield to the gentleman.

Mr. TINCHER. Just recently, at this session of Congress, a bill was passed providing for a bridge in Kansas on a military reservation, and it was so worded that in my judgment the Secretary of War can require the local people to put up a certain amount of money before constructing that bridge or defer its construction. I agree with the gentleman from Virginia that on these reservations the Government should build bridges, and I am going to vote for your Virginia bridge; but I simply want to ask the gentleman if he will not realize the fact that the people of Kansas and Virginia are on a par, and exercise his good influences on the Secretary of War to have him go ahead with the construction of that bridge in Kansas without levying tribute on the citizens of Kansas?

Mr. MOORE of Virginia. I am inclined to make a tentative bargain with the gentleman right away. [Laughter.]

The CHAIRMAN. The Clerk will report the amendment again.

The amendment was again read.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. MANN of Illinois. Mr. Chairman, there is another amendment to be reported.

The CHAIRMAN. The Clerk informs the Chair that the other amendment has already been reported.

Mr. MANN of Illinois. I will take the Clerk's word for it, that it has been reported. I did not mean on the original reading of the bill, but under the five-minute rule. I was waiting for it to be read in order to offer an amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Page 1, line 8, before the word "that" and after the quotation marks, insert "Section 1."

The amendment was agreed to.

The CHAIRMAN. The other amendment has been reported and the question is on that amendment.

The question was taken, and the amendment was agreed to.

Mr. MANN of Illinois. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 2, at the end of line 4, insert the following: "the bridge herein authorized to be constructed shall be known as the Georgetown Bridge."

Mr. MANN of Illinois. Mr. Chairman, that conforms to the action taken by the House the other day.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

Mr. ESCH. Mr. Chairman, I move that the committee do now rise, report the bill with amendments to the House with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 10328) to amend an act approved May 18, 1916, entitled "An act to provide for the removal of what is known as the Aqueduct Bridge, across the Potomac River, and for the building of a bridge in the place thereof," and had instructed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. Is a separate vote demanded on any amendment?

There was no demand for a separate vote.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended.

On motion of Mr. ESCH, a motion to reconsider the vote whereby the bill was passed was laid on the table.

WAR-RISK INSURANCE ACT.

Mr. SWEET. Mr. Speaker, by direction of the Committee on Interstate and Foreign Commerce I call up the bill H. R. 13558, for the purpose of improving the facilities and service of the Bureau of War Risk Insurance, and of further amending and modifying the war-risk insurance act, as amended.

The SPEAKER. The gentleman from Iowa calls up the bill H. R. 13558, which is on the Union Calendar. The House automatically resolves itself into Committee of the Whole House on the state of the Union, and the gentleman from New Jersey, Mr. LEHLBACH, will take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. LEHLBACH in the chair.

Mr. SWEET. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

Mr. CANNON. I think it ought to be read.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Bureau of War Risk Insurance is hereby authorized to establish throughout the United States and its outlying possessions such regional offices, not exceeding 14 in number, and such suboffices as may be deemed necessary in the best interests of the work committed to said bureau.

That there is hereby appropriated out of any moneys in the Treasury not otherwise appropriated the sum of $1,000,000 for the purpose of carrying out the provisions of this section.

SEC. 2. That under such rules and regulations as the Secretary of the Treasury and the Postmaster General may prescribe, the Postmaster General is hereby authorized to receive the war-risk insurance premiums and act for and turn over to the Secretary of the Treasury the money so received, and also he is authorized to receive and transmit to the Bureau of War Risk Insurance applications for reinstatement of lapsed or for converted insurance. In making such collections he is hereby authorized to use postal money orders, postal notes, war-risk insurance coupons, or any other method of collection which may be deemed most expedient and satisfactory.

SEC. 3. That a new section is hereby added to article 2 of the war-risk insurance act as amended, to be known as section 212 and to read as follows:

"SEC. 212. The family allowance shall be awarded and paid to any person or persons within class A for the full period defined in section 204 hereof, or for such part of said period as it shall be shown that the necessary relationship existed between such person and an enlisted man in the active military or naval service, in cases where deductions from the pay of the enlisted man for compulsory allotment have not been made but the family allowance was applied for during the service of the enlisted man, notwithstanding the fact that such enlisted man has died in or been discharged from the service: *Provided*, That compulsory allotment has not been waived or that exemption therefrom has not been heretofore or shall not be hereafter

granted. Any awards or adjustments heretofore made which are inconsistent with the provisions of this section may, upon application, be reopened and made to conform herewith."

SEC. 4. That section 313 of the war-risk insurance act as amended is hereby amended by adding thereto, immediately following subsection (2) thereof, a new subsection, to be known as subsection (2a), and to read as follows:

"(2a) That the Bureau of War Risk Insurance is hereby authorized to pay the beneficiary or other person or persons in whose name an action may have been commenced or prosecuted fees and mileage, the same as is now paid and allowed to witnesses in the United States courts, in going to, remaining at, and returning from place of trial, and without any regard to whether the action, if any, is brought or prosecuted in a court of the United States or some other court.

"In all cases of assignment of causes of action under this section, whether the assignment be heretofore or hereafter made, where it shall appear to the director to be to the best interest of the beneficiary so to do, the director, acting for and in the name of the United States, may assign the cause of action back to the beneficiary or to his personal representatives."

SEC. 5. That the Bureau of War Risk Insurance shall relieve from the payment of premiums on renewable term insurance the following persons, to wit: (a) Those who are receiving hospital care under said bureau, during the period they are receiving such care; (b) those who are receiving vocational training pursuant to the vocational rehabilitation act, during the period of such training; and (c) those who are temporarily totally disabled by reason of an injury or disease entitling them to compensation during the period of such total disability.

That said bureau shall also provide, without charge therefor, hospital, dental, medical, and surgical care and treatment and prosthetic appliances for all honorably discharged commissioned officers and enlisted men, disabled by reason of any wound or injury received or disease contracted while in the service of the United States and in the line of duty: *Provided*, That application for such care and treatment and appliances shall be made within one year from the date of the man's discharge or from the date this act goes into effect, whichever is the later.

SEC. 6. That whenever a claim under United States Government life insurance (converted insurance) is to be paid because of the total permanent disability of the insured, such payment shall be made out of the military and naval insurance appropriation. And in cases where the insured has been relieved of the payment of premiums, such premiums shall be paid by the United States into the United States Government life insurance fund out of said military and naval insurance appropriation.

To meet the costs of the provisions of this section there shall be transferred each year from the military and naval insurance appropriation into the United States Government life-insurance fund an amount equal to 8 per cent of the premiums paid during the previous fiscal year for United States Government life insurance (converted insurance). If such amount should prove to be insufficient to meet the costs of the provisions of this section an additional amount shall be transferred therefor.

SEC. 7. That section 19 of the act entitled "An act to amend and modify the war-risk insurance act," approved December 24, 1919, is hereby amended to read as follows:

"SEC. 19. That the amount of the monthly installments of allotment and family allowance, compensation, or insurance which has heretofore or which may hereafter become payable under the provisions of the war-risk insurance act, but which has not been paid prior to the death of the person entitled to receive the same, shall be paid to the executor or administrator of such deceased person, but if no demand in writing has been made by such executor or administrator, then, in cases where the amount is $400 or less, the same shall be paid in the following order of precedence: First, to the widow; second, if decedent left no widow, or the widow be dead at the time of settlement, then to the children and their issue per stirpes; third, if no widow, children, or issue of children, then to the father and mother in equal parts; fourth, if either the father or mother be dead, then to the one surviving; fifth, if there be no widow, child, issue of children, father, or mother at the date of settlement, then to the brothers and sisters and the children of the deceased brothers and sisters, per stirpes: *Provided*, That this section shall not be so construed as to prevent payment from the amount due the decedent's estate of his funeral expenses, expenses of his last illness, board, rent, or other household expenses for which the decedent was liable, provided a claim therefor is presented by the person or persons who actually paid the same, before settlement by the Bureau of War Risk Insurance."

SEC. 8. That the Director of the Bureau of War Risk Insurance, with the approval of the Secretary of the Treasury, is hereby authorized to make such rules and regulations as may be deemed necessary in order to promote good conduct on the part of persons who are receiving care or treatment in hospitals as patients of said bureau during their stay in such hospitals. Penalties for the breach of such rules and regulations may extend to a forfeiture by the offender of such portion of the compensation payable to him, not exceeding three-fourths of the monthly installment per month for three months, for a breach committed while receiving treatment in such hospital, as may be prescribed by such rules and regulations.

SEC. 9. That all acts or parts of acts or amendments in conflict with this act are hereby repealed or modified to conform herewith.

The CHAIRMAN. The gentleman from Iowa [Mr. SWEET] is recognized for one hour.

Mr. SWEET. Mr. Chairman, the bill, H. R. 13558, which is now before us for consideration is largely an administrative measure and is supplemental to legislation heretofore passed by Congress in connection with the Bureau of War Risk Insurance, which has for its purpose the taking care of the soldiers, sailors, and marines of this country who were disabled during the Great War and those who were dependent upon them for maintenance and support.

The report which accompanies H. R. 13558 is based largely on a bill introduced by Congressman WASON, of New Hampshire, to which many additions have been made which were suggested by the Bureau of War Risk Insurance, by Members of Congress, and by the American Legion. In fact, during the hearings the committee did not confine itself to the Wason bill, but considered all bills introduced by Members of Congress since the enactment of H. R. 8778, which was signed by the President on December 24, 1919.

All parties, whether Members of Congress or otherwise, were permitted to present facts and arguments in connection with any legislation which they believed would be beneficial and proper for the better and more efficient administration of the Bureau of War Risk Insurance.

Section 1 of the bill provides that the Bureau of War Risk Insurance is authorized to establish throughout the United States and its outlying possessions such regional offices, not exceeding 14 in number, and such suboffices as may be deemed necessary in the best interests of the work committed to said bureau.

An effort is being made to coordinate the work to be rendered the soldiers, sailors, and marines of the recent war by bringing the offices of the Bureau of War Risk Insurance, the Bureau of Public Health Service, the Federal Board for Vocational Education, the Red Cross, and other kindred organizations closer together, so that there will be a community of interest and concert of action among those who are endeavoring to render services which will add to the comfort, health, benefit, and betterment of the men and women who took part in the great conflict.

The reason that the bill provides for 14 regional offices is due largely to the fact that the Bureau of Public Health Service now has 14 regional offices. An effort has been made and is now being made to have the regional offices in connection with the Bureau of Public Health Service and the Federal Board for Vocational Education and the Bureau of War Risk Insurance occupy one building in a city where these regional offices are to be established. By doing this the records in one office can be used expeditiously in the other offices.

For instance, if a young man wishes to take up vocational training under the vocational rehabilitation act, he can make application and have his case taken care of without unnecessary delay.

The medical officers in connection with the Bureau of Public Health can examine him, the Bureau of War Risk Insurance can give him his rating as to his disability, and the men in the offices in connection with the Federal Board for Vocational Education can give him the necessary information and instruction as to his training and the best course for him to pursue.

If the offices are all established in one building, all this service can be readily rendered to the soldiers, sailors, and marines who make application. A great amount of confusion and red tape will be done away with, and the general result will be more satisfactory to everyone concerned.

The names of the cities where the 14 regional offices are now established by the Federal Board for Vocational Education are as follows: Boston, New York City, Philadelphia, Baltimore, Atlanta, New Orleans, Cincinnati, Chicago, St. Louis, Minneapolis, Denver, San Francisco, Seattle, and Dallas.

In addition to that, it will not only lessen the office expenses, coordinate the work, but it should bring about a more general good feeling toward the Government and the Government agencies that are engaged in this beneficent and humanitarian work.

This section of the bill will make it possible for the Bureau of War Risk Insurance to not only do the work assigned to it more expeditiously and economically but it will bring the soldiers, sailors, and marines of this country in closer contact with the workings of these various organizations and bureaus of the Treasury Department that have been especially established for their benefit and convenience.

It will also bring to their attention and acquaint them with the rights and privileges that have been provided for them in legislation of this character, and they will thus be instructed as to the method and procedure necessary for them to follow in obtaining these benefits.

The section also provides for the establishment of suboffices to cooperate with the regional offices and the Bureau of War Risk Insurance at Washington.

By the establishment of these regional offices and the suboffices papers and applications will not be sent in to Washington in improper shape and unsatisfactory condition.

At the present time, for instance, if a soldier should write to Washington from the State of California and ask for an explanation of his rights under the war-risk insurance act, it would take some four or five days for the letter to reach the office of the bureau. Then the bureau would send out the information to the soldier, perhaps send a blank application for

him to sign before a notary public, to be returned to the bureau at Washington.

When the application arrives at Washington perhaps it is found that the notary neglected to place his seal on the application, or the soldier has not filled out the application carefully, or perhaps has failed to sign the application at all. It would then be necessary for the bureau to return the papers with more definite instructions, and thus a month perhaps has expired and the soldier has not received any benefit from the war-risk insurance act, becomes exasperated, and complains about red tape and the long delay.

If a regional office or a suboffice were established in the State of California, where trained men could go over the papers of each applicant and have them properly signed and filled out, time would be saved and the work at the bureau at Washington would be lessened and all matters would be done in a more satisfactory and businesslike way.

This section also provides for an appropriation of $1,000,000 out of any moneys in the Treasury not otherwise appropriated for the establishment and maintenance of the regional offices and suboffices.

Section 2 provides that the Postmaster General is authorized to receive war-risk insurance premiums and act for and turn over to the Secretary of the Treasury the money so received. He is also authorized to receive and transmit to the Bureau of War Risk Insurance applications for converted insurance and applications for reinstatement of lapsed insurance.

This is to be done under such rules and regulations as the Secretary of the Treasury and the Postmaster General may prescribe.

In making such collections the Postmaster General is authorized to use postal money orders, postal notes, war-risk insurance coupons, or any other method of collection which may be deemed most expedient and satisfactory.

Every soldier, sailor, and marine who desires to pay war-risk insurance premiums or desires to make an application for reinstatement of lapsed insurance or for converted insurance may go to the post office at the place of his residence and the postmaster will receive the insurance premiums and give him a receipt therefor, and his application for reinstatement or for converted insurance will be transmitted immediately to the Bureau of War Risk Insurance.

This will provide a definite and convenient place for the payment of premiums and will in a measure lessen correspondence with the Bureau of War Risk Insurance and do away with a great deal of confusion, red tape, and delay.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. SWEET. Yes.

Mr. JOHNSON of Mississippi. Is it the purpose of the bill to do away with the war-risk department here in Washington and establish it in these 14 different places?

Mr. SWEET. Not at all. These are regional offices, or suboffices, that will work in connection with the War Risk Bureau here in Washington.

Mr. McKEOWN. Will the gentleman yield?

Mr. SWEET. Certainly.

Mr. McKEOWN. Are these applications to be taken at the various post offices throughout the United States, or the payments to be received there instead of being remitted to the department here in Washington? As I understand it, the soldier can pay his insurance at any post office in the United States.

Mr. SWEET. Under the rules and regulations provided by the Secretary of the Treasury and the Postmaster General the soldier can go to the post office at the place of his residence, pay his premium, receive his receipt, and the payment will be transmitted to the Bureau of War Risk Insurance.

Mr. McKEOWN. Will there be any provision for additional compensation to postmasters who have performed this additional service?

Mr. SWEET. I think not.

Mr. CANNON. Will the gentleman yield?

Mr. SWEET. I do.

Mr. CANNON. There are many thousands of these post offices. Is there discretion to provide that payment shall be made at one post office in a county, or can they be made to any postmaster?

Mr. SWEET. To any postmaster under the provisions of the bill, but perhaps under the rules and regulations provided by the Secretary of the Treasury and the Postmaster General certain post offices will be designated.

Mr. CANNON. There are so many fourth-class post offices in little, uncomfortable places.

Mr. SWEET. That is true, but that can be taken care of in the rules and regulations to be provided by the Secretary of the Treasury and the Postmaster General.

Mr. CANNON. And there is no compensation to any of these postmasters for their service in this respect?

Mr. SWEET. I understand not.

Mr. McKEOWN. Does not the gentleman think there ought to be compensation to the postmasters?

Mr. SWEET. I think that can be taken care of later on if it becomes necessary.

Mr. McKEOWN. They are among the poorest paid people in the Government service.

Mr. SWEET. That is true; but we are not taking up the question of the compensation of postmasters in this bill.

Mr. KINKAID. Will the gentleman yield?

Mr. SWEET. I yield to the gentleman from Nebraska.

Mr. KINKAID. Can the gentleman tell us how many employees will be required at each one of these regional offices to be established under this bill?

Mr. SWEET. It depends, of course, on the amount of business done there. It has been estimated that from three to five employees will be required, probably somewhere along in that neighborhood.

Mr. KINKAID. What is the difference between this kind of a plan for regional offices and the plan we had for regional pension agencies under the pension bureau, which were abolished some years ago?

Mr. SWEET. They are endeavoring to coordinate the Public Health Service, the Board for Vocational Training, and the Bureau of War Risk Insurance by placing them in one building in each of these cities, so that all matters pertaining to war-risk insurance and vocational training can readily be taken up and disposed of. We have a different proposition to contend with at this time. We have vocational training and we have insurance, and we are not dealing solely with pensions or compensation and the payment thereof, and it necessitates the sending of many more technical papers in the making of the applications than were required to be made out and sent to the Pension Department.

Mr. KINKAID. I thank the gentleman. I will not take more of his time.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. SWEET. Certainly.

Mr. SUMMERS of Washington. Will the gentleman state again the estimated number of employees who will be required in these regional offices?

Mr. SWEET. They said if they could coordinate the regional office with the Vocational Board and also with the Public Health Service, ordinarily there would be from three to five persons employed at each office. In some instances there may be more, depending upon the amount of work to be done.

Mr. SUMMERS of Washington. Does not the gentleman think it would be nearer 300 or 500?

Mr. SWEET. The number will naturally increase as the work at any office increases.

Mr. SUMMERS of Washington. It is presumed that the number of employees in the Washington office will be correspondingly reduced, is it not?

Mr. SWEET. Yes; and it will do away with a whole lot of extra writing, and will diminish the force required here at Washington, so that it is estimated that the total expense will not be what it is to-day, because it will do away with a great deal of confusion that the Bureau of War Risk Insurance is experiencing in receiving letters and in making replies thereto. Whenever applications are sent in by these regional offices it is expected that they will be returned in good shape, properly executed, and that it will do away with a great amount of help now required at Washington.

Mr. SUMMERS of Washington. And get quicker results for the boys?

Mr. SWEET. It will improve the service to the boys.

Mr. McKENZIE. Will the gentleman yield?

Mr. SWEET. Yes.

Mr. McKENZIE. Looking over this bill I find that it provides an appropriation of $1,000,000, but there is no provision in the bill that fixes the salaries of the regional directors or the men who will have charge. How will those salaries be fixed, in the gentleman's judgment?

Mr. SWEET. Of course, it is left to the discretion of the Director of the Bureau of War Risk Insurance, through the Secretary of the Treasury.

Mr. BLACK. Will the gentleman yield?

Mr. SWEET. Certainly.

Mr. BLACK. Does not the gentleman think it is a very unusual procedure for Congress to provide an appropriation of $1,000,000 and leave it absolutely within the discretion of the Director of the War Risk Insurance Bureau to fix the salaries of these regional directors? Does the gentleman think we ought to do that?

Mr. SWEET. I do under the circumstances. I say it is unusual; but in order to facilitate this work, I think it should be done in that way.

Mr. CANNON. Will the gentleman yield further?

Mr. SWEET. Yes.

Mr. CANNON. How many of these regional offices are there to be?

Mr. SWEET. There are to be 14 regional offices.

Mr. CANNON. And then all the postmasters, and the whole thing will be fixed by regulation, and there could be an army of officials appointed under this bill?

Mr. SWEET. Yes.

Mr. CANNON. At $1,000, at $5,000, or any other amount that the Secretary of the Treasury might fix?

Mr. SWEET. That is true.

Mr. CANNON. With no limit to it?

Mr. SWEET. Of course, this $1,000,000 that is to be appropriated here is to cover the question of rent, of supplies, of salaries, and of fixtures to be used in connection with the maintenance and establishment of these offices.

Mr. CANNON. For one month, or two months, or six months, or six years?

Mr. SWEET. This is a continuing appropriation, as I view it, and will be available until expended.

Mr. CANNON. Has the gentleman made any estimate of what the annual cost would be and how many officials there will be in these various 14 offices?

Mr. SWEET. In a very general way. The estimate is that it will take about $1,000,000 to handle this properly for one year.

Mr. CANNON. Is it not for 10 years or 20 years? Is it not indefinite?

Mr. SWEET. It is until Congress might change it. It is a matter that would come up each year in connection with the appropriation committee.

Mr. CANNON. It would require an annual appropriation?

Mr. SWEET. I think it would.

Mr. CANNON. Is it anticipated that there will be traveling people spending this money to work up and inform?

Mr. SWEET. It is not the purpose of the bureau to go out and solicit insurance in any way. It is for the purpose of bringing the soldiers in contact with the bureau so that they may receive the benefits that Congress has provided for them.

Mr. CANNON. And to anticipate advertising and the issuance of documents, instructions to be sent through the mail from the central office or any of these offices.

Mr. SWEET. This is to cover the expenses for establishment and maintenance of these offices.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. CANNON. Yes.

Mr. RAYBURN. The very provision in the bill for advertisement was stricken out by the committee.

Mr. CANNON. There will be no kind of advertising?

Mr. RAYBURN. Not under this bill. The Bureau of War Risk Insurance under the appropriation given them by the gentleman's committee have been doing that.

Mr. CANNON. The gentleman from Iowa recollects the various pension agencies that we had scattered throughout the States? There was one in Chicago, one in Springfield, and in many of the States there were three or four, with rooms leased if they were not in Government buildings, and it took many a long year and many a long decade before we could get rid of those pension agencies. It was just so much patronage, very largely, given not for the benefit of the soldier but for the benefit of the official. Is the gentleman familiar with the operation of those pension agencies?

Mr. SWEET. In a very general way.

Mr. CANNON. I think it has not been more than three or four years since we were able to get rid of these expensive offices, and they were very expensive, scattered, as they were, all over the country. The result has been, as I understand it, that the public business in connection with the Pension Office has been much more economically and satisfactorily administered to the Government and the pensioner than it was prior to that time. Were there extended hearings upon this bill?

Mr. SWEET. Yes; everyone was given an opportunity to appear and present facts and arguments, either for or against the bill.

Mr. CANNON. And the gentleman estimates that this million dollars will pay for only one year?

Mr. SWEET. About one year I should judge.

Mr. CANNON. This makes the appropriation and not the authorization.

Mr. SWEET. Yes; it makes the appropriation.

Mr. CANNON. Has the gentleman made any calculation as to what the grand expense will be as the years come and go, in so far as appropriations are concerned, after the machinery is all put in motion, cooperating with the vocational people and with the Public Health Service?

Mr. SWEET. I have not.

Mr. ESCH. That would come under the jurisdiction of the Committee on Appropriations.

Mr. SWEET. Yes.

Mr. CANNON. Oh, no.

Mr. ESCH. Hereafter.

Mr. CANNON. But as I understand it, it is within the discretion of the Secretary of the Treasury. He can make the regulations.

Mr. SWEET. Section 3 of the bill provides that the family allowance shall be awarded and paid to any person within class A for the full period defined in section 204 of the war-risk insurance act or for such part of said period as it shall be shown that the necessary relationship existed between such person and an enlisted man in the active military or naval service, in cases where deductions from the pay of the enlisted man for compulsory allotment have not been made but the family allowance was applied for during the service of the enlisted man, notwithstanding the fact that such enlisted man has died in, or been discharged from, the service: *Provided, however*, That compulsory allotment has not been waived or that exemption therefrom has not been heretofore or shall not be hereafter granted.

Any awards or adjustments hereafter made which are inconsistent with the provisions of this section may, upon application, be reopened and made to conform herewith.

This section simply provides for the payment of the family allowance under certain conditions.

For instance, if for some reason a man when he entered the service neglected to make an allotment to his wife or stated that he was a single man when in fact he was a married man, the wife then presents her claim for compulsory allotment under class A of section 204 of the war-risk insurance act. The marriage certificate as well as the birth certificates of the children are submitted, and it is found that in justice she is entitled to the allotment and family allowance.

In many instances before the true facts are brought to the attention of the bureau and before an award of allotment and family allowance has been made to the wife the man is discharged from the service. He has drawn his full pay and the wife has received no part of it.

While the man was in the service the wife was deprived not only of the compulsory allotment but also of the family allowance through no fault of her own.

This section provides that the Government shall pay the family allowance for the full period defined in section 204, provided that under all the facts and circumstances the family allowance should have been awarded to her during the period of the husband's service.

This section is practically the same as the Treadway amendment to House bill 8778, amending and modifying the war-risk insurance act, and which passed the House on September 13, 1919. This amendment was stricken out of House bill 8778 by the Senate committee.

Section 4 is an amendment to subsection 2 of section 313 of the war-risk insurance act by adding thereto subsection 2a.

The Bureau of War Risk Insurance is authorized to pay the beneficiary or other person or persons in whose name an action may have been commenced or prosecuted fees and mileage, the same as is now paid the witnesses in the United States court in going to, remaining at, and returning from the place of trial, without regard to the court where the action is brought.

It is also provided in this section that in all cases of assignment of causes of action under section 313, whether the assignment be heretofore or hereafter made, where it shall appear to the director to be to the best interests of the persons so to do, the director, acting in the name of the United States, may assign the cause of action back to the beneficiary or his personal representative.

Section 313 provides that if an injury or death for which compensation is payable is caused under circumstances creating a legal liability upon some person other than the United States or the enemy to pay damages therefor, the director of the bureau, as a condition to payment of compensation by the United States, may require the beneficiary to assign to the United States any right of action he may have to enforce such liability of such other person. The cause of action so assigned to the United States may be prosecuted or compromised by the director, and any money realized or collected thereon, less the reasonable expenses of such realization or collection, shall be

placed to the credit of the military or naval compensation appropriation.

Again, section 313, subsection 2, provides that if an injury or death for which compensation may be made payable under article 313 is caused under circumstances creating a legal liability upon some person other than the United States or the enemy to pay damages therefor, then in order to preserve the right of action the director of the bureau may require the conditional beneficiary at any time after the injury or death to assign such right of action to the United States, or, if it appears to be for the best interests of such conditional beneficiary, to prosecute said cause of action in his own name subject to regulations.

Under these circumstances the beneficiary or the person in whose name an action may have been commenced or prosecuted will be entitled to fees and mileage the same as is now paid and allowed to witnesses in the United States courts without regard to the court in which the action is commenced and prosecuted. It matters not whether it be a United States court or some other court.

This section in the bill also provides that if the action has been assigned to the United States by a beneficiary, the director of the bureau, acting for and in the name of the United States, may assign the cause of action back to the beneficiary or his personal representative.

Under the present law there is no provision whereby, when a cause of action referred to in section 313 of the war-risk insurance act is once assigned to the United States, that it can be assigned back to the beneficiary or his personal representative.

This is purely an administrative matter.

Section 5 provides that the Bureau of War Risk Insurance shall relieve from the payment of premiums on renewable term insurance the following persons, to wit: (a) Those who are receiving hospital care under said bureau, during the period they are receiving such care; (b) those who are receiving vocational training pursuant to the vocational rehabilitation act, during the period of such training; and (c) those who are temporarily totally disabled by reason of an injury or disease entitling them to compensation, during the period of such total disability.

It is estimated that those who are receiving vocational training pursuant to the vocational rehabilitation act under class 2 average per year for the fiscal year 1921 would be about 55,000. It is estimated that those who are receiving vocational training pursuant to the vocational rehabilitation act under class 3 average per year for the fiscal year 1921 about 5,000. It is estimated that those who are temporarily totally disabled, some of whom are receiving hospital care under the Bureau of War Risk Insurance, average per year for the fiscal year 1921 would be about 20,000.

In making the above estimates the average policy was figured at $9,000, the age of the soldiers, sailors, and marines 27 years, and that 90 per cent of the men were insured.

The provisions of this act would then apply to about 72,000 men who are receiving hospital care under the bureau or receiving vocational training pursuant to the vocational rehabilitation act, or disabled ex-service men who have been rated by the bureau as temporarily totally disabled by reason of an injury or disease entitling them to compensation during the period of such total disability.

It is estimated that the amount of premiums on renewable term insurance, the payment of which soldiers, sailors, and marines would be relieved for the fiscal year 1921, would be about $5,000,000.

I recently received a letter from a disabled ex-service man who at present is taking training in the University of Chicago under the vocational rehabilitation act. He states, in part, in regard to the bill that is now before us for consideration:

> As a disabled man who will be in training at least three years more, I am quite interested in the bill you are reporting to the House providing for the coordination of the Federal Board for Vocational Education, the United States Public Health Service, and the Bureau of War Risk Insurance.
>
> I am also interested in the relief granted from the payment of term insurance premiums for men who are under hospital care, men who are in training under the vocational rehabilitation act, and men who have been rated as temporarily totally disabled.
>
> I urge you, on behalf of myself and of the 70 disabled men at the school, to leave no stone unturned to secure favorable action on the bill.
>
> The proposed plan will greatly simplify the care and training of men who are concerned. Now, when a man endeavors to secure treatment while in training he is subjected to vexations and unavoidable delays, losses of time, and training.
>
> The problem of a disabled man to meet living costs while at school away from home and in large cities, as most of them are, is hard enough without the additional burden of keeping up the insurance we must keep up because we can get no other.
>
> We are rejoiced to learn of the passage by the House of H. R. 12266, providing for an increase in pay and allowance for us. All of us carry the name SWEET in our memory as the name that spelled the squarest kind of a deal for us in regard to retroactive compensation.
>
> Will you please send me the number of the bill discussed above.

Section 5 further provides that the Bureau of War Risk Insurance shall provide, without charge therefor, hospital, dental, medical, and surgical care and treatment and prosthetic appliances for all honorably discharged commissioned officers and enlisted men, disabled by reason of any wound or injury received or disease contracted while in the service of the United States and in the line of duty, provided that application for such care and treatment and appliances shall be made within one year from the date of the man's discharge or from the date this act goes into effect, whichever is the later.

Section 6 provides that whenever a claim under United States Government life insurance—converted insurance—is to be paid because of the total permanent disability of the insured, such payment shall be made out of the military and naval insurance appropriation; and in cases where the insured has been relieved of the payment of premiums, such premiums shall be paid by the United States into the United States Government life insurance fund out of said military and naval insurance appropriation.

In other words, the United States Government will pay all claims for total permanent disability of the insured in connection with the United States Government life insurance—converted insurance—without reference to any premiums paid by the insured.

The total-disability claims in connection with converted insurance policies will be paid out of the military and naval insurance appropriation, and in all cases where the insured has been relieved from the payment of premiums the United States Government pays the premiums into the United States Government life insurance fund without regard to the terms of the policy.

Section 6 also provides that to meet the cost of the provisions of this section there will be transferred each year from the military and naval insurance appropriation into the United States Government life insurance fund an amount equal to 8 per cent of the premiums paid during the previous fiscal year for United States Government life, insurance—converted insurance.

It is also provided that if such amount should prove to be insufficient to meet the costs of the provisions of this section an additional amount shall be transferred therefor.

The provisions of section 6 are for the purpose of stabilizing and making more attractive Government life insurance—converted insurance—and placing the whole plan of Government life insurance upon a sound basis.

Section 7 is an amendment to section 19 of "An act to amend and modify the war risk insurance act," approved December 24, 1919.

Section 7 provides that the amount of monthly installments of allotment and family allowance, compensation, or insurance which has heretofore or which may hereafter become payable under the provisions of the war risk insurance act, but which has not been paid prior to the death of the person entitled to receive the same, shall be paid to the executor or administrator of such deceased person, but if no demand in writing has been made by such executor or administrator, then, in cases where the amount is $400 or less, the same shall be paid in the following order of precedence: First, to the widow; second, if decedent left no widow, or the widow be dead at the time of settlement, then to the children and their issue, per stirpes; third, if no widow, children, or issue of children, then to the father and mother in equal parts; fourth, if either the father or mother be dead, then to the one surviving; and, fifth, if there be no widow, child, issue of children, father, or mother at the date of settlement, then to the brothers and sisters and the children of the deceased brothers and sisters, per stirpes.

Section 7 also provides that section 19 shall not be so construed as to prevent payment from the amount due the decedent's estate of his funeral expenses, expenses of his last illness, board, rent, or other household expenses for which decedent was liable, provided a claim therefor is presented by the person or persons who actually paid the same, before settlement by the Bureau of War Risk Insurance.

This section is purely administrative and analogous to the provisions of an act passed by Congress on June 30, 1906—chapter 3914, section 1, volume 34, Federal Statutes at Large, page 750—relative to the payment of balance due on settlement of accounts of deceased officer or enlisted man to widow or heirs, and so forth, and, according to reports, has worked admirably.

It is what might be termed a clean-up provision, so that the amounts of monthly installments of allotment and family allowance, compensation, or insurance which have not been paid prior to the death of the person entitled to receive the same shall be paid to an executor or administrator of such deceased person; but if no demand in writing has been made by such executor or administrator, then, in cases where the amount is $400 or less, the same shall be paid to the members of the family directly, as provided in this section, without regard to the statutes of any particular State.

Section 8 provides that the Director of the Bureau of War Risk Insurance, with the approval of the Secretary of the Treasury, is hereby authorized to make such rules and regulations as may be deemed necessary in order to promote good conduct on the part of persons who are receiving care or treatment in hospitals as patients of said bureau during their stay in such hospitals. Penalties for the breach of such rules and regulations may extend to a forfeiture by the offender of such portion of the compensation payable to him, not exceeding three-fourths of the monthly installment per month for three months, for a breach committed while receiving treatment in such hospital, as may be prescribed by such rules and regulations.

This provision is placed in the law for the purpose of maintaining discipline among the patients who are receiving care or treatment in the hospitals as patients of the War Risk Insurance Bureau.

Section 9 provides that all acts or parts of acts or amendments in conflict with this act are hereby repealed or modified to conform herewith.

The Secretary of the Treasury, in his report to the Committee on Interstate and Foreign Commerce, on April 24, 1920, stated in part as follows:

MY DEAR MR. CHAIRMAN: It is my sincere hope that the so-called Wason bill, H. R. 13558, as reported out of your committee, will be acted upon favorably with the utmost speed by the House of Representatives, and that it may become a law at the earliest possible moment.

The bill as reported has been carefully reviewed and it has the unqualified indorsement of the Director of the Bureau of War Risk Insurance and myself.

The provisions of the Wason bill, which your committee has just reported, are in harmony with the attitude which Congress has already assumed to the ex-service men and women, and it is the earnest hope of the Treasury Department that all of these provisions will meet with the approval of the Congress and will soon become law.

It may be of interest to the Members of the House to make the following general statement in regard to compensation claims and insurance claims, as to the number of claims pending, the number of claims that have been disallowed or discontinued, the number of claims in which awards have been made, and claims upon which payments are active:

Compensation claims, Apr. 1, 1920.

1. Compensation for death:	
Total claims awarded	42,550
Claims upon which payments have been terminated	1,784
Claims upon which payments are active	40,766
Claims which have been disallowed	78,045
2. Compensation for disability:	
Total claims awarded	146,758
Claims upon which payments have been terminated	38,229
Claims upon which payments are active	108,529
Claims which have been disallowed	34,089
3. Compensation for death and disability:	
Total claims received	385,230
Total claims awarded	189,308
Total claims disallowed	112,134
Total claims pending	83,788
Of the 83,788 pending cases there are approximately:	
Death claims pending	30,483
Disability claims pending	53,305

Insurance claims Apr. 1, 1920.

1. Insurance for death:	
Total claims awarded	124,800
Claims upon which payments have been terminated	1,561
Claims upon which payments are active	123,239
Claims which have been disallowed	2,296
2. Insurance for disability:	
Total claims awarded	2,302
Claims upon which payments have been terminated	199
Claims upon which payments are active	2,103
Claims which have been disallowed	95
3. Insurance for death and disability:	
Total claims received	134,617
Total claims awarded	127,102
Total claims disallowed	2,391
Total claims pending	5,124
Of the 5,124 pending claims there are approximately:	
Death claims pending	3,835
Disability claims pending	1,289

It may also be interesting to the Members of the House to insert the following statement as to the total payments by the Bureau of War Risk Insurance as of March 20, 1920, to wit:

Military and naval compensation:		
Death awards	$12,369,983.75	
Disability awards	64,247,710.58	
Miscellaneous payments	3,806,458.35	
		$80,424,152.68
Military and naval insurance		107,734,181.75
United States Government life insurance fund		4,620.92
Losses on war-risk insurance on American vessels, their cargoes, etc		34,602,046.70
Military and naval family allowance		261,204,022.45
Allotments trust funds		285,081,564.47
Operating expenses:		
Sept. 2, 1914 to June 30, 1916	$32,417.26	
Fiscal year 1917	61,519.19	
Fiscal year 1918	3,207,535.29	
Fiscal year 1919	15,959,919.97	
Fiscal year 1920 (July 1, 1919, to Mar. 20, 1920)	11,631,290.11	
		30,882,681.82
Total payments		799,933,270.79
Estimate for salaries and expenses, fiscal year 1921		16,134,000.00

The Director of the Bureau of War Risk Insurance on April 26, 1920, stated, in part, as follows:

Through the adoption of improved methods and equipment a plan to achieve an annual saving of approximately $8,500,000 in the administration of the Bureau of War Risk Insurance has been inaugurated and by June 30 of the present year will have become an established régime. The bureau not only has now reached a current basis in its work, but the improved methods which have been installed have made possible at the same time a reduction of the personnel from 15,000 as of last July to approximately 9,000 as of date, with a schedule of further reduction ahead, which carried into effect will reduce the personnel to approximately 7,500 by June 30, thus virtually cutting in half the bureau's basic pay roll in the course of the fiscal year.

The Wason bill, which contained section 1 of the Wason bill we are now considering, was unanimously indorsed and approved by a resolution passed by the American Legion at its national convention in Minneapolis, Minn., on November 11, 12, and 13, 1919.

The language of the resolution relating to the Wason bill is, in part, as follows:

All of the debate and all the recommendations advanced by the legion were put forward in such a manner that it was clear that its primary motive was that of friendly helpfulness toward the Bureau of War Risk Insurance. In order that the attitude of the legion may be clear from the beginning, its conclusions are set forth as follows:

1. The duty of Congress:

(a) Pass the Sweet bill (a measure to extend the scope and functions of the war-risk act).

(b) Pass the Wason bill (a measure to extend the scope and effectiveness of the bureau's machinery so as to obtain intimate contact with the men).

On December 15, 16, and 17, 1919, the representatives, delegates, and officers met in a three days' conference at the Bureau of War Risk Insurance. At that time these representatives discussed at some length the provisions of the Wason bill and unanimously approved it.

Mr. H. H. Raege, a member of the national legislative committee of the American Legion, appeared before our committee in behalf of the members of the American Legion and other ex-service men on March 3, 1920, and expressed his approval of section 1 of the original Wason bill, which is practically the same as section 1 of the bill we are now considering. I might state further that Mr. Raege, as a member of the legislative committee of the American Legion, also approves the bill that we are now discussing and considering.

In my judgment the Bureau of War Risk Insurance is doing a splendid work and is the greatest institution for the direct benefit of the fighting men of the Nation that any country in all time has ever established and should receive the support of all Members of Congress and persons interested in giving the disabled ex-service men of this country the care, treatment, and benefits to which they are so justly entitled by reason of the sacrifices they made, the hardships they endured, and the dangers they encountered while they were in the service of their country.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. SWEET. Yes.

Mr. McKEOWN. I have had some complaints to the effect that the allotment of $15 was made by the soldier while in the service, we will say to his mother, and that the Government allotted $10 more; that for several months the amount was deducted from the soldier's pay but was never paid over to the mother prior to her death. Does the gentleman think it is right to take the $15 which was never delivered to the mother during the lifetime of the soldier and distribute that money among the next of kin of the deceased mother? Ought not that money to be returned to the soldier out of whose pay it was taken?

Mr. SWEET. The policy running through the War Risk Insurance Bureau has been, as near as may be, to follow the wishes of the deceased soldier.

Mr. McKEOWN. But I am not talking about the deceased soldier. I am talking about the living soldier who made an allotment to his mother, where the money was never paid over to her during her lifetime. She dies, and the department distributes that money, as I understand this bill, to the next of kin of the mother. Ought not that part of the money to be returned to the soldier, out of whose pay it was taken?

Mr. WASON. Mr. Chairman, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. WASON. I would like to ask the gentleman who has the floor if, under the question put to him by the gentleman from Oklahoma, the soldier would not have the right to file a claim with the Bureau of War Risk Insurance and receive the money that the Government had taken out of his pay?

Mr. JOHNSON of Mississippi. He has that right now.

Mr. WASON. Is not that the practice?

Mr. SWEET. Yes.

Mr. McKEOWN. But the bureau refuses to pay the money over on the theory that the money had been set aside to the mother and must go to the next of kin of the mother, although it was not delivered in the lifetime of the mother. It looks to me like an injustice.

Mr. WASON. I agree with the spirit of the inquiry, but my experience has been that the money could be obtained by the soldier.

Mr. McKEOWN. Mine has been the opposite, because they said it had been allotted, and therefore it would go to the relatives of the mother.

Mr. SWEET. This section is put in here as a sort of clean-up section. For instance, if a soldier dies and there is money due him either as compensation or insurance, or whatever it might be, from the bureau, and if an administrator or executor is appointed, in that event the administrator or executor acts. But in case there is no executor or administrator appointed and the amount is $400 or less, this provides a certain method by which the department can pay the money to certain persons who are entitled to it without regard to the requirements of any State law, with as little expense as possible, and in many instances without the costs of administration.

Mr. McKEOWN. I agree with the gentleman as to the wisdom of the legislation, so far as the settlement of small amounts are concerned, and $400 is not an unreasonable amount that should be settled, but the thing I was asking was the injustice it appeared to me to take away from the soldier $15 of his money, and then when it was not delivered in the lifetime of his beneficiary to give it to his brothers or sisters or other relatives.

Mr. CHINDBLOM. Will the gentleman yield——

Mr. SWEET. I do.

Mr. CHINDBLOM. For just a moment. It appears to me the matter of which the gentleman from Oklahoma is complaining will not only continue to exist, but will be justified by law if this section 19 is amended as provided by this bill. Am I correct in that construction?

Mr. SWEET. We provide a definite method here by which all these small matters can be cleaned up, and we designate the persons to whom the money shall be paid.

Mr. CHINDBLOM. And you practically take from the soldiers the right to make any claim for an allotment or allowance which has not been paid to the beneficiary designated by him during the life of such beneficiary.

Mr. SWEET. Yes; but the question of allotment and allowance in the department is dying down. There is hardly anything being done there. When a man goes out of the service the question of allowance and allotment has passed.

Mr. CHINDBLOM. I know; but there are a good many of such questions undertermined and unsettled in the department.

Mr. SWEET. There are a few.

Mr. CHINDBLOM. And since this amendment to section 19 says:

That the amount of the monthly installments of allotment and family allowance, compensation, or insurance which has heretofore or which may hereafter become payable.

Of course, it will apply as well to the unsettled accounts arising during the war as those which may have arisen since the war.

Mr. SWEET. What does the gentleman suggest as a remedy then? Here is a clear method by which this whole matter can be wound up, and it must be remembered that we are dealing with small sums of $10 or $15 largely. If the gentleman will look the whole question over, I am satisfied he will agree with the committee that had it in charge that this section gives an equitable and plain method by which the matter can be handled and with the least complication.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. SWEET. I do.

Mr. JOHNSON of Mississippi. I agree with the gentleman with reference to the language incorporated in the bill as being most equitable, and unless it is done it is going to necessitate the appointment of administrators and executors in the different States which would naturally eat up part of the estate. There are a great many small sums being paid to soldiers' estates, and the appointment of administrators would take a large part of such sums paid.

Mr. SWEET. That is true.

Mr. JOHNSON of Mississippi. And the laws of descent and distribution in each State will control in these matters?

Mr. SWEET. At the present time the Bureau of War Risk Insurance is troubled with the proposition of distributing small sums of this kind because of certain State laws——

Mr. JOHNSON of Mississippi. The laws of descent and distribution in each State.

Mr. SWEET. Of the various States.

Mr. JOHNSON of Mississippi. Surely.

Mr. SWEET. And this provides, so far as the Bureau of War Risk Insurance is concerned, a way in which the Federal Government can legally make the distribution of these small sums?

Mr. JOHNSON of Mississippi. I agree with the gentleman.

Mr. CLASSON. Will the gentleman yield?

Mr. SWEET. I will.

Mr. CLASSON. I agree with the attempted procedure of paying this money; but I notice it is stated in lines 2 and 3, page 6, that if no demand in writing is made by such executor or administrator that there is no attempt to fix any time when such demand can be made or when it becomes payable in case the demand is made.

Mr. SWEET. In answer to the gentleman, I will say that originally we had in there 60 days. After discussing it, we came to the conclusion that it would hold up and prevent the Government from paying any of these small claims of ten, fifteen, or twenty dollars for funeral expenses or otherwise, because in order to be safe the Government officials would be required to wait the 60, 90, or 100 days, or whatever the time might be, before the money could be distributed.

We were dealing with small sums, and we concluded after due deliberation to leave out the question of the limit of time. If the executor or administrator is appointed before settlement is made by the bureau, it is paid to him. If the Government goes ahead and pays it to some one else in accordance with the provisions of this section, then in that event where even though there is the appointment of administrator afterwards, the Government so far as it has proceeded will not be interfered with.

Mr. CLASSON. Well, this is what I was getting at. Suppose after payment is made to some of the next of kin that the executor serves notice. What happens?

Mr. SWEET. Well, of course, as far as the Government has gone it is approved. If the Government has not taken any steps, the money is paid to the executor or administrator.

Mr. CLASSON. But if it has already been paid to some one else——

Mr. SWEET. That ends it.

Mr. CLASSON. The Government is protected?

Mr. SWEET. The Government is protected.

Mr. CHINDBLOM. Will the gentleman yield once more?

Mr. SWEET. I will yield.

Mr. CHINDBLOM. Let me ask the gentleman if the matter to which I referred a moment ago could be remedied by an amendment to this act in about the following words:

Provided, That any unpaid installments of allotment may be returned on demand to the soldier, sailor, or marine who made such allotment.

It seems to me the question we have been discussing can arise only in the case of allotment.

Mr. SWEET. I will say to the gentleman, while I think his intention is good, that when you take into consideration the law in regard to allotment and allowance and the method by which it is to be distributed, we ought to be very careful as to the manner in which we amend the law. I am not prepared at this time without carefully going over the proposed amendment to say whether or not it would be in conflict with some other provisions of the law.

Mr. CHINDBLOM. Did the committee consider the provision of the kind of allotment to the soldier who made the allotment?

Mr. SWEET. I can not say that we definitely considered that proposition, but we did go over the matter of what was a proper distribution. And I will say in this connection that in doing this we have followed largely a statute that has been in force in the War Department since June 30, 1906, chapter 3914,

volume 34, Federal Statutes at Large, page 750, relative to the payment of balance due on settlement of accounts of deceased officers and enlisted men to widows or heirs and, according to reports, it has worked admirably.

Mr. CHINDBLOM. Will the gentleman permit one more remark?

Mr. SWEET. Yes.

Mr. CHINDBLOM. I think it is all right to provide that the amount due the deceased shall go to the estate of such deceased where the money comes from the Government, but where the money is an allotment made by a soldier and the allotment is not paid by the Government by order of the soldier and the soldier still lives, it seems to me some provision should be made by which he himself should get the money which he had allotted to be paid to somebody else.

Mr. SIEGEL. Will the gentleman yield?

Mr. SWEET. I will.

Mr. SIEGEL. On page 6, I notice that lines 15 to 21 practically makes the Government the collection agency for every landlord, and every doctor, and every other claim that might be made against the dead soldier, even household expenses, and so forth. Does the gentleman really think he can obtain quick administration by giving the War Risk Bureau authority to settle all these claims?

Mr. SWEET. Only to the extent of doctors' bills and preferred claims, and claims of that character. And I will say that this statute has been in force since 1906 in the War Department, and that it has worked admirably.

Mr. SIEGEL. I will say that, of course, they have dealt with only a small number of cases. Let us take as an example here that doctors' bills and rent and funeral expenses might be brought up as a subject for settlement at the War Risk Bureau, and holding up the payment that should be made to the widow or any other members of the family, and to that extent it seems to me this would be a hindrance instead of an aid. I can readily see where an undertaker could come along and put in a bill of $200 and hold the whole proposition up.

Mr. SWEET. The truth of it is that it is left wholly with the Government in making the distribution, and the manner of distribution is designated clearly. And when the Government follows the statute as here provided it is relieved of all responsibility.

Mr. SIEGEL. True; but you do not say here that nothing shall be construed to prevent the payment. In other words, you are really giving the landlord and undertaker and others a preferential and easy way of holding up the payment to be made to the widows and orphans.

Mr. SWEET. Is not that true in all estates? Is not that true in the administration of every estate?

Mr. SIEGEL. It is not true in regard to insurance left to a beneficiary; and that is all we are trying to do here, to leave it to the beneficiaries, naming the widows and orphans.

Mr. SWEET. And we designate who shall receive it.

Mr. SIEGEL. You go further and include household expenses and claims for rent that might have arisen at any time, and board, and so forth. I think it is going very far to grant the power to the War Risk Insurance Bureau to hold up such payments. The ordinary policies of insurance would be paid to the beneficiary, which would be the widow or children in this case.

Mr. BARBOUR. In the case of a deceased person, a probate court passes on it.

Mr. SIEGEL. This gives the War Risk Insurance Bureau authority to pass upon it, and it is supposed to be insurance left for the benefit of the widow or children, the same as in a regular insurance policy. There is no reason why it should be held up.

Mr. SWEET. The Government here has provided a method by which it is to be distributed, and the method provided here, as set forth in the section, we believe is the most equitable way of handling the situation and disposing of the matter.

Mr. SIEGEL. What we are doing, then, is that we are practically making the War Risk Insurance Bureau the judge to determine the amount which will be paid for the funeral expenses, and so forth.

Mr. SWEET. That is left discretionary with the Bureau of War Risk Insurance, and this bill provides the method by which it shall be done.

Mr. SIEGEL. I am frank to say that I will make a motion to strike it out, because I do not think it is doing justice to the widows or the orphans.

Mr. TILSON. Will the gentleman yield to me?

Mr. SWEET. I will.

Mr. TILSON. As to the establishment of these 14 regional offices, is it the intention to go out in the country and establish 14 new agencies of the Government, with a full complement of employees, and so on? Is that the intention?

Mr. SWEET. I think it is. The thought is to establish them in conjunction with the Public Health Service and the Vocational Board.

Mr. TILSON. Already we have a very large department here in Washington organized, or in a state of being organized. We have been for some two years past trying to get an organization completed. In addition to that, are we to have 14 different organizations all over the country to attend to this work?

Mr. SWEET. Fourteen organizations, or fourteen regions, and they cooperate with the office at Washington.

Mr. TILSON. It will be so much added on to what we already have?

Mr. SWEET. It has been stated that by the establishment of these offices the papers will be received at Washington in better shape and the work will be done with less help, and instead of increasing it will lessen the expenses of the administration of the office.

Mr. TILSON. The contention is that 14 suboffices and 1 main office can be operated more economically than 1 main office?

Mr. SWEET. From a business standpoint, that is true.

Mr. TILSON. It does not look well on the face of it, I will admit.

Mr. SWEET. But when you realize the confusion and congestion that have existed here in the War Risk Insurance Bureau in the handling of all these matters and the unusual amount of correspondence and confusion that have arisen in sending in premiums—and they do not know whether a premium has been paid or not, and they get no receipt back—if these regional offices are established throughout the country the soldiers and sailors and marines will be given an opportunity to come in close contact with them, so that they can do business in a businesslike way and not simply by corresponding with persons, in some instances 3,000 miles away.

Mr. TILSON. Is it the gentleman's idea that this work is too big to be organized in one office, and therefore to conduct it economically it should be split up into 15 organizations? Is that the contention?

Mr. SWEET. In a sense that is true; but where you take into consideration that the persons who are interested in the bureau, living all over the country everywhere, can come in closer touch with it, it is not a question of placing it in one office, but a question of getting in close contact with those who are in the War Risk Bureau, and in order to do that in an intelligent way these regional offices are to be established throughout the country.

Mr. TILSON. But this is a very big country, and 15 offices will not bring everybody in close contact with an office.

Mr. SWEET. Very true; but the bill also provides for suboffices.

Mr. TILSON. Oh, there is to be an addition to these 14?

Mr. SWEET. Yes. There will be some offices in connection with them.

Mr. BLANTON. Each big office will have a dozen little ones.

Mr. TILSON. I am thinking of the overhead expense. It seems to me that too much of this is to be used for overhead, rather than for the carrying out of the purpose for which the bureau was established. Unless that is satisfactorily explained it would seem to me to be a dangerous venture.

Mr. SWEET. The whole thought here is to make, if possible, the service rendered by the War Risk Bureau more efficient, and this is the method proposed by which that is to be accomplished.

Mr. TIMBERLAKE. Mr. Chairman, will the gentleman yield?

Mr. SWEET. Yes.

Mr. TIMBERLAKE. Has the committee taken into consideration the question of how long it may be necessary to keep these subdivisions in operation?

Mr. BLANTON. Forty years.

Mr. TIMBERLAKE. I am very much in favor of bringing this service nearer to the soldiers for the time being if that is practicable, but does not the gentleman think that within a period of three or four years we might abolish the substations?

Mr. SWEET. The tendency should be that way; after the soldiers and sailors and marines have really found out what their benefits are and have received them these offices should be discontinued.

Mr. TIMBERLAKE. That is the greatest advantage which can come to the soldier—getting such information as will enable him to start on this work?

Mr. SWEET. Yes.

Mr. Chairman, I yield three minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, the gentleman from Iowa [Mr. SWEET] yielded me three minutes.

Mr. Chairman, if there is anything on which I have definitely made up my mind, it is upon the proposition that I am not going to vote for the establishment of one single additional bureau in this Government. We have too many now. We ought to be getting rid of some instead of having more.

Right in the first section of the bill special provision is made for the establishment of 14 new bureaus and the expenditure of $1,000,000 to launch them, and the distinguished gentleman from Iowa [Mr. SWEET], who has just taken his seat, has admitted that each one of these 14, each big one, is going to have a lot of little ones. There is going to be some more divided up over the country; there are going to be additional ones under each one of these 14 mother bureaus.

Mr. Chairman, I am against it. The distinguished gentleman from Colorado [Mr. TIMBERLAKE] asked a very pertinent question when he inquired when we are going to get rid of them. I challenge you to go to the distinguished Members of this House who have been in the service for many years and have them tell you how long it took them to get rid of the pension agencies throughout the country. Will the gentleman from Illinois [Mr. CANNON] tell?

Mr. CANNON. I think four or five years ago we got rid of them.

Mr. BLANTON. About three years ago, was it not?

Mr. CANNON. Well, I think about four years ago.

Mr. ESCH. I think they were abolished about seven years ago. But they were not established right after the Civil War.

Mr. BLANTON. I will tell you how long it will take us to get rid of these agencies if they are established throughout the country. It will take 40 years, and then you may not get rid of all of them.

Mr. CANNON. The gentleman asked me a question. I recollect that it was not later than 1870 that these pension agencies were established.

Mr. BLANTON. And you got rid of them only about seven years ago. Then I was not far off in my guess when I said 40 years would be required to get rid of these proposed new ones. That is the limit. Are you going to vote to establish 14 more new bureaus? I am not.

Mr. Chairman, this is such an important bill——

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a minute. This is such an important bill and we have so few of my distinguished colleagues in the Republican Party here in their seats who have charge of the legislation of this House that I think the balance of them ought to come here and find out what we are doing this Calendar Wednesday afternoon. Therefore I make the point of no quorum in order that they may be brought here and find out that we are proposing to create 14 new bureaus.

Mr. SWEET. Will not the gentleman withdraw his point of order? I did not yield to him to make a point of order. [Laughter.]

Mr. BLANTON. I yield back to the gentleman the time that I may have remaining, and then in my own right I make the point of no quorum.

The CHAIRMAN. The gentleman from Texas makes the point of no quorum. The Chair will count. [After counting.] Evidently there is no quorum present.

Mr. BLANTON. I hope that we can get a quorum here for the balance of the afternoon, and that is what we will have to do.

The CHAIRMAN. The gentleman is out of order. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anthony	Carter	Doremus	Goodykoontz
Aswell	Casey	Drane	Gould
Baer	Clark, Fla.	Dunn	Graham, Ill.
Bankhead	Cole	Dyer	Griest
Begg	Connally	Eagle	Hadley
Blackmon	Cooper	Ellsworth	Hamill
Booher	Copley	Elston	Hamilton
Bowers	Costello	Emerson	Harrison
Brinson	Curry, Calif.	Evans, Nev.	Hastings
Britten	Darrow	Ferris	Haugen
Brumbaugh	Davey	Fields	Hayden
Buchanan	Davis, Minn.	Focht	Heflin
Burke	Davis, Tenn.	Fordney	Hernandez
Butler	Dempsey	Frear	Hill
Campbell, Pa.	Denison	Gandy	Huddleston
Cantrill	Dent	Garrett	Hulings
Caraway	Dewalt	Goldfogle	Husted
Carew	Donovan	Goodall	Hutchinson
Carss	Dooling	Goodwin, Ark.	Jefferis
Johnson, S. Dak.	McCulloch	Ramseyer	Steagall
Johnston, N. Y.	McFadden	Reber	Steele
Jones, Pa.	McKenzie	Rhodes	Stephens, Miss.
Kahn	McKinley	Riddick	Stephens, Ohio
Kelley, Mich.	McPherson	Riordan	Strong, Pa.
Kelly, Pa.	Mann, S. C.	Rodenberg	Sullivan
Kendall	Mason	Rose	Temple
Kennedy, Iowa	Merritt	Rowan	Tillman
Kennedy, R. I.	Moore, Va.	Rucker	Vare
Kettner	Morin	Sabath	Walsh
Kiess	Murphy	Sanders, Ind.	Walters
Kitchin	Nelson, Wis.	Schall	Webster
Kreider	Newton, Mo.	Scully	Whaley
Langley	Nicholls	Sears	Wheeler
Lankford	O'Connell	Shreve	Williams
Lazaro	O'Connor	Smith, Ill.	Wilson, Ill.
Lee, Ga.	Olney	Smith, N. Y.	Wood, Ind.
Lesher	Pou	Smithwick	Yates
Linthicum	Rainey, H. T.	Snell	
McAndrews	Ramsey	Snyder	

The committee rose; and the Speaker having resumed the chair, Mr. LEHLBACH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 13558) for the purpose of improving the facilities and service of the Bureau of War Risk Insurance, and of further amending and modifying the war-risk insurance act as amended, found itself without a quorum; whereupon he caused the roll to be called, when 277 Members, a quorum, answered to their names, and he handed in the list of the absentees for printing in the Journal and RECORD.

The SPEAKER. The committee will resume its session.

Accordingly the committee resumed its session, with Mr. LEHLBACH in the chair.

The CHAIRMAN. The gentleman from Iowa [Mr. SWEET] has five minutes remaining.

Mr. SWEET. Mr. Chairman, it was not my purpose to consume the whole of the hour. I understand there are five minutes remaining. In view of the fact that the gentleman from Texas [Mr. RAYBURN] and others have not a sufficient amount of time, I ask unanimous consent that the time for general debate be extended 30 minutes.

The CHAIRMAN. There is still an hour remaining in opposition to the bill.

Mr. SWEET. As I understand it, Mr. Chairman, there is no opposition to the bill, and therefore we are entitled to one hour.

The CHAIRMAN. Then no request is necessary. If no one claims the floor, the Chair will instruct the Clerk to read the bill for amendment.

Mr. SWEET. But, as a matter of courtesy, I have asked unanimous consent that the time for general debate be extended 30 minutes, so as to give others an opportunity to be heard.

Mr. CANNON. That would make it an hour and thirty minutes altogether.

Mr. SWEET. That would make it 30 minutes more.

The CHAIRMAN. The Chair is of the opinion that that is not in order in the committee.

Mr. CANNON. There is an hour left.

Mr. SWEET. As I understand it, there is not an hour left.

The CHAIRMAN. The Chair will state that under the rule those in opposition to the bill, if there be any, are entitled to one hour. The suggestion of the gentleman is in effect a limitation of that time in the committee, which is out of order.

Mr. GARD. Is not the request of the gentleman that in addition to the 1 hour allotted to anyone who may rise in opposition there be 30 minutes additional?

The CHAIRMAN. The Chair does not so understand the request.

Mr. SWEET. Does the gentleman mean 30 minutes additional to myself?

Mr. GARD. Yes; is not that the gentleman's request?

Mr. SWEET. No; it is to give the gentleman from Texas [Mr. RAYBURN] and others an opportunity to talk on this question.

Mr. GARD. I understand that.

Mr. RAYBURN. Mr. Chairman, I ask recognition in my own right.

The CHAIRMAN. The gentleman from Texas [Mr. RAYBURN] is recognized for one hour.

Mr. TILSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Texas yield for a parliamentary inquiry?

Mr. RAYBURN. I do, but I am not going to yield to anything that will take me off the floor.

Mr. TILSON. Does this mean that there is no one opposed to this bill and that no one will have any opportunity to speak, except in such time as may be obtained from the gentleman from Texas [Mr. RAYBURN]?

Mr. RAYBURN. I think it will probably take me 10 minutes, and then I will be glad to yield to the gentleman from Connecticut, or anybody else.

The CHAIRMAN. In answer to the parliamentary inquiry the Chair will state that the rule provides that on Calendar Wednesday there shall be two hours' general debate, one hour at the disposal of the proponents of the bill and one hour in opposition. No member of the committee having sought recognition in opposition to the bill, the Chair has recognized the gentleman from Texas.

Mr. TILSON. But the Chair ought first to put the question, Is there anyone opposed to the bill?

Mr. RAYBURN. I protest, Mr. Chairman, that I can not be taken off my feet.

Mr. TILSON. Then I make the point of order that the gentleman is not entitled to the floor as long as there is anyone who is bona fide opposed to the bill who asks for time.

The CHAIRMAN. The Chair is ready to rule on the point of order. The Chair does not have to inquire as to any Member desiring to exercise his rights. No one claiming to be in opposition to the bill, and a member of the committee asking for recognition, the Chair recognized the gentleman from Texas [Mr. RAYBURN]. The point of order is overruled.

Mr. RAYBURN. Mr. Chairman, I did not intend to take any time on this bill. The gentleman from Iowa [Mr. SWEET] made such a thorough explanation of it that it was my opinion that no further explanation in favor of the bill was necessary. It is not an intricate bill at all and is very easily understood. We want to establish 14 regional offices in addition to the central office in Washington. Experience has shown to those in charge of the bill that it has been impossible for the bureau to keep in touch with the men with whom it should be in touch at all times. The committee listened for days to these cripples and maimed men, each one coming to the committee and advocating the passage of this bill, and it heard the complaints that they have to make about the delays that they encounter on account of the distances many times, on account of having no one near them whom they could get to fill out their papers. A man in Texas or a man in California is sent a blank that he does not know how to fill out. There is no office in which a man can be found who has been instructed in this work. The man fills out his paper, sends it into the bureau; perhaps he has not signed it, perhaps he has not made an affidavit, perhaps he has left out his organization, and many other things. The document comes to the bureau. All they can do is to return it to him. Ten days or three weeks have elapsed and it gets back to him. It angers him, and many times he throws it aside and says he will have nothing more to do with it. He goes out in a bad frame of mind toward the Government.

Afterwards if he does send it back, filled out in the proper form, it has been delayed a month or six weeks. It leaves a man in a bad frame of mind. We have fixed it in the bill so that they may pay their war-risk premium through the post offices of the country and not be troubled by writing letters and having to go through the technical part of the business.

Mr. BLACK. Will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. BLACK. I have not had an opportunity to read the hearings on this bill; was the Postmaster General or his designated representative given an opportunity to be heard about the requirements of section 2 of the bill?

Mr. RAYBURN. No; they were not heard. I do not know whether they asked to be heard or not. If I remember correctly, no member of the Post Office Department was heard.

Mr. BLACK. Does not the gentleman think that in an important matter of this kind it would have been the proper thing to have some representative of the Post Office Department before the committee?

Mr. RAYBURN. That is probably true; it would have been proper to have done it. But it matters not whether the Post Office Department had been willing to take on this needed work or not; I think it is of such benefit to the soldier that whether the post offices want it or not, it ought to be done.

Mr. STEVENSON. Will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. STEVENSON. What would the difference be between the regional offices and the suboffices? I notice that you provide for both. Is it the intention to put a suboffice in each State?

Mr. RAYBURN. Yes. I think that is what would be done. There will be 14 regional offices, but they will not all be close to the soldiers. In each State where there is no office there will probably be a suboffice.

Mr. STEVENSON. What is the difference between a regional office and a suboffice? Why not make them all suboffices?

Mr. RAYBURN. The suboffices are bureaus of information, with men in them to whom the soldier can go and get information and then transmit it to the regional office.

Mr. CANNON. Will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. CANNON. What is the compensation for these suboffices?

Mr. RAYBURN. I do not know what they will be fixed at.

Mr. CANNON. It is within the discretion of the Secretary of the Treasury, and it may be $100 or $10,000. I know in the past there was a great abuse from the Pension Office for a generation. Places are very dear to the American heart, especially if there is pay to be fixed, and every postmaster is to receive payment of premiums under the regulations so far as they may be made, and you will have to organize the fourth-class postmasters—

Mr. RAYBURN. I do not know any fourth-class postmasters in the country who have not sense enough to make out a money order. And I want to say to the gentleman that we have been running the Government for 140 years with human beings, and we have got to run it with human beings the rest of the time.

Mr. CANNON. Precisely; I am just as anxious that this work should be done well and speedily as is the gentleman; but we have had a War Risk Bureau right here in Washington under the dome of the Capitol. I think this is the third one, and I am inclined to think, without speaking disrespectfully of the other ones, that it is the best, but we are now getting rid—I was going to say a thousand clerks, but I am sure there are thousands now in the War Risk Bureau, because we withheld appropriations and because it is said they were in each other's way. It would take many years to instruct them here so that they would know their proper business.

Mr. RAYBURN. The force in the War Risk Bureau has been reduced nearly 7,000—from 16,000 to almost 9,000—and it was not reduced because appropriations were withheld, but because the department made estimates that they could carry on the business with that many. I venture to say that if the department had come before the gentleman's Committee on Appropriations and asked for 12,000 clerks they would have got them.

Mr. CANNON. The gentleman knows how difficult it is to get rid of any office after it is once established.

Mr. RAYBURN. The question was raised by the gentleman from Texas, When will these regional offices be abolished?

I think when it becomes necessary that Congress ought to have nerve enough to abolish them, but as long as they can be of service to these men who gave their legs, their arms, and their eyes to the service of my country, I am willing for them to stay in operation. [Applause.]

Mr. CANNON. I quite agree with the gentleman. The gentleman can not be more patriotic or sympathetic with the disabled soldier than I, but I want the disabled soldiers to get the money we appropriate, and not an army of clerks. For long years we could not get rid of the pension agents, because it was profitable to make places for clerks. We did cut them down. In my own State there was a pension agency at Chicago and one at Springfield, and for over 40 years most of the States had two of them and some of them three. It is very easy to make an office, but it is almost impossible to abolish one.

Mr. RAYBURN. Did the gentleman know that already they have eight of these offices?

Mr. CANNON. What offices?

Mr. RAYBURN. Regional offices.

Mr. CANNON. And are any more needed if there are eight of them?

Mr. RAYBURN. There are just eight.

Mr. CANNON. Under what authority do they have them?

Mr. RAYBURN. They have established them under the general authority they have to carry on this work during the war, they say.

Mr. CANNON. If they have that authority, why give them any more?

Mr. RAYBURN. We want to make the authority definite, and to give them 14.

Mr. CANNON. I am apprehensive about efficiency, and in the name of protecting the soldier I fear that we will have an army of people who never were soldiers.

Mr. SIMS. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. SIMS. I asked Col. Cholmeley-Jones myself whether the establishment of these 14 regional offices and the necessary subagencies would increase the total cost of the administration of the bureau. He said it absolutely would not, but that the expense would be actually reduced, together with adding the great convenience that would come of having these offices nearer the soldiers. This whole bill is administrative and nothing else.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?
Mr. RAYBURN. Yes.
Mr. McKEOWN. What objection would there be to placing in the bill a provision saying that no salary should be made in excess of a certain sum or saying that there should be 14 directors whose salaries should not exceed a certain sum of money?
Mr. RAYBURN. If the gentleman and the House wants to do that and take the responsibility, I am perfectly willing.
Mr. McKEOWN. Does not the gentleman think that would be the better way.
Mr. RAYBURN. I do not know. If we say that they shall not be paid in excess of $5,000, that is an invitation to pay that much, and if they paid every one of them $5,000, nobody here could criticize it. I do not know, but they may be able to get men for $3,000.
Mr. McKEOWN. What provision is made for appointment of other persons except these directors? Are they to be appointed under the civil service?
Mr. RAYBURN. I do not think they will be.
Mr. McKEOWN. Will the appointment of the special agents be under the civil service?
Mr. RAYBURN. I do not know. I presume they will be the same as other appointments in the Bureau of War Risk Insurance.
Mr. JONES of Texas. Mr. Chairman, will the gentleman yield?
Mr. RAYBURN. Yes.
Mr. JONES of Texas. Are these regional officers to be given discretion in granting compensation?
Mr. RAYBURN. Not at all. The cases will all be finally passed upon by the evidence taken by the medical examiners. The medical examination will be finally passed upon by the board in the Bureau of War Risk Insurance.
Mr. JONES of Texas. So that it will be merely formal matters that they will consider.
Mr. RAYBURN. Yes; except in matters of administration they will be able to stop all of these questions at the suboffices and the regional offices.
Mr. MILLER. Mr. Chairman, will the gentleman yield?
Mr. RAYBURN. Yes.
Mr. MILLER. About how many of these suboffices will be established?
Mr. RAYBURN. I think there will probably be one in each State; may be less.
Mr. MILLER. And will there be suboffices in the same State where the regional offices are established?
Mr. RAYBURN. I should think that that would not be necessary.
Mr. MILLER. Can the gentleman further state whether this bill will enlarge the number of employees in the Bureau of War Risk Insurance?
Mr. RAYBURN. I can not state. The Director of the Bureau of War Risk Insurance believes that this bill will not add to the expense of the department and that he will be able to discharge enough employees in the bureau at the present time to offset the employees they will take on. I do not think he will be able to do it, but he thinks he will.
Mr. MILLER. They have eight suboffices now?
Mr. RAYBURN. They have eight now, but they are doubtful whether they are authorized to conduct them.
Mr. MILLER. And these new offices to be established are to be of the same character as the present suboffices?
Mr. RAYBURN. In a way, yes.
Mr. MILLER. And the regional offices are headquarters?
Mr. RAYBURN. Yes.
Mr. HUDSPETH. Will my colleague yield for a question?
Mr. RAYBURN. I will.
Mr. HUDSPETH. I infer from the statement of the gentleman from Illinois that he understands that the work done by the postmasters would be at an additional expense. Now, as I read the bill there would be no additional expense to the postmasters for this work. They do it at the salary they get at the present time.
Mr. RAYBURN. No; unless they sell more money orders and make their receipts come up in that way.
Mr. HOWARD. Will the gentleman yield?
Mr. RAYBURN. I will.
Mr. HOWARD. What is the necessity of regional offices if they are going to have suboffices in the States?
Mr. RAYBURN. Well, I just answered the gentleman from South Carolina that the regional office is the clearing house and has in it men who have information which goes to the suboffices and through them to the soldier.
Mr. HOWARD. Well, does the gentleman think that the regional offices now, as operated under the Public Health Service, are efficient?
Mr. RAYBURN. I do not know. There is one in Dallas, Tex. I do not know whether it is or not. There seems to me doubt about it.
Mr. HOWARD. If the gentleman will pardon me, I raised that question for the reason my State has a regional office, located at Houston, Tex.
Mr. RAYBURN. It has been removed to Dallas.
Mr. HOWARD. If it were not for the regional office they could take up the matters directly with Washington and get good service, and this morning I received a telegram from my district stating that the delays that have taken place by reason of this regional office are a disgrace to our treatment of the soldiers.
Mr. RAYBURN. Well, there is nothing in the establishment of a regional office at Dallas, Tex., to prevent a man from communicating directly with the Bureau of War Risk Insurance at Washington.
Mr. HOWARD. I know. But the point I make is that with the regional office the matter is referred somewhere farther away. Why not cut out the regional office and let each State deal directly with the War Risk Bureau in Washington——
Mr. RAYBURN. That has been the argument on that subject, but I do not agree with that. I think we ought to have these regional offices and to have enough men employed in them to give the information, and that would stop two-thirds of the business, in my opinion, that is coming to Washington, because two-thirds of the letters written by these men are written for information only.
Mr. HOWARD. I am asking the gentleman for information, because I am candidly of the opinion myself that it seems that the regional offices will only complicate matters.
Mr. RAYBURN. In the makeshift way they are at present, in all probability that is true.
Mr. MacCRATE and Mr. SUMMERS of Washington rose.
Mr. RAYBURN. I yield to the gentleman from New York.
Mr. MacCRATE. Has the gentleman any figures showing the average cost of the upkeep of the present eight offices?
Mr. RAYBURN. I have not.
Mr. MacCRATE. There are no figures showing what each of the eight offices cost?
Mr. RAYBURN. Not unless they were put in the hearings, and I do not remember.
Mr. SUMMERS of Washington. Will the gentleman yield?
Mr. RAYBURN. I will.
Mr. SUMMERS of Washington. Is there any limitation as to the office the soldier shall communicate with as to whether it shall be the suboffice or the regional office or the office here in Washington?
Mr. RAYBURN. Not at all. The soldier can communicate with any agency that he cares to, but when he writes direct to Washington and has a suboffice in his State to give the information, in all probability it is referred back there to take it up with the soldier and they can send a man to see him or he can come to see them where it is only a matter of 100 or 200 miles.
Mr. SUMMERS of Washington. Suppose he has written several letters here and then takes up the matter with the regional office. Must they not have that correspondence from the central office here and finally, as they have final jurisdiction, must not that be returned to the central office here?
Mr. RAYBURN. Of course, where compensation is involved in the first instance, that would have to come to the bureau here, because that is the place where it is finally passed upon.
Mr. SUMMERS of Washington. Well, in working out the details of this and getting the information, will they not have to have the soldier's files from the central office here sent to the regional office?
Mr. RAYBURN. If that is an active case; yes.
Mr. SUMMERS of Washington. And they must have the files here before final action can be taken?
Mr. RAYBURN. That is true.
Mr. SUMMERS of Washington. It seems to me here is a possibility of it being more complicated and requiring more time rather than less. I am for the thing that will help the soldier, and to get results, of course, with less red tape.
Mr. RAYBURN. I am, too, and it took me a long time to give my consent to supporting this bill at all, and I was finally convinced that it is a far better way to handle it than it is handled at this time. So many inquiries come to this bureau here, and so many of them get lost, that they can not take care of the business in a businesslike way, and in all probability if they have these information bureaus around over

the country it will stop this writing to Washington, and if one of these subagencies was established in the several States a great many of the men could go to the subagencies and get the information complete to begin with. They could certainly go there and find all the forms and people to make them out, so that no mistake would be made.

Mr. SUMMERS of Washington. The complication seems to be that they would write to one office, and if they did not get results write to another.

Mr. RAYBURN. There is no question about that. It is a very complicated matter. I will say that I was a long time making up my mind that this was proper legislation.

Mr. SUMMERS of Washington. It will simplify the matter.

Mr. RAYBURN. It will simplify the matter and satisfy a great many dissatisfied people at the present time, and for that reason I decided to give it my support. And the only reason I took the floor was to say that I think it is good legislation and looking in the right direction.

Mr. SUMMERS of Washington. I am for it if I can be satisfied that it is going to help the soldier to get results.

Mr. RAYBURN. I yield five minutes to the gentleman from Tennessee [Mr. SIMS].

Mr. SIMS. Mr. Chairman, I want to call the attention of Members to the fact that it is not all letters and correspondence that is of importance. Here is a soldier that needs hospital treatment, and by the time he can write to Washington and get a letter back it is perhaps too late for him to go to a hospital. Maybe he is a tubercular patient, or possibly he has some disease that should require him to be isolated. With a subagent close by, he or his friends can see him and take the matter up in an advised and intelligent fashion. He can wire to the regional agency, and the regional agency can notify the nearest physician by wire to go right ahead and examine the applicant for relief. He can get a quick medical examination, and then can be sent immediately to the nearest hospital, and all of these orders can be made by telegraph.

Mr. BLACK. Will the gentleman yield?

Mr. SIMS. Yes, sir.

Mr. BLACK. As I understand it, so far as the physical examination is concerned, that is now under the jurisdiction of the Public Health Service. They have these regional boards, and I think it is very wise they do have them, but I am wondering if there would be any advantage in establishing these regional offices and suboffices for the purpose of taking care of the clerical and detail work? I doubt the feasibility of that.

Mr. SIMS. There is already a considerable expense that has to be incurred by sending field agents to make examinations in person. These field agents can very largely be dispensed with by this bill if passed, and this would dispense with a great deal of expense that might be incurred by an agent going many miles to make a special examination of a single case. These regional agencies will do much that otherwise would have to be done here at Washington. Then the combining of the Public Health agencies with the bureau agencies will be a considerable saving by occupying rooms in the same building. They do not have to rent new quarters, and by combining as many Federal agencies as possible you can get good results. The doctor of the Public Health Service is right there, and there is somebody at the same place to make out proper applications and proper certifications, who by wiring can get the work done expeditiously and correctly, and in that way you can reduce the expenses of the bureau here at Washington.

A letter written from Seattle or San Francisco by an inexperienced person comes here to the director. And then he finds something that requires the return of that letter all the way back to Seattle or San Francisco, and it may have to go three or four times back and forth, and may take five or six weeks in writing back and forth, when if there was a regional office, with the subagents right there in the soldier's own town, he could go there and everything would be attended to in shipshape and good order, and in one-fifth of the time get the same results that would be eventually secured by correspondence with the central bureau here in Washington.

Mr. HOWARD. I agree with the gentleman that we should have better facilities, but what is the necessity of adding on additional red tape by having a regional office and another office in the same State? Why not cut out the regional office and deal direct with these people?

Mr. SIMS. We have some regional offices anyway.

Mr. HOWARD. What is the necessity for this?

Mr. SIMS. The regional office can prepare the case before turning it over to the bureau here, and in this it will greatly expedite the work.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SIMS. Will the gentleman yield me five minutes more?

Mr. RAYBURN. Yes.

The CHAIRMAN. The gentleman from Tennessee is recognized for five minutes more.

Mr. SIMS. We establish offices everywhere where the postal business has to be attended to. Why not have these subagencies wherever they are needed when it will not cost one additional cent more, and thereby secure greater convenience and greater expedition and with less room for fraud? This great cry about 14 new bureaus is all "sound and fury," and nothing else.

Mr. STEVENSON. Mr. Chairman, will the gentleman yield?

Mr. SIMS. Yes.

Mr. STEVENSON. I want to ask the gentleman about these bureaus. Let us get down to the practical features of this question. Suppose you start a claim at a suboffice. You have got to have the soldier's record, and is not this headquarters here in Washington the place to get the record of his enlistment and his service and his condition when discharged? Will you not have to come to Washington to get that, naturally?

Mr. SIMS. Oh, that does not have to begin with an initial inquiry.

Mr. STEVENSON. Is not that correct?

Mr. SIMS. There will be a subagency where the soldier can go for information and start right, without having to wait three or four weeks to get it from the central bureau at Washington before making a start.

Mr. STEVENSON. Is he going to start it through one of these regional boards or start it here?

Mr. SIMS. He will start it with the subagent, who will communicate with the regional board, and, if necessary, it will communicate with Washington. But a great deal of time will be saved by the use of the telephone and the telegraph, and there will be no increase of cost on the whole.

Now, this is an administrative bill.

Mr. STEVENSON. Mr. Chairman, will the gentleman yield again?

Mr. SIMS. Yes.

Mr. STEVENSON. I wish to ask another question, and then I am through. Is it not a fact that the same reason prevailed for establishing pension agencies all over the country that is put forward for establishing these regional bureaus, and did not Congress finally abolish all of those pension agencies, and has not the work been done much better by having it all done in Washington than it was done before?

Mr. SIMS. What did the pension agency do? It simply sent out checks sent to it from Washington. This is another matter entirely. The old pension agencies did nothing but mail out checks that were sent to them from Washington.

Mr. STEVENSON. Did they not have these investigations made as to bona fides?

Mr. SIMS. Oh, there are medical boards in each county to examine applicants as to their physical condition, but boards of that kind were not "pension agencies."

Mr. JUUL. Mr. Chairman, will the gentleman yield?

Mr. SIMS. Yes.

Mr. JUUL. The gentleman said that all this could be done without additional cost. I am mighty anxious to find out the method.

Mr. SIMS. Well, I have tried to tell you three or four times, and I will tell you again. The present method of administration is the most expensive method that can be used. The expense connected with it can not be reduced so long as all the work has to be done by one bureau in Washington. The expense here can be reduced by not having all this business done here. The cost of living is not so great in the country towns as it is in this city. By the provisions of this bill we will get rapid, quick, satisfactory, and economical administration, which will be absolutely impossible without some legislation along the line of this bill.

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. SIMS. Yes.

Mr. HOWARD. Does the gentleman mean to say that the creation of 14 regional offices and an additional office in each State, with all its overhead expenses and all its appointees, will be cheaper than maintaining one central office here in Washington?

Mr. SIMS. I tried to show the gentleman that that will not take place. The regional office will be in a town where there is already a Government building. They will not have to rent a new building in which to install the regional office. They will simply divide up the capacity of that building and have the regional officers occupy some of it. The subagent will simply have a desk in the Federal building, without perhaps one cent of additional expense.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. RAYBURN. Is anybody opposing the bill on that side?

Mr. GREEN of Iowa. I would like to have five minutes.

Mr. RAYBURN. I first yield to the gentleman from Oklahoma [Mr. McKEOWN] five minutes.

The CHAIRMAN. The gentleman from Oklahoma is recognized for five minutes.

Mr. McKEOWN. Mr. Chairman, this bill ought to be amended so as to fix the salaries of these officials. If you are going to create these bureaus, the salaries ought to be fixed.

Now, here is what they want the regional bureaus for: The regional bureaus will create positions where they will get better salaries than they will receive in the subbureaus, and for that reason we should put in here a provision to limit the salaries.

Now, you will have high-priced, high-salaried officials in the 14 bureaus, and then you will have smaller salaries provided for the agents in the States or substations. This legislation is legislation that is said to be needed for the purpose of creating a place where the soldier can get first-hand information.

The soldiers have received the impression from their experience that this Bureau of War Risk Insurance does not afford them the relief that was promised them by Congress. As I understand this legislation, the main purpose is to create a place where the soldier can go and get first-hand information. If that is true, then you have no business to create regional offices, but you should give him the suboffice in the State, so that he can go to his own State office and get this information.

Mr. HOWARD. Will it not result in creating three offices to which he has got to go to get information instead of one, and thus delay him?

Mr. McKEOWN. It makes red tape, and the complaint against the bureau now is red tape and delay.

Mr. CANNON. Will the gentleman yield for a question?

Mr. McKEOWN. I yield to the gentleman from Illinois.

Mr. CANNON. Is it not true that the subagent and the regional agent have not the records, but that they are here in Washington?

Mr. McKEOWN. That is true.

Mr. CANNON. Afterwards these records will be in the capital of the State, but now they would have to ask Washington for the information.

Mr. McKEOWN. It will just make a delay in correspondence between the subagent and the regional agent, when the correspondence could go directly from the subagent to Washington and save the time occupied in correspondence between the subagent and the regional agent. It creates more delay.

Mr. BARKLEY. Will the gentleman yield?

Mr. McKEOWN. I yield to the gentleman on the committee.

Mr. BARKLEY. In reply to the gentleman from Illinois [Mr. CANNON], I should like to say that the military records of these soldiers are not requested or obtained by the War Risk Insurance Bureau from the War Department until all the other papers are made up and completed, and therefore it is not necessary to have those records scattered out over the country or to ask the department here in Washington for them until the subagent and the regional agent have sent in the papers to the Bureau of War Risk Insurance complete.

Mr. McKEOWN. The primary purpose of this legislation is to give information to the soldier, and the soldier can get that information in his State better by going to the suboffice than he can by waiting for the information to come from the regional office.

Mr. MacCRATE. Will the gentleman yield?

Mr. McKEOWN. I yield to the gentleman from New York.

Mr. MacCRATE. Is it not a fact that the great delay in many cases now is because the War Risk Bureau has to send to the War Department and the Navy Department for the records?

Mr. McKEOWN. That is one of the causes of delay, and another cause of delay is the fact that the applications of the soldiers are not properly fixed up, are not in proper form; and if you create a subagency in the State where the soldier can get the information and get his papers fixed up correctly, he will save time, and a great deal of correspondence will be saved that is now necessary in sending the papers back to get them corrected.

I say, gentlemen, that in this bill you are throwing money away when you create these regional offices, and it is your duty as Members of this House to fix the compensation of these officers and to say how much they shall receive. [Applause.]

Mr. RICKETTS. Will the gentleman yield?

Mr. McKEOWN. I yield to the gentleman from Ohio.

Mr. RICKETTS. I want to ask the gentleman if he is not aware of the fact that the Red Cross now has agencies established in every county in the United States, where information can be obtained by the soldiers for the asking?

Mr. McKEOWN. The Red Cross in its home-service sections in every county seat throughout the country has been rendering wonderful and splendid service along this line.

Mr. RAYBURN. I yield five minutes to the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. Mr. Chairman, unfortunately I did not hear the address of my colleague [Mr. SWEET] in opening the debate on this bill. The gentleman from Texas [Mr. RAYBURN] states that at first he was opposed to this proposition, but that he had finally succeeded in convincing himself that the bill was a good one. I have not got that far yet.

It is absolutely idle to talk about this bill not costing the Government of the United States any money. It starts out with the appropriation of $1,000,000, and it will never get through with less than $5,000,000 or $6,000,000. You propose to appoint regional officers over the country and then to appoint, as some gentlemen seem to think will be done, and I suppose will be done, subagents in the States, and then you say that this is not going to cost the Government anything! How is it possible to appoint such a multitude of agents without adding to the expense? All of these regional offices also will have to have quarters and a staff of clerks.

Why, it is out of the question. And what will it save? It will save nothing, because all the applications have got to come to Washington eventually and have got to be passed on here. In fact, it will add to the expense. Gentlemen say the soldier will be helped to make out the forms. I ask the Members of the House here—there has been a world of delay in getting the applications, but did you ever know a delay on account of the form on which the application was made? If you do, you know of an instance which I have never met. The delay has been because the office here or the health offices scattered over various States have failed to act on the application. You have now in various parts of the State the offices of the Public Health Service where the applicant is examined. You have the Red Cross service stations, which will give the soldier full information in regard to any matter. And what else does he need?

Mr. RICKETTS. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. RICKETTS. Under the practice of the War Risk Bureau they have a physician appointed in each county in every State in the United States whose duty it is to examine applicants for insurance or relief. The doctors make the examination, make report to Washington, to the medical staff of the War Risk Bureau in Washington. In many instances the staff disapproves of the recommendation of the local physician, and that has had a lot to do with the delay.

Mr. GREEN of Iowa. The gentleman is correct, the delay has been everything else except the reasons that have been assigned. It has not been in the form of the application, because no form is required and none need be. The trouble has been either the health officer did not examine the man soon enough or when the report got here it was a month or so before the staff got around to it, and when they got around to it perhaps they wanted more information or disapproved of it, and yet the health officer knew perfectly well what was required and all that was necessary and could give this man every bit of information he needed. So I do not see any need for this. The delays which have occurred are by reason of administrative inefficiency. The application of the soldier is shunted from one official to another, but this bill does not tend to prevent that; it simply provides some more officers through whose hands the application must pass, and in the end the final determination will be here in Washington. I do not see any reason for the bill whatever. I can not see that it would help the soldier a particle, and I can seen plainly that it will cost somewhere from $1,000,000 appropriated here to $5,000,000 or $6,000,000. As to reducing the work, it will simply increase the work, because these officers will make their report, and they will send it here to be approved. It will make more delays and more work and certainly increase the cost to an enormous extent. [Applause.]

Mr. SWEET. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Chairman, I want the attention of my friend from Iowa, who has just left the floor, and others who are impressed the same way he is. I have been engaged for two months listening to testimony from applicants for rehabilitation work. There is one universal complaint coming from the soldier, and corroborated by other witnesses, namely, delay in reaching the final adjustment of his case. He indicated what the delays are. He first went to one office and then he would

be sent to another and from there not infrequently to another office to be examined and to still another office, and then his papers would have to be sent to Washington. Later on they would come back and he would have to go over it again. They would say, "You will have to have another examination." Men have stated to our committee that seven and eight visits were made. Very often the case is brought where a rating was given which on review would be changed. He would have originally been rated one way and later upon some new development he is rated another way. The one constant disturbance was inconvenience in the scattered authority to be consulted. We have had before our committee such men as Mr. Wickersham, who is not only an official but who was identified with the war work overseas. He has made a recommendation as to the changes that ought to be made. This centralization was one to cure unnecessary delays. Other men of the type of Mr. McMurtrie recommended the same thing. Such people as Mrs. Wendell Phillips, who is closely identified with the work up in New York as head of the Carry On Club, and Mrs. Jacobs, formerly of the Red Cross, recommended it. In every case we have the statement that there is undue delay in not having unity, which, necessarily, involved needless travel around in order to get the final adjustment. The board has acted on this line, and we are told that delays are quite different now. All of these agencies in the New York office are now under one roof to avoid this tiresome, fatiguing delay, and enable the soldier who is waiting to be given the final statement as to what he is eligible to get without having to travel over blocks to find his rights under the law. That has been done, as I understand it, in most offices, and especially in the Philadelphia office and the New York office.

Another recommendation is to avoid the tardiness of reaching final decisions occasioned by so much red tape which required district officers to send everything for final adjustment to Washington. That inevitably caused delay. To correct this palpable mistake the office here at Washington seized upon what it thought was its right under the law without waiting for any command from Congress and gave to the local district vocational officers the power to say finally whether he is to get the training or not. Only a few exceptional cases are not included. That has eliminated largely the complaint of matters of delay.

Mr. EVANS of Nebraska. Will the gentleman yield?

Mr. FESS. Yes.

Mr. EVANS of Nebraska. I would like to know if it is not the information that this delay is a matter of administration and not such as really requires legislation?

Mr. FESS. I think in the particular case that we had up that that is true, because they have been corrected since without any further legislation.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. FESS. Yes.

Mr. BLACK. It occurs to me that the danger of allowing these 14 regional officers sole power of discretion in determining what shall be done lies in the fact that you might have one office administered with care and good judgment, and, on the other hand, you might have one that was administered loosely. You would have no uniformity.

Mr. FESS. I can imagine that there might be something in that statement; but if gentlemen had been placed in the position that our committee has been placed in for two months, listening persistently to testimony of soldiers, there would not be any hesitancy in doing away with the possibility of all delay. We know definitely that delays were suffered. They have been greatly relieved by the change. I commend this legislation for similar relief in the war-risk work.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAYBURN. Mr. Chairman, I now yield to the gentleman from Oregon [Mr. SINNOTT].

Mr. SINNOTT. Mr. Chairman, in the coming Republican primary in Oregon on May 21 I have as an opponent an unusual personage, a rara avis, seldom seen or heard, a prevaricating parson [applause], who is distributing an ambiguous, anonymous circular which mendaciously misrepresents not only myself but 196 Republicans who voted as I did, and also many Democratic Members as well, of the Sixty-fourth Congress. This circular also mendaciously misrepresents many of the Republicans of the Sixty-fifth Congress as well as many Democrats. I would not dignify this circular with a notice did it not impute disloyalty to my Government. In the proper circles this gentleman is an advocate of Government ownership and operation of railroads. He was therefore the honor guest at the banquet given to the Plum Plan League speaker at Baker, Oreg., on March 18 last. In agricultural sections he "soft-pedals" on Government ownership and operation of railroads and "goes in on high" to advertise his membership in the Farmers' Union. [Laughter and applause.] The Farmers' Union, as well as the National Grange, resolved against Government ownership and operation of the railroads, and petitioned Congress to return the railroads. I voted for the return of the railroads in accordance with the petition of the Farmers' Union, the National Grange, as well as other farm organizations. I want to take this occasion to expose this imposter. [Applause.] I want to insert in the RECORD this ambiguous, anonymous circular, and my answer to the same. My opponent may ride either horse alone—Government operation and ownership of railroads or private ownership. He may ride the Plumb Plan League horse alone or he may ride the horse of the Farmers' Union and National Grange alone, but he can not ride both horses at once, even though he were the Colossus of Rhodes; the spread is too great. He can not thus deceive the farmers of my district. He can not alienate my many friends among the railroad men by any such duplicity. The Members of this House, familiar with the legislation referred to, on reading the circular, which I shall print in the RECORD, will readily see that the reverend gentleman believes in the precepts of those—

Who prove their doctrine orthodox
By apostolic blows and knocks.

You will find him strong on the "knocks." [Applause and laughter.]

The following is the circular referred to, also my answer:

What has your Congressman accomplished in the past administration? When the administration asked for additional power to stamp out German intrigue, the espionage act was drawn up. He voted against it. When it had passed the House and Senate and a committee had reported on a conference between the House and Senate as to the final form of the measure, he voted against it again.

When the administration asked for authority to arm American merchant ships against submarines, COOPER of Wisconsin tried to block the bill. He moved to send the armed neutrality bill back to the committee with instructions that it be amended to provide that no ships carrying war supplies should be armed in defense of submarines. Your Representative voted in favor of COOPER'S motions.

When the revenue bill was up for consideration February 1, 1917, he voted, with many others, to send it back to the committee in an effort to block it. Later, the effort failing, he voted against the bill on passage.

Without the revenue bills the Government would not have had funds for the first year of the war.

December, 1919, he voted to adjourn to prevent consideration of the Federal farm-loan act, to which several amendments had been offered.

The big thing up to the American public now is cooperation in an effort to secure just representation. Have we had such during the term of our present Representative?

Look into the life history and past record of Owen F. Jones and convince yourself that it is your duty to support a true western farmer, who has made a life study of conditions affecting both public and labor. A man who has the indorsement of all farm and labor organizations throughout the State. A man of pleasing personality and a determination that conditions affecting the voting public of this district shall be improved.

A man who stands for Government operation and control of private monopolies.

Nominate Owen F. Jones at the coming primaries.

Answer.

MAY 12, 1920.

JUDD S. FISH, *The Dalles, Oreg.*

MY DEAR JUDD: I am just in receipt of the inclosed unsigned, anonymous circular, which I am informed was surreptitiously circulated among railroad men in The Dalles in violation of section 3519 of the Oregon corrupt practices act, coincident with the arrival in The Dalles of my opponent, the Rev. Owen F. Jones.

This circular, full of false statements and false conclusions, is a mere rehash, with one exception, the reference to the farm-loan act, of the propaganda put out by the Democratic national congressional committee at the last election, in November, 1918, which resulted in the election of an overwhelming majority of Republicans to the House of Representatives.

The first paragraph, referring to the espionage act, does not state the truth. I voted in favor of the final form of this act. The original bill contained a provision muzzling the press and gagging the public. The first conference report was worse than the original bill. It would have prevented such exposures as Senator CHAMBERLAIN made of the deplorable condition in our Army camps and hospitals, as well as the failure to supply our troops with proper clothing.

I voted with my colleagues, Congressmen HAWLEY and MCARTHUR, against this conference report, which was defeated by a vote of 184 to 144 and sent back to conference. This vote was not, however, on the final form of the conference report, as is falsely stated in the circular. By direction of the House this conference report was modified in conference by eliminating the provisions muzzling the press and gagging the public. When it came back to the House it was adopted practically without opposition, and I voted for it.

The second paragraph, referring to the Cooper amendment, prior to our entry into the war, likewise contains false statements and inferences. The armed neutrality bill authorized the President to supply merchant ships with defensive arms. However, it was not designed to authorize the President to arm merchant ships carrying war supplies, for while merchant ships carrying war supplies could arm themselves, the arming of such ships by the United States Government would be an act in violation of our neutrality. The bill was open to the construction that the President could in violation of law arm ships carrying contraband or war supplies. This would be an act of war. Such an act on the part of the President would virtually be a declaration of war, a power under the Constitution lodged only in Congress. This was admitted by the proponents of the bill, but they said we could rely upon the President not violating the law, and that it was not necessary to adopt the Cooper amendment, as that would be merely writing into the bill the provisions of international law.

The advocates of the Cooper amendment contended that the matter should be made certain by incorporating into the bill the prohibition against the Government arming ships carrying contraband. Among those voting for the Cooper amendment was Congressman Kent, of California. The President surely did not think that Kent was trying to block the bill, for shortly afterwards he appointed him a member of the Federal Trade Commission. Among others who voted for the Cooper amendment were Representative JOHNSON of Washington, who enlisted in the service and became a captain; Representative ROYAL JOHNSON, of South Dakota, who enlisted, and as a commissioned officer was wounded in France while going "over the top"; also my colleague, Mr. HAWLEY, and Congressman PORTER, then ranking Republican member of the Foreign Relations Committee and now chairman of that committee in the House.

The Cooper amendment was defeated and the bill passed the House practically without opposition on the assurance that the laws of neutrality would not be violated by the President, and I voted for it. The armed neutrality bill, to which the Cooper amendment was offered, did not pass the Senate, and the President on April 2, 1917, asked for a declaration of war and abandoned the armed neutrality plan, saying to Congress:

"When I addressed the Congress on the 26th of February last, I thought it would suffice to assert our neutral rights with arms, our right to use the seas against unlawful interference, our right to keep our people safe against unlawful violence. But armed neutrality, it now appears, is impracticable. * * * Armed neutrality is ineffectual enough at best; in such circumstances and in the face of such pretentions it is worse than ineffectual; it is likely only to produce what it was meant to prevent; it is practically certain to draw us into the war without either the rights or the effectiveness of belligerents."

We then declared war. I voted for the declaration, and for all measures designed to win the war.

If you are further interested in the issues involved in the Cooper amendment I am inclosing herewith extracts from the debate in the Senate and House.

The third paragraph of the circular, referring to the vote on the revenue bill, February 1, 1917, would be laughable were it not that it contains the insinuation that there was an attempt to prevent the Government raising revenues to carry on the war.

When this bill was considered on February 1, 1917, Congressman FORDNEY, then ranking Republican member of the Ways and Means Committee, and now chairman of that committee, offered a motion to put into the bill a provision to raise a part of the revenues by a protective tariff. Every Republican in the House except one, who voted "present," voted for this motion which was defeated, and immediately thereafter every Republican present in the House except three who did not vote—196 in number—voted against the bill in an effort to force a tariff provision into the bill.

I regret that my opponent sees fit to impugn the loyalty to their Government of the other 195 Republicans, whom he now seeks to associate with, as most of them are still in the House.

The reference to the amendments to the Federal farm loan act is not clear, as that act was not under consideration in the House in December, 1919. I wish the author of the anonymous circular had been more specific.

Perhaps he refers to an amendment considered in the House on March 2, 1920, which was defeated by the overwhelming vote of 206 to 104. All the Members from agricultural States interested in the farm loan act voted against the amendment. My colleague, Mr. HAWLEY, of the first Oregon district, a member of the committee which drafted the act, voted as I did, against the amendment.

This amendment woud have given the Farm Loan Bureau in Washington control over the assessments of the local associations. The amendment having been defeated, the bill went to conference, where the amendment was modified in a manner satisfactory to the friends of the farm loan act, on April 13, by giving the local association authority to levy assessments.

I have always been a friend of the farm loan act—voted for it when it first passed—and I don't think anyone will be influenced by this ambiguous, anonymous insinuation.

I note from the circular that my opponent "stands for Government operation and control of private monopolies," and in this connection he states he has the indorsement of all farm organizations throughout the State. This I doubt.

If he has any such indorsement, it was obtained without disclosing this Government-ownership plank, for the Farmers' Union, the American Farm Bureau Federation, the National Grange have all passed resolutions opposing Government ownership, and the Association of State Farmers' Union Presidents on January 29, 1920, petitioned Congress to return the railroads. The above farm organizations will surely not support a candidate who has a platform so at variance with their petitions and resolutions, and who, according to his home paper and supporter, the Baker Herald, of March 18 last, was the guest of honor at the Plumb Plan League speakers' banquet, of Baker, Oreg.

I thank you for giving me this opportunity to reply to this anonymous circular, sprung at a late date in the campaign. If you learn of any more such propaganda—and some doubtless will be sprung at the last moment—I wish you would wire me at my expense.

Sincerely, yours, N. J. SINNOTT.

[Extracts from debates and CONGRESSIONAL RECORD showing issues involved in the Cooper amendment.]

Congressman PORTER, then ranking Republican member of the committee which reported the bill, in support of the Cooper amendment, argued that the arming of merchant ships carrying war supplies would be an act of war. In this connection he said, March 1, 1917:

"I shall not pursue this matter further, as I am informed the proponents of this bill concede this to be a correct statement of the law, but reply that the President will not allow the ships protected under the terms of this act to carry arms and ammunition. Why give to him in this crisis a power which he does not intend to exercise?"

Congressman COOPER, author of the amendment, said on March 1, 1917:

"Private individuals or corporations may, without violating international law or any law of the United States, sell and deliver arms and ammunition to a country at war or to any of its citizens, but it is a far different thing which this bill proposes, for it would authorize the President to make the Government itself a party to the traffic in arms and ammunition with belligerents, although when a Government becomes a party to such traffic it thereby commits a deliberate act of war.

"The bill is an attempt in effect to yield to the President a part of the constitutional power of Congress to declare war."

Congressman FLOOD, Democrat, chairman of the committee reporting the bill and in charge of the bill on the floor, said March 1, 1917:

"I do not believe that the President intends to convoy merchant vessels that carry munitions of war or to supply guns and ammunition to such vessels. Good international lawyers contend that to convoy a vessel loaded with arms and ammunition is an unlawful act; that it is an act of war."

Senator FALL, Republican, member of the Foreign Relations Committee of the Senate, said in the Senate on March 3, 1917:

"If the Nation itself, by its aid and assistance, in any way assists the person dealing in contraband to avoid the natural consequences of this act, it commits an unneutral act," citing Moore's International Law Digest.

Senator HITCHCOCK, Democrat, chairman of the Foreign Relations Committee of the Senate and in charge of the bill, said on the floor of the Senate March 4, 1917:

"It is not proposed in this bill to authorize the President of the United States to violate the laws of neutrality, and the President of the United States could neither arm vessels loaded with munitions of war for one of the belligerents, nor could he convoy vessels loaded with munitions of war for one of the belligerents without violating the neutrality of the United States."

On the same day Senator HITCHCOCK further stated:

"I would be immeasurably chagrined if the United States Government should do anything either to insure or to protect the transportation of munitions of war to any of the belligerents in Europe to continue the destructive conflict there, and I have satisfied myself by inquiry at Government sources that our Government has been scrupulous to observe the laws of neutrality, which prohibits it from doing anything to facilitate or protect or insure the transportation of munitions of war to any belligerent country. * * * The Government has been scrupulous not to violate the rules of neutrality. * * * The amendment would be a reflection upon the President."

Senator LODGE, Republican, and ranking member of the Senate Foreign Relations Committee, now chairman of that committee, said, on March 2, 1917:

"Mr. President, in my opinion for us to arm a vessel loaded with contraband or to convoy a vessel loaded with contraband would be an act of war. I voted against that amendment in the committee, and it seemed to me going very far to say to the President that he must not commit an act of war. He is as well aware of what constitutes an act of war as we are, and I feel very sure that if the President were ready to make war and thought the time had come for that action he would call Congress together, if it were not in session, and that in any event he would submit it to Congress. * * *

"If you put officers of the Navy or men on a merchant ship you change her character—you make her a merchant auxiliary; you take her into the Navy of the United States; you make her a vessel of war pro tanto. * * * The President in any event must know whether the vessel contains contraband, and he must find out through the officers of the Government. * * * I said he had no right to do those things unless he was prepared to commit an act of war."

Senator LODGE further said:

"I think it is very undesirable when we are asked by the President to give him certain powers to accompany the authority with the statement that he must not do that which he knows he can not do without committing an act of war and going beyond his constitutional powers."

Senator LODGE still further said:

"If we deliberately, as a Government, put arms on a vessel carrying contraband, and we know it is carrying contraband, of course it is an act of war. I take it that any vessel which is armed by the Government will be subjected to careful examination by the officers of the United States to make sure that she is not carrying contraband and that her cargo and voyage are lawful. * * *

"I do not think it is necessary to put international law into the bill."

Mr. SWEET. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LEHLBACH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 13558) to amend the war-risk insurance act, and had come to no resolution thereon.

CONFERENCE REPORT—FORTIFICATIONS APPROPRIATION BILL.

Mr. GOOD. Mr. Speaker, at the request of the gentleman from Virginia [Mr. SLEMP], I present herewith a conference report on the bill (H. R. 13555) making appropriations for fortifications and other works of defense, and so forth, for the fiscal year ending June 30, 1921, for printing under the rule.

LEAVES OF ABSENCE.

By unanimous consent, leave of absence was granted:

To Mr. GOODWIN of Arkansas, for to-day, on account of illness.

To Mr. WALTERS, for five days, on account of business.

LEAVE TO ADDRESS THE HOUSE.

Mr. CLARK of Missouri. Mr. Speaker, I ask unanimous consent that on Saturday next, after the reading of the Journal and the disposition of business on the Speaker's table, the gentleman from Georgia [Mr. UPSHAW] may be recognized for one hour in which to address the House.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS.

Mr. BROOKS of Pennsylvania. Mr. Speaker, I have two communications in my hand bearing on the postal situation which I wish to bring before the Members of the House by inserting them in the RECORD, and I ask unanimous consent to do so.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. GARD. Mr. Speaker, reserving the right to object, what is the nature of the communication?

Mr. BROOKS of Pennsylvania. The communications that I have received are upon the postal situation.

Mr. GARD. What phase of the postal situation?

Mr. BROOKS of Pennsylvania. With regard to the commission that has been appointed by Congress to take testimony in respect to increase of salaries.

Mr. GARD. Are the communications from private individuals or organizations?

Mr. BROOKS of Pennsylvania. One is from the Chamber of Commerce of Hanover and the other is from the postal employees of the city of York, Pa.

Mr. MONDELL. Mr. Speaker, I have received, I think, at least 75 letters on this general subject within the last two days. If we begin to place these letters in the RECORD we will increase the shortage of paper very materially. I feel that I must object.

The SPEAKER. Objection is made.

ORDER OF BUSINESS.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent to make a brief statement.

The SPEAKER. The gentleman from Wyoming asks unanimous consent to address the House for a few minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MONDELL. Mr. Speaker, a number of gentlemen have asked as to the program for to-morrow. My understanding is that the conference report on the Agricultural bill will be brought up the first thing in the morning, and that following that the conference report on the so-called Kelley bill—the Army and Navy pay-increase bill—will probably be called up. If, however, it is not deemed wise to call up that bill to-morrow afternoon, a rule will probably be presented for the consideration of a bill relating to the farm-loan act, extending the law under which the Federal Government has purchased certain farm-loan bonds.

Mr. CLARK of Missouri. What are we going to do on Friday?

Mr. MONDELL. In case the farm-loan bill is not taken up to-morrow or not disposed of to-morrow it will be taken up on Friday, and there are several other rules that are to follow this, one of which is likely to be taken up. The conference report on the fortification bill will be taken up at an early date.

PAPERS, ETC., IN CONTESTED-ELECTION CASE, TENTH DISTRICT, PENNSYLVANIA.

The SPEAKER laid before the House a communication from the Clerk of the House of Representatives transmitting papers, testimony, and documents relating to the contested-election case in the tenth district, State of Pennsylvania, which was referred to the Committee on Election No. 1 and ordered to be printed.

ORDER OF BUSINESS.

Mr. GARD. Mr. Speaker, I ask unanimous consent that on Friday, after the reading of the Journal, that the gentleman from South Carolina [Mr. BYRNES] shall have the privilege of addressing the House for 30 minutes.

Mr. MONDELL. Mr. Speaker, for the present I shall have to object. We can not make too many of these special orders. I was prevailed on not to object to the request made a while ago, but I do not feel I am justified in allowing too many special orders to be made at this time.

Mr. GARD. Is there anything to do on Friday except——

Mr. MONDELL. Oh, yes; we will have considerable to do on Friday. I think there will be no difficulty about the gentleman having his half hour on Friday, but I do not think we ought to make a special order.

ADJOURNMENT.

Mr. ESCH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 41 minutes p. m.) the House adjourned until to-morrow, Thursday, May 13, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of the Navy, submitting a supplemental estimate of appropriations required for the Naval Establishment for 1920 and prior fiscal years (H. Doc. No. 762); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Clerk of the House of Representatives, transmitting testimony, papers, and document relating to the contested-election case in the tenth district, State of Pennsylvania (H. Doc. No. 763); to the Committee on Elections No. 1 and ordered to be printed.

3. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, together with report of Lieut. Col. J. A. Woodruff, Corps of Engineers, on a preliminary examination of the waterway from Puget Sound to Grays Harbor, Wash.; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. CHRISTOPHERSON, from the Committee on the Judiciary, to which was referred the bill (S. 4205) to amend section 4, chapter 1, of Title I of an act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900, as heretofore amended by section 2 of an act entitled "An act to amend section 86 of an act to provide a government for the Territory of Hawaii, to provide for additional judges, and for other judicial purposes," approved March 3, 1909, and for other purposes, reported the same without amendment, accompanied by a report (No. 968), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. NOLAN, from the Committee on Patents, to which was referred the bill (S. 3223) authorizing the Federal Trade Commission to accept and administer for the benefit of the public and the encouragement of industry, inventions, patents, and patent rights, and for other purposes, reported the same without amendment, accompanied by a report (No. 970), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN, from the Committee on Agriculture, to which was referred the joint resolution (H. J. Res. 307) defining what shall constitute a crop failure under the rules and regulations issued by the departments of the Government in making loans of seed wheat to farmers for crop purposes, reported the same with an amendment, accompanied by a report (No. 972), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. LITTLE, from the Committee on Irrigation of Arid Lands, to which was referred the bill (H. R. 13554) for the relief of the Garden City (Kans.) Water Users' Association, and for other purposes, reported the same with amendments, accompanied by a report (No. 967), which said bill and report were referred to the Private Calendar.

Mr. BABKA, from the Committee on Claims, to which was referred the bill (H. R. 12842) for the relief of the estate of William Alger Varner, reported the same with an amendment, accompanied by a report (No. 969), which said bill and report were referred to the Private Calendar.

Mr. SMITH of Idaho, from the Committee on the Public Lands, to which was referred the bill (S. 2962) for the relief of Nick Sitch and Billie H. Evashanks, reported the same without amendment, accompanied by a report (No. 971), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KAHN: A bill (H. R. 14041) to authorize pay and allowances to officers who exercised higher command during the World War, and for other purposes; to the Committee on Military Affairs.

By Mr. FRENCH: A bill (H. R. 14042) to amend section 6 of the act of Congress approved June 17, 1910, entitled "An act to provide for an enlarged homestead"; to the Committee on the Public Lands.

By Mr. SANFORD: Joint resolution (H. J. Res. 355) authorizing the use of Army transports by teams, individuals, and their

equipment representing the United States in Olympic games and international competitions; to the Committee on Military Affairs.

By Mr. JOHNSON of Washington: Joint resolution (H. J. Res. 356) to suspend the requirements of annual assessment work on mining claims in the Territory of Alaska during the year 1920; to the Committee on Mines and Mining.

By Mr. FESS: Resolution (H. Res. 556) providing for the consideration of H. R. 4438; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 14043) granting a pension to Eliza Oldham; to the Committee on Invalid Pensions.

By Mr. GILLETT: A bill (H. R. 14044) for the relief of the widow of Edward Kelly; to the Committee on Military Affairs.

By Mr. GREENE of Vermont: A bill (H. R. 14045) granting a pension to Alice M. Jones; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 14046) granting an increase of pension to Alwill Hacklander; to the Committee on Pensions.

By Mr. HILL: A bill (H. R. 14047) granting a pension to Estella E. Whitmore; to the Committee on Invalid Pensions.

By Mr. KELLY of Pennsylvania: A bill (H. R. 14048) granting a pension to Thomas J. Mullin; to the Committee on Invalid Pensions.

By Mr. LEHLBACH: A bill (H. R. 14049) to remove the charge of desertion on the first enlistment of Daniel B. Stone, alias Nelson Davis; to the Committee on Military Affairs.

By Mr. LUFKIN: A bill (H. R. 14050) granting a pension to Manella A. Eastman; to the Committee on Invalid Pensions.

By Mr. McKINLEY: A bill (H. R. 14051) granting a pension to Charles Geiger; to the Committee on Invalid Pensions.

By Mr. RANDALL of California: A bill (H. R. 14052) granting a pension to Joseph R. Reed; to the Committee on Invalid Pensions.

By Mr. TIMBERLAKE: A bill (H. R. 14053) granting a pension to Elizabeth Leher; to the Committee on Invalid Pensions.

By Mr. WELTY: A bill (H. R. 14054) granting a pension to Anna Willower Evans; to the Committee on Invalid Pensions.

By Mr. WILSON of Illinois: A bill (H. R. 14055) granting a pension to Ida E. Hudson; to the Committee on Invalid Pensions.

By Mr. ZIHLMAN: A bill (H. R. 14056) granting a pension to Cassander Twigg; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14057) granting a pension to Edgar A. Norris; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3588. By Mr. CULLEN: Petition of Mattress and Box Spring Makers' Union, Local 47, of New York, favoring amnesty for political prisoners; to the Committee on the Judiciary.

3589. Also, petition of Allen Larkin and O'Brien Branch, Friends of Irish Freedom, favoring the passage of the Mason bill; to the Committee on Foreign Affairs.

3590. By Mr. ESCH: Petition of the Milwaukee Real Estate Board, protesting against the proposed tax on real estate to raise a fund for bonus to veterans; to the Committee on Ways and Means.

3591. Also, petition of the Board of Trade Post of the American Legion, protesting against increased taxation for a bonus for veterans; to the Committee on Ways and Means.

3592. By Mr. HILL: Petition of residents of the city of New York, for the enactment of House bill 10518, to establish a Federal urban mortgage bank; to the Committee on Banking and Currency.

3593. By Mr. O'CONNELL: Petition of the McGraw-Phillips Printing Co., of New York, protesting against the proposed tax on advertising; to the Committee on Ways and Means.

3594. By Mr. RAKER: Petition of sundry citizens, favoring House bill 1112; to the Committee on the Judiciary.

3595. By Mr. ROGERS: Petition of Sherley Post and Vincent F. Picard Post, American Legion, of Massachusetts, favoring passage of fourfold optional bonus plan; to the Committee on Ways and Means.

3596. By Mr. ROWAN: Petition of the Hudson P. Rose Co., of New York, protesting against the proposed tax on real estate transactions; to the Committee on Ways and Means.

3597. Also, petition of Sneckner & Heath, of New York, protesting against proposed tax on stock sales; to the Committee on Ways and Means.

3598. Also, petition of Annie O'Connor, Patrick Ryan, the Biddle Publishing Co., Alva E. Stern, Bernhard Ulmann Co., the Law Reporting Co., Jessie B. Colburn, and C. E. Sheehan, all of New York, favoring increased pay for postal employees; to the Committee on the Post Office and Post Roads.

3599. By Mr. TAGUE: Petition of Archbishop McHale Branch, Friends of Irish Freedom, favoring passage of Mason bill; to the Committee on Foreign Affairs.

3600. By the SPEAKER (by request): Petition of Albert Sidney Johnson Chapter, Daughters of the Confederacy, of Louisville, Ky., protesting against the exclusion of the names of Johnson and Lee from the column of the Memorial Amphitheater in Arlington; to the Committee on the Library.

SENATE.

THURSDAY, *May 13, 1920.*

(Legislative day of Tuesday, May 11, 1920.)

The Senate reassembled at 12 o'clock noon, on the expiration of the recess.

The Vice President being absent, the President pro tempore took the chair.

TERMINATION OF THE WAR WITH GERMANY.

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Reading Clerk called the roll, and the following Senators answered to their names:

Ashurst	Gerry	Lodge	Smith, S. C.
Ball	Glass	McCumber	Smoot
Borah	Gronna	McKellar	Spencer
Brandegee	Hale	McNary	Sterling
Capper	Harding	Moses	Swanson
Chamberlain	Harris	Nelson	Thomas
Colt	Harrison	Norris	Townsend
Comer	Henderson	Nugent	Trammell
Culberson	Jones, N. Mex.	Overman	Underwood
Cummins	Jones, Wash.	Page	Wadsworth
Curtis	Kellogg	Phipps	Walsh, Mass.
Dial	Kendrick	Pittman	Walsh, Mont.
Dillingham	Kenyon	Ransdell	Warren
Edge	Keyes	Robinson	Williams
Elkins	King	Sheppard	
Fernald	Knox	Smith, Ariz.	
Gay	Lenroot	Smith, Md.	

Mr. WALSH of Massachusetts. I wish to state that the senior Senator from Missouri [Mr. REED] is absent in attendance upon a meeting of the Committee on Manufactures.

Mr. GERRY. The Senator from California [Mr. PHELAN] and the Senator from Oklahoma [Mr. OWEN] are absent on official business.

The PRESIDENT pro tempore. Sixty-five Senators have answered to their names. There is a quorum present.

Mr. KELLOGG. Mr. President, hostilities ceased on November 11, 1918. Thus ended the greatest war of ancient or modern times. From the conquests of Alexander, shrouded in the mist of passing time, to our own Rebellion, none, or all together, equaled the struggle of contending nations upon the theater of Europe, involving nearly all the civilized world. But the end came at last. Exhausted Europe laid down its arms. The salvos of victory were hushed in the face of this appalling calamity; governments were wrecked; nations dismembered; industries destroyed; lands laid waste; whole nations plunged into disorder and anarchy; want, disease, and starvation were general throughout central and eastern Europe. The whole machinery of industry, exchange, transportation, and government was disorganized. People were dazed and almost hopeless before the task of reconstruction and readjustment.

Under these conditions the council met at Versailles, composed of the leading statesmen of Europe and the Chief Executive of the United States. To them, and especially to the latter, the eyes of the millions of war-weary people were turned. Hope for a moment was revived. There was need for immediate action. Germany had been defeated and crushed, but Europe was crushed with it. No time was to be lost if governments were to be revived, universal anarchy stopped, industry restored, and the march of starvation halted. When the Allies had upon the Rhine 5,000,000 men under arms they should have written the terms of peace for the defeated nations at

once and restored their governments while they had the men and the power to enforce these terms. But months passed and nothing was done. The allied armies dwindled away, power ceased at Versailles, the great council of nations degenerated into a debating society, while despairing Europe looked on in amazement. No wonder starving people asked what this was all for. No wonder Germany, Austria, Turkey, and Bulgaria took heart and commenced their plotting and scheming as before. It is inconceivable that more than eight months should have elapsed before a treaty of peace was signed and more than a year before it was put in force. And during all this time the disintegrating effects on the great victory were working. It took but a few days to write an armistice. It should have taken less than a month to enlarge it into the principal articles of peace, to be signed by the belligerent nations, and thus end the state of war.

But this was not done. The President insisted that the League of Nations should be a part of the treaty of peace, and because the majority of the Republicans in the Senate had criticized the proposed league and had suggested changes, because it did not safeguard American interests, the President returned to France stubbornly insisting that he would so intertwine the league in the whole treaty that it could never be separated. Months were then consumed in perfecting a League of Nations for the future, which should have been left for deliberate and careful consideration after the emergency of peace had passed.

It is a fact that when the President returned to France, nearly five months after the armistice was signed, the members of the allied council had determined upon the policy of making a treaty of peace and afterwards taking time to frame a league of nations. But, against the advice of his associates, ignoring the crying need of the world for peace, with an obstinate disregard of the demands of his countrymen, the President insisted that the League of Nations must be a part of the treaty of peace, and insisted that it should be accepted by the American people, without regard to their judgment or the judgment of the Senate, created by the Constitution to pass upon this question.

What is the result? Eighteen months have elapsed since hostilities actually ceased and the war in fact ended, and this country, the most powerful, comprised of the greatest English-speaking people, is still in an actual, legal state of war with the Central Powers. Trade and commerce—except to a very limited extent, carried on surreptitiously through neutral countries or under license from the President—are inhibited. Travel and intercourse, communication and exchange, are restricted.

The Senator from Nebraska has stated that trade is now being carried on with Germany. This is perhaps true in a limited sense; but under the trading-with-the-enemy act all trade between German and American nationals is absolutely prohibited, "except with the license of the President granted to such persons." It is legally impossible, of course, to resume trade while such a law is in existence.

I wish to call the Senator's attention to the language of the President in his address before the Senate Foreign Relations Committee on August 19, 1919:

> The nations that ratify the treaty, such as Great Britain, Belgium, and France, will be in a position to lay their plans for controlling the markets of central Europe, without competition from us, if we do not presently act. We have no consular agents, no trade representatives, there to look after our interests.

I invite the attention of the Senator from Nebraska to this fact. It is useless to say even that the American people may trade with Germany if they have not the machinery in Germany and in the Central Empires to foster and promote trade.

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from Minnesota yield to the Senator from Nebraska?

Mr. KELLOGG. I yield for a question.

Mr. HITCHCOCK. I will say to the Senator from Minnesota that after leaving the Senate Chamber yesterday afternoon I looked up the figures of our trade with Germany, as given me by the Department of Commerce, running from January, 1919, to the 1st of April, and I find that our exports to Germany during that time were $146,900,000.

Mr. KELLOGG. I have no doubt of that; but the Senator from Nebraska knows very well that that is not the trade we should have with Germany; and he also knows very well that we can not resume trade relations completely without consular agents and trade representatives and without freedom of travel and communication between this country and Germany.

Mr. HITCHCOCK. If the Senator please, I think the difficulty in establishing trade with Germany now is more economic than it is political. The difficulty is that Germany during that period was only able to export to us some $25,000,000 worth of goods, and she had no means of paying for any larger amount of goods which she might purchase of us. I repeat, it is an economic difficulty that Germany is suffering under. She is not able to pay for much. Her trade with Great Britain is very limited, and so is her trade with France.

Mr. KELLOGG. I might add that undoubtedly those exports to Germany include the exports sent under Government regulation for the relief of the German people.

Mr. LENROOT. Mr. President——

Mr. KELLOGG. I yield to the Senator from Wisconsin.

Mr. LENROOT. I should like to remind the Senator from Minnesota that such exports as we now have are only permitted by license of the President.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFICER. Does the Senator from Minnesota yield to the Senator from Montana?

Mr. KELLOGG. I yield to the Senator from Montana for a question.

Mr. WALSH of Montana. I should like to inquire of the Senator from Minnesota if this legislation should be enacted whether we would then have consular agents in Germany?

Mr. KELLOGG. If the President does not veto or nullify the resolution.

Mr. WALSH of Montana. Suppose the President approves the legislation, would we then be entitled to have consular agents in Germany?

Mr. KELLOGG. It simply rests with the President to appoint them, with Germany's consent; and I have no doubt Germany would consent.

Mr. WALSH of Montana. That is the point I am making, that we should have to get Germany's consent in order that such agents might officiate in German territory.

Mr. KELLOGG. I have no doubt Germany would be very glad to consent.

Mr. President, the laws granting to the President extraordinary and autocratic war powers are still in existence. Our products can only reach the starving people of Central Europe in a limited way, such commerce being carried on by the Government of the United States.

If we can not obtain a status of peace by the ratification of the treaty and the League of Nations, we must obtain it in some other way. It is evident that the treaty can not be ratified unless it is accepted exactly as the statesmen of Europe framed it and, through the President, presented to us, without any of the safeguards necessary to the protection of American rights. It is of the utmost importance that a status of peace be accomplished. There are more than 70,000,000 people in the Central Empires. They must be clothed and fed, their industries must be revived, they must labor and produce and trade with other nations. England, France, and Italy have made peace with them; diplomatic and consular relations have been restored; trade has been resumed. England to-day is sending her raw materials to German factories, where they are being made into finished products by German industry and returned into the channels of English commerce. Her trade, her foreign commerce, is fast increasing. Ours is dwindling. France, Italy, and all the neutral countries are restoring commercial relations with the Central Empires. We alone are left outside. Do we realize the fact that when the war broke out in 1914 our entire foreign commerce amounted to only $4,258,504,805, and that the balance of trade in favor of the United States was only $470,653,491? But in 1919 our foreign commerce exceeded $10,000,000,000—a greater foreign commerce than has ever heretofore been enjoyed by any nation in the history of the world—and the balance of trade in favor of this country was substantially $4,000,000,000. Our exports are rapidly decreasing and our imports increasing. Before the war the Central Empires were among the prinicpal customers of this country. We are a surplus producing nation. We have all the food products and the raw materials which Europe needs and which the industries of this country must furnish if we are to maintain the prosperity of the Nation. It is inconceivable that the President would sacrifice not only the interest and independence and sovereignty of the Nation, but sacrifice the material welfare of millions of people, by his autocratic and stubborn insistence on having his own way as to the League of Nations. Not only is it necessary to the industries of this country that a state of peace should be declared and our trade resumed with all belligerent countries, but it is important that the war powers of the President should cease.

During the war both the great political parties united in granting the President everything demanded—the most autocratic and far-reaching powers—in order to effectually carry on the war. Some of these powers seemed to be unnecessary and were granted because no one desired to withhold any power

which the President deemed necessary to win the war. But the war is ended. The great industries of this country can not be run by meddling, bureaucratic officials in Washington, and yet the President is continuing some of these governmental agencies created for the emergency; he still continues to exercise war powers which were granted to enable us more effectively to carry on hostilities. And why? Because the great majority of the Senate deemed it wise to safeguard American interests with certain reservations which were acceptable to foreign powers and demanded by the American people. Those reservations were adopted for the purpose of making the league and the treaty conform to our constitutional principles of government, protecting the American people in their right to administer their affairs without the domination of foreign powers, relieving this country from the intolerable burden and obligation imposed by article 10, which would call American soldiers and American resources to the defense of any nation in the world, protecting American commerce, domestic questions, the Monroe doctrine, the inequality in voting power, and protecting American labor against foreign competition.

These reservations were not adopted by a strictly party vote. Every one of them received more than a two-thirds vote, or nearly two-thirds vote, of the Senate. The reservation which created the greatest interest among the American people and the greatest contest in the Senate—that as to article 10—protecting the American people from the demands of Europe to call their sons upon foreign battle fields, was adopted by more than two-thirds of the Senate, 14 Democrats voting for it.

I do not agree with the Senator from Pennsylvania [Mr. KNOX] that they did not safeguard American interests. I believe that with those reservations American interests were fully and completely safeguarded; that the League of Nations was then left as a concert of peoples to use their influence to prevent war; and that in principle the league, then, did not go beyond what this country undertook to accomplish in the Hague convention.

When these reservations left the great principles of the League of Nations intact; made this country a party to a council to use its influence to maintain the peace of the world; agreed to arbitration of justiciable questions, thereby removing the cause of war; left intact, in its main features, the treaty settling all the disputes between this country and Germany—reservations which were satisfactory to foreign powers—it is inconceivable that the President, standing practically alone, was willing to sacrifice the peace of this country, to injure our commerce, to jeopardize the stability of Europe, to gratify his personal ambition. He has thus ignored the great principles of representative democracy. The right of the people to vote through their representatives and to use their judgment in making treaties with foreign nations.

I shall not take the time of the Senate to again discuss the principles of the League of Nations and the treaty, for which I voted with the reservations. I voted for the treaty and the League of Nations, and would do so again, but never if American sons and American resources must be called at the behest of any foreign country to sustain the tottering and turbulent nations of Europe; never if we are to sacrifice the century-old Monroe doctrine, which has stabilized the Western Hemisphere; never if foreign countries can interfere in the domestic problems which are truly a part of our national ideals; never if foreign powers can interfere to bring American labor to the level of European and Asiatic; never if this country—composed of the greatest English-speaking people of the world—is to be denied an equal voice in the councils of the League of Nations. The President has iterated and reiterated his determination that the Senate abrogate its functions under the Constitution and accept the treaty exactly as it was presented to this country through the influence of foreign powers. He renews his statement in his letter to the Democratic central committee of his party in Oregon, and I invite the attention of the Senate to the first paragraph of this letter. He says:

> I think it imperative that the party should at once proclaim itself the uncompromising champion of the Nation's honor and the advocate of everything that the United States can do in the service of humanity; that it should, therefore, indorse and support the Versailles treaty and condemn the Lodge reservations as utterly inconsistent with the Nation's honor and destructive of the world leadership which it had established.

That is exactly the attitude the President has taken from the beginning.

Mr. President, let me ask the Senate if these reservations are really inconsistent with the Nation's honor.

Was it inconsistent to insist that the right of withdrawal inserted in the treaty should be clear?

Was it inconsistent with the Nation's honor to insist that no obligation should be imposed on this country to use its military and naval forces without the authority of Congress?

Was it inconsistent with the Nation's honor to insist that a mandate could only be accepted by the United States through the action of its Congress, or that the United States should have exclusive right to decide and control its purely domestic questions?

Was it inconsistent with the Nation's honor that the Monroe doctrine, recognized by the world for 100 years and necessary to the protection of this country, should be continued?

Was it inconsistent with the Nation's honor that we should refuse to ratify the infamous bargain of Shantung?

That Congress should provide for the appointment of its representatives upon the various committees and under the league and define their powers and duties?

To provide that the reparation commission should not control our exports to Germany?

To provide that no League of Nations should have the right to impose financial burdens on this country?

To provide that in case of war we should have the right to increase our armament for the protection of the Nation?

To provide that the United States should insist that American labor should not be brought to the level of European and Asiatic?

To provide that, as the greatest English-speaking nation of the world, we should be entitled to equal voting rights in the league and council, and should not be bound until the treaty was thus amended granting such rights?

Mr. President, these reservations were entirely consistent and necessary for the independence and the honor of this Nation.

The Senator from Nebraska [Mr. HITCHCOCK] stated yesterday that the Republicans were to blame for the defeat of the treaty, because they refused to compromise. Referring to a statement of the Senator from Pennsylvania [Mr. KNOX] that the President intended to thwart the will of Congress, the Senator from Nebraska said:

> That really is delicious, Mr. President—
>
> Well, it may seem so to him—
>
> that the President of the United States, who for something like six months has been a bed-ridden invalid, much of that time in danger of his very life, has been devoting himself to thwarting the Senate and the Congress and the people in an effort to bring about peace.

Mr. President, no one sympathizes with the President in his affliction more than I do and more than every Member on this side of the Chamber; but his acts, his declarations, his writings, his domination, his directions to his party, are of record, and we are entitled to comment upon them.

The Senator from Nebraska continues:

> The fact is that the President of the United States, in the exercise of his constitutional power, his exclusive and sole constitutional power, negotiated a treaty; he brought it to the Senate; he asked for the consent of the Senate to its ratification; and the Senate failed to give that consent and sent it back to the White House. Who is thwarting, who is hindering, who is delaying, under those circumstances? The Senate did not give its consent. The Senate did not function, and it did not function because there was a deliberate refusal to compromise differences, as there might have been a compromise.

The Senator is a master of illogical statement. He says that the Senate did not function because it refused to accept a treaty which the President had presented just exactly as he and the diplomats of Europe had written it. To whom did the fathers of the country give the power to decide finally upon the terms of the treaty? Who is better qualified than the Representatives elected by the people to speak for a country reaching nearly 4,000 miles from the Atlantic to the Pacific, and nearly 2,000 miles from the Gulf to Canada? Is it thwarting the will of the people for the Senate of the United States, in its deliberate judgment, by a two-thirds majority in nearly every case, and nearly a two-thirds vote in every other case, to place upon this instrument reservations which safeguard American interests according to our Constitution, and according to the traditions of our Republic?

I fear that the power which was given him for prosecuting war, and willingly given, is in his mind to be continued in times of peace. I say that this treaty as it was finally considered by the Senate protects American interests, and fully measures up to our obligations in the great affairs of the world.

Furthermore, let me remind the Senator from Nebraska that reservations upon this treaty are matters of principle. They are not mere matters of trading, as in the case of a private contract. They represent the sovereign rights of 110,000,000 people.

But let me refer to the expressions of the President. When has he shown any willingness to compromise?

In his letter of March 8, 1920, he says:

I am sorry to say that the reservations that have come under my notice are, almost without exception, not interpretations of the article to which it is proposed to attach them but in effect virtual nullifications of those articles.

Any reservation which seeks to deprive the League of Nations of the force of article 10 cuts at the very heart and life of the covenant itself. Any league of nations which does not guarantee as a matter of incontestable right the political independence and integrity of each of its members might be hardly more than a futile scrap of paper.

Not a word of compromise.

Again, in his famous Jackson Day dinner letter, he said:

We can not rewrite this treaty. We must take it without changes which alter its meaning or leave it, and then, after the rest of the world has signed it, we must face the unthinkable task of making another and separate kind of treaty with Germany.

We must take it as it is written, although the leading nations of Europe expressed a willingness to accept the reservations adopted by a majority of the Senate after months of deliberate debate and consideration!

The President's last letter has clarified the issue. The issue is thus reached: Shall we adopt the League of Nations and the treaty, imperiling American interests, at the behest of the Executive, or shall we adopt the treaty with reservations, protecting American rights and American interests and promoting American aspirations?

On this issue all lovers of American liberty, American independence, believers in the destiny of this Nation, can appeal to the tribunal of public opinion with absolute confidence.

Mr. President, I come now to the question of the resolution declaring a state of peace. When resolutions of this character were originally introduced in the Senate, I was opposed to them. I wish that every opportunity be given for the ratification of the treaty. But the President has made this impossible. The time has come when something must be done. A legal state of peace must be restored, trade relations resumed, war powers ended, and the Nation as soon as possible returned to normal peace conditions.

I shall therefore vote for the resolution declaring the war at an end, which will restore our diplomatic, consular, and commercial relations with the Central Empires, because it seems to me to be the only possible way now of accomplishing this object. I have no doubt whatever of the constitutionality of the resolution. On this ultimate question of constitutionality I agree with the Senator from Pennsylvania, although my views do not coincide with all of his conclusions. I agree, of course, that war actually ceased and hostilities terminated with the signing of the armistice or the capitulation, whichever it may be called, on November 11, 1918. But so far as the German Government and its present successor and the American Government, as well as the nationals of the two Governments, are concerned a legal state of war exists and can only end by the ratification of a treaty or by some action of Congress repealing the war statutes or by the common consent of both nations. The latter can hardly occur with these statutes upon the books.

I am therefore of the opinion that either a treaty or a statute of Congress is necessary.

If we concede all of the Senator's argument about an actual state of peace, we still have on the statute books acts of Congress passed under the war powers of the Constitution granting to the President autocratic powers which must either cease through the signing of a treaty or by the action of Congress. There are about 30 of such statutes which continue during the war, or until the treaty of peace is signed, or a proclamation of the President, or some like occurrence. Of course, Congress, which passed these various acts, can repeal them or modify them, but the fact is that they exist as an aftermath of the war. They prohibit trade between nationals of this country and German nationals. They tie up property seized by the Alien Property Custodian. They continue the war bureaus and autocratic powers of the President.

Let us look at the provisions of some of these statutes. The act known as "the trading-with-the-enemy act," which prohibits trade with German nationals, is to continue during the war and end with the date of the proclamation and exchange of ratifications of the treaty of peace, unless the President shall, by proclamation, declare a prior date.

The food-control act provides that it shall cease to be in effect when the existing state of war between the United States and Germany shall have terminated.

The Overman Act is to remain in force during the continuance of the war and for six months after the termination of the war by the proclamation of the treaty of peace, and various other acts contain similar provisions.

There is no question that when a war actually comes to an end through surrender or an armistice or the cessation of hostilities that Congress has the power to continue a state of war for a reasonable time; that the President himself has no power whatever to create a legal status of peace. He can accept capitulations or create an armistice, but he alone is powerless to end a war which Congress has declared.

Mr. President, let us now consider the power of Congress, with the concurrence of the President, to declare war at an end. I am clearly of the opinion that, with the exception of the command of the Army and Navy conferred upon the President by the Constitution, Congress may exercise the sovereign power of the Nation not only to declare war, or to recognize a state of war as existing, and to make rules and regulations for the conduct of war, but to end war by declaring a state of peace.

The power of any nation to declare war, to take all necessary steps to prosecute it, and to protect the people in their Government, is inherent in every sovereign. There is nothing in the Constitution of the United States which limits this right, except the provision in the Constitution that no appropriation of money to that use shall be for a longer time than two years, and that the President shall be the Commander in Chief of the Army and Navy. The provisions of the Constitution are as follows:

Article I, section 8, clause 11, of the Constitution confers upon the Congress the power "to declare war, grant letters of marque and reprisal, and make rules concerning captures on land and water."

Clause 12, "to raise and support armies, but no appropriation of money to that use shall be for a longer time than two years."

Clause 13, "to provide and maintain a navy."

Clause 14, "to make rules for the government and regulation of land and naval forces."

Congress therefore has power not only to declare war but to make the appropriations to support, and rules and regulations for the government of, the military and naval forces.

It is true that in the main the Constitution is a grant of power by the people to the Federal Government. But there are many provisions of the Constitution which constitute limitations upon the States and limitations upon the manner of exercising Federal powers. There can not, however, be drawn from this provision of the Constitution, conferring upon the Congress the power to declare war, any conclusion that it has not, as the representative body of a sovereign Nation, the power to declare a state of peace and to end the war. The power to declare peace is a natural and necessary implication in the absence of an express prohibition. It is clearly apparent from the constitutional debates that the object of conferring upon the Congress the power to declare war was that neither the President nor any other branch of the Government should exercise this greatest and most dangerous prerogative.

It was proposed by Mr. Pinckney in his plan for a constitution that "the Senate shall have the exclusive power to declare war," and the plan of Mr. Hamilton also provided that the Senate was to have such power. Various objections were made to the power being conferred upon the Congress—among others, that its proceedings were too slow. It would meet but once a year. The House of Representatives would be too numerous for such deliberations. Others urged that the power should be vested in the President. Mr. Mason, among others, objected to the power being conferred upon the Executive or the Senate, because it was too great a power to be intrusted to a single individual or a single branch of the Government. He favored clogging rather than facilitating the declaration of war. This plan was finally adopted.

The words "declare war" were chosen instead of "making war" because the President, as Commander in Chief, directs the Army and Navy and executes the orders of Congress during actual hostilities. It was undoubtedly unnecessary to confer this power upon Congress by a provision of the Constitution, for unless there was some limitation the right to prosecute a war for the preservation of the Nation would be inherent in the Federal Government, executed through its representatives and the President. Watson, in his work on the Constitution, said:

It would hardly seem necessary that the power to declare war should have been expressly conferred upon Congress. The exercise of such power would be necessary to the existence of a nation, and, therefore, a natural power, inherent as an element in the law of self-preservation, the justice of which is recognized by all nations. To declare war may be necessary to preserve the life or freedom of a people, and the right to make such a declaration certainly rests upon the basic principle of self-protection. A commentator on the Constitution, in writing of this power, says: "The right of making war belongs to a nation so far as it is necessary for their defense and support of their rights." It might be asked, If the right belongs to nations to declare war, why confer it upon a nation by written authority? The convention was doubtless aware that to declare war was a natural right of sovereignty, and it did not mean to ignore or restrict that principle by conferring on one of the coordinate branches of the Government the power to do so, but its purpose was to designate what branch of the Government should have such power.

It is apparent, therefore, that this clause of the Constitution was adopted, not because there was inherently any want of power to prosecute a war, but because it was the belief of the Constitutional Convention that it should be vested in the legislative body and concurred in by the President. It is intended to prevent the President from exercising a power which might result disastrously to the Nation.

It has been contended that because the Constitutional Convention failed to confer upon the Congress the power to declare a state of peace or to end a war that this can only be done by the Executive, by and with the advice and consent of the Senate, through the treaty-making power. I do not believe that such a conclusion is properly drawn from the action of the Constitutional Convention. Mr. Butler moved to add the words "and peace" after "war." It was defeated by a unanimous vote. Undoubtedly this motion was made in view of the provisions of the Articles of Confederation, which had been previously in existence. Article IX of the Articles of Confederation provides as follows:

ART. IX. The United States in Congress assembled, shall have the sole and exclusive right and power of determining on peace and war, except in the cases mentioned in the sixth article—of sending and receiving ambassadors—entering into treaties and alliances—

And so forth.

Under this provision it is well known that the Continental Congress prosecuted war, declared peace, and entered into treaties. The inefficient and cumbersome manner of conducting war entirely through a Congress was one of the principal reasons for conferring greater powers and making the Executive the Commander in Chief of the Army and Navy.

On the proposition to confer upon the Congress the power to make peace, Mr. Ellsworth said:

There is a material difference between the cases of making war and making peace. It should be more easy to get out of war than into war. War is a simple and overt declaration. Peace is attended with intricate and secret negotiations.

It undoubtedly appeared to the members of the convention that it would not be wise to take from the President and the Senate the power to negotiate a treaty ending war. This was, according to the practice of nations, the usual and customary way of ending an international conflict. And to confer this power upon the Congress would exclude the treaty-making power, which undoubtedly is the most expeditious and satisfactory way of ending war.

The Constitution, therefore, contains no grant of power or limitations upon this question. It is not, in terms, conferred upon the President and the Senate, beyond the fact that it is undoubtedly included within the broad treaty-making power. In this grant of power, there is embodied no definition of the subjects within the treaty-making power. It may, therefore, be accepted that the people of the United States intended to confer upon the Federal Government no less power than was at the time exercised and enjoyed by other nations. There is nothing in the Constitution which would indicate that the Federal Government, acting through both the legislative and executive branches, could not, by a joint resolution or act of Congress, end hostilities. There is no universal practice among nations to end war only through treaties. In fact, all writers on international law state that there are three well-known ways of terminating war between belligerent States:

1. By a mere cessation of hostilities on both sides, without any definite understanding supervening.

The trouble with that in this case is that we have statutes continuing a state of war until they are repealed or a treaty is entered into.

2. By the conquest and subjugation of one of the contending parties by the other so that the former is reduced to impotence and submission.

That, of course, did not exist in this case.

3. By mutual agreement, embodied in a treaty of peace, whether the honors of war be equal or unequal.

There is nothing in the history of the Constitutional Convention to indicate that the United States did not have all of the sovereign powers in relation to ending hostilities which had been exercised by other nations.

Many instances exist of the termination of war by the cessation of hostilities without any treaty. For instance, in 1716, war between Charles XII, of Sweden, and Frederick Augustus, King of Poland, came to an end in this manner. In 1820 the war between Spain and France. In 1801 the Russian War with Persia. In 1810 the war between Spain and her revolted South American colonies. In 1820 the war whereby Venezuela acquired her independence. In 1861 the war between Prussia and the German States. In 1867 the war between France and Mexico.

PHILLIPS ON TERMINATION OF WAR AND TREATIES OF PEACE, CHAPTER I.

I believe it to be an incontrovertible proposition that the same power to declare war, raise and support an army and navy, make all rules for the government and regulation of the land and naval forces, appropriate money, and which, in fact, with the exception of the mere executive power of directing operations, is entire respecting war, may be exercised in ending war and declaring a state of peace. This power is inherent in every government unless there is some specific limitation in its constitution. It must be remembered that in the case of war with Germany, Congress simply declared a state of war to exist, and proceeded to enact all the laws necessary to prosecute it.

This same course was pursued in the case of the war between Mexico and the United States, where Congress simply passed a resolution to the effect that by the act of Mexico a state of war existed between that country and the United States.

Let me ask the Senate if Congress, having declared a state of war to exist between Germany and the United States, can not at any time repeal the declaration? If Congress should pass an act declaring war on a foreign country, would it not have power to repeal the act? Is it possible that Congress exhausts its power in the declaration of war and that war must continue until the President sees fit to negotiate a treaty and the Senate chooses to ratify it? If Congress should come to the conclusion that the recognition of a state of war was no longer advisable, it could withhold appropriations; it could repeal the legislation making rules and regulations for the conduct of the war; it could reduce the Army to a state which would render it impossible to further prosecute hostilities; and what it can do indirectly it must have power to do directly. This is one of the implied powers growing from the power to declare war and provide for its prosecution. It is inherent in every sovereign State. There are many implied powers exercised under the Constitution.

There is no provision in the Constitution for creating a national bank or any corporation. Yet it is settled by the great opinion of John Marshall in the case of McCullough *v.* State of Maryland (4 Wheat., 415) that this was one of the means which may be adopted by the Congress for carrying into execution the particular power. The Chief Justice said:

Among the enumerated powers we do not find that of establishing a bank or creating a corporation. But there is no phrase in the instrument which, like the Articles of Confederation, exclude incidental or implied powers and which requires that everything granted shall be expressly and minutely described. * * *

A constitution to contain an accurate detail of all the subdivisions of which its great powers will admit and of all the means by which they may be carried into execution would partake of the prolixity of a legal code and could scarcely be embraced by the human mind. (421–422.)

Again, there is no provision in the Constitution which expressly confers authority upon the United States to enlarge the national territorial domain, either by purchase, conquest, annexation, or treaty. And yet it is one of the implied powers, inherent in the very sovereignty of this country. Louisiana was thus obtained under the administration of Jefferson, Florida under Monroe, Texas during the Presidency of Tyler, and the territory acquired from Mexico was taken under Polk. Alaska was purchased from Russia. Porto Rico and the Philippine Islands were acquired by treaty as a result of war with Spain, and the Hawaiian Islands as a result of negotiations.

It is therefore settled beyond peradventure, without any express grant in the Constitution, that the Federal Government may acquire territory and Congress may make laws for the government of these territories, without being subject to all the restrictions imposed upon that body by the Constitution.

This was settled in the case of Dorr *v.* United States (195 U. S., 138), DeLima *v.* Bidwell (182 U. S., 1), and Downes *v.* Bidwell (182 U. S., 244).

In the Dorr case Mr. Justice Day said:

It may be regarded as settled that the Constitution of the United States is the only source of power authorizing action by any branch of the Federal Government. * * * It is equally well settled that the United States may acquire territory in the exercise of the treaty-making power by direct cession as a result of war and in making effectual the terms of peace, and for that purpose has the power of other sovereign nations.

There are many other instances which I could cite, but these sufficiently illustrate the implied powers inherent in the sovereign Government of the United States. There is no provision in the Constitution which designates how these powers shall be executed, whether the Government shall acquire territory by treaty, by conquest, or by subjugation of the people. It may, therefore, be accomplished by any of the means by which Governments may acquire additional territory.

Suppose some foreign government owning a territory contiguous to the United States was desirous of selling the same. Is it possible that Congress could not pass an act providing the

terms on which the United States would purchase and make the necessary appropriations? Must there first be a treaty ratified by the Senate, and subsequently an act of Congress making the appropriations? The action of Congress would be necessary in either event.

Why should it be necessary, therefore, to observe the process of making a treaty and having it ratified by the Senate and then the Congress passing the necessary legislation to carry it into effect? It must be remembered that the treaty-making power is always subordinate to the power of Congress, for Congress can always denounce a treaty.

And while, of course, the Congress can not negotiate a treaty, it can, in my judgment, end a state of war which it has created; and if this is acquiesced in or agreed to by the foreign country, diplomatic relations may be restored and a state of peace will exist without the formal negotition and ratification of a treaty. The President, as Commander in Chief of the Army and Navy, may agree upon an armistice with the belligerent enemy and provide the terms and conditions of the same, but a state of war still exists and he has no power to restore a legal state of peace. He may negotiate a treaty, but the treaty has no validity until it is ratified by the Senate. And it seems to me incomprehensible that if the President, having no power to end war, should refuse to enter into a treaty, that a state of war must continue until the President is disposed to enter into negotiations.

It must be remembered that there is no express provision in the Constitution conferring the power on the President and the Senate to end war through the medium of a treaty or taking the power away from the Congress. The right of the President and the Senate to end war by a treaty is inferred from the general treaty-making power. If two branches of the Government concurring can declare a state of peace, it would seem as though all of the branches concurring might do the same, especially where the war power generally is conferred upon the Congress.

I might go further and say that if the treaty should be ratified to-morrow the Congress of the United States could annul it, denounce it, and refuse to make peace with Germany on the terms stated in the treaty.

There is one proposition enunciated by the Senator from Pennsylvania [Mr. KNOX] in his speech in the Senate during the last session and to some extent reiterated in his very able speech the other day with which I can not agree. It is his position that when the treaty was signed by England, France, Italy, and Japan, and ratified by those nations, it created a state of peace between this country and Germany. I can not see that where Congress created a state of war and it has been waged for more than a year and a half under the authority of Congress, any foreign countries have the power, by any treaty, to create a state of peace. Nor do I believe that the treaty is capable of any such construction.

The treaty, on page 15, is prefaced as follows:

> From the coming into force of the present treaty the state of war will terminate. From that moment and subject to the provisions of this treaty official relations with Germany, and with any of the German States, will be resumed by the allied and associated powers.

That means from the coming into force of the treaty between the United States and Germany, and that can only occur when the Senate ratifies it and the ratifications are properly exchanged, according to the terms of the treaty. The last clause of the treaty, page 537, provides as follows:

> A first procès verbal of the deposit of ratification will be drawn up as soon as the treaty has been ratified by Germany on the one hand and by three of the principal allied and associated powers on the other hand.
>
> From the date of this first procès verbal the treaty will come into force between the high contracting parties who have ratified it. For the determination of all periods of time provided for in the present treaty this date will be the date of the coming into force of the treaty.
>
> In all other respects the treaty will enter into force for each power at the date of the deposit of its ratification.

It will thus be seen that from the date of the first procès verbal the treaty will come into force only between the high contracting parties who have ratified it; that is, all the various terms and conditions apply alone to the belligerent nations thus completing the treaty.

Certainly no one will claim that until this country ratifies the treaty all its terms and provisions apply to the United States. But if it is true that this treaty has ended the war without our consent—ended our belligerent rights and imposed the rights of peace—if it has, as the Senator from Pennsylvania says, placed us in the same position we were in before the war, then I do not see why all the terms and provisions of the treaty do not apply to this country.

The President, in conjunction with foreign countries, had no power to impose a treaty upon this country or to end the war, except to end it in the sense of cessation of hostilities. The clause in this treaty which provides for the determination of all periods of time has nothing whatever to do with ending the war, so far as this country is concerned. It simply means what it says, that for the determination of all periods of time provided for in the treaty the date of the ratification by Germany and three of the allied powers shall be known as the date of coming into force of the treaty. But it is provided that in all other respects, except the fixing of this date, the treaty comes into force as between the contracting nations when it is ratified.

Now, what is this date which it is important to fix by the first procès verbal? It is simply the date from which the time runs within which certain acts are to be performed by Germany, or those allied powers who have signed and ratified the treaty. Let us see what those are. For instance, section 7, article 83, of the treaty provides that a commission of seven members, five nominated by the principal allied powers, one by Poland, and one by the Czecho-Slovak State, will be appointed 15 days after the coming into force of the present treaty, to trace on the spot the frontier line between Poland and the Czecho-Slovak State. Similar provisions are made as to Poland and other countries.

Various of these dates are recited by the Senator in his speech; for instance, Germany is to demobilize and to reduce her military forces, armament, and so forth, to specified limits within two months from the coming into force of the treaty. Within three months certain war material manufactories are to be closed down. Fortifications are to be dismantled. All of these dates were not, of course, postponed until the last nation should ratify, and all that the treaty provides for is that where this language is used throughout the treaty, the time begins to run from the first procès verbal, which is to be issued when Germany and three of the principal allied powers have ratified the treaty. But there is not a word in the treaty to indicate that as between the United States and Germany war is legally ended, and all our rights as a belligerent are suspended. For instance, many of the laws we have passed continue during the war. If the position of the Senator is correct, the moment the first procès verbal is published, we cease to have the right to treat German nationals as alien enemies.

It seems to me, therefore, Mr. President, that either a treaty or an act of Congress is now necessary to end a state of war and place this country upon a basis where we may renew our diplomatic, consular, and trade relations with the Central Empires.

The Senator from Nebraska has threatened that the President will veto this resolution. I doubt not that he will, and I realize that he has the full power of appointment of diplomatic and consular officers; that he may nullify the resolution, if he wishes, as he has nullified the acts and the will of the majority of the Senate and the voice of the American people upon the treaty, but that responsibility rests upon him.

Mr. LODGE. Mr. President, on page 5 of the substitute amendment reported by the committee I propose to strike out the words:

> To these ends, and for the purpose of establishing fully friendly relations and commercial intercourse between the United States and Germany, the President is hereby requested immediately to open negotiations with the Government of Germany.

Of course, the President has the power absolutely at any time to open negotiations, and it is equally proper for the Senate to request him to do so; it has been done many times in our history, but it seems to me needless to request him to do so in this resolution. I think the language is rather surplusage, and I therefore ask that those words be stricken out.

The PRESIDING OFFICER (Mr. STERLING in the chair). The amendment proposed by the Senator from Massachusetts to the amendment reported by the committee will be stated.

The ASSISTANT SECRETARY. On page 5 of the proposed amendment of the Committee on Foreign Relations, beginning with the last word in line 20, it is proposed to strike out the remainder of the section, as follows:

> To these ends, and for the purpose of establishing fully friendly relations and commercial intercourse between the United States and Germany, the President is hereby requested immediately to open negotiations with the Government of Germany.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts to the amendment reported by the committee.

The amendment to the amendment was agreed to.

Mr. KING. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Utah suggests the absence of a quorum. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Glass	Lodge	Sheppard
Ball	Hale	McKellar	Shields
Borah	Harding	McNary	Smith, Ariz.
Brandegee	Harris	Moses	Smith, Md.
Calder	Henderson	Norris	Smoot
Capper	Johnson, Calif.	Nugent	Spencer
Chamberlain	Jones, N. Mex.	Overman	Sterling
Colt	Jones, Wash.	Owen	Swanson
Curtis	Kellogg	Page	Townsend
Dial	Kendrick	Phelan	Trammell
Edge	Kenyon	Phipps	Underwood
Elkins	Keyes	Pittman	Wadsworth
Fernald	King	Ransdell	Walsh, Mass.
France	Knox	Reed	Walsh, Mont.
Gay	Lenroot	Robinson	Warren

The PRESIDING OFFICER. Sixty Senators have answered to their names. There is a quorum present.

Mr. LODGE. Mr. President, I am very anxious to reach a vote on the pending joint resolution, but I have made inquiries in all directions and I find scarcely any Senators who manifest a desire to speak upon it. I do not want to have the resolution put aside for other matters which may come in; I think we ought either to vote or speak; that we should not put it over from day to day, having but one speech a day. We ought to dispose of the joint resolution; and, if we are unable to come to an agreement as to a time to vote, I think we should stay here and either discuss the joint resolution or vote upon it. I wish to ask the opinion of the Senator from Alabama [Mr. UNDERWOOD] as to whether he would not think it advisable, perhaps, to agree upon a time when a vote should be taken, giving to Senators who desire to speak—and I know there are very few, if any—an opportunity so to do.

Mr. UNDERWOOD. Mr. President, I will say to the Senator from Massachusetts that there is not a great deal of disposition, so far as I know, on this side of the Chamber to discuss the resolution. I think there are probably one or two speeches that will be made upon it. I think the Senator from Massachusetts is entirely right in his proposition that we ought to do one of two things—either vote when there ceases to be any desire to speak or fix a definite time for a vote. I know that one of the members of the Committee on Foreign Relations on this side of the Chamber, the Senator from Ohio [Mr. POMERENE], has expressed a desire to speak. He was called away from the city. I thought he would be back here to-day, but he has not returned. I am sure, however, that he will be back to-morrow. Therefore, if agreeable to the Senator from Massachusetts, I suggest that we fix the hour of 4 o'clock to-morrow for a vote, and in the meantime, if any Senators desire to speak on the joint resolution, that they be given the right of way in preference to any other business.

Mr. LODGE. I should be very glad to make an arrangement to vote on the joint resolution at that time, but there are two Senators who are obliged to be away to-morrow who will be here on Saturday.

Mr. UNDERWOOD. I have no objection to fixing a definite time on Saturday for the vote, with the understanding that we may take up other business if the time is not filled and that the Senator who desires to speak on this question shall have the right of way.

Mr. LODGE. Very well. Then I ask unanimous consent that at 3 o'clock on Saturday next, without further debate, a vote be taken on the resolution and all amendments pending or hereafter offered. I will request the Secretary to put the request in the usual form.

Mr. WADSWORTH. Do I understand that the hour is fixed for 3 o'clock on Saturday afternoon next?

Mr. LODGE. Yes.

The PRESIDING OFFICER. The request for unanimous consent will be stated.

The ASSISTANT SECRETARY. The Senator from Massachusetts [Mr. LODGE] asks unanimous consent that at not later than 3 o'clock p. m. on the calendar day of Saturday, May 15, 1920, the Senate will proceed to vote, without further debate, upon any amendment that may be pending, any amendment that may be offered, and upon the resolution H. J. Res. 327, a resolution terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, and so forth, through the regular parliamentary stages to its final disposition.

The PRESIDING OFFICER. Is there objection?

Mr. REED. I suggest 4 o'clock, because we do not meet until 12 o'clock, and frequently the morning hour consumes part of the time. Four o'clock would give us at least a couple of hours for debate on that day, if any Senator desires to speak.

Mr. LODGE. Very well, let 4 o'clock be fixed as the hour.

Mr. REED. That will be satisfactory to me.

Mr. LODGE. That will be satisfactory to me.

Mr. REED. I am ready to go on now, if the Senator desires.

Mr. UNDERWOOD. The hour now proposed to be fixed is agreeable to me.

Mr. LODGE. Very well. I will ask that the hour be fixed at 4 o'clock p. m.

The ASSISTANT SECRETARY. It is proposed to change the hour, so as to make it not later than 4 o'clock p. m. on the calendar day of Saturday, May 15.

The PRESIDING OFFICER (Mr. NUGENT in the chair). Is there objection to the request of the Senator from Massachusetts as modified. The Chair hears no objection, and the agreement is entered into.

The unanimous-consent agreement is as follows:

It is agreed by unanimous consent that at not later than 4 o'clock p. m. on the calendar day of Saturday, May 15, 1920, the Senate will proceed to vote, without further debate, upon any amendment that may be pending, any amendment that may be offered, and upon the resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting, on conditions, the resumption of reciprocal trade with Germany, and for other purposes, through the regular parliamentary stages to its final disposition.

SIERRA NATIONAL FOREST.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2789) for the consolidation of forest lands in the Sierra National Forest, Calif., and for other purposes.

Mr. PHELAN. I move that the Senate disagree to the amendments of the House and request a conference with the House on the disagreeing votes of the two Houses thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. SMOOT, Mr. FALL, and Mr. PHELAN conferees on the part of the Senate.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 10183. An act to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes; and

H. R. 10328. An act to amend sections 1 and 4 of an act approved May 18, 1916, entitled "An act to provide for the removal of what is known as the Aqueduct Bridge, across the Potomac River, and for the building of a bridge in the place thereof."

HOUSE BILLS REFERRED.

The following bills were each read twice by their titles and referred to the Committee on Commerce:

H. R. 10183. An act to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes; and

H. R. 10328. An act to amend sections 1 and 4 of an act approved May 18, 1916, entitled "An act to provide for the removal of what is known as the Aqueduct Bridge, across the Potomac River, and for the building of a bridge in the place thereof."

FORTIFICATIONS APPROPRIATIONS—CONFERENCE REPORT.

Mr. SMOOT submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13555) making appropriations for fortifications and other works of defense, for the armament thereof, and for the procurement of heavy ordnance for trial and service for the fiscal year ending June 30, 1921, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 5, 6, and 12.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 7, 8, 9, 10, and 11, and agree to the same.

REED SMOOT,
W. S. KENYON,
LEE S. OVERMAN,
Managers on the part of the Senate.

C. B. SLEMP,
BURTON L. FRENCH,
JOHN J. EAGAN,
Managers on the part of the House.

Mr. SMOOT. I may state that it is a complete agreement between the two Houses.

Mr. UNDERWOOD. As the Senate does not require by its rules a statement of a conference report, as the House does, I ask the Senator from Utah to give a statement as to the effect of it.

Mr. SMOOT. Mr. President, in answer to the request made by the Senator from Alabama, I will make an explanation of the report.

On page 5 of the bill, the House appropriated for purchase, maintenance, and test of ammunition for mountain, field, and siege cannon, $1,600,000. The Senate increased that appropriation to $2,000,000, and the Senate receded.

On page 6, the House made an appropriation of $350,000 for proving grounds. That was increased by the Senate to $500,000. The Senate receded from that, and the appropriation is for $350,000.

On page 8, for land defenses in the Hawaiian Islands, the House appropriated $130,000, and upon the basis of a letter received from the Secretary of War the Senate increased that amount to $560,000; but upon the showing made by the House, the Senate receded from that increase.

On the same page, the Senate struck out "Philippine" and inserted "Hawaiian," and it was done at the request of the department; and the House receded from that amendment.

On page 11, in the Air Service, the Senate inserted a proviso that the unexpended balances of the appropriations made for aviation purposes in connection with the sea-coast defenses in the insular possessions in the act approved February 14, 1917, should be made available until June 30, 1921. The Senate receded.

The next amendment was on page 14, where the Senate inserted a provision that the unexpended balance of the sum of $155,000 appropriated by the act of July 8, 1918, for the purchase or reclamation of land required for the defense of the Panama Canal should be made available until June 30, 1921. The Senate receded.

Mr. UNDERWOOD. Mr. President, will the Senator allow me to ask him a question upon that subject? I supposed an appropriation for that purpose had been carried in the bill in the last Congress. Is that supplemental of the appropriation of two years ago?

Mr. SMOOT. This appropriation was made first in the act of July 8, 1919, to be expended up to and including June 30, 1920. No decision has been made yet as to whether or not they are going to expend it, and the House presented to the conferees a statement that convinced the Senate conferees that if an appropriation was really necessary at any time in the future the appropriation could be regularly made.

On page 16 the Senate inserted the words "or contracts," so that it would read:

That all orders or contracts for the manufacture of material.

And the House agreed to that amendment.

In section 7, where the unexpended balances are turned into the Treasury of the United States, the Senate turned back, for supplies for seacoast defenses, $40,000, and the House agreed to the Senate amendment.

Also, the Senate increased the amount to be turned into the Treasury for sites for fortifications and coast defenses from $63,346.68 to $88,292.88, and the House agreed. I will say to the Senator that that increase was made upon the recommendation of the War Department.

In the case of submarine-mine structures the Senate inserted $15,200 to be turned back into the Treasury, and the House agreed.

The total, of course, was changed, and the House agreed to the additional amount that was to be turned back into the Treasury.

Section 9 was inserted by the Senate, reading as follows:

That no part of the moneys appropriated in this or any previous act shall be expended to abolish or remove from any one of the arsenals of the United States any permanent department or shop established by legislative act prior to April 6, 1917, unless such removal is authorized by act of Congress.

The Senate yielded to the House on that amendment.

Those are all the changes that were made in conference.

Mr. UNDERWOOD. Mr. President, I should like to ask the Senator about the reduction of the appropriation for seacoast defenses. Does that include stopping the contracts on the great guns that were provided for two years ago?

Mr. SMOOT. No; this is an unexpended balance that Gen. Lord reported to the committee that they had no contracts to cover, and he stated that they could turn this amount of money in the former appropriation back into the Treasury of the United States without interfering at all with the work.

Mr. UNDERWOOD. It does not interfere with the plans that were agreed on two years ago?

Mr. SMOOT. Not at all.

Mr. UNDERWOOD. I am not in favor of any very great military expenditures at this time, but I think, so far as our seacoast defenses are concerned, the work that has already been begun should not be stopped.

Mr. SMOOT. This will not stop it in any way, and I will say to the Senator again that this was done upon the recommendation of the War Department.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

REPUBLIC OF ARMENIA.

Mr. HARDING. Mr. President, I ask unanimous consent that the Senate take up for immediate consideration Senate resolution 359.

The PRESIDING OFFICER. Is there objection?

Mr. OVERMAN. Will the Senator from Ohio let us know what the resolution proposes?

Mr. HARDING. Perhaps I ought to state that this is a unanimous report of the Foreign Relations Committee with reference to Armenia. I do not think it will take three minutes to pass it.

Mr. OVERMAN. I have no objection.

The Senate, by unanimous consent, proceeded to consider the resolution (S. Res. 359) reported by Mr. HARDING from the Committee on Foreign Relations on the 11th instant, and it was read, as follows:

Whereas the testimony adduced at the hearings conducted by the subcommittee of the Senate Committee on Foreign Relations have clearly established the truth of the reported massacres and other atrocities from which the Armenian people have suffered; and

Whereas the people of the United States are deeply impressed by the deplorable conditions of insecurity, starvation, and misery now prevalent in Armenia; and

Whereas the independence of the Republic of Armenia has been duly recognized by the supreme council of the peace conference and by the Government of the United States of America: Therefore be it

Resolved, That the sincere congratulations of the Senate of the United States are hereby extended to the people of Armenia on the recognition of the independence of the Republic of Armenia, without prejudice respecting the territorial boundaries involved; and be it further

Resolved, That the Senate of the United States hereby expresses the hope that stable government, proper protection of individual liberties and rights, and the full realization of nationalistic aspirations may soon be attained by the Armenian people; and be it further

Resolved, That in order to afford necessary protection for the lives and property of citizens of the United States at the port of Batum and along the line of the railroad leading to Baku, the President is hereby requested, if not incompatible with the public interest, to cause a United States warship and a force of marines to be dispatched to such port with instructions to such marines to disembark and to protect American lives and property.

Mr. HARDING. Mr. President, for the benefit of the few Senators who are present on the floor I will state that this resolution is the outcome of rather extended hearings on the part of a subcommittee, which made very careful inquiry into the Armenian situation and took note of the propositions that had been made relative to the American occupation of the new Republic with an armed force and the various angles of the political situation internationally. It was thought that the United States was going as far as it reasonably could to express its felicitations on the recognition of a new Republic there, and then for the relief of those peoples to ask the President to send a warship with marines to the port of Batum, ostensibly for the protection of American lives and property in that port and along the railway to the port of Baku. The real object, however, of the landing of marines is to guarantee the maintenance of a communication line through the port of Batum to Erivan.

To the everlasting credit of America let it be said that out of the generosity of the American purse we have been contributing for 30 months a million dollars per month to save that unfortunate people from starvation. If through any unfortunate conflict over there there should be an impairment of the transportation service, we would be helpless to continue the helpful part we are playing in saving that unfortunate people. More than that, if the President sees fit to accept this suggestion and we send a body of marines on the mainland of northern Armenia, it will add very materially to the morale of their own armed forces.

I think we can do nothing less than pass this resolution of interest and felicitation on the part of the Senate, with this request to the President to recognize the needs of the situation over there. I think the Senate ought to pass the resolution without the slightest hesitation. It is the unanimous report of the Foreign Relations Committee.

Mr. UNDERWOOD. Mr. President, as I understand, this resolution is entirely advisory.

Mr. HARDING. Wholly so.

Mr. UNDERWOOD. It does not remove the discretion of the President, who is the power that should act in this matter; and

as it is merely expressing the wish of the Senate, I have no objection to it.

Mr. HARDING. The Senator from Alabama will note that in the second section of the resolution the President is requested, if not incompatible with the public interest, to cause a United States warship and a force of marines to be sent to Batum. It is wholly advisory.

Mr. UNDERWOOD. I have no doubt in the world that the resolution is entirely for a good purpose, and one with which we are all in sympathy, and I see no objection to it. I think there is, on general principles, an old-time objection to the Executive invading the jurisdiction of the legislative branch, and the legislative branch attempting to invade the jurisdiction of the President. Under these circumstances, however, I think it is entirely helpful and not harmful to advise the President of the sentiment of the Senate in reference to this matter, and I do not think it goes further than that.

Mr. HARDING. If the Senator from Alabama will not misconstrue the remark, I venture to say that the invasion is not out of harmony with practices of recent date.

Mr. UNDERWOOD. I am sure that there has been invasion in many ways on both sides of the line, but I do not think one department of the Government dipping into the business of another department of the Government is helpful in the interests of good business and good government.

Mr. LODGE. Mr. President, I may say, if the Senator from Ohio will allow me, in order to reassure the Senator from Alabama, that the adoption of this resolution is particularly desired by the Senator from Mississippi [Mr. WILLIAMS], who was on the subcommittee and helped to prepare it; and I think that ought to be a guaranty of its good character.

Mr. UNDERWOOD. I think so, too.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

ENROLLED BILL SIGNED.

The PRESIDENT pro tempore announced his signature to the enrolled bill (S. 795) to provide for the disposition of public lands withdrawn and improved under the provisions of the reclamation laws, and which are no longer needed in connection with said laws, which had previously been signed by the Speaker of the House.

LANDS IN WYOMING.

Mr. KENDRICK, from the Committee on Public Lands, to which was referred the bill (H. R. 13157) authorizing the issuance of patent to Johnson County, Wyo., of lands for poor-farm purposes, reported it without amendment and submitted a report (No. 586) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CUMMINS:

A bill (S. 4374) granting an increase of pension to James H. Hargis; to the Committee on Pensions.

By Mr. OWEN:

A bill (S. 4375) for the relief of the Pawnee Tribe of Indians of Oklahoma; to the Committee on Claims.

By Mr. HARRISON:

A bill (S. 4376) providing for the distribution of photographs of cemeteries in Europe in which American soldiers, sailors, and marines are buried to the next of kin of such persons; to the Committee on Military Affairs.

By Mr. GRONNA:

A joint resolution (S. J. Res. 196) extending the provisions of an act amending section 32 of the Federal farm-loan act approved July 17, 1916, to June 30, 1921; to the Committee on Banking and Currency.

RAILROAD INDEBTEDNESS.

Mr. CUMMINS. By direction of the Committee on Interstate Commerce I introduce a bill to amend sections 207 and 210 of the transportation act 1920.

The bill (S. 4373) to amend sections 207 and 210 of the transportation act 1920 was read twice by its title and referred to the Committee on Interstate Commerce.

Mr. CUMMINS. On behalf of the Committee on Interstate Commerce I now report back the bill favorably and ask that it go to the calendar.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The bill will be placed on the calendar.

AMENDMENTS TO SUNDRY CIVIL APPROPRIATION BILL.

Mr. CUMMINS. By direction of the same committee I submit the following amendment to the sundry civil appropriation bill and ask that it be referred to the Committee on Appropriations and printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAMBERLAIN submitted an amendment proposing to increase the appropriation to be paid the Sanitarium Co. of Portland, Oreg., for the care and maintenance of Alaskan insane patients during the fiscal year 1921 from $520 per capita to $540 per capita, intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. KENDRICK submitted an amendment proposing to appropriate $25,000 for an investigation and survey for an irrigation system in the Green River watershed, Wyoming, etc., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

He also submitted an amendment proposing to appropriate $150,000 for the Riverton project, Wyoming, intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

He also submitted an amendment proposing to appropriate $469,000 for the Shoshone project, Wyoming, intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. FERNALD submitted an amendment relative to the payment of contracts under the act of August 25, 1919, for the construction, improvement, special repair, equipment, and furnishing of post offices and other public buildings, etc., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

FUEL FOR GOVERNMENT SHIPS.

Mr. CUMMINS submitted the following resolution (S. Res. 361), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Whereas it is generally known that the available supply of oil for fuel is rapidly diminishing, and that the time may speedily come when our Army transports, naval, and merchant vessels will be compelled to depend upon coal to furnish their motive power; and

Whereas when that time comes the coal fields yielding the quality of coal required for economic and efficient use on ships, and reasonably proximate to the various ports of the United States, may either be exhausted or greatly advanced in value; and

Whereas a survey of the situation, in view of these recognized facts, seems to be desirable: Therefore be it

Resolved, That the Committee on Naval Affairs of the Senate be directed to enter upon an investigation of the subject, and as soon as possible report to the Senate its recommendations respecting the following inquiries:

1. Is it probable that our Army transports, naval, and merchant vessels now equipped, or hereafter to be equipped, for the use of oil as fuel will be compelled again to use coal as fuel?

2. Where are the coal fields from which coal of the proper quality for use on ships can be mined situated?

3. What is the transportation cost of moving the coal from these fields to the various ports of the United States?

4. Would it be good policy for the Government to acquire such of these coal fields as may be necessary to furnish the supply that will be needed for Government ships and our merchant marine, and if so, what would be the probable cost of acquiring them at this time, assuming that it is desirable that the country shall be assured of an adequate supply of coal, for these purposes, for a reasonable period?

Resolved further, That the Committee on Naval Affairs, or any subcommittee thereof, be authorized and directed to subpœna witnesses and compel their attendance, to send for persons and papers, and do such further acts as may be necessary to secure any and all information desired in the furtherance of said inquiry.

Resolved further, That the expense of the aforesaid inquiry be paid out of the contingent fund of the Senate.

INDEPENDENCE OF EGYPT.

Mr. OWEN. Mr. President, I offer the following resolution, which I would like to call to the attention of the Senator from Massachusetts [Mr. LODGE]:

Whereas in a diplomatic communication from the foreign office of Great Britain to the United States State Department of December 18, 1914, this Government was advised that, because of the war initiated by Turkey against Egypt, the suzerainty of Turkey over Egypt was terminated and Egypt placed under the protection of Great Britain "for the safety of the inhabitants, the defense of the country, and the protection of the many and various important interests existing there"; and

Whereas in a proclamation issued by His Majesty, King George V, dated December 18, 1914, it was stated that Great Britain had assumed this responsibility "to successfully overcome all the influences which are seeking to destroy the independence of Egypt," etc.; and

Whereas the Secretary of State, in an official communication of December 16, 1919, to a member of this body, stated: "It is assumed that it is the purpose of Great Britain to carry out the assurances given by King George V of England," hereinabove referred to: Now, therefore, be it

Resolved by the Senate, That the Secretary of State be requested to advise the Senate whether or not the pending treaty between the allied Governments and Turkey contains any provision which might properly be interpreted to the contrary to the understanding of the Senate with respect to the so-called protectorate of Great Britain over Egypt having been merely a war measure to preserve the integrity and independence of Egypt during the war.

Mr. KING. Does the Senator ask that the resolution go to the Committee on Foreign Relations?

Mr. OWEN. I would like to have it either go to the committee or to be acted upon now. It is a resolution asking for information. I wanted to call the attention of the chairman of the committee to it. If he desires to have it go to the committee, I will be happy to have it referred.

Mr. LODGE. It is certainly an important matter, and I think it should go to the committee. There is rather a thin Senate here.

Mr. OWEN. Yes; that, of course, is true.

Mr. LODGE. I think perhaps it would be better to have it referred to the committee.

Mr. OWEN. Then I ask that it be referred to the committee.

The resolution (S. Res. 360) was referred to the Committee on Foreign Relations.

TERMINATION OF WAR WITH GERMANY.

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes.

Mr. LENROOT. Mr. President——

Mr. KING. Mr. President, will the Senator yield?

Mr. LENROOT. I yield to the Senator.

Mr. KING. As the Senator intends to discuss the peace resolution, now before the Senate, and as that is quite important, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ball	Glass	McCumber	Smith, Ariz.
Brandegee	Hale	McNary	Smith, S. C.
Calder	Harding	Norris	Smoot
Capper	Harris	Nugent	Spencer
Colt	Henderson	Overman	Stanley
Culberson	Jones, N. Mex.	Owen	Sterling
Curtis	Jones, Wash.	Page	Swanson
Dial	Kellogg	Phelan	Trammell
Dillingham	Kendrick	Phipps	Underwood
Edge	Keyes	Pittman	Wadsworth
Elkins	King	Ransdell	Walsh, Mass.
Fernald	Knox	Reed	Warren
Gay	Lenroot	Robinson	Williams
Gerry	Lodge	Sheppard	

The PRESIDING OFFICER. Fifty-five Senators have answered to their names. A quorum is present.

Mr. LENROOT. Mr. President, yesterday during the speech of the Senator from Nebraska [Mr. HITCHCOCK], wherein he undertook to argue that Congress had no right to declare a termination of the war, I asked him if it was not true that the termination of the Civil War was declared by Congress, and that it was the action of Congress, and not that of the President, which was recognized by the Supreme Court as being the action that was binding upon the courts of the country.

Later on the Senator from Colorado [Mr. THOMAS] undertook to show that this statement of mine was not accurate; that it was really the proclamation of the President announcing the suppression of the rebellion which was the final act that brought about a peace status after the Civil War.

I was familiar at the time with the decisions. The Senator from Colorado read from the decision in the case of the United States against Anderson, in Ninth Wallace, but he read only the recitals concerning the facts, stating that upon the 20th day of August, 1866, the President made a proclamation announcing that the rebellion had been suppressed, and that later on Congress had recognized that in certain statutes. But the Senator from Colorado, if he had just gone down about one-half page further, would have found very clearly that it was the action of Congress and not of the President that determined the peace status, or the declaration of the termination of the war, for the court said:

> As Congress, in its legislation for the Army, has determined—
>
> Not the President—
>
> As Congress, in its legislation for the Army, has determined that the rebellion closed on the 20th day of August, 1866, there is no reason why its declaration on this subject should not be received as settling the question wherever private rights are affected by it. That day will therefore be accepted as the day when the rebellion was suppressed, as respects the rights intended to be secured by the captured and abandoned property act.

So there can be no question but that it was the action of Congress which was recognized by the Supreme Court as being the final authority in declaring the termination of that war and not the action of the President of the United States by way of proclamation.

Much has been said by the Senator from Nebraska [Mr. HITCHCOCK] and others concerning the effort made in the Constitutional Convention to give to the Congress the power not only to declare war but to make peace, and, of course, they have stated the historical facts correctly. But, Mr. President, it does not seem to have occurred to these gentlemen that if that power had been granted to Congress it would have been exclusive, just as the power to declare war is exclusive in Congress; there could not have been peace under the treaty-making power, the joint action of the President and the Senate. So it does not exclude the idea in any way that peace may not be secured by some other means than the treaty-making power, nor does it signify that the President, under the Constitution, can keep this country in a state of war so long as he may hold his office, irrespective of the will of Congress or of the people of the United States.

I frankly admit, of course, that Congress can not by statute make a negotiated peace. I admit that Congress can not, by this joint resolution or by statute, affect our international diplomatic relations. Congress can not by statute make a contract with a foreign power. But Congress has the right to declare the existence of a fact, and Congress has the right to go to the fullest extent with reference to legislation—war legislation, if you choose—even to the point of repealing a declaration of war, in so far as private rights are concerned.

For a good many years it was denied in the courts of the country that Congress had any right either to repeal or modify a treaty of the United States with a foreign power made by the treaty-making power. Of course, it is now well settled that the Senate and the President can make a treaty to-day and Congress may repeal it or modify it to-morrow. The leading case upon that subject, as lawyers well know, is the Head Money cases, where this question was very fully discussed in One hundred and twelfth United States. The court used this language:

> A treaty is made by the President and the Senate. Statutes are made by the President, the Senate, and the House of Representatives. The addition of the latter body to the other two in making a law certainly does not render it less entitled to respect in the matter of its repeal or modification than a treaty made by the other two. If there be any difference in this regard, it would seem to be in favor of an act in which all three of the bodies participate. And such is, in fact, the case in a declaration of war, which must be made by Congress, and which, when made, usually suspends or destroys existing treaties between the nations thus at war. In short, we are of opinion that so far as a treaty made by the United States with any foreign power can become a subject of judicial cognizance in the courts of this country, it is subject to such acts as Congress may pass for its enforcement, modification, or repeal.

That, of course, is the settled doctrine of the courts, and, of course, that doctrine must apply to the case before us. We can not by the passage of the joint resolution bring about a state of peace with Germany. If the joint resolution shall pass and become a law and Germany thereafter shall take like action, declaring upon its part a termination of the war with the United States, then both nations will be at peace for all purposes and just as effectively, so far as a peace status is concerned, as if there had been a negotiated treaty ratified by both powers. I do not think there can be any question about that.

But if Germany does not do that, I admit that an American citizen over in Germany will not have a peace status by the passage of this joint resolution. It will require further action, either by Germany or by a negotiated treaty which I expect will follow even though this resolution shall become a law. But it clearly does restore a peace status so far as the United States is concerned; and there can not, it seems to me, be any question of the power of Congress to do that very thing.

It is said that the same object could be accomplished by a repeal of all the war powers that have been vested in the President. That is true only in part. It is true that Congress can repeal all the legislation vesting war powers in the President of the United States, but even if that were done, I take it for granted that the President, as Commander in Chief of the Army and Navy, would still have, while we were under a

state of war, very vast powers that he could exercise which did not require any legislation upon the part of Congress.

Mr. KNOX. Mr. President——

The PRESIDING OFFICER (Mr. KEYES in the chair). Does the Senator from Wisconsin yield to the Senator from Pennsylvania?

Mr. LENROOT. With pleasure.

Mr. KNOX. Does not the Senator believe that Germany, by signing the treaty at Versailles, which contained a provision that that treaty should go into effect and that peace should exist upon the deposit of the ratifications by Germany and three of the allied and associated powers, has created a status of peace as between Germany and all the rest of the nations?

Mr. LENROOT. I would hardly be prepared to concede that, although I think it is a debatable question. The language is:

> From the date of this first procès verbal the treaty will come into force between the high contracting parties who have ratified it.

Mr. KNOX. The Senator does not mind if I take a moment of his time?

Mr. LENROOT. No; I am very glad to have the Senator do so.

Mr. KNOX. There are always two functions in a treaty of peace. One is to declare the fact of peace and the other is to determine the conditions upon which the peace shall exist.

I take it that the President of the United States, by executive act, can determine the fact of peace, in conjunction with those with whom we were associated in the war, and that the signatures to the treaty of Versailles, agreeing to the fact that peace would be established upon the deposit of the ratifications of Germany and three other powers, determined the fact of peace. As to all other matters—that is, as to the conditions upon which we are to live with Germany or other countries are to live with Germany—that depends upon each country's ratification of the treaty.

Mr. LENROOT. I should like to ask the Senator this question, because I, of course, have very high opinion of his judgment: The United States not having ratified the treaty, the United States still having its own soldiers upon German soil, might not Germany still be able to claim that so long as we had taken no action, either through ratification of the treaty or by such action as we here and now propose, and still maintained American soldiers upon German soil, that they would have the right to regard that as an evidence that we still regarded ourselves at war with Germany?

Mr. KNOX. I think not, for this reason: Our troops are maintained upon German soil by reason of the terms of the armistice, and the armistice was the thing which the President, as the Commander in Chief of the Army and Navy, undoubtedly had a right to agree to. The President did not ratify the armistice. The Senate did not ratify the armistice. The armistice was a military act which was performed by Gen. Foch. The President of the United States had nothing to do with it except to acquiesce in it. It was one of the terms of that armistice that certain soldiers were to remain upon German soil until certain conditions had been complied with.

Mr. LENROOT. Does not that bring us to this very point: If our soldiers are there to-day under the terms of the armistice, then it negatives the idea which the Senator has just suggested, that there is a complete peace under the treaty as a fact?

Mr. KNOX. That depends altogether on the nature of the armistice. As I tried to argue here the other day, it was only by courtesy called an armistice. It was in fact a capitulation on the part of Germany.

Mr. LENROOT. That would depend upon its own terms and not upon the terms of the peace treaty.

Mr. KNOX. Absolutely.

Mr. LENROOT. I agree with the Senator upon that. The point I was making was that without the passage of this resolution, with our continuing technically in a state of war, without any further legislation the President might, if he saw fit, transport 100,000 American soldiers to German soil to-morrow, and he might declare the armistice at an end. The President, irrespective of anything Congress might do, except as to withholding its appropriations, might renew the war with Germany to-morrow.

Mr. KNOX. Not unless he would violate the terms of the armistice.

Mr. LENROOT. I say, of course, it provides by its own terms for its expiration, and it does not now continue indefinitely. I do not know just how it is continued, but I assume it is not for an indefinite period even under the terms of the armistice. Am I correct in that?

Mr. KNOX. The terms of the armistice terminated the war. Of course the war being terminated, any act of hostility by the United States would be in violation of the terms of the armistice, because that was the purpose of the armistice.

Mr. LENROOT. The armistice only existed for a given length of time, and then that was extended from time to time until it ripened into a peace treaty.

Mr. KNOX. It continued until the purpose of the armistice had been effected, namely, a complete suspension of hostilities, the dismemberment of Germany, so far as you can speak of it from a military sense, the surrender of her guns, her ships, her airplanes, and everything else that put her absolutely out of the possibility of continuing hostilities, just as the President proclaimed to us in a joint session of Congress that we had now reached the point where it was impossible for Germany to renew hostilities.

Mr. LENROOT. I would agree with that provided the Senator will agree that the present state of peace is determined by the existence of the fact of a cessation of hostilities and not by an agreement in the armistice, because if we are depending upon the armistice for our right to continue soldiers over there, the armistice must be regarded as having the ordinary meaning of an armistice, it seems to me. It may be terminated, unless it is fixed for a definite time, at the will of either party.

Mr. KNOX. Mr. President, I do not wish to annoy the Senator by interrupting him too frequently——

Mr. LENROOT. It is no annoyance at all, I assure the Senator.

Mr. KNOX. The maintenance of our troops or the French troops or English troops in Germany was only to see that the terms of the armistice were carried out. The terms of the armistice, as I say, completely disabled Germany from any longer carrying on the war.

Mr. LENROOT. That is true.

Mr. KNOX. And it was, in effect, an absolute capitulation or surrender of the German Army and of German munitions of war. I can not see, the effect of the armistice having been to terminate the war, why it is not perfectly proper to say, when that is followed by a treaty of peace which says that the actual period of peace shall begin from the time of the deposit of those ratifications, that Germany, at least internationally, is not at peace with all the world. I concede that domestically we are still at war, and that is the reason for this resolution, in order to terminate that status.

Mr. COLT. May I ask the Senator a question?

Mr. LENROOT. Certainly.

Mr. COLT. Looking at the question from the standpoint of Germany first, does not the Senator think that when Germany signed the peace treaty, and three of the allied and associated powers ratified it, Germany put herself in the condition of declaring a termination of the war as to all the belligerents, so far as Germany was concerned, the treaty itself expressly declaring that "from the coming into force of the present treaty the state of war will terminate"?

Assuming the truth of this proposition, does it not logically follow that if Germany has thus terminated the war on her part then all that remains for the United States to do is to end the war, so far as we are concerned, by the repeal of the act declaring war?

Of course the Senator from Pennsylvania does not mean to say that upon the signing of the armistice the war had terminated. This was only the initial step in his argument that the war was, in fact, terminated upon the signing of the treaty.

I want to look at the position of Germany to-day, so far as the termination of the war is concerned, and if I find that Germany for herself has terminated the war by her own acts, then all the United States has to do is to terminate the war on our part by repealing the act declaring war or by some public proclamation.

Mr. KNOX. If the Senator's question is addressed to me—and I am not quite sure whether it is or not—I take this opportunity of saying that he has exactly stated my position.

Mr. LENROOT. Mr. President, I think we will all agree, whatever may have been the effect either of Germany's agreeing to the armistice or Germany's agreeing to the treaty of Versailles, that as a matter of fact war has terminated, there having been no hostilities since November 11, 1918; and we will agree, I think, that, so far as private rights in Germany are concerned, if that did not amount to a declaration of the termination of the war upon her part, a declaration made now similar to that which it is here proposed that the United States shall make will accomplish the full purpose; so that if both the United States and Germany have made like declarations concerning the termination of the war, then both countries become at peace when that has been done.

Mr. COLT. May I suggest to the Senator—because he is reasoning about this matter very carefully—that I am dealing with the proposition of a legal termination of the war. In all cases where there has been merely a cessation of hostilities for a long period of time this condition results simply in a de facto

peace or a presumption of peace. What we want is to get into an actual condition of legal peace; and if Germany by her act in signing the treaty and what followed has legally terminated the war so far as she is concerned, all we have got to do is to terminate it for ourselves in a legal manner by repealing our declaration of war or by a public proclamation.

Mr. LENROOT. I agree to that, and I would simply go one step further and say that if Germany has not legally terminated the war, so far as she is concerned, she may still do so by taking the same action that is now proposed to be taken here.

Mr. President, we have precedents for this kind of legislation. Legislation enacted under the Taft administration in the matter of the Canadian reciprocity was exactly of this character. In that instance we enacted certain legislation, to become effective when the Dominion of Canada should enact like legislation. It was not a treaty, but each nation legislated for itself. The legislation, however, was to become effective only when there was reciprocal legislation by the other party. That, however, is involved in the House resolution, but not in the substitute resolution that is before us.

Mr. KNOX. Will the Senator permit me to interrupt him?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Pennsylvania?

Mr. LENROOT. I yield.

Mr. KNOX. That was really a treaty, and one of the terms of the treaty was that it was not to be effective until it was ratified by the legislative branches of the two Governments. I happen to know about that treaty, as I myself negotiated it.

Mr. LENROOT. Was there a prior treaty with reference to the reciprocity legislation?

Mr. KNOX. We negotiated a treaty with Canada, and I think we agreed that the duties should be thus and so; and one of the clauses of the treaty was that it was not to be effective until it had been approved by the legislative branches of both Governments. That was written into the treaty.

Mr. LENROOT. Is it possible that I am mistaken? I can not be mistaken about that.

Mr. McCUMBER. Was that treaty adopted by the Senate?

Mr. KNOX. That treaty was adopted by the Senate and by the House.

Mr. LENROOT. I think the Senator from Pennsylvania is mistaken.

Mr. McCUMBER. It was adopted by legislation.

Mr. KNOX. It was adopted by legislation.

Mr. McCUMBER. It was never adopted as a treaty.

Mr. LENROOT. It was not in the form of a treaty.

Mr. KNOX. It was in the form of a treaty, and one of the conditions of the treaty was that instead of being approved by two-thirds of the Senate of the United States it should be approved by the Parliament of Canada and the Congress of the United States.

Mr. LENROOT. It was, in fact, a legislative act; it was not enacted under the treaty-making power of Congress at all, but under the power of reciprocal legislation.

Mr. KNOX. It was negotiated through the regular diplomatic channels. Mr. Fielding, the minister of finance, and Mr. Patterson, the minister of agriculture, were appointed representatives of the Canadian Government, and I acted on the part of the Government of the United States.

Mr. LENROOT. But it was never ratified by the Senate.

Mr. KNOX. No; I say it was not put through as a treaty.

Mr. LENROOT. That is the point.

Mr. KNOX. It was a contract between two Governments, to be effective only when the legislative branches of those Governments affirmed it.

Mr. LENROOT. It could not have been a valid contract unless it was ratified by the Senate under the treaty-making power.

Mr. KNOX. It is not a question of what it could be; that is what is was.

Mr. LENROOT. That may be so; in other words, it was a gentlemen's agreement that a certain thing should be done in a particular way.

Mr. KNOX. Yes.

Mr. LENROOT. Which, as a matter of fact—and I took quite an active part in the discussion in the other House—was by way of legislation.

But, Mr. President, I do not think there can be any possible doubt concerning the power of Congress to take the action that is here proposed. Where do the opponents of this resolution propose to leave us? Is it possible that the Senator from Nebraska desires to take the position that a President of the United States can ignore the Senate of the United States in the exercise of its constitutional functions and can treat with contempt the sentiment of the people of the United States and keep this country in a state of war against the will of Congress and against the will of the overwhelming majority of the people of the United States? If he does, Mr. President, he pleads for an autocracy on the part of the United States that was never dreamed of by the founders of this Republic.

The Senator from Nebraska stated that for 130 years peace had been made through treaties with foreign powers. That is true. There happen to be only three such treaties—the one in 1814, growing out of the War of 1812; the one growing out of the Mexican War, and the one growing out of the Spanish-American War. It is true, and it has always been recognized by writers upon the Constitution, that treaties of peace must be made through the treaty-making power; but it was because no one dreamed that there would ever be a President of the United States such as we have in the White House to-day, so autocratic in his will, so regardless of the sentiment of the Senate of the United States, so regardless of the sentiment of the people of the country as to insist upon keeping the United States in a state of war unless he could have the treaty framed exactly as he wants it, and in this particular case unless the Senate and people of the United States are willing to surrender in exchange for peace the independence and the liberty of the people of the United States.

That is the question, and I do not believe the Senator from Nebraska will seriously contend that in this Republic of ours there can be said to be any such autocratic powers vested in the President. Suppose, Mr. President, that President Wilson had been elected last year and had three years to serve, then, under the theory advanced by the Senator from Nebraska, instead of waiting until the 4th of next March to secure again a government by the people, as will be secured, we would have to wait three long years, with the United States kept in a state of war, irrespective of the will of the people of this land.

Mr. KNOX. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Pennsylvania?

Mr. LENROOT. I yield.

Mr. KNOX. It is even worse than that; for what is to prevent the incoming President and then the succeeding President again, and so on ad infinitum, following the same policy, and keeping us in a perpetual state of war?

Mr. LENROOT. That would be possible theoretically, Mr. President, but not practically, because I am very sure the Senator will agree with me that when we have the solemn referendum next November, which the President so much desires, there will not be the slightest possibility that the next occupant of the White House will be a man who will have the least desire to pursue the footsteps of the present occupant of the White House.

Mr. KING. Mr. President, will the Senator permit an inquiry?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LENROOT. I yield.

Mr. KING. How does the Senator expect a "solemn referendum," as it is called, at the coming election upon the single issue to which I understand the Senator is now addressing himself?

Mr. LENROOT. The issue of peace?

Mr. KING. That is to say, whether the treaty should be ratified with or without reservations?

Mr. LENROOT. Mr. President, fortunately for the Republican Party and very unfortunately for the party to which the Senator from Utah belongs, the President has made the issue very clear, because if the San Francisco convention shall follow the wish and the will of the President of the United States the issue will be the acceptance of the treaty of Versailles exactly as negotiated by the President of the United States, with all its surrenders of the liberties and the independence of the people of this country; and on that issue for every citizen of the United States who desires to preserve that independence there will be but one place for him to go, and that will not be with the party to which the Senator from Utah belongs; in fact, I am inclined to think the Senator from Utah upon that issue will himself come over to us, because the Senator from Utah falls under the condemnation of the President of the United States, because he, too, has voted for the reservations which the President states nullify the treaty.

Mr. KING. Mr. President, will the Senator yield further?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield further to the Senator from Utah?

Mr. LENROOT. Certainly.

Mr. KING. The supposed condemnation of the President of the United States does not disturb me at all; but I can assure the Senator from Wisconsin that neither I nor other Democrats

will be found supporting the Republican platform or the Republican nominees. The Republican platform will present so many questions, so many other issues, and will manifest such a devotion to the protection and preservation of the predatory interests that many people who might upon the single issue which the Senator suggests, if it were clearly presented, be inclined to support the Republican Party if it stood for the ratification of the treaty with reservations and the Democratic Party declared for unconditional ratification, be constrained to vote against the nominees of the Republican Party. However, let me say to the Senator, I do not think he is a good prophet if he now predicts unequivocally that the San Francisco convention will make such a declaration as the one indicated by him.

Mr. LENROOT. Mr. President, first as a Republican, I feel a great deal of interest in the declarations the platform of the Republican Party will contain; but it never occurred to me to consult my distinguished friend from Utah to find out what the next Republican platform will contain, and, with all due deference to him, I do not believe that he knows. I also welcome the statement he has just made that at last the Democratic Party assembled at San Francisco proposes to be somewhat independent and not be ruled from the White House.

Mr. KING. Mr. President, will the Senator pardon me again?

The PRESIDING OFFICER (Mr. SPENCER in the chair). Does the Senator from Wisconsin yield further to the Senator from Utah?

Mr. LENROOT. I yield.

Mr. KING. Let me say to my distinguished friend, that I think the history of the Democratic Party from the days of Thomas Jefferson down to the present time indicates that that great party has always exhibited courage and independence, and that its members and supporters have always fought with courage and independence for their political convictions and principles; indeed if the success of the party had been the chief consideration they would have been less inflexible in their devotion to principle and less independent in their individual attitude to important issues which divided the people. The result has been that the Democratic Party has lacked that solidarity which has always, except in one case, characterized our Republican friends. But while I am trespassing upon the Senator's time let me point to the career of ex-President Roosevelt, a great American; the Republican Party under his leadership manifested a subserviency that was not complimentary to the great leaders of that party and to the men of distinguished intellectual ability who had for so many years been members of the Republican Party or to the rank and file of that party.

Mr. LENROOT. Mr. President, with reference to the first statement the Senator from Utah has made regarding the independence of the members of the Democratic Party from Thomas Jefferson down, I will agree with him; but he must stop in his statement with March 4, 1913. He can not come down any later than that in his statement; and when he compares the subserviency, as he terms it, of the Republican Party under Theodore Roosevelt and the subserviency of the Democratic Party under Woodrow Wilson, he knows full well that up to very recently, when, I am glad to say, members of the Senator's party in this body and in the other body have begun to show their independence, and to realize that their obligations are to the people of this country, and not to the President of the United States—until a very few months ago no President ever occupied the White House who so completely dictated and ruled the members of his party in both Houses of Congress as did the present occupant of the White House.

The Senator from Utah would be the last Senator to deny it, because he has a habit of being quite independent himself; but the Senator must admit that at times from 1913 down he has been awfully lonesome in that independence.

With regard to the Senator's statement that he can not support the Republican nominee and the Republican platform if the Democratic Party shall obey the will of President Wilson with reference to this treaty, where is the Senator from Utah going to go during the many months intervening between now and November? Possibly the fishing is good in Utah; I do not know.

But, Mr. President, to conclude—and I have talked longer than I intended to—there was a time when the President and the Senator from Nebraska might have urged upon the Senate that in the position they were taking they represented the will of a majority of the people of the United States. They can do so no longer. Where has an election been held during the past two or three months that has sustained the President of the United States? Where has an election been held that has sustained the position of the President for the ratification of this treaty as submitted by him?

Was it in Nebraska, the State of the ranking Democratic member of the Committee on Foreign Relations, who has led this fight for the President for these many months? The President was repudiated there in the position that he has taken.

Was it in the State of Massachusetts where I am informed that not one Democratic delegate was permitted to be elected who stood for the President's position upon the treaty?

Where, either in Democratic or Republican primaries, have the President and his treaty without reservations been indorsed by the people? Was it in Georgia where they had a vote nearly two to one against the President's position, the opposition vote being divided between those who were against the treaty in any form and those who were for the treaty only with reservations?

Mr. HARRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Georgia?

Mr. LENROOT. I yield.

Mr. HARRIS. I am sure the Senator from Wisconsin would not intentionally make any statement that is not correct. The Georgia political contest was more a local factional fight than it was a treaty fight, and two-thirds of the people in Georgia are not only for the treaty but they are friends of the administration, and when the opportunity presents itself they will prove themselves to be such.

Mr. LENROOT. I should like to get some facts from the Senator from Georgia. I will ask the Senator whether Mr. Watson did not take the position squarely before the people of Georgia that he was against the treaty in any form?

Mr. HARRIS. Mr. Watson takes a position against the administration and against the treaty on nearly every occasion. The supporters of my colleague, the senior Senator from Georgia [Mr. SMITH], are just as good administration men as are the supporters of Mr. Palmer. It was more a local fight there than it was a treaty fight. I think I am familiar with the conditions in my own State.

Mr. LENROOT. Then the Senator will not say that the people who voted for Watson were indorsing the administration. Now, then, we will go to our distinguished colleague, the senior Senator from Georgia [Mr. SMITH], who took such a very active part and made the issue very plain in Georgia. Does the Senator think that with the issue made by the Senator from Georgia, his colleague, against the treaty except with reservations, the vote that the senior Senator from Georgia received was an indorsement of the administration or the treaty without reservations?

Mr. HARRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin further yield to the Senator from Georgia?

Mr. LENROOT. I yield.

Mr. HARRIS. I make the statement that the supporters of Senator SMITH in Georgia are just as good administration men as the supporters of Mr. Palmer. The fight in Georgia was largely a factional political fight, with the national committeeman and delegates to the national convention at stake, and it was not so much a fight against the administration as the Senator believes it to have been.

Mr. LENROOT. I take it, then, the Senator's position is that the people of Georgia in this, the greatest question that has ever come before the people of this country, were much more interested in their own local affairs than in indorsing the administration. Of course, I will accept that statement if the Senator desires.

Mr. HARRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin further yield to the Senator from Georgia?

Mr. LENROOT. I yield.

Mr. HARRIS. I should like to make one statement to the Senator. I have a letter from south Georgia, from one of the leading men in his county, in which he says that nearly all the people of that place voted for my colleague, the senior Senator from Georgia [Mr. SMITH]. The writer informed me that every man who voted for Senator SMITH there was a friend of the administration, and was a friend of mine, and a friend of the treaty and the administration, and it was purely a local, factional political fight in Georgia, and not a treaty fight alone by any means.

Mr. LENROOT. Mr. President, all that I can say, in view of the statement of the Senator from Georgia, is that the people of his State take a most peculiar way of indorsing the administration.

Now, Mr. President, just one word more and I am done.

I stated yesterday that if the President of the United States had permitted Senators of the United States to exercise their own judgment without pressure this treaty would have been ratified with the Lodge reservations. The Senator from Nebraska [Mr. HITCHCOCK] made a very pathetic appeal about

"the sick man of the White House." We all sympathize with him in his illness, and hope for his speedy recovery. Nevertheless, every Senator knows that whenever the critical period came when there were Democratic Senators in sufficient number to vote to ratify this treaty, to secure the necessary two-thirds, at that critical time a letter always came from the "sick man of the White House" lining up his Democratic followers and holding them with him. No one can deny that. The fact is that if the President of the United States, having negotiated this treaty, as was his right, and then having submitted it to the Senate, as was his duty, had left the Senate to exercise its constitutional functions without interference from him, we would have been at peace to-day. The party, and the only party, who is responsible for our continuing in a state of war is the President of the United States, and the people of this country will hold him responsible.

The treaty lies in the White House. He refuses to resubmit it and state that he will permit his followers in the Senate to vote for it with the Lodge reservations. He refuses to attempt to negotiate a new treaty; and now we are told by the Senator from Nebraska that he will veto this joint resolution. Very well; so be it. We have done all that is possible in the passage of this joint resolution and in the action heretofore taken to secure peace with honor to the United States. If we shall fail in securing peace, then the responsibility will be not ours, but President Wilson's. In that event, we will have to wait for the "solemn referendum" in November, and on the 4th of March next we will have a President in the White House who will have a regard for the sentiments of the people of this country and we will once more have that which we have not had for many years—a government by the people.

THE MERCHANT MARINE.

Mr. JONES of Washington. Mr. President, I understand that no Senator desires to discuss the peace treaty at this time, so I ask unanimous consent that it be temporarily laid aside and that the Senate may proceed with the consideration of H. R. 10378, known as the shipping bill.

Mr. KING. I shall not object to the request of the Senator from Washington, but there are a number of Senators who desire to be present when the bill is taken up, and I promised to notify them. If the Senator will ask for a roll call——

Mr. JONES of Washington. I should like to get the bill up first.

The PRESIDING OFFICER. Does the Senator desire a roll call before the bill is taken up?

Mr. KING. No.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington? The Chair hears none, and it is so ordered.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

Mr. CURTIS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Gerry	Lenroot	Poindexter
Ball	Hale	Lodge	Pomerene
Calder	Harris	McCumber	Robinson
Capper	Harrison	McKellar	Sheppard
Chamberlain	Henderson	McNary	Smith, Md.
Colt	Johnson, Calif.	Myers	Smoot
Comer	Jones, Wash.	Nelson	Spencer
Culberson	Kellogg	Norris	Sterling
Curtis	Kendrick	Nugent	Townsend
Dial	Kenyon	Overman	Trammell
Dillingham	Keyes	Page	Underwood
Edge	King	Phelan	Walsh, Mass.
Elkins	Knox	Pittman	

Mr. McKELLAR. The Senator from Louisiana [Mr. GAY], the Senator from New Hampshire [Mr. MOSES], and the Senator from Colorado [Mr. PHIPPS] are detained at a meeting of the Postal Commission.

The PRESIDING OFFICER (Mr. CURTIS in the chair). Fifty-one Senators have answered to their names. A quorum is present. The Secretary will state the pending amendment.

The READING CLERK. The pending amendment is the amendment offered by the junior Senator from Wisconsin [Mr. LENROOT], in section 26, page 27, line 25, to strike out, after the word "documented," down to and including the word "rate," on page 28, line 8, in the following words:

The board and the Postmaster General, in aid of the development of a merchant marine adequate to provide for the maintenance and expansion of the foreign or coastwise trade of the United States and of a satisfactory postal service in connection therewith, shall from time to time determine the proper rate of compensation to be paid for such service, and the Postmaster General is hereby authorized to enter into contracts to pay for the carrying of such mails in such vessels at such rate.

Mr. JONES of Washington. The Senator from Wisconsin has been called out, I assume. Probably he overlooked the fact that his is the pending amendment. I know the Senator from Louisiana [Mr. RANSDELL] would like to be here when this amendment to the amendment is passed upon. There are other amendments of the committee which I do not think will require any debate. So I ask unanimous consent that we may temporarily pass over the section and the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The next amendment will be stated.

The next amendment was, on page 28, after line 8, to insert:

SEC. 27. That for the classification of vessels owned by the United States, and for such other purposes in connection therewith as are the proper functions of a classification bureau, all departments, boards, bureaus, and commissions of the Government are hereby directed to recognize the American bureau of shipping or any other similar organization approved by the board composed of American citizens, chartered in the United States, and 90 per cent of whose surveyors shall be American citizens, as their agency so long as the American bureau of shipping or such approved organization continues to be maintained as an organization which has no capital stock and pays no dividends: *Provided*, That the Secretary of Commerce and the chairman of the board shall each appoint one representative who shall represent the Government upon the executive committee of the American bureau of shipping, and the bureau shall agree that these representatives shall be accepted by them as active members of such committee. Such representatives of the Government shall serve without any compensation, except necessary traveling expenses: *Provided further*, That the official list of merchant vessels published by the Government shall hereafter contain a notation clearly indicating all vessels classed by the American bureau of shipping.

Mr. KING. I should like to ask the chairman of the committee what the full functions of this board are and why it is necessary to require all the persons engaged in shipping to recognize the bureau of shipping or similar organizations approved by the board?

Mr. JONES of Washington. The Senator, I presume, is familiar to a greater or less extent with Lloyd's shipping organization in England. This is intended to promote the development of an American organization of that kind and to perform the duties in connection with American vessels which Lloyd's does in connection with British vessels. In general, it will be the duty of this organization to supervise the construction of ships and classify them, so that when a ship is constructed it shall receive a classification by this bureau and our shipping people and the shipping world generally will understand what that means.

We have not been able, apparently, to develop an organization in this country to have the standing of Lloyd's. One reason for that probably is that we did not have very much shipping.

This American bureau has been in existence for quite a good many years. It was not very active until we commenced shipbuilding on a large scale, and it is now developing quite a splendid organization. It is the purpose of this legislation to encourage that American institution in such a way as to make it a great agency toward aiding and upbuilding the American merchant marine, as Lloyd's is in connection with the British merchant marine.

That, in general, is the purpose of the amendment. I will say to the Senator that this amendment has already been agreed to in the House of Representatives, except the provision in it which permits the recognition of another organization that may be composed of 90 per cent of Americans, and so on.

Mr. KING. I apprehended that the duties of the board created by this section were substantially of the character indicated by the Senator, and I was wondering if the Senator had taken into consideration, in the formulation of this provision, the question as to the right, the propriety, and the power of the Federal Government to impose upon those who are constructing ships the duty of submitting them for classification or other purposes to this board, and whether this board might not penalize those who are engaged in building ships, whether it might not impose upon them terms and conditions which would prove exceedingly obnoxious in the interest of the governmental boats, rather than in the interest of privately owned boats.

Mr. JONES of Washington. The Senator misapprehends the scope of the section. It requires only all Government ships to be classified by this bureau. We do not attempt to say that if the Senator desires to build a ship, he must have it classified by the American bureau. He can go to Lloyd's and have it classified, or to any other organization he desires. As the similar provision passed the House there was some question as to whether it, by its terms, was made to apply to ships privately owned. The Senate committee thought we ought not,

even if we could, attempt to go that far. So we confined it to vessels of the United States.

Mr. KING. I will say to the Senator that I understood, from the language of the act, that it went further than the Senator has stated; that it was an attempt by the Federal Government to impose restrictions upon private builders; but if it is limited to vessels constructed by the Government itself, I can see the wisdom of the provision.

Mr. JONES of Washington. It is so restricted. We hope that by having a great number of Government ships, and that business going to this company, it will develop a confidence in private shipbuilders and private owners, and that they will come to it. But they are not required to do it.

The amendment was agreed to.

Mr. EDGE. Mr. President, I do not desire to interfere with the orderly arrangement of going through the bill and disposing of the amendments which may be disposed of without much question. But I have several amendments to propose to different sections of the bill, some of which have been passed over, some of which are yet to be reached. I feel that the subject is one of extreme importance. As is well known, the Members of the Senate in their divided responsibilities act on so many committees, in a way specializing on various legislative subjects, which they will naturally be drawn to through membership on committees and through personal knowledge and contact, that I am afraid they have not, as a body, familiarized themselves with the great scope and intent of the pending bill. I am in thorough accord with its intent, but there are various sections and amendments proposed to sections in committee which I feel, if permitted to be left in the bill, will defeat its object. So I have prepared a short, general review of the bill. It is not a review of the bill entirely, but it points out particularly where I feel great danger lies, and I think the Senate should give careful consideration to those facts. I have tried to summarize it in a way so that it would be of convenience to the Members of the Senate.

So at this time I think it would be in order, and it will not, I may say to the chairman, in my judgment, interfere with the disposal of the bill in a proper way, but will perhaps to some extent enlighten Members so that we can dispose of it with more knowledge of the details of the measure.

Mr. President, I am convinced a large majority of the American people are desirous that the American Government retire from the administering of what has heretofore been classed as private business, repeal the various laws which have provided the Government and its officials with extraordinary war power, and have the Government return to its ordinary function of departmental activity and, as far as possible in these extravagant days, resume economical administration. Certainly, if we in Congress representing the American people are responsive to what I feel is an overwhelming demand to return business to private initiative, to take the Government out of business and conversely put more business in the Government, and to use the great power of the Government to cooperate rather than direct, then we must pass no additional laws that would tend to delay this return to normal conditions.

As a member of the Committee on Commerce, I have been much interested in the problem of the formation of a policy controlling the future administration and disposition of the merchant marine, and I fear very greatly that the bill under consideration if adopted without amendment or alteration in conference will result in practically a permanent Government-owned and administered merchant marine.

Mr. President, at the outset I want to express without qualification my sincere appreciation of the hard, unselfish, and devoted attention to this great problem that has been given by the chairman of the committee, the distinguished Senator from Washington [Mr. JONES], and by a large majority of the members of the committee representing both great political parties, and I want to frankly admit that my experience as a member of that committee and in participating in many of the debates in the committee room on various phases of the proposed bill has shown me that little, if any, difference on political lines exists. I feel that the chairman particularly deserves great credit for evolving—as he did in the main—this general scheme for the future of the merchant marine as provided in this measure.

I thoroughly appreciate that the scope of the pending bill is not confined alone to the selling of the ships, but in addition to the development of the merchant marine through Federal assistance while the ships are being disposed of. My contention, however, is in effect that the bill is unnecessarily restricted, thus making it all the more difficult for the Shipping Board to carry out this very proper desire to build up the merchant marine. Frankly, in my judgment the bill was very much better when it came from the subcommittee and before it was amended in various details by the whole committee.

Discussing this general subject a few days ago, the chairman of the committee very properly expressed the opinion that we must have confidence in the Shipping Board and that the personnel must include the highest type of patriotic American citizens, and I agree with him; and therefore it makes it all the more necessary that we refer the details to the board with broad powers of discretion and not hemmed in by some of the very unnecessary restrictions to which I will attempt to draw attention.

I do not differ at all with the committee as regards general policy, but I do differ with some of these details. For instance, I do not believe it will be necessary for the Government to administer these suggested new lines at all, so to speak, if we will offer the proper inducements to private capital to take them off our hands. It is admitted that private capital and private interests can administer any lines at less expense than the Government. Then as a business proposition why is it not better for the Government to save this difference and, if at all, spend it in some form of encouragement to private interests to maintain the service required rather than the Government, especially as it is the announced intent of the bill to ultimately turn them over to private control. In other words, if we are prepared to lose money in order to establish certain routes, which fact was frankly admitted by the Senator from North Carolina [Mr. SIMMONS] and the Senator from Washington [Mr. JONES] in the debate in this Chamber last Monday, then why not save the added cost of governmental operation over that of private operation by turning them over to private operation as rapidly as possible?

It is entirely consistent and businesslike that the Shipping Board in making sales of ships shall insist on certain services being carried out, so that the great underlying desire on the part of the committee and the country of encouraging the development of a merchant marine to carry American goods to all the ports of the world will in every way be fostered through the adoption of this policy and at an admitted saving to the American taxpayer.

I do not differ with the chairman and a majority of the committee on the general policy as developed and provided in this bill, but I do differ as to some of the restrictions that have been put around different phases of the responsibility, which I am afraid in themselves will defeat the express object of the legislation.

In the first place the bill provides, in no uncertain language, under section 5, that the Shipping Board is authorized and directed to sell, as soon as practicable and consistent with good business methods, all the vessels acquired by the board. With this provision I unreservedly agree, but following this direction and emphatic statement such restrictions have been placed around sales that, in my judgment, it will be practically impossible for the Shipping Board to carry out the direct mandate prescribed by the bill. Before entering into some of the details in this connection I want to draw particular attention to the formation of the Shipping Board under the act. At the present time, as Congress well understands, the Shipping Board consists of five members, and it has been my information, following testimony by different members of the board at public hearings before the committee, that this number for an executive or administrative board has been found to be unwieldy, and that if the constitution of the board is to be changed at all the membership should rather be diminished than increased, thus saving money on salaries of the extra commissioners to devote to a more highly paid and efficient staff for the actual organization and operation of the board. Personally, as I have frankly stated on the floor of this body, I am an advocate of centralized responsibility. I believe in the truth of the old saying "that the best committee is a committee of three with two of the members incapacitated for duty"; so in the administration of this large responsibility, the greatest individual responsibility under the Government, I am convinced that a board of seven is unwieldy, unbusinesslike, and can not result in that effective administration which is necessary in such a large responsibility. There is always a president of every big corporation, and there is naturally a board of directors. If there was one man with final authority above and beyond the Shipping Board, then I would have no criticism, but with a board formulated as provided in this act there is no final authority; it furnished absolutely a divided authority of seven; I feel that this is a mistake.

We find in section 5 that even after the subcommittee had provided what appealed to me to be unnecessary restriction in demanding that vessels should not be sold excepting under various provisos, limitations, and restrictions the full committee has seen fit to add to the general language of the original act a further

proviso that no sales shall be made at a less price than the cost at the time of making such sale of constructing such vessels of similar type in private yards in the United States after deducting the depreciation. Let us see what this means. On the face of it it sounds reasonable, and I believe with this general thought and without a more careful, earnest consideration the committee accepted this additional restriction. At first flush it would seem reasonable that a purchaser of one of our ships should pay an amount equal to the cost of a similar ship built in a private American yard less depreciation as provided, but if in insisting on such a hard and fast rule we are tying up the Shipping Board in such a way they have absolutely no latitude whatsoever we should stop to consider the result of such a policy. Suppose some of our ships become more or less obsolete in type—and everyone knows that because of the rapid development along these lines this is possible—yet under this bill the Shipping Board would be held to the position that they could not sell the ships, or at least that they could not make any reduction on the price because of obsolete conditions, because of accident, or anything which might occur. The Senators will note that a committee called by the Shipping Board and of which Mr. Meyer is chairman has just recently recommended that the prices of construction in foreign yards also be considered, and why should they not be? "That the prices should be fixed upon the basis of present prices for reproduction, considering both foreign and domestic production costs," says this committee. This is not only reasonable, it is sound. For, if domestic prices are too high, the shipping man will buy abroad rather than at home; we can not stop them; and foreign prices must necessarily be considered as well as domestic costs.

That no sale shall be made at a less price than the cost at the time of making such sale of constructing vessels of similar type in private yards of the United States, after deducting the depreciation charge against the vessels sold generally allowed in shipping operations—

reads section 5 of the bill. Inelastic, copper-riveted provision binding the Shipping Board. And not only binding the Shipping Board and restricting it in the exercise of its own best judgment but most inconsistent and even opening strange possibilities.

"Depreciation" in shipping circles is a word of marvelous elasticity and one on whose definition few shipping men agree. Some concerns, for instance, arbitrarily charge 5 per cent against each of their ships each year; others, I am informed, charge as high as 10 per cent. Others may not charge an annual depreciation, but at the end of a fixed period, say, 5 or 10 years, figure that a ship has depreciated 15 or 25 per cent, as a survey may indicate.

So, it is actually possible that the depreciation to be charged against a vessel really might equal the price of construction in a domestic or foreign yard at present construction figures. It is conceivable that depreciation allowances even might exceed a vessel's present value, and the Shipping Board in selling such craft to a man actually would owe the purchaser money on the transaction. This may sound fantastic, Mr. President, but it is not impossible; so that this provision may work both ways. Is there a Member of this Senate who does not thoroughly appreciate that with this hard and fast rule the Shipping Board's hands are tied, and a shipping concern wanting to purchase a ship would not be satisfied to purchase an old ship under such conditions—and in these days a three or four year old ship is considered old—at the same price it would cost to reproduce it less depreciation as one could purchase a new ship with modern features at precisely the same relative cost? I fear it simply means that if this bill is passed with such an inflexible provision that the United States Government will continue to administer a merchant marine until this bill is amended or repealed, and I contend that if the bill is passed with such a provision as this in it we might just as well make up our minds that we are going to continue to administer a merchant marine with all its attendant loss.

In other sections the bill gives the Shipping Board most unusual and unparalleled authority. They can establish new passenger and freight rates, or either, without regard to cost or whether maintained at a loss or otherwise; they are permitted to disburse their income from earnings or sale of ships without congressional or other supervision; they form one of the few departments of the Government having such authority without direct appropriations from Congress. Yet for some entirely unexplained reason in the matter of selling ships we hold them down to an impracticable and inconsistent hard-and-fast rule, which in effect, in my judgment, will compel them to remain in business at the expense of the American people.

In other words, in the bill you give them unlimited discretion to spend millions of dollars of income, wisely or unwisely, but you hold them up to secure arbitrary prices for ships, irrespective of condition and whether there is a market at such prices or otherwise. If the board can be trusted to spend millions of the taxpayers' money without supervision, they surely can likewise be trusted to conserve the taxpayers' property.

Of course, if a majority of this Senate favors Government ownership and Government administration, there can be no objection to this provision.

I can hear those who differ with this view replying, "But this restriction does not necessarily mean Government ownership and administration."

Why does it not?

If we do not sell the ships, surely the Government must operate them, and if shipping men will not buy on the arbitrary terms provided by the bill, we can not compel them to do so, and certainly that means continued Government ownership and operation.

No, Mr. President, you will never withdraw from Government operation until you give common-sense discretion as to the sale of ships to the same power to which under this bill you are giving practically unlimited discretion in the matter of expenditure.

I do not believe that a majority in the Senate, nor even a majority of the membership on either side of the aisle, wants permanent Government ownership of the merchant marine. I am absolutely convinced in my mind that the people of the United States are opposed to Government ownership, and that probably 95 per cent of them share the view expressed by President Wilson in December, 1915, when he said:

In the task of building up an adequate merchant marine for America private capital must ultimately undertake and achieve, as it has undertaken and achieved every other like task amongst us in the past, with admirable enterprise, intelligence, and vigor.

In his valedictory report, June 10, 1919, Chairman Hurley, retiring chairman of the Shipping Board, said:

The Shipping Board recommends private ownership and operation as a fundamental policy for commercial shipping.

This view was indorsed just two months later by Chairman Payne, who, on succeeding Mr. Hurley, expressed a—

desire to sell the (Government) ships just as fast as the private concerns will absorb them.

There are the views of the President of the United States and two high Government officials in intimate touch with the shipping situation. The views of the business world are unanimously of the same tenor, and I find them well expressed by a special committee of one of the greatest, broadest, and most comprehensive business organizations in the country—the Chamber of Commerce of the United States. In a report to the directors of the chamber October 31, 1919, a committee specially appointed to study and report on ocean transportation gave its findings in the following language:

The immediate problem before the country is to determine what disposition is to be made of the Shipping Board fleet—whether it shall be continued under Government ownership and operation, whether there should be Government ownership and private operation or private ownership and private operation. * * * The committee is unanimously of the opinion that private ownership and private operation is the sound course, and that all the ships owned by the Government or under contract should be sold to private companies or individuals, to be operated by them for their own account.

No qualification about that recommendation, Mr. President; no "ifs" or "buts" or "howevers," but a straightforward, businesslike recommendation that the Government get out of the shipping business and restore it to the hands of private enterprise, initiative, and sound business ownership and operation. The committee then goes further and gives reasons for its recommendation, saying:

It is to be observed that under Government ownership and operation it is almost inevitable that considerations entirely apart from economic reasons will constantly interrupt the natural courses of management and control of ships and trades. The management of cargo-carrying ships is one of the most complicated businesses in the world and one that requires many years' experience to qualify a person as an expert, and a successful merchant marine depends upon the development of a large class of energetic, resourceful shipping men from the highest to the lowest rank, all animated by a spirit that would not be expected of Government employees.

Let me interrupt for an instant to observe that this committee does not seem to labor under the impression that a lawyer or a factional political sympathizer is particularly fitted to operate the shipping business, but has an impression that it should be handled by shipping men. The committee thus continues:

Government ownership and operation of ships would be destructive of the initiative and flexibility in ship management that are essential to the success of the business, and would cost more than private ownership and operation.

Mr. CALDER. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from New York?

Mr. EDGE. I yield.

Mr. CALDER. The Senator a moment ago referred to the possibility of continued Government operation, as I understood him, in the quotation from the United States Chamber of Commerce.

Mr. EDGE. Yes.

Mr. CALDER. Has the Senator's attention been called to the fact that the Shipping Board contends that they made very large profits last year from the operation of Government ships, and has the Senator anything to say about that?

Mr. EDGE. Mr. President, I will reach that particular subject a little later and comment briefly on the question of profits derived from Government operation.

Mr. CALDER. During the past year or two?

Mr. EDGE. During the past two years.

Here, let me observe, Mr. President, that this additional cost would be twofold: First, in higher freight rates, which the people would have to shoulder; and, second, in taxes, which the people would have to pay. The United States Government never was organized or designed to make money, either primarily or as a side line. When the Government tries to make money it invariably loses money; true, it possibly may show a paper profit for a time, as the Shipping Board did, but even in rolling up this alleged profit the people are taking their money out of one pocket to put it into another. This is not only logic, it is a fact, just as true as the fact that the earth is round, because the people themselves are "the Government." If a man has a deficit of $50 in his business and puts $100 in his cash register out of his own savings account, he hardly is "making a profit" of $50.

The committee report continues:

> Again, the uncertainties created by varying congressional action would result detrimentally to any attempt Government officials might make to establish policies, and permanency of policy is a requisite in building up trade with ships.

That statement, Mr. President, has been so corroborated in the short time the Government has been in the shipping business that no elaboration is necessary.

The committee then takes up the second of the three alternatives, and says:

> The objections to Government owned and operated ships apply with only a little less force to privately operated Government-owned ships. There would be in this case the same uncertainties in policies; local and political influence would be exerted in the allocation of the ships to be chartered; governmental restrictions would limit freedom of action; new capital and experience sufficient for the purpose would be difficult to enlist in the operation of Government-owned ships; established companies would only take over Government ships during their inability to own their own ships—

Which we know to be true—

> or while awaiting the determination of world conditions affecting overseas trade and the market for tonnage; business men would not deem it expedient to invest the capital required to establish the foreign connections and agencies essential to the development of a successful shipping business. The immediate result of these conditions would be a temporary effort to establish a privately operated Government-owned merchant marine, while ultimately the Government would have upon its hands a fleet of vessels for which, when the Government was again ready to dispose of them, there might not be a market. In this event, the problem unwisely attacked would await a fresh attempt at solution, with much less favorable opportunities for success. Meantime, competing nations that, through years of successful endeavor, have established consistent policies and closely knit relations in the profitable trades throughout the world, would make it exceedingly difficult for American ship operators to compete with them.

I did not and do not intend, Mr. President, to read this whole report, though the temptation is great, as it expresses the sentiment of the whole business world. One more extract, however:

> But it may be said that if the ships are sold to private companies they will be used for private gain, and that the national needs for a merchant marine will not be met. It is the opinion of the committee that private enterprises and private initiative, working through ordinary commercial impulses, will develop a merchant marine and meet the national necessities much more nearly than if undertaken by the Government. * * * The competition in world trade will be with privately owned foreign ships, and to meet such competition our ships must be similarly operated.

As I have said, Mr. President, that is the business men's businesslike opinion on the ownership and management of the American merchant marine. Certainly, no opinion should receive higher consideration by Congress than the views of trained, experienced, expert business minds. Thirteen men from the North and the South and the East and the West composed this committee, representing nine lines of business activity and including a lawyer and a farmer.

I do not propose to enter into present argument against Government ownership or Government management of nongovernmental business. The minority which at one time favored the policy of Government ownership has shrunk so greatly since concrete Government operation of the railroads and the wires as now to be almost negligible, and of those who still hold to that policy many have turned to the adoption of the so-called Plumb plan, where most of the Government-ownership advocates really belong.

The real question as I see it, Mr. President, to be dealt with is not how much can the Government get for the ships, but how much can the buyer afford to pay and work out his investment against foreign competition? Under what system of reasoning is it assumed that the United States Government can operate ships any more economically than can our private shipping interests? Certainly all experience and admission in this Chamber lead conclusively to the opposite view. Surely our administration of the railroads is quite parallel to this situation and could not in any way permit of a feeling that the Government can administer business more economically than private capital.

What practical unknown advantage can there possibly be which will enable the Government to outwit private energy, enterprise, initiative, and determination in conducting their own business interests? All proof, all experience, leads to the opposite conclusion. Then, therefore, is it not more imperative, if we are to carry out the mandate of the bill which directs the sale of the ships, that the Shipping Board, or whatever agency may have it in charge, shall be delegated with some discretionary authority and not be held as by a vise which would practically make sales impossible. Congress can not act as a sales agent. Congress, therefore, must delegate some discretion somewhere. The members of the Shipping Board are appointed by the President, are confirmed by the Senate, are chargeable to the Government for their acts, and, frankly, I have sufficient faith and confidence in the American public servant to feel that he will use his best business judgment and not sacrifice the property of the people.

Conversely, I have the same confidence in the Americanism of the American business man, and believe the Government should cooperate with him as far as may be legitimate, for in helping American business the Government helps every person in the country. The American shipping man has not had smooth seas to sail, and from the experience of the past it might seem that his business barometer does not yet read "set fair." As we are told by statistical historians, the tonnage of American vessels reached its maximum in 1861, with a total of 2,496,894 tons, but at the close of the Civil War this had decreased to about a million and a half. Until 1880 the yearly average was about 1,500,000 tons, which declined until 1888, when it had shrunk over 50 per cent, to 726,213 tons. After the Spanish-American War there was a slight increase, to 800,000, and in 1900 the total reached 943,750 tons. By 1910 the tonnage had fallen to 782,517 tons, but advanced to 1,066,288 tons by June, 1914. At the close of the fiscal year of 1916 this had further increased to 2,185,008 tons.

The World War created an American-owned merchant marine, and on June 30, 1919, we had seagoing vessels of 1,000 tons or over aggregating a total of 2,058 ships and 7,300,022 gross tons, as against 755 ships of 1,000 tons or over, aggregating 2,128,788 tons, on July 30, 1914.

In trying to avoid handicapping our own ship operators by charging them almost prohibitive prices we all must consider the tremendous financial aid given to private owners by foreign Governments in subsidies and in other ways, a subject which was referred to by the Senator from Washington [Mr. JONES] in the debate on Monday. The French Government, for instance, now is contributing about $4,000,000 a year as construction, equipment, and navigation bounties, besides an even larger sum paid to a large number of companies for carrying the mails. The postal subventions amount to over $5,000,000, and the more important of the sibsidies are paid not only for the carrying of the mails, but to assure quicker transportation and more frequent service than otherwise would be provided by the steamship companies. I understand, however, that the French postal subventions and bounties are more liberal than the payments of any other country for similar purposes.

The British Government's aid to shipping takes the form of appropriations for maintaining a force of naval reserves, of admiralty subventions paid to owners of certain vessels, and of mail subsidies. Appropriations of $2,000,000 a year are designed to provide a supply of seamen on which the navy may draw for crews to man the war vessels, but at the same time they perform great service for the merchant marine. Owners of certain fast steamers receive admiralty subventions, but these ships must be maintained in such condition that the Government easily can convert them into naval cruisers. But the mail subsidies form the largest part of the Government aid given to British shipping, and the strongest and fastest lines of ships under the British flag have been supported with great liberality. I am informed that the payment annually received

by British companies for carrying the mail from the United Kingdom to foreign countries or British colonies runs over $5,000,000.

Thus the British subsidies assure frequent and fast mail service to foreign countries and British colonies; they stimulate the building of merchant craft which may be of great service in time of war; and they strengthen British shipping the better to meet the commercial competition of its rivals.

All this, Mr. President, is merely a recitation of facts. I simply say if we do not positively help American shipping by subsidies or subventions, at least do not let us handicap it by imposing onerous prices for vessels which it wants and needs and which we wish to and must dispose of.

Let us not keep a Government of unlimited treasury resources in competition with private American enterprise, which will have all it can swing to in meeting the competition of foreign shipping, financially reinforced by foreign Governments, without the handicap of American Government rivalry and restrictions to burden it further. Do not let us squeeze the last dollar out of the American shipping men in the initial price of the vessels we propose to sell them. We have a law against unfair competition and restraint of trade in private business; we should have at least a moral objection to unfair competitions and restraint of trade by the Government in respect to private enterprise.

But, let us assume for the sake of argument, that the Government will continue to administer the merchant marine, which in my judgment under this bill they will be compelled to do. Let us consider the experience which we have already had, which is of some value. I have been informed that at a recent conference held between the Shipping Board and the committee of manufacturers and salesmen, called to consider ways and means of selling the ships, it was frankly stated that the profits of the board from operations of the fleet had been approximately 7½ per cent, no deduction being made for depreciation, and that if depreciation had been charged up as a capital charge no profit would be shown. From this information it is a safe deduction that in the present declining freight market operations by the Government are already on a losing basis. When the Government loses money the people, of course, pay the bill, and, if the Government could in any way maintain high freight rates because of their control of the fleet and thus show a paper profit the people would pay the bill just the same.

We can not overlook the fact that in competition with other countries—and that is precisely what our merchant marine must face—we must give paramount consideration to the cost of their fleets and of their administration. How can we say to the American shipowner that we will not sell him a ship at less than it can be built in America to-day, less the depreciation, when it is a well-known fact that Great Britain has sold to her shipping interests a large part of the tonnage built during the war at £20 per ton—less than $100 a ton—and it is a further well-known fact that Great Britain had at the end of the war, in spite of damage by submarines, and so forth, over 7,000,000 net tons of shipping, equal to over 15,000,000 tons dead-weight, consisting of units of over 6,000 tons dead-weight. I think my figures are correct when I state that our Government will have approximately 13,000,000 tons dead-weight of units of over 6,000 tons to sell. It is a well-known fact that that part of the Great Britain tonnage which was built before the war did not cost the owners a capital investment of more than $75 per ton. How, then, is our Government, or our private shipping interests, going to compete unless we calmly and frankly realize and recognize these conditions and charge off or sell accordingly?

Mr. President, the wise business man when he has suffered a loss does not mulishly clinch his teeth and say, "Well, somebody has to make that up and I will stand pat." No; the wise business man who loses frankly takes his loss and then gets busy to repair the loss in some other direction.

In consideration of this very point, the Chamber of Commerce of the United States last December took a referendum of its members on the question, "Absorption by the Government of the difference between the war cost and present value—of the merchant marine—as a war loss," as recommended by a special committee. Thirteen hundred and ninety-five members voted that the Government should swallow this war loss, and 61 voted against it, a proportion of approximately 23 to 1. Never lived a business man who did not at some time have to charge up something to profit and loss. The wise man philosophically accepts the loss and plugs up the hole so it shall not continue; the foolish man sends good money after bad.

There is not an activity, either purely governmental or undertaken by the Government, in which the Government did not lose money in the war. Are the people at large, who, too, have borne their full share of the war's burden, to be taxed either directly or indirectly for Government operation of the merchant marine while we haggle over mere money? We daily see miserable little pennies wrung from the poor children in taxes, for what? Largely to make up the losses incurred through the operation of railroads by the Government, in part to make up losses sustained by the Government in wasteful and extravagant incursions into the real estate business and the clothing business and the wholesale and retail grocery trade. "Let the Government pay the deficits" is a fine theory—until the people at last realize that they are "the Government" and that the children's pennies are taken to make up these deficits.

As far as I can gather, no data has yet been compiled to show what the Government has lost between the prices it paid for camp sites and camp buildings and the prices it obtained in selling them; between its purchase and sales figures on, literally, thousands of articles it built or bought during the war and has disposed of since the armistice. We have, for instance, seen high-class automobiles, costing the Government, say, $2,000, sold for a few dollars, and any automobile wrecker will tell you that even a machine ruined by fire is worth probably $50 in salvage. The War Department has said that in selling a wide variety of supplies it had realized 76 per cent on a cost of $567,000,000 up to October 3 last. On its railway material the realization was 99 per cent; on aeronautical supplies, 16 per cent; on buildings, and so forth, of the construction department, 50 per cent; on material of the Ordnance Department, 63 per cent; on Quartermaster's supplies, 80 per cent.

Far be it from me to dispute the figures of the War Department, but it certainly is not improper for me to say that I do not think the department has at all underestimated its realization estimates. It has burned or otherwise destroyed, we are reliably informed, literally millions of dollars of valuable lumber, and aircraft parts and tires and other articles. Has "all Rome sent up a universal howl"? It has not; yet some persons hold up their hands in horrified protest at the mere suggestion of selling ships at a comparatively small loss, in order to save the American people probably millions of dollars in the future.

Our merchant marine was constructed under the expensive conditions of the great World War, with haste rather than price the only consideration—and rightly so. Can any reasonable man expect the Government to get out of this war investment in peace times without loss, or, on the other hand, by its own ownership or management, to earn a reasonable interest on that inflated investment, to say nothing of deterioration and other losses? Do not, however, send good money after bad. Automobile models change almost daily, through almost daily improvements in mechanism, and ships change just as quickly through improvements and inventions of a score of descriptions. Remember, also, that Mr. Hurley testified before the committee that 13,885,106 dead-weight tons of our ships were built at a net cost of $180 a ton, and that some ships, because of spot delivery, were sold as high as $210 a dead-weight ton, according also to Mr. Hurley. Is the profit of the past to be taken into consideration in estimating the possible losses of the present or future? It should be, and the prospective loss average would be materially scaled down. Everyone must realize the market for ships is daily lessening as new ships are launched. Already our ships are referred to as of old design.

Let us sum it all up in this way: Are the American people to accept a comparatively small loss in the sale of their ships, or face a continuing loss and drain on the pocketbooks by sticking to Government ownership or Government management? Are the private shipping concerns to whom the President, the business men of the land, and the Shipping Board itself advocate turning over the shipping business—are they to be kept out of their business by an obstinate, hard-and-fast policy, which is "penny-wise and pound-foolish"? For the Shipping Board itself said on June 10, 1919:

> The Shipping Board recommends private ownership and operation as a fundamental policy for commercial shipping. The Government should, therefore, contemplate retirement from commercial shipbuilding, shipowning, and ship-operating activities at the earliest date which may be convenient and practical, in order—
>
> (a) To give our overseas trade the full benefit of competitive service;
>
> (b) To leave steamship operators free to render this competitive service; and
>
> (c) To impart to present and prospective steamship operators that confidence which they must feel before they can be expected to invest their money in existing ships and to place the orders for new ships, without which the outlook for the American shipbuilding industry will not be encouraging.

It is not often that a Government department recommends its own retirement from business. The realization of such a necessity must have been overwhelming to have evoked such a report from a Government board. That was the recommendation of Chairman Hurley and Commissioner Donald, Vice Chairman Stevens dissenting. That proportion was two to one; I believe

that in the country at large the proportion would be twenty to one, as shown in the referendum to which I have referred.

The American Government spent over $3,000,000,000 during the war in building up a most necessary merchant marine. I have nothing whatever to say about the excess cost of these ships, because it was during war times, and we must accept it as a part of the excess war costs; but for us now, facing the problems of peace, to mulishly clinch our teeth and say that because it has cost us so much and because present prices are so great we are going to insist, irrespective of other conditions or of competitive fleets, that the American business man is to make up this deficit is unbusinesslike and unsound, as well as unfair. I would like to see this $3,000,000,000 cashed in as rapidly as good business would permit and a billion and a half, or whatever we could obtain, quickly turned into the Treasury of the United States to relieve onerous taxation now being levied on the people. And allow me to prophesy to you that any legislation enacted which through its unwise, unsound restriction holds these ships longer and longer until they become less and less valuable will be a policy which will not be to the best interest of any class of the American people. I do not want the ships uselessly sacrificed, but I do want the ships sold. I do not want the Government to continue administering this business any longer than is absolutely essential, because I am convinced that every additional day that it does so there will be that much greater deficit charged against the taxpayers of the country, and the assets in the shape of ships owned by the Government will naturally depreciate more and more. In selling ships necessary lines and routes can be insisted on as a part of the sale agreement, so why should the Government continue in the business? Either we must pass legislation to give every opportunity to carry out the direction of this bill or we must pass legislation providing for Government continued ownership and administration, and not do it by this indirect method. My view of this section is that it should be stripped of all its restrictions and that following the words now appearing in the bill, "that the Shipping Board is authorized and directed to sell," should follow a few words, "using their best judgment under such affirmative direction."

Just a word to review the next section on the same subject, section 6. The subcommittee report dealing with a sale to aliens was, I think, admirable, for it practically left this responsibility to the board's discretion, only permitting them to sell to aliens at all, however, if unable to sell to American citizens, following diligent efforts to do so. But there has since been added to that section another line, which reads "that they shall not be permitted to sell to aliens any vessels having a dead-weight tonnage of over 6,000 tons." At my suggestion, I had added, in order somewhat to qualify such a restriction, the words "unless such vessels are over 10 years of age." This, I believe, helps it somewhat. No Member of this Senate is more desirous than I am to retain American ownership and registry of every useful ship now flying the American flag. That is not a point which permits of argument, and I do not attempt to classify any different type of patriotism in the membership of this body, but I am ready to meet a situation without fear of sentimental objection when it is clearly and obviously to the best interest of the taxpayers of the country.

That portion of the bill which states that diligent effort to secure American buyers must be made is wise. I most assuredly want to see these ships purchased by Americans, but certainly the members of the Shipping Board, whose sincerity as patriotic Americans should be beyond question by the Senate, which first confirms them, should not be restricted by a condition that, in case they can not sell certain undesirable ships to Americans, they should be prohibited from selling them to some one else. Do you think that the sentiment of the American people is such as to prefer that these ships shall be indefinitely tied up at our docks as an additional expense simply because some of them happened to be over 6,000 tons, but yet were useless to the American merchant marine? If we agree with the testimony of Judge Payne, formerly chairman of the Shipping Board, and other members, we have to-day a number of such ships, and under this positive prohibition we must simply hold these ships, because they are over 6,000 tons, pay thousands of dollars for their upkeep, and get absolutely no income from their ownership. The bill under consideration permits ships under 6,000 tons to be sold to aliens; this has been acknowledged as wise and is so reported to us. If that policy is to prevail, that we can sell any American ship under 6,000 tons, and it is a well-known fact that we have several hundred such ships to-day which we know are practically useless to our merchant marine, then on the same principle, leaving that decision as we do to the discretion of the Shipping Board, why should we not leave the matter of the sale of ships of over 6,000 tons likewise to the discretion of the Shipping Board, when all the testimony before the committee confirmed the statement that some are useless to our merchant marine?

The further amendment providing that this prohibition does not apply to ships over 10 years of age will help somewhat, but will not entirely dispose of this question. Suppose, for instance, one of our ships of over 6,000 tons met with an accident, or that there was a fire or accident occasioned by a storm, as often happens, and that it had been determined that it would not pay to recondition said ship; yet they could not be sold under this law to an alien, no matter how useless they were to the American Government. Is this an American business policy or not to adopt? An American ship of over 6,000 tons might be wrecked on a foreign coast and the expense of salvaging it and reconditioning it be prohibitive to an American, while a near-by foreigner might be glad to buy it, as possible to salvage or recondition in the land where it was wrecked; yet, under this bill, that ship would be a 90 or 100 per cent loss to the United States, instead of only a 40 or 50 per cent loss. Neither business nor patriotism can be run by a hard and fast, inelastic rule, nor does elasticity at all weaken patriotism—it even may strengthen it and make it the more concretely effective.

I am not at this time proposing to discuss the inequality of existing coastwise laws, which, as probably all well know, prohibit foreign-built ships from competing in coastwise trade either with freight or passengers. I am entirely in sympathy with the provisions of this bill which limits coastwise freight business to American ships, but you probably know that during the war certain foreign-built ships were by special license permitted to enter into coastwise trade, and under section 24, as it appears in the bill we are discussing, it provides that foreign-built vessels admitted to the coastwise trade under such measure and which are wholly owned by persons who are citizens of the United States, and foreign-built vessels owned by the United States at the time of the enactment of this law, if sold to such persons, may operate in the coastwise trade as long as they are owned by such persons. In other words, this in effect permits a few foreign-built vessels to come within a special provision permitting them to compete with American-built vessels, but leaves out a number of foreign-built vessels which have been owned for many years by American companies and are now not permitted to do a coastwise trade business, simply because they were not given such license.

As stated, I am not prepared to argue that any foreign-built vessels should be permitted to compete with our coastwise trade, especially if it relates to freight; but I do contend that if one or two companies have succeeded in securing this consideration, any other foreign-built vessel wholly owned by American citizens should have a like privilege or all should be prohibited. I might say, however, that this has been corrected by the amendment which was adopted yesterday.

As I inferred, the entire question of coastwise restrictions should be given very earnest attention by Congress, especially now that we are extending our coastwise laws to include such distant places as the Philippines, Porto Rico, the Virgin Islands, and the like. I think, too, there should be a distinct difference in considering freight and passenger privileges. It does seem somewhat unusual that an American citizen can not travel from the Philippines on any vessel unless built in the United States. If the United States lines were conducting a full and complete service from all these insular possessions, it would be quite a different matter, but as is well known such is not the case.

I always oppose the enactment of a law that it is perfectly obvious can not be enforced. Such laws may have sentimental effect, but when we consider section 41 of the pending bill, which amends the shipping act of 1916, to provide "that no corporation, partnership, or association shall be deemed a citizen of the United States unless all the securities of such corporation, partnership, or association are at all times wholly and bona fide owned by citizens of the United States," we are enacting into law what we perfectly well know to be a section absolutely impossible of enforcement. Many of these corporations are listed on the stock exchanges. Any alien can buy stock on the exchanges at any time. Such a provision is simply making our corporations innocent lawbreakers, and thus subject to punishment for unintentional violation. No one can or would accuse the Federal Reserve Board or the Banking and Currency Committees of either the Senate or the House of the least laxity in safeguarding the United States and its business interests; yet, with the corporations recently authorized to engage in export financing, they did not attempt to go to such an extreme as that. The provision in that law is that "a majority of the shares of the capital stock of any such corporation shall

at all times be held and owned by citizens of the United States," and so on. The Senate may not consider "a majority" of American ownership sufficient, but, on the other hand, 100 per cent American ownership in a corporation is absolutely impossible of enforcement.

The same section of this bill goes further and provides "that any such company operating vessels exclusively in foreign countries shall be deemed a citizen of the United States if at least 75 per cent of the value of all its securities are at all times owned by bona fide citizens of the United States." This provision is not so bad, and I would have no objection to it if it provided that the majority of the stock should be so held, which I think should be insisted on at all times. But, again, the same difficult situation arises as to being able to hold complete control of so large a block as 75 per cent of the stock and indirectly to make of such corporations violators of the laws.

Mr. President, this bill is designed to create and develop to the uttermost an American merchant marine. I yield to none in enthusiastic desire to see a real American merchant marine—American from keel to mizzentop and from figurehead to rudder post; but it is not going to be an efficient merchant marine if the captain is instructed to furl the mainsail at 6 bells, regardless of conditions, or to reef the flying jib at 3 bells even though the weather may be calm. In peace times, the captain of a ship is left to his own judgment and discretion, unfettered by ironclad instructions. And to exactly the same extent should we trust an American Shipping Board, appointed by an American President, and confirmed by an American Senate. We are giving them a big job to handle. Let us permit them to carry it out.

The PRESIDING OFFICER (Mr. GERRY in the chair). The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 29, after line 7, to insert:

SEC. 28. That cargo vessels documented under the laws of the United States may carry not to exceed 12 persons in addition to the crew between any ports or places in the United States or its Districts, Territories, or possessions, or between any such port or place and any foreign port, or from any foreign port to another foreign port, and such vessels shall not be held to be "passenger vessels" or "vessels carrying passengers" within the meaning of the inspection laws and the rules and regulations thereunder: *Provided*, That nothing herein shall be taken to exempt such vessels from the laws, rules, and regulations respecting life-saving equipment: *Provided further*, That when any such vessel carries persons other than the crew as herein provided for the owner, agent, or master of the vessel shall first notify such persons of the presence on board of any dangerous articles, as defined by law, or of any other condition or circumstance which would constitute a risk of safety for passenger or crew.

Failure on the part of the owner, agent, or master of the vessel to give such notice shall subject the vessel to a penalty of $500, which may be mitigated or remitted by the Secretary of Commerce upon a proper representation of the facts.

The amendment was agreed to.

The next amendment was, on page 30, after line 5, to insert:

SEC. 29. That no merchandise shall be transported by water, or by land and water, on penalty of forfeiture thereof, between points in the United States, including Districts, Territories, and possessions thereof embraced within the coastwise laws, either directly or via a foreign port, or for any part of the transportation, in any other vessel than a vessel built in and documented under the laws of the United States and wholly owned by persons who are citizens of the United States, or vessels to which the privilege of engaging in the coastwise trade is extended by sections 18 or 24 of this act. No agent or employee of a common carrier shall check baggage, issue bills of lading, or otherwise arrange for through carriage of property between ports or places in the United States, including Districts, Territories, and possessions embraced within the coastwise laws, when all or any part of the carriage is in a foreign vessel, and no person in the capacity of agent or otherwise, directly or indirectly, by means of a ticket, understanding, order, or any form of contract whatsoever, shall sell or contract to sell to any person the right to travel by water, or by land and water, either directly or via a foreign port, or for any part of the transportation, on a foreign ship between ports or places in the United States, including Districts, Territories, and possessions embraced within the coastwise law. Any person violating any of the provisions of this section shall, upon conviction, be fined in any sum not exceeding $1,000.

Mr. JONES of Washington. I ask that section 29 may go over.

The PRESIDING OFFICER. Without objection, section 29 will be passed over.

The next amendment was, on page 31, after line 7, to insert:

SEC. 30. That no common carrier shall charge, collect, or receive, for transportation subject to the interstate commerce act of persons or property, under any joint rate, fare, or charge, or under any export, import, or other proportional rate, fare, or charge, which is based in whole or in part on the fact that the persons or property affected thereby is to be transported to, or has been transported from, any port in a possession or dependency of the United States, or in a foreign country, by a carrier by water in foreign commerce, any lower rate, fare, or charge than that charged, collected, or received by it for the transportation of persons, or of a like kind of property, for the same distance, in the same direction, and over the same route, in connection with commerce wholly within the United States, unless the vessel so transporting such persons or property is, or unless it was at the time of such transportation by water, documented under the laws of the United States, and owned by persons who are citizens of the United States. Whenever the board is of the opinion, however, that adequate shipping facilities to or from any port in a possession or dependency of the United States or a foreign country are not afforded by vessels so documented and owned, it shall certify this fact to the Interstate Commerce Commission, and the commission may, by order, suspend the operation of the provisions of this section with respect to the rates, fares, and charges for the transportation by rail of persons and property transported from, or to be transported, to such ports, for such length of time and under such terms and conditions as it may prescribe in such order, or in any order supplemental thereto. Such suspension of operation of the provisions of this section shall be terminated by order of the commission whenever the board is of the opinion that adequate shipping facilities by such vessels to such ports are afforded and shall so certify to the commission.

The amendment was agreed to.

The next amendment was, on page 32, after line 15, to insert:

SEC. 31. That the word "association," wherever used in this section, means any association, exchange, pool, combination, or other arrangement between or among persons.

That the words "marine insurance companies," wherever used in this section, means any persons authorized to write marine insurance or reinsurance under the laws of the United States or of a State, Territory, District, or possession thereof.

That nothing contained in the act entitled "An act to protect trade and commerce against unlawful restraints and monopolies," approved July 2, 1890, or in the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, or in any other antitrust law, shall be construed as declaring to be illegal an association entered into by marine insurance companies for the following purposes only: (1) Reinsuring or otherwise distributing or dividing their risks on hulls, cargo, or other interests entering into our inland, coastwise, or foreign trade; and (2) transacting an insurance or reinsurance business in foreign countries, provided such association is not used in furthering unfair methods of competition against domestic competitors, or is otherwise unfairly restraining trade.

That every association, in order to obtain the benefits of this section, shall within 30 days after the enactment of this act or after its creation file with the board (1) a verified written statement setting forth the names and location of its officers, managers, and members, and, if a corporation, a copy of its certificate or articles of incorporation and by-laws, and, if unincorporated, a copy of its articles or contract of association, and on the 1st day of January of each year thereafter it shall make a like statement of the location of its offices or places of business and the names and addresses of all its officers, managers, and members and of all amendments to and changes in its articles or certificate of incorporation or in its articles or contract of association; (2) a true copy, or, if oral, a true and complete memorandum, of every agreement or arrangement, or modification or cancellation thereof, which may have been entered into for purposes of reinsurance or division of risks; and (3) such information as the board may require as to its organization, business conduct, practices, management, and relation to other associations or persons.

Whenever the board believes that an association or any agreement or arrangement made or act done by such association is furthering unfair methods of competition against domestic competitors, or otherwise unfairly restrains trade within the United States, or any Territory, District, or possession thereof, it shall summon such association, its officers, managers, and agents, or officers, managers, and agents of the marine insurance companies composing or affiliated with the association, and thereafter conduct an investigation into the facts. Upon investigation, if it shall conclude that the association or any act done by the association is furthering unfair methods of competition or is unfairly restraining trade, it may make to such association recommendations for the readjustment of its business. If such association fails to comply with such recommendations, the board shall refer its findings and recommendations to the Attorney General of the United States for such action thereon as he may deem proper.

For the purpose of enforcing the provisions of this section the board shall have all the powers, so far as applicable, given to it in the "Shipping act, 1916."

The amendment was agreed to.

The next amendment was, on page 35, after line 5, to insert:

SEC. 32. Any person hereafter furnishing repairs, supplies, or other necessaries, including towage and the use of dry dock or marine railway, to any vessel, whether foreign or domestic, upon the order of the owner of such vessel, or of a person by them or him authorized, shall have a maritime lien on the vessel which may be enforced by proceeding in rem, and it shall not be necessary to allege or prove that credit was given to the vessel; but such lien, and all other liens hereafter arising out of, or created by, any contract, express or implied, or for damages in the nature of demurrage not arising out of tort, except liens for wages of crew and of stevedores when employed by the owner, master, ship's husband, or agent of said vessel, general average and salvage, including contract salvage (which shall be known as preferred liens and rank among themselves as they now do under the maritime law) shall be subordinate to the lien of any mortgage duly recorded in the office of the collector of customs and noted on the certificate of registry, or of enrollment and license, as hereinafter provided, prior to the creating of such lien or liens, and any vessel sold under any such subordinate lien shall be sold subject to, and such sale shall not impair the lien of any such prior recorded and noted mortgage.

If any mortgaged vessel is sold under a decree in admiralty founded on a preferred lien as hereinabove defined, or on a maritime tort, such sale shall divest all liens as they now are divested by the maritime law of the United States on similar judicial sales, and the proceeds derived therefrom, after deducting marshal's fees, poundage, and other costs taxed by the court, shall be distributed to the parties and intervenors in such proceedings in accordance with the priorities of their respective liens on the vessel.

That no mortgage on the whole of any vessel of the United States of 200 gross tons and upward shall be valid against any person other than the mortgagor, his or its heirs, administrators, executors, successors, or assigns, and persons having actual notice thereof, or shall be subject to the provisions of this section, unless such mortgage is accompanied by the affidavits of the mortgagor and the mortgagee that it is made in good faith and without any design to hinder, delay, or defraud existing or future creditors of the mortgagor or lienors of the mortgaged vessel, and unless it is recorded and indorsements are made upon said vessel's

certificates of registry or of enrollment and license, as hereinafter provided. Such mortgage, when in compliance with this section, shall constitute a lien on the vessel, and the mortgage indebtedness shall bear such rate of interest as shall be agreed by the parties.

Such mortgage shall not be given, or assigned, to anyone other than a person who is a citizen of the United States without the consent of the board.

If the parties to any mortgage on any vessel of the United States shall so stipulate therein, such mortgage shall not be subject to the provisions of this section, but shall remain subject to the provisions of sections 4192, 4193, and 4194 of the Revised Statutes of the United States.

A mortgage within the purview of the preceding paragraphs of this section shall be recorded in the office of the collector of customs where the mortgaged vessel is permanently registered, or enrolled and licensed: *Provided*, That if a permanent certificate of registry, or of enrollment and license, has not been issued at the time of the execution of the mortgage, such mortgage shall be temporarily recorded in the office of the collector of customs where such vessel is then temporarily registered, or enrolled and licensed, and shall thereafter be rerecorded in the office of the collector of customs where and at the time such vessel is permanently registered, or enrolled and licensed. Such rerecording shall ipso facto discharge the temporary record.

Certificates of partial payments, and of final discharge, of the mortgage indebtedness, executed by the mortgagee, shall be filed by the mortgagor, and notices of claims of liens on any mortgaged vessels, and certificates of discharge thereof, may be filed by any lienor in the office of the collector of customs where any such mortgage is of record. Such aforesaid notice shall set forth the name and address of the lienor, the date of creation of the lien, the amount thereof, and briefly the nature of the lien. Said mortgages, certificates, and notices shall be acknowledged before a notary public or other officer authorized to take acknowledgment of deeds.

Collectors of customs in whose offices any such mortgages are recorded shall indorse upon the mortgaged vessel's certificate of registry, or of enrollment and license, a notation setting forth the place and date of the recording of such mortgage, the date of maturity thereof, the names of the mortgagor and mortgagee, the amount of secured indebtedness stated in the mortgage, and the amounts and dates of any partial payments stated in the recorded certificates thereof: *Provided*, That if such mortgage covers more than one vessel or other property, said indorsement shall also state the amount upon payment of which said vessel may be discharged from such mortgage.

Said indorsement shall thereafter be made by all collectors of customs upon each and every certificate of registry, or of enrollment and license, whether permanent or temporary, issued by them, under which said vessel shall operate, until the mortgage is fully discharged. If at the time of recording the mortgage or any certificates of partial payments or of final discharge the mortgaged vessel is not in a port of the United States, or is in a port of the United States without the district in which such instruments are recorded, then the collector of customs, recording such instruments shall, upon request of the mortgagor or the mortgagee, or his or their assigns, notify, in writing or by telegram, the collector of customs for the district in which said vessel is then situated, or, if said vessel is not then in a United States port the collector of customs for the district in which said vessel thereafter first enters of the recording of such mortgage and of any certificates of partial payment, or of final discharge, and of the facts necessary to make the aforesaid indorsements, and upon receipt of such advices it shall be the duty of the collector of customs so notified forthwith to indorse such notations upon the vessel's certificate of registry, or of enrollment and license. No clearance shall be granted any mortgaged vessel unless such certificate bears such indorsement. The collector of customs recording such mortgage shall certify to and deliver one or more copies thereof to the mortgagor, who shall place and use due diligence to retain one copy on board such mortgaged vessel, and shall also use such diligence to cause such copy and the certificate of registry, or of enrollment and license, to be exhibited by the master to any person having business with such vessel, or the owner thereof, which may give rise to a maritime lien thereon.

Collectors of customs shall record all such aforesaid instruments, and the fact and date of the indorsement of any notation on certificates of registry, or of enrollment and license, in books kept for that purpose, which shall be indexed to show the name of the mortgaged vessel, the names of the parties to any such instrument, and the time of filing for record, and shall certify to the status of the mortgage record at any time upon the request of any person.

Collectors of customs shall receive for recording any instrument, or taking any acknowledgment, or giving any notice, or furnishing any certificate required by this section, a fee of $1; and for furnishing a certified copy of any recorded mortgage or of any certificate of partial payment, or of final discharge, or of any notice of claim of lien, or certificate of discharge thereof, a fee of $2; and shall be paid the cost of any telegram sent to other collectors.

The mortgagor shall disclose to the mortgagee in writing, prior to the execution of any mortgage, the existence of any obligation or liability constituting a lien on the vessel to be mortgaged then known to such mortgagor, and shall not incur any contractual obligation creating a lien upon the vessel without the consent of the mortgagee, other than for crews' and stevedores' wages when incurred as hereinafter provided, general average and salvage, including contract salvage, after the execution of any such mortgage and before the mortgagee shall have had a reasonable time to record the mortgage and to have the notation hereinbefore provided for indorsed upon the certificate of registry, or of enrollment and license. The mortgagor, and if the mortgagor be a corporation, the president, or other principal executive officer thereof who willfully violates any provision of this section shall be guilty of a misdemeanor, and punishable for each offense by a fine not exceeding $1,000, or by imprisonment not exceeding two years, or both, in the discretion of the court, and the mortgage indebtedness shall thereupon immediately become due and payable at the election of the mortgagee. The failure of the master of any mortgaged vessel to exhibit the copy of any mortgage placed on board thereof, or the vessel's certificate of registry, or of enrollment and license, to any person entitled to examine the same, shall render his license subject to suspension or cancellation by the officers of the United States Steamboat-Inspection Service having jurisdiction thereof.

Any person who willfully and knowingly deposes falsely in the affidavit required by this section to accompany the mortgage shall be guilty of perjury and punishable by a fine not exceeding $5,000, or by imprisonment not exceeding five years, or both, in the discretion of the court.

If any person enters into any contract with the owner, master, ship's husband, or other agent of any vessels affected by such mortgage as may be filed, recorded, and noted as herein provided, and suffers pecuniary loss, damage, or injury by reason of any failure to make the notations or disclosures, or to communicate the information required by this section in respect of such mortgage, or by reason of any misrepresentations concerning the same or the bona fides of the mortgage, the party so injured may have and maintain, in any court obtaining by personal service jurisdiction of the person of the defendant, an action to recover damages compensatory for said loss, damage, or injury, such action to be brought against the person by whose act, omission, or negligence such loss, damage, or injury was caused. The failure of any collector of customs to record any of the aforesaid instruments filed for record, or to furnish certified copies thereof pursuant to request, or to furnish to other collectors of customs the information required to be furnished by this section, shall constitute actionable acts, omissions, and negligence. If any plaintiff in any such action recover judgment for damages, however small, it shall be the duty of the court entering judgment to allow and add to said judgment so entered a reasonable counsel fee, assessed by the court, which shall be a part of said judgment, and for the recovery of which plaintiff shall be entitled to all the remedies available for the enforcement of any judgment at law.

The district courts of the United States are hereby given jurisdiction, but not to the exclusion of the courts of the several States, Territories, Districts, and possessions of the United States, of any such action, irrespective of the amount in controversy or the citizenship or residence of the parties, whenever the action is begun by personal service on a defendant within the limits of the district in which such action is brought.

Jurisdiction is hereby vested in the district courts of the United States to impose the penalties hereinbefore provided and to foreclose any mortgage recorded and noted on the certificates of registry, or of enrollment and license, as hereinbefore provided, upon the maturity of any such mortgage or default in any of the terms or conditions thereof. Suit for such foreclosure may be commenced and maintained in a proceeding in equity in which the mortgaged vessel itself shall be named as the defendant in any district court of the United States in which the vessel is situated by attaching the vessel and by such publication of process of such district court, with citation to all the world, as the court shall order. Notice of the pendency of such suit shall also be given by serving a copy of said citation upon the master or other ranking officer or caretaker of the vessel, and also on the mortgagor or owner, and all lienors who shall have recorded, and not discharged of record, any notices of claims of liens, as heretofore provided, wherever they may be found within the United States, unless after search expressly found by the court to have been made diligently and satisfactorily by the plaintiff they can not be located therein. All persons having any liens on the mortgaged vessel must proceed upon the same in such suit, unless the vessel be released as hereinafter provided prior to intervention therefor, and shall be forever barred from thereafter proceeding thereon against such vessel.

In any such suit the court may appoint a receiver and, in its discretion, authorize his operation of the mortgaged vessel. Such receiver may be empowered and directed to take, seize, and possess himself of said vessel, notwithstanding that it is at the time in the possession or under the control of a person claiming a possessory or common-law lien, and such lien is hereby specifically subordinated to the lien of any prior mortgage recorded and noted in compliance with this section.

The mortgaged vessel shall be released on claim by the owner from said attachment, and thereby freed from the lien of the mortgage, and from any other liens for which intervention shall have been made prior to such release, but not otherwise, if the amounts of the mortgagee's and intervenor's claims, with interest and costs already accrued, are paid into court, or, if an approved stipulation, with surety, be filed with the court, in such form and amount as the court shall direct, for the payment of such final decrees with interest and costs, as may be made by the court, or by the appellate court, if an appeal intervenes.

If the mortgaged vessel is not released as provided in the preceding paragraph, the court, on satisfactory proof that the vessel is in danger of loss or depreciation, may, and on entry of a decree of foreclosure against the defendant vessel shall, cause the vessel to be sold by the United States marshal for the district in which such suit is brought under a writ of venditioni exponas, after such notice thereof as the court shall order, to any person who is a citizen of the United States, to answer any judgment that has been or may be entered in such suit. On confirmation by the court of any such sale all liens on the vessel shall terminate and shall thereafter attach only to the proceeds derived from such sale in accordance with the respective priorities which the liens had on the vessel, and the purchaser of the vessel shall acquire indefeasible title thereto, free and clear of all liens, as against all the world; and the said United States marshal making such sale, or his duly qualified successor, shall, on order by the court, execute a good and sufficient bill of sale to said property, vesting such title thereto in the purchaser. The proceeds derived from such sale, after deduction of expenses allowed and costs taxed by the court, shall be applied to the payment of such judgment as may be entered in such suit and of any other liens on the mortgaged vessel for which intervention shall have been made, all in accordance with their respective priorities; and the residue, if any, shall be paid to the mortgagor or the owner, or other parties intervening, his or their heirs, executors, administrators, successors, or assigns, as their interests shall appear.

Proceedings in foreclosure under this section shall conform as nearly as may be to proceedings in rem in admiralty.

The mortgagee may join the mortgagor as a party defendant in such suit by serving the mortgagor personally with process of such district court wherever the mortgagor may be found within the United States, and if so prayed, judgment against the mortgagor may also be entered in such suit for the amount of the mortgage indebtedness, or for any deficiency in the full payment of the mortgage indebtedness remaining unpaid after the application thereto of all or any of the proceeds derived from the sale of the mortgaged vessel as hereinbefore provided.

Nothing contained in this section shall be construed to prejudice the mortgagee from proceedings in personam against the mortgagor in any other court for said mortgage indebtedness or for any deficiency in the full payment thereof.

If the mortgaged vessel is not within the United States at the time the right to foreclose the mortgage lien accrues, the mortgagee may maintain an action in personam for the mortgage indebtedness against the mortgagor in the district court of the United States within the jurisdiction of which the mortgagor resides, by serving process of such court personally upon the mortgagor wherever found within the United States. In such suit the mortgagee shall have the right to have the validity of the mortgage lien on the mortgaged vessel adjudicated.

Nothing contained in this section shall be deemed to change the priority fixed by the maritime law of the United States as between preferred liens and liens arising from maritime torts.

The following persons shall be presumed to have authority from the owner or owners to procure repairs, supplies, and other necessaries for the vessel: The managing owner, ship's husband, master, or any person to whom the management of the vessel at the port of supply is intrusted. No person tortiously or unlawfully in possession or charge of a vessel shall have authority to bind the vessel.

The officers and agents of a vessel specified in the preceding paragraph of this section shall be taken to include such officers and agents when appointed by a charterer, by an owner pro hac vice, or by an agreed purchaser in possession of the vessel, but nothing in this section shall be construed to confer a lien when the furnisher knew, or by exercise of reasonable diligence could have ascertained, that because of the terms of a charter party, agreement for sale of the vessel, or for any other reason, the person ordering the repairs, supplies, or other necessaries was without authority to bind the vessel therefor.

This section shall supersede the provisions of all State statutes conferring liens on vessels, in so far as the same purport to create rights of action to be enforced by proceedings in rem against vessels for repairs, supplies, and other necessaries.

The lien of any mortgage may be waived, or subordinated to any other lien, by the mortgagee, or by any trustee under the mortgage if, and to the amount, authorized by the mortgage.

This section shall not apply to any existing mortgage, or to any mortgage hereafter placed on any vessel now under an existing mortgage, unless and until the mortgagor and mortgagee of any such existing mortgage mutually agree in writing to be bound by the provisions hereof and comply therewith.

As used in this section, the word "mortgagee" shall include a trustee under any mortgage subject to the provisions of this section.

The Secretary of Commerce is hereby authorized and directed to furnish collectors of customs with all necessary books and records, and with certificates of registry and of enrollment and license in such form as shall provide for the making of the hereinbefore required indorsements on the back thereof.

The act entitled "An act relating to liens on vessels for repairs, supplies, or other necessaries," approved June 23, 1910, and all other acts or parts of acts are hereby repealed so far as they are inconsistent with the provisions of this section.

Mr. KING. I ask the chairman of the committee whether the fees received by the collector, provided on page 40, lines 11 to 18, are paid into the Treasury, or are they personal?

Mr. JONES of Washington. I take it that they would be paid into the Treasury. There is nothing here which authorizes the collector to keep them, and I take it that under the law he gets a fixed salary.

Mr. KING. I am aware of that fact, but I was wondering if the collector would not construe this language as entitling him to those fees in addition to his compensation.

Mr. JONES of Washington. No; I do not think so. If the Senator has any doubt about it, I would be glad to have an amendment offered to prevent it; but there was not any intention to do that. My recollection is that we have a general law that all fees must go into the Treasury, but I am not certain of that. I am sure that the collector would not get them under this provision.

Mr. KING. Let me suggest to the Senator that we add the following language, on page 40, line 18, after the word "Collectors":

All fees so collected shall be paid by the collector into the Treasury of the United States.

Mr. JONES of Washington. I have no objection to that amendment at all and would be glad to have it made. Probably the Secretary had better state the amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 40, line 18, after the word "collectors" and the period, add the following:

All fees so collected shall be paid by the collector into the Treasury of the United States.

The amendment to the amendment was agreed to.

Mr. KING. I invite the attention of the chairman of the committee to lines 3, 4, 5, 6, 7, 8, 9, and 10, on page 43. I am not quite clear as to what is contemplated by that provision:

The district courts of the United States are hereby given jurisdiction, but not to the exclusion of the courts of the several States, Territories, Districts, and possessions of the United States, of any such action, irrespective of the amount in controversy or the citizenship or residence of the parties, whenever the action is begun by personal service on a defendant within the limits of the district in which such action is brought.

Does that mean that in the event there is not "personal service" of process, the courts described in the lines which I have just read would have no jurisdiction over the person or over the subject matter of the action? I can understand that they might have no jurisdiction to render a personal judgment against the defendant without personal service, but to deny them jurisdiction of the subject matter of the action unless there was personal service, it seems to me, would be a rather unique and unusual proceeding. An action in rem might lie against the property, or it might by attachment be brought into the court. It is possible that I do not fully understand the nature of the action which is authorized to be brought, and to which this section refers.

Mr. JONES of Washington. I will say to the Senator that this deals very largely with admiralty matters, and I am not familiar with admiralty practice. This provision was gone over several times by the admiralty lawyers not only of the Shipping Board but from different parts of the country. They went into it with very great care, and this is the final draft of their deliberations.

The point that the Senator makes had not occurred to me. It is very likely that, under the system of admiralty practice, it is very plain as to what it means. It occurs to me in reading it over, after the Senator has called special attention to it, that it gives to the district courts of the United States jurisdiction whenever personal service can be had in the action mentioned in the preceding paragraph, not to the exclusion, of course, of the local courts; but when personal service can not be had, it leaves the jurisdiction as it now is, I assume, exclusively in the local courts.

It is a matter we will look into very carefully in conference, I will say to the Senator, and I shall call it to the attention of the attorneys whom we expect to have there, so as to be sure that we have this as nearly right as possible. I do not know whether that course will be very satisfactory to the Senator, but it is the best course that I can suggest to him.

Mr. KING. I shall not ask at this time that the amendment shall be disagreed to, but upon further examination of the matter if I find that it narrows too much the jurisdiction of the court and that it ought to be amended, I shall ask for a reconsideration of the vote.

Mr. JONES of Washington. There will be no objection to that, I will say to the Senator.

Mr. KING. I ask the attention of the chairman of the committee to the paragraph ending on line 12, page 48:

This section shall supersede the provisions of all State statutes conferring liens on vessels, in so far as the same purport to create rights of action to be enforced by proceedings in rem against vessels for repairs, supplies, and other necessaries.

Is that limited to vessels of the Government of the United States?

Mr. JONES of Washington. No; it is not limited to vessels of the United States.

Mr. KING. I am not sufficiently acquainted with admiralty procedure to determine whether that provision is wise and proper. It occurs to one who is not familiar with that practice that it is rather unusual to supersede State statutes conferring liens on vessels, and, of course, to that extent depriving persons of any rights which the States might give for the violation of a contract or for the prosecution of remedies for the infractions of contracts.

Mr. JONES of Washington. Let me say to the Senator that it is the purpose of the section to give a mortgagee a preference right to enforce his mortgage as against all claims except maritime liens for wages and salvage and average and things of that kind, which can not be protected against by insurance or other methods of maritime law, provided he has had his mortgage recorded and due notice is given of it. In other words, a man who furnishes repairs after a mortgage is made can not come in ahead of that mortgage. That is the real purpose of the entire amendment.

If we can not do that, then there is no use for the provision at all. The main purpose of it is to encourage investments in shipping upon the part of our people. Without any security for his money, a man is not going to make a loan on a ship.

I will say frankly to the Senator that there is a legal controversy as to our constitutional right to take out of the State courts this remedy for enforcing these claims and put it into the United States courts. The lawyers are divided over it. It is contended, on the one hand, that under the maritime declaration in the Constitution we have the power to do it. It is contended, on the other hand, that we have not the power. That is a controversy that we can not settle here. There is room for doubt, and no one can settle that proposition except the Supreme Court of the United States.

Mr. KING. As I stated, I am so unfamiliar with maritime law that my opinion respecting the matter would be of little value; but it does seem to me that it is striking too much at the right of contract and the rights and powers of the States to say that contracts entered into between individuals may not be enforced in the State courts and that these contracts may be superseded by the legislation of Congress.

Mr. JONES of Washington. If the bill becomes a law and is held valid, then of course the contracts will be made subject to its provisions and it would tend to impair anything done thereafter. It does not impair existing property rights or claims or remedies, but simply relates to the future, and of

course everybody would have notice of the law. The man who wants to make repairs on a vessel can very easily see that he is amply secured.

I will say to the Senator that there was quite a controversy by the repair men as to whether or not this provision should be incorporated in the bill. There have been extensive hearings, and it is my opinion that generally the repair men are satisfied with the provision. They can protect themselves. A man does not need to make repairs on a vessel until he is amply secured in one form or another. If the repairs to the vessel should take the place of a prior mortgage in every case, we would never have any mortgages put on vessels and it would defeat the very object of the amendment.

Mr. KING. It seems to me, if the Senator will pardon me, that it is a precedent which may in the end prove not only disadvantageous to all forms of business but dangerous to the people. For instance, if, by act of Congress, we may supersede the right of individuals to contract with respect to vessels and liens upon vessels, and can overrule and set aside State laws relating to matters of contract between individuals, asserting the right so to do under the interstate commerce power of the Federal Government or some other provision——

Mr. JONES of Washington. We are not trying to do it under that power. This is under the maritime declaration of the Constitution.

Mr. KING. Or some other provision of the Constitution, soon we may have persons insisting that wherever there is any work performed in or about personal property employed in interstate commerce, for instance, engines or cars, there should be congressional legislation to control or effect the contractual rights and obligations between individuals respecting property employed in interstate commerce.

I do not just at present see all the lengths to which this precedent might lead us, but it would seem that if the right of contract between individuals, residents of and domiciled in a State respecting property in the harbors or upon the docks or wharves of a city of the State, may be interfered with by act of Congress or denied enforcement, and if State laws dealing with subjects clearly within the police power of the State may be nullified or superseded by such Federal action, we are going to dangerous lengths.

Mr. JONES of Washington. I wish to call the Senator's attention to the peculiar condition that we are trying to meet. Ships are different from railroad trains or engines. Ships go to all parts of the world, while in this country your engines stay here within the jurisdiction of the courts, and often locally your ship goes anywhere in the world.

If the owner of a ship should come to the Senator to borrow money and say, "I will give you a mortgage on my ship," but you know that no matter if you have a mortgage on that ship, any subsequent claim for repairs anywhere will become superior to that mortgage, the Senator would not loan the money. This is really to preserve a deliberate contract made between the owner of a vessel and some man from whom he borrows his money. That is the purpose of the section. As I have said, the repair man can fully protect himself. He can say, "I see you have a mortgage on this vessel, and I will not make the repairs until I have ample security from you." Under this proposed law, he can still hold the vessel for his claim, but, of course, it is subordinate to a prior mortgage.

Mr. REED. Mr. President, I have been engaged in a committee and came into the Chamber in the midst of this discussion; but I am interested in it. At the present time, under the law, as I understand, if a man has a mortgage upon a vessel, and it is necessary to repair the vessel, the lien for the repairs takes precedence over the mortgage. Is it proposed to change that rule by this bill?

Mr. JONES of Washington. It is. I will state to the Senator that every repair man who came before the Committee on Commerce was in favor of the proposition.

Mr. REED. I should want something more than the opinion of the repair men who came here before I would change a custom.

Mr. JONES of Washington. But that is not all. I will say to the Senator other reasons were given.

Mr. REED. I should want more than their opinion; I should want a good reason given before I would vote to change a custom that has existed for, I suppose, a thousand years.

Mr. JONES of Washington. Oh, no, Mr. President. That custom, in a way, may have existed, but we enacted a law in 1910 making liens for repairs, supplies, and other necessaries superior to mortgages.

Mr. REED. Making such liens superior?

Mr. JONES of Washington. Yes; in 1910.

Mr. REED. They have always been superior under general maritime law, have they not?

Mr. JONES of Washington. I think so.

Mr. REED. It is true to-day that if a man mortgages a house and afterwards a mechanic does work upon that house, the mechanic's lien takes precedence of the mortgage, is it not?

Mr. JONES of Washington. It is true in some States, anyway, though it may not be true in all.

Mr. REED. Well, it is true in a great many States?

Mr. JONES of Washington. It is true in the State of Washington; I know that.

Mr. REED. It is a very sound proposition, too, is it not?

Mr. JONES of Washington. Yes; I think so.

Mr. REED. Why is it not a sound proposition with reference to vessels?

Mr. JONES of Washington. A vessel is an entirely different kind of property from a house and is used in an entirely different way.

Mr. REED. But the principle that is back of the mechanic's lien law does not depend upon the fact that the property happens to be a house; it depends upon the fact that the man who improves or betters the property should be paid in preference to a man who has a prior lien, because when the lien was taken it was not taken upon the property with the improvement, but the improvement has been since added, and therefore it is but equitable that the man who added the improvement should be preferred over the man who had a lien which was put on the property before the improvement was added to it. I want to know why that principle does not apply to a vessel?

Mr. JONES of Washington. Mr. President, I want to tell the Senator what the purpose of this provision is. As I stated to the Senator from Utah [Mr. KING] a while ago, this is an admiralty proposition; and I frankly say that I know, I might say, nothing about admiralty law; I have had no experience or connection with it. The situation that confronts us with reference to a merchant marine is just this: We should like to have our people interested in ships and in ship securities. It is the opinion of many of our business men and many of our shipping people that we shall not be able to maintain an American merchant marine unless we do get our people interested in shipping securities and in shipping. They say that under the present law people will not loan money upon ships, because they have practically no security; that their mortgages would be eaten up by repairs made in various ways after the mortgages are put on. They say that something of this kind is absolutely necessary. This provision has been considered by the business men and the business organizations of the country; it has been gone over again and again by those who are familiar with admiralty practice and admiralty claims, liens, and so forth. The chairman of the Shipping Board, Mr. Payne, urges this as one of the essentials for the building up the American merchant marine.

Mr. REED. He also urges the selling of our ships.

Mr. JONES of Washington. Yes; that is true. Of course, we may not agree with Mr. Payne in everything that he urges, but this provision is in harmony with the business sentiment both of the commercial people and those who will be affected by the bill. Mr. Homer Ferguson, of the Newport News Shipbuilding Co., urged it very strongly. He said, "Although we do a great deal of repair work we can protect ourselves"; and the repair people generally say that they can protect themselves; that they do not anticipate any special trouble about it. That is the purpose of this provision.

As I have said, I am not familiar with admiralty practice, admiralty law, and so on, and therefore can not enter into any argument with anyone with reference to it; but all of these people seem to think that by reason of vessels being a peculiar character of the property, and because of the peculiar use to which they are put and the situation that is presented, we must enact a different provision from that which has heretofore been the law; that the provision, as found in the bill, fully protects all the interests that are affected by it; and that it will tend to interest our people in shipping securities and in shipping property. Briefly, that is the situation that confronted the committee; and with the testimony that we had, which was as strong as it could be, from practically every interest, we thought this was a very wise provision to insert in the bill.

Mr. REED. What is the provision of the law of England with reference to priorities of claims as between a mortgagee and a repair man?

Mr. JONES of Washington. I do not think they have a provision of this kind in their law. I think theirs is the old common law.

Mr. REED. And it would appear from that that there is no difficulty over there in getting capital for ships?

Mr. JONES of Washington. They have encouraged their shipping in a great many ways. Of course, they have it already built up, while we are trying to build ours up. That is what we are trying to do, and this is one thing that the different interests think will help to do it.

If we can get something in advance of Great Britain, I hope we can do so, and we believe that this is a very necessary and very vital provision. That is the situation as it confronted the committee.

As I have said, I can not argue the proposition as to the questions of law involved, and that sort of thing; I do not pretend to be particularly familiar with them and will not argue them; but the situation I have described is the one we desire to meet, and we believe that this provision will do it.

Mr. REED. The question is whether it does meet it, and on that we should pass.

Mr. JONES of Washington. Certainly.

Mr. REED. Now, it appears from the Senator's information that Great Britain, which is the largest maritime power in the world, acts under the rule that repairs take precedence over mortgage liens, and they have built up a great fleet under that system.

Mr. NELSON. Mr. President——

Mr. REED. I yield to the Senator from Minnesota.

Mr. NELSON. The material changes this bill makes in connection with the matter now under discussion are found in section 32. I will quote from that section and briefly refer to it:

> Any person hereafter furnishing repairs, supplies, or other necessaries, including towage and the use of dry-dock or marine railway, to any vessel, whether foreign or domestic, upon the order of the owner of such vessel, or of a person by them or him authorized, shall have a maritime lien on the vessel.

That is the practice under general maritime law. Under that law there has always been such a lien for "furnishing repairs, supplies, or other necessaries, including towage," and so forth. While in such cases this bill gives a lien on the vessel, it subordinates that lien to any mortgage of record before it. The only liens that take precedence of a mortgage are those which are specified further along in the section. After reciting the liens to which I have referred, the bill continues:

> But such lien, and all other liens hereafter arising out of, or created by, any contract, express or implied, or for damages in the nature of demurrage not arising out of tort, except—

Here follow the only exceptions—

> liens for wages of crew and of stevedores when employed by the owner, master, ship's husband, or agent of said vessel, general average and salvage, including contract salvage (which shall be known as preferred liens and rank among themselves as they now do under the maritime law).

Those are the only maritime liens that are given a priority over a mortgage. The great change that is effected by this bill in respect to liens is in the first class to which I have referred. Under general maritime law the liens in that class have always been given a priority in order, amongst other reasons, that a ship reaching a foreign port in a disabled condition may be put into a dry dock or have repairs made or purchase supplies to enable her to proceed on her journey and not be stalled and tied up for good. In such a case the master has a right to incur such expenses, and they were always subject to a first maritime lien.

Mr. SMITH of Arizona. The purpose was to insure the preservation of the property upon which the mortgagee had loaned his money.

Mr. NELSON. Yes. Of course, the wages of sailors were included and were given a priority. So it is in the matter of general average and salvage which arise out of wrecks. The principle of general average comes into play where goods are jettisoned, as it is called in maritime law. When in order to save the ship and the lives of the crew any part of the freight is thrown overboard or jettisoned, in computing the damages there is a general average; that is, although the freight on board of a ship may consist of the goods of A, B, C, and D, and the goods jettisoned may be only those belonging to A, the goods of B, C, and D being left intact, yet in admiralty law, under the law of general average, the loss on account of the goods jettisoned is averaged so as to be borne not only by the owner whose goods were lost but also by the other parties whose goods are saved, because the jettisoning of the goods was for the safety of the ship and the safety of the remainder of the freight.

As I have said, this class of maritime liens, namely, liens for the wages of the crew and stevedores employed by the owner, general average and salvage are not subordinated to a mortgage. Salvage, as Senators know, is the saving of a ship, and contract salvage is where a bargain is made for salvage. All these are preferred liens and come prior to the mortgage. According to this bill the only liens subordinated to a mortgage are those relating to material furnished and to repairs and supplies.

Mr. JONES of Washington. Mr. President, will the Senator permit an interruption?

The PRESIDING OFFICER (Mr. HARRIS in the chair). Does the Senator from Minnesota yield to the Senator from Washington?

Mr. NELSON. Certainly.

Mr. JONES of Washington. This does not pretend, either, to affect those vessels in the ports of a foreign country. The matter would be governed there by the laws of the country. If a vessel is disabled, for instance, in Liverpool, the matter of the repairman's lien or claim will depend upon the laws of England, and it will not be affected at all by this bill. If the vessel has to be repaired and the law of England gives a repairman a claim superior to the mortgage, he can enforce it.

Mr. NELSON. Mr. President, this is all I care to say. I simply made this statement to call the attention of the Senator from Missouri to what I understood was the exception made in the bill.

Mr. REED. I am very much obliged to the Senator from Minnesota. I understood that it is the intention to have an executive session at this time.

Mr. JONES of Washington. If the Senator would like this to go over at this time, I shall have no objection.

Mr. REED. I should like to have that done. There are several amendments to the bill that have been suggested to me that I have not yet had time to analyze; but I understood that we were going into executive session at 4.30 o'clock, and I should be glad if the bill could be laid aside now for that purpose.

Mr. JONES of Washington. I was going to say that there are two or three sections just following this to which I do not think there will be any objection at all, with reference to seamen. If those could be read, then if any Senator wants them to go over, of course, I shall be glad to have it done, and to allow this section to go over.

Mr. REED. I should prefer that these sections be not passed on to-night. I do not like to be asking for delay on this bill. I know how anxious the Senator is to get it through. It is an important bill. Our minds have been engrossed with many matters; and, so far as I am concerned, I have been working on this paper committee, spending every spare moment on it that I had. I do not believe we would gain time by trying to get through with these matters to-night.

Mr. JONES of Washington. I want to say to the Senator that I appreciate that he has been busy. I know that he has not been able to attend these hearings and attend the consideration of the bill. Many other Senators are in the same situation with reference to various bills, and I want to utilize all the time that is possible in connection with this measure.

I want to say this to the Senator, though I do not ask him to take it as governing his action with reference to the bill: There is absolutely no division in the committee with reference to the bill as a whole, and the minority members of the committee have been just as careful and just as earnest in framing the bill as the majority members. We have had absolutely no division on this section and many of the other sections of the bill. The Senator from North Carolina [Mr. SIMMONS], the Senator from Louisiana [Mr. RANSDELL], the Senator from Oregon [Mr. CHAMBERLAIN], and the Senator from Florida [Mr. FLETCHER] are members of the committee and of the subcommittee of nine. While the Senator from Florida has been away, the other members of the committee have been here, and we have been in hearty accord with reference to the various provisions of the bill. I do not know of a single minority member who is opposed to any section of the bill.

I just state that so that the Senator will understand the result of the deliberations of the subcommittee and the full committee that attended to the hearings. As I say, I do not ask the Senator to take it as controlling his judgment.

Mr. REED. The political division of the committee would not affect me in the slightest. I know that the Senator in charge of the bill and the Senator from Minnesota would approach a question of this kind just as I hope I would—that is, in a disinterested way and an endeavor to get the best possible results.

Mr. JONES of Washington. That is what I wanted to convey to the Senator—that that is the way all the members of the committee considered this question. There was not any party consideration of any kind or character in connection with it.

Mr. SMOOT (to Mr. JONES of Washington). I should like to have an executive session at this time.

Mr. JONES of Washington. The Senator from Missouri would like to have this section go over. We are going to have an executive session now, and that will be satisfactory.

Mr. REED. Very well.

EXECUTIVE SESSION.

Mr. JONES of Washington. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 15 minutes spent in executive session the doors were reopened.

RECESS.

Mr. LODGE. I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 4 o'clock and 50 minutes p. m.) the Senate took a recess until to-morrow, Friday, May 14, 1920, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate May 13 (legislative day of May 11), 1920.

WAR FINANCE CORPORATION.

George R. Cooksey, of the District of Columbia, to be a director of the War Finance Corporation, to serve for a term of four years. (Reappointment.)

CIVIL SERVICE COMMISSION.

Herbert A. Filer, of Maryland, to be Chief Examiner of the Civil Service Commission.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 13 (legislative day of May 11), 1920.

DIRECTOR OF THE BUREAU OF FOREIGN AND DOMESTIC COMMERCE.

Roy S. MacElwee to be Director Bureau of Foreign and Domestic Commerce.

APPOINTMENTS AND PROMOTIONS IN THE NAVY.

Guy Whitlock to be a commander.

To be lieutenant commanders.

William H. Lee,
Harold H. Ritter,
Harvey W. McCormack, and
Louis J. Gulliver.

August Schulze to be a lieutenant.

Bernard F. Jenkins to be a lieutenant (junior grade).

Joseph L. Schwartz to be an assistant surgeon with the rank of lieutenant (junior grade).

Russell J. Trout to be a passed assistant surgeon with the rank of lieutenant.

To be assistant surgeons with the rank of lieutenant (junior grade).

Warren E. Bradbury,
William W. Hall,
William H. Wynn,
Martin A. Hatcher,
Thomas H. Taber, and
William H. Funk.

To be pay inspectors, with the rank of commander.

Charles W. Eliason,
John D. Robnett, and
Edward T. Hoopes.

To be paymasters, with the rank of lieutenant commander.

Irwin D. Coyle and
Paul A. Clarke.

Peter J. Penner to be a chief pay clerk.

Thomas B. Thompson to be a chaplain with the rank of lieutenant.

Daniel C. Nutting to be a naval constructor with the rank of captain.

Carl H. Cotter to be an assistant civil engineer with the rank of lieutenant (junior grade).

Harry Lee to be a brigadier general in the Marine Corps, for temporary service.

HOUSE OF REPRESENTATIVES.

THURSDAY, *May 13, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in heaven, in obedience to Thy behests, in the eternal evolution of things, help us as individuals to lay hold of the raw material with which Thou hast abundantly blessed us and develop from within the perfect man, as illustrated in the historic Christ, set forth in His Gospel, until we all come unto the measure of the stature of the fullness of Christ and thus—

Work out our own salvation with fear and trembling:

For it is God which worketh in us both to will and to do of His good pleasure.

For Thine is the kingdom, and the power, and the glory, forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message, in writing, from the President of the United States was communicated to the House of Representatitves, by Mr. Sharkey, one of his secretaries.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had disagreed to the amendments of the House of Representatives to the bill (S. 2789) for the consolidation of forest lands in the Sierra National Forest, Calif., and for other purposes; had asked a conference with the House on the disagreeing votes of the two Houses thereon; and had appointed Mr. SMOOT, Mr. FALL, and Mr. PHELAN as the conferees on the part of the Senate.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13555) making appropriations for fortifications and other works of defense, for the armament thereof, and for the procurement of heavy ordnance for trial and service for the fiscal year ending June 30, 1921, and for other purposes.

WATER TRANSPORTATION.

Mr. SMALL. Mr. Speaker, I ask unanimous consent to address the House for not exceeding 15 minutes.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to address the House for not exceeding 15 minutes. Is there objection? [After a pause.] The Chair hears none, and the gentleman from North Carolina is recognized. [Applause.]

Mr. SMALL. Mr. Speaker, I desire to submit some remarks upon the question of transportation and the relation of water transportation and waterways to the subject. It has been known of all for some years that the present facilities for distribution were not adequate to the needs of the country. The railroads admit that they are unable to cope with the existing demands for transportation. That has been demonstrated at different times for a number of years. We were confronted with it during the period of the war; it exists to-day. I find in the morning papers a very impressive communication sent out by the Associated Press, pointing out the need for additional cars, the congestion of cars, the conditions at railroad terminals. And the cry from the producers, whether of raw products or of manufactured articles, all over the country for relief is distressing. No one can read this article in the morning papers without being impressed with the serious condition which confronts the country. If additional facilities for transportation are to be provided, where shall the country turn? We may get some relief from the highways. There is a very decided movement all over the country on the part of the States and localities; there is a disposition on the part of Congress, as representatives of the Federal Government, to make larger expenditures in the construction of hard-surface roads, and with the extension of these roads and the multiplication of the motor trucks some relief for short-distance traffic will be afforded. But the highways will be far from giving an adequate solution.

The only instrumentalities to which the country can turn is the waterways. There has been throughout the country during recent years a revolution of public sentiment toward the more extended use of the waterways for transportation. And there is in the minds of serious-minded men everywhere, particularly upon the part of producers, a disposition to consider intelligently some effective means for an enlarged use of the water-

ways. That was exhibited by Congress in the recent railroad-control bill. There were some features in that bill which were intended primarily to promote and later advance the interest of water transportation. The attention of the country has been called to some of the essentials for water transportation to which I may very briefly advert. We must have the same interchange of traffic between the water lines and rail lines as has existed for years between different rail lines. The law heretofore has been to some extent inadequate, and that inadequacy has been emphasized by the inaction of the Interstate Commerce Commission in utilizing the law that was upon the statute books authorizing interchange of traffic between water lines and rail lines. The country recognizes that in order to afford interchange of traffic there must be at every city and port and town contiguous to a harbor or navigable waterway an adequate water terminal.

Mr. LINTHICUM. Will the gentleman yield?

Mr. SMALL. In just a minute I will yield.

Up to the present time Congress has not assumed the function of appropriating money for the construction of water terminals. What it will ultimately do is an open question, but for the present, at least, it is understood that these water terminals must be provided by the municipalities; that they must be owned and regulated in the interest of the public, and it is recognized that without these water terminals this interchange of traffic between water lines and rail lines will be impossible.

Now I yield to the gentleman from Maryland.

Mr. LINTHICUM. I want to say to the gentleman, in line with his statement now and previous statements made by him, that Baltimore is about to issue bonds for that purpose to the extent of $50,000,000, in order to aid the Government in its enterprise of water transportation.

Mr. SMALL. I am glad to give the gentleman an opportunity to advertise the Monumental City. Baltimore is doing well, better than it has in the past, and let us hope the future will demonstrate its good faith in providing these municipal water terminals so as to facilitate this interchange of traffic.

One objection heretofore to appropriations by Congress to rivers and harbors has come from the interior sections, who contended they were not benefited by the improvement of our navigable rivers. To a certain extent that criticism has been justified, because the improvement of the waterways has simply heretofore resulted in their use for local traffic. But with interchange of traffic the interior sections will get the benefit of the cheapened movement by water in so far as it can be carried by water and thence by transfer to the rail lines.

Mr. CLEARY. Will the gentleman yield for just a moment?

Mr. SMALL. I yield.

Mr. CLEARY. I presume the gentleman will not place the New York Barge Canal in his category of simply local traffic, because it carries into the center of the Continent, and the Erie Canal has done so during my whole life.

Mr. SMALL. My colleague on the River and Harbor Committee is entirely correct. The Erie Barge Canal is an instrumentality for interstate traffic and is of national importance.

Now, I repeat, that the sentiment of the country, including that great section, the Empire of the Middle West, has been drawn toward the necessity of the increased use of water transportation and its coordination with the railroads of the country. I have here before me a letter from Mr. M. C. Garber, editor of the Madison Courier, of Indiana, who I understand is a distinguished Republican and that his paper has a large circulation in that State. He incloses a clipping from a Cincinnati paper describing the recent movement of a large number of automobiles from Detroit by lake to Chicago and thence down the Desplaines and Illinois Rivers to the Mississippi, and thence to St. Louis.

And the same item refers to a further movement of automobiles to Memphis and other points on the lower Mississippi. During the active existence of the United States Railroad Administration, under authority of law there was authorized the purchase and construction of barges and towboats for operation on the lower Mississippi between St. Louis and New Orleans. Similarly, barges and towboats were authorized for the upper Mississippi between St. Louis and St. Paul and Minneapolis, and on other rivers of the Mississippi Valley efforts are being directed toward multiplying boats for the purpose of water transportation. I believe that these experiments will result in a successful demonstration, and that not only the great Mississippi but its tributaries will be used more largely in the future, not only for local transportation but for interchange of traffic with the railroads.

Now, Mr. Speaker, we can not have water transportation unless we improve and maintain our waterways. That admittedly is the exclusive function of Congress. What has been the attitude of Congress toward the improvement of rivers and harbors?

Beginning with 1910 the Rivers and Harbors Committee, under the guidance of its distinguished chairman, Mr. Alexander, of New York, initiated annual river and harbor bills. There has been no hiatus in the continuity of these annual bills since that time. A Democratic House was elected in 1910, and during the rule of that party in this House we had annual bills, and I have before me here a statement, prepared by the clerk to the Committee on Rivers and Harbors, giving the amount of the appropriations, the continuing contracts, the number of new projects, and the initial appropriation for each carried in every one of those bills. Under leave of the House, I append this table.

I would like to remind gentlemen that, so far as I know, during all the period of river and harbor legislation during these 20 years since I have been a Member of the House there has been no partisanship and little of sectionalism in river and harbor bills. The appropriations for this public purpose do not lend themselves to partisan consideration, and ought not to.

Now, this was a regular session for the enactment of the annual river and harbor bill. I submit to the House that this activity is just as important to the country, certainly just as important to-day, as any other activity of the Government, and this annual bill is entitled to the same careful consideration of Congress as the maintenance of any other activity by the Government.

The Committee on Rivers and Harbors at the beginning of this session began the preparation of a river and harbor bill. As they were proceeding they would have reported a bill, say, carrying $5,000,000 for maintenance, and appropriations for the further improvement of about 49 projects, totaling about $19,500,000, which, with the appropriation for emergencies, surveys, and contingencies would have made a bill not exceeding $25,000,000. I was informed that the majority leader directed or suggested that the committee report a bill carrying a lump sum of $12,000,000. Their action was predicated upon the necessity of economy. Certainly, as one Member, I am not criticizing the policy of economy in this session of Congress; but such a bill as the committee would have reported, and to which I have adverted briefly, would have represented the very highest degree of economy, an irreducible minimum in the appropriations which were necessary, in the opinion of the Chief of Engineers, for the maintenance of the completed projects and for further work upon projects which had been adopted but not completed.

Mr. MONDELL. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from North Carolina yield to the gentleman from Wyoming?

Mr. SMALL. Certainly.

Mr. MONDELL. I did not quite catch what the gentleman said about the action directing or attempting to direct the action of the committee. What was the gentleman's statement?

Mr. SMALL. To this effect, that the committee were informed that word had come from the majority leader that we should report a bill carrying a lump sum of $12,000,000, and that such action was necessary in the interest of economy.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that the gentleman may have two minutes more.

Mr. SMALL. Will the gentleman make it six minutes more?

The SPEAKER. The Chair does not think he should recognize a unanimous request for six minutes more.

Mr. MONDELL. I make it two minutes.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that the gentleman from North Carolina may proceed for two minutes more. Is there objection?

There was no objection.

Mr. MONDELL. I understood the gentleman to use the word "directed." If the gentleman will allow me, I will say this: There was no direction to anyone, by myself or anyone else, so far as I know. There were a number of conferences among gentlemen relative to the river and harbor bill, and a general agreement reached as to the scope of the bill; but that was an agreement reached by the majority members, and not under any coercion, and not at anyone's command, and not, strictly speaking, at anyone's suggestion outside of the committee.

Mr. CLEARY. Mr. Speaker——

Mr. SMALL. I can not yield.

Mr. CLEARY. I was going to ask unanimous consent that the gentleman may proceed for six minutes. I rarely ask the House for anything.

The SPEAKER. The gentleman is out of order. The gentleman from North Carolina [Mr. SMALL] has the floor.

Mr. CLEARY. I ask that the gentleman may proceed for six minutes.

The SPEAKER. The Chair does not recognize the gentleman from New York for that purpose. The gentleman from North Carolina has the floor.

Mr. SMALL. Without asking for additional time, Mr. Speaker, I wish to add this brief statement. It was not my purpose to make an offensive statement either about the majority leader or the majority action. I only wish to say this, without disparaging the motive of the gentleman from Wyoming or anyone. The gentlemen in the majority will have difficulty in convincing the country of their friendly attitude toward river and harbor legislation at this session. The bill passed the House on January 22, and passed the Senate on April 26, but up to this time the bill has not been sent to conference. It is said that failure to act has been due to the illness of the chairman of the committee, whose presence is desired by the majority leader to serve as House conferee. I am not disparaging the attitude of the gentleman from Wyoming with reference to the matter, except to say that this delay jeopardizes the passage of the bill at this session, and I wish the country to know that if the bill should fail, the fault will lie at the door of the majority. The way to get a river and harbor bill is to send it to conference and endeavor to reconcile the differences between the two Houses.

I hope the bill will not fail. The interests of the country demand that we should have this annual bill. I am not at this moment urging that the bill contain any particular sum. The bill as passed by the House carried an appropriation of $12,000,000. The Senate increased the same to $24,000,000. Conferees should be appointed. The House must act first. Let them try to reconcile the differences between the two bodies. We ought to have a river and harbor bill in order to preserve the continuity of the bill and maintain the activities of the Government in the improvement of rivers and harbors and the furnishing of additional instrumentalities of transportation. [Applause.]

The time granted to me expired before I could complete my remarks and, under leave of the House, I will extend same briefly. I do not intend in anything I have said to impute the slightest blame to Hon. CHARLES A. KENNEDY, the distinguished chairman of the Committee on Rivers and Harbors. He has been ill at his home since the bill passed the House last January. If he was here and physically able to discharge his duties he would and should be appointed chairman of the House conferees. In response to my inquiry he wired me on May 1 that he could not come to Washington and serve as conferee. I so notified the majority leader. Subsequently the majority leader informed me that he expects Mr. KENNEDY to return within one or two weeks. I can not believe that the chairman wishes to imperil the passage of the bill at this session. I am on the most cordial terms with the chairman and he possesses the confidence and respect of the entire committee. I deplore his illness and earnestly hope for his early recovery. However, he has not requested that the appointment of conferees be delayed on account of his unavoidable absence. He has long served with distinction as a member of this body and as member and chairman of the Committee on Rivers and Harbors. He is loyal to every duty and he would not knowingly delay or jeopardize the river and harbor bill.

Table showing some details of annual river and harbor acts from 1910 to 1919, inclusive.

Date of approval.	Cash appropriations.	Continuing contracts.		Total appropriations and authorizations.	New projects.			
		Number.	Amount.		Number.	Estimated cost.	Initial appropriation. Cash.	Initial appropriation. Continuing contract.
June 25, 1910	$41,327,238.50	16	$10,618,605.00	$51,845,843.50	179	$263,726,609.39	$22,205,068.50	$8,653,605.00
Feb. 27, 1911	23,855,342.00	33	13,101,645.00	36,956,987.00	8	2,160,481.00	1,178,981.00	1,081,500.00
July 25, 1912	31,059,370.50	1	2,200,000.00	33,259,370.50	78	37,217,446.00	7,131,768.00	.....
Mar. 4, 1913	41,073,094.00	9	6,795,800.00	47,868,894.00	39	13,920,806.00	4,259,276.00	2,028,800.00
Oct. 2, 1914	20,000,000.00	.....	.....	20,000,000.00	.....	.....	.....	.....
Mar. 4, 1915	25,000,000.00	.....	.....	25,000,000.00	.....	.....	.....	.....
July 27, 1916	40,598,135.00	6	2,287,950.00	42,886,085.00	18	4,992,675.00	2,072,225.00	1,077,950.00
Aug. 8, 1917	27,726,150.00	.....	.....	27,726,150.00	35	40,458,573.00	7,019,000.00	.....
July 18, 1918	23,771,900.00	1	82,700.00	23,854,600.00	8	58,638,500.00	4,204,350.00	82,700.00
Mar. 2, 1919	33,378,364.00	.....	.....	33,378,364.00	81	26,639,051.00	10,651,114.00	.....

Mr. BLANTON. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. I think we should have a quorum. I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. It is clear that there is no quorum present.

Mr. SMALL. Mr. Speaker, I ask leave to extend my remarks.

The SPEAKER. It can not be done when a point of no quorum is made.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Wyoming moves a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Aswell	Clark, Fla.	Ellsworth	Hayden
Bankhead	Cole	Elston	Heflin
Begg	Connally	Emerson	Hernandez
Blackmon	Cooper	Ferris	Hill
Bland, Ind.	Costello	Fields	Huddleston
Booher	Cramton	Flood	Hulings
Bowers	Curry, Calif.	Garland	Husted
Brinson	Darrow	Godwin, N. C.	Johnson, S. Dak.
Britten	Davis, Minn.	Goldfogle	Johnston, N. Y.
Browne	Dempsey	Goodwin, Ark.	Jones, Pa.
Brumbaugh	Denison	Gould	Kelley, Mich.
Burke	Dent	Graham, Pa.	Kelly, Pa.
Butler	Dewalt	Green, Iowa	Kendall
Campbell, Pa.	Donovan	Griest	Kennedy, Iowa
Caraway	Dooling	Griffin	Kennedy, R. I.
Carew	Drewry	Hadley	Kettner
Carss	Dyer	Hamill	Kiess
Carter	Eagle	Harrison	Kitchin
Casey	Edmonds	Hastings	Kreider
Lankford	Murphy	Rowan	Sullivan
Lazaro	Nolan	Sanders, Ind.	Summers, Wash.
Lesher	O'Connell	Schall	Temple
McCulloch	O'Connor	Scully	Tillman
McFadden	Porter	Sears	Vare
McKenzie	Purnell	Shreve	Voigt
McKinley	Ramsey	Sisson	Walsh
McLane	Ramseyer	Smith, Ill.	Walters
McPherson	Reber	Smith, N. Y.	Ward
Maher	Rhodes	Smithwick	Wheeler
Mason	Riddick	Snyder	Wise
Merritt	Riordan	Steagall	Wood, Ind.
Moore, Va.	Rodenberg	Steele	Yates
Moores, Ind.	Rose	Stephens, Ohio	
Morin	Rouse	Strong, Pa.	

The SPEAKER. On this vote 291 Members have answered to their names. A quorum is present.

Mr. ROGERS. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. The gentleman from Massachusetts moves to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

Mr. LARSEN. Mr. Speaker, when the point of no quorum was made I believe I had gained recognition for the purpose of submitting a request for unanimous consent. I ask unanimous consent to proceed for five minutes.

The SPEAKER. The gentleman from Georgia [Mr. LARSEN] asks unanimous consent to address the House for five minutes. Is there objection?

Mr. McLAUGHLIN of Michigan. I object.

The SPEAKER. The gentleman from Michigan objects.

Mr. SMALL. Mr. Speaker, I ask leave to revise and extend my remarks.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. McLAUGHLIN of Michigan. Mr. Speaker, I withdraw the objection I made to the request of the gentleman from Georgia [Mr. LARSEN].

The SPEAKER. The gentleman from Michigan withdraws the objection that he made to the request of the gentleman from Georgia to address the House for five minutes. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Georgia is recognized for five minutes. [Applause.]

BAPTISTS.

Mr. LARSEN. Mr. Speaker, I deeply appreciate the reconsideration of the gentleman who at first interposed objection to my proposed remarks. I hope I shall not consume more than the few minutes allotted me.

As perhaps you all know, the Southern Baptist Convention is now in session in this city. A very magnificent tribute was paid to the Baptist denomination by the Washington Herald yesterday morning, in a few lines, which I would like to read. At the conclusion of the reading I desire to speak briefly on a resolution which I will offer. The Washington Herald editorial of yesterday is as follows:

SOUTHERN BAPTISTS CONFER.

Up from the South a small army of Baptists have come to town to plan another year's campaign of one of the largest subdivisions of the Protestant forces of the Nation.

They are not folk with many theological vagaries "made in Germany." They have a limited assortment of "isms" tagged on to their Christian program. Clericalism and ecclesiasticism do not get much sympathy from these folk with Bunyan and Roger Williams as prototypes. They stress independence in their polity and direct Divine guidance in their faith; and their institutional discipline and social condemnation are severe on indulgence in things of the flesh.

The older American political and ethical ideals they will still fight for as voters and lawmakers, and they still rank Jesus as a safer guide to conduct than Plato, Goethe, or Lenin.

That is a very timely and, in my opinion, deserving compliment. I ask the Clerk at this time to read the resolution which I wish to offer.

The Clerk read as follows:

Whereas more than 8,000 messengers of the Southern Baptist denomination are now assembled in convention in this city: and

Whereas said denomination, with about 7,000,000 active members in the United States, claims to constitute the greatest single Protestant religious organization in this Nation; and

Whereas said denomination, with devotion to democratic institutions, expresses belief in religious liberty and complete separation of church from state matters: Therefore be it

Resolved, That we extend to said messengers a hearty welcome to the Nation's Capital and a cordial invitation while here to visit the legislative galleries and elsewhere about the Capitol Building and Grounds.

[Applause.]

Mr. LARSEN. The Constitution of the United States as originally adopted by our forefathers was, in my judgment, one of the greatest documents ever invented by the genius of man. But, great as it was, who at this time would say that it would have been complete, or that it would have given to the Nation that marvelous growth and development which it has without the adoption of the first amendment thereto? Let us read. Some of us, I fear, need to study it a little more in the future than we have in the past. I am sure all would profit by keeping it before us.

Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof, or abridging the freedom of speech or the press or the right of the people peaceably to assemble and to petition the Government for a redress of grievances.

May I be permitted to remind you that the Baptist denomination was largely instrumental in securing the adoption of that amendment? For proof of this statement we have such distinguished authority as Gen. Madison, the brother of President Madison, I believe. The Baptist work in that one respect alone entitles it to the everlasting gratitude not only of the people of this Nation but of mankind at large.

Throughout the ages no religious organization has more persistently stood for the right of the individual in the self-determination of all matters, whether of religion or government.

Where is the American to-day that does not cherish the memory of Roger Williams and would not point with pride to the great State of Rhode Island as the first Commonwealth established with absolute civil and religious liberty? It stands as a monument to Baptist principles and as the pride of liberty-loving citizens.

Baptists have always championed the cause of education, and have believed in extending its benefits not alone to the favored classes but to the masses. The kindergartens, common schools, colleges, universities, and theological seminaries established and maintained by them compare favorably with the best in this or any other land.

In matters of home and foreign missions the world can point with pride to few more shining lights than William Carey, of England, or Adoniram Judson and Luther Rice, of America.

Baptists are not content to let their honors rest upon the achievements of the past, and in this respect Southern Baptists are no exception to the rule. With an approximate organization of 25,000 churches and a membership of about 3,000,000 persons, they determined a year ago to raise $75,000,000 in cash and five-year subscriptions for the furtherance of all denominational work other than local. A campaign was organized within six months, approximately $90,000,000 were subscribed, and more than $12,000,000 of this amount has been paid in cash.

In 10 foreign fields the Southern Baptists last year employed 400 American missionaries and 800 native workers. They also operated in such territory 482 mission schools and 11 hospitals. The present plan contemplates doubling the forces within the next four years.

They also support two of the largest theological seminaries in the world, a large Bible institute, and 140 other educational institutions, ranging either from rural academy to college or university, and enrolling 20,000 students, and possessing property valued at $25,000,000.

Mr. Speaker, it is not my purpose at this time to ask the further indulgence of the House, nor the immediate consideration of the resolution. I simply bring it to the attention of the House. Understanding that the legislative program for to-day is such that I can not obtain consent for its consideration, I shall await such time as it may be convenient for the House to consider it. [Applause.]

AGRICULTURAL APPROPRIATIONS—CONFERENCE REPORT.

Mr. HAUGEN. Mr. Speaker, I call up the conference report on the Agricultural appropriation bill, H. R. 12272.

The SPEAKER. The gentleman from Iowa calls up the conference report on the Agricultural appropriation bill, which the Clerk will report.

Mr. HAUGEN. I ask unanimous consent that the reading of the report be dispensed with, and that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Iowa asks unanimous consent to dispense with the reading of the conference report, and that the statement of the House conferees be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement of the House conferees.

The committee of conference on the disagreeing votes of the two House on the amendments of the Senate to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 4, 11, 12, 13, 22, 23, 24, 36, 38, 42, 43, 44, 55, 58, 62, 64, 65, 68, 69, 70, 77, 80, 88, 89, 90, 95, 96, 97, 112, 115, 118, 122, 123, 130, 138, 139, 141, 147, 148, 149, 150, 153, 163, 167, 168, 170, 174, 175, 176, 177, 178, 182, 185, 191, 195, 196, 198, 199, 200, 205, 206, 211, 216, 218, 222, 223, 226, 227, 228, 231, 233, 234, 236, 238, 244, 246, 251, 253, 254, 255, 258, 263, 266, 268, 269, 273, 276, 278, and 281.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 5, 6, 7, 14, 15, 16, 17, 25, 30, 31, 32, 33, 34, 41, 48, 49, 50, 51, 52, 54, 56, 57, 60, 61, 71, 73, 74, 78, 81, 82, 83, 84, 85, 86, 91, 100, 102, 103, 104, 105, 106, 107, 108, 109, 110 111, 113, 117, 121, 124, 125, 126, 128, 131, 133, 134, 135, 136, 142, 143, 144, 146, 154, 155, 156, 157, 158, 160, 164, 169, 171, 172, 173, 179, 184, 188, 190, 192, 194, 201, 203, 207, 208, 210, 212, 213, 217, 229, 230, 235, 240, 241, 245, 256, 257, 261, 267, 275, and 280, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$465,260"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "Office of Farm Management and Farm Economics"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "Office of Farm Management and Farm Economics"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$75,390"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "Office of Farm Management and Farm Economics"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$300,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "Office of Farm Management and Farm Economics, $375,390"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "ten"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "5 clerks, at $900 each"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "twenty"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "1 printer or compositor, $1,200; 6 printers or compositors, at $1,080 each"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$344,450"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$700,000"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert:

"A commission composed of the Secretary of Agriculture, the Secretary of the Treasury, the Secretary of War, and the Secretary of the Navy is hereby appointed to make an examination of the premises known as Mount Weather, situated at Mount Weather, in the counties of Loudoun and Clarke, in the State of Virginia, and comprising 84.81 acres of land, more or less, together with the buildings and other improvements thereon, including laboratories, cottages, sheds, stables, shops, heating and power plant, kite shelter, and other buildings of whatever nature, together with all the rights, easements, and appurtenances thereto belonging, and to report to Congress on the first day of the next session thereof, whether said premises can be suitably used as a sanitarium or as a home for disabled soldiers, sailors, or marines, or can be profitably utilized in any other way in connection with any other governmental function, and to make such recommendation in the premises as in the judgment of the commission may be deemed to the best interest of the Government."

And the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$1,876,550"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "ten"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "two hundred"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "15 clerks, at $1,100 each; 10 clerks, at $1,080 each; 12 clerks, at $1,020 each; 70 clerks, at $1,000 each; 6 clerks, at $960 each; 12 clerks, at $900 each"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$669,230"; and the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "$325,000"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$40,000"; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$3,917,346"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$5,479,156"; and the Senate agree to the same.

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "26 clerks, at $900 each; 1 clerk or draftsman, $900"; and the Senate agree to the same.

Amendment numbered 75: That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "5 messenger boys, at $420 each"; and the Senate agree to the same.

Amendment numbered 76: That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$517,300"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$101,410"; and the Senate agree to the same.

Amendment numbered 87: That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$159,000"; and the Senate agree to the same.

Amendment numbered 92: That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$2,247,678"; and the Senate agree to the same.

Amendment numbered 94: That the House recede from its disagreement to the amendment of the Senate numbered 94, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$2,764,978"; and the Senate agree to the same.

Amendment numbered 98: That the House recede from its disagreement to the amendment of the Senate numbered 98, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "one hundred"; and the Senate agree to the same.

Amendment numbered 99: That the House recede from its disagreement to the amendment of the Senate numbered 99, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$2,478,380"; and the Senate agree to the same.

Amendment numbered 101: That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment as follows: In lieu

of the matter proposed by the Senate amendment, insert "including tree planting in the forest reserves, to prevent erosion, drift, surface wash, and soil waste and the formation of floods, and"; and the Senate agree to the same.

Amendment numbered 114: That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$50,000"; and the Senate agree to the same.

Amendment numbered 119: That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$3,402,442"; and the Senate agree to the same.

Amendment numbered 120: That the House recede from its disagreement to the amendment of the Senate numbered 120, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$5,870,822"; and the Senate agree to the same.

Amendment numbered 127: That the House recede from its disagreement to the amendment of the Senate numbered 127, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$907,401"; and the Senate agree to the same.

Amendment numbered 129: That the House recede from its disagreement to the amendment of the Senate numbered 129, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$1,333,591"; and the Senate agree to the same.

Amendment numbered 132: That the House recede from its disagreement to the amendment of the Senate numbered 132, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "4 clerks, at $1,000 each"; and the Senate agree to the same.

Amendment numbered 137: That the House recede from its disagreement to the amendment of the Senate numbered 137, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$79,840"; and the Senate agree to the same.

Amendment numbered 140: That the House recede from its disagreement to the amendment of the Senate numbered 140, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$542,215"; and the Senate agree to the same.

Amendment numbered 145: That the House recede from its disagreement to the amendment of the Senate numbered 145, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$132,790"; and the Senate agree to the same.

Amendment numbered 151: That the House recede from its disagreement to the amendment of the Senate numbered 151, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$250,000"; and the Senate agree to the same.

Amendment numbered 152: That the House recede from its disagreement to the amendment of the Senate numbered 152, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$1,123,460"; and the Senate agree to the same.

Amendment numbered 159: That the House recede from its disagreement to the amendment of the Senate numbered 159, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$67,450"; and the Senate agree to the same.

Amendment numbered 161: That the House recede from its disagreement to the amendment of the Senate numbered 161, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$718,435"; and the Senate agree to the same.

Amendment numbered 162: That the House recede from its disagreement to the amendment of the Senate numbered 162, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment, insert "$785,885"; and the Senate agree to the same.

Amendment numbered 165: That the House recede from its disagreement to the amendment of the Senate numbered 165, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "2 clerks, at $1,000 each"; and the Senate agree to the same.

Amendment numbered 166: That the House recede from its disagreement to the amendment of the Senate numbered 166, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$49,820"; and the Senate agree to the same.

Amendment numbered 180: That the House recede from its disagreement to the amendment of the Senate numbered 180, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "twelve"; and the Senate agree to the same.

Amendment numbered 181: That the House recede from its disagreement to the amendment of the Senate numbered 181, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "ten"; and the Senate agree to the same.

Amendment numbered 183: That the House recede from its disagreement to the amendment of the Senate numbered 183, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$242,020"; and the Senate agree to the same.

Amendment numbered 186: That the House recede from its disagreement to the amendment of the Senate numbered 186, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$374,090"; and the Senate agree to the same.

Amendment numbered 187: That the House recede from its disagreement to the amendment of the Senate numbered 187, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "forty"; and the Senate agree to the same.

Amendment numbered 189: That the House recede from its disagrement to the amendment of the Senate numbered 189, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "15 clerks, at $900 each"; and the Senate agree to the same.

Amendment numbered 193: That the House recede from its disagreement to the amendment of the Senate numbered 193, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$130,580"; and the Senate agree to the same.

Amendment numbered 197: That the House recede from its disagreement to the amendment of the Senate numbered 197, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$318,656"; and the Senate agree to the same.

Amendment numbered 202: That the House recede from its disagreement to the amendment of the Senate numbered 202, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "4 clerks, at $900 each; 1 clerk, at $840"; and the Senate agree to the same.

Amendment numbered 204: That the House recede from its disagreement to the amendment of the Senate numbered 204, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$54,480"; and the Senate agree to the same.

Amendment numbered 209: That the House recede from its disagreement to the amendment of the Senate numbered 209, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$234,880"; and the Senate agree to the same.

Amendment numbered 214: That the House recede from its disagreement to the amendment of the Senate numbered 214, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$4,635,280"; and the Senate agree to the same.

Amendment numbered 215: That the House recede from its disagreement to the amendment of the Senate numbered 215, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$4,870,160"; and the Senate agree to the same.

Amendment numbered 219: That the House recede from its disagreement to the amendment of the Senate numbered 219, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "2 clerks, at $900 each"; and the Senate agree to the same.

Amendment numbered 220: That the House recede from its disagreement to the amendment of the Senate numbered 220, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$117,300"; and the Senate agree to the same.

Amendment numbered 221: That the House recede from its disagreement to the amendment of the Senate numbered 221, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert:

"For conducting field experiments and various methods of road construction and maintenance and investigations concerning various road materials and preparations; for investigating and developing equipment intended for the preparation and application of bituminous and other binders; for the purchase of materials and equipment; for the employment of assistants and labor, $25,000."

And the Senate agree to the same.

Amendment numbered 224: That the House recede from its disagreement to the amendment of the Senate numbered 224, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$447,-720"; and the Senate agree to the same.

Amendment numbered 225: That the House recede from its disagreement to the amendment of the Senate numbered 225, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$515,-020"; and the Senate agree to the same.

Amendment numbered 232: That the House recede from its disagreement to the amendment of the Senate numbered 232, and agree to the same with an amendment as follows: In lieu of the number proposed by the Senate amendment insert "173"; and the Senate agree to the same.

Amendment numbered 237: That the House recede from its disagreement to the amendment of the Senate numbered 237, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "two machine operators, at $1,400 each"; and the Senate agree to the same.

Amendment numbered 239: That the House recede from its disagreement to the amendment of the Senate numbered 239, and agree to the same with an amendment as follows: In lieu of the matter stricken out by the Senate amendment insert "two machine operators, at $900 each"; and the Senate agree to the same.

Amendment numbered 242: That the House recede from its disagreement to the amendment of the Senate numbered 242, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$710-650"; and the Senate agree to the same.

Amendment numbered 243: That the House recede from its disagreement to the amendment of the Senate numbered 243, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "$300,-000: *Provided*, That not less than $20,000 shall be used for a study of the methods of prevention of losses by deterioration, decay, and freezing of fruits and vegetables in storage and in transit in refrigerator cars, heater cars, and ocean vessels, including demonstrations of such methods"; and the Senate agree to the same.

Amendment numbered 247: That the House recede from its disagreement to the amendment of the Senate numbered 247, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$70,000"; and the Senate agree to the same.

Amendment numbered 248: That the House recede from its disagreement to the amendment of the Senate numbered 248, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$1,096,-825"; and the Senate agree to the same.

Amendment numbered 250: That the House recede from its disagreement to the amendment of the Senate numbered 250, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$35,000"; and the Senate agree to the same.

Amendment numbered 252: That the House recede from its disagreement to the amendment of the Senate numbered 252, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$2,538,709"; and the Senate agree to the same.

Amendment numbered 259: That the House recede from its disagreement to the amendment of the Senate numbered 259, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$125,450"; and the Senate agree to the same.

Amendment numbered 260: That the House recede from its disagreement to the amendment of the Senate numbered 260, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$160,750"; and the Senate agree to the same.

Amendment numbered 262: That the House recede from its disagreement to the amendment of the Senate numbered 262, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$194,050"; and the Senate agree to the same.

Amendment numbered 264: That the House recede from its disagreement to the amendment of the Senate numbered 264, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "and to enable the Secretary of Agriculture to cooperate with the War Department in the maintenance of an air patrol for fire prevention and suppression on the national forests of the Pacific coast and the Rocky Mountain regions, $50,000: *Provided*, That no part of this appropriation shall be used for the purchase of land or airplanes or for the construction of buildings; in all, $300,000"; and the Senate agree to the same.

Amendment numbered 265: That the House recede from its disagreement to the amendment of the Senate numbered 265, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$125,000"; and the Senate agree to the same.

Amendment numbered 270: That the House recede from its disagreement to the amendment of the Senate numbered 270, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert, on page 103, line 5, after the word "*Provided*," the following: "That not more than $10,000 may be used for the eradication of the blowfly and screw worm in live stock and poultry: *Provided further*"; and the Senate agree to the same.

Amendment numbered 271: That the House recede from its disagreement to the amendment of the Senate numbered 271, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$488,560"; and the Senate agree to the same.

Amendment numbered 272: That the House recede from its disagreement to the amendment of the Senate numbered 272, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert "$325,000, of which amount $200,000 shall be immediately available"; and the Senate agree to the same.

Amendment numbered 274: That the House recede from its disagreement to the amendment of the Senate numbered 274, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert:

"Prevention of spread of European corn borer: To enable the Secretary of Agriculture to meet the emergency caused by the spread of the European corn borer, and to provide means for the control and prevention of spread of this insect throughout the United States, in cooperation with the States concerned, including employment of persons and means in the city of Washington and elsewhere, and all other necessary expenses, $400,000, of which $250,000 shall be immediately available."

And the Senate agree to the same.

Amendment numbered 277: That the House recede from its disagreement to the amendment of the Senate numbered 277, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert:

"Short-time rural credits committee: There is hereby constituted a joint committee of the Senate and House of Representatives, to consist of the chairman of the Senate Committee on Agriculture and Forestry, the chairman of the House Committee on Agriculture, and the chairmen of the Committees on Banking and Currency of the two Houses, and two other members of each of said committees, to be designated by the chairmen of the respective committees, and it shall be the duty of said joint committee to investigate and report at as early a date as may be possible as to the practicability of establishing a system of short-time rural credits in the United States and to recommend such legislation as may be deemed practicable and desirable to that end. The said committee is hereby authorized to hold meetings either during or between sessions.

"The sum of $5,000 is hereby appropriated, the same to be immediately available, out of any funds in the Treasury not otherwise appropriated, to defray all necessary expenses of said joint committee, payment of said expenses to be made upon vouchers approved by the chairman of said joint committee, who shall be selected by the committee."

And the Senate agree to the same.

Amendment numbered 279: That the House recede from its disagreement to the amendment of the Senate numbered 279, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert:

"The Secretary of Agriculture is authorized to acquire by gift, devise, or by purchase in fee simple for a sum not to exceed $1 for each site, the sites now occupied by field stations at Chico, Calif., consisting of about 80 acres and used for propagating, testing, and distributing new plant introductions; the site at Bellingham, Wash., consisting of about 60 acres and used as a bulb station and for propagating, testing, and distributing new crop plants; and the sites at Buena Vista, Fla., and Savannah, Ga., consisting of about 25 acres and about 46 acres, respectively, and used for propagating, testing, and distributing new crop plants peculiarly adapted to the warmer parts of the United States."

And the Senate agree to the same.

Amendment numbered 282: That the House recede from its disagreement to the amendment of the Senate numbered 282, and agree to the same with an amendment as follows: In lieu

of the sum proposed by the Senate amendment insert "$31,475,368"; and the Senate agree to the same.

On the amendments of the Senate numbered 93, 116, and 249 the committee of conference has been unable to agree.

G. N. HAUGEN,
J. C. MCLAUGHLIN,
GORDON LEE,
Managers on the part of the House.

A. J. GRONNA,
G. W. NORRIS,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conference committee, and submitted in the accompanying conference report, as to each of the amendments of the Senate, namely:

Amendment No. 1 increases the number of Assistant Secretaries of Agriculture at $5,000 from one to two. The Senate recedes.

Amendment No. 2 increases the number of clerks, class 2, from 17 to 20. The Senate recedes.

Amendment No. 3 increases the number of clerks, class 1, from 23 to 31. The Senate recedes.

Amendment No. 4 strikes out two clerks, at $1,100 each; one clerk, $1,020. The Senate recedes.

Amendment No. 5 decreases the number of clerks at $900 from 18 to 7. The House recedes.

Amendment No. 6 strikes out two clerks, at $840 each. The House recedes.

Amendment No. 7 increases the salary of one elevator machinist from $900 to $1,200. The House recedes.

Amendment No. 8 represents an amended total.

Amendments Nos. 9 and 10 change the name of "Office of Farm Management" to "Bureau of Farm Management and Farm Economics." The House recedes and agrees with an amendment substituting for the matter proposed "Office of Farm Management and Farm Economics."

Amendment No. 11 changes "Office" to "Bureau." The Senate recedes.

Amendment No. 12 adds three clerks, at $1,500 each. The Senate recedes.

Amendment No. 13 increases the number of clerks, class 2, from three to six. The Senate recedes.

Amendment No. 14 increases the number of clerks, class 1, from 8 to 18. The House recedes.

Amendment No. 15 increases the number of clerks at $1,000 from 10 to 12. The House recedes.

Amendment No. 16 strikes out nine clerks, at $900 each; one clerk or map tracer, $840. The House recedes.

Amendment No. 17 strikes out two draftsmen, at $900 each. The House recedes.

Amendment No. 18 represents an amended total.

Amendment No. 19 changes the name of "Office of Farm Management" to "Bureau of Farm Management and Farm Economics." The House recedes and agrees with an amendment substituting for the matter proposed "Office of Farm Management and Farm Economics."

Amendment No. 20 increases the appropriation for farm management and farm practice investigations from $250,000 to $377,000. The House recedes and agrees with an amendment substituting $300,000 for the sum proposed.

Amendment No. 21 changes "Office of Farm Management" to "Bureau of Farm Management and Farm Economics," and also represents an amended total. The House recedes, and agrees with an amendment substituting for the matter proposed "Office of Farm Management and Farm Economics, $375,390."

Amendment No. 22 increases the number of clerks, class 4, from 8 to 11. The Senate recedes.

Amendment No. 23 increases the number of clerks, class 3, from 11 to 14. The Senate recedes.

Amendment No. 24 increases the number of clerks, class 2, from 23 to 28. The Senate recedes.

Amendment No. 25 increases the number of clerks, class 1, from 33 to 46. The House recedes.

Amendment No. 26 decreases the number of clerks at $1,000 from 26 to 2. The House recedes, and agrees with an amendment substituting 10 for the number proposed.

Amendment No. 27 strikes out 10 clerks at $900 each. The House recedes, and agrees with an amendment substituting 5 for the number stricken out.

Amendment No. 28 increases the number of printers or compositors at $1,300 from 14 to 24. The House recedes, and agrees with an amendment substituting 20 for the number proposed.

Amendment No. 29 strikes out one printer or compositor, $1,200; six printers or compositors, at $1,080 each; five printers or compositors at $1,000 each. The House recedes, and agrees with an amendment restoring one printer or compositor, $1,200; six printers or compositors, at $1,080 each.

Amendment No. 30 increases the number of skilled mechanics at $1,000 from 5 to 12. The House recedes.

Amendment No. 31 strikes out one skilled mechanic, $840; six skilled artisans, at $840 each. The House recedes.

Amendment No. 32 strikes out one fireman and steam fitter, $840. The House recedes.

Amendment No. 33 strikes out one repair man, $960, and inserts eight repair men, at $1,000 each. The House recedes.

Amendment No. 34 strikes out four repair men, at $840 each; six repair men, at $720 each. The House recedes.

Amendment No. 35 represents an amended total.

Amendment No. 36 increases the appropriation for necessary expenses of the Weather Bureau outside of the city of Washington from $1,303,030 to $1,373,430. The Senate recedes.

Amendment No. 37 increases the amount set aside for salaries in the Weather Bureau outside the city of Washington from $672,500 to $726,800. The House recedes, and agrees with an amendment substituting for the amount proposed $700,000.

Amendment No. 38 represents an amended total.

Amendment No. 39 authorizes the sale of the premises known as Mount Weather. The House recedes, and agrees with an amendment substituting for the matter proposed the following:

"A commission composed of the Secretary of Agriculture, the Secretary of the Treasury, the Secretary of War, and the Secretary of the Navy is hereby appointed to make an examination of the premises known as Mount Weather, situated at Mount Weather, in the counties of Loudoun and Clarke, in the State of Virginia, and comprising 84.81 acres of land, more or less, together with the buildings and other improvements thereon, including laboratories, cottages, sheds, stables, shops, heating and power plant, kite shelter, and other buildings of whatever nature, together with all the rights, easements, and appurtenances thereto belonging, and to report to Congress on the first day of the next session thereof whether said premises can be suitably used as a sanitarium or as a home for disabled soldiers, sailors, or marines, or can be profitably utilized in any other way in connection with any other governmental function, and to make such recommendation in the premises as in the judgment of the commission may be deemed to the best interest of the Government."

Amendment No. 40 represents an amended total.

Amendment No. 41 increases the number of executive clerks at $2,000 from four to six. The House recedes.

Amendment No. 42 increases the number of clerks, class 4, from 10 to 22. The Senate recedes.

Amendment No. 43 increases the number of clerks, class 3, from 15 to 27. The Senate recedes.

Amendment No. 44 increases the number of clerks at $1,500 from 7 to 17. The Senate recedes.

Amendment No. 45 increases the number of clerks at $1,320 from 4 to 19. The House recedes and agrees with an amendment substituting 10 for the number proposed.

Amendment No. 46 increases the number of clerks, class 1, from 161 to 237. The House recedes and agrees with an amendment, substituting 200 for the number proposed.

Amendment No. 47 strikes out 15 clerks, at $1,100 each; 10 clerks, at $1,080 each; 12 clerks, at $1,020 each; 70 clerks, at $1,000 each; 14 clerks, at $960 each; 53 clerks, at $900 each. The House recedes and agrees with an amendment decreasing the number of clerks at $960 each to 6, and the number at $900 each to 12.

Amendment No. 48 strikes out 2 laboratory helpers, at $1,020 each; 1 laboratory helper, at $1,000; 1 laboratory helper, $960; 2 laboratory helpers, at $840 each; 1 laboratory helper, $720; 2 laboratory helpers, at $600 each; and inserts 6 laboratory assistants, at $1,200 each. The House recedes.

Amendment No. 49 adds 50 laborers, at $960 each. The House recedes.

Amendment No. 50 strikes out 4 laborers, at $660 each; 24 laborers, at $600 each; 32 laborers, at $540 each; 30 laborers, at $480 each. The House recedes.

Amendment No. 51 adds 5 messenger boys, at $540 each. The House recedes.

Amendment No. 52 strikes out 8 messenger boys, at $360 each. The House recedes.

Amendment No. 53 represents an amended total.

Amendment No. 54 increases the appropriation for eradication of tuberculosis of animals from $1,300,000 to $1,480,440. The House recedes.

Amendment No. 55 strikes out a provision making $100,000 immediately available for administrative and operating expenses in eradication of tuberculosis of animals. The Senate recedes.

Amendment No. 56 increases the amount to be set aside for the payment of indemnities when animals infected with tuberculosis are destroyed from $500,000 to $680,440. The House recedes.

Amendment No. 57 inserts the word "hereafter" in the proviso relative to the reshipment to the original owner of cattle which have reacted to the tuberculin test. The House recedes.

Amendment No. 58 makes immediately available for administrative and operating expenses in the eradication of tuberculosis of animals $200,000 of the appropriation for the payment of indemnities, carried in the Agricultural appropriation act for 1920. The Senate recedes.

Amendment No. 59 increases the appropriation for dairy investigation from $300,000 to $350,000, and adds a proviso authorizing the expenditure of $50,000 in areas freed of southern cattle ticks for live stock and dairy demonstration work in cooperation with States Relation Service. The House recedes and agrees with an amendment substituting $325,000 for the sum proposed and eliminating the proviso.

Amendment No. 60 increases the appropriation for animal husbandry investigations from $269,180 to $302,820. The House recedes.

Amendment No. 61 increases the amount set aside for experiments in poultry feeding and breeding from $25,000 to $58,640. The House recedes.

Amendment No. 62 increases the appropriation for animal disease investigations from $106,400 to $139,800. The Senate recedes.

Amendment No. 63 increases the amount set aside for research and prevention of the disease of contagious abortion of animals from $25,000 to $47,720. The House recedes and agrees with an amendment substituting $40,000 for the amount proposed.

Amendment No. 64 increases the appropriation for investigating the disease of hog cholera from $410,000 to $641,045. The Senate recedes.

Amendment No. 65 strikes out "shall" and inserts "may" in the proviso, making $188,280 available for expenditure in carrying out the provisions of the act approved March 4, 1913, regulating the preparation, sale, barter, exchange, or shipment of virus, serum, toxin, or analogous product. The Senate recedes.

Amendment No. 66 represents an amended total.

Amendment No. 67 represents an amended total.

Amendment No. 68 increases the number of clerks, class 3, from 17 to 18. The Senate recedes.

Amendment No. 69 increases the number of clerks, at $1,500 each, from 5 to 15. The Senate recedes.

Amendment No. 70 increases the number of clerks, class 2, from 28 to 43. The Senate recedes.

Amendment No. 71 increases the number of clerks, class 1, from 86 to 89. The House recedes.

Amendment No. 72 strikes out 43 clerks, at $900 each; 1 clerk or draftsman, $900. The House recedes and agrees with an amendment restoring 26 clerks, at $900 each; 1 clerk or draftsman, $900.

Amendment No. 73 increases the number of messengers or laborers, at $720, from 44 to 53. The House recedes.

Amendment No. 74 increases the number of messenger boys, at $660, from three to five. The House recedes.

Amendment No. 75 strikes out 5 messenger boys, at $420 each; 16 messenger boys, at $360 each. The House recedes and agrees with an amendment restoring 5 messenger boys, at $420 each.

Amendment No. 76 represents an amended total.

Amendment No. 77 increases the appropriation for investigation of diseases of orchards and other fruits from $80,935 to $90,935. The Senate recedes.

Amendment No. 78 increases the appropriation for investigating the physiology of crop plants from $40,060 to $46,860. The House recedes.

Amendment No. 79 increases the appropriation for crop acclimatization and fiber-plant investigations from $86,410 to $111,410. The House recedes and agrees with an amendment substituting $101,410 for the sum proposed.

Amendment No. 80 strikes out the following proviso: "*Provided*, That not more than $7,500 of this sum may be used for experiments in cottonseed interbreeding." The Senate recedes.

Amendment No. 81 decreases the appropriation for drug-plant and poisonous-plant investigations from $59,820 to $39,820. The House recedes.

Amendment No. 82 strikes out the appropriation of $32,500 for biophysical investigation. The House recedes.

Amendment No. 83 increases the appropriation for studying and testing commercial seeds and carrying out the provisions of the act to prohibit the admission into the United States of certain adulterated grain and seeds unfit for seeding purposes from $36,680 to $41,680. The House recedes.

Amendment No. 84 increases the appropriation for cereal investigation from $212,550 to $359,705. The House recedes.

Amendment No. 85 adds the following proviso: "*Provided also*, That $147,200 shall be set aside for the location of and destruction of the barberry bushes and other vegetation from which such rust spores originate." The House recedes.

Amendment No. 86 increases the appropriation for sugar-beet investigation from $85,000 to $94,115. The House recedes.

Amendment No. 87 increases the appropriation for dry-land agricultural investigations from $150,000 to $169,000. The House recedes and agrees with an amendment substituting $159,000 for the sum proposed.

Amendment No. 88 adds to the paragraph authorizing western irrigation agricultural investigation, the following language: "and the treatment, restoration, and protection from erosion, wash, or drift by tree planting or other methods of deforested, burned over, or flood-formed lands or sands lands." The Senate recedes.

Amendment No. 89 increases the appropriation for western irrigation agricultural investigations from $52,380 to $73,580. The Senate recedes.

Amendment No. 90 increases the appropriation for horticultural investigations from $71,940 to $86,940. The Senate recedes.

Amendment No. 91 increases the appropriation for foreign seed and plant introduction from $82,700 to $92,700. The House recedes.

Amendment No. 92 represents an amended total.

Amendment No. 93 strikes out an appropriation of $239,416 for the purchase and distribution of valuable seeds. The conferees have been unable to agree as to this amendment.

Amendment No. 94 represents an amended total.

Amendment No. 95 increases the number of clerks at $1,800 from 19 to 26. The Senate recedes.

Amendment No. 96 increases the number of clerks at $1,600 from 21 to 28. The Senate recedes.

Amendment No. 97 increases the number of clerks at $1,500 from 9 to 29. The Senate recedes.

Amendment No. 98 decreases the number of clerks at $900 from 122 to 62. The House recedes and agrees with an amendment substituting 100 for the number proposed.

Amendment No. 99 represents an amended total.

Amendment No. 100 inserts the words "or," "as," "improved" in the proviso limiting the cost of buildings erected on the national forests. The House recedes.

Amendment No. 101 inserts in the paragraph giving general authority for the administration of the national forests language authorizing the building of check dams and other works to prevent erosion, drift, surface wash and soil waste, and the formation of flood lands in the forest reserves. The House recedes and agrees with an amendment substituting for the matter proposed the following: "Including tree planting in the forest reserves to prevent erosion, drift, surface wash and soil waste, and the formation of floods, and."

Amendment No. 102 increases the appropriation for the Apache National Forest, Ariz., from $8,709 to $9,779. The House recedes.

Amendment No. 103 increases the appropriation for Arkansas National Forest, Ark., from $10,730 to $15,730. The House recedes.

Amendment No. 104 increases the appropriation for Beartooth National Forest, Mont., from $5,437 to $7,597. The House recedes.

Amendment No. 105 increases the appropriation for Custer National Forest, Mont. and S. Dak., from $2,830 to $5,470. The House recedes.

Amendment No. 106 increases the appropriation for Medicine Bow National Forest, Wyo., from $6,450 to $9,450. The House recedes.

Amendment No. 107 increases the appropriation for the Plumas National Forest, Calif., from $19,803 to $24,203. The House recedes.

Amendment No. 108 increases the appropriation for the Santa Barbara National Forest, Calif., from $9,774 to $10,774. The House recedes.

Amendment No. 109 increases the appropriation for Siskiyou National Forest, Oreg., and Calif., from $12,660 to $16,360. The House recedes.

Amendment No. 110 increases the appropriation for additional national forests of which condemnation proceedings have been instituted from $76,850 to $84,750. The House recedes.

Amendment No. 111 represents an amended total.

Amendment No. 112 increases the appropriation for supplies and equipment from $150,000 to $161,100. The Senate recedes.

Amendment No. 113 increases the appropriation for the forest products laboratory from $173,260 to $223,260. The House recedes.

Amendment No. 114 increases the appropriation for silvicultural investigations from $35,000 to $103,728. The House recedes and agrees with an amendment substituting $50,000 for the sum proposed.

Amendment No. 115 makes available $45,000 for the establishment and maintenance of a forest experiment station at Asheville, N. C. The Senate recedes.

Amendment No. 116 decreases the appropriation for ascertaining and appraising timber on the national forests from $105,000 to $80,000 and strikes out the following proviso: "*Provided*, That $25,000 may be used by the Secretary of Agriculture for the purpose of ascertaining the appraised value of pasturage upon the national forests, which appraised value, when determined, may, in the discretion of the Secretary of Agriculture, be made the basis of the charge for grazing permits upon such forests." The conferees have been unable to agree as to this amendment.

Amendment No. 117 increases the appropriation for miscellaneous forest investigations from $25,000 to $31,280. The House recedes.

Amendment No. 118 increases the appropriation for the improvement of national forests from $400,000 to $450,000. The Senate recedes.

Amendment No. 119 represents an amended total.

Amendment No. 120 represents an amended total.

Amendment No. 121 increases the appropriation for investigation in agricultural chemistry from $66,400 to $70,400. The House recedes.

Amendment No. 122 increases the appropriation for poultry, egg, fish, and oyster investigations from $52,880 to $62,880. The Senate recedes.

Amendment No. 123 increases the appropriation for the enforcement of food and drugs act from $579,361 to $629,361. The Senate recedes.

Amendment No. 124 appropriates $40,000 for the enforcement of the tea-importation act and provides for the transfer from the Treasury Department to the Department of Agriculture of the powers and duties relating to the administration of the act. The House recedes.

Amendment No. 125 increases the appropriation for the insecticide and fungicide investigation from $20,000 to $25,000. The House recedes.

Amendment No. 126 increases the appropriation for the investigation of methods of utilizing wool-scouring waste from $6,000 to $9,000. The House recedes.

Amendment No. 127 represents an amended total.

Amendment No. 128 strikes out appropriation for the enforcement of the tea-importation act and the transfer of the administration of the act from the Treasury Department to the Department of Agriculture. The House recedes.

Amendment No. 129 represents an amended total.

Amendment No. 130 increases the number of clerks, class 2, from five to seven. The Senate recedes.

Amendment No. 131 increases the number of clerks, class 1, from 10 to 13. The House recedes.

Amendment No. 132 strikes out seven clerks at $1,000 each. The House recedes and agrees with an amendment substituting four for the number of clerks stricken out.

Amendment No. 133 increases the number of draftsmen at $1,200 from six to eight. The House recedes.

Amendment No. 134 strikes out two draftsmen at $1,000 each. The House recedes.

Amendment No. 135 strikes out one messenger or laborer, $480. The House recedes.

Amendment No. 136 adds one messenger or laborer, $660. The House recedes.

Amendment No. 137 represents an amended total.

Amendment No. 138 increases the appropriation for soil-chemical investigations from $23,110 to $25,610. The Senate recedes.

Amendment No. 139 represents an amended total.

Amendment No. 140 represents an amended total.

Amendment No. 141 increases the number of clerks, class 3, from 10 to 11. The Senate recedes.

Amendment No. 142 decreases the number of clerks at $1,000 from eight to six. The House recedes.

Amendment No. 143 increases the number of entomological preparators at $1,000 each from one to four. The House recedes.

Amendment No. 144 strikes out one laborer, $540; one laborer, $480. The House recedes.

Amendment No. 145 represents an amended total.

Amendment No. 146 strikes out proviso making $9,600 available for the investigation of insects affecting the pecan. The House recedes.

Amendment No. 147 increases the appropriation for southern field-crop insect investigations from $125,000 to $170,000. The Senate recedes.

Amendment No. 148 increases the appropriation for truck-crop and stored products, insect investigations, from $110,000 to $131,760. The Senate recedes.

Amendment No. 149 increases the appropriation for miscellaneous insect investigations from $52,330 to $62,330. The Senate recedes.

Amendment No. 150 represents an amended total.

Amendment No. 151 increases the appropriation for preventing the spread of moths from $200,000 to $302,650. The House recedes and agrees with an amendment substituting $250,000 for the sum proposed.

Amendment No. 152 represents an amended total.

Amendment No. 153 increases the number of clerks, class 2, from 9 to 10. The Senate recedes.

Amendment No. 154 increases the number of clerks, class 1, from 13 to 14. The House recedes.

Amendment No. 155 increases the number of clerks at $1,100 from one to two. The House recedes.

Amendment No. 156 decreases the number of clerks at $900 from four to two. The House recedes.

Amendment No. 157 strikes out one clerk, $840; one clerk, $720. The House recedes.

Amendment No. 158 strikes out one messenger boy, at $360. The House recedes.

Amendment No. 159 represents an amended total.

Amendment No. 160 increases the appropriation for the maintenance of the Montana National Bison Range and other reservations from $34,600 to $39,735. The House recedes.

Amendment No. 161 represents an amended total.

Amendment No. 162 represents an amended total.

Amendment No. 163 increases the number of clerks, class 2, from six to eight. The Senate recedes.

Amendment No. 164 increases the number of clerks, class 1, from 12 to 13. The House recedes.

Amendment No. 165 strikes out four clerks, at $1,000 each. The House recedes with an amendment, substituting two for the number stricken out.

Amendment No. 166 represents an amended total.

Amendment No. 167 adds one executive assistant, $2,500. The Senate recedes.

Amendment No. 168 adds one assistant, $2,400; two assistants, at $2,340 each; one assistant, $2,200. The Senate recedes.

Amendment No. 169 adds one indexer or compiler, $1,800. The House recedes.

Amendment No. 170 adds two draftsmen or photograhers, at $1,800 each. The Senate recedes.

Amendment No. 171 increases the number of draftsmen or photographers, at $1,600, from two to three. The House recedes.

Amendment No. 172 decreases the number of draftsmen or photographers, at $1,400, from three to two. The House recedes.

Amendment No. 173 increases the salary of one lantern-slide colorist from $900 to $1,200. The House recedes.

Amendment No. 174 adds one laboratory aid, $840. The Senate recedes.

Amendment No. 175 adds two foremen, at $1,400 each; one foreman, $1,200. The Senate recedes.

Amendment No. 176 increases the number of clerks, class 4, from one to two. The Senate recedes.

Amendment No. 177 increases the number of clerks, class 3, from one to five. The Senate recedes.

Amendment No. 178 increases the number of clerks, class 2, from 7 to 10. The Senate recedes.

Amendment No. 179 increases the number of clerks, class 1, from 14 to 18. The House recedes.

Amendment No. 180 decreases the number of clerks, at $900, from 15 to 5. The House recedes and agrees with an amendment, substituting 12 for the number proposed.

Amendment No. 181 decreases the number of messengers or laborers, at $720, from 14 to 6. The House recedes and agrees with an amendment, substituting 10 for the number proposed.

Amendment No. 182 decreases the number of messenger boys, at $480 each, from two to one. The Senate recedes.

Amendment No. 183 represents an amended total.

Amendment No. 184 adds to the paragraph appropriating $70,000 for agricultural exhibits at State, interstate, and international fairs the following language: "For the purchase of necessary supplies and equipment; for telephone and telegraph service, freight and express charges; for travel; and for every other expense necessary, including the employment of assistance and the payment of rent outside the city of Washington." The House recedes.

Amendment No. 185 authorizes the detail by the Secretary of Agriculture of employees of the various bureaus and offices of the Department of Agriculture to the Division of Publication. The Senate recedes.

Amendment No. 186 represents an amended total.

Amendment No. 187 increases the number of clerks, class 1, from 24 to 50. The House recedes and agrees with an amendment substituting 40 for the number proposed.

Amendment No. 188 decreases the number of clerks at $1,000 from 19 to 9. The House recedes.

Amendment No. 189 strikes out 24 clerks, at $900 each. The House recedes, and agrees with an amendment substituting 15 for the number stricken out.

Amendment No. 190 increases the salary of 1 messenger from $840 to $900. The House recedes.

Amendment No. 191 increases the salary of 3 messenger boys from $660 to $720. The Senate recedes.

Amendment No. 192 increases the salary of 1 messenger boy from $400 to $600. The House recedes.

Amendment No. 193 represents an amended total.

Amendment No. 194 authorizes the Bureau of Crop Estimates to cooperate with other Federal, State, and local agencies in the collection of data relating to agriculture. The House recedes.

Amendment No. 195 increases the appropriation for expenses for the Bureau of Crop Estimates in the city of Washington from $20,000 to $25,480. The Senate recedes.

Amendment No. 196 represents an amended total.

Amendment No. 197 represents an amended total.

Amendment No. 198 adds one clerk, class 4. The Senate recedes.

Amendment No. 199 increases the number of clerks, class 3, from 1 to 2. The Senate recedes.

Amendment No. 200 adds 1 clerk, $1,440. The Senate recedes.

Amendment No. 201 increases the number of clerks, class 2, from 1 to 2. The House recedes.

Amendment No. 202 strikes out 6 clerks, at $900 each; 1 clerk, $840. The House recedes, and agrees with an amendment restoring 4 clerks, at $900 each; 1 clerk, $840.

Amendment No. 203 increases the appropriation for general expenses of the library from $18,000 to $22,000. The House recedes.

Amendment No. 204 represents an amended total.

Amendment No. 205 adds 2 clerks, at $2,000 each. The Senate recedes.

Amendment No. 206 decreases the number of clerks at $900 from 6 to 3. The Senate recedes.

Amendment No. 207 strikes out 1 clerk, $840; 1 clerk, $720. The House recedes.

Amendment No. 208 increases the number of messengers or laborers at $600 from 1 to 2. The House recedes.

Amendment No. 209 represents an amended total.

Amendment No. 210 corrects the spelling of the word "allotted."

Amendment No. 211 strikes out an appropriation of $16,360 for farmers' institutes and agricultural schools. The Senate recedes.

Amendment No. 212 increases the appropriation for insular experiment stations from $205,000 to $210,000. The House recedes.

Amendment No. 213 increases the sum set aside for the experiment stations on the Virgin Islands from $15,000 to $20,000. The House recedes.

Amendment No. 214 represents an amended total.

Amendment No. 215 represents an amended total.

Amendment No. 216 increases the number of clerks, class 2, from 1 to 6. The Senate recedes.

Amendment No. 217 increases the number of clerks, class 1, from 6 to 7. The House recedes.

Amendment No. 218 decreases the number of clerks at $1,000 from 9 to 4. The Senate recedes.

Amendment No. 219 strikes out 4 clerks, at $900 each. The House recedes and agrees with an amendment restoring 2 clerks, at $900 each.

Amendment No. 220 represents an amended total.

Amendment No. 221 appropriates $50,000 for field experiments in road construction. The House recedes and agrees with an amendment substituting $25,000 for the sum appropriated.

Amendments Nos. 222 and 223 insert the words "sanitary" and "sewage," respectively, in the paragraph authorizing the investigation of farm drainage, so that the same reads as follows: "For investigating farm sanitary domestic water supply and sewage disposal." The Senate recedes on both amendments.

Amendment No. 224 represents an amended total.

Amendment No. 225 represents an amended total.

Amendment No. 226 adds 1 administrative assistant, $2,100. The Senate recedes.

Amendment No. 227 increases the number of executive clerks at $2,000 from 3 to 4. The Senate recedes.

Amendment No. 228 increases the number of clerks, class 3, from 15 to 16. The Senate recedes.

Amendment No. 229 adds 1 clerk, $1,500. The House recedes.

Amendment No. 230 increases the number of clerks, class 2, from 33 to 35. The House recedes.

Amendment No. 231 increases the number of clerks at $1,380 from 1 to 2. The Senate recedes.

Amendment No. 232 increases the number of clerks, class 1, from 150 to 193. The House recedes and agrees with an amendment substituting 173 for the number proposed.

Amendment No. 233 increases the number of clerks at $1,100 from 65 to 78. The Senate recedes.

Amendment No. 234 decreases the number of clerks at $1,000 from 95 to 58. The Senate recedes.

Amendment No. 235 strikes out 2 clerks, at $960 each; 24 clerks, at $900 each; 3 clerks, at $840 each; 1 custodian, $1,200; 1 laboratory helper, $900; 1 laboratory aid, $960; 3 laboratory aids, at $900 each; 1 laboratory aid, $840; 1 laboratory aid, $720. The House recedes.

Amendment No. 236 strikes out 7 telegraph operators, at $1,200 each; 1 telegraph operator, $1,080. The Senate recedes.

Amendment No. 237 strikes out one map tracer, $600, and adds four machine operators, at $1,400 each. The House recedes and agrees with an amendment allowing two machine operators, at $1,400.

Amendment No. 238 increases the number of machine operators at $1,000 from 11 to 13. The Senate recedes.

Amendment No. 239 strikes out seven machine operators, at $900 each. The House recedes and agrees with an amendment restoring two machine operators, at $900 each.

Amendment No. 240 increases the number of messenger boys at $600 from 8 to 10. The House recedes.

Amendment No. 241 strikes out three messenger boys, at $420 each; one messenger boy, $360; one messenger boy, $300. The House recedes.

Amendment No. 242 represents an amended total.

Amendment No. 243 increases the appropriation for marketing and distributing farm products from $275,980 to $317,520, and adds the following proviso: "*Provided*, That not less than $20,000 shall be used for a study of the methods of prevention of losses by deterioration, decay, and freezing of fruits and vegetables in storage and transit in refrigerator cars, heater cars, and ocean vessels, including demonstrations of such methods." The House recedes and agrees with an amendment substituting $300,000 for the sum proposed and accepting the proviso.

Amendment No. 244 changes the language of the paragraph authorizing the market news service on live stock and meats. The Senate recedes.

Amendment No. 245 inserts the word "market" before the word "supply" in the paragraph authorizing market news service on fruits, vegetables, and other products. The House recedes.

Amendment No. 246 increases the appropriation for food products inspection service from $141,700 to $150,000. The Senate recedes.

Amendment No. 247 increases the appropriation for State cooperation in marketing work from $40,000 to $77,750. The House recedes and agrees with an amendment substituting $70,000 for the sum proposed.

Amendment No. 248 represents an amended total.

Amendment No. 249 adds to the paragraph appropriating for the enforcement of the United States cotton futures act, the following language: "*Provided*, That the amendments relating to cotton provided for in section 6 of the act known as the wheat-guarantee act, approved March 4, 1919, are hereby recognized and declared to be permanent legislation. That hereafter each lot of cotton classified as tenderable in whole or in part on a section 5 contract of said act as amended, shall give to the buyer the right to demand that one-half of the contract shall be delivered in the official cotton standard grades of the United States from the grades of middling fair, strict good middling, good middling, strict middling, and middling, and that the seller

shall have the option of delivering the other half of said contract from any of the official cotton standard grades as established in said act.". The conferees have been unable to agree as to this amendment.

Amendment No. 250 increases the appropriation for the administration of the United States warehouse act from $24,000 to $50,000. The House recedes and agrees with an amendment substituting $35,000 for the sum proposed.

Amendment No. 251 decreases the appropriation for completing of the wool work of the War Industries Board from $15,000 to $5,000. The Senate recedes.

Amendment No. 252 represents an amended total.

Amendment No. 253 strikes out two clerks, at $1,140 each, and adds one clerk, $1,000. The Senate recedes.

Amendment No. 254 increases the number of insecticide and fungicide inspectors, at $1,600, from three to four. The Senate recedes.

Amendment No. 255 strikes out two clerks and sample collectors, at $1,000, and adds one insecticide and fungicide inspector, $1,400. The Senate recedes.

Amendment No. 256 increases the appropriation for enforcement of the insecticide act from $85,000 to $117,000. The House recedes.

Amendment No. 257 represents an amended total.

Amendment No. 258 strikes out one executive clerk, $2,000; one executive clerk, $2,000; and adds two executive clerks, at $2,000 each. The Senate recedes.

Amendment No. 259 increases the appropriation for the enforcement of the plant-quarantine act from $100,450 to $150,450. The House recedes and agrees with an amendment substituting $125,450 for the sum proposed.

Amendment No. 260 represents an amended total.

Amendment No. 261 extends the plant-quarantine act to the District of Columbia. The House recedes.

Amendment No. 262 represents an amended total.

Amendment No. 263 increases the appropriation for demonstrations on reclamation projects from $30,000 to $47,000. The Senate recedes.

Amendment No. 264 increases the appropriation for fighting and preventing forest fires from $250,000 to $310,000, and adds the following language: "and to enable the Secretary of Agriculture to cooperate with the War Department in the maintenance of an air patrol for fire prevention and suppression on the national forests of the Pacific coast and the Rocky Mountain regions." The House recedes and agrees with an amendment decreasing the appropriation for the maintenance of an air patrol for fire prevention to $50,000 and adds the following proviso: "*Provided*, That no part of this appropriation shall be used for the purchase of land or airplanes or the construction of buildings."

Amendment No. 265 increases the appropriation for cooperative fire protection of forested watersheds of navigable streams from $75,000 to $200,000. The House recedes and agrees with an amendment substituting $125,000 for the sum proposed.

Amendment No. 266 authorizes the erection of barns and other necessary buildings with the appropriation for experiments in dairying and live-stock production in semiarid and irrigated districts of the western United States. The Senate recedes.

Amendment No. 267 increases the appropriation for experiments in dairying and live-stock production in semiarid and irrigated districts of the western United States from $30,000 to $40,000. The House recedes.

Amendment No. 268 increases the amount of the lump-sum appropriations made for the Department of Agriculture, available for the maintenance of passenger-carrying vehicles, from $60,000 to $75,000. The Senate recedes.

Amendment No. 269 authorizes the expenditure of $15,000 for the purchase of passenger-carrying vehicles for official service outside of the District of Columbia. The Senate recedes.

Amendment No. 270 strikes out from the title of the appropriation for the eradication of foot-and-mouth and other contagious diseases of animals the words "including the blowfly and screw worm in live stock and poultry." The House recedes and agrees with an amendment inserting the following proviso: "That not more than $10,000 may be used for the eradication of the blowfly and screw worm in live stock and poultry: *Provided further.*"

Amendment No. 271 increases the appropriation for the eradication of the pink bollworm from $288,560 to $588,560. The House recedes and agrees with an amendment substituting $488,560 for the sum proposed.

Amendment No. 272 increases the amount set aside for conducting surveys and establishing cotton-free areas, in the eradication of the pink bollworm, from $125,000 to $425,000, and makes $200,000 of the amount immediately available. The House recedes and agrees with an amendment substituting $325,000 for the sum proposed and agreeing to the proviso making $200,000 immediately available.

Amendment No. 273 strikes out a proviso prohibiting payment for crops or other property destroyed in the eradication of the pink bollworm, and adds a proviso authorizing the payment of not to exceed $100,000 for crops or other property so destroyed. The Senate recedes.

Amendment No. 274 appropriates $500,000 for the prevention of the spread of the European corn borer. The House recedes and agrees with an amendment substituting $400,000 for the sum proposed.

Amendment No. 275 appropriates $10,000 for the establishment of a field station at Woodward, Okla. The House recedes.

Amendment No. 276 appropriates $5,000 for the International Farm Congress and authorizes the President to extend invitations to other nations to attend the conference. The Senate recedes.

Amendment No. 277 creates a joint committee of the Senate and House of Representatives to investigate the practicability of establishing a system of short-time rural credits, and appropriates $15,000 to defray the expenses of said joint committee. The House recedes and agrees with an amendment substituting $5,000 for the sum proposed.

Amendment No. 278 increases the per diem allowance for subsistence of officers and employees of the Department of Agriculture, while traveling on official business, to $6. The Senate recedes.

Amendment No. 279 reappropriates so much of the $50,000 carried in the Agricultural appropriation act for 1920 for the purchase and establishment of a plant-inspection station near Washington as remains unexpended at the close of the present fiscal year, and also authorizes the Secretary of Agriculture to accept title, for a sum not to exceed $1 for each site, of the sites now occupied by field stations at Chico, Calif.; Bellingham, Wash.; Buena Vista, Fla.; and Savannah, Ga. The House recedes and agrees with an amendment authorizing the Secretary of Agriculture to accept the title to the stations named if in fee simple, and eliminates the paragraph reappropriating the unexpended balance for the establishment of the plant-inspection station.

Amendment No. 280 defines what shall constitute a crop failure under the rules and regulations issued by the departments of the Government in making loans of seed wheat to farmers for crop purposes. The House recedes.

Amendment No. 281 authorizes the Secretary of War to turn over not to exceed 50,000 tons of nitrate of soda to the agricultural fertilizer manufacturers of the country. The Senate recedes.

Amendment No. 282 represents an amended total.

G. N. HAUGEN,
J. C. MCLAUGHLIN,
GORDON LEE,
Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

Mr. HAUGEN. Mr. Speaker, as stated in the report and statement, the conferees have reached an agreement on 279 of the 282 Senate amendments.

There are three amendments still in disagreement.

The bill as it passed the House carried $30,272,354. The Senate increased it to $32,140,761. As agreed to in conference, the bill has been increased over the amount carried in the House bill by $1,202,614 and decreased from the Senate amount $1,265,393.

The three amendments still in disagreement are No. 93, for vegetable seeds, carrying an appropriation of $239,416; No. 116, to ascertain the appraised value of pasturage; and No. 249, the so-called Comer amendment in reference to trading in cotton futures.

Mr. LONGWORTH. What was the first amendment to which the gentleman referred?

Mr. HAUGEN. No. 93, on page 31, relating to vegetable seeds.

If there are any other questions, I will be very glad to answer them.

Mr. LEE of Georgia. Let us take up the seed item first.

Mr. HAUGEN. It has been suggested that the conference report be disposed of, which will take care of the 279 amendments, and that after we have disposed of the report then the remaining three amendments can be taken up separately. The first one will be the one relating to vegetable seeds.

The SPEAKER. The question is on agreeing to the conference report.

Mr. MANN of Illinois. Will the gentleman yield to me a minute or two?

Mr. HAUGEN. Certainly.

Mr. MANN of Illinois. I want to call attention to one or two technical things.

Senate amendment numbered 34, as printed in the House print with the Senate amendments numbered, strikes out, after the figures "$1,000," the words—

Four repair men, at $840 each; 6 repair men, at $720 each.

I hold the Senate amendment in my hand. It is as follows:

Page 6, line 15, strike out all after "$1,000" down to and including "each," page 6, line 16.

Of course the page and line refers to the engrossed copy of the bill. It so happens that page 6, line 16, contains the word "each" twice. And when you say strike out down to the word "each," which "each" is intended? Evidently the assumption would be that you strike out down to and including the word "each" where it first occurs. But the House print shows that the second word "each" is stricken out, and very likely that was the intention of the Senate. I do not know. Nobody knows so far as I can tell. And when you come to enrolling the bill somebody has got to guess whether the first word "each" or the second word "each" is where the amendment ceases. It is a very sloppy thing to require the enrolling clerk of the House to guess what the Senate and the House mean in legislation.

Mr. HAUGEN. Evidently the Senate overlooked the line.

Mr. MANN of Illinois. The word "each" occurs twice in the same line.

Mr. HAUGEN. Not in the print that I have.

Mr. MANN of Illinois. I am talking about the enrolled bill. The House print is not official. I have examined the engrossed copy of the bill on the Clerk's desk.

That is not all. On amendment 48 it is printed in the House print with Senate amendments numbered, strike out certain language and insert in lieu thereof the following: "6 laboratory assistants, at $1,200 each." And in amendment 51 there is an insertion in the print with the Senate amendments numbered, "5 messenger boys at $540 each."

I do not know who inserted the word "each" in this print. In neither case is the word "each" in the Senate amendment, and whoever inserted the word "each" in the print before the conferees violated the sanctity of the proceedings of this House and of Congress. It is not for the printing clerk, it is not for the Printing Office, to insert words in amendments which are not in the original amendment and lay them before the House as though they were there.

Senate amendment 48, which I hold in my hand, provides, insert "6 laboratory assistants at $1,200." The word "each" is not there. Amendment 51 provides, "insert 5 messenger boys at $540." The word "each" is not there. It had no place in the print of this bill with the Senate amendments numbered. Somebody has been violating the practice and the rule. We have a right to presume that when conferences are had on these bills they are made correctly and that nobody has inserted a word because, perchance, he thinks it ought to be there.

Mr. BLANTON. Has that been going on only since May 19 of last year?

Mr. MANN of Illinois. I have frequently had occasion to correct such things when the Democrats were in power and when the Republicans were in power before. That has nothing to do with the question. I do not care who the employee is or what his politics is. I believe in keeping these things straight.

Mr. CANDLER. Will the gentleman from Iowa yield to me?

Mr. HAUGEN. I yield to the gentleman from Mississippi five minutes.

Mr. CANDLER. Mr. Speaker, I want to emphasize some statements that were made by the chairman of the committee. This conference report refers to the appropriations made in the House bill and the Senate bill. The House bill when it passed the House carried $30,270,354. As it passed the Senate it carried $32,740,761, which is $2,470,407 above the amount provided for in the House bill. Under the conference report as it comes back from the conference of the conferees it reduces the appropriation made in the Senate bill by $1,265,390, the appropriations carried in the conference report under consideration now being $31,475,368.

I have not the time to take up in detail these various amendments and discuss them separately, but what I do want to call attention to is the fact that quite a number of the appropriations, where they were increased in the Senate, provided for absolutely necessary work which was asked for by the Agricultural Department and which was needed in order to carry forward the agricultural development of the United States.

As I stated on the floor of the House when the Agricultural appropriation bill was under consideration, I do not believe that these appropriations made for the agricultural business of the country are in a real sense expenditures. On the contrary they are wise and profitable investments in an ever growing, expanding, and most important agricultural business which is the foundation of all the other interests of the country. [Applause.]

Therefore I believe that the appropriations as provided for in the Senate bill would have been, a great many of them, if not all of them, well retained in this bill and reported back to the House by the conferees for the consideration of the House and their adoption.

I am in favor of economy. I believe in economy. I do not believe that we should make any unnecessary or extravagant appropriations for any purpose as far as that matter is concerned, but I do not believe it is economy to reduce appropriations in this bill below what the Department of Agriculture itself says to this House is necessary in order to carry on the work which devolves on the department in the development of our agricultural interests.

I believe that is a false economy, not a real economy. For that reason I regret to see many of the reductions that are proposed to be made from the Senate bill, because I believe that the increases in many instances were justified, were necessary and ought to have been retained and adopted by the House. I wish I had the time to point out in detail some of them, but, as I said, I have not the time to take them up in detail. I take this occasion, however, to enter my protest against the reduction of the necessary appropriations for the great agricultural interests of the United States. [Applause.]

Mr. HAUGEN. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. HAUGEN. Mr. Speaker, I move to further insist upon the disagreement of the House to Senate amendment No. 93 and ask for a further conference.

The SPEAKER. The gentleman from Iowa moves that the House further insist upon its disagreement to Senate amendment No. 93 and ask for a further conference.

The question was taken, and the motion was agreed to.

Mr. HAUGEN. Mr. Speaker, this is the amendment about seeds.

The SPEAKER. The motion has been agreed to.

Mr. CANDLER. Mr. Speaker, the motion was voted upon, and the Speaker declared that the motion of the gentleman was agreed to.

Mr. BLANTON. That was upon the adoption of the conference report, was it not?

The SPEAKER. No.

Mr. BLANTON. Mr. Speaker, I ask for a division.

Mr. CANDLER. Mr. Speaker, I make the point of order that the demand comes too late.

The SPEAKER. The point of order is well taken.

Mr. BLANTON. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. The gentleman from Iowa [Mr. HAUGEN] notified us that he would give us time on that proposition, and he has attempted to do it. He did not understand that the matter had been voted on. The gentleman from Iowa did not understand it.

Mr. HAUGEN. Mr. Speaker, I made the motion in the usual order, and the motion was agreed to. I had no control over the putting of the motion. As far as I am concerned, I would be very glad——

The SPEAKER. The gentleman from Iowa moved that the House further insist on its disagreement to amendment No. 93, and the Chair put the motion, and it was voted on and agreed to.

Mr. BLANTON. Mr. Speaker, I do not think there are five men in the House who understood that they were voting on that proposition.

The SPEAKER. The gentleman from Mississippi makes the point of order that the demand for a division comes too late, and the Chair is obliged to sustain the point of order.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that in view of the fact that I am sure that the membership of the House did not understand they were voting on the seed proposition, under the assurance given by the gentleman from Iowa, that that vote may be taken over again.

Mr. KING. Mr. Speaker, I object.

Mr. RUBEY. Mr. Speaker, I object.

The SPEAKER. Objection is made.

Mr. HAUGEN. Mr. Speaker, I move to insist on disagreement to amendment No. 116——

Mr. BLANTON. Mr. Speaker, I have a preferential motion to make.

The SPEAKER. The gentleman from Iowa has the floor.

Mr. HAUGEN. Mr. Speaker, I move that the House insist upon its disagreement to Senate amendment No. 116.

Mr. BLANTON. Mr. Speaker, what amendment is that?

Mr. FRENCH rose.

The SPEAKER. Is the gentleman from Idaho a member of the committee?

Mr. FRENCH. I am not on the committee, but I have a motion to make which I think is preferential.

The SPEAKER. The gentleman is recognized.

Mr. FRENCH. Mr. Speaker, I move that the House recede from its disagreement from Senate amendment No. 116 and concur in the same.

The SPEAKER. The gentleman from Idaho moves that the House recede from its disagreement to Senate amendment No. 116 and concur in the same.

Mr. CANNON. Mr. Speaker, what is that amendment?

Mr. HAUGEN. Mr. Speaker, I yield five minutes to the gentleman from Missouri [Mr. RUBEY].

Mr. LEE of Georgia. Mr. Speaker, I demand the regular order.

Mr. GARD. Mr. Speaker, may we not have the amendment reported?

The SPEAKER. Without objection the Clerk will report Senate amendment No. 116.

There was no objection, and the Clerk read as follows:

Senate amendment 116: Page 49, line 11, strike out: "$105,000: *Provided*, That $25,000 may be used by the Secretary of Agriculture for the purpose of ascertaining the appraised value of pasturage upon the national forests, which appraised value, when determined, may, in the discretion of the Secretary of Agriculture, be made the basis of the charge for grazing permits upon such forests," and insert in lieu thereof "$80,000."

Mr. TAYLOR of Colorado. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. TAYLOR of Colorado. Mr. Speaker, the gentleman from Idaho [Mr. FRENCH] makes a preferential motion to recede and concur after the gentleman from Iowa has made the motion to further insist. Does not that yield the floor to the gentleman from Idaho? Has he not the right to speak on his motion?

The SPEAKER. The gentleman from Iowa [Mr. HAUGEN], who has charge of the conference report, has charge of the time. While the motion of the gentleman from Idaho [Mr. FRENCH] is preferential, it does not carry with it the control of the floor.

Mr. TAYLOR of Colorado. Has anyone in favor of the motion the right to speak?

The SPEAKER. He undoubtedly can get the right to speak, but it does not carry with it the control of the time. The gentleman from Iowa has yielded five minutes to the gentleman from Missouri [Mr. RUBEY], and the gentleman from Missouri is recognized.

Mr. RUBEY. Mr. Speaker, if the gentleman from Idaho [Mr. FRENCH] desires to speak now, I will be very glad to give way.

Mr. FRENCH. Oh, no; I shall be very glad to follow the gentleman from Missouri.

The SPEAKER. The gentleman from Missouri is recognized for five minutes.

Mr. RUBEY. Mr. Speaker, this amendment was reported in the first place from the Committee on Agriculture. As originally drafted it came to the House as a part of the appropriation bill, but it went out on a point of order. We had considerable trouble in getting language that was not subject to the point of order, and two or three propositions were offered. When the first proposition offered by the committee in its report of the bill to the House went out on a point of order, another one was presented and it went out. Two or three others were offered, but all met the same fate. On the following day, when another section of the bill was reached where the amendment was germane, I offered the amendment in the language in which it is found in the print of the bill on page 49 and which the Senate has stricken out. This amendment is backed up by the Committee on Agriculture. The reason we put it in here was because we felt that the grazing lands in the national forests were not bringing in the money that they ought to bring in. We believe that the rates charged out there to the men who graze their cattle on the national forests are too low; that they ought to pay higher rates. The fact is that when we compare the rates that they pay with the rates paid for privately owned land in various parts of the country, including the western country, the rates paid in the national forests are very much lower than those paid for grazing upon private lands.

Why, Mr. Speaker, the rate paid in the national forests for grazing cattle is on the average only about 72 cents per head per year or season, while private pasture lands bring that much and more per month.

I believe that by keeping this amendment in this bill we will bring into the Treasury of the United States over $2,000,000 annually additional each year from the grazing lands. The Government owns these lands. The cattlemen who use these lands are anxious to secure these facilities of pasturage. They put their cattle on the land; they graze them there; they pay the small rates which are charged; they ship them to market, where they come into competition with the cattle from all parts of the country. By giving them these extremely low rates we are not doing the fair thing to other cattlemen and farmers of the country who are raising cattle and who must of necessity pay the usually high rates of pasturage. This proposition was overwhelmingly carried in the House on every vote that was taken with regard to it, and I am glad indeed that our conferees have insisted upon it and have brought it back here so as to enable the House to again vote on it. I hope that the amendment will stay in the bill, and that we will refuse to adopt the motion to recede from our former disagreement.

Mr. HAUGEN. Mr. Speaker, I yield five minutes to the gentleman from Idaho [Mr. FRENCH].

Mr. FRENCH. Mr. Speaker, there are two or three points of view from which this amendment can be considered. It was put on in the House. The Senate after considering the matter struck it from the bill, and my motion is that the House recede and concur in the Senate amendment. The essential reason is that it is an unnecessary expenditure of $25,000. The Department of Agriculture has full authority under present law to do everything that is proposed to be done by the amendment. The proper officers of the department have advised me to this effect and that in the regular orderly process of handling the work of the Forest Service they have complete authority to estimate or appraise the values of grazing rights, and the Secretary has the further authority to enter into arrangements or agreements with permittees to graze their stock upon the forest reserves. He has all the authority now that would be conferred if the amendment should prevail.

Mr. LANGLEY and Mr. EVANS of Nebraska rose.

Mr. FRENCH. I yield to the gentleman from Kentucky.

Mr. LANGLEY. I just wanted to ask the gentleman if he knows what the purpose of this amendment is?

Mr. FRENCH. I know what it is and I am coming to that. I now yield to the gentleman from Nebraska.

Mr. EVANS of Nebraska. Did the authorities with whom the gentleman conferred indicate that they were going to do that?

Mr. FRENCH. The authorities with whom I conferred indicated to me that the Agricultural Department is opposed to this amendment, that it does not desire the amendment, that it has all the authority now that the amendment would confer, and that if the money is to be expended it would mean to speed up the work and that the work called for will be done in an orderly way in regular course of business and in that way no extra expense would be incurred. It will be done in ample time to meet the situation as permits expire.

Mr. EVANS of Nebraska. Will the gentleman yield further?

Mr. FRENCH. I will be glad to yield.

Mr. EVANS of Nebraska. Then the gentleman's information is that unless there is some pressure put upon the department there will be nothing done?

Mr. FRENCH. On the contrary, I think the gentleman has misunderstood my language. The department is doing now the precise thing the amendment asks that it do, but in an orderly way, and in an orderly way it will not cost the Government anything other than the normal administration of the Forest Service——

Mr. MONDELL. Will the gentleman yield?

Mr. FRENCH. I will be glad to yield to the gentleman.

Mr. MONDELL. Is not this the situation: The Secretary of Agriculture now has full authority and discretion in the matter of fixing the rates on the forest reserves?

Mr. FRENCH. Absolutely.

Mr. MONDELL. He can advance them at any moment he sees fit——

Mr. FRENCH. Absolutely.

Mr. MONDELL. He has full authority to investigate in order to secure knowledge——

Mr. FRENCH. Unquestionably.

Mr. MONDELL. So what this amendment does is to give $25,000 for that purpose which was not asked?

Mr. FRENCH. Yes; and which the Forest Service does not want.

Mr. SINNOTT. Will the gentleman yield?

Mr. FRENCH. I will.

Mr. SINNOTT. Is it not also true that the Agricultural Department in most cases has entered into contracts running over a period of five years, and by the time those contracts lapse they can make all the investigation they see fit?

Mr. LANGLEY rose.

Mr. FRENCH. Let me just answer the question that has been asked and I will be glad to yield. The gentleman wants to know if it is true the Secretary of Agriculture has entered into contracts covering a period of five years. I will say that is true as to about 60 per cent of the permits outstanding, and it is to the distinct advantage of the Government that the department enter into these contracts for fixed periods. If you were to offer the grazing privileges upon the forest reserves for merely annual periods of time the people would pay very low rates for the privilege, because they can not establish themselves and handle their business unless they can have a definite period of several years within which to operate. Five years is a most conservative time.

Mr. LANGLEY. Is not that an anomaly in our history, that a department declines an appropriation which the Congress proposes to give them?

Mr. FRENCH. Oh, not under the conditions that exist here. The department is acting in good faith in carrying out its policy, and it has been most beneficial to the Government. Something like two or three years ago contracts were entered into involving 60 per cent of the permits on the forest areas, and upon a fixed rate. We do not want at this time to have those contracts broken. We want good faith on the part of the Government to be carried out toward the persons who have the leases. If the individual Members of the House stood in the place of the Government they would carry out their contracts as honest business men.

The SPEAKER. The time of the gentleman has expired.

Mr. LAYTON. I ask unanimous consent that the gentleman have five minutes more.

Mr. HAUGEN. I yield two minutes more to the gentleman.

Mr. RUBEY. Will the gentleman yield?

Mr. FRENCH. I will be glad to yield first to the gentleman from Delaware [Mr. LAYTON].

Mr. LAYTON. I simply wanted to ask the question whether or not this was an appropriation of $25,000 in order to carry out what the department already has the power to carry out?

Mr. FRENCH. Absolutely; and in an orderly way the department will obtain all this information and do the work without the expenditure of $25,000.

Mr. RUBEY. Will the gentleman yield?

Mr. FRENCH. I will be glad to do so.

Mr. RUBEY. I was called out of the Chamber a moment ago and did not hear all of the gentleman's remarks. I am informed that he made the statement that the Department of Agriculture was not asking for this; that the Department of Agriculture does not need this authority. The officials of the Forest Service of the Department of Agriculture—they were examined quite extensively on this subject; and they asked that this $25,000 be set aside for this purpose, and that specific authority be granted so that these lands could be appraised, and the committee gave them what they asked. So that it does come from the Department of Agriculture, and they are asking for it and they want it. Mr. Graves and those in charge of the Forest Service were in favor of it and so expressed themselves before our committee.

Mr. LAYTON. Will the gentleman yield for a moment?

Mr. FRENCH. I will be glad to yield to the gentleman.

Mr. LAYTON. Does the gentleman from Missouri contend that the department has not got that authority now?

Mr. RUBEY. I do. They say they have not authority to make this appraisal, and that they want that authority, and that is the reason we gave it to them.

Mr. FRENCH. Mr. Speaker, I will say that I have been advised by the proper officer in the department, who has charge of this matter, that they do not desire the appropriation; and I think if the gentleman could refer to a letter that has been written to the chairman of the Committee on Agriculture by Col. Graves, who at the time was the head of the Forest Service, he would see it would bear out the statement I have made. I think the letter will be presented by some one to the House during the debate.

Mr. LAYTON. My recollection about such matters is that the department has the right to fix the amount charged per acre for grazing and all of these purposes.

Mr. FRENCH. It has that right now.

Mr. LAYTON. Certainly. And that right is not limited. It is a flexible right, up or down, according to their judgment.

Mr. LANGLEY. Is there any communication from the Secretary of Agriculture on the subject?

Mr. FRENCH. I do not doubt that the committee has information on the subject. I have only one word more. Since the department has full authority to do all that the amendment provides, and since the information would be furnished in orderly way, without extra cost, my motion should prevail. Apparently the object of the amendment is to try to force the department to tear up the permits that are outstanding.

Mr. EVANS of Nebraska. Mr. Speaker, I ask unanimous consent that the amendment be again reported.

The SPEAKER. The Clerk will report the amendment.

The amendment was again reported.

Mr. HAUGEN. Mr. Chairman, I yield five minutes to the gentleman from Colorado [Mr. TAYLOR].

Mr. TAYLOR of Colorado. Mr. Speaker, if there ever was an appropriation that was utterly useless, uncalled for, unwise, unjust, unnecessary, and ought not to be made, it certainly is this one, and for a great number of reasons. In the first place, it is absolutely in bad faith. It is a deliberate and brazen attempt to repudiate all the existing five-year permit agreements between the stockmen and the Department of Agriculture. I can not believe that the American Congress will ever knowingly be guilty of such a pusillanimous and contemptible action as that would be.

Secondly, this provision is wholly and absolutely unnecessary. The Secretary of Agriculture, through the Forest Service, now has full and complete power to make this appraisement and reclassification of grazing fees whenever he wants to.

Neither the Secretary of Agriculture nor the Forest Service is asking for this appropriation, or this authority or direction. The gentleman from Missouri [Mr. RUBEY] is entirely mistaken and absolutely wrong in the statement he has just made to the House to the effect that the Agricultural Department and the Forest Service want this appropriation.

Mr. EVANS of Nebraska. Will the gentleman yield?

Mr. TAYLOR of Colorado. I can not yield. I have only five minutes.

I am going to take the liberty of reading into the RECORD a letter from Col. H. S. Graves, the Forester himself, to the chairman of the Committee on Agriculture, dated April 3 of this year, on this subject, because this is an official communication, and it conclusively shows how entirely erroneous are the statements of the gentleman from Missouri [Mr. RUBEY].

Mr. RUBEY. Was he a member of the commission at that time, or had he resigned?

Mr. TAYLOR of Colorado. He was the Forester at the time and signed the letter as such. He was the chief officer of the Forest Service of the United States. He had not left the service at that time. His resignation did not take effect until, I think, about the first of this month. The Mr. W. B. Greeley referred to in the letter is the present Forester. This letter very fully and clearly presents this matter and gives the position of the Forest Service; and in fairness to the Forest Service officials, I think the letter should go into the RECORD, so that the stockmen of the West may not have any misunderstanding on this subject. I do not want them to wrongly blame the Forest Service or lose confidence in the good faith and fair dealing of the Forest Service officials. The letter is as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Washington, April 3, 1920.

Finance appropriation estimates, 1921.

Hon. GILBERT N. HAUGEN,
House of Representatives.

MY DEAR MR. HAUGEN: The importance of the question as to the grazing fees charged on the national forests is so great that I wish to summarize briefly the position of the Forest Service on this matter as expressed by Col. Greeley and myself to you this morning.

The fees for grazing permits were finally established by the Secretary of Agriculture in 1918, after an exhaustive investigation and extended hearings, as representing the actual value of the pasturage under the restrictions and conditions imposed by the Forest Service with a view to making the range increasingly productive. The Secretary of Agriculture then authorized the Forest Service to issue permits for five-year periods in cases where the use of national forest ranges was sufficiently settled so that rights to graze stated quantities of stock for five-year periods could properly be authorized. Five-year permits have, in fact, been issued for approximately 60 per cent of the stock using the national forests. These five-year permits provide, among other things, for the schedule of grazing fees fixed by the Secretary of Agriculture in 1918. While the permits are necessarily, as a matter of Federal law, revocable in the discretion of the Secretary of Agriculture, it was understood that the schedule of grazing fees fixed in 1918 would apply during the life of these permits in so far as the matter lay in the discretion of the Department of Agriculture.

It is my conviction, therefore, that the good faith of the Department of Agriculture is committed to maintaining the existing grazing fees during the life of the present five-year permits. It is true that the

greatly inflated values during the last two years, combined with the effects of serious droughts in some of the Western States, have for the time being made the present commercial value of national forest pasturage greater than the existing scale of grazing fees. Wholly aside from the question as to the permanence of the present scale of values or as to the wisdom of the United States Government taking advantage of the situation in a purely commercial spirit, I am convinced that the public gain through the encouragement given by conservative fees to the development of agricultural land in the vicinity of the forests, to the increased production of hay, and to the increase in the production of live stock much more than offsets any financial loss in the grazing fees themselves. I am satisfied that the present fees should remain in effect until the close of the season of 1923, when, following a thorough appraisal of the value of national forest range under the conditions then existing, the grazing fees should be redetermined and established on a basis which represents the actual value of the privileges obtained.

The foregoing was the position which we undertook to present at the hearings of the House committee. After the general hearings it was my understanding that the committee desired to insert some language in the bill directing an increase in the fees. Accordingly I undertook to cooperate with the subcommittee in drafting language that would meet their desires. This action on my part did not, however, mean an advocacy to take action that failed to recognize the good faith of the department in the matter of its five-year permits already issued.

If, however, the Congress does not approve the department's policy, I feel that any provision in the appropriation bill or otherwise regarding an increase in the fee should be a very clear-cut direction, which would make it mandatory upon the Secretary of Agriculture to immediately reappraise the existing commercial value of national forest pasturage and thereupon to reestablish the grazing fees in accordance with such appraised value. If this course is taken, an appropriation of at least $25,000 should be available for the cost of reappraisal.

Very sincerely, yours,

H. S. GRAVES, *Forester.*

Mr. Speaker, I probably should say that I wrote a formal letter to Col. Greeley, the present Forester, and asked him directly and officially what the position of the Forest Service now is on this very important and far-reaching matter. I said to him that I was writing and inquiring on behalf of not only myself but all other western Members of Congress and also on behalf of all the stockmen of the western forest reserve States. In reply he wrote me a letter dated to-day and transmitting the foregoing letter to me, as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Washington, May 13, 1920.

Finance appropriation estimate, 1921.

HON. EDWARD T. TAYLOR,
House of Representatives.

MY DEAR MR. TAYLOR: I have just received your request of this morning for a statement of the position of the Forest Service regarding the legislation proposed in the pending Agricultural appropriation bill in relation to the fees charged for the use of pasturage upon the national forests. I can comply with your request in no better way than by transmitting a copy of a letter which my predecessor, Col. H. S. Graves, sent to the chairman of the House Committee on Agriculture, under date of April 3, 1920. I concur thoroughly in the summary of the situation and the position of the Forest Service regarding it, as presented in Col. Graves's letter.

Very sincerely, yours, W. B. GREELEY, *Forester.*

Mr. Speaker, the provisions of this bill—that is, that part of amendment No. 116 which the conference committee has disagreed upon and to which the cattlemen of the West are so strongly opposed—reads as follows:

Provided, That $25,000 may be used by the Secretary of Agriculture for the purpose of ascertaining the appraised value of pasturage upon the national forests, which appraised value, when determined, may, in the discretion of the Secretary of Agriculture, be made the basis of the charge for grazing permits upon such forests.

Now, gentlemen of the House, this is not a partisan matter at all. It is first a question of fair dealing; a question of a square deal to the cattlemen. It is also a matter of very great financial consequence not only to the cattlemen but to everyone else in the forest-reserve States. We Members from the West represent the unanimous sentiment of every one of these 17 States. We want to voice its unanimous and very emphatic protest against this provision of all stockmen who range their cattle on these forest reserves. There is no difference of opinion among the entire population of these States. We know whereof we speak, and we know that the Government of the United States has entered into a solemn and fair and square five-year agreement with those men; they have made their contracts and all their arrangements accordingly, and many of them have borrowed money accordingly, and are conducting their business at this time in reliance upon those five-year permits, and it is neither common honesty nor fair dealing for this great American Congress to brazenly and ruthlessly trample those agreements under foot and enact a provision welching on its promises and agreements, and boldly saying to those stockmen that you are going to repudiate those five-year contracts, without any hearing or notice, and increase their grazing fees 300 per cent. You can outvote the West and you may think you can get away with this infamous outrage, but I say to you that you will not accomplish it.

The stockmen have lost heavily during the past winter. Hay to-day in some parts of my district is costing $40 to $50 a ton. The cattlemen have lost thousands of cattle during the past winter and this spring. They are far removed from the market. They have innumerable hardships with which to contend that the stockmen and farmers do not have in any other States. We have all of these handicaps, and when the Secretary of Agriculture, with full authority, has fixed these fees, the only honest thing to do is to let them alone.

I want to insert in the RECORD a letter to me from the Colorado Stockgrowers Association on this subject, as follows:

DENVER, COLO., *February 21, 1920.*

HON. EDWARD T. TAYLOR,
Washington, D. C.

DEAR MR. TAYLOR: In discussing the relative merits and demerits in raising the fees on the forest reserve, we wish to preface our remarks by explicitly declaring that we are in no way hostile to the Forestry Department, nor opposed to its general administrative efficiency.

Believing that the department is not in possession of all the actual facts in the case and that unfair and uninformed influences are striving to dangerously jeopardize the western live-stock interests, we offer the following for your consideration:

First. We believe that our business interests will be greatly jeopardized if the department does not live up to its moral obligations in fulfilling the five-year permit regulation indorsed at Cheyenne in 1917. If the department is going to repudiate its word in this instance, our confidence and faith is destroyed. We can not plan for any future for our business if we do not have the assurances that both parties to an agreement will not consider their promises inviolate. The corner stone of men's living in a civilized community is the certain knowledge that the other man's promise will be fulfilled.

Second. Owing to the present unsettled state of conditions, politically and economically, no man can say to-day what is fair and equitable in prices. Our barometers of stability have been destroyed; and relative comparisons are impossible from a purely monetary standpoint.

Third. In view of general conditions of unrest and dissatisfaction due to the ever-soaring cost of the necessities of life, it seems to us an unsound business policy to add fuel to the smoldering fires of economic unrest by further increasing the cost of live-stock production.

The Federal Government should be the first to attempt to ameliorate living conditions by reducing their fees, rather than by increasing them. An increase in range fees means an extra expense in raising live stock, and if the producers are to avoid bankruptcy the consumer must, and ultimately will, pay the bill. Your eastern feeder can only remain in business if the western producer can raise the product to supply him. Present prices are touching the prohibitive point from the consumer's standpoint as well as from the producer's standpoint.

Permit us to call your attention to the fact that as soon as war was declared every live-stock producer was urged to increase his holdings to the limit under the slogan "Food will win the war." Your patriotic stockman did not slack in his duty, but put aside the chance for temporary gain and did withhold his stock from market and carried to full capacity his farm and range holdings. Then the Government arbitrarily passed the meatless-day law, destroying the market for live stock, until the end of the war found us with a surplus of stock, and now money-exchange rates have decreased the export demand and we are holding the fatted calf, produced at a great expense and depreciated from 25 to 50 per cent in value. Now, to reward us for our patriotism, self-sacrifice, and unselfishness you propose to add insult to injury by imposing a destructive range fee upon us.

Our products show a greater decline in values than any other commodity. We were not at any time during the last three years permitted to take advantage of the exorbitant profits to tide us over periods of stress that the laborer and manufacturer enjoyed and are still enjoying. When this opportunity presented itself the Government stepped in and arbitrarily tacked the price on our meats, wool, and grain. The war took most of our best men in uniform; the rest were lured away from us by wages that would be confiscatory in our business. Our products have tumbled. Everything that we use from labor to machinery, as well as transportation services, have doubled and trebled in prices, and the quality and efficiency at the same time depreciating 50 per cent in value.

Regarding the relative value of range conditions as compared to private pastures, without at this time elaborating the details, we ask you to consider the following before judging the merits of each:

The relative great distance from railroad to markets.

The loss entailed by long drives to and from the range.

The difference in the carrying capacity per acre on the forests, forcing stock to travel great distances in search of food and water.

The loss incidental to storms, lightning, predatory animals, high altitude, and rough topography of the country.

The difficulty of breeding our cows in rough mountainous regions; the inability to keep close watch over the stock on account of the extent and character of the country.

The expense and danger of hauling and placing salt in proper places on the high range.

The increased cost and difficulty in getting men who are willing to stay in these remote and isolated camps, who have to do their own cooking, horseshoeing, washing, and who are familiar with the range.

The shrinkage incidental to round-ups and gathering time, holding the herd on poor feed for days until the gathering is completed, and then driving without feed or water, in many cases for from two to three days, before the cattle are finally distributed to their respective winter quarters.

Loss due to poisonous plants. Mudholes that mire the stock, especially in the spring.

The inability to give close supervision to the stock on account of the wide area of distribution.

Many of these above-mentioned facts contribute to a calf crop running from 40 per cent to 60 per cent as compared with the 90 per cent or 95 per cent calf crop in private pastures. Loss of range live stock amounts to 10 per cent, whereas in private pastures less than 1 per cent is lost.

On account of the general mixing of large numbers of cattle on the range, the danger is always great for infection—sharcoptic and saroptic mange in cattle; scabies, tick infection, and hemorrhagic septicemia in sheep. The loss from theft of stock from the range and encroachment upon our range to-day by hundreds of fishermen and tourists and campers is causing considerable loss by disturbing the live stock in their grazing and scaring them further from the better feed in the bottoms and watering places along the streams, besides an actual damage to forage by campers. The ever-present danger from forest fires by careless campers and occasional loss from careless hunters.

Would you consider a private pasture as valuable if your stock was continually molested by tourists and your grass and stream encroached upon by them, if you had no control over those conditions? We think not.

You sell us feed and rent us certain territory at a good price and then advertise the same place as a national playground for the whole world to come to and pollute as they see fit—the great national forests. Yes; they belong to all the people, but without the special privilege of grazing that we pay a good price for the world would go hungry. The necessities of life must transcend in their rights and privileges those of purely sentimental and recreational rights or privileges; the world can not be clothed or fed if the majority or a large per cent of its people are unproductive. Every loafer that exists some one else must do an extra share for. The farmer and live-stock producer is getting tired of working 12 to 16 hours a day and producing at a loss to supply an indifferent, unappreciative, improvident, and profiteering public.

If we should strike, somebody will howl.

Very truly, yours,

BOARD OF CONTROL OF COLORADO STOCKGROWERS' ASSOCIATION.

Mr. HAUGEN. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN of Illinois. Mr. Speaker, I do not know whether what I shall say will be for or against the Senate amendment. I would like to get a little information. The gentleman from Colorado favored the amendment and opposed the provision in the bill because he said it would be welching on the five-year contracts entered into. I believe in carrying out those contracts according to the spirit of the contracts. This amendment does not interfere with them at all. This amendment only provides for appraisement of the land, and then provides that the Secretary of Agriculture may in his discretion use the appraisal as the basis of the charge for grazing permits. I take it that the Secretary of Agriculture, whoever he may be, would fulfill the spirit of any existing contract and not change the basis of the charge on existing contracts. I should have very little use for any official who would not take that attitude.

Mr. SMITH of Idaho. Will the gentleman yield?

Mr. MANN of Illinois. I yield.

Mr. SMITH of Idaho. As these permits run for three years, what is the occasion for making the appraisement at this time instead of nearer the time when the permits expire?

Mr. TINCHER. It is but a small per cent of the reserves that are covered by permits. The greater portion are not covered by permits of the kind described.

Mr. MANN of Illinois. I understood the gentleman from Colorado [Mr. TAYLOR] to say 60 per cent.

Mr. TAYLOR of Colorado. Sixty per cent of the cattle now running on the national forests are under the five-year permit.

Mr. MANN of Illinois. That is what I understood him to say. But I assume probably if an appraisement were made, that new permits that were issued would probably be made upon about the same basis as existing permits.

I do not know whether the appraisement ought to be made this year or next year or the year the permits expire. One thing is very certain to my mind, that it would be desirable to have an appraisement of these grazing lands, and I take it that unless it is authorized and an appropriation is specifically made for it at some time the appraisement will not be made.

Mr. FRENCH. Mr. Speaker, will the gentleman yield?

Mr. MANN of Illinois. Certainly. I am trying to get information.

Mr. FRENCH. I was talking to-day with the administrative officer of the bureau in the department which has charge especially of grazing, and he told me that if the appraisement is to be speeded up and done at once, then an appropriation is necessary, but if it can take its orderly time, awaiting the expiration naturally of the permits issued, under the regular administration of the department, with the funds that they have, this work will all be done.

Mr. MANN of Illinois. How soon?

Mr. FRENCH. In each instance to meet the expiration of the permits as the permits expire. The permits do not all expire at any one time.

Mr. MANN of Illinois. No; but the statement is made now that most of them expire three years from now.

Mr. FRENCH. Approximately 60 per cent; yes, and it would seem that if that is the case——

Mr. MANN of Illinois. Somebody here ought to know whether the appraisements are up to date or not. I have not had that understanding myself.

Mr. HAUGEN. Mr. Speaker, will the gentleman yield?

Mr. MANN of Illinois. Certainly.

Mr. HAUGEN. Every permit contains a clause providing that it can be terminated at any time, and it was stated in the Secretary's letter that only a few permits can be issued for a certain time.

Mr. MANN of Illinois. Of course, I do not agree myself that where the Government enters into a lease, as it does with reference to post offices, a 10-year lease, with the right of termination at any time, the Government has any right to terminate unless there is a change in the conditions and circumstances. I think that the Government, though it holds the right, has no moral right to exercise that right without good reason for it, and the people who use the range have the right to expect the Government to carry out its contract.

The gentleman from Idaho [Mr. FRENCH] speaks of the Government "speeding up" on this matter. Well, it would be a year before this money would be expended. I do not know how much speeding up there would be. I am inclined to be against all appropriations for any purpose. [Laughter and applause.]

I am inclined to be more strongly against all appropriations unless there is a mighty good reason for them, and it did seem to me that there is apparently a good reason for this, and I do not understand now why gentlemen representing these grazing States are so bitterly opposed to having an appraisement. They are manifesting opposition, strong opposition, when I have never known them to be so anxious about the expenditures of the Government if they went to their States ordinarily, and that has led me to wonder whether there is not something about this that I do not understand; that they are opposed to this because it is right. [Applause.]

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. SUMMERS of Washington. Mr. Speaker, will the gentleman yield?

Mr. HAUGEN. Mr. Speaker, I yield five minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. I will yield one minute to the gentleman from Illinois.

Mr. SUMMERS of Washington. Mr. Speaker, will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. SUMMERS of Washington. Does the gentleman recall that when this bill was before this House for consideration an attempt was made to raise the grazing fee about 300 per cent, as I recall, and coupled with that was this provision for a reappraisal? I think we have that in mind. It was in the bill originally.

Mr. MANN of Illinois. It may be.

Mr. SUMMERS of Washington. An attempt to void contracts that have been made and raise them two or three hundred per cent after the men have made all their business arrangements, have bought their cattle, and everything of that kind; and they feel that it would be very unjust.

Mr. MANN of Illinois. That may be a legitimate reason for the attitude of gentlemen from those States.

Mr. SUMMERS of Washington. That is the fear that is in the minds of these gentlemen.

Mr. MONDELL. Mr. Speaker, I think I can explain to the gentleman from Illinois [Mr. MANN] why these gentlemen from the West are opposed to this provision. Personally, I do not think it makes any great difference whether this provision remains in the bill or not. I do not think it would affect the grazing fee on the reserves a particle. But the gentlemen from the West are opposed to it because it is in the bill at the suggestion of those who insist that the grazing fees ought to be doubled and trebled. That is why they are opposed to it, because the gentlemen who favor it do so because they think that through the medium of the examination proposed there is likely to be a great increase in grazing fees.

The situation is this: The Secretary of Agriculture has now full authority to fix grazing fees. I do not know how many contracts there are out that can be abrogated, and I do not care particularly, because the Secretary, I think, has retained discretion to modify them, however he may be morally bound. He has full authority and jurisdiction now. It is his matter. It is under his jurisdiction, and there is no rhyme or reason for giving him $25,000 to make examinations such as he makes in any event all the time in the ordinary course of business without any additional appropriation; to give him $25,000 with the expectation that he will expend it in making examinations that he will make in any event in the course of administration in the hope on the part of some one that by giving him this additional money in some curious way there will be an increase of grazing fees which would not otherwise occur.

The department, I say, has now full authority, full discretion. The department is not asking for any additional money to make investigations into the subject matter. Their investigations go on all the time. In the reports which they receive from their rangers all over the reserves they are fully informed as to the conditions. They can fix the rates as they see fit, and raise them when they think they ought to be raised, and there is no

reason why the Congress should furnish an additional appropriation to do what is now being done without additional appropriations in the hope that in some way not clearly stated it will result in the increasing of grazing fees which some gentlemen think ought to be increased. [Applause.]

Mr. HAUGEN. Mr. Speaker, I yield five minutes to the gentleman from Kansas [Mr. TINCHER].

The SPEAKER. The gentleman from Kansas is recognized for five minutes.

Mr. TINCHER. Mr. Speaker and gentlemen, I just want to call the attention of the House to this fact, that there is not a $25,000 additional appropriation called for in this amendment. The bill called for exactly the same amount before the amendment was offered, and the amendment simply authorizes the use of $25,000 of that money to make the appraisals.

I want to call attention to another proposition, that in 1919, on any kind of a fair basis, as estimated by the gentleman who wrote the letter that was read here by the gentleman from Colorado [Mr. TAYLOR], this Government lost in the neighborhood of $2,000,000 in that it did not receive fair value for these rentals. I have no quarrel with the western cattlemen. In fact, I have a whole lot of sympathy with them. I know that we all had a hard enough time to try to produce the meat for this country in the last year; but the Government not only owns the national forests, but every year every taxpayer in the United States pays his taxes to uphold them, and the same Congressmen who are here opposing this appraisement to-day are fluent in arguments for appropriations for the upkeep of these forests, to build roads and fences, and make these forests desirable for pasture; and the same committee that brought in this recommendation of this amendment brought in an appropriation to keep up the forests. Last year, 1919, the cattlemen who grazed in the national forests paid an average per season—not per month or per week, but for the whole season—of 71 cents for a full-grown, adult animal that grazed in the national forests. Think of it. There is no comparison between that and what they pay for privately owned pastures anywhere in the land; and I say to you that if we were to add $25,000 to this appropriation and thereby procure for the National Treasury a million or two of dollars, which is justly its due, it would not be a bad appropriation.

Mr. SMITH of Idaho. Will the gentleman yield?

Mr. TINCHER. I decline to yield. I got the figure of 71 cents from Mr. Graves.

When we were questioning Mr. Graves before the committee we were simply asking him questions for facts, without communicating to him what we intended to do or what our idea was; and I want to say to you that his answers to those questions would not justify or corroborate the letter written by him since he left the service, and it was dated after the fact was announced that he was leaving the service.

I am not in favor of repudiating any contract. There are no contracts outstanding. There is to be no broken faith with the stockmen. We have had them before our committee.

Here is another peculiar thing about this: Now, just stop and think for a minute. These gentlemen say, "Oh, we have a five-year contract, and we have bought our cattle, and we are going to keep them in these pastures for five years." What kind of looking cattle are you going to have? How old were they when you bought them? Most cattle are butchered before they are three years old. Who ever heard tell of a man buying his cattle with a view to keeping them for five years?

Now, I believe you are hurting yourselves. I am not finding fault with you. I congratulate you upon the activity you show for your constituents. If they are getting any pasturage for one-fourth or one-fifth what they ought to be paying for it, and the Government is furnishing it, I do not blame you at all for making a fight, and I am not going to quarrel with anyone; but this provision, which was the best the Agricultural Committee could get by reason of the rules and regulations, simply authorizes the Secretary of Agriculture to find out what the legitimate, fair, honest charge should be, and to make that charge. It does not increase the appropriation a dollar, because the bill carried the same amount before. The amendment authorizes the use of $25,000 for this purpose instead probably of building a road or some fences out there in the forests.

I believe that by opposing this amendment you are going to create a sentiment here that will make some of us at least think you have got a right smart bonanza out there and that you are afraid to have any kind of an appraisement that will disturb it. I believe, if I were in your place, I would withdraw opposition to this. Think of the Secretary of Agriculture in 1918 making a five-year contract for the use of the national forests, at 71 cents a head per season, for grazing live stock.

The SPEAKER. The time of the gentleman has expired.

Mr. TINCHER. May I have one more minute?

Mr. HAUGEN. I yield to the gentleman one minute.

Mr. TINCHER. Just think of it. I am surprised to hear that 60 per cent of them are under contract. I do not know how you got at those figures; but if there are 60 per cent of them under contract you ought to be willing to agree to this amendment. Nobody can abrogate a legitimate contract with the Government, and no one wants to; but you ought to be willing to pay at least one-fourth of what the other 40 per cent is worth to the Government and quit opposing this, because I think it really looks like you have got a better thing than you have got. It looks like you have got something you do not want disturbed.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. TINCHER. No.

The SPEAKER. The time of the gentleman has expired.

Mr. HAUGEN. I yield to the gentleman from California [Mr. RAKER].

Mr. RAKER. Mr. Speaker and gentlemen of the House, it is unfortunate that the gentlemen who are opposed to receding and concurring in the Senate amendment know so very little about the forest reserves and the raising of cattle and horses and sheep. Gentlemen talk about ranging cattle for a year in those reserves. Anybody knows that they do not get more than three or four months at the best. In addition to that, these very men who are paying for placing their stock upon the range are paying taxes to build roads and to maintain that country, and to assist in supervising and controlling the land and the country in which these reserves are. They pay taxes to maintain civil government and should not be taxed to ruin. It is all right to talk about exacting a large fee for pasturing, but I will guarantee that from the records presented before the committee there is not one of these forest reserves where the pasturage exceeds three and one-half months a year. They have their own pasture the rest of the year, and in the wintertime they take up their stock and feed them. Now, you want to place a heavier burden upon these men who are already overburdened by taxes and high expenses in everything they do. They have to pay for their stock, they have to pay extra wages, they have to pay an annual tax upon their land, they have to pay by virtue of the increase of everything, but you want to put a heavier burden upon them and practically put them out of business.

But the peculiar thing about this amendment is that it is intended by a legislative act, keenly and nicely worded, to relieve the Secretary of Agriculture from avoiding these contracts, and then say that it is a direction of Congress, and that is what it is.

They will not have men who are familiar with this appraisement. These young men under the civil service from the East can go into this territory and appraise the feed, and then if the appraisement is raised even for a slight amount the contract can be nullified under the legislation. That is what it is put in for, and that is why it is worded in this way. It says:

Provided, That $25,000 may be used by the Secretary of Agriculture for the purpose of ascertaining the appraised value of pasturage upon the national forests, which appraised value, when determined, may, in the discretion of the Secretary of Agriculture, be made the basis of the charge for grazing permits upon such forests.

The Secretary of Agriculture will send these men into the forest reserves. The Forester knows personally practically all of the permittees on the ranges. They gather together twice a year, sometimes oftener—the farmers, the permittees—and they go over the condition of the ranges, what they themselves have, and they generally fix a range fee that is fairly reasonable to the Government and decent and proper to the permittees. They have been increasing the fees for the last 10 years, practically every year, and these permittees have been paying in practically on all of these forest reserves a full, fair, and just remuneration to the Government for the benefit they have received. Why burden them any more? Why pass this bill with a provision which compels the Secretary of Agriculture to avoid and repudiate the contract with the permittee, which he has entered into with these men for the next five years? I am satisfied the Secretary of Agriculture does not want to do this. He is too fair and just a man.

The SPEAKER. The time of the gentleman has expired.

Mr. HAUGEN. Mr. Speaker, I yield five minutes to the gentleman from Mississippi [Mr. CANDLER].

Mr. CANDLER. Mr. Speaker, the gentleman from California [Mr. RAKER], who has just taken his seat, refers to contracts made between the Government of the United States and the cattle raisers for grazing purposes. These contracts are like other Government contracts, subject to be revoked by the Government whenever the conditions change.

Mr. RAKER. Will the gentleman yield?

Mr. CANDLER. For a question.

Mr. RAKER. Under this provision, by all conscience and decency, the Secretary of Agriculture must violate or avoid the contract. Here is a legislative action which directs him to do it, and that is the very purpose of its being put in.

Mr. CANDLER. It directs him to do so in his discretion. It leaves it with him. If he desires to carry it out, he has that right. The Government of the United States by the very terms of the contract has the right to revoke the contract whenever it is for the interest of the Government.

Under the provisions of this bill, as called attention to a few minutes ago by the gentleman from Kansas, my good friend Mr. TINCHER, it does not appropriate a single dollar over and above what is carried in the paragraph itself. It simply states that out of the original amount $25,000 shall be set aside to make this investigation. Therefore it does not take any more money to provide that a certain amount shall be used for this specific purpose—that is, to see what the conditions are with reference to the grazing proposition, and then give the Secretary of Agriculture, in his discretion, the right to do what is best and proper under the circumstances after he finds out what the real facts are.

Mr. GANDY. Will the gentleman yield?

Mr. CANDLER. Not now.

Mr. GANDY. The gentleman does not want to make a mistake—the Senate amendment cuts this down $25,000.

Mr. CANDLER. It carves it out of the original appropriation.

Mr. GANDY. It reduces the appropriation $25,000.

Mr. CANDLER. It directs that $25,000 out of the total shall be used for this specific purpose, and therefore it does not take any extra money. Are you gentlemen from the West uneasy for fear the Department of Agriculture, through the Secretary, in this investigation may find out that there is some reason why conditions should be changed? If he finds out that there is no reason why the conditions should be changed he will not change them, but if he finds that it is necessary, in justice and all fairness, he is given the authority and direction in this provision to make changes. I want to ask you if you believe it is enough for these people to pay only 71 cents a head per annum for the grazing of cattle in the national forests? If this provision is carried out and the amendment suggested should be adopted the Secretary of Agriculture could require these men to pay around $2 a head annually for grazing on the national forests. Is that exorbitant? Certainly not. It is very, very reasonable, indeed.

Another thing, this appropriation bill carries over $6,000,000 for the national forests. The Government gets back something between $2,000,000 and $3,000,000 a year. You are talking economy; you are talking about saving money; you are talking about putting money into the Treasury of the United States. I believe in economy, and therefore I believe in getting money honestly from reasonable and just sources to put in the Treasury of the United States to meet the deficit in this Forest Service. If you adopt this amendment, it may result in putting into the Treasury between $2,000,000 and $3,000,000 a year. There is a deficit for the National Forest Service of about $3,000,000 or $4,000,000 every year. When you get back all you can collect for the grazing and sale of timber, and from every other source from which revenues for this service comes, it still leaves a deficit of about $3,000,000 or $4,000,000.

Let us make up some of this deficit by making these people pay what is just and what is right for grazing cattle on the national forests and Government lands. They say they have the right to use them; that they belong to the Government of the United States. While the legal title is in the Government of the United States, yet, in reality, they belong to all the people of the United States, because the people are required to go down into their pockets and by taxation furnish the money to keep these lands up and take care of them by superintendence and in every other way. Hence, it is the people who furnish the money to take care of these national forests and public lands, and I insist that these people who graze their stock upon them help the other people to take care of the property by paying a reasonable, just, and honest rental when they use these lands for their private use and benefit. That is good business, and it is right and just, and therefore the motion of the gentleman from Idaho [Mr. FRENCH] should be defeated and the motion of the gentleman from Missouri [Mr. RUBEY] should be adopted. [Applause.]

Mr. HAUGEN. Mr. Speaker, I yield three minutes to the gentleman from South Dakota [Mr. GANDY].

Mr. GANDY. Mr. Speaker, I feel that I ought to say at the outset of my remarks that this is not the first time Members from the West have felt called upon to defend the interests of their constituents because of the lack of complete information on the part of Members from other States. I confess that the statement of the gentleman from Missouri [Mr. RUBEY] that it is the direct purpose of those who believe in this amendment to raise the grazing fees two or three times what they are now, frightens me. There is enough inequality at this time without having more. There are approximately 600,000,000 acres of public land and 155,000,000 acres of forest reserve lands. The forest reserve lands are grazed under permits or leases. All public lands are open to everyone, so that only a small portion of the stock in the West is grazed on forest reserve land, the greater portion being grazed on the public lands, and no fee or permit has ever been required for that.

The grazing within a national forest is a distinct help to the forest; and I say to you that if every head of stock were to be taken out of the forest reserves through the coming year, the Agricultural Committee of this House, when they bring in the next appropriation bill, would be compelled to report many times the appropriation for fire protection than they have heretofore. The grazing of the grass keeps it from becoming a fire menace. The residents and workers scattered throughout the forest areas help put out the fires that start, so that the stock in the forest is a distinct benefit, for without stock the ranchers could not live there. If you drive the stock out, then the chairman of this committee, whether he be the gentleman from Iowa [Mr. HAUGEN] or some other gentleman, would come before the House and endeavor to get the stock back, because the stock, its owners, and caretakers must be there for the proper protection of the forest lands.

The Agricultural Department can now raise the grazing fees to any sum it wishes. In 1918 it raised the fees, and it can do it again. It has local men in every one of these forests. It can get the information any time it desires. That being true, why should this Congress by direct language say that the grazing on all of these forests should be appraised, and then that that appraisement should be made the basis of the grazing fees within the forest? Certainly this Government ought not to attempt to make money from those residents of the national forests who by our public-land laws were invited to make their homes there. They are of direct benefit to the Government in its administration of forest reservations, and the additional grazing fees these Members hope to get of right ought not to be required. Those forest-reserve residents are oppressed enough as it is.

The SPEAKER pro tempore (Mr. MANN of Illinois). The time of the gentleman from South Dakota has expired.

EXTENSION OF REMARKS.

Mr. CALDWELL. Mr. Speaker, I ask unanimous consent to print in the RECORD an opinion written by Judge Advocate General Crowder upon the constitutionality of the National Guard provisions in the Army reorganization bill, now pending in conference.

The SPEAKER pro tempore. Is there objection?

Mr. KNUTSON. Mr. Speaker, reserving the right to object, how long is this?

Mr. CALDWELL. It is not very long. It just covers the subject, and I think we ought to have it in the RECORD.

Mr. RUCKER. Mr. Speaker, I object.

The SPEAKER pro tempore. The gentleman from Missouri objects.

AGRICULTURAL APPROPRIATIONS.

Mr. HAUGEN. Mr. Speaker, I yield the remainder of my time to the gentleman from Michigan [Mr. MCLAUGHLIN].

Mr. MCLAUGHLIN of Michigan. Mr. Speaker, a number of gentlemen from public-land States have spoken very interestingly. I do not recall, however, when they showed more feeling over this matter since the policy of making charges in the forest service for timber or for grazing was inaugurated. Some here will remember when all Government property out there was free. These people in the West took it or used it just as they pleased. The suggestion then was made that what they took or what they used they should pay for. There was a terrible outcry, just as there is here to-day. There was a time when the grazing land was used without any charge whatever, and this was done so long that the people out there came to think they had a vested right in it and that the Government of the United States had no right to make a charge of any amount. For a number of years a small charge has been made. There has been an outcry whenever it has been suggested that that amount be increased. There has been some dispute here as to the amounts charged at this time. At page 541 of the hearings the Forester tells us that the average paid for cattle is 72 cents a year, the average for sheep 12 cents a year, and the average for horses 90 cents a year. He was asked

how those charges compared with the charges made for similar facilities on similar lands owned by private parties.

Mr. SMITH of Idaho rose.

Mr. McLAUGHLIN of Michigan. I shall not yield now. He was asked how those charges compared with similar pasturage charges made by private interests, and he said they are only a small part of rates and charges made by owners of private lands. I do not undertake to quote his exact language, but when asked why he did not increase the charges he said they had started on a policy there, and that it would be disagreeable to change it and that they did not like to do it.

When asked whether he thought the rate should be increased he replied that he did, and when asked further why he did not do it he replied that they would not do it unless Congress directed that it should be done, unless a new policy should be adopted. The paragraph of the bill we are considering does not provide for an increase of rates. It simply provides that the Secretary of Agriculture shall be authorized to make an investigation to get information, so that he may later determine, in his discretion, whether or not the rates should be raised—

for the purpose of ascertaining the appraised value of pasturage upon the national forests, which appraised value, when determined, may, in the discretion of the Secretary of Agriculture, be made the basis of the charge for grazing permits upon such forests.

I venture to say there will be no increase of rates during the life of the permits now outstanding, but the investigation must be made now if we are to have the information when these permits terminate that will justify the Secretary of Agriculture in acting understandingly in fixing rates for a future period. All we are asking is that the Secretary of Agriculture shall make the investigation, so that he may have the information upon which a change of rates may be made if, in his discretion, a change will be found to be necessary. That is all this legislation is for.

Mr. SMITH of Idaho. Mr. Speaker, will the gentleman yield now?

Mr. McLAUGHLIN of Michigan. There is no question in the world but that the rates now charged are but a quarter to one-tenth as much as are charged on similar areas—not on the highly cultivated areas, where the pasture and all conditions are much more favorable, but on similar areas owned by private parties. We are not asking that rates be increased now or during the life of outstanding permits, but we ask that the Secretary of Agriculture be authorized to make the investigation.

Some gentlemen tell us the Secretary now has authority, I do not know whether he has or not. Some may know more about that. We often find men who are not on a committee, having had no opportunity, it being none of their business to make investigation, who know or assume to know more than do members of the committee. I do not know whether or not the Secretary of Agriculture has the authority now. But I do know, following interviews with officials who have charge of these properties and whose duty it is know and give information respecting them, that the investigation will not be made unless it is specifically directed and authorized by law just as we propose in this clause in the bill.

Mr. SMITH of Idaho. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. I suggest that the provision should remain as the House passed it, and that the Secretary shall have the authority to obtain, and that he be directed to obtain, the information so that if it is found proper to use it as a basis for increases we will have the information and all data on which the work can understandingly be done. Mr. Speaker, I move the previous question on the motion.

The SPEAKER. The gentleman moves the previous question on the motion to further insist on a disagreement to the Senate amendment.

The question was taken, and the previous question was ordered.

The SPEAKER. The question first comes on the motion of the gentleman from Idaho to recede and concur in the Senate amendment.

The question was taken, and the Speaker announced the noes seemed to have it.

Mr. TAYLOR of Colorado. Division, Mr. Speaker.

The House divided, and there were—ayes 62, noes 55.

Mr. RUBEY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. It is clear that there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 134, nays 146, not voting 147, as follows:

YEAS—134.

Ackerman	Freeman	McArthur	Robinson, N. C.
Andrews, Md.	French	McClintic	Sanders, La.
Andrews, Nebr.	Gallagher	McGlennon	Sanford
Ashbrook	Gandy	McKeown	Sells
Barbour	Ganly	McKiniry	Sherwood
Barkley	Garland	McLaughlin, Nebr.	Siegel
Bee	Garner	MacCrate	Sinclair
Benham	Glynn	MacGregor	Sinnott
Bland, Ind.	Godwin, N. C.	Mann, Ill.	Smith, Idaho
Blanton	Hardy, Colo.	Mansfield	Stedman
Boies	Hardy, Tex.	Martin	Stephens, Miss.
Briggs	Harreld	Mays	Stevenson
Britten	Hawley	Mead	Stoll
Brooks, Ill.	Hersman	Miller	Summers, Wash.
Brooks, Pa.	Hickey	Monahan, Wis.	Taylor, Ark.
Brumbaugh	Hoey	Mondell	Taylor, Colo.
Caldwell	Howard	Moore, Ohio	Taylor, Tenn.
Cannon	Hudspeth	Morgan	Thompson
Cantrill	Humphreys	Mott	Timberlake
Christopherson	Johnson, Miss.	Neely	Tinkham
Cleary	Johnson, Wash.	Newton, Minn.	Upshaw
Collier	Jones, Tex.	Newton, Mo.	Vaile
Copley	Kincheloe	O'Connor	Venable
Crago	King	Ogden	Vestal
Cullen	Kinkaid	Oldfield	Watson
Doremus	Kleczka	Olney	Weaver
Dunbar	Langley	Osborne	Webster
Dyer	Lanham	Parrish	Welling
Eagan	Layton	Pell	Welty
Elliott	Lea, Calif.	Pou	Wilson, La.
Evans, Mont.	Linthicum	Quin	Wilson, Pa.
Evans, Nev.	Luce	Raker	Wingo
Foster	Luhring	Randall, Calif.	
Frear	McAndrews	Reavis	

NAYS—146.

Almon	Evans, Nebr.	Longworth	Rucker
Anderson	Fisher	Lufkin	Sanders, N. Y.
Ayres	Fordney	McDuffie	Scott
Babka	Fuller, Ill.	McKenzie	Sims
Bacharach	Fuller, Mass.	McLaughlin, Mich.	Smith, Mich.
Baer	Gallivan	Magee	Snell
Benson	Gard	Major	Steenerson
Black	Good	Mann, S. C.	Stiness
Bland, Mo.	Graham, Ill.	Mapes	Strong, Kans.
Bland, Va.	Green, Iowa	Michener	Sumners, Tex.
Box	Greene, Mass.	Milligan	Sweet
Brand	Hamilton	Minahan, N. J.	Swope
Browne	Haugen	Montague	Tague
Buchanan	Hersey	Mooney	Thomas
Burdick	Hicks	Nelson, Mo.	Tilson
Burroughs	Hoch	Oliver	Tincher
Byrnes, S. C.	Holland	Overstreet	Towner
Byrns, Tenn.	Houghton	Padgett	Treadway
Campbell, Kans.	Hull, Iowa	Paige	Vinson
Candler	Hull, Tenn.	Park	Voigt
Chindblom	Hutchinson	Parker	Volstead
Clark, Mo.	Igoe	Peters	Wason
Classon	Ireland	Platt	Watkins
Crisp	Jacoway	Purnell	Whaley
Crowther	James	Radcliffe	White, Kans.
Currie, Mich.	Johnson, Ky.	Rainey, Ala.	White, Me.
Dale	Juul	Rainey, H. T.	Williams
Dallinger	Kearns	Rainey, J. W.	Wilson, Ill.
Dickinson, Mo.	Keller	Randall, Wis.	Winslow
Dickinson, Iowa	Knutson	Ricketts	Wise
Dominick	Kraus	Riordan	Woods, Va.
Doughton	Lampert	Robsion, Ky.	Wright
Dowell	Larsen	Rogers	Young, N. Dak.
Dunn	Lee, Ga.	Romjue	Young, Tex.
Dupré	Lehlbach	Rouse	Zihlman
Echols	Little	Rowe	
Esch	Lonergan	Rubey	

NOT VOTING—147.

Anthony	Eagle	Kahn	Reber
Aswell	Edmonds	Kelley, Mich.	Reed, N. Y.
Bankhead	Ellsworth	Kelly, Pa.	Reed, W. Va.
Begg	Elston	Kendall	Rhodes
Bell	Emerson	Kennedy, Iowa	Riddick
Blackmon	Fairfield	Kennedy, R. I.	Rodenberg
Booher	Ferris	Kettner	Rose
Bowers	Fess	Kiess	Rowan
Brinson	Fields	Kitchin	Sabath
Burke	Flood	Kreider	Sanders, Ind.
Butler	Focht	Lankford	Schall
Campbell, Pa.	Garrett	Lazaro	Scully
Caraway	Goldfogle	Lesher	Sears
Carew	Goodall	McCulloch	Shreve
Carss	Goodwin, Ark.	McFadden	Sisson
Carter	Goodykoontz	McKinley	Slemp
Casey	Gould	McLane	Small
Clark, Fla.	Graham, Pa.	McPherson	Smith, Ill.
Coady	Greene, Vt.	Madden	Smith, N. Y.
Cole	Griest	Maher	Smithwick
Connally	Griffin	Mason	Snyder
Cooper	Hadley	Merritt	Steagall
Costello	Hamill	Moon	Steele
Cramton	Harrison	Moore, Va.	Stephens, Ohio
Curry, Calif.	Hastings	Moores, Ind.	Strong, Pa.
Darrow	Hayden	Morin	Sullivan
Davey	Hays	Mudd	Temple
Davis, Minn.	Heflin	Murphy	Tillman
Davis, Tenn.	Hernandez	Nelson, Wis.	Vare
Dempsey	Hill	Nicholls	Walsh
Denison	Huddleston	Nolan	Walters
Dent	Hulings	O'Connell	Ward
Dewalt	Husted	Phelan	Wheeler
Donovan	Jefferis	Porter	Wood, Ind.
Dooling	Johnson, S. Dak.	Ramsey	Woodyard
Drane	Johnston, N. Y.	Ramseyer	Yates
Drewry	Jones, Pa.	Rayburn	

So the motion to recede and concur was rejected.
The Clerk announced the following pairs:
Until further notice:
Mr. MADDEN with Mr. BELL.
Mr. COOPER with Mr. CARSS.
Mr. WALSH with Mr. CONNALLY.
Mr. HERNANDEZ with Mr. HASTINGS.
Mr. COLE with Mr. HAYDEN.
Mr. SNYDER with Mr. CARTER.
Mr. WOOD of Indiana with Mr. SISSON.
Mr. RHODES with Mr. TILLMAN.
Mr. ELSTON with Mr. MOON.
Mr. FOCHT with Mr. DAVIS of Tennessee.
Mr. BUTLER with Mr. STEELE.
Mr. KAHN with Mr. DENT.
Mr. BEGG with Mr. O'CONNELL.
Mr. GRAHAM of Pennsylvania with Mr. DEWALT.
Mr. DENISON with Mr. CAMPBELL of Pennsylvania.
Mr. KELLEY of Michigan with Mr. HEFLIN.
Mr. STEPHENS of Ohio with Mr. SCULLY.
Mr. KENNEDY of Rhode Island with Mr. FIELDS.
Mr. KIESS with Mr. CASEY.
Mr. DAVIS of Minnesota with Mr. ASWELL.
Mr. HULINGS with Mr. SULLIVAN.
Mr. SLEMP with Mr. CARAWAY.
Mr. DARROW with Mr. STEAGALL.
Mr. KENDALL with Mr. SMALL.
Mr. FESS with Mr. HARRISON.
Mr. SHREVE with Mr. COADY.
Mr. PORTER with Mr. DAVEY.
Mr. SANDERS of Indiana with Mr. PHELAN.
Mr. KELLY of Pennsylvania with Mr. ROWAN.
Mr. RODENBERG with Mr. KETTNER.
Mr. GRIEST with Mr. DOOLING.
Mr. MCKINLEY with Mr. KITCHIN.
Mr. JONES of Pennsylvania with Mr. SMITHWICK.
Mr. COSTELLO with Mr. RAYBURN.
Mr. ROSE with Mr. BOOHER.
Mr. KREIDER with Mr. HUDDLESTON.
Mr. RIDDICK with Mr. LANKFORD.
Mr. JOHNSON of South Dakota with Mr. FLOOD.
Mr. MCPHERSON with Mr. SEARS.
Mr. REBER with Mr. LESHER.
Mr. GREENE of Vermont with Mr. GARRETT.
Mr. RAMSEY with Mr. GOODWIN of Arkansas.
Mr. BOWERS with Mr. GRIFFIN.
Mr. MUDD with Mr. MCLANE.
Mr. NELSON of Wisconsin with Mr. FERRIS.
Mr. GOODALL with Mr. CLARK of Florida.
Mr. ANTHONY with Mr. BANKHEAD.
Mr. HUSTED with Mr. EAGLE.
Mr. YATES with Mr. MOORE of Virginia.
Mr. VARE with Mr. MAHER.
Mr. FAIRFIELD with Mr. DONOVAN.
Mr. BURKE with Mr. HAMILL.
Mr. WOODYARD with Mr. NICHOLLS.
Mr. TEMPLE with Mr. LAZARO.
Mr. WARD with Mr. JOHNSTON of New York.
Mr. STRONG of Pennsylvania with Mr. BLACKMON.
Mr. DEMPSEY with Mr. CAREW.
Mr. WHEELER with Mr. BRINSON.
Mr. WALTERS with Mr. DREWRY.
Mr. MURPHY with Mr. SMITH of New York.
Mr. EDMONDS with Mr. DRANE.
Mr. MORIN with Mr. GOLDFOGLE.
Mr. MCFADDEN with Mr. SABATH.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present, the Doorkeeper will unlock the doors. The question recurs on the motion of the gentleman from Iowa that the House further insist on its disagreement.

Mr. RUBEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RUBEY. Does not the fact that this motion was defeated make the adoption of the other unnecessary?

The SPEAKER. The Chair thinks the gentleman's point is correct in that refusing to recede and concur is the same as disagreeing.

LEAVE OF ABSENCE.

Mr. BYRNS of Tennessee. Mr. Speaker, I wish to submit a request for unanimous consent that my colleague, Mr. DAVIS of Tennessee, may be excused on account of serious illness in his family.

The SPEAKER. Without objection, leave is granted.

There was no objection.

AGRICULTURAL APPROPRIATIONS.

Mr. EVANS of Nevada. Mr. Speaker, owing to restrictions under which the stock grower operates upon the national forest reserves, the rate should be not more than one-half that imposed upon private lands in similar localities. On the forest reserves only a certain number of head are allowed under any one permit, with no control of certain areas. He may be moved upon scant notice from section to section, with only expectation for temporary privilege. Other stock owners are allowed range with his, when in charge of a herder. The stockman has no say. All is decided by Government men. The stockman has no immediate redress against trespass from other herds. He must sign to move on demand.

Under these restrictions the Government may eject him at any time. He has no definite tenure of the land and can not wisely invest to increase his herd, thus creating an uncertain future, where he should have protection of contract covering many years. He can not sell or transfer his brand with assurance to the purchaser for continuance of pasturage. He can not incorporate without being subjected to a revision and possible curtailment of area for selling a portion of his holdings, by which he may forfeit all his grazing privileges; he may not even temporarily reside elsewhere. He is restricted and can not change from one class of stock to another kind, and subject to reduction to admit new stockmen; subjected to numerous countings, roundings up, and disturbances. He must allow all others in that section full use of any and all improvements which he has privately made, and seldom is he permitted to fence, while use of his expensive efforts at improving the land is apportioned to others. Forest ranges are long distances from winter feed and shipping points, and the meat producers must often give way to game animals. His permit is not negotiable nor transferable.

The exactions of dehorning, salting requirements, bull laws, percentage of steers and breeding stock, and building sheds are senseless and too many. It is not a right, but a temporary personal privilege, subject to revision, restraint, or instant cancellation. These restrictions are necessary for protection of general stock and all interests, and are cited to show the disadvantages to the stockman as compared to using private lands in the same vicinity, where he has recognized rights upon which he may base a continuance of stability and growth of his business, and where he may protect his herd with fences. Your great aim is increased production, but exorbitant fees added to many impractical barriers tend to defeat this purpose.

For these valid reasons range fees should be not arbitrarily increased, but permitted to stand as encouragement to production by stabilizing a just rate to remain for many years.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the grazing amendment.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. LEE of Georgia. Mr. Speaker, I make the same request.

The SPEAKER. The gentleman from Georgia makes the same request. Is there objection? [After a pause.] The Chair hears none.

Mr. SUMMERS of Washington. Mr. Speaker, I make the same request.

The SPEAKER. The gentleman from Washington makes the same request. Is there objection? [After a pause.] The Chair hears none.

Mr. HAUGEN. Mr. Speaker, I move to further insist on disagreement to amendment 249.

Mr. YOUNG of Texas. Mr. Speaker, I move that the House recede on Senate amendment 249, and concur in the amendment with an amendment striking out, beginning at line 11, and including all of line 11 down to and including line 20.

The SPEAKER. The gentleman from Texas moves that the House recede from its disagreement to Senate amendment 249, and concur therein with an amendment, which the Clerk will report.

The Clerk read as follows:

Page 92, line 11, strike out all of lines 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20.

Mr. SIMS. Mr. Speaker, I offer a preferential motion.

Mr. STEVENSON. Mr. Speaker, I offer the following motion, namely, that the House instruct the conferees——

Mr. MANN of Illinois. That motion is not in order now.

Mr. STEVENSON. I offer as a substitute for the gentleman's motion, that the House concur in the amendment striking out the language which the gentleman indicates to strike out, and insert the language which I send to the desk.

The SPEAKER. The gentleman from South Carolina offers as a substittue for the amendment of the gentleman from Texas

an amendment which he submits, and which the Clerk will report.

The Clerk read as follows:

That hereafter whenever demand is made for delivery, or a tender of delivery is made, of cotton classified as tenderable on a section 5 contract of said act as amended by the act of March 4, 1919, the buyer shall have a right to designate five of the grades, tenderable under the amendment of March 4, 1919, and from which 50 per cent of said contracts shall be delivered, the seller to determine the number of bales of each grade, if any, which he will deliver, and the seller shall have the option to deliver the other 50 per cent of the contract in any of the 10 grades tenderable under the amendment of March 4, 1919.

Mr. SIMS. Mr. Speaker, I make a preferential motion. I move to concur in the Senate amendment.

The SPEAKER. The gentleman from Tennessee moves that the House recede and concur in the Senate amendment.

Mr. CRISP. Mr. Speaker, I make the point of order that that motion is not preferential. At this stage a motion to recede and concur with an amendment is preferable to a motion to concur.

Mr. MANN of Illinois. The gentleman will not make that point of order if he thinks a moment.

Mr. CRISP. I have thought a moment, and I still make that motion, because I think that is the rule of the House.

Mr. MANN of Illinois. Mr. Speaker, a motion to concur with an amendment takes precedence before the stage of disagreement has been reached. When the Senate amendment is first before the House a motion to concur with an amendment has precedence.

Mr. CRISP. The gentleman is correct. I am in error.

Mr. MANN of Illinois. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. MANN of Illinois. I think the motion to concur with an amendment as reported probably referred to the lining of the amendment as in the bill with the Senate amendment numbered. If so, it ought to be stated. Of course, that is not the Senate amendment and not printed.

Mr. STEVENSON. Mr. Speaker, my motion is to strike out the lines on page 92 of the bill printed with the Senate amendment, from 11 to 20 inclusive, and insert the matter which I sent to the desk to be read in lieu of it.

Mr. MANN of Illinois. I have no objection to the form of the motion.

Mr. STEVENSON. That is why I am stating it. The gentleman is entirely correct. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. STEVENSON. I am using the bill H. R. 12272, on which it says "Ordered to be printed with the amendments of the Senate numbered," dated March 29, 1920. If that is not the proper record, I would like to get it, so that we can have it in at the right place.

Mr. MANN of Illinois. It is likely that the enrolling clerk will take notice of it.

The SPEAKER. The question is on the motion of the gentleman from Tennessee [Mr. SIMS] that the House recede and concur.

Mr. SIMS. Mr. Speaker, I understand that the motion of the gentleman from South Carolina is, in substance, the same, and therefore I withdraw my motion.

The SPEAKER. The gentleman from Tennessee withdraws his motion. The question is on the motion of the gentleman from South Carolina [Mr. STEVENSON].

Mr. HAUGEN. Mr. Speaker, several requests have been made for time, and if I may have the gentleman's attention, I will ask him if we can agree on the time.

Mr. LEE of Georgia. I have requests for an hour and a half from gentlemen over here, some on one side and some on the other side of the question, aggregating about 45 minutes for the amendment and about 45 minutes against it.

Mr. HAUGEN. Can not that time be cut down somewhat? Mr. Speaker, I ask unanimous consent that the time be extended 1 hour and 20 minutes, to be equally divided for and against the proposition, with the gentleman from Georgia in control of half the time, and myself in control of the other half.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the debate on this motion be extended 1 hour and 20 minutes.

Mr. MANN of Illinois. The debate on this amendment.

The SPEAKER. The Chair supposed it was on both amendments.

Mr. HAUGEN. On this amendment and all amendments thereto.

The SPEAKER. On the Senate amendments, half to be controlled by the gentleman from Iowa and half to be controlled by the gentleman from Georgia [Mr. LEE]. Is there objection?

Mr. SUMNERS of Texas. Reserving the right to object, Mr. Speaker, this is perhaps one of the most important matters that could concern a great section of the United States. This amendment comes over from the Senate. I understand that there was very little consideration of it there, and I do not believe the matter can be discussed here in that length of time, and therefore I ask that we have at least 1 hour and 30 minutes' discussion.

Mr. DUPRÉ. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. DUPRÉ. Would the gentleman ask the Speaker again to state the unanimous-consent request proposed by the gentleman from Iowa, the chairman of the committee? There is some confusion as to what his request was.

The SPEAKER. The request is that there be 1 hour and 20 minutes' debate.

Mr. HAUGEN. I amend that, and make it 1 hour and 30 minutes, with the gentleman from Georgia [Mr. LEE] to control half the time, and I the other half, with the understanding that the time is to be equally divided among gentlemen for and against.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the debate be extended to 1 hour and 30 minutes, one half the time to be controlled by himself and the other half by the gentleman from Georgia [Mr. LEE]. Is there objection?

There was no objection.

Mr. LEE of Georgia. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. YOUNG].

The SPEAKER. The gentleman from Texas is recognized for 10 minutes.

Mr. HARRELD. Mr. Speaker, I ask that the amendment be again reported.

The SPEAKER. Is there objection to having the amendment again reported? [After a pause.] The Chair hears none. The amendment will be again reported.

The amendment was again read.

Mr. YOUNG of Texas. Mr. Speaker and gentlemen of the House, there is at this time sought to be enacted into law on an annual appropriation bill a proposition that involves the destiny of more than 3,000,000 people who produce the great cotton crop of the South, which not only sustains those people themselves, but as the product of their labor goes forth to the uttermost parts of the world to clothe humanity. It is not a proposition that is confined in its final analysis to the cotton producer, but it goes to every consumer of cotton, to every manufacturing enterprise in the whole Nation, and to every manufacturing enterprise in the other nations of the earth.

This amendment is an amendment that has had no consideration. It was put on in the Senate without debate, with not half a dozen Senators present. So far as I am concerned, I want the country to know that men who should have been present when so important a proposition as this was presented and asked to be made permanent law were not in their seats. Then it comes back through the conference committee to be considered by this House.

What do you know about it? It is a technical proposition. Take it from me, it touches the value of every pound of cotton that is produced in this Nation. It touches the direct interest of every citizen of this Nation. Are you going to assume the responsibility of changing a law that did have consideration by this body and by the other body and write onto it a fundamental change, whereof no man in the universe knows what the legal effect will be and what the practical working out will be? You are not going to do it.

Ah, there has been propaganda shot from one end of this country to the other, whole pages of newspaper advertising, paid for by the author of this amendment, in order to make sentiment for the amendment. The author of the amendment is a manufacturer. I am a producer. At the end of this Congress I am going to engage actively in the production of cotton and, if I had my way about it, when this product comes from my farm, I want it to go out into the market of the world controlled as nearly as may be by the laws of supply and demand. That is all I want as a farmer. [Applause.] I am going back to produce this great article, and I do not want a fictitious law affecting it placed upon the statute books, a law of doubtful effect, so doubtful that I do not know how it is going to affect the value of the product that I expect to devote the rest of my life to producing.

Now, what have we got? We have got in this country two great cotton exchanges—one at New York and one at New Orleans. If I could substitute a better system than we have, God knows I would drive out of the markets for all agricultural products the gambling enterprises that have entered into them. [Applause.]

But that has not been found practicable. We had this condition. We had these two great exchanges. In 1914 this matter came before the Committee on Agriculture of the House, to determine whether or not we could pass a law that would regulate these exchanges and make them conform to a rule that would require a fair, practical, common-sense way of handling a great industry. They had engaged in transactions that were damnable. They had been used to handling the great cotton crop of the country through these exchanges by gathering together thousands of bales of dog-tail cotton and holding it in their warehouses, and when cotton was bought and sold on these exchanges they would come in under the rules and regulations and tender this dog-tail cotton, which is not spinnable and which has no value, and yet under their rules they could tender it and pay the difference. If I entered the game with them and bought a hundred bales of cotton and I did not settle according to their rules, they would tender me this unspinnable stuff. They would force me to take it. I would be forced to settle according to their rules and on their terms. We said, "That ought not to be."

What did we do? We had hearings, as they ought to have had on this amendment. Those hearings lasted for days and weeks. Whom did we have before us? We had men from both exchanges. We had producers, manufacturers, and dealers of this Nation. They all came and testified as to the conditions in the cotton trade, with their recommendations as to what should be done. Now, this was a duly authorized committee of the House, presided over by Mr. Lever, an ex-Member whom we all honor. I was on that committee. So, after hearing these facts, we debated in that committee for many days as to what could be done, and what was the principle that we had to keep in mind. The principle was to let this cotton go to the markets of the world as nearly as possible governed by the law of supply and demand, and take it out of the power of manipulating organizations like these exchanges were at that time to tender unspinnable cotton in order to win in their part of the game.

We said, and we said it advisedly, that there are certain standard grades of cotton that are spinnable, and after all the facts were developed we said there were 10 of those grades of spinnable cotton, cotton that is of real value, cotton that the world wants, cotton that the world demands, that will always sell in the market. We adopted 10 grades, middling being the basis, and five above and five below. Middling is the real measuring yardstick. After that became a law it worked out to the reasonable satisfaction not only of the trade but of the producers. It took from the crooked dealers on the exchanges the power that they had had theretofore of tendering thousands of bales of cotton that was not cotton at all, but waste that they had warehoused somewhere probably for 50 years for that nefarious purpose. Now when they deal on the exchanges they are dealing in those 10 spinnable grades of cotton. We are regulating them and making them deal in an article that has value.

Well, when the law went down here to be administered in——

The SPEAKER. The time of the gentleman has expired.

Mr. YOUNG of Texas. I should like five minutes more.

Mr. LEE of Georgia. I yield to the gentleman five minutes more.

Mr. YOUNG of Texas. The chief of the Bureau of Markets extended those grades until they reached 21 in number. We thought we had limited them to 10. Then what happened? These exchanges were rapidly getting back to the same system that we sought to correct by the original legislation. Then what did we do? We put as a rider on the wheat bill these four lines that I have asked to have remain in this bill as permanent law. All it means is to restore and hold to the 10 grades as originally provided in the cotton-futures act.

Now, what does this amendment sent over here by the Senate mean? Do you know? It says you shall hold to the 10 grades all right, but the seller has got the right to deliver middling and five grades above, and the other party to the contract can deliver any grade he pleases, any of the 10 grades. Do you know what effect it will have on the market? I do not know. Have there been any hearings that would develop that fact? It would have been developed if there had been any hearings. Has there been any witness examined before any committee of the House? They would not have got by me without cross-questioning so that I would know how far-reaching this proposition is. Yet they seek to write it on this bill when we do not know its effects. I say to you, I do not know what it is going to do, and all of the Members of Congress, equally interested in doing right, do not want to guess at any such proposition, which may have an effect that we do not intend. My State produces one-third of the entire cotton crop of the South. I think I can pledge you here that the 18 Members from Texas do not want to experiment with this legislation. If there is merit in it we want it to go through the committee channels, and to have hearings on it. Why do you want to get away from a system that has been reasonably satisfactory? There may be something better. I do not know. The present law has worked so much better than the old system that I have been reasonably satisfied with it and my people have, and I do not want to swap that off for something that I do not know the effect of. I appeal to you gentlemen from the noncotton sections of the country to be fair to us. If there is merit in the Comer amendment, Congress is still in session and will continue to be in session. Let it be introduced as a separate bill and go through the regular channel of a committee. Then if there is merit in it you and I will be glad to adopt the amendment as a separate bill, but for God's sake do not try to experiment on a permanent law which has proven its worth. [Applause.]

I yield back the remainder of my time.

Mr. HAUGEN. I yield five minutes to the gentleman from Tennessee [Mr. SIMS].

Mr. LEE of Georgia. I had agreed to yield 10 minutes first to the gentleman from South Carolina [Mr. STEVENSON].

Mr. SIMS. I am glad to give way to the gentleman.

Mr. STEVENSON. Mr. Speaker, I am glad that the gentleman from Texas [Mr. YOUNG] went fully into the history of this legislation, because it relieves me of part of my duty in presenting to you the reasons why some of us are in favor of the substitute which I have offered for the Comer amendment.

The gentleman says this is a vicious proposition, to put something of this kind on this bill, and yet you will notice, gentlemen, that his motion proposes to keep on this bill and make permanent law something that was put onto the Lever wheat regulation bill just as this is being put on here now. If it is vicious now, it was vicious then.

The gentleman also says a good deal about cotton futures and about the exchanges. My proposition is to put the buyer and the seller absolutely on the same ground and give each one of them the right to say, to a certain extent, what his contract shall mean. The gentleman [Mr. YOUNG of Texas] says he comes from the State which makes one-third of the cotton. I come from the State which makes more cotton to the head and more cotton to the acre than any other State in the cotton belt. Take the statistics of 1918, the last complete crop statistics, and they show that Texas planted 11,233,000 acres of cotton and she got 2,610,000 bales. South Carolina planted 3,001,000 acres and she got 1,581,000 bales. In other words, we make over half a bale to the acre, while Texas makes about a bale to every five acres.

That is about the proposition, so there is nothing in that. We know something about making cotton in South Carolina, and it stands away yonder and above any other State in the number of bales per acre.

Now, you gentlemen know, and if you do not I will read to you, what the grades are. When a man goes into the New York or New Orleans market he buys middling cotton; that is, it is bought on the basis that they are going to deliver middling cotton. There are 10 grades that can be tendered—middling fair, strict good middling, good middling, strict middling, middling, strict low middling, low middling, good middling tinge yellow, strict middling tinge yellow, good middling yellow stain.

There are 10 grades—5 above middling and 5 below. The proposition here is this: When a demand is made for delivery and when the seller undertakes to deliver, the man who buys can say, "Here are 10 grades that you can make delivery from." As it is now the seller can deliver all of it in low grade. He does not need it; he does not want it; but they can make him take it whether he wants it or not. My proposition is that when he comes to deliver he can say, "Here are five grades, and you can deliver 50 per cent of it from those five grades." You have got to deliver 50 per cent in any of these five grades. And he says to the seller that he can deliver the balance—he is not compelled to deliver the balance—in those other grades, but he can deliver in any or all of the 10 grades that are deliverable. Is not that clear? We do not ask for anything that is unfair. What will be the result? It means that the purchaser is put on a parity with the seller and that he has the right to say what grade half of the cotton shall be, and the seller has a right to say what the other half shall be, and that is all there is to it.

Why do we do that? I will tell you why. They sold last year on the exchange 104,000,000 bales of cotton. How many bales of cotton were there to sell? Eleven million. They never expected to deliver that cotton. They sold it at 3 cents a pound below the price of spot cotton every day in the year. Why did they do it?

Now, I want to show you what this amounts to. Take the cotton market of yesterday. In New York July cotton sold at 38.50 and spot cotton at 41.40—2.90 more for spot; and this cot-

ton they are selling to deliver in July. There is not a pound of cotton that can be made between now and July to be delivered. The cotton that can be delivered is already in existence. Cotton is going up from day to day, and the result is that it is absurd that it can be kept down to 38.50 in July; but they are relying on the fact that nobody will come up and ask for the delivery of cotton because they can give them what they do not want.

We propose to say to them, "You have got to deliver 50 bales of the 100 bales of cotton of the grade the purchaser wants, and you can put any of the other stuff on to him that you want to." We are going to give each man the right to say what the contract shall be paid in. You say that is a gambling proposition? It is. Some say that this will destroy the value of the low-grade cotton and that there is more low-grade cotton than there is high grade.

I will cite you Hester's report. There were five grades below and five above. There was so much more above that it held the average up to middling. What effect does that have? I make cotton, and I know where it hits, because I have seen it hit. About two years ago spot cotton was selling at, say, 26 cents a pound, and you could not get it for any less. In the New York market they were selling it in April at 22 cents a pound for delivery in July—4 cents difference. We are loaning money to farmers, loaning them 20 cents a pound upon it; but the banks say that you loan too much on that, and that they can not carry it, that they must have 5 cents margin. We say to them, "Here is spot cotton bringing 26 cents," and they reply, "But here is the New York market for July, and that is 90 days from now, and when you come to sell that cotton to pay this note it is only 22, and, therefore, you lack 3 cents, and you have not enough margin, and you can not discount your paper here." The farmer has to put up enough cotton to make it only 17 cents a pound, because these gamblers have bet on its being lower in July than it is now. That is the reason that I say that the farmer is interested in this, and I am speaking from the standpoint of the farmer. I am also speaking from the standpoint of the manufacturer. I hear people abusing the manufacturer and saying that the author of this is a manufacturer. If we find a manufacturer who is going to help the farmer out, then, I say, God save him. I say that he is a benefactor. He has been in my country, where we are the third in the United States in the manufacture of cotton.

Let us look for one minute at another thing.

The SPEAKER pro tempore (Mr. HICKS). The time of the gentleman from South Carolina has expired.

Mr. STEVENSON. Can not the gentleman let me have five minutes more?

Mr. LEE of Georgia. Mr. Speaker, the gentleman from Alabama [Mr. ALMON] is willing to yield three minutes of his time to the gentleman from South Carolina, which I grant to him now.

Mr. STEVENSON. I thank the gentleman. They say that there will be no market for the low-grade cotton; that it will hurt the market for the low-grade cotton. If it comes to hurting the market for low-grade cotton by making them give the man who buys an equal share with the man who sells, why it will have to be hurt, and I will show you that there is nothing to that. Let us see what they tender through the cotton exchanges. Do you know how much cotton has been tendered and delivered in the cotton exchanges in the last year? One hundred and four million bales were sold, and there were 20,000 bales delivered in New Orleans and less than 10,000 bales delivered in New York.

They talk about it destroying low-grade cotton! They delivered of middling and above, 15,565 bales, and they delivered of below middling 5,179 bales, so that the low-grade cotton is not finding any considerable outlet through the exchange at the present time. Therefore they are unduly alarmed over that. But let us see what becomes of it. This country spins 6,000,000 bales in round numbers, not quite that last year. It exports the balance. Germany has been out of the market, and Germany and Austria took 3,000,000 bales in the last year that they were in the market. They are coming back in. They take the low-grade cotton—all of it. They will take at least 5,000,000 bales next year if they can get it. There are only 11,000,000 bales made. There is a good deal of the low grade consumed in this country. There is not over 50 per cent of it, according to the secretary of the exchange in New Orleans, that is low grade. Three million bales of it will go to Germany and the balance of it goes abroad, and there is a cry for it. We have not near enough of cotton to export, and only using five to six million bales here, there is no danger of any clogging, because the manufacturers can call these fellows if they want to, for high-grade cotton, for middling and above, for the whole 6,000,000, and have a million bales left, according to the best figures that I can get; but they do not do it. They say they go out on the market and buy it. All I want is a square deal for the people who have something to sell, and not have the men in a position where, by dominating the market and dictating to the buyer what he shall take, they can keep the price of this great business product 3 cents a pound below what it is when you buy spot, and when there is absolutely no chance to get any more to deliver, when I called your attention to the July figures as I did a little bit ago.

There is another thing about this—talking about the low grades that they are afraid will be hurt. The Southern Cotton Association sold 700,000 bales to Bohemia alone——

The SPEAKER pro tempore. The time of the gentleman from South Carolina has again expired.

By unanimous consent Mr. STEVENSON was granted leave to extend his remarks in the RECORD.

Mr. HAUGEN. Mr. Speaker, I yield five minutes to the gentleman from Tennessee [Mr. SIMS].

Mr. SIMS. Mr. Speaker, for years I took an active part in trying to secure legislation to prevent gambling in the name of cotton to the injury of the cotton industry. There was no more active man in the part played in that attempted legislation then than the gentleman from Texas, the Hon. Albert Sidney Burleson, and the hearings covered many volumes. Texas was highly in favor of the legislation proposed in order to minimize the pure gambling that went on in the name of cotton on the exchanges. Talk about hedging! If there was no gambling in cotton, there would not be any need for hedging. The actual dealers have got to hedge now, because the gambling is done in such a way as to affect the market for spot cotton. In the morning the cotton exchange opens at 10 o'clock, and they sell right along for every month for a year or so on the opening call.

Selling futures goes on until 2 o'clock in the afternoon, and then spots are quoted, and the usual quotation is "asked and bid" prices. So much asked, so much bid; sales, none. When thousands of bales of phantom cotton have been sold that very morning prior to these spot quotations, these quotations of futures for every month in the year go out to the country by wire immediately, and all that day at the little country towns and everywhere else where there is a telephone connection actual cotton is bought upon the price of futures that are made in New York that day. It is too late when the spots are quoted to do any spot business that day. Why is there not a future market in wool? Wool and cotton are used very much for the same purposes. Both are used for making clothing, fabrics, and many things of a similar sort, but there are no future contract markets for wool—no wool exchanges. You do not see quotations, October, December, or May wool, yet there are future contracts with reference to both wool and woolen goods; but the wool is bought in good faith, and business in wool and woolens goes on and prospers. Now, if the fabric that is used very largely for the same thing as cotton requires no future market and no hedging, then why does cotton require it in a phantom gamblers' market in which hundreds of thousands of bales are sold; and when you come to a delivery, it is always the delivery of cotton which no man wants, not even the man who has it. Why talk of delivering cotton when hundreds and thousands of bales are sold in the morning and bought back that afternoon? Why, these gamblers in cotton are afraid to trust each other frequently over one day, consequently on Saturday, when the cotton future market closes for one day, professionals close out, not wanting to carry the risk until Monday following. Does that look like dealing as a measure of insurance? Now, the proposition of the gentleman from South Carolina in substance, as he stated, is the half-and-half proposition. If you sell for future delivery, and you must deliver some of the grades mentioned of the ten, why not give the purchaser the right to have deliveries of half of the kind of cotton he wants, while you give the sellers the right to deliver the other half of the kind he may desire to deliver? Therefore I think, if you care anything for the cotton-producing industry and the manufacture of cotton, you will vote for the substitute amendment of the gentleman from South Carolina.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LEE of Georgia. Mr. Speaker, I yield five minutes to the gentleman from Mississippi [Mr. HUMPHREYS]. [Applause.]

Mr. HUMPHREYS. Mr. Speaker and gentlemen, with all due respect to you, you know about as much about this subject as Adam's house cat, and the gentleman who just talked to you about this technical subject has really contributed as much to your information as would have been done if he had talked altogether in Greek. [Laughter.] This is a very technical subject, and the argument which the gentleman from South

Carolina has made is the very best possible reason that can be assigned why this whole subject ought to go to a committee to have hearings by those who favor it and those who are opposed to it, to be thrashed out and brought into the House in an orderly fashion instead of coming up as it does. Why, this is not the last crop of cotton that is going to be made. There is no occasion for this unseemly hurry. The distinguished author of this amendment stops over in Washington between trains. He is in a hurry. He rushes up to the Capitol, assuring us that he has got a prescription that will make the world safe for the cotton consumer and the cotton producer. [Laughter.] "Do not call any witnesses, do not have any hearings, do not make any investigation; I have not got time for that, gentlemen; I have to catch the next train for Alabama." [Laughter and applause.] Just as well undertake to legislate, gentlemen, with a ouija board as to deal with a serious subject in such fashion as this. [Laughter and applause.] There never was a time in the history of this generation when the cotton farmer was getting as good price as he is for his cotton. There never was a time when the cotton spinner was making a more satisfactory dividend. Then why monkey with the situation when everybody is happy? This is exactly on the plane of the boy who cuts his mechanical toy to pieces to see why the wheels go round and why it runs so smoothly. There is just as much sense in one as there would be in the other. [Laughter.] The gentlemen here who represent the overwhelming acreage of the South earnestly beg you not to legislate in any such haphazard way as this on a matter so vital to the cotton trade, but let the gentleman from South Carolina, who produces more per acre than anybody else, and the gentleman from Tennessee, who does not produce any per acre [laughter], and the distinguished Senator from Alabama, when he can come back on a visit and has got a little longer to stay, and the gentleman from Texas and myself, and the rest of us all go to the Committee on Agriculture and present our various views and have the producer present and give him a square deal—the gentleman from South Carolina says that is what he wants, a square deal—give him a hearing; give the manufacturer a hearing and give the gentlemen on the exchanges a hearing, and thrash it out and then bring in a proposition, submit it to the House, when somebody will know something about it. I submit that that is the only way to legislate on a matter that affects vitally so many people of this country. Why, the gentleman from South Carolina is not satisfied with the Comer amendment. He wants to change that somewhat. He has got a substitute for the Comer amendment. So the Senator from Alabama and the gentleman from South Carolina do not agree on what ought to be done. Let us relegate them to the Committee on Agriculture in the House and the Committee on Agriculture in the Senate, where they can thrash out their differences. I hope, gentlemen, you will not be induced to support this simply because you are told that the Postmaster General favors it.

Mr. SIMS. To save time, the gentleman himself favors it.

Mr. HUMPHREYS. No; I am utterly opposed to it. If the House is interested in knowing what my view is, I think it is absolutely vicious, but that is simply my opinion. I have not the time to discuss the merits of it. I simply appeal to you not to take any action here at all; do not write it on the statute books until all of us have an opportunity to appear before the proper committee. Why, I could retort that the gentleman from South Carolina, Mr. Lever, is utterly opposed to the Comer amendment, and I dare say his opinion is worth as much, with reference to this subject, as the opinion of the Postmaster General. I hope, gentlemen, that you will not write this into the bill. [Applause.]

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HAUGEN. I yield five minutes to the gentleman from Alabama [Mr. OLIVER].

Mr. OLIVER. Mr. Speaker, since the gentleman from Mississippi [Mr. HUMPHREYS] has alluded to the author of the amendment in the Senate, it may be proper for me to say that while it is true he will be in the Senate for a short time only, yet he only asked for this short term, and I am of the opinion had he asked for a longer term the people of Alabama would have awarded it to him. He has enjoyed for many years the confidence, the esteem, and the warm affection of the people of my State, and when I refer to the people of my State I refer especially to the great farmer class of our people. He was railroad commissioner for many years, and under his direction, while commissioner, far-reaching and beneficent legislation was secured in the reduction of rates, both passenger and freight. He made a great governor and was elected to that high office by an overwhelming vote of the farmers of the State, and no administration contributed so much to the cause of education as did his. He caused to be placed on the statute books liberal revenue laws, taxing the man of means, and he is a man of means himself. No one who knows him would question for a moment his friendship for the cotton producer, and his absolute sincerity and honesty of purpose in the preparation of this amendment offered by him in the Senate. He is a large producer, a large dealer, and a large manufacturer of cotton. Able, stalwart, frank, and honest in his private and public life, he never yet has taken a position without announcing his reasons therefor, willing always that those who differ from him shall be given an opportunity to meet and answer any argument he may offer in support of his position. He and the distinguished Senator from Louisiana, you will note from the RECORD, have had long and interesting discussions of this amendment, both giving reasons for their respective positions, and I venture to assert that if you will read their discussions the majority of you will agree that the Senator from Alabama is right.

The gentleman from Mississippi [Mr. HUMPHREYS] states this is a most technical subject, and though he and others refer to it as being so technical and say you know nothing about it, yet they have frequently come to you for legislation in reference to it.

There was a time, and that time was not long ago, when, as all now admit, gamblers on the cotton exchange had for years been protected in methods used for fleecing producers, honest dealers, and manufacturers of cotton. They had been given the right in the fulfillment of contracts made on the exchange to tender any kind of cotton, and thus they were enabled to press down the prices of this great staple. In the effort to correct this abuse Congress first limited the tenderable grades on exchange contracts to 21. It was soon found that speculative traders on the exchange could under the law tender badly mixed lots of low-grade cotton within these 21 grades and thereby in a large way depress the price of cotton. Congress then, seeking to further check and correct this abuse, limited the tenderable grades to 10 on exchange contracts.

It has been clearly shown that even with this limitation speculators on the exchange market are yet able to assemble unusable and unmarketable mixed lots of cotton within these 10 grades for tender and thus with safety and impunity constantly cause wide fluctuations between the exchange and commercial value of cotton. The reason why cotton is not now forced to much lower levels by the speculators on the exchange is the grim determination of holders of spot cotton not to sell when these fluctuations occur.

Many have been the vicious attacks of the gamblers on the exchange to push down the price of spot cotton within the last five or six months by causing wide differences between the exchange and the commercial value of cotton. Their efforts have failed only because of the ability of holders of spots not to sell their holdings when these onslaughts of speculators occur. The law as it now exists invites overselling and makes it easy for the speculator, who thus oversells to protect himself from loss.

The time allotted me will not permit a full and detailed discussion of this subject, but I invite those who seek information to read the able speeches made by the Senator from Alabama [Mr. COMER] and which have lately appeared in the CONGRESSIONAL RECORD.

It is not surprising that no one has to-day been bold enough to defend the existing law on this subject, and all seem content to simply urge that the amending of the law be postponed until the Committee on Agriculture in the House can hold extended hearings and submit a bill seeking to correct the shortcomings and dangers that have been pointed out. Let me call your attention to this and ask the distinguished gentleman from Mississippi [Mr. HUMPHREYS], who seems satisfied with existing law, why it is that before the war the difference between middling, strict low middling, and low middling varied only from 50 to 100 points, and now under the present tenderable 10-grade law, which he seems to think very excellent, there is a variation of 350 points between middling and strict low middling and about 800 points between middling and low middling?

Mr. JUUL. Will the gentleman permit me to ask a question?

Mr. OLIVER. My time is so limited I regret that I must decline to yield.

This wide difference between middling, strict low middling, and low middling now exists, and, what is more, cotton not within the 10 tenderable grades has been selling for a higher price than grades which are tenderable under existing law. This certainly shows that the existing law has many shortcomings and offers no protection to the legitimate trader in exchange contracts, whether he be buyer or seller, and that the

gambler is still able with impunity to cause wide fluctuations, thus holding down and constantly threatening to press to lower levels the commercial value of cotton.

Permit me to cite one other instance showing the dangers and the gambler's opportunity under existing law. On February 20 of this year March cotton was quoted on the New York exchange around 35 cents, while the spot market was then many points in advance of this exchange price. On March 25 the spot market was around 43 cents, and yet the May and July exchange contract value was around 37. This shows clearly that under the existing law the exchange value does not reflect, as it should, the commercial value of cotton. The exchange creates no value and adds no value, but it should be a true index to the commercial value of cotton, and the law should be so written that prices could not be manipulated on the exchange as I have shown they are.

The gentleman from Texas [Mr. YOUNG] correctly stated that supply and demand make the value of cotton, and the only mistake he makes is in not now consenting to assist in passing this amendment, which will tend to stabilize the market and make the exchange price approximate and truly reflect the commercial value of cotton, which is, and should always be, determined by supply and demand.

The SPEAKER. The time of the gentleman has expired.

Mr. HAUGEN. Mr. Speaker, I yield five minutes more to the gentleman from Alabama.

Mr. OLIVER. Some of the gentlemen who are now opposing this amendment readily concede that under the 10-grade tenderable law speculating sellers on the exchange can collect for tender a mixed lot of different types, within the 10 grades permitted, which can not be sold to legitimate users and manufacturers of cotton. They do assemble under existing law these mixed lots that are not commercially usable. One of the gentlemen to whom I refer suggested that he thought the present law should be at once amended so as to require the seller on the exchange to deliver not less than 25 of any one type on an exchange contract.

Now, this amendment is perfectly clear. It simply seeks to give to the buyer of an exchange contract the right to require one-half of the contract to be tendered in grades of his selection, within the 10 tenderable grades, leaving to the seller the right to tender one-half of the contract in grades of his selection, within the tenderable 10 grades. If this amendment is adopted, you will find that it will serve at once to make the exchange contract the index to the commercial value of cotton, and it will no longer be possible for the gambler on the exchange to fix for future months a price from three to five points lower than the present commercial value of cotton. No one has undertaken, and I venture to say no one will undertake, to defend the present law or to show why it is unfair and unjust to give to the buyer of a contract the right to select one half of the grades within the legal tenderable limit, the seller to have the option to select the other half.

This amendment has been given close study by Mr. Wannamaker, president of the Cotton States' Association, and he unreservedly indorses it. The commissioner of agriculture in Georgia strongly urges its adoption, so does the commissioner of agriculture in Alabama. Under leave to extend I insert a telegram from W. L. Brown, of Lawrenceville, Ga.

LAWRENCEVILLE, GA., *April 24, 1920.*

I have studied the Comer amendment restricting the delivery of cotton on future contracts, whereby the seller will be required to deliver 50 per cent middling and better. As a practical, legitimate spot-cotton dealer, I heartily favor the amendment. This amendment will tend to eliminate the short selling of future contracts by the large cotton gamblers, who deal exclusively in future-cotton contracts. Any legislation that will make it difficult for these future-contract cotton gamblers to make deliveries will, in my honest judgment, benefit the producers to a great extent. We have two classes of sellers of cotton—the one selling against his actual holdings of spot cotton, the other the fellow who sells the market short. The short seller is the enemy of the cotton farmer, the spot-cotton dealer, the banker, and the entire cotton-producing South. When he sells the market short he then throws his reputation as a great financier, commercial giant, and student of economics full force against the market to beat it down to the very lowest point possible, so that he may be able to buy in his contracts at a great profit to himself. This is no guesswork with me. Having been actually engaged in the business of buying and selling spot cotton for the past 12 years, I know whereof I speak.

As stated above, I have studied the Comer amendment thoroughly and will frankly say that I believe it to be a good measure for every southern Congressman and Senator to support and enact into law.

W. L. BROWN.

In conclusion, I venture to predict that if Congress now fails to adopt this amendment you will find that the producers of cotton will demand its adoption, and untold loss may follow as a result of your delay to now amend existing law so as to guard against the dangers, pitfalls, and shortcomings which the Senator from Alabama has so clearly and forcibly pointed out. Pride of authorship should not cause delay in the adoption of a wise amendment to protect or guard the cotton interests of the South. [Applause.]

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. OLIVER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore (Mr. HICKS). The gentleman from Alabama asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. SIMS. Mr. Speaker, I ask the same privilege.

The SPEAKER pro tempore. Is there objection to the gentleman's request?

There was no objection.

Mr. MANN of Illinois. Mr. Speaker, the Senate amendment provides that "The amendments relating to cotton provided for in section 6 of the act known as the wheat-guaranty act, approved March 4, 1919, are hereby recognized and declared to be permanent legislation; that hereafter each lot of cotton classified as tenderable in whole or in part on a section 5 contract of said act as amended," shall be so-and-so. Now, what is "the said act"? "The said act" is the wheat-guaranty act. Of course, that is not what is intended. The criticism that I make of this is equally applicable to the amendment offered by the gentleman from South Carolina [Mr. STEVENSON], and only shows the hasty carelessness with which both amendments were prepared. They refer to one act and mean an entirely different act, and if this should be enacted as it stands there could be no enforcement of it in any court of law, because there is no "section 5" relating to cotton futures in the wheat-guaranty act.

I might refer to another provision in this which says that "Hereafter each lot of cotton classified as tenderable shall give to the buyer the right to demand one-half of the contract"; that a lot of cotton shall give to the buyer the right to demand something—foolish language, meaning nothing. I have no criticism of that. [Laughter.] Everybody, preparing amendments hastily, having in mind what they want, frequently do not put it in language.

But here is a case where the form of the language is of intense and intricate importance, dealing with highly technical matters. I am not prepared to vote in favor of a proposition dealing with such highly technical matters, about which I know nothing myself, until it has been carefully examined and scanned and reported upon by a committee of this body. [Applause.]

It is perfectly idle for us to say that we personally understand it, at least on this side of the House. The gentlemen from the cotton-growing States do not agree. They did agree, and we passed their cotton-futures act on an Agricultural appropriation bill. Then we amended it on a wheat-guaranty bill, because apparently they agreed. We knew that we knew nothing about it, but we did not know at that time that they did not know about it. [Laughter.] Now they do not agree. Which one is right I do not know. You do not know. But before we enact legislation affecting the interests of the cotton growers throughout the country, affecting the interests of the consumers and manufacturers of cotton, affecting the interests of the people who wear cotton goods, somebody ought to know something about it. [Applause.]

I have listened with interest to the gentlemen who have spoken, but when they talked about what this meant I could not understand them, and I could not help wondering if they themselves understood. I say this with due deference, because I have great admiration for their ability, their intelligence, and their knowledge; but we over here can not afford to vote for a proposition of this kind that we do not know anything about, which we know by its form has been drawn carelessly, hastily, and without due consideration. [Applause.]

The SPEAKER pro tempore. The gentleman from Iowa [Mr. HAUGEN] has 25 minutes remaining, and the gentleman from Georgia [Mr. LEE] has 13 minutes remaining.

Mr. HAUGEN. I yield to the gentleman from Louisiana [Mr. SANDERS] five minutes.

Mr. SANDERS of Louisiana. Mr. Speaker, I listened with a great deal of satisfaction to the speech just made. When the so-called Comer amendment passed the Senate I read it the next morning. I have read it at least once every day since, and I state without any fear of successful contradiction that there is not a human being on earth, even the author of it, who knows what it means or what its effect will be. [Laughter.] It is susceptible of 27 different constructions.

SEVERAL MEMBERS. Fifty-seven.

Mr. SANDERS of Louisiana. I am even willing to admit that it might mean 57 varieties. [Laughter.] To show you conclusively that no one can understand the Comer amendment, I need only refer to the fact that one of its strongest proponents in this House, the gentleman from South Carolina [Mr. STEVENSON], after reading it and pondering over it, has tried to reduce it to clearer terms, and his effort in that direction has only made confusion worse confounded, as his amendment proves.

It goes without saying that legislation of this grave and important character ought not to be put through in any such manner as this.

I represent in part a cotton-growing district. It is my business to understand this amendment if I could. I can not. How, therefore, can I ask you to vote upon it? If I who represent a cotton constituency, who know something about the raising and the marketing of cotton, after due diligence and careful study am unable to arrive at some solution of what this amendment means, how can gentlemen who know nothing of the conditions arrive at a correct interpretation thereof?

Mr. McDUFFIE. Will the gentleman permit an interruption?

Mr. SANDERS of Louisiana. I will, but I have mighty little time.

Mr. McDUFFIE. The gentleman does not mean to tell the House that he does not understand the terms of the substitute offered by the gentleman from South Carolina [Mr. STEVENSON]?

Mr. SANDERS of Louisiana. I am perfectly frank to say that I do not believe the gentleman from South Carolina [Mr. STEVENSON] himself understands the effect of what he is trying to get this House to do, and if he did understand it—I say that with all due deference to my friend from South Carolina—I think he would be the very last man to propose it. [Laughter.]

Why, gentlemen, this is a proposition that ought not to be approached in any such style. The gentleman from South Carolina [Mr. STEVENSON] said that the proposition for 10 grades was put upon the wheat bill as a rider. He is mistaken. It was the thought-out result of what this House had tried to do some years ago, and therefore it was not a rider in the sense that what the House did was not well understood and thought that it had already accomplished by legislation.

I am in favor of the Young amendment, which leaves the law as it now stands, and am opposed to the other amendment. [Applause.]

Mr. LEE of Georgia. I yield three minutes to the gentleman from Alabama [Mr. ALMON].

Mr. ALMON. Mr. Speaker, I indorse what my colleague [Mr. OLIVER] said in reference to the author of this amendment, Senator COMER, of Alabama. As has been said, Senator COMER enjoys the confidence, esteem, and respect of the people of Alabama. He is a successful producer and manufacturer of cotton, and I am sure that he is intensely interested and believes that this amendment of his is thoroughly in the interest of those who grow cotton in the South.

I am not responsible, and neither is the gentleman from South Carolina [Mr. STEVENSON] nor the gentleman from Alabama [Mr. OLIVER], for the fact that our distinguished friend from Louisiana [Mr. SANDERS] is unable to understand this amendment. The gentleman from South Carolina [Mr. STEVENSON] and the gentleman from Alabama [Mr. OLIVER] have explained this amendment in the very clearest and most unmistakable terms, and if the gentlemen who heard them do not understand what they mean by it that is their own fault and not the fault of the gentlemen who undertook to explain it.

My people are cotton growers. Every expression I have heard from my constituents is to the effect that this amendment is in the interest of those who raise cotton.

The only objections which I have heard raised to this amendment is that sufficient hearings have not been granted on this subject and that they do not know what effect it will have. The first objection only means delay in the enactment of this amendment.

The cotton-futures act and the amendments heretofore made by Congress to that act has all been in the interest of those who grow cotton. This amendment is another limitation on the action of the cotton exchanges and goes a long way toward forcing the exchanges to do the right, proper, and honest thing. I feel sure that this amendment will be of benefit to the people who raise cotton. The fact that the cotton exchanges in New York and New Orleans are opposed to this amendment makes me more firmly of the opinion that it is right and proper.

This amendment passed the Senate and has been debated at length in the Senate within the last few days, and it seems that everyone has been given an opportunity to consider the subject, and I see no reason for defeating this meritorious measure in the interest of the farmers of the South under the pretext that it should be delayed in order that extensive hearings might be granted before the committee of the House.

It is claimed that the price of cotton is good under the present law. While that is true, it is no reason why it would not be better if this amendment was enacted into law.

It is all buncombe, in my opinion, about this amendment injuring the value of the low-grade cotton. No reason has been given as to why that would happen.

If this amendment is defeated it will be not because it is not right and just but on the plea that it should be delayed until all parties are given a hearing before the Agricultural Committee of the House. I am firmly of the opinion that this proposed legislation is in the interest of the farmers who raise cotton and I favor it. The farmers who raise the cotton are the ones in whom I am interested and not those who gamble in the cotton exchanges. [Applause.]

Mr. LEE of Georgia. Mr. Speaker, I yield 10 minutes to the gentleman from Mississippi [Mr. CANDLER].

Mr. CANDLER. Mr. Speaker and gentlemen of the House, I have not a single criticism to offer in reference to the distinguished Senator from Alabama, the ex-governor, who offered this amendment on the floor of the Senate. I do not think it was necessary even for my distinguished friend from Alabama, Mr. OLIVER, and my other distinguished friend from Alabama, Mr. ALMON, to compliment and praise him and tell you what a good man he is, and how able a man he is, and how patriotic a man he is, and how desirous he is to accomplish the great good for the cotton growers of the South. We all admit that he is a good man, a sincere man, an honest man, a patriotic man, and there is no criticism of him. But my friend from Alabama, Mr. ALMON, closed his speech with the declaration that he did not know of anybody that was oposed to this Comer amendment except the gamblers on the Cotton Exchange of New York and the Cotton Exchange of New Orleans. I am neither a gambler on the Cotton Exchange of New York nor the Cotton Exchange of New Orleans nor the cotton exchange anywhere; never was and never expect to be. The author of the amendment says that he owns eight large cotton mills, and is therefore largely interested in the manufacture of cotton in this country. He states that in his own speech on the floor of the Senate—that he is a continuous operator on the exchange, buying as much as 25,000 bales of cotton in course of time on the cotton exchanges of New York and New Orleans. Therefore, it seems to me that somebody among the operators on the exchange is in favor of this proposition. [Laughter.] I doubt all the gamblers on the Cotton Exchange of New York and the Cotton Exchange of New Orleans being opposed to the Comer amendment. [Applause.]

Now, the strongest evidence why this amendment should be defeated at this time, and the amendment of the distinguished gentleman from Texas [Mr. YOUNG] should be adopted, is illustrated on the floor to-day by the speeches made pro and con on this proposition. The great difficulty is that there is nobody that understands what it means. There is no one that can tell you definitely what the effect will be, and therefore the distinguished gentleman from Illinois [Mr. MANN] was correct when he warned you against voting for something that you did not understand, that you did not know anything about. The cotton proposition not only affects the people of the South but is a national question and affects vitally the prosperity and welfare of every section of the United States. Not only that, but it goes even beyond the seas and brings back yellow gold from over there to help fill the channels of trade in this country. Therefore, it is of vital importance not only to us of the Southland but also to you gentlemen who live in other sections of the country. [Applause.]

Is there anybody who knows what it means? No. And nobody knows any more about the amendment offered by the distinguished gentleman from South Carolina, and yet we are asked to vote for it. We do not know what it means. We have not had an opportunity to read it; it is not printed in the RECORD; it is offered on the floor of the House on the spur of the moment. This amendment was offered on the floor of the Senate on the spur of the moment. Nobody knows what either one means. [Applause.]

Here is an extract from a letter written to the distinguished Senator from Louisiana [Mr. RANSDELL] from the president of the cotton exchange in New Orleans, in which he says:

WASHINGTON, D. C., *April 29, 1920.*

Hon. JOSEPH E. RANSDELL,
United States Senator from Louisiana, Washington, D. C.

DEAR SENATOR: After carefully reading and considering Senator COMER'S amendment to bill H. R. 12272, I have come to the conclusion, although I have not had legal advice, that the ambiguity of the language of the said amendment is such as to cause considerable confusion and litigation and the probable closing of the cotton exchanges until a final decision would be rendered by the Supreme Court of the United States if it should be adopted.

Here is a statement from the Department of Agriculture when the Senator called them up for their opinion:

To confirm my own opinion in this matter, I called up the Bureau of Markets this morning, read this letter to them, and asked what construction they placed upon it? They replied that they had no right whatsoever as an administrative bureau to be giving any advice on legislation, but if I asked them how they construed the Comer amendment as it now appears in the bill pending before the conferees, they would say that it is ambiguous; that they do not understand quite what it means; and that if Congress is to pass this amendment they would respectfully suggest that it be corrected so as to make its meaning clear.

The cotton exchange does not know what it means, the Department of Agriculture does not know what it means. Now, let me read you what the very able Senator from South Carolina says.

The distinguished Senator from South Carolina, Senator SMITH, when he was asked upon the floor of the Senate—and you will find it in the RECORD—what this amendment meant, and what its effect would be, replied:

As to just what effect the amendment may have on the general price of cotton is problematical, just as it was problematical when I had it restricted to 10 grades. I expected more benefit in a way, but I had not properly discounted the effect of the Government order. However, it remains to be seen; I do not know just what use those who deal in it will put it to.

That is the statement of one of the greatest experts in the United States on cotton, a man who has made cotton his life study. [Laughter.]

Not only that, but I am going to show you that the author of the amendment himself when asked a specific and direct question on the floor of the Senate as to what this amendment meant, as to what its effect would be, said:

Mr. COMER. I can answer immediately, the very minute that this goes into effect as a law, that then the contract market would base on the middling market or very near to it. At present it is basis middling, which can, as I just showed you, be 4 or 5 cents a pound under the spot market. This will make it basis spot market and basis middling. You will have practically one basis. That is, I think it will operate that way.

He does not say that he knows it will operate that way; he just thinks it will. When you come to dealing with a great product like this, that involves so vitally the interests and welfare of the people not only of one great section of our country but of all the people throughout the United States, I do not think you ought to be willing to take a man's "think" about it—we ought *to know what the effect of it will be.* [Applause.]

When we passed the original cotton-futures act we had hearings before the Agricultural Committee for weeks in the consideration of it. When we concluded the hearings, after mature and careful consideration we framed the act and presented it to the House, limiting the tenderable cotton as we believed best at that time, and it was passed by the Congress. When we deemed it necessary and wise to contract the grades and bring them absolutely and beyond a shadow of doubt within the grades that were spinnable we passed the amendment of 1919, the effect of which is to bring the grades within those limits, and nothing but merchantable, spinnable cotton can now be tendered on contract. Let me appeal to you, have a hearing and know what this thing means, because I have shown you that no one who has talked about it knows what it means. Let us send it to a committee, have full hearings, and find out what it does mean before we enact it into permanent law. [Applause.]

Mr. HAUGEN. Mr. Speaker, I yield three minutes to the gentleman from Tennessee [Mr. SIMS].

Mr. SIMS. Mr. Speaker, in order that what I said a few moments ago may have weight, I want to read from a distinguished authority upon this subject with reference to myself. The speech I am about to read from was made by the gentleman from Mississippi [Mr. HUMPHREYS] on the 16th of December, 1908, and I now read from the CONGRESSIONAL RECORD what he said at that time about my humble self:

How much cotton passes through this cotton exchange? I have no figures before me for the year just ended, but I find in a speech delivered on this floor last spring by the gentleman from Tennessee [Mr. SIMS] the figures for some previous years, which will answer my purpose just as well. I quote the figures furnished by the gentleman from Tennessee with very much confidence, Mr. Chairman. I always follow his lead with satisfaction and with assurance, because I know he is always informed, always accurate, always honest, and therefore always right.

[Laughter and applause.]

Phantom cotton, spook cotton, cotton that never was and never will be. An inexhaustible supply against an inexhaustible demand—as long as Mr. Sully can stand on his feet and say "I buy" and Mr. Brown can muster the strength to say "I sell." One million, ten million, fifty million bales! In the meantime the planter who has cotton for sale and the manufacturer who desires to purchase it must stand by in confusion until one of these worthies is "forced to the wall." The amendment of the gentleman from Tennessee simply says to these "investors," "You shall not use the mails of the United States to carry on any such business," and I believe that ought to be the law.

[Applause.]

Mr. HUMPHREYS. Mr. Speaker, will the gentleman yield?

Mr. SIMS. I have no time left to yield.

Mr. HAUGEN. Mr. Speaker, I yield two minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Speaker, what I do not know about cotton grading would fill very many large volumes, but I do have an opinion with regard to legislation. My opinion is that we are seldom justified in legislating on an appropriation bill. We are never justified in legislating on an appropriation bill unless our legislation is of a character that is practically universally accepted and we are simply using an appropriation bill as a medium for carrying out the practically unanimous will of the House. Where there is any serious division of opinion, legislation should not be written into law on an appropriation bill except in cases of special urgency or emergency. Therefore I hope that the proposition of the gentleman from South Carolina [Mr. STEVENSON] will be voted down and that the motion of the gentleman from Texas [Mr. YOUNG] will be agreed to. [Applause.]

Mr. HAUGEN. Mr. Speaker, I yield three minutes to the gentleman from Mississippi [Mr. QUIN]. [Applause.]

Mr. QUIN. Mr. Speaker, I come from a State and a district that produces cotton. After having listened to these speeches, I suggest to you gentlemen from the North, who know nothing about the production of cotton, to beware of these Greeks bearing gifts. Not a single man who digs in the soil and produces cotton is in favor of this Comer amendment. The author of this amendment over at the other end of the Capitol is a big cotton manufacturer, and he makes use of cotton from the highest to the lowest grades. These gentlemen who favor this amendment are all surrounded by cotton factories, all over their districts, and of course they smell the Comer amendment. The gentlemen here from the South who represent the farmers, who represent the cotton farmers who actually dig in the soil and produce this cotton, know that this proposed amendment is against the man who toils. The gentleman from South Carolina says we are here to look out for the manufacturer and the farmer. I say we are here to look out for the interests of all of the people, and unless the farmer who produces this cotton is protected and safeguarded in this legislation, we will be bound to lessen the production of cotton. The farmer to-day who is producing cotton is getting a fairly good price for it. I am for the farmer, and I want him to get a better price for his cotton and all other crops he may raise. Why is it that these gentlemen who pretend to be friends of the farmer are wanting to put an unknown equation into it so as to hogtie him and make it impossible for him to receive a reasonable price? Do you not know that this amendment means that if the farmer brings 100 bales of cotton to town to sell it only one-third under this amendment in our section can possibly come up to these grades? The other two-thirds will not have any price. They will offer him a proper price for the one-third and the other two-thirds that come below the middling cotton will be left there to be sacrificed, so that these men who are operating the cotton mills can get it for much less than it is really worth. That is what is the matter, and that is what this amendment proposes to do. Do not let them fool you. I want you gentlemen to kill this amendment. You men who are disinterested financially or in any other way in the cotton business can see that these Greeks bearing these gifts are endeavoring to drag in a Trojan horse, and they are trying to run it over this Congress. There have been no hearings, there is no evidence, no witness has been produced. This is nothing but a stalking horse offered to this Congress to fool you and to hamstring the hard-working farmer who makes the cotton. [Applause.]

Let us kill it by adopting the Young amendment, and let the law stand as it is written, which is doing well for the farmer. [Applause.]

Mr. McCLINTIC. Mr. Speaker, the cotton market is more susceptible to outside influences than any market we have dealing with the products of the farm. I do not believe that there is any man from the South who can have any conception of what the effect of this amendment will be on the market. It is very dangerous to try to write a law to govern the grading or the price of cotton without allowing the committee having jurisdiction to carefully consider the same. The farmers are satisfied, the cotton buyers are satisfied, the people of the South are not raising any complaint with the present price being paid them for cotton, and it does seem to me that it would be the height of foolishness for this body to consider an amendment without having a hearing and giving all interested an opportunity of coming here and presenting any testimony they would care to present either for or against the amendment. My

friends, the fly in the ointment is the fact that the spinners are not satisfied with the kind of cotton that is delivered when they buy or sell a future contract. They do not have to depend on the stock markets to secure a supply of cotton. They can go out and buy this cotton from the people who have cotton to sell and then they will not have cause for complaint. Why, if this amendment is adopted into law and we make the future markets of the country the place to get deliveries of spot cotton, we are liable to cause what has been done in the past—have express trains carrying cotton back and forth from New Orleans to New York in order to settle contracts, thereby raising the cost of cotton to such an extent that every article that is manufactured out of cotton will be higher in price, which will increase the burden that is being paid by the taxpayers all throughout the United States. And so I say to you I hope an amendment of this kind, one that no one here knows anything about as to what effect it will have on the cotton situation, will not be considered by this body until the committee having jurisdiction has time to examine every phase of it. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. HAUGEN. Mr. Speaker, I yield to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, in reaching a conclusion on the Comer amendment, I have been guided by only one purpose, to determine whether it would benefit or be detrimental to the interests of the producing farmer. The time has come when our producers must have fair play and when our farmers must not have their interests sacrificed.

My colleague from Texas [Mr. YOUNG] is an able member of the Committee on Agriculture. He has given the subject of cotton farming and what is best for the cotton producer long, intensive study. He is a man of good, sound judgment. He has the best interests of the cotton farmer earnestly at heart. He is soon to leave this Congress to resume cotton growing on his farm in Texas. He is against this Comer amendment and believes that it should not pass.

Shortly after this Comer amendment was placed as a rider on the Agricultural appropriation bill, with no hearings and very little consideration by the Senate, our Texas delegation took the question under consideration and reached the unanimous conclusion that it was not for the best interests of the cotton growers.

I have great respect for the president of the Farmers' Union of Texas, and under most circumstances would give great weight to his opinion, but in this instance I am forced to believe that he does not fully understand the provisions of this amendment, or in what ways it may affect the cotton producer's interests.

The following article appearing in the Wall Street Journal for May 7, 1920, seems to throw some light on the question, hence I desire to insert it here:

REVIEW AND OUTLOOK—A SENATOR AND HIS RIDER.

On April 1 the rider to an appropriation bill, introduced by Senator COMER in the United States Senate, was criticized adversely in these columns. It is to this effect:

"Hereafter each lot of cotton classified as tenderable in whole or in part on a section 5 contract of said act, shall give to the buyer the right to demand that one-half of the contract shall be delivered in the official cotton standard grades of the United States of middling fair, strict good middling, good middling, strict middling, and middling, and that the seller shall have the option of delivering the other half of said contract from any of the official cotton standard grades as established in said act."

Apart from the standing objection to effecting important changes in business practice through riders to appropriations, thus preventing a presidential veto, this was criticized because the planter would be the chief sufferer by the outlawry of 40 per cent of his cotton. To do justice between the producer and the spinner the New York Cotton Exchange fixes an average grade for price adjustments. This is called "middling," and a premium is fixed on the grades above, with a discount for those below. This method is obviously fair and insures a market for the whole crop. Senator COMER writes to this newspaper:

"The Wall Street Journal:

"My attention has just been called to your issue of April 1 and argument in same headed 'Kill this rider.'

"This article differs so much from the facts in the case that I am sending you my several discussions before the Senate of the proposed amendment, and also copy of my letter to-day to Hon. Charles Lever, which I think covers all the possible objections to the proposed amendment, and if you will excuse me for the statement, it all comes in the largest measure, just as yours has, from misinformation as to the amendment and the intent of same.

"There is no question but what it would stabilize values, making the contract of the exchanges approximate the price of spot cotton. Exchanges are not the medium of value; there is no inherent quality to make value in anything; I mean, true value. What we are trying to do is to take from them the power to represent an untrue value, and which, if accomplished, will make the exchanges function truly in business, which function is to represent the index values, and if carried out will very greatly improve their usefulness in business. You can use any part of this you want.

"You might wire me your charge for printing the speech before the Senate as of April 17.

"B. B. COMER."

Senator COMER's last clause, whether intended as an insinuation or as an inducement, may be passed over, and passed on for what it is worth.

All his letter to Congressman Lever shows is that in March there was a possible arbitrage profit in the differences between quotations in cotton between New Orleans and New York. Nobody denies it. Accident creates such differences between the New York Stock Exchange and London, and between jobbing houses in any two cities of this country. There is no mystery about the rise in the March option in New York on March 23 on contracts to be settled or recalled near the end of that month. There was not much cotton in New York; strikes and other transportation troubles made it impossible to get cotton here, while New Orleans was unaffected.

Mr. COMER's measure would largely benefit spinners at the expense of the grower. Who's Who in America says Senator COMER, of Alabama, "is also interested in milling and cotton manufacturing." So is the Wall Street Journal, but not in the same way.

If Mr. COMER chooses to call the extinction of a broad and active market, with the substitution of one restricted to grades ranging from middling to above that quality, "stabilization," he is welcome to the definition. You could certainly stabilize a mule by hamstringing it. Senator COMER's rider is vicious. It could not be passed as a separate measure, and in any form would be certain to produce results exactly opposite to those he claims.

The planter gets a square deal now, but under the operation of this regulation, with the lower grades of cotton untenderable on contract, would be at the mercy of the market on all those grades.

Mr. CALDWELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing the paper for which I asked unanimous consent a few moments ago and the gentleman from Missouri [Mr. RUCKER]——

The SPEAKER. The Chair did not recognize the gentleman for that purpose.

Mr. HAUGEN. Mr. Speaker, I yield two minutes to the gentleman from Texas [Mr. BLACK]. [Applause.]

Mr. BLACK. Mr. Speaker, within the length of time at my disposal I could not expect to discuss this amendment at length, but I have listened with a good deal of interest to the very able arguments of the gentleman from South Carolina [Mr. STEVENSON] and the gentleman from Alabama [Mr. OLIVER], and these arguments are all based upon the erroneous assumption that the cotton exchange is a spot exchange. If in fact and in practice a cotton exchange was a spot exchange, their arguments would be good, but it never has been used for that purpose and I dare say it never will be so used. There are many reasons, I think, why it could not be. I think by giving a practical illustration of the situation I can illustrate the function of a cotton exchange better than any other way. I live in a section of Texas which produces some of the best long staple cotton in the cotton belt. Now, when a mill in Fall River or New Bedford, Mass., wants to buy Red River, Tex., cotton they do not go on the cotton exchange and buy a contract, expecting to get that kind of cotton. The way it is done is this: A dealer in cotton like W. R. Moore & Co., of my city, goes to Fall River or New Bedford, Mass., as the case may be, and makes a contract to sell a thousand bales of a particular grade and staple of cotton and comes back home; and, in order to protect himself against any possible advance of the market, he goes and buys on the cotton exchange a thousand bales of cotton, and thereby insures his business against the hazard of an advance in the market, and without that insurance he would probably not care to take the risk of making the spot contract. In a similar way, the mill which buys the cotton can insure itself against a decline in the market by selling 1,000 bales on the cotton exchange. In other words, the exchange dealings are used as a price insurance, and the whole cotton trade is built upon that basis, and I would fear to adopt an amendment which would restrict the contract in the manner of the Comer amendment.

The present law seems to be working to the satisfaction of most all who produce or deal in cotton, and I think no change so wide in its scope as this Comer amendment should be adopted without a full hearing and a clear showing that it would benefit the producers of cotton and the cotton trade in general. Therefore I shall vote for the motion of my colleague [Mr. YOUNG]. [Applause.]

Mr. HAUGEN. I yield two minutes and a half to the gentleman from Texas [Mr. HARDY].

Mr. HARDY of Texas. Mr. Speaker, I do not know that I understand this amendment, but if it means what it is intended to mean I think its effect would be in one respect what I do not like. The cotton, as we understand it now, is graded into 10 grades under the law, and there is not any question that in the practical, actual market the difference in the price between the low grades and higher grades is already greater than the real difference in the actual value. That is the result of speculation. The effect of this amendment, if it should mean what it was intended to mean, in my judgment, would be to artifically bear the price of the low grades and bull the price of the high grades. Eighty per cent of the cotton in the country is low grade, and I know that the effect of the Comer amendment in speculative market, at least on 80 per cent of the cotton of our

country, would be artificial bearing of price, and for that reason I think any man interested in the growing of cotton ought to be opposed to the Comer amendment. I have stated it as nearly as I can. I do not think it is any proper function of legislation to bull one commodity by bearing another. I have not time to explain just how I think this would be the effect of this amendment, but I do think so—and therefore shall vote "aye" on the motion of the gentleman from Texas [Mr. YOUNG] to strike out the Comer Senate amendment.

Mr. HAUGEN. Mr. Speaker, I yield two minutes to the gentleman from Alabama [Mr. OLIVER].

Mr OLIVER. Mr. Speaker, the gentleman from Mississippi, whose ad hominem arguments usually excite interest and pleasurable amusement, claimed that no one really interested in the cotton grower had given his indorsement to this measure. If the gentleman had taken the time to read the CONGRESSIONAL RECORD, he would have found that the president of the Cotton Growers' Association, Mr. Wanamaker, and Mr. Barrett, whom he doubtless knows and who has been for many years greatly interested in cotton, also the commissioner of agriculture of the State of Georgia, who is a farmer, who has given much thoughtful study to the subject, and many others strongly indorse this amendment. And it happens that a distinguished citizen of Texas, a Mr. Lyday, who, I understand, is president of the Farmers' Union, wires as follows:

B. B. COMER, *Washington:*

My first impression was your amendment would reduce value low grades. Careful investigation has convinced me I was wrong, since your amendment would unquestionably make contracts for middling more valuable.

All grades would be carried up with it, as price of all grades are based on middling; privilege of tendering low grades on contracts militates against values of all contracts and enables speculators to manipulate markets.

Cotton has but one real value. That is for spinning. Tendering unspinnable cotton hampers contracts for actual delivery, converts trading into an uncertain gamble, and injuriously affects all legitimate interests.

D. E. LYDAY.

Mr. UPSHAW. Mr. Speaker, will the gentleman yield?

Mr. OLIVER. Yes.

Mr. UPSHAW. Is it not passing strange that all these leaders who have given a lifetime to activity as friends of the cotton growers should rest under the indictment of not knowing what they want? Is it not passing strange that all these men, except one, have asked us to support this, and they are all of approved leadership?

Mr. OLIVER. These men are all acknowledged and well-known friends of the cotton producers. They have given careful study to this amendment, and the reasons for its adoption are sound and urgent in their opinion.

The SPEAKER. The time of the gentleman from Alabama has expired. All time has expired. The question is on agreeing to the substitute offered by the gentleman from South Carolina [Mr. STEVENSON].

The question was taken, and the Speaker announced that the noes seemed to have it.

Mr. STEVENSON and Mr. MANN of Illinois asked for a division.

The SPEAKER. The gentleman from South Carolina asks for a division.

The House divided; and there were—ayes 14, noes 138.

Mr. OLIVER. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Alabama makes the point of order that there is no quorum present.

Mr. OLIVER. Mr. Speaker, I will withdraw that.

The SPEAKER. The gentleman from Alabama withdraws the point of no quorum.

So the amendment was rejected.

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. YOUNG].

Mr. MANN of Illinois. Mr. Speaker, may we not have that reported?

The SPEAKER. The Clerk will report the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Mr. YOUNG of Texas moves to strike out all of lines 11 to 20, inclusive, in the Senate amendment.

Mr. MANN of Illinois. Mr. Speaker, I think that ought to be put in the proper form.

The SPEAKER. The Clerk will again report the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Mr. YOUNG of Texas moves to recede and concur in the Senate amendment, on page 92, to strike out all of lines 11 to 20, inclusive.

Mr. MANN of Illinois. It really ought to be in form to strike out all after the first five lines.

The SPEAKER. Does the gentleman from Texas desire to modify his amendment?

Mr. YOUNG of Texas. In the print that I had my amendment was a correct amendment. The gentleman from Illinois [Mr. MANN] has a different print.

Mr. MANN of Illinois. I have the official print.

Mr. YOUNG of Texas. From the official print I change my amendment on page 92, Senate amendment No. 249.

Mr. MANN of Illinois. Concur in the Senate amendment with an amendment striking out all after the first five lines of the Senate amendment.

The SPEAKER. The Clerk will read the modified amendment offered by the gentleman from Texas.

The Clerk read as follows:

Mr. YOUNG of Texas moves to recede and concur with an amendment striking out of the Senate amendment all after the first five lines.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Texas.

The motion was agreed to.

Mr. HAUGEN. Mr. Speaker, I believe that that disposes of all amendments. I ask for a further conference on the bill.

The SPEAKER. The gentleman from Iowa asks for a further conference. Without objection it will be so ordered.

There was no objection.

Mr. BLANTON. Mr. Speaker, before the announcement of the conferees I make a preferential motion to instruct the conferees to recede and concur in Senate amendment No. 93.

Mr. CANDLER. Mr. Speaker, I make the point of order that the conferees have already been instructed to further insist upon the provision of the House.

Mr. MANN of Illinois. A motion to instruct the conferees is in order, but the motion offered by the gentleman from Texas [Mr. BLANTON] is not in order, because the conferees do not have it within their power to recede and concur.

Mr. BLANTON. Mr. Speaker, I move to instruct the conferees to concur in Senate amendment No. 93.

The SPEAKER. The gentleman from Texas offers a motion, which the Clerk will report.

The Clerk read as follows:

Mr. BLANTON moves to instruct the conferees to concur in Senate amendment No. 93.

Mr. CANDLER. Mr. Speaker, I make a point of order against the motion of the gentleman from Texas on the ground that the conferees have already been instructed by the House to further insist upon the provision in the bill as passed by the House.

The SPEAKER. The Chair will hear the gentleman on that point. It seems to the Chair that certainly the conferees have not yet been instructed. Of course, an instruction of this kind runs exactly counter to the action that the House has taken in insisting on its disagreement, but the Chair, unless authority is presented to him, does not see why it is out of order to move to instruct the conferees.

Mr. MANN of Illinois. Of course, it is in order to move to instruct the conferees.

Mr. BLANTON. Of course it is.

Mr. KING. Would not the proper procedure be for the gentleman to move to reconsider?

The SPEAKER. The Chair does not think so.

Mr. BLANTON. This is the first motion that has been made to instruct.

Mr. WINGO. Mr. Speaker, the purpose of the House, of course, is to instruct the House conferees to insist on the action that the House has taken; but the House has taken an action that is contrary to the motion. Before you do that you have got to reconsider that action. The House has already expressed itself and insisted upon a certain position. Now, a motion to instruct the conferees to insist upon that position would be in order, and that is the proper procedure, but the motion which the gentleman offers is contrary to the practice of the House, in that it instructs the conferees to disregard the action of the House, which action has not been reconsidered, and it would be a contradictory instruction.

Mr. MANN of Illinois. Mr. Speaker, it quite frequently happens that the House disagrees to all Senate amendments, and then instructs the conferees to do a certain thing in conference. Of course, the conferees can not concur in a Senate amendment—the form in which the motion was made—but what was intended undoubtedly was to instruct the conferees in conference to agree to the Senate amendment. The action of the House, insisting on disagreement, does not militate at all against the power of the House to instruct the conferees. It can give such instructions as it pleases.

Mr. WINGO. Will the gentleman yield?

Mr. MANN of Illinois. Certainly.

Mr. WINGO. The gentleman refers to a situation where a House bill comes back with Senate amendments and we formally disagree to the Senate amendments and appoint conferees. Then it is the practice of the House to give such specific instructions as the House may care to give; but we have now passed that stage. The conferees have come back and asked for instructions, and the House has already instructed them. That is the object of the procedure which the House has gone through to-day, to test the sense of the House, and upon this proposition we have already instructed the conferees.

Mr. MANN of Illinois. I think probably it would have been wiser, if you wanted a vote on the subject, to have had a vote on the motion to insist; but as far as the parliamentary situation is concerned it is in order to instruct the conferees after the conference is asked for and before the conferees are appointed, whatever the action of the House may have been in reference to the amendments. We are in the same position now that we are at any other time. We have simply disagreed to the Senate amendments, that is all.

Mr. WINGO. Would not the proper practice, in keeping with the precedents of the House, have been for the gentleman from Texas to have moved to concur when the House had up the differences between the House and Senate?

Mr. MANN of Illinois. I am not going to undertake to determine that question.

Mr. WINGO. That would have been the proper practice.

Mr. MANN of Illinois. Either motion could have been made, in my judgment. If it had been I, I would have made a motion to concur instead of this.

Mr. WINGO. I venture the assertion that never before has such a situation arisen. The proper practice would have been to move to concur. The House has voted a specific instruction, and that is to insist on the disagreement. Now, the House having expressed itself, this would be an indirect way of reconsidering that, without a formal reconsideration, and it certainly would be confusing, because any gentleman could take up the time of the House in the future, after the House had spent perhaps a whole day upon a proposition, and then, just before the conferees were appointed, get up and move an instruction that was contrary to the action which the House had taken, and that would be contrary to the spirit of the rule. This case is analogous to one where a motion is pending and another motion should be made to negative the pending affirmative proposal. To adopt the motion of the gentleman from Texas would be to instruct the conferees to disregard the instruction just given, a contradictory proposition never contemplated by the rule. If this motion is in order, an amendment to it is in order to instruct on all the other amendments the House has just passed on, and then a Member could demand a division of the questions and force a separate vote on each, and the House would go over again its entire action, which would be absurd.

Mr. MONDELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MONDELL. On amendment 116 the House voted down a motion to recede and concur. Would it now be in order to instruct the conferees to recede and concur in that amendment?

The SPEAKER. The Chair does not care to express an opinion on an academic question.

Mr. MONDELL. I ask that question because on the answer to it depends whether or not the motion just made is in order; because if it is in order now to entertain a motion contrary to the action of the House this afternoon in one regard, it is in order to entertain a motion to instruct the conferees contrary to the action of the House on another amendment. I submit, Mr. Speaker, we never would get through with the proceedings when a bill was in conference if we took one action on an amendment and then followed it by taking action directly opposite.

Mr. BLANTON. Mr. Speaker, I am moving to instruct the conferees after the conference has been asked and agreed upon and before the conferees have been appointed. There has been no instruction to the conferees. This is the first motion of that kind that has been made. As to what would have been another method of procedure is a different question. The Chair will remember that the question was put on amendment 93 when the House was in disorder, and not even the Chairman himself knew that a vote was being taken on that particular amendment. I rose and called attention to the Chair that time should be given to the discussion of the amendment. Nothing was left but to proceed under the rules of the House and ask for an instruction at the proper time, and I insist that the motion is in order.

Mr. CANDLER. Mr. Speaker, the time to instruct the conferees is before they are appointed with reference to matters with which the House had not up to that time taken any action. Certainly when the House has taken action, final action, and disposed of it, then when a motion is made diametrically opposite to the action of the House previous to that time, it is not in order because it would involve great confusion. The House has specifically on this direct proposition disagreed to the amendment and instructed the conferees to further insist on the House provision. Having done that, it is a closed incident, and unless the House reconsiders its action the motion of the gentleman is not in order.

Mr. MANN of Illinois. The House never reaches this stage until it has disposed of the Senate amendments. Either the House has concurred in certain Senate amendments or disagreed to the Senate amendments.

Mr. CANDLER. In this case it has disagreed, and the conferees have been instructed to further insist on the House provision.

Mr. MANN of Illinois. They have disagreed or concurred. If they have concurred, there is nothing more for them to do. If they disagree, they ask for a conference. You can not ask for a conference until you have a disagreement.

Mr. CANDLER. The House has voted to further insist.

Mr. MANN of Illinois. You never could have any instruction at all, according to the gentleman's contention, because you never ask for a conference until you have disagreed to the amendment. That is the action of the House. Now, the gentleman says you can not change the action of the House.

Mr. MONDELL. It would have been in order to make this motion at the proper time when the amendment was under consideration.

Mr. MANN of Illinois. That has nothing to do with the question. It is in order when the Senate amendment is under consideration to offer a motion to concur in the Senate amendment or to concur with an amendment to the Senate amendment, and frequently gentlemen in favor of the proposition permit the House to disagree and then offer a motion directing what the conferees shall do. According to the contention of the gentlemen you could not offer a motion to instruct the conferees ever. You can not offer a motion to instruct the conferees until you ask for a conference, and you can not ask for a conference until you have disagreed to the Senate amendment.

Mr. RUBEY. We have sent this bill to conference, and the conferees have been working on it and agreed upon every amendment except three. Now they come back to the House for instructions on these three amendments, and we have given them instructions on amendment 93.

Mr. MANN of Illinois. The conferees represent the attitude of the House. We have disagreed to Senate amendments, but we have not instructed the conferees at all; we have the right now to instruct the conferees.

Mr. WINGO. I want to submit one observation to the Chair. If the Chair rules that the gentleman's motion is in order and the House votes to instruct the conferees, that will be an instruction to disregard the solemn judgment of the House heretofore expressed.

The SPEAKER. The Chair is informed that there is no exact precedent on the point. The Chair thinks that the proper time to make a motion to instruct is after the conference has been asked for and before the conferees are appointed. The Chair recognizes that there is force in what the gentleman from Arkansas says, that this motion is contradictory to the judgment of the House heretofore expressed, but at the same time, inasmuch as parliamentary law does allow a motion to instruct, the Chair does not see why the mere fact that it is contradictory to what the House has done at a former time should prevent it. That is a forcible argument against making it. But if the parliamentary rule allows the motion, the fact that the House has already expressed itself against it would not of itself make it out of order. Of course, this question seldom arises, because the motion would generally be recognized as futile. The gentleman from Texas has fairly stated the facts in explanation of how it arises now—that there was confusion and that the issue was not fully understood in the House when the vote was taken. It is probable that only under similar circumstances would the question arise, although it might arise where a Member thought that the House had changed its mind after several hours had elapsed. At any rate, the parliamentary rule is that before the conferees are appointed a motion to instruct is in order, and there being no authority limiting that the Chair rules that the motion of the gentleman from Texas is in order.

Mr. RAKER. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. RAKER. Would it be in order on Senate amendment 116 to instruct the conferees to recede and concur in that amendment?

The SPEAKER. The Chair does not care to express himself on that parliamentary inquiry at this time. The question is on the motion of the gentleman from Texas to instruct the conferees to concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 33, noes 101.

So the motion was rejected.

The Chair appointed the following conferees: Mr. HAUGEN, Mr. MCLAUGHLIN of Michigan, and Mr. LEE of Georgia.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL—VETO MESSAGE.

The SPEAKER laid before the House the following message from the President of the United States, which was read:

To the House of Representatives:

I am returning, without my signature, H. R. 12610, "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes."

I object to and can not approve section 8 of the bill, which amends section 11 of the act approved March 1, 1919, as follows:

SEC. 8. That section 11 of the act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1920, and for other purposes," is hereby amended by striking out the first proviso and inserting the following in lieu thereof:

"*Provided,* That hereafter no journal, magazine, periodical, or similar Government publication shall be printed, issued, or discontinued by any branch or officer of the Government service unless the same shall have been authorized under such regulations as shall be prescribed by the Joint Committee on Printing, and such publications shall not contain any commercial advertisements: *Provided further,* That the foregoing provisions of this section shall also apply to mimeographing, multigraphing, and other processes used for the duplication of typewritten and printed matter, other than official correspondence and office records."

That section provides that no journal, magazine, periodical, or similar Government publication shall be printed, issued, or discontinued by any branch or officer of the Government service unless authorized under regulations prescribed by the Congressional Joint Committee on Printing, and furthermore prohibits mimeographing, multigraphing, and other processes used for the duplication of typewritten and printed matter other than official correspondence and office records, unless authorized under such regulations of the Congressional Joint Committee on Printing. Aside from the control over the printing, issuing, or discontinuing of periodicals or similar Government publications by the Congressional Joint Committee on Printing, the obvious effect of this provision would be to give to that committee power to prevent the executive departments from mimeographing, multigraphing, or otherwise duplicating any material which they desire, and, in that way, power to determine what information shall be given to the people of the country by the executive departments. The committee apparently would have power, for example, to prevent even the making of carbon copies of anything other than official correspondence and office records. Without raising any constitutional question, I think that this section, which would give the Congressional Joint Committee on Printing power to exercise censorship over the executive departments, is an encroachment on the functions of the Executive and incompatible with good government. I am in entire sympathy with the efforts of the Congress and the departments to effect economies in printing and in the use of paper and supplies, but I do not believe that such a provision as this should become law. I should also call attention to the fact that by its terms the section in question absolutely forbids mimeographing, multigraphing, and other duplicating processes in the executive departments (except as permitted by regulations established by the Congressional Joint Committee on Printing) and thus imposes a flat prohibition against the exercise of executive functions.

If we are to have efficient and economical business administration of Government affairs, the Congress, I believe, should direct its efforts to the control of public moneys along broader lines, fixing the amounts to be expended and then holding the executive departments strictly responsible for their use. This can be accomplished by the enactment of legislation establishing an effective budget system, which I have heretofore urged. The Congress and the Executive should function within their respective spheres. Otherwise efficient and responsible management will be impossible and progress impeded by wasteful forces of disorganization and obstruction. The Congress has the power and the right to grant or deny an appropriation, or to enact or refuse to enact a law; but once an appropriation is made or a law is passed, the appropriation should be administered or the law executed by the executive branch of the Government. In no other way can the Government be efficiently managed and responsibility definitely fixed. The Congress has the right to confer upon its committees full authority for purposes of investigation and the accumulation of information for its guidance, but I do not concede the right, and certainly not the wisdom, of the Congress endowing a committee of either House or a joint committee of both Houses with power to prescribe "regulations" under which executive departments may operate. Under section 8 of the bill responsibility can not be definitely placed upon either the executive departments or the Joint Committee on Printing. It falls between them.

I regard the provision in question as an invasion of the province of the Executive and calculated to result in unwarranted interferences in the processes of good government, producing confusion, irritation, and distrust. The proposal assumes significance as an outstanding illustration of a growing tendency which I am sure is not fully realized by the Congress itself and certainly not by the people of the country. For that reason I am taking the liberty of pointing out a few examples of an increasing disposition, as expressed in existing laws and in pending legislative proposals, to restrict the executive departments in the exercise of purely administrative functions.

I do not care to discuss here the powers which previously have been conferred upon the Congressional Joint Committee on Printing, as they have passed into law, but I do feel that it is proper to point to a few specific examples of the administrative authority exercised by the committee under existing law in order to indicate the incongruity and inconsistency that already exist and which would be accentuated and aggravated if section 8 of the bill under consideration were enacted into law. In this connection, I invite the attention of the Congress to a letter from the chairman of the Joint Committee on Printing to the Public Printer, under date of March 19, 1920, replying to a request from the latter for a ruling by the committee as to the application to certain printing of section 89 of the printing act of 1895, restricting the printing of reports, publications, and documents to 1,000 copies each. In the communication mentioned, the Public Printer is "directed" to apply that section of the law in accordance with the "opinion" rendered by the chairman of the Joint Committee on Printing. To my mind, the opinion mentioned is nothing more or less than a direction to an executive officer in the performance of executive duties. The printing laws may give the Congressional Joint Committee on Printing authority to make interpretations of the law, but if they do, I think it is a most unwise procedure and that the statute should be revised.

Another example of the exercise of administrative authority by the Joint Committee on Printing is to be found in a resolution adopted by that committee on April 2, 1920, prohibiting any person connected with any department of the Government from furnishing any publication for free distribution to any private individual, corporation, or agency, in lots to exceed 50 copies "without first making application to the Joint Committee on Printing." The resolution reads as follows:

Resolved by the Joint Committee on Printing, under authority of section 11 of Public Act No. 314, Sixty-fifth Congress, That no person connected with any department of the Government shall furnish any publication for free distribution to any private individual, corporation, or agency in lots to exceed 50 copies, without first making application to the Joint Committee on Printing, giving the name of the person or agency desiring the same, the name of the publication, and the number of copies desired: *Provided,* That this regulation shall not apply to publications which are sold at a price to cover the cost of same: *Provided further,* That the clerk of the Joint Committee on Printing be instructed to furnish to each department of the Government and to the Public Printer a copy of this resolution, with a request that the receipt of same be duly acknowledged.

I also invite attention to the creation by law of what is known as the Public Buildings Commission, consisting of two Senators, two Representatives, the Superintendent of the Capitol Buildings and Grounds, the officer in charge of public buildings and grounds, and the Supervising Architect or Acting Supervising Architect of the Treasury.

That commission, by law, is given—

absolute control of and the allotment of all space in the several public buildings owned, or buildings leased by the United States in the District of Columbia, with the exception of the Executive Mansion and office of the President, Capitol Building, the Senate and House Office Buildings, the Capitol power plant, the buildings under the jurisdiction of the Regents of the Smithsonian Institution, and the Congressional Library Building.

The commission possesses the absolute power to order the several executive departments and independent establishments out of any of the buildings which they occupy, and, as a matter of fact, has directed various branches of the public service to vacate or to occupy specified space. It is organized and operates as a congressional commission and appears in the Congressional

Directory under the heading "Congressional commissions and joint committees." The Senators serving upon it are appointed by the President of the Senate, the Representatives serving upon it are appointed by the Speaker of the House, while the other officials composing the commission are specifically named in the law. Its work, nevertheless, so far as it involves the allotting of space for administrative services and of ordering executive departments to move units into or out of Government-owned or leased buildings is distinctly executive in character.

My attention has been drawn to a pending legislative proposal of a similar character which I mention in this connection simply as a further illustration. When the bill which I am returning was under consideration in the Senate, an amendment was agreed to by the Senate transferring the Bureau of Efficiency from the jurisdiction of the President to the jurisdiction of the Congress. That amendment was eliminated in conference, but has reappeared in slightly changed form as a Senate amendment to the pending bill designed to establish a national budget system.

It is proposed to give that bureau more sweeping power of investigation than is usually conferred upon the committees of the Congress itself. It would function not as a committee of the Congress but as a bureau of the Congress, if such is permissible, with an officer of the Congress at its head. I do not here discuss the proposal in detail further than to cite it as another illustration of the tendency to which I invite attention.

In considering bills containing the provisions mentioned above, I was willing to overlook the objectionable features for the time being with the thought that they were designed as exceptional and temporary measures to meet unusual conditions. To permit such expedients to serve as precedents or accepted rules for legislation would, in my judgment, be most unfortunate and destructive of proper principles for the orderly and efficient management of the Government's business. I feel very strongly that the authority carried in section 8 of the bill herewith returned should not be conferred upon a legislative committee and that the entire section should be stricken from the measure.

WOODROW WILSON.

THE WHITE HOUSE,
May 13, 1920.

Mr. GOOD. Mr. Speaker, I move that the veto message be referred to the Committee on Appropriations.

The SPEAKER. The gentleman from Iowa moves that the veto message be referred to the Committee on Appropriations.

Mr. BLANTON. Mr. Speaker, I think we ought to have a quroum present now.

Mr. GOOD. Mr. Speaker, I will state to the gentleman from Texas that I intend to use only about five minutes. I only desire to say that the provision to which the veto message applies was a Senate amendment. I rather think that some amendment of that kind will be necessary—at least some legislation. This bill is in charge of the gentleman from Indiana [Mr. WOOD], who is not present to-day, and, therefore, I think because of his absence and the absence of the gentleman from Mississippi [Mr. SISSON], another conferee, the bill should be referred to the Committee on Appropriations.

I desire to call the attention of the House to the fact that the present law that was approved by the President on March 1, 1919, is more sweeping in respect to the legislation about which the President now complains than the provisions contained in the Senate amendment which has brought forth the veto. The present law provides:

Provided, That hereafter no journal, magazine, periodical, or other similar publication, shall be printed and issued by any branch or officer of the Government service unless the same shall have been specifically authorized by Congress, but such publications as are now being printed without specific authority from Congress may, in the discretion of the Joint Committee on Printing, be continued until the close of the next regular session of Congress, when, if authority for their continuance is not then granted by Congress they shall not thereafter be printed.

Mr. BLANTON. Mr. Speaker, will the gentleman yield.

Mr. GOOD. In just a minute.

Mr. BLANTON. Right there on that point.

Mr. GOOD. In a minute. The amendment in the bill that has been vetoed provides an amendment to that provision by substituting the following:

Provided, That hereafter no journal, magazine, periodical, or similar Government publication, shall be printed, issued, or discontinued by any branch or officer of the Government service unless the same shall have been authorized under such regulations as shall be prescribed by the Joint Committee on Printing, and such publications shall not contain any commercial advertisements.

Mr. CALDWELL. Mr. Speaker, will the gentleman yield?

Mr. GOOD. In a minute.

Mr. CALDWELL. I think the gentleman ought to be fair enough to read the rest of the paragraph.

Mr. GOOD. Oh, I shall gladly read the rest of the paragraph:

Provided further, That the foregoing provisions of this section shall also apply to mimeographing, multigraphing, and other processes used for the duplication of typewritten and printed matter, other than official correspondence and office records.

The situation is this: There are about 152 Government journals, magazines, periodicals and other publications that are printed without authority of law. Under the provision of the act approved by the President March last they are printed only by the sufferance of the Joint Committee on Printing. If we strike out of the pending bill the provision to which the President objects, then these magazines and publications can not be printed at all at the close of this session of Congress.

That was permanent law. It provided that these publications should not be printed at all, except that during this session of Congress they might be printed when authorized by the Joint Committee on Printing. I make this statement only because it seems to me there must be some misunderstanding somewhere, and if that amendment to which the President objects is stricken out entirely, then these publications at the close of this session of Congress will be discontinued.

The evil of which the President complains is in the act which the President approved on March 1, 1919. To some extent relief is given by the act which the President vetoed.

The SPEAKER. The question is on the motion of the gentleman from Iowa, that the message and bill be referred to the Committee on Appropriations.

The question was taken, and the motion was agreed to.

LEAVE OF ABSENCE.

By unanimous consent, Mr. DREWRY was granted leave of absence, indefinitely, on account of recuperation from illness.

EXTENSION OF REMARKS.

Mr. LARSEN. Mr. Speaker, this morning I addressed the House for five minutes, and I do not think I asked permission to revise and extend my remarks.

The SPEAKER. The gentleman from Georgia asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. McKEOWN. Mr. Speaker, I ask unanimous consent to extend my remarks on the agricultural bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

ANNOUNCEMENT.

Mr. DUPRÉ. Mr. Speaker, I am in receipt of a telegram from my colleague, Mr. LAZARO, who is detained in Louisiana on account of grave illness in his family, asking me to say that had he been present to-day when the Comer amendment came before the House for consideration that he would have voted against it. As a matter of fact, his exact request was that I pair him against the Comer amendment.

ORDER OF BUSINESS.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent to make a very brief statement.

The SPEAKER. The gentleman from Wyoming asks unanimous consent to address the House for two minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MONDELL. Mr. Speaker, last week I asked unanimous consent, which was granted, to dispense with the business of Calendar Wednesday, and at that time it was suggested that it would probably be possible to arrange for an additional day for Calendar Wednesday business immediately following the business of yesterday, but the business of the House was such as to make that impracticable, and I now ask unanimous consent that Calendar Wednesday business may be in order on Tuesday next, in order to carry out what was, I think, in a way a tentative agreement or understanding with regard to the matter.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that Calendar Wednesday business be in order on Tuesday next.

Mr. CANNON. Mr. Speaker, I think we had better wait until Tuesday comes and see. Calendar Wednesday would come on Wednesday next, anyhow.

The SPEAKER. Objection is made.

Mr. MONDELL. Some gentlemen were very anxious to know in regard to the matter, and some gentlemen thought it had been practically agreed upon. However, the matter had not been presented to the House.

Mr. CLARK of Missouri. If the gentleman will yield, if that authority is granted does that resurrect the right to make that motion about those baskets?

Mr. MANN of Illinois. Oh, no.

Mr. MONDELL. No; Calendar Wednesday business goes on in the regular order, whatever is properly in order on Calendar Wednesday. I would not want to pass on the question whether the motion will be in order.

Mr. LONGWORTH. Baskets are probably in the waste-basket.

Mr. MONDELL. Mr. Speaker, certain Members have asked about the business of to-morrow. If certain gentlemen are here who are expected, the Army and Navy pay bill will be called up in the morning, otherwise a rule providing an extension of the bill authorizing the purchase of farm loan bonds by the Government.

Mr. CANNON. Mr. Speaker, I object until Tuesday comes and we see what the condition of the business before the House is.

The SPEAKER. Objection is made.

ENROLLED BILL SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 9944. An act authorizing the Secretary of the Treasury to accept on behalf of the United States the donation by Sedgwick Post, No. 10, Grand Army of the Republic, of its memorial hall property in Bedford, Taylor County, Iowa, for Federal building purposes.

The Speaker announced his signature to enrolled bill of the following title:

S. 2448. An act for the relief of certain officers of the United States Army, and for other purposes.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 55 minutes p. m.) the House adjourned until to-morrow, Friday, May 14, 1920, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. MAYS, from the Committee on the Public Lands, to which was referred the bill (S. 2220) granting to the Lincoln Highway Association, incorporated under the laws of the State of Michigan, a right of way through certain public lands of the United States, reported the same with amendments, accompanied by a report (No. 975), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. ANTHONY, from the Committee on Military Affairs, to which was referred the joint resolution (H. J. Res. 354) authorizing the Secretary of War to loan to Paul E. Slocumb Post, No. 85, Grand Army of the Republic, Bloomington, Ind., necessary tents, cots, mattresses, pillows, and blankets for use at the State encampment to be held at said city May 25, 26, and 27, 1920, reported the same with amendments, accompanied by a report (No. 976), which said joint resolution and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SANFORD, from the Committee on Military Affairs, to which was referred the joint resolution (S. J. Res. 179) authorizing use of Army transports by teams, individuals, and their equipment representing the United States in Olympic games and international competitions, reported the same with amendments, accompanied by a report (No. 977), which said joint resolution and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Idaho, from the Committee on the Public Lands, to which was referred the bill (S. 2188) to amend section 3 of an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1902, and for other purposes," approved March 3, 1901 (31 Stat. L., p. 1133), reported the same with amendments, accompanied by a report (No. 978), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. KAHN, from the Committee on Military Affairs, to which was referred the bill (S. 643) to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia, reported the same with amendments, accompanied by a report (No. 979), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SELLS, from the Committee on Pensions, to which was referred sundry bills of the House, reported in lieu thereof the bill (H. R. 14063) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, accompanied by a report (No. 974), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 13925) for the relief of Alfred P. Reck; Committee on Military Affairs discharged, and referred to the Committee on Claims.

A bill (H. R. 13609) granting an increase of pension to Frank Dye; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 10031) granting a pension to Elizabeth L. M. Miller; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 14045) granting a pension to Alice M. Jones; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SANDERS of Louisiana: A bill (H. R. 14058) providing for the distribution of photographs of cemeteries in which American soldiers, sailors, and marines are buried, to the next of kin of such persons; to the Committee on Military Affairs.

By Mr. VESTAL: A bill (H. R. 14059) to promote Americanization by providing for cooperation with the several States in the education of non-English-speaking persons and the assimilation of foreign-born residents, and for other purposes; to the Committee on Education.

By Mr. TIMBERLAKE: A bill (H. R. 14060) to provide for the acquisition of a site and the erection of a United States hospital in the State of Colorado; to the Committee on Public Buildings and Grounds.

By Mr. KAHN: A bill (H. R. 14061) to regulate air navigation within the United States and its dependencies and between the United States or any of its dependencies and any foreign country or its dependencies; to the Committee on Interstate and Foreign Commerce.

By Mr. SIEGEL: A bill (H. R. 14062) to encourage the building of homes by providing for exemption from taxation of the income on mortgages on real estate; to the Committee on Ways and Means.

By Mr. SELLS: A bill (H. R. 14063) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; to the Committee of the Whole House.

By Mr. ESCH: A bill (H. R. 14064) to amend section 9 of an act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Washington: A bill (H. R. 14065) providing for the appraisal and sale of the Vashon Island Military Reservation in the State of Washington, and for other purposes; to the Committee on the Public Lands.

By Mr. GANDY: A bill (H. R. 14066) authorizing all retired enlisted men who were on active-duty status during the period of the war with Germany and who were not commissioned to be returned to the retired list and to receive the full pay and allowances of the grade they held during the war; to the Committee on Military Affairs.

By Mr. LARSEN: Resolution (H. Res. 557) extending a hearty welcome to the Baptist messengers to the Nation's Capital and extending invitation to visit legislative galleries and elsewhere about the Capitol Building and Grounds; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DARROW: A bill (H. R. 14067) for the relief of certain employees of the Philadelphia post office; to the Committee on Claims.

By Mr. DUNBAR: A bill (H. R. 14068) granting an increase of pension to Charles Bernhart; to the Committee on Pensions.

By Mr. HICKEY: A bill (H. R. 14069) authorizing the Secretary of the Treasury to reimburse Joseph Santucci for the loss of watchmaker's tools and clockmaker's tools while in the military service of the United States; to the Committee on Claims.

By Mr. HOEY: A bill (H. R. 14070) granting an increase of pension to Levi N. Lunsford; to the Committee on Invalid Pensions.

By Mr. MANN of South Carolina: A bill (H. R. 14071) granting a pension to George E. Wade; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3601. By Mr. CAREW: Petition of American Steamship Owners' Association, of New York City, favoring the granting of the officers and men of the Coast Guard the same rank and pay as the officers and men of the Navy; to the Committee on Interstate and Foreign Commerce.

3602. By Mr. DYER: Petition of H. D. Lee Mercantile Co., protesting against the taxing of advertising; to the Committee on Ways and Means.

3603. Also, petition of Missouri State Chiropractors' Association, favoring chiropractic legislation; to the Committee on the District of Columbia.

3604. Also, petition of St. Louis Union Trust Co., favoring House bill 13259; to the Committee on Ways and Means.

3605. By Mr. FULLER of Illinois: Petition of the Business Men's Association of Ottawa, Ill., protesting against the McNary bill for stamping the cost price on sole of shoes; to the Committee on Interstate and Foreign Commerce.

3606. By Mr. LINTHICUM: Petition of P. K. Murphy, Dr. Patrick J. Clare, William Jos. O'Brennan, Carl Knop, C. E. Codd, Frank M. Fossett, Michael J. Redding, M. F. Farrell, M. J. Gahan, M. J. Neary, John T. Doyle, Thomas E. Carey, R. V. Quinn, Rev. Joseph P. Hanley, and Daniel Murphy, all of Baltimore, Md., and J. J. Isenoing, Huntington, W. Va., regarding the Mason bill; to the Committee on Foreign Affairs.

3607. Also, petition of W. W. Lanahan & Co. and Citizens National Bank, both of Baltimore, Md., regarding sales tax; to the Committee on Ways and Means.

3608. Also, petition of W. H. Winstead Co., Baltimore, Md., regarding House bill 13015; to the Committee on Ways and Means.

3609. Also, petition of Baltimore Trades Unionist, E. A. Smith & Co., Radio Engineering Co., Merchants and Manufacturers Association, W. Howard Gibson, Hugh Auld, John H. Donaldson, Daniel Orem, Corp. Alfred Tennyson, and veterans foreign wars; F. G. Yingling, Matthew J. Hughes, Arthur W. Seippel, Marshall Winchester Co., and Henry Stockbridge, all of Baltimore, Md., regarding Federal post-office employees; to the Committee on the Post Office and Post Roads.

3610. Also, petition of American Flint Glass Workers' Union, Cumberland, Md., regarding Senate joint resolution 171 and Senate bill 1233, repeal of espionage law; to the Committee on the Judiciary.

3611. Also, petition of United States Fidelity & Guaranty Co., Baltimore, Md., regarding metric system; to the Committee on Coinage, Weights, and Measures.

3612. Also, petition of headquarters Post 61, American Legion; Association Western Union Employees, Local No. 60; S. S. Kresge Co.; and B. B. Burgunder, all of Baltimore, Md.; and American Legion, Frederick, Md., regarding soldiers' bonus; to the Committee on Ways and Means.

3613. Also, petition of John J. Reahl, Cumberland Coal Co., Chesapeake Co., Henry G. Von Heine, Wilcox & Zeigler, Emerson & Morgan Coal Co., E. A. & B. M. Watts, and E. S. Brady & Co., all of Baltimore, Md., regarding Senate bill 4089; to the Committee on Interstate and Foreign Commerce.

3614. By Mr. ROGERS: Petition of Harvard Post, No. 119, American Legion, Worcester, Mass., favoring immediate action on the legion fourfold optional bill; to the Committee on Ways and Means.

3615. By Mr. ROWAN: Petition of president of the parents' association public school No. 93, George Lickel, Eva Hat Manufacturing Co., Lillion E. Brocker, and W. Hanrahan, all of New York City, favoring higher pay for postal employees; to the Committee on the Post Office and Post Roads.

3616. Also, petition of sundry citizens of the nineteenth congressional district of New York, favoring the freedom of Ireland, and Anna Michell Upjohn, of New York, regarding relief of Armenia; to the Committee on Foreign Affairs.

3617. Also, petition of Charles Francis Press, of New York, N. Y., protesting against the passage of the Thompson bill, a tax on advertising; to the Committee on Ways and Means.

3618. By Mr. TAGUE: Petition of Franklin H. Giddings, regarding increased pay for rural carriers; to the Committee on the Post Office and Post Roads.

3619. Also, petition of Lovell & Covel Co., regarding 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

3620. By Mr. THOMPSON: Petition of sundry citizens of Bryan, Melbers, and Fremont, Ohio, favoring the passage of the Raker bill, House bill 1112, known as the parole of Federal prisoners bill; to the Committee on the Judiciary.

SENATE.

FRIDAY, *May 14, 1920.*

(*Legislative day of Tuesday, May 11, 1920.*)

The Senate met at 12 o'clock noon, on the expiration of the recess.

NAMING A PRESIDING OFFICER.

The Secretary (George A. Sanderson) read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 14, 1920.

To the SENATE:

Being temporarily absent from the Senate, I appoint Hon. SELDEN P. SPENCER, a Senator from the State of Missouri, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. SPENCER thereupon took the chair as Presiding Officer for the legislative day.

CALLING THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Reading Clerk called the roll, and the following Senators answered to their names:

Ashurst	Glass	McKellar	Simmons
Ball	Gronna	McNary	Smith, Ariz.
Borah	Hale	Moses	Smith, Md.
Brandegee	Harris	Myers	Smith, S. C.
Calder	Harrison	Nelson	Smoot
Capper	Henderson	Norris	Spencer
Chamberlain	Jones, N. Mex.	Nugent	Stanley
Comer	Jones, Wash.	Overman	Sterling
Culberson	Kellogg	Owen	Swanson
Curtis	Kendrick	Phipps	Thomas
Dial	Kenyon	Pittman	Trammell
Edge	Keyes	Pomerene	Underwood
Elkins	King	Ransdell	Walsh, Mass.
Fernald	Lodge	Reed	Walsh, Mont.
Gay	McCormick	Robinson	Warren
Gerry	McCumber	Sheppard	Williams

Mr. GRONNA. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent, due to illness. I ask that this announcement may stand for the day.

Mr. GERRY. The Senator from California [Mr. PHELAN], the Senator from Tennessee [Mr. SHIELDS], and the Senator from Maryland [Mr. SMITH] are absent on official business.

The PRESIDING OFFICER. Sixty-four Senators have answered to their names. The Senate resumes the consideration of House joint resolution 327.

TERMINATION OF WAR WITH GERMANY.

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes.

Mr. STERLING. I ask unanimous consent that the Senate proceed to the further consideration of the conference report on the civil-service retirement bill.

Mr. LODGE. Before that request is put, I wish to state that I do not think, under the unanimous-consent agreement, we can take up any outside matter while there is anyone here who

desires to speak upon the pending measure. I understand that one of the Senators desires to speak upon it.

Mr. STERLING. I understand that the Senator from Missouri [Mr. REED] desires to speak on the pending measure, but I hoped that he would yield long enough that we might dispose of this conference report.

The PRESIDING OFFICER. The Chair understands that objection is made to the request of the Senator from South Dakota.

Mr. LODGE. A motion to take up the conference report would set aside the business of the unanimous consent. Certainly, nothing can be done in the way of other business except by unanimous consent.

The PRESIDING OFFICER. The Chair understood that objection had been made to the request of the Senator from South Dakota, and therefore the request has failed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11927) to increase the efficiency of the personnel of the Navy and Coast Guard through the temporary provision of bonuses or increased compensation.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921; recedes from its disagreement to the amendment of the Senate numbered 249 to the bill and agrees to the same with an amendment, in which it requested the concurrence of the Senate; insists on its disagreement to the amendments of the Senate numbered 93 and 116; asks a further conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. HAUGEN, Mr. MCLAUGHLIN of Michigan, and Mr. LEE of Georgia managers at the further conference on the part of the House.

The message further announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Presiding Officer:

S. 2448. An act for the relief of certain officers of the United States Army, and for other purposes; and

H. R. 9944. An act authorizing the Secretary of the Treasury to accept on behalf of the United States the donation by Sedgwick Post, No. 10, Grand Army of the Republic, of its memorial hall property in Bedford, Taylor County, Iowa, for Federal building purposes.

PETITIONS AND MEMORIALS.

Mr. CAPPER presented a memorial of sundry citizens of McPherson, Kans., remonstrating against universal military training and praying for the enactment of legislation providing for physical education, which was ordered to lie on the table.

He also presented a memorial of Cottage Hill Union, No. 801, Farmers' Educational and Cooperative Union of America, of Waterville, Kans., remonstrating against the enactment of legislation imposing an additional tax on farm lands, which was referred to the Committee on Finance.

He also presented a memorial of the Board of Commerce of Wichita, Kans., remonstrating against the passage of the so-called Steagall bill legalizing exchange charged on bank checks, which was referred to the Committee on Banking and Currency.

ARMY APPROPRIATIONS.

Mr. WADSWORTH. From the Committee on Military Affairs, I report back favorably with amendments the bill (H. R. 13587) making appropriations for the support of the Army for the fiscal year ending June 30, 1921, and for other purposes, and I submit a report thereon. I give notice that on Monday next if an opportunity presents itself I shall ask the Senate to take up the bill for consideration.

The PRESIDING OFFICER. The bill will be placed on the calendar.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SWANSON:

A bill (S. 4377) authorizing the Secretary of War to donate to the Sandy Point Civic League, Tettington, Va., one cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. CALDER:

A bill (S. 4378) conferring jurisdiction upon the United States Court for the Southern District of New York to hear and determine the claim of the owner of the French auxiliary bark *Quevilly* against the United States, and for other purposes; to the Committee on Claims.

A bill (S. 4379) granting a pension to Margaret L. Burns; to the Committee on Pensions.

By Mr. RANSDELL:

A bill (S. 4380) for the relief of Captain C. Newton, jr.; to the Committee on Claims.

By Mr. KNOX (for Mr. PENROSE):

A bill (S. 4381) for the relief of certain officers in the Army of the United States, and for other purposes; to the Committee on Military Affairs.

A bill (S. 4382) granting an increase of pension to Cecilia McCullough (with accompanying paper); to the Committee on Pensions.

By Mr. SPENCER:

A bill (S. 4383) granting an increase of pension to John P. Wright; to the Committee on Pensions.

By Mr. STERLING:

A bill (S. 4384) for the relief of William Casey; to the Committee on Claims.

By Mr. KING:

A bill (S. 4385) to amend the act entitled "An act to protect trade and commerce against unlawful restraints and monopolies," approved July 2, 1890; to the Committee on the Judiciary.

By Mr. MCCUMBER:

A joint resolution (S. J. Res. 197) authorizing the Secretary of the Interior to extend the time for the payment of annual installments on the purchase price for land in the Cheyenne River and Standing Rock Indian Reservations; to the Committee on Public Lands.

AMENDMENTS TO SUNDRY CIVIL APPROPRIATION BILL.

Mr. CURTIS submitted an amendment relative to the salaries of clerks and stenographers, from and including July 1, 1920, etc., intended to be proposed by him to the sundry civil appropriation bill; which was referred to the Committee on Appropriations and ordered to be printed.

Mr. GAY submitted an amendment proposing to appropriate $40,000 for a post-office and courthouse building at New Orleans, La., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

He also submitted an amendment proposing to appropriate $135,000 for the enlargement, extension, etc., of the United States post-offce and courthouse building at Alexandria, La., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. JONES of New Mexico submitted an amendment proposing to appropriate $80,000 for the completion and equipment of the post-office building at East Las Vegas, N. Mex., etc., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

FREIGHT CONGESTION.

Mr. REED. I ask unanimous consent to submit a resolution, which I ask to have read to the Senate. I think it will involve no debate at all.

The PRESIDING OFFICER. If there is no objection, the Secretary will read the resolution.

The resolution (S. Res. 362) was read, as follows:

Resolved, That the Interstate Commerce Commission is hereby directed to furnish at the earliest possible date information to the Senate showing the causes for the present freight congestion in the principal cities of the United States and what efforts have been taken or are being taken or should be taken to relieve the present congested condition and to promptly move the freight tendered to the railroads.

Mr. REED. Mr. President, I offer this resolution because I know that a very serious freight congestion exists. My information is that it is chiefly at some 15 principal American cities. The Interstate Commerce Commission has the matter under consideration, and there are reasons why this resolution should be passed and that the information the Interstate Commerce Commission may have may be laid before the Senate. I therefore ask unanimous consent for the present consideration of the resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution.

The resolution was considered by unanimous consent and agreed to.

TEXTILE ALLIANCE (INC.).

Mr. THOMAS. Mr. President, last week in discussing the dyestuffs bill I made some references to the Textile Alliance (Inc.). I am this morning in receipt of a letter from the

secretary of that association taking exception to some of my assertions. I think it is but fair that the letter should be inserted in the RECORD, and therefore ask unanimous consent to have that letter inserted in the RECORD with a copy of an accompanying letter from the Department of State.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

TEXTILE ALLIANCE (INC.),
New York, May 13, 1920.

The Hon. CHARLES S. THOMAS,
United States Senate, Washington, D. C.

DEAR SIR: We have to-day received a copy of the CONGRESSIONAL RECORD of May 8 which contains a report of your speech on that date in the matter of the dye bill. There are inaccuracies or errors in the speech which we feel that we must without delay call to your attention.

The Textile Alliance (Inc.) is not "the moving power behind the dye bill"; it is not "the inspiration of the dye bill"; it is not "charged with the duty of securing dyes that are absolutely indispensable to the textile industry of this country," and it was in no respect whatever responsible for the statement made by witnesses before the Senate or other committee that Germany during the war had accumulated 250,000 tons of dyestuffs.

As a matter of fact the Textile Alliance (Inc.) is acting purely as an administrative agency for and at the request of the War Trade Board Section of the Department of State, and its relations with this department are shown by the inclosed copies of letters from it dated September 29, 1919, and October 10, 1919. In this respect the agency selected might equally well have been the American Express Co. or other profit-making corporation.

It has had no part whatever in the effort to secure protection for the American dye industry other than to present a statement to the committee of the House of Representatives in refutation of erroneous statements made regarding its functions and actions. Its officers have even refrained from the free expression of their personal opinion.

It is also incorrect to say that not a pound of dye can be received in this country excepting through the Textile Alliance (Inc.). In proof of this statement we beg to refer you to the War Trade Board Section of the Department of State, which has issued licenses in amounts unknown to the Textile Alliance (Inc.) for the import of dyes through other sources, and in particular we call your attention to the following shipment recently published in the Journal of Commerce and Commercial Bulletin, of New York, April 28:

Inward manifests, Hamburg-American steamer *Carib*. Grasselli Chemical Co., 374 casks alizarin.

For your further information we beg to state that the Textile Alliance (Inc.) is a membership corporation, organized under the laws of New York State. The voting members are the designated representatives of the principal textile trade associations, excepting that one representative is designated by a committee of a trade in which there is no comprehensive organization. It is incapable of making or retaining a profit. All of its activities during the war on behalf of the United States Government have been performed at cost, and, with the exception of the general manager, secretary, and treasurer, no officer, director, or member of the committee receives a salary or other compensation.

In view of the injustice that you have done to this organization, we request that you will correct the erroneous statements in your speech.

Yours, very truly, TEXTILE ALLIANCE (INC.).
WILLIAM B. DENTON,
Secretary.

—

DEPARTMENT OF STATE,
Washington, September 29, 1919.

Mr. A. M. PATTERSON,
President Textile Alliance (Inc.), New York.

SIR: Negotiations are now being carried on in Paris by the representatives of the allied associated Governments for the purpose of securing the early delivery of German dyes at prices similar to those described in annex 6 of part 8 of the treaty of peace with Germany. For your convenience there is inclosed herewith a copy of War Trade Board Ruling 819, in which the provisions of annex 6 are set forth in full. The War Trade Board section of the Department of State has determined to permit the importation of vat dyes from Germany in quantities sufficient to supply the requirements of the consumers of the United States for six months' period, October 1, 1919, to April 1, 1920; and it may be desirable that manufacturers in the United States be enabled to avail themselves of the benefits of such plan as may result from the current negotiations in securing the above-mentioned quantities of vat dyes. To bring this about it would be necessary to designate a central agency to act as an intermediary between the consumers of dyes in the United States and the allied authorities from or through whom the dyes are to be secured. The Department of State would be prepared to designate the Textile Alliance (Inc.) as such agency to perform the following services under the terms and conditions hereinbelow set forth:

1. The War Trade Board section of the Department of State will issue allocation certificates to consumers in the United States, stating that said consumers are entitled to secure the importation from Germany of vat dyes specified in such certificates.

2. The War Trade Board section of the Department of State would advise consumers of such arrangements as may result from current negotiations and will also inform them that the Textile Alliance (Inc.) has been designated to act in the capacity described in this letter.

3. The Textile Alliance (Inc.) will accept from consumers holding the above-mentioned allocation certificates orders for vat dyes in amounts not exceeding amounts specified in such certificates.

4. The prices to be paid for the dyes so ordered will be the prices agreed upon in Paris and communicated to the Textile Alliance (Inc.) by its representative in Paris hereinafter mentioned in paragraph No. 5. The terms and method of payment for all dyes ordered through the Textile Alliance (Inc.) will be prescribed by the Textile Alliance (Inc.) to accord with such arrangements as may result from the pending negotiations, and they will be subject to the approval of the War Trade Board section and subject also to the conditions hereinbelow in paragraph No. 6 contained.

5. The Textile Alliance (Inc.) will send a representative to Paris. Said representative will receive by cablegram from the Textile Alliance (Inc.) complete information as to the dyes which have been ordered through the alliance as described above, and he will place these orders with or through the allied authorities and will attend to all the details connected with the acquisition of, and payment for, the dyes and their shipment to the Textile Alliance (Inc.) for distribution to the consumers who have ordered them. In all these matters the representative of the alliance will receive the cooperation and advice of Dr. Charles H. Herty, who is now in Paris as a representative of the War Trade Board section.

6. The Textile Alliance (Inc.) will be entitled to charge a commission for the services rendered by it, which commission shall be sufficient to defray all expenses incurred in carrying out the plan and performing the acts described in this letter; but it is to be understood that the alliance will not retain any profits arising out of this transaction and that any overplus remaining out of commissions collected, after the payment of all expenses, will be distributed pro rata among the consumers by whom such commissions shall have been paid.

The department desires to be advised at an early date whether the Textile Alliance (Inc.) would be willing to perform the services described in this letter, provided the situation would seem to make such an arrangement desirable.

I am, sir, your obedient servant,

WILLIAM PHILLIPS,
Acting Secretary of State.

—

DEPARTMENT OF STATE,
Washington, October 10, 1919.

The TEXTILE ALLIANCE (INC.),
New York.

GENTLEMEN: Referring to the department's letter of September 29 setting forth the proposal that the Textile Alliance (Inc.) should be designated as the agency to effect the importation and distribution of German dyes proposed to be secured as a result of negotiations then being conducted in Paris, and referring also to your letter of October 2, in which you inform the department that the Textile Alliance (Inc.) was prepared to act in the capacity aforesaid (subject to an exception which has since been withdrawn), the plan outlined in the first-mentioned letter has been finally completed in all substantial respects; and accordingly the Textile Alliance (Inc.) is hereby designated as the agency to effect the importation and distribution of German dyes under the conditions set forth in the above-mentioned letter of September 29, 1919.

The supervision of the operations of the above-mentioned plan will be conducted for the department by the War Trade Board section, and you are requested to consult with the chief of said section with respect to all further arrangements neces-

sary for the consummation of the purchase, importation, and distribution of dyes which will be secured under said plan.

I am, gentlemen, your obedient servant,

WILLIAM PHILLIPS,
Assistant Secretary.
(For the Secretary of State.)

INSCRIPTIONS ON ARLINGTON AMPHITHEATER.

Mr. SMITH of South Carolina. Mr. President, I have two telegrams in reference to the names of Lee and Jackson being inscribed on the amphitheater at Arlington, which I ask may be printed in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

COLUMBIA, S. C., *May 13, 1920.*

Senator E. D. SMITH,
Washington, D. C.:

Urge you to use your influence to have names of Lee and Jackson carved on amphitheater at Arlington.

JULIUS H. WALKER,
State Commander American Legion, South Carolina.

ST. MATTHEWS, S. C., *May 10, 1920.*

Hon. E. D. SMITH,
United States Senate, Washington, D. C.:

On behalf of Calhoun County Post, American Legion, at full meeting to-day, we wish to enter strongest protest against elimination of names of Lee and Jackson from list of American heroes to be carved on marble columns, Memorial Amphitheater, in Arlington National Cemetery. Action contemplated is not only extremely unjust to sons and grandsons of men who followed Lee and Jackson and Grant and Sherman, and who gave their lives side by side in great World War, but it is most unfortunate just at this time, when a friendly spirit of broad patriotism is manifest throughout our country. We feel in our protest we voice not only the sentiment of every southern State, but all broad-minded men of Nation.

GEORGE W. WANAMAKER, Jr.,
Commander Calhoun County (S. C.) Post, American Legion.

TERMINATION OF WAR WITH GERMANY.

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes.

[Mr. REED addressed the Senate. See Appendix.]

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gronna	Nelson	Smith, S. C.
Borah	Harris	New	Smoot
Brandegee	Harrison	Norris	Spencer
Calder	Jones, N. Mex.	Nugent	Stanley
Capper	Jones, Wash.	Overman	Swanson
Chamberlain	Kendrick	Page	Thomas
Colt	Kenyon	Phelan	Townsend
Culberson	King	Pomerene	Trammell
Curtis	Knox	Ransdell	Underwood
Dial	Lodge	Reed	Wadsworth
Dillingham	McCormick	Sheppard	Walsh, Mass.
Edge	McCumber	Shields	Warren
Fernald	McKellar	Simmons	
Gay	McNary	Smith, Ariz.	
Glass	Myers	Smith, Md.	

Mr. CURTIS. I have been requested to announce that the Senator from Maine [Mr. HALE], the junior Senator from New Hampshire [Mr. KEYES], the Senator from Colorado [Mr. PHIPPS], and the senior Senator from New Hampshire [Mr. MOSES] are detained on committee work.

The PRESIDING OFFICER. Fifty-seven Senators having answered to their names, there is a quorum present.

LEGISLATIVE, ETC., APPROPRIATIONS—VETO MESSAGE.

Mr. SMOOT. Mr. President, yesterday the President saw fit to veto the legislative appropriation bill, and based his veto on his objection to section 8, relative to the printing, mimeographing, or multigraphing of Government periodicals. This section was proposed by me as chairman of the Joint Committee on Printing in accordance with the following recommendation which that committee made to Congress in its recent report on Government periodicals and field printing (S. Doc. 265, 66th Cong., p. 10):

> The committee further recommends that it be given general supervision over all Government publications so as to bring about much-needed coordination in Government printing, and that the committee be empowered to pass on the publication or discontinuance of all Government journals, magazines, and periodicals from time to time instead of having the same specifically provided for by law. It is believed this supervision should be vested in some body not connected with any particular department of the Government, and, from the work it has already done in this connection, the committee is of the opinion that the authority may as well be intrusted to it as to any other governmental agency.

The efforts of the Joint Committee on Printing the past year to effect substantial economies in the public printing and binding have been bitterly opposed by some Government officials and denounced by certain outside influences. These outside influences have reaped substantial personal profits from Government publications. Such abuses, which involved the direct appropriation of public property to private use, were exposed by the report which the Joint Committee on Printing submitted to Congress. Since that report was made public certain influences, both within and without the departments, have left no stone unturned to assail and undermine the work of the committee.

One of the influences to which I refer is Roger W. Babson, who, on his retirement from a $5,000 Government position in the Department of Labor, took over the Bulletin from the Committee on Public Information without any compensation whatever to the Government. This transaction was revealed to the public in the report of the committee.

Babson, in a letter to me under date of April 16, 1920, protested against the committee's report and expressed his bitter opposition to the section on which the President bases his veto, and declared that he intended to become the "protector of the departments in Washington against those who are attempting to gag or censor them." It is evident, therefore, that Babson has made use of the President or his advisers in carrying out his threat and "determination to end" the censorship which, without the least foundation, he has charged against the committee.

The President or his advisers have been most grievously misled in this veto. I am sure the President did not understand the situation when he vetoed the bill. Here is the real situation that exists:

The legislative bill passed by the Sixty-fifth Congress and approved by the President on March 1, 1919, contained a provision that thereafter no Government journal, magazine, periodical, or similar publication shall be printed unless "specifically authorized by Congress," but added that such publications as were then being printed might, in the discretion of the Joint Committee on Printing, be continued until the close of this session of Congress, when—and I quote from the law itself—"if authority for their continuance is not then granted by Congress, they shall not thereafter be printed."

Under this authority from Congress, which was approved by the President, the Joint Committee on Printing undertook a careful investigation of all Government periodicals, the result of which is set forth in its report submitted on April 12, 1920. This report showed that 266 journals, magazines, and periodicals were being published by various branches of the Government at a cost of approximately $2,500,000 per annum.

As a result, either of the regulations adopted by the committee or the voluntary acts of the departments themselves, 111 of these publications, costing approximately $1,200,000 per annum, have been discontinued. This leaves 155 publications, the continuance of which was authorized by the committee until the end of this session of Congress, which is the extent of the authority that the committee has under the present law.

Nearly all of these 155 publications, which include many of the most important issued by the Government, particularly those relating to agriculture, commerce, and labor, will automatically go out of existence at the end of this session of Congress unless they shall have been specifically authorized by Congress in the meantime. In view of the large number of these publications and in order to make sure of their continued publication, the committee proposed section 8 to the legislative bill vetoed by the President. The chief purpose of this section was to give the Joint Committee on Printing power to permanently authorize these publications. It appeared entirely impractical for Congress itself to go into the merits of each one of the 155 or more periodicals, and the committee, therefore, felt that its proposal was in the interest of the publications themselves and not for the purpose of censorizing or suppressing them.

The fact is that if the President is really seeking to relieve the departments from any restrictions on their printing by Congress he ought to examine the provision that is annually contained in the sundry civil appropriation act. That provision is far more drastic than that proposed in either section 11, which he approved on March 1, 1919, or in section 8 of the bill just vetoed by him.

The provision I refer to is to be found on page 173 of the sundry civil bill, H. R. 13870, which has just passed the House. Similar provisions have been contained in the sundry civil acts for many years. It provides that no money appropriated for printing or binding for any executive departments shall be expended for any printing "except such as shall be certified in writing to the Public Printer by the respective heads or chiefs thereof to be necessary to conduct the ordinary and routine

business required by law of such executive departments or establishments of the Government."

The provision also states that "all other printing required or deemed necessary or desirable by heads of executive departments or other establishments or offices or bureaus thereof shall be done only as Congress shall from time to time authorize." By this provision none of the periodicals which have been continued under section 11 could have otherwise been published at all if the law had been complied with by the departments.

I observe that the President says he is in entire sympathy with the efforts of Congress and the departments to effect economies in printing and in the use of paper and supplies, but that he does not believe such a provision as this should become law. I am very glad, indeed, that the President is in sympathy with the efforts to effect economies in printing, and I only wish that his sympathies in this regard might find some substantial evidence on his part or some act of some of his chief executive officers showing their belief in economy.

Everyone, with the possible exception of some Government officials who seem to have deliberately blinded themselves, knows the critical situation the country is in as regards its supply of paper. This shortage of paper has seriously affected the Government. We do not know from day to day whether we will have enough paper at the Government Printing Office to publish the next day's CONGRESSIONAL RECORD, or even a sufficient supply to print presidential vetoes.

Under date of February 16, 1920, this situation was again called to the attention of the departments by the committee. They were then advised that the Government Printing Office may soon be without sufficient paper to print even such publications as may be really necessary to the Government business. All the heads of the departments and other establishments of the Government were requested to at once advise the committee as to what publications might be suspended, at least temporarily, in order to conserve the rapidly diminishing supply of paper for such printing as was absolutely essential.

To this request the committee received substantially no responses from the departments that were of any practical value whatever. Some of the departments seemed insistent upon continuing their mad orgy of printing in utter disregard of the fact that the paper supply of the Government may soon come to an end. As a matter of fact, some of the heads of the departments even had the boldness to propose increased expenditures for printing rather than to submit to any economies at this time.

For example, the Secretary of Agriculture, who had just come into office, proposed to the committee that the covers of Farmers' Bulletins be printed in variegated colors like Joseph's coat at an increased cost of three or four times the present price of printing such covers in black and white. I hold a sample in my hand [exhibiting].

The Secretary of Agriculture further proposed that the distribution of Farmers' Bulletins be placed entirely in the hands of his department instead of four-fifths of them being allotted to Members of Congress. I call to your attention the fact that the Department of Agriculture during the past two years turned over nearly 1,000,000 copies of its publications to one private individual, who thus assumed for his advantage the distribution of publications for which employees of the Department of Agriculture are paid. If Congress should also turn over to the Department of Agriculture the distribution of bulletins which are now allotted to its Members, what assurance have we that that department will not in turn deliver these publications in bulk to some private individual who may thereby profit from the work which Members of Congress are now glad to undertake freely for their constituents?

The President cites as an example of the administrative authority by the Joint Committee on Printing to which he objects the resolution which it adopted on April 2, 1920, directing that the free distribution of Government publications to any private individual, corporation, or agency be restricted to lots of not exceeding 50 copies, without application to the Joint Committee on Printing. This resolution was adopted for the very purpose of checking the abuse to which I have just referred. The committee found that from January 5, 1898, to February 19, 1920, three Government departments alone had furnished 1,319,495 Government publications to a single private individual.

I do not believe that anyone who has the real interest of the Government and the public at heart can object to such a regulation checking a flagrant misuse of Government publications.

The President also calls attention to a letter which I, as chairman of the Joint Committee on Printing, addressed to the Public Printer under date of March 19, 1920, replying to a request from the Public Printer for a ruling by the committee as to the application that should be made of section 89 of the printing act of 1895 which restricts the printing of reports, publications, and documents to 1,000 copies each unless otherwise authorized by Congress.

The committee had ascertained, upon investigation, that this section of law restricting printing had been almost utterly ignored by the departments for many years. As a result of this deliberate violation of the law, the departments have been continually appealing to Congress for deficiency appropriations to provide for their printing excesses.

The report of the Joint Committee on Printing shows that in three years departmental officials had more than 30,000,000 copies of their speeches printed at the Government Printing Office at a cost of $109,066.35. These speeches and the envelopes used in mailing them required a total of approximately 1,500,000 pounds of paper. Including the cost of printing, envelopes, and the transportation in the mails, the speeches of these officials cost the Government $442,798.73. All of this was charged to the Public Treasury.

In contrast to this procedure by speech-making officials of the departments, it is but fair to point out that Members of Congress are required by law to pay out of their own funds the actual cost of printing all speeches distributed by them.

Another abuse which prompted the committee to call the Public Printer's attention to the gross violation of the 1,000-copy law was a so-called Health Almanac, of which the Public Health Service printed 100,000 copies at a cost of $2,929.46. I observe in its calendar for May that a notable event to be commemorated on May 30 is the fact that Surg. Gen. Rupert Blue was born on that day. To most of us this day is sacred as Memorial Day, but the Health Service calendar designates it as "Decoration Day," a term which is objected to by the true friends and relatives of those who sacrificed their lives on the field of battle.

A similar calendar was also printed in large numbers by the Bureau of Mines. In the Bureau of Mines calendar the "historical event" proposed to be commemorated on August 27 is the fact that Van. H. Manning was made Director of Mines on that date. The "historic event" as noted for December 15 is the fact that Mr. Manning was born on that date. I nearly overlooked the fact that the "historical event" printed for January 27 is that Samuel Gompers was born on that date. All of these, of course, are events of great historical significance, and I presume that in due time we will have bills proposed declaring them public holidays.

The last proviso of section 8, to which the President objects, is that making the law regulating Government periodicals apply also to mimeographing, multigraphing, and other processes used for the duplication of typewritten and printed matter, other than official correspondence or office records. The President says that under this provision the committee apparently will have power, for example, to prevent even the making of carbon copies of anything other than official correspondence and office records. I believe if the President had taken time to read section 11 of the act which he approved on March 1, 1919, in connection with section 8 of the legislative bill, he would never have made any such statement.

The sole purpose of the committee in proposing this provision was to meet a situation that has recently developed in the departments from the installation of large numbers of mimeographing and multigraphing machines. To evade the restrictions placed upon printing, some of the departments have undertaken to mimeograph or multigraph publications that in all common sense and due regard for economy ought to be printed. A preliminary investigation of such work by the departments in Washington shows that there are now nearly 100 duplicating and mailing units in the departments themselves outside of the Government Printing Office. These units contain nearly 500 duplicating machines, such as mimeographing and multigraphing, 265 mailing devices, at a total cost of approximately $300,000, and that they employ 428 persons at an annual salary roll of $433,000. If there is to be any supervision over departmental printing at all, it should include such substitute processes for printing.

I have here a few samples of periodicals that are now being mimeographed and multigraphed by the departments. For instance, here is the Quartermaster Service News for February, containing 62 mimeographed pages. Here is a bulletin issued by the Recruiting Publicity Bureau, of New York City, with a colored cover inclosing 24 pages of mimeographed work. Similar, also, are copies of the Army Recruiting News and various other publications which I have before me.

Mr. President, when 155 publications were ordered discontinued by the Joint Committee on Printing, what did some of the departments do? Did they stop issuing the periodical or magazine? No; they were issued just the same but were not

printed; they were lithographed or mimeographed, costing the Government of the United States twice as much as they did before. But what do some officials care about a law Congress passes?

Mr. President, the time will come when an announcement that one is in sympathy with reforms will be understood by the people of the United States as meaning that the practices of the past and all the wicked waste on the part of the departments may go on unmolested. If Congress undertakes to pass legislation to prevent wicked waste or economize, some official will make the statement that he is in sympathy with the reform but does not like the legislation. If it reduces expenditures or limits appropriations, of course he does not like the legislation. Officials, with few exceptions, never do, for it interferes with the sweet will of the Government spenders. I know one thing. The time will come when the American people will see that a change is made. The taxpayers of this country are not going to allow this practice to continue, and Representatives or Senators who stand in the way of reforms of this character will hear from their constituents as soon as their constituents understand the situation.

Mr. President, since the committee began its investigation of mimeographing and multigraphing it has acquired a stack of exhibits of such work which would reach almost to the gallery of this Chamber if displayed in a pile, and that does not begin to cover the mass of such stuff with which the departments have swamped the mails and the newspaper offices of the country.

Since I made my last statement on the floor of the Senate in relation to the waste of print paper, I have received mail of every character from every part of the United States, from people sending me Government publications and telling me that they have been receiving them for years; that all they do with them is to throw them in the wastebasket, and pleading with me to see that the sending is discontinued. I do not believe there is a Senator who has not had similar experience.

For instance, I have here a so-called "Memo for the press," which the Secretary of the Navy issued to the newspapers last night, covering the statement which he expects to make to the Senate Subcommittee on Naval Affairs this afternoon. Without discussing the propriety of a witness sending out advance copies of testimony that he expects to give before a committee, I do not hesitate to say that there is not a newspaper in the country that could print one-tenth of the 61-paged "memo" which the Secretary of the Navy has submitted to the press for release "after he begins his fifth day's testimony."

The Comptroller of the Currency is also flooding the country with letters and circulars bombastically setting forth his marvelous administration of the banks. Not content with sending me one copy here in Washington, he also addressed a duplicate to Provo, with a request that an "answer would be appreciated."

The President bases his objection to section 8 on the further ground that it is an interference by the legislative branch of the Government on particularly departmental or administrative matters. In this he entirely overlooks the fact that the Joint Committee on Printing is not a committee of Congress as such but is a separate and distinct statutory body, and almost analogous to the Civil Service Commission or any other independent establishment of the Government. The membership and duties of the joint committee are fixed by law as set forth in the printing act of January 12, 1895. For many years, and without question heretofore, the committee has exercised many duties relating to printing for the departments as well as for Congress. The act of 1895 provides that the joint committee shall fix upon standards and award contracts for paper for printing for all branches of the Government service. The printing of the Agricultural Yearbook, prepared by the Department of Agriculture itself, is placed under the direction of the Joint Committee on Printing, as is also all printing for the Patent Office. The law also provides that even the annual reports of the executive offices shall be printed in a certain form unless otherwise provided by the Joint Committee on Printing.

As a matter of fact, the Government Printing Office was established by Congress as a congressional printing office. The printer was at first elected by both Houses of Congress, and was called the Congressional Printer. After a time some question was raised as to the constitutionality of Congress electing the printer, and his appointment was then vested in the President and the title changed to the Public Printer, but it does not appear that this was done with any intention by Congress of relinquishing its control over the Government Printing Office.

Further than the power of appointment, the President does not appear to have any control over the Public Printer, who makes his report direct to Congress. The printing act of 1895 and the many amendments to that law vest the Joint Committee on Printing with substantially the authority of a board of directors for the Government Printing Office. Its jurisdiction as such has never heretofore been questioned by any administration or any Congress.

Even the present building occupied by the Government Printing Office was erected by the Public Printer under the direction of the Joint Committee on Printing, as provided by law—Twenty-eighth Statute at Large, page 420—and the site it occupies was acquired by the committee under authority of a concurrent resolution of the Fifty-second Congress.

I am of the firm opinion, therefore, that the President has been deliberately misinformed concerning the duties and purposes of this committee, and that his advice did not come from qualified officers in the executive departments, but rather from outside influence, to which I have already referred. I shall take occasion in the very near future to advise the public as to the character of this influence.

The VICE PRESIDENT resumed the chair.

EDUCATIONAL SYSTEM AT WEST POINT.

Mr. SPENCER. Mr. President, I ask to have printed in the RECORD a letter from Mr. George M. Brown, of St. Louis, Mo., relative to the educational system at West Point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CERTAIN-TEED PRODUCTS CORPORATION,
St. Louis, U. S. A., May 11, 1920.

Hon. SELDEN P. SPENCER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Yesterday's paper reported that Dr. Eliot, of Harvard, had complained of the educational system at West Point, and gave as proof the failure of West Point men during the war.

I wish to make an earnest protest against this claim of Dr. Eliot, both in regard to any failure of West Point men during the war and further in regard to the educational system at West Point.

As you will probably remember, I graduated at West Point in the class of 1890 and resigned after two years to enter business. In my business experience, which is extended throughout the world with this company, and is also extended to other various business interests, various patriotic organizations, war work, charity work, etc., I have come in contact with every kind of employer and employee and in contact with all kinds of people, both in public and private life.

As an employer we have dealt with graduates of practically all the well-known colleges. We have a number of Harvard men in the business, my son-in-law, Mr. R. M. Nelson, being a Harvard graduate and also secretary and treasurer of this business. My only son is a junior at Yale, so I am not lacking in appreciation of other colleges. I mean no disrespect to them when I go on record as saying I think there is no better line of education in any college than that given at West Point for meeting the problems which we must face in everyday life and under all sorts of conditions.

I will not undertake to go into my many reasons for feeling this way—my letter would have to be too long—but I do want to appear to be able to qualify as having a right to pass on such a matter, and then to add my testimony in the most favorable way possible to the West Point system of education and to West Point as an institution, and of course I am very proud of the record the West Point men made during the war. Their losses in battle in percentage, I believe, were at high-water mark of any known class entering the war. I haven't the figures on this, but understand there are such figures available at West Point, and I am sure their losses were not sustained without a corresponding showing of good results.

I would greatly appreciate it if you could present West Point's case in some way in this matter. Having graduated at Yale yourself, it would be most appropriate if you can do this.

Very truly, yours, GEO. M. BROWN.

PERSONNEL OF THE NAVY AND COAST GUARD—CONFERENCE REPORT.

Mr. PAGE submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11927) to increase the efficiency of the personnel of the Navy and Coast Guard through the temporary provision of bonuses

or increased compensation having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"That, commencing January 1, 1920, commissioned officers of the Army, Navy, Marine Corps, and Public Health Service shall be paid, in addition to all pay and allowances now allowed by law, increases at rates per annum as follows: Colonels in the Army and Marine Corps, captains in the Navy, and assistant surgeons general in the Public Health Service, $600; lieutenant colonels in the Army and Marine Corps, commanders in the Navy, and senior surgeons in the Public Health Service, $600; majors in the Army and Marine Corps, lieutenant commanders in the Navy, and surgeons in the Public Health Service, $840; captains in the Army and Marine Corps, lieutenants in the Navy, and passed assistant surgeons in the Public Health Service, $720; first lieutenants in the Army and Marine Corps, lieutenants (junior grade), acting assistant surgeons and acting assistant dental surgeons in the Navy, and assistant surgeons in the Public Health Service, $600; second lieutenants in the Army and Marine Corps, and ensigns in the Navy, $420: *Provided*, That contract surgeons of the Army serving full time shall receive the pay of a second lieutenant.

"SEC. 2. That the right and benefits prescribed under the act of April 16, 1918, granting commutation of quarters, heat, and light during the present emergency to officers of the Army on duty in the field are hereby continued and made effective until June 30, 1922, and shall apply equally to officers of the Navy, Marine Corps, Coast Guard, and Public Health Service: *Provided*, That such rights and benefits as are prescribed for officers shall apply equally for enlisted men now entitled by regulations to quarters or to commutation therefor.

"SEC. 3. That, commencing January 1, 1920, warrant officers of the Navy shall be paid, in addition to all pay and allowances now allowed by law, an increase at the rate of $240 per annum.

"SEC. 4. That, commencing January 1, 1920, the pay of all enlisted men of the Army and Marine Corps and of members of the female Nurse Corps of the Army and Navy is hereby increased 20 per cent: *Provided*, That such increase shall not apply to enlisted men whose initial pay, if it has already been permanently increased since April 6, 1917, is now less than $33 per month.

"SEC. 5. That all noncommissioned officers of the Army of grade of color sergeant and above as fixed by existing Army Regulations and noncommissioned officers of the Marine Corps of corresponding grades shall be entitled to one ration or commutation therefor in addition to that to which they are now entitled. The commutation value shall be determined by the President on July 1 of each fiscal year, and for the current fiscal year the value shall be computed on the basis of 55 cents per ration: *Provided*, That Army field clerks and field clerks Quartermaster Corps, whose total pay and allowances do not exceed $2,500 per annum, shall be paid an increase at the rate of $240 per annum: *Provided further*, That such Army field clerks and field clerks Quartermaster Corps, whose total pay and allowances exceed $2,500 but do not exceed $2,740 per annum, shall be paid such additional amount as will make their total pay and allowances not to exceed $2,740 per annum: *Provided further*, That this section shall not be construed to reduce the pay and allowances of any Army field clerk or field clerk Quartermaster Corps.

"SEC. 6. That, commencing January 1, 1920, the following shall be the rate of base pay for each enlisted rating: Chief petty officers with acting appointments, $99 per month; chief petty officers with permanent appointments and mates, $126 per month; petty officers, first class, $84 per month; petty officers, second class, $72 per month; petty officers, third class, $60 per month; nonrated men, first class, $54 per month; nonrated men, second class, $48 per month; nonrated men, third class, $33 per month: *Provided*, That the base pay of firemen, first class, shall be $60 per month; firemen, second class, $54 per month; firemen, third class, $48 per month: *Provided further*, That the rate of base pay for each rating in the Naval Academy Band shall be as follows: Second leader, with acting appointment, $99 per month, with permanent appointment, $126 per month; drum major, $84 per month; musicians, first class, $72 per month; musicians, second class, $60 per month: *Provided further*, That the base pay of cabin stewards and cabin cooks shall be $84 per month; wardroom stewards and wardroom cooks, $72 per month; steerage stewards and steerage cooks, $72 per month; warrant officers' stewards and warrant officers' cooks, $60 per month; mess attendants, first class, $42 per month; mess attendants, second class, $36 per month; mess attendants, third class, $33 per month: *Provided further*, That the retainer pay of those members of the Fleet Naval Reserve who, pursuant to call, shall return to active duty within one month after the approval of this act and shall continue on active duty until the Navy shall have been recruited up to its permanent authorized strength, or until the number in the grade to which they may be assigned is filled, but not beyond June 30, 1922, shall be computed upon the base pay they are receiving when retransferred to inactive duty, plus the additions or increases prescribed in the naval appropriation act approved August 29, 1916, for members of the Fleet Naval Reserve: *Provided further*, That the rates of base pay herein fixed shall not be further increased 10 per cent as authorized by an act approved May 13, 1908, nor by the temporary war increases as authorized by section 15 of the act approved May 22, 1917, as amended by the act approved July 11, 1919.

"SEC. 7. That the Secretary of the Navy is authorized, in his discretion, to readjust the prevailing rates of pay of civilian professors and instructors at the United States Naval Academy: *Provided*, That said readjustment, which shall be effective from January 1, 1920, shall not involve an additional expenditure in excess of $55,000 for the remainder of the current fiscal year.

"SEC. 8. That commissioned officers, warrant officers, petty officers, and other enlisted men of the Coast Guard shall receive the same pay, allowances, and increases as now are, herein are, or hereafter may be prescribed for corresponding grades or ratings and length of service in the Navy; and the grades and ratings of warrant officers, chief petty officers, petty officers, and other enlisted persons in the Coast Guard shall be the same as in the Navy, in so far as the duties of the Coast Guard may require, with the continuance in the Coast Guard of the grade of surfman, whose base pay shall be $70 per month: *Provided*, That the senior district superintendent, the three district superintendents next in order of seniority, the four district superintendents next below these three in order of seniority, and the junior five district superintendents shall have the rank, pay, and allowances of captain, first lieutenant, second lieutenant, and third lieutenant in the Coast Guard, respectively.

"SEC. 9. That nothing contained in this act shall be construed as granting any back pay or allowances to any officer or enlisted man whose active service shall have terminated subsequent to December 31, 1919, and prior to the approval of this act, unless such officers or enlisted men shall have been recalled to active service or shall have been reenlisted prior to the approval of this act.

"SEC. 10. That any enlisted man or apprentice seaman who shall reenlist in the Navy within one year from the date of his discharge therefrom shall, upon such reenlistment, be entitled to and shall receive the same benefits as are now authorized by law for reenlistment within four months from date of last discharge from the service: *Provided*, That this section shall become inoperative six months after the date of the approval of this act.

"SEC. 11. That, in lieu of compensation now prescribed by law, commissioned officers of the Coast and Geodetic Survey shall receive the same pay and allowances as now are or hereafter may be prescribed for officers of the Navy with whom they hold relative rank, as prescribed in the act of May 22, 1917, entitled 'An act to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes,' including longevity; and all laws relating to the retirement of commissioned officers of the Navy shall hereafter apply to commissioned officers of the Coast and Geodetic Survey: *Provided*, That hereafter longevity pay for officers in the Army, Navy, Marine Corps, Coast Guard, Public Health Service, and Coast and Geodetic Survey shall be based on the total of all service in any or all of said services.

"SEC. 12. That hereafter when any commissioned officer, noncommissioned officer of the grade of color sergeant and above, including any noncommissioned officer of the Marine Corps of corresponding grade, warrant officer, chief petty officer, or petty officer (first class), having a wife or dependent child or children, is ordered to make a permanent change of station, the United States shall furnish transportation in kind from funds appropriated for the transportation of the Army, the Navy, the Marine Corps, the Coast Guard, the Coast and Geodetic Survey, and the Public Health Service to his new station for the wife and dependent child or children: *Provided*, That for persons in the naval service the term 'permanent station,' as used in this section, shall be interpreted to mean a shore station or the home yard of the vessel to which the person concerned may be ordered; and a duly authorized change in home yard or home port of such vessel shall be deemed a change of station: *Provided further*, That if the cost of such transportation exceeds that for transportation from the old to the new station the

excess cost shall be paid to the United States by the officer concerned: *Provided further*, That transportation supplied the wife or dependent child or children of such officer to or from stations beyond the continental limits of the United States shall not be other than by Government transport, if such transportation is available: *And provided further*, That the personnel of the Navy shall have the benefit of all existing laws applying to the Army and the Marine Corps for the transportation of household effects.

"SEC. 13. That the provisions of sections 1, 3, 4, 5, and 6 of this act shall remain effective until the close of the fiscal year ending June 30, 1922, unless sooner amended or repealed: *Provided*, That the rates of pay prescribed in sections 4 and 6 hereof shall be the rates of pay during the current enlistment of all men in active service on the date of the approval of this act, and for those who enlist, reenlist, or extend their enlistments prior to July 1, 1922, for the term of such enlistment, reenlistment, or extended enlistment: *Provided further*, That the increases provided in this act shall not enter into the computation of the retired pay of officers or enlisted men who may be retired prior to July 1, 1922: *And provided further*, That a special committee, to be composed of five Members of the Senate, to be appointed by the Vice President, and five Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives, shall make an investigation and report recommendations to their respective Houses not later than the first Monday in January, 1922, relative to the readjustment of the pay and allowances of the commissioned and enlisted personnel of the several services herein mentioned.

"SEC. 14. That nothing contained in this act shall operate to reduce the pay or allowances of any officer or enlisted man on the active or retired list: *Provided*, That the allowances and gratuities now authorized by existing law are not changed hereby, except as otherwise specified in this act.

"SEC. 15. That the appropriations 'Pay of the Navy, 1920,' and 'Pay, Marine Corps, 1920,' are hereby made available for any of the expenses authorized by this act, and any part or all of the appropriations 'Provisions, Navy, 1920,' and 'Maintenance, Quartermaster's Department, Marine Corps, 1920,' not required for the objects of expenditure specified in said appropriations, may be transferred to the appropriations 'Pay of the Navy, 1920,' or 'Pay, Marine Corps, 1920,' respectively, as may be required."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

C. S. PAGE,
JOHN WALTER SMITH,
HENRY W. KEYES,
J. W. WADSWORTH, Jr.,
GEO. E. CHAMBERLAIN,
Managers on the part of the Senate.

THOMAS S. BUTLER,
PATRICK H. KELLEY,
FRED A. BRITTEN,
L. P. PADGETT,
D. J. RIORDAN,
Managers on the part of the House.

Mr. PAGE. I understand that the conference report received the unanimous sanction of the members of the conference committee of both Houses, and that when the matter was brought up in the House this morning it was agreed to without a single objection. It is an important measure and ought to receive immediate consideration. I ask unanimous consent that the Senate may consider the conference report at this time.

Mr. UNDERWOOD. I ask the Senator from Vermont if this is not also a report on the Army pay bill.

Mr. PAGE. It is.

Mr. UNDERWOOD. Does the Senator state that there was no difference between the conferees and that it is a unanimous report?

Mr. PAGE. It is a unanimous report on the part of the conferees of both Houses, and the conference report was agreed to in the House this morning without a single objection.

The VICE PRESIDENT. Is it not a report on the Army, Navy, and Coast Guard bill?

Mr. UNDERWOOD. It is my understanding that the Army is included in the measure.

Mr. PAGE. That was taken care of in the amendment. In the original bill the Army pay was stricken out.

Mr. LODGE. It consolidated both bills.

The report was agreed to.

THE MERCHANT MARINE.

Mr. JONES of Washington. Mr. President, I ask unanimous consent that the peace resolution may be temporarily laid aside and that the Senate may proceed to the consideration of the merchant-marine bill.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the committee amendment proposing to insert a new section, to be known as section 32.

Mr. JONES of Washington. On page 35, line 21, after the word "mortgage," I desire to offer an amendment to make it consistent with other parts of the bill. I move to insert after the word "mortgage" the words "on the hold of any vessel," so as to make the line read:

Shall be subordinate to the lien of any mortgage on the hold of any vessel duly recorded—

And so forth.

The amendment to the amendment was agreed to.

Mr. JONES of Washington. I desire to offer a further amendment to the section. I move that each paragraph be lettered (a), (b), (c), (d), and so forth. That will enable us to deal with the paragraphs more easily in the future. In other words, in section 32, line 6, page 35, insert the small letter "a" in parentheses and then at the beginning of the next paragraph to insert the small letter "b" in parentheses, and so on for each paragraph of the section.

The VICE PRESIDENT. Without objection, the paragraphs will be accordingly lettered. The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The next amendment was, on page 49, after line 11, to insert:

SEC. 33. That section 4530 of the Revised Statutes of the United States is amended to read as follows:

"SEC. 4530. Every seaman on a vessel of the United States shall be entitled to receive on demand from the master of the vessel to which he belongs one-half part of the balance of his wages earned and remaining unpaid at the time when such demand is made at every port where such vessel, after the voyage has been commenced, shall load or deliver cargo or take in fuel before the voyage is ended, and all stipulations in the contract to the contrary shall be void: *Provided*, Such a demand shall not be made before the expiration of nor oftener than once in five days nor more than once in the same harbor on the same entry. Any failure on the part of the master to comply with this demand shall release the seaman from his contract, and he shall be entitled to full payment of wages earned. And when the voyage is ended every such seaman shall be entitled to the remainder of the wages which shall be then due him, as provided in section 4529 of the Revised Statutes: *Provided further*, That notwithstanding any release signed by any seaman under section 4552 of the Revised Statutes any court having jurisdiction may upon good cause shown set aside such release and take such action as justice shall require: *And provided further*, That this section shall apply to seamen on foreign vessels while in harbors of the United States, and the courts of the United States shall be open to such seamen for its enforcement."

The VICE PRESIDENT. The amendment is agreed to, without objection.

Mr. KING. I should like to ask the chairman of the committee to state in what respect the amendment reported by the committee differs from existing law?

Mr. JONES of Washington. It differs from the existing law only in one main particular, in about the fourth or fifth line of the section. The present law reads as follows:

Every seaman on a vessel of the United States shall be entitled to receive on demand from the master of the vessel to which he belongs—

Now, here is the part affected—

one-half part of the wages which he shall have then earned, at every port which such vessel—

And so forth. The change is:

One-half part of the balance of his wages earned and remaining unpaid.

That was the real intent of the law originally; that is what its framers thought they were doing; but the Supreme Court, while it held this section to be constitutional and that we could make it apply to foreign vessels and foreign seamen in our ports, held that the language of the present law requires one-half of the wages of the entire voyage to be kept, as the seamen express it, "with the ship" until the end of the voyage. The purpose of this amendment is to carry out the real, original intention, that whenever a seaman can make such a demand he can demand half of what is then due and remaining unpaid. That is the main provision. It is very earnestly desired by the

seamen, and there is no serious objection on the part of those who operate ships.

As a matter of fact, the provision is designed to meet this situation with reference to foreign seamen. They make a contract in a foreign country for a voyage sometimes extending over three years, but under the decision referred to they can not draw on that whole voyage any more than one-half of the entire wages agreed to be paid for the voyage; in other words, the operators hold half the wages and force the sailor to go back to his home port. This provision is to enable a seaman on a foreign ship who desires to land in this country to have one-half of the wages that are remaining unpaid paid to him. It will tend to bring the foreign seamen up to a level with our seamen by giving them the remedy here in our own ports that our seamen have.

Mr. KING. Does the Senator say that the Supreme Court has held that we have jurisdiction over the foreign seamen and foreign ships?

Mr. JONES of Washington. Under the present statute we have such jurisdiction in our ports.

The Supreme Court held that act to be unconstitutional only a short time ago.

Mr. KING. A vessel, then, that sails under the Norwegian flag, for instance, with Norwegian sailors, if it touched at an American port for a day would become subject to the jurisdiction of our courts and the provisions of this proposed law, and the sailors could invoke the law for their protection?

Mr. JONES of Washington. Yes; while in an American port. It was one of the main contentions, the Senator from Utah will remember, in favor of the seamen's act, that it would, instead of placing a great burden on our seamen and shippers, bring the wages of the seamen of other countries up to a level with our own. This provision is intended to aid in carrying out that great purpose.

NATIONAL PROHIBITION.

Mr. SHEPPARD. Mr. President, a day or two ago the Senator from New Jersey [Mr. EDGE] asked and obtained permission to place in the RECORD the brief and argument of the complainant in the New Jersey prohibition case. I now ask permission to put in the RECORD the opposing brief filed by Wayne B. Wheeler and others.

Mr. KENYON. Mr. President, the Senator from Utah [Mr. SMOOT], who is the objector to such papers being inserted in the RECORD, is not present. He was not here at the time the Senator from New Jersey secured permission to place in the RECORD the brief to which the Senator from Texas refers. If he had been here, the request would have been objected to I am sure. I am informed by the Senator from Utah that the cost of printing that brief in the RECORD, it covering some 24 pages, was very large. I wish the Senator from Texas would withhold his request until the Senator from Utah is present.

Mr. SHEPPARD. I would not have offered the brief in this instance, if the brief on the other side had not been placed in the RECORD.

Mr. KENYON. That is the trouble with printing in the RECORD of such documents. The printing of one brief draws out a brief on the other side.

Mr. SHEPPARD. I agree with the Senator from Iowa as to that.

Mr. SMOOT entered the Chamber.

Mr. KENYON. The Senator from Utah is now present, and I wish to call his attention to the request of the Senator from Texas. I am holding the matter up until the Senator from Utah can have an opportunity to object to the request granted, if he so desires.

Mr. SIMMONS. Mr. President, I should like to inquire of the Senator from Texas at what time the brief presented by the Senator from New Jersey, to which he refers, was printed in the RECORD?

Mr. SHEPPARD. It was printed only a few days ago.

Mr. SIMMONS. Did not the Senator at that time state that he would not object to the printing of that brief in the RECORD provided that it was agreed that he might thereafter offer the opposing briefs and have them printed in the RECORD? I ask the Senator from Texas if that was not the understanding?

Mr. SMOOT. The Senator from Texas did offer briefs, and they went into the RECORD at the same time.

Mr. SIMMONS. He is asking that they go in now.

Mr. SMOOT. This is another matter?

Mr. SIMMONS. The present request has to do with another brief?

Mr. SMOOT. Yes. I will say frankly to the Senator from Texas that if I had been in the Chamber the other day when the Senator from New Jersey offered the New Jersey briefs for printing in the RECORD I should have objected to their going in.

Mr. SHEPPARD. Mr. President, let me explain the situation. The Senator from Connecticut [Mr. BRANDEGEE] first offered the brief of Hon. Elihu Root in one of the prohibition cases. I then asked permission to insert all the opposing briefs, but afterwards decided to have only one inserted. A day or two ago the Senator from New Jersey put in the brief which had been filed in the New Jersey case, which was a separate case from the other. I now merely ask that the opposing brief be put in, in order that both sides may be treated fairly.

I would not, in the first instance, have asked that any of these briefs go into the RECORD, I will say to the Senator from Utah. If he will remember, I first offered the briefs and asked that they be referred to the Senate Committee on Printing to be made a Senate document. The Committee on Printing made a favorable report on the request, but the Senate failed to adopt it and I had nothing further to say. The Senator from Connecticut then rose and said he would read the brief of Mr. Elihu Root unless it be allowed to be printed in the RECORD. I have been actuated only by a desire to see both sides represented fairly.

Mr. SMOOT. I think they were represented at that time fairly.

Mr. SHEPPARD. That is true, so far as the first case is concerned. Now, in the second case, the brief for the complainant has been published, but not the opposing brief.

Mr. SMOOT. It cost a thousand dollars for postage and to print the brief in the New Jersey case under the situation existing to-day. I am going to ask the Senator from Texas not to ask that the document to which he has referred be printed in the RECORD. I wish to say to the Senator and to the Senate that I do not know where we are going to get paper enough to meet the demands. We are doing everything in our power to provide paper; we are holding up the printing of some documents and printing them only in small quantities and just as they are distributed, at an expense of from 25 to 33⅓ per cent more than would be involved if we could get the paper and print the documents all at once.

Mr. SHEPPARD. The Senator does not direct any criticism against me for the course I have pursued?

Mr. SMOOT. Not at all; but I wish to say that under the circumstances I will have to object to the document being incorporated in the RECORD.

Mr. SHEPPARD. Under the circumstances I shall not insist on the incorporation of the brief in the RECORD.

Mr. EDGE. Mr. President, I do not desire in any way to continue the discussion of the printing controversy, because a very important matter, namely, the merchant marine bill, is before the Senate; but in the defense of the request which I made on behalf of the State of New Jersey I wish to say just a word.

So far as I am concerned, I am perfectly satisfied to have the Senator from Texas place in the RECORD the brief in answer to the brief put in by me, but as he has already had printed in the RECORD a general answer perhaps that meets the necessity of that side of the question.

In explanation of my request to put the brief and complaint of the attorney general representing the State of New Jersey in the RECORD, I desire to say that it is not a question in my mind at all of the issue that happens to be argued in that particular case. I am not a lawyer, but from various expressions on the part of distinguished lawyers and after reading the document from a layman's standpoint, it is my conviction that that brief and complaint furnish to the country the most concise review of the principle of State rights that has in recent times been put together; and, with all due deference to the importance of many speeches made on the floor of the Senate which have filled columns and columns of the CONGRESSIONAL RECORD, I believe that the people of this country will be as much interested to have the opportunity of reading in concise form a general review of the precedents with the interpretations made by the attorney general bearing on the great question of State rights, which question is involved in so much of our legislation. In that aspect the documents I have had printed are very important for the information of the American people. So I have no apology to make for using a portion of the RECORD in order that the people of this country may have that opportunity.

Mr. HARRISON. Mr. President, I think that these matters should go into the RECORD for the enlightenment of the people. And while the Senator from Utah is so watchful as to economy and is trying to save so much money for the Government in the matter of printing, I wish to call his attention and the attention of the country to the fact that I have received no less than a dozen such cards as this [exhibiting] carried through the mail under the frank of a Republican Member of Congress, signed by the League for the Preservation of Amer-

ican Independence (Inc.), Washington, D. C., and marked "From the CONGRESSIONAL RECORD."

In big type it says:

Let us have peace.

And then under that it says:

The President said to Congress on November 12, 1919, that the war was ended, and its object accomplished—

And so forth.

Further down it asks the question in big black type:

Will the South stand for this?

Saying:

Out of that great section of the country came most of the creative genius that secured our independence, founded our Government, and framed our institutions.

What, now, would those great southern statesmen say to the proposal that their work, the Declaration of Independence and the Constitution of the United States, be so far undone that the Old World shall again be given control of the New?

Then the next paragraph is italicized; evidently they thought it was very important—

Would they approve the surrender at Versailles of the independence they had won at Yorktown? Will you?

What, then, is to be done?

Then it says:

Let Congress declare the state of war ended.

That is proposed to be done in the Knox resolution, I believe, which has the sanction of the Senator from Utah, perhaps.

Let the Senate declare the terms upon which we will enter again into relations with Germany and Austria.

Let Congress declare our intention to avoid foreign entanglements, as Washington and other Presidents have advised, and redeclare our independence of foreign control.

Then let us have peace!

They underscore that.

If you approve, say so promptly to your Senators and Representatives at Washington.

Then, in big, black type at the end, are the words:

League for the Preservation of American Independence (Inc.), Washington, D. C.

I know not how many thousands or tens of thousands or perhaps hundreds of thousands of these circulars, at the cost of an immense amount of money, have been distributed from one end of this country to the other; but I know that in my own State thousands of them have gone through the mail, at Government expense, under the frank of a Republican Member of Congress. If you want to economize, preach some of that kind of economy to members of the Republican Party.

In the first place, the circular is unfair, and in my opinion it is just as reprehensible as for candidates to spend immense amounts of money in presidential primaries throughout the country by employing men to go around to get voters to the polls to vote for them. That is, of course, a species of corruption; but it is no greater than with Government funds, through the frank of a Member of Congress or a Member of the Senate, to send such literature as this through the mails; and I want to insert this whole pamphlet in my few remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

[From the CONGRESSIONAL RECORD, Feb. 25, 1920.]

LET US HAVE PEACE.

The President told Congress on November 12, 1919, that the war was ended and its object accomplished.

This was true then, and it is true now. But the President refuses to end the state of war and surrender the restrictive war-time measures still in his hands, which menace farm, shop, and office in every section of the country.

He refuses to end the state of war unless the Nation shall enter into a contract with 32 nations—many of which are brown, yellow, or black—under which our domestic policy and foreign relations shall be subjected to the control of these nations, and American troops be placed at their disposal for use in Europe, Asia, and Africa, to be employed in never-ceasing warfare.

A coalition of patriotic southern and northern Senators has refused thus to surrender American sovereignty or to expend American blood and tax money.

These Senators have sought to modify the contract so that we shall be enabled to do our international duty as our Nation thinks best without placing the United States in Europe's hands to be dealt with as Europe pleases.

But the President refuses to Americanize the covenant and declines to curtail the supersovereign powers of the league. He must have his league or there will be no peace, he says in effect.

The Nation must bow down to the President's league or continue suspended in a state of war. He thus hangs up America by the thumbs and coolly awaits its repentance and acquiescence.

WILL THE SOUTH STAND FOR THIS?

Out of that great section of the country came most of the creative genius that secured our independence, founded our Government, and framed our institutions.

What, now, would those great southern statesmen say to the proposal that their work, the Declaration of Independence and the Constitution of the United States, be so far undone that the Old World shall again be given control of the New?

Would they approve the surrender at Versailles of the independence they had won at Yorktown? Will you?

What, then, is to be done?

This:

Let Congress declare the state of war ended.

Let the Senate declare the terms upon which we will enter again into relations with Germany and Austria.

Let Congress declare our intention to avoid foreign entanglements, as Washington and other Presidents have advised, and redeclare our independence of foreign control.

THEN LET US HAVE PEACE!

If you approve, say so promptly to your Senators and Representatives at Washington.

LEAGUE FOR THE PRESERVATION OF AMERICAN INDEPENDENCE (INC.),
Washington, D. C.

Mr. SMOOT. Mr. President, under the law, anything that is printed in the CONGRESSIONAL RECORD can be sent through the mails free of charge. I do not know whether the Senator from Mississippi ever used the mails for the distribution of documents or not, and I do not care, as far as that is concerned, whether he has in the past or not; but there is not a Congressman and there is not a Senator but that knows that the committee has told the Public Printer, in connection with the printing of speeches from now on, that if the paper situation is such that he can not furnish paper he is to refuse to print them.

I have seen—and this applies both to Democrats and to Republicans—carloads of public documents sold for old paper. They used to print so many of them that they could not send them through the mails. They did not have large enough mailing lists, I suppose. I have seen them loaded here by the car, not to be sent through the post office here at Washington, as most of the mail is, but they are delivered directly to cars and sent all over this country. If the Senator wants to know how much of this is going on, just let him find out from the man that buys as old print paper the public documents that are out of use, and let him go over to the House and go to the waste room and see what is there to-day. I want to stop it all.

Mr. HARRISON. Mr. President, if the Senator will permit me——

Mr. SMOOT. Yes.

Mr. HARRISON. I think the Senator has rendered great service and has saved quite a good deal of money for the Government in objecting at times to certain things going in the RECORD, and in discontinuing certain periodicals that are of no use, and I can not believe that the Senator approves of placing in the RECORD matter of this kind—and this was placed in the RECORD, I may say, by this particular Congressman, or some Congressman—and then, at Government expense, under the frank of a Member of Congress or a Senator, distributing such literature as that through the country.

Mr. SMOOT. Why, Mr. President, I have stood upon this floor time and time again, and perhaps have violated the rules of this body in referring to speeches that have been put into the RECORD in years past by virtue of requests to print; and if the Senator will take up the RECORD at almost any time, and look at the back of the RECORD almost any day, he will find those same speeches being printed to-day. We do not have that practice in the Senate. We can stop it here, and it ought to be stopped in the House.

Mr. HARRISON. I agree with the Senator.

Mr. SMOOT. Then, under the law, when it goes into the RECORD, no matter what it may be, any Congressman or any Senator can order from the Government Printing Office what he wants, and it can go through the mails free of charge. Now, if we want to pass a law—and I do not know but that it would be a good thing—to take away the free circulation of documents through the mails from Congressmen and from Senators, well and good; but I do not want to be blamed for a thing that the law says a man can do, and he does it, whether it is right or whether it is wrong.

Mr. HARRISON. I will say to the Senator that I do not know it to be a fact, but I suspect that the particular Congressman whose frank is there did not send out that circular, and had nothing to do with it, but perhaps loaned his frank, so to speak, and allowed the League for the Preservation of American Independence (Inc.), here in Washington, D. C., to use it. It is wrong; it is outrageous; it is indefensible. It shows to what extremity the opponents of the League of Nations have gone.

Mr. SMOOT. That has been the practice ever since I have been here, and I know that it was the practice before I came here. The Congressman had to order the printing done, however. No association could have ordered them printed. The Congressman must take the responsibility, because in ordering them he must issue the order, and he must pay for the printing of them under the law, and he does. I have thought many a time of the question as to whether the abuse is not a greater evil than the good that comes from the privilege.

Mr. SHEPPARD. Mr. President, in view of the eulogy by the Senator from New Jersey [Mr. EDGE] on the brief that he put in the RECORD, I think it but fair that a synopsis of the brief I offered should go in the RECORD. I shall prepare that synopsis and present it to the Senate myself, as soon as I can do it.

The prohibition amendment was submitted to the States under the method prescribed in the Constitution itself, under the method prescribed by the States themselves when they created the Constitution. That amendment was ratified by 45 of the 48 States of this Union, and the assertion that it is in violation of State rights seems to me to border upon the absurd. It seems to me that the State of New Jersey, in resisting the action of 45 of the 48 States of the Union in ratifying an amendment proposed under the Constitution, and adopted in accordance with its solemn terms, has put itself on the side of revolution and anarchy.

The VICE PRESIDENT. There is a rule of the Senate that prevents a Senator from making remarks about a State of the Union.

Mr. SHEPPARD. I do not believe it represents the feeling of the people of New Jersey. I want to apologize to the State of New Jersey.

The VICE PRESIDENT. The Senator must withdraw that remark or take his seat.

Mr. SHEPPARD. I could say something, but I refrain, that immediately comes to my mind as I recall certain assertions that recently have been made by distinguished authority in an adjoining State.

The contention in the brief presented by the Senator from New Jersey is not representative of the State of New Jersey, I hope and believe. I refuse to believe that he represents the people of New Jersey if he says that they are really behind a contention resisting the solemn action of 45 of the 48 States of the American Union, acting under the method prescribed in the Constitution itself.

Mr. EDGE. Mr. President, again I apologize for taking the time of the Senate, but the Senator from Texas has introduced a very unnecessary and unfortunate angle into the discussion. Allow me to repeat for his benefit, if he did not understand the preliminary remarks I made in connection with the introduction of the brief and complaint, that it was not at all, so far as my presentation of it was concerned, with any particular reference to the particular question involved. I am ready to discuss the particular question involved at any time on a proper occasion, or whenever legislation is pending; but this brief, as I followed it, presents all elements, all viewpoints, many precedents in connection with the rights of the State in its relation to the Nation. It reviewed, I think, without doing so in a manner that could in any way offend even those who earnestly and sincerely believe in the strictest interpretation of the eighteenth amendment, the question of State rights, of State police power, of States' relationship to Government, and did so in a dispassionate manner and in a way that I feel should be presented to the people of the country, not because of its relationship to that particular issue, but because of its relationship to many questions that are daily coming before the Senate of the United States in the matter of State rights as compared to Federal rights.

Since my brief membership in this body I recall subject after subject that has been discussed on the floor of the Senate where the question has arisen whether the Senate of the United States or the Congress of the United States were not invading State rights, and undertaking to assert action in a way that had heretofore been looked upon as entirely within the control of the States. This brief and complaint attempted to review that general situation, and I think it is entirely out of place to raise any question as to the feeling of the people of New Jersey on the prohibition issue, or that it be introduced in any way into the discussion.

The brief was prepared by the attorney general of the State of New Jersey, following action of the Legislature of New Jersey, representing a sovereign State of the Union; and it undoubtedly represented, through the legislature, the desire of the people of that great Commonwealth. I strongly resent such aspersions and feel that it is unnecessary and entirely out of place to question in any way the feeling of the people of New Jersey, because that particular question is involved.

Mr. KING. Mr. President, will the Senator yield for just a question?

Mr. EDGE. I am through.

Mr. KING. I want to ask the Senator, with his permission, if he did not know that it was against this doctrine that is now so prevalent, this new federalism, that the States should assert any rights whatever? The new federalism commands that the States shall abdicate all their functions, sit down supinely, and let bureaus and bureaucratic institutions and instrumentalities and Federal agencies and parasites operate the States.

I think the Senator ought not to declare in favor of the rights of the States. He ought to come with cap in hand and welcome this new doctrine, and bow at the feet of this new federalism.

Mr. EDGE. Mr. President, I am very glad—following the thought of the Senator from Utah—that one State in the Union, at least, even though she may be criticized, is not deterred because of the viewpoint of others, and that one State of the Union, at least—one sovereign State, through its regular legal department—is testing to some extent the question of State rights, and its own jurisdiction in its relationship to the Government.

RATES OF INTEREST.

Mr. OWEN. Mr. President, on May 5 the Senator from Connecticut [Mr. MCLEAN], the chairman of the Committee on Banking and Currency, had printed in the CONGRESSIONAL RECORD a letter addressed to me by Mr. W. P. G. Harding, governor of the Federal Reserve Board, on the question of interest rates.

For some time I had been trying to bring about a reduction of interest rates in the United States. I thought that the high rates fixed by the Federal Reserve Board of 6 and 7 per cent to the member banks necessarily had the effect of causing the member banks to raise their rates 2 and 3 per cent higher than the rates fixed by the reserve banks. Undoubtedly that is the fact. The current commercial rates are running now 8 and 10 per cent, not to mention commissions on the side; and I know of transactions involving a much higher rate and dealing with large amounts. Even acceptances that ought to have a 3 per cent rate are over 6 per cent.

There is an urgent demand for credit at this time for various purposes, for productive purposes, for commercial purposes, for purposes of distribution of the goods required by this country as well as for speculative purposes. There is an extraordinary demand, and it is natural that the banks should take advantage of that great demand to raise the rate, because, like merchants who are selling credits, they sell at the best figure they can, and when the urgent demand comes they will raise the rates as thrifty merchants of credit might do, or just as those who sell eggs might do, for that matter.

The Federal Reserve Board, however, is a Federal agency; and I desire to invite the attention of the Senate to the fact that the Federal Reserve System was intended to give stability to credit, and should not, like a private agency, be used merely as a money-making bank for profit.

It was intended to promote uniform, reasonable rates of interest to the business men of the United States, and these high interest rates which are being authorized by the Federal Reserve Board, I think, are very harmful in their consequences.

The Federal Reserve Board is thinking much these days of deflating credit. The idea has been much exploited recently that it is a good thing to deflate credit; that there is too much credit; that credit is going too far; that it is leading to speculation of all kinds and, therefore, we must deflate credit. I will agree that when credit is being used for speculative purposes, when credit is being used to speculate in commodities for hoarding, when it is used for speculating in real estate, or when it is used for the speculation in investment securities on the stock exchange by buying stocks for the rise or selling stocks for the fall, used in that way, when there is a scarcity of credits for productive and distributive purposes, it would be well to have such credit, as far as possible, transferred from unproductive to productive purposes and in that sense deflated. But the reserve board in raising the rate to 6 and 7 per cent upon all classes of credit is not stopping speculation. The speculator can better pay an artificially high rate than the man who is engaged in a normal business can pay it, because the speculator has a speculative profit in sight.

When this sweeping raise is made over the whole country a raise of 2 or 3 per cent on the volume of all loans in the United States, amounting to many billions, it will result in an increased charge on the cost of living of between one and two billion dollars.

I am opposed to the Federal reserve banks being administered merely as a bank president or a cashier would administer this system; that is, from the standpoint of profit alone.

I fully agree that when the New York Stock Exchange raises the rate to 20 and 30 per cent and the Federal Reserve Board raises its rate to 6 per cent and 7 per cent and the member banks raise their interest rates to 8 and 10 per cent, it does depress and deflate credit in fact; it deflates the credit of the United States; it deflates the value of the Liberty bonds, and the bonds have gone down now in some cases as much as 15 per cent. There has been a loss to the bondholders of this country on those Liberty bonds and Victory bonds to the

amount of nearly $3,000,000,000, and I object to it. I earnestly object to the policy which permits it.

I object also to the Federal reserve banks being administered in such a way that they shall be open to the charge of profiteering. The New York Federal Reserve Bank made 110 per cent last year on a 4 per cent rate. Now, this rate is raised to 6 per cent. They should make on that basis, they will make on that basis, between 160 and 180 per cent, if they transact a like volume of business this year.

I say that that sets a bad example. I say that the Federal reserve banks were not established as money-making banks. I say that the member bank which pays its depositor 2 and 3 and 4 per cent, and loans money out at 5, 6, and 7 per cent, has a margin of approximately 3 per cent on the deposits.

The Federal reserve banks do not pay anything on their deposits, and if they took the same margin of profit that a national or State bank does, they should be content with 3 per cent. It is said that if they loaned the money out at a low rate, they would be overwhelmed with applications. They are overwhelmed with applications anyway, and the reserve banks and member banks should discriminate and give the preference to applications that relate to production and legitimate, useful business, and do so at a fair rate, at a normal 3 per cent rate.

The reserve banks are administered by men of ability, courage, and discretion, and when they pass on applications they should discriminate, and they actually do that very thing.

It is not necessary to put the rate up to keep them from being stampeded. If they are the right men, they can not be induced to make loans that are not justified by the individual facts.

Mr. KING. Mr. President, will it disturb the Senator to ask him a question?

Mr. OWEN. Not at all.

Mr. KING. If I understand the Senator correctly, his contention is that there has been perhaps too much loaning for speculative purposes, too much credit. I ask for information, because the Senator is a profound student of this question. How would it be possible to differentiate between the borrowers so as to restrict the loans made by the banks to what might be denominated legitimate, bona fide purposes, in contradistinction to speculative purposes?

Mr. OWEN. Whenever a bank makes a loan, it makes a loan to an individual, who presents himself for the loan, with his collateral, and it is entirely competent for the bank—and every bank actually exercises its power and its own judgment and uses its discretion with regard to every loan—whether it will make it or whether it will not make it. The bank officers know perfectly well, and if they do not know they can ascertain, whether that loan is going to be used for speculative purposes, or whether it is to be used for the normal business of the country, for production, for distribution. So it is, after all, left to the discriminative judgment of the reserve bank, when it deals with a member bank, to know whether the loans are being used for covering excessive speculative loans, which might be deflated, or whether they are being used for the normal business of the country.

When this country needs, above everything else in the world, to stimulate production, the interest rates ought not to be raised. The Bank of England does not raise interest rates upon its productive forces, or its merchants, and the Bank of England, which is the wisest bank in the world, from a merchant's standpoint, is administered by the greatest merchants in the world. The London banks had an established 3½ per cent rate on acceptances during the Great War, when the British Empire was paying 5 per cent for loans.

The Bank of England raises the interest at times to attract gold, for the English banks carry very little surplus gold, while we carry the largest in the world.

The United States has $3,160,000,000 of gold and all the balance of the world has about $4,600,000,000.

The Entente debt to the United States would consume twice the amount of gold the world has in order to pay it. Our excess commodity exports in a single year would nearly consume the world's gold supply if paid in gold.

Mr. KING. Mr. President, I agree substantially with everything the Senator says, and I am in harmony with his statements, so often made here of late, against the determination or policy of the Federal reserve banks to increase their interest rates to the disadvantage of those who are entitled to borrow. But the Senator knows that banks are so eager to make loans if they can go to the Federal reserve and rediscount the paper, that unless something is done either to check rediscount by the Federal reserve banks, or to impose limitations and restrictions upon the banks with respect to the credit which they will extend, this policy will be continued ad infinitum.

Mr. OWEN. The officers of the reserve banks can easily prevent the abuse of those who are too aggressive, for instance.

The practice of the Federal reserve banks is so adjusted as to penalize a particular bank which imposes upon the Federal reserve banks in overdrafts. They arrange the rate on a bank indulging in overdrafts on the Federal reserve bank from a normal rate up to 10 per cent. It is perfectly competent for the reserve bank to defend itself against an improper overdraft on the part of a member bank. It is perfectly easy for the reserve bank to say to a member bank which imposes upon the reserve bank, "I will charge you an individual rate higher than the normal rate." But when a member bank comes to the Federal reserve bank, which has not used its deposits with the reserve bank at all, and asks to borrow a part of its own reserve, the reserve bank ought to be content with a rate such as a member bank earns for itself on a depositor who comes and borrows money from the bank.

I may have money on deposit on time with a member bank, and that is an actual fact. I have money now on deposit with a bank at 4 per cent. That bank charges me 7 for a loan I want temporarily. I think it is quite fair, and I am perfectly willing to pay the 3 per cent. But if I am a bank and I have a deposit with the reserve bank, and I go there and they pay me nothing on my deposits, 3 per cent is a reasonable rate for them to charge me. I will say to the Senator that Belgium had a 3 per cent rate for 50 years without a single break prior to the great World War. They do not pay in Belgium interest on deposits. France had a 3 per cent rate for 50 years before this war. Three per cent United States bonds before the war were above par. American banks only pay 2 and 3 per cent for the loan of deposits. I object to the Federal reserve act being administered in such a way as to encourage high rates of interest and thus tax and depress the productive powers of the American people at this time.

I gladly give the reserve board credit for the highest and best purposes. I do not wish to be understood as criticizing their motive in any way whatever. I am personally very friendly to its members. I am only calling the attention of the country to the fact that there should be no deflation of credit required for productive purposes at this time, when the whole world knows that the most important of all things is increased production. That is what the world wants. The very thing which is necessary to reduce the high cost of living is to increase production; and when you raise the rates to a prohibitive point you are putting a brake upon production; and that is what I strenuously object to.

I object to these artificial high rates on the New York Stock Exchange on call loans. The call loan ought to be at a very low rate, because it is payable on demand, and has behind it abundant security. But these rates have been going from 8 per cent to as high as 30 per cent, and it is advertised in all of the daily papers throughout the United States that the rates are going from 8 per cent to 30 per cent on call.

What is the effect of that? The effect is to make the country think that credit is impossible in New York. It is to make the country think that this country is going into a panic, and there is talk now, all over the country, because of these artificially high rates, that the country is going into an industrial depression. There is no need on earth for this country to go into any industrial depression. The only way the country can be forced into an industrial depression is by these artificial, fluctuating, high rates of interest which put men in jeopardy who are engaged in production.

The Federal reserve banks have over $2,000,000,000 in gold and a reserve of over 40 per cent. They have an elastic system, and to the extent that credits are actually and positively needed for productive purposes they can supply the credits that are needed to the member banks, and they need not fear to lower the reserves for this purpose.

Moreover, the productive capacity of the United States last year was over $65,000,000,000, and the investing purchasing power of the people can easily take up in due season the present investment securities now held on speculative loans and clear the banks of such loans. There is therefore no need to refuse loans that are truly for genuine production and distribution or to impose repressive and alarming rates of interest that may break down confidence and invite industrial depression.

This is a matter of ordinary, common, horse sense, and the Senate of the United States and the business men of the Nation ought to take notice of what is going on in regard to this question.

I called attention to these high rates a short time ago and received a report upon it, which is before the Senate. There ought to be passed by this body an act that would stop violent fluctuations of interest on the New York Stock Exchange. The

effect is that the rate goes up to 15 or 20 per cent and draws money to New York from Texas, Iowa, Illinois, and from Kansas. It comes from Kansas City, New Orleans, Dallas, Atlanta, and from St. Louis; it comes from different centers of the country to New York for speculating on Wall Street in the stock market instead of being used by manufacturers and business men.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). Does the Senator yield to the Senator from Kansas?

Mr. OWEN. I yield.

Mr. CURTIS. I rose to ask the Senator if he does not know that money had been taken out of the Kansas City banks and that the farmers of Kansas and the farmers of Oklahoma are now in great need of credit?

Mr. OWEN. Assuredly I know it, and that is what I am objecting to. When you permit high rates, going up to 20 and 30 per cent in New York on call, of course the western banks, and southern banks, for that matter, send their money there to be loaned on call, and remove it from productive processes, and then the banks, seeing the urgent demand, raise the rates to 8 and 10 per cent on legitimate business.

Mr. SIMMONS. Mr. President, I wish to ask the Senator what effect the usury laws of the States have upon the high rates, as measuring the ability of a member bank in a State where they have a usury law to borrow at all from a Federal reserve bank.

Mr. OWEN. The State laws do undertake to restrict usury, of course. The ordinary rate is 6 per cent. Some States permit contracts to go up to 10 per cent. The banks have an ingenious way of avoiding that when they see fit by buying paper which has already been created, but if the reserve rate is 6 per cent and——

Mr. SIMMONS. That is not exactly what I had in mind. I understood the Senator to say that the reserve banks had now fixed 7 per cent as the loaning rate.

Mr. OWEN. Six and seven per cent. They charge the 7 per cent where the member bank puts up the bonds of the War Finance Corporation as security.

Mr. SIMMONS. And 7 per cent under some other conditions?

Mr. OWEN. Seven per cent under that condition.

Mr. SIMMONS. Suppose a State has a usury law, as my State has, limiting to 6 per cent the rate of interest that may be charged, how can a member bank in that State borrow money from a Federal reserve bank at even 6 per cent?

Mr. OWEN. The penalty is not inflicted on the borrower but on the lender.

Mr. SIMMONS. I understand that. The Senator did not catch what I said. In my State a bank is not permitted to charge more than 6 per cent for money that it loans.

Mr. OWEN. The reserve bank is not in the Senator's State.

Mr. SIMMONS. The Senator does not allow me to finish my question. How could that bank, which could not lend its money at more than 6 per cent, afford to borrow money from the Federal reserve bank and pay 6 per cent for it?

Mr. OWEN. It can not afford to do it. It is a way to stop credit. It is a means of depressing and deflating credit in North Carolina.

Mr. SIMMONS. Exactly. In a State where the rate is limited to 6 or 7 per cent, if the Federal reserve bank rate is fixed at 6 or 7 per cent, then the member banks in that State would practically be precluded from borrowing money from the Federal reserve banks.

Mr. OWEN. To be sure.

Mr. SIMMONS. The banks in that State, as in other States similarly situated, have already borrowed large sums of money from the Federal reserve banks, and the loans are falling due every month. They can not afford to renew the loans, if they have to pay a rate of interest so high, without taking their capital for doing business and paying the cash.

Mr. OWEN. Yes; and, of course, it involves a loss.

Mr. SIMMONS. If the Senator will pardon me, I have just paid a visit to my home city in North Carolina, and I have discovered that the banks in that section are in great distress because of the fact that they are confronted by usury laws fixing the rate at 6 per cent and the fact that they are being called to pay their loans. That makes it necessary for them to call the loans that they have been making——

Mr. OWEN. Yes; to be sure.

Mr. SIMMONS. Especially large loans that they have been making to agricultural supply men in my State, and I assume that is true pretty generally throughout the Union. There are farm furnishing houses located all about in the agricultural districts. They borrow large sums of money from the banks. They buy their produce and sell it to the farmers on time, to be paid for in the fall after the crop is harvested. I am told that the situation caused by this high rate of interest, against which the Senator is inveighing, has become so acute that the banks——

Mr. OWEN. It will be worse, I will say to the Senator.

Mr. SIMMONS. It has become so acute that the banks are compelled to call upon these supply houses to pay their loans at a season of the year when it is impossible for them to realize upon the securities which they have taken for goods they have sold. That is making a very serious situation, as I happen to know.

Mr. OWEN. It will help to cause an industrial depression. That is what will happen. If that is desirable and Senators wish to see that come about, they may treat the matter with negligence.

Mr. SIMMONS. But worse than that, if the Senator will pardon me, in some sections of the country it will paralyze the efforts of the farmer to produce his crops.

Mr. OWEN. I think it will.

Mr. SIMMONS. Because their supplies will be unavailable for the men with whom they have made their contracts, they will not be able to get the money to buy goods with which to carry on their farming operations.

Mr. OWEN. It will have the effect of causing industrial depression. It will have the effect of breaking the prices of products which now have a high value on the markets, making men hesitate to produce and tending to paralyze business. Some men think this desirable. I do not think so.

But the deflation of unwise credits ought to be directed by a discriminating judgment to the particular credits that ought to be deflated. There is a great volume of credit which you can not deflate. You can not deflate the $26,000,000,000 of bonds which have been issued by the United States for war purposes. Their market value is being deflated, of course, and the War Finance Corporation under the Treasury Department has been buying up these bonds at a depreciated value. They are selling down to about 15 per cent below par. You can break down the present market value of Government credits by establishing an artificial high rate of interest. You can break down the means of credit for the railroads of the country that require help to finance themselves if you raise an artificially high rate. You can make it more difficult for them, of course, but they will pass it on to the people in freight rates, and so forth.

The banks can take advantage of the urgency of the present demand and raise the rates, if they like, and make more money. But the policy of London, the policy of the Bank of England, is a wise policy. It is a stable, reasonably low rate of interest, so that commerce shall prosper, because when commerce prospers the banks prosper and the country prospers, and when commerce is broken down the banks will have unexpected trouble from some of their most valued customers.

Mr. SIMMONS. If the Senator will pardon me, it seems to me the purpose which the Federal Reserve Board has could be accomplished in another way that would not work any material harm, by the inauguration of a policy of refusing to loan to a member bank unless satisfactory assurances were given that that member bank would not loan for speculative purposes or for any purpose that was not reasonably effective.

Mr. OWEN. If the Senator will pardon me, that is precisely what I suggested to the Federal Reserve Board, that as far as individual loans were concerned, made for merely speculative purposes, they could be reduced by causing gradual liquidation; second, by refusing to extend new loans for speculative purposes, whether speculations in stock or speculations in real estate or in commodities for hoarding. That policy could be carried out by the member banks of the Federal Reserve System if the reserve banks and the Reserve Board insist upon that policy being pursued. That policy would be harmless, but when the Federal Reserve Board adopts the false policy on the New York Exchange and raises its rates to a higher figure to check speculation and talks about deflating credits without discriminating as to what particular credit is to be deflated, the most mischievous consequences may ensue. In Detroit and in Pittsburgh and in New York now men are talking about industrial depression.

Mr. SMITH of South Carolina. May I ask the Senator a question? We passed through both branches of Congress an amendment to the present law authorizing the board in their discretion to graduate and progress the rate of interest from a borrowing bank when it shall have passed what they determine to be normal. Is not that along the very line that the Senator is complaining of, that they are raising the rates of interest in order to bring about a deflation which already is reacting throughout the country to the detriment of business in general?

Mr. OWEN. The purpose of the act referred to by the Senator was that where banks were unduly aggressive and were asking more accommodation of the Federal reserve bank than their fair proportion, thereby cutting off other banks from an equitable participation in the lending powers of the reserve bank, they might make this discrimination by automatically raising the rates progressively on the aggressor. I think that a wise and just policy.

Mr. SMITH of South Carolina. I anticipated the danger there which has now become a fact. In order that they might accomplish this, it seemed to them that it was necessary to put this general law into effect, that all banks, when they have gotten above a certain per cent of their capital and surplus, should be subject to this progressive and increased rate of interest. The Senator from North Carolina [Mr. SIMMONS] and, I take it, the Senator from Oklahoma [Mr. OWEN] have suggested that they should have used their discrimination and restricted the loans in those particular cases where it was pernicious or might not be indicated to be for the best interests of the country, but they have applied that rule throughout the entire country when there are banks which should have been encouraged to borrow more than any fixed per cent of their capital and surplus, especially in the agricultural sections, where the bread-and-meat question will be the paramount question for the next two or three years.

Mr. OWEN. My attention is called to "Big profits made by reserve banks," an article in to-day's Evening Star:

SOME BANKERS URGE INTEREST ON THEIR RESERVE.

According to Gov. Harding, of the Federal Reserve Board, the 12 original banks of the system will make about a hundred million dollars gross profits during the fiscal year ending with June 30, an excess of some $10,000,000 over the net of the previous fiscal period.

These reserve banks were not intended as money-making banks. I have no objection to their making money. I am quite in favor of their making enough to have a substantial reserve; and Congress turned over to them practically 100 per cent as reserve, and in that way showed the good will of Congress to these banks and a desire to strengthen them. I desire them to be strong; but what I am calling attention to is that the administration of the reserve act in such a way as to raise the rate in a sweeping fashion over good and bad alike, over the productive and the unproductive alike, making no discrimination with regard to it, results harmfully by exciting the country into the belief that we are going to the "demnition bow-wows" when we are in no danger whatever of doing anything of the kind if we pursue a sound policy.

Mr. SMITH of Maryland. As I understand the argument of the Senator from Oklahoma, this high rate of interest was introduced in the hope of stopping speculation in stocks.

Mr. OWEN. I understand that it was.

Mr. SMITH of Maryland. But it seems to have gone further now, and is affecting the commercial and the industrial interests of the country. There ought to be some stop put to it. It has gone too far. They scattered their shot too much. They shot at one class of people and are hitting another class.

Mr. OWEN. They are setting out a fire which they may not be able easily to stop. My purpose is to put some water on it right now.

Mr. SMITH of Maryland. I think that is right.

Mr. OWEN. I am glad the Senator from Maryland thinks I am right about it. I think other Senators should have an interest in it.

Mr. SMITH of Maryland. I think the purpose was not what is being done now. It was for the purpose of stopping speculation in stocks, which is all right, but now it is going too far. It is interfering with the progress of our country, with the industrial interests and commercial interests, and they are making the rates on money so high that those needing money for these purposes can not afford to borrow.

Mr. OWEN. I think that is right.

Mr. SMITH of South Carolina. If the Senator from Oklahoma will permit me, the suggestion of the Senator in regard to reaching speculations in stocks is right. They advance the rate of interest to stop that, when it is notoriously true that the stock speculator will meet any advance in interest in his speculation in stocks, while the men who are doing a legitimate business can not afford to do it.

Mr. SMITH of Maryland. Yes; they can not afford to do it.

Mr. OWEN. That is quite right.

I do not wish to take up any more of the time of the Senate. I have written a letter in response to the letter which was printed in the RECORD, the substance of which I have stated on the floor. I ask, without reading, that it may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

UNITED STATES SENATE,
May 14, 1920.

Hon. W. P. G. HARDING,
Governor Federal Reserve Board, Washington, D. C.

MY DEAR GOVERNOR: I thank you for your letter of May 3, answering my letter of April 27, in which I urged the Federal Reserve Board to lower the interest rates of the reserve banks as a means of helping to restore Liberty bonds to par.

The Secretary of the Treasury and every agency of the Government, including the reserve banks and the member banks, cooperated in a strenuous drive to induce the American people to buy Liberty bonds. The people were told to buy the bonds until it hurt. They sold their property, they borrowed money, they mortgaged their homes to buy these bonds on the assurance of the Secretary of the Treasury that there was no better security, and they had a right to believe that these bonds would be maintained at par. But, my dear Governor, if you permit these high rates of interest, of which I have justly complained, the inevitable consequence will be that these Government bonds must go still lower than they are now instead of reacting to par.

The violent fluctuating high interest rates on the New York Stock Exchange which go from 8 to 30 per cent, advertised throughout the country in every important paper in the land, together with the high interest rates of the Federal reserve banks to member banks at 6 and 7 per cent, and the consequent higher commercial rates daily advertised in the public press of 8, 9, and 10 per cent, not to mention commissions on the side and discounts, are jointly impairing confidence and creating an atmosphere of suspicion, distrust, and widespread talk of pending industrial depression and industrial panic.

I have insisted that the powers of the Government should be exercised through the office of the Federal Reserve Board, the Federal reserve banks, and the Comptroller of the Currency to remove these causes, which, if persisted in, may cause a serious industrial depression and make Liberty bonds go still lower.

The claim of the New York Stock Exchange that these high and violently fluctuating interest rates on call loans are necessary for the purpose of preventing speculation is indefensible, because they do not prevent speculation. The professional operator immediately speculates in a bear market, which inevitably must follow these artificial high interest rates. The speculator can afford to pay high interest rates, but legitimate business can not. Moreover, the employment of bank credits for speculation can be prevented by harmless methods: First, by the banks refusing new loans for speculative purposes; second, by requiring gradual liquidation of old loans employed in speculation; and, third, by raising the margin on speculative loans.

The remedies I suggest are harmless to the general public. The remedy employed of high interest rates on call loans running up to 30 per cent is destructive of public confidence and threatens industrial depression.

When the Reserve Board raises the rate to 6 and 7 per cent it has the effect not of stopping the speculator but of stopping legitimate business, and putting the brakes on manufacture, commerce, agriculture, on production and distribution.

You quite misunderstand the point when you speak of my contention that the Liberty bond market recently fell because the Federal Reserve Board raised the rate of interest, which you think is disproved by the fact that the bonds fell in April, 1919, to 95 before the Federal Reserve Board raised the rate of interest. My contention is that the high rates of interest on the stock exchange, and the high rates charged by member banks on commercial loans based in part on the high rates of the reserve banks, are all factors producing this result, and when the Reserve Board recently raised the rate these bonds went down much lower than they had been before, and they must go lower still if the board persist in this policy. What I contend is that the Federal Reserve Board in raising these rates, and thus adopting the unwise policy of the stock exchange, is depreciating the market value of all securities, including Government bonds.

I understand the Reserve Board desires to deflate credit by raising the rates of interest. Assuredly raising the rates of interest will deflate credits, even the credits of the United States, of which I complain, but I am anxious the Reserve Board shall only deflate those credits that require deflation and not deflate credits of the Government and of legitimate productive business, which ought not to be deflated.

The United States was compelled to expand its credits, and issued $26,000,000,000 of war bonds. The war resulted in an increase of $20,000,000,000 of bank deposits, a total increase

of expanded credits of $46,000,000,000. No substantial part of these credits should be deflated at this time. The only deflation of credit justified is the deflation of credits employed in speculative loans on investment securities, on real estate, and on commodities for hoarding by profiteers.

My dear governor, it seems to me that there is some serious misconception existing in the country with regard to what is inflation and what is not inflation. I am certainly opposed to inflation, but I am strongly in favor of the extension of business, increasing production and improving distribution, by extending credits on a stable low-interest rate.

The expansion of credit for such purposes is justified, but, of course, the expansion of credit beyond the available resources, even for the most important of purposes, is not justified. The Bank of England, conducted by the wisest merchants in the world, has not hesitated to extend credits for productive purposes even when the gold reserve was thereby seriously diminished. As you very well know, they went to a very low gold reserve during the war without ever denying credits to their business men who were engaged in legitimate industry. The London merchants had 3½ per cent acceptance rates all during the war, when the British Government paid 5 per cent.

If the people are frightened by the talk of industrial depression, by high interest rates, it has the effect of preventing production and putting the brakes on manufacture and on our entire industrial life.

I do not agree with Secretary Leffingwell that the present depression in Liberty bonds is due to the owners of Liberty bonds spending the bonds recklessly as spendthrifts. People who bought Liberty bonds do not deserve such a classification, although, of course, some individuals out of a very great number are spendthrifts. But the spendthrift quickly parts with his bonds to other people. The spendthrift theory does not explain the terrible depreciation.

If money was cheap and credits were available at low rates, it is perfectly obvious that these bonds would go to par, and just in degree that the banks of the country raise the rates to very high artificial figures to that degree the Liberty bonds and Victory bonds will assuredly fall in market value.

You advise me that the Liberty bonds "can not be brought back to par by artificial methods." They can be depressed by universal high rates of interest artificially fixed by the banks, and that is precisely what has happened and to which I earnestly object.

I do not say that the Federal reserve banks can restore these bonds to par by lending a part of their resources on these bonds at a low figure. What I do say is that the value of these bonds is depressed by the action of the Government in countenancing the scandalous interest rates on the New York Stock Exchange, the unreasonable interest rates by the member banks of the country, and the unfair interest rates by the reserve banks to the member banks.

You very justly say, my dear governor:

"There is a world-wide demand for capital, and the demand for bank credit in this country in agricultural, commercial, and industrial purposes is heavier than has ever been known before; investment demands for new construction, for the maintenance and equipment of railroads, and for the financing of our foreign trade are very great."

Are these just demands to be met by denying the credits, or are they to be repressed by raising the rates to prohibitive points, and thus retard enterprise and production, the employment of labor and capital in creating commodities?

You say the reserve banks would have been "overwhelmed with applications for loans" on Government securities if the reserve banks had continued to offer a low discount rate on paper secured by Government obligation.

I am not advocating the reserve banks lending beyond their resources at any rates or on any securities. I am protesting against the reserve banks setting a bad example to the country by raising the rates of interest on legitimate business engaged in production and distribution. I am objecting, my dear governor, to the Reserve Board taking advantage of this condition and raising these rates merely because the demand is urgent, when the proper function of the Federal reserve bank is to stabilize the interest rate, keep it at a reasonably low figure, and set a wise and just example to the member banks.

The member banks pay from 2 to 4 per cent for deposits and normally let their money out at from 5 to 7 per cent, with a margin of about 3 per cent. The reserve banks pay no interest on deposits, and 3 per cent is a rate high enough to enable them to make all the money they are entitled to make out of the public. On a 4 per cent rate the Federal Reserve Bank of New York last year made 110 per cent, and I suppose on a 6 and 7 per cent rate they will make this year about 160 per cent. This is precisely what I am objecting to. The Federal reserve banks should not be put in the attitude of profiteering or of setting the example of profiteering to member banks. The powers of the Government are not being properly exerted to stop the scandalous rates of interest on the New York Stock Exchange.

I was advised that six months ago the New York banks had nineteen hundred million dollars loaned on investment securities and the commerce of the country was suffering for credit. I believe, with the board, that these credits on investment securities and speculative loans should be diverted, as far as practicable, to productive purposes, but to raise the rates to 6 and 7 per cent upon all banks alike does not accomplish this end. It merely penalizes all business of every kind and character, regardless of whether they are using their credits for speculative or productive purposes.

What I earnestly desire to call to the attention of the board is that credits ought to be extended at a low rate to the extent of the capacity of the reserve banks for productive purposes; that member banks should be urged to do the same thing, and that the powers of the Government should be exerted against the excessive, violently fluctuating rates on the New York Stock Exchange.

Hoping that the suggestions which I have the honor to make may be of some service to the deliberations of the board and to the country, I remain,

Very respectfully, yours, ROBT. L. OWEN.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and to provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment inserting section 33.

The amendment was agreed to.

The next amendment was, on page 50, after line 13, to insert:

SEC. 34. That paragraph (a) of section 11 of the act entitled "An act to remove certain burdens on the American merchant marine and encourage the American foreign carrying trade, and for other purposes," approved June 26, 1884, as amended, is hereby amended to read as follows:

"SEC. 10. (a) That it shall be, and is hereby, made unlawful in any case to pay any seaman wages in advance of the time when he has actually earned the same, or to pay such advance wages, or to make any order, or note, or other evidence of indebtedness therefor to any other person, or to pay any person, for the shipment of seamen when payment is deducted or to be deducted from a seaman's wages. Any person violating any of the foregoing provisions of this section shall be deemed guilty of a misdemeanor, and upon conviction shall be punished by a fine of not less than $25 nor more than $100, and may also be imprisoned for a period of not exceeding six months, at the discretion of the court. The payment of such advance wages or allotment, whether made within or without the United States or territory subject to the jurisdiction thereof, shall in no case except as herein provided absolve the vessel or the master or the owner thereof from the full payment of wages after the same shall have been actually earned, and shall be no defense to a libel suit or action for the recovery of such wages. If any person shall demand or receive, either directly or indirectly, from any seaman or other person seeking employment, as seaman, or from any person on his behalf, any remuneration whatever for providing him with employment, he shall for every such offense be deemed guilty of a misdemeanor and shall be imprisoned not more than six months or fined not more than $500."

Mr. KING. I should like to ask the Senator having this bill in charge what is the necessity now of reenacting legislation dealing with this subject?

Mr. JONES of Washington. I will call the Senator's attention to the only change made in the law by this provision. He will note on page 51, in lines 5 and 6, the words:

The payment of such advance wages or allotment—

Here is the change in existing law:

Whether made within or without the United States, or territory subject to the jurisdiction thereof.

The Supreme Court has upheld this section and has also upheld the right of Congress to deal with foreign seamen in our ports. The purpose of the provision is to prevent what is called "crimping" in the securing of seamen. For instance, we prevent by our law advances being made to seamen and sailors in this country. That was simply to prevent the boarding houses or the crimping houses from taking advantage of seamen, as the Senator understands. The purpose of this section is to prevent that as to sailors on ships coming from a foreign port to this country. It is a very common custom in many other countries to require advance payments on wages when seamen ship. Under this provision that practice will be stopped. That is the sole purpose of the proposed change.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 51, after line 18, to insert:

SEC. 35. That the second proviso of the first paragraph of section 13 of the act entitled "An act to promote the welfare of American seamen in the merchant marine of the United States, to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto, and to promote safety at sea," approved March 4, 1915, is amended to read as follows:

"*Provided further*, That upon examination under rules prescribed by the Department of Commerce as to eyesight, hearing, physical condition, and knowledge of the duties of seamanship, a citizen of the United States found competent may be rated as able seaman after having served on deck 12 months at sea or on the Great Lakes; but seamen examined and rated able seamen under this proviso shall not in any case compose more than one-fourth of the number of able seamen required by this section to be shipped or employed upon any vessel except that any American citizen rated as able seaman under this proviso, who has served one year at sea or on the Great Lakes after securing such rating, shall not be included as composing a part of the one-fourth of such able seamen under this proviso."

The amendment was agreed to.

The next amendment was, on page 52, after line 14, to insert:

SEC. 36. That section 20 of such act of March 4, 1915, be, and is, amended to read as follows:

"SEC. 20. That any seaman who shall suffer personal injury in the course of his employment may, at his election, maintain an action for damgaes at law, with the right of trial by jury, and in such action all statutes of the United States modifying or extending the common-law right or remedy in cases of personal injury to railway employees shall apply; and in case of the death of any seaman as a result of any such personal injury the personal representative of such seaman may maintain an action for damages at law with the right of trial by jury, and in such action all statutes of the United States conferring or regulating the right of action for death in the case of railway employees shall be applicable."

The amendment was agreed to.

The next amendment was, on page 53, after line 4, to insert:

SEC. 37. That, in the judgment of Congress, articles or provisions in treaties or conventions to which the United States is a party, which restrict the right of the United States to impose discriminating customs duties on imports entering the United States in foreign vessels and in vessels of the United States, and which also restrict the right of the United States to impose discriminatory tonnage dues on foreign vessels and on vessels of the United States entering the United States, should be terminated; and the President is hereby authorized and directed within 90 days after this act becomes law to give notice to the several Governments, respectively, parties to such treaties or conventions that so much thereof as imposes any such restriction on the United States will terminate on the expiration of such periods as may be required for the giving of such notice by the provisions of such treaties or conventions.

Mr. JONES of Washington. I ask that that section may go over.

The PRESIDING OFFICER. Without objection, section 37 will be passed over.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, on page 53, line 21, to change the number of the section from "12" to "38," and, in line 24, after the word "Corporation," to strike out "or other agencies created pursuant to authority of law," so as to make the section read:

SEC. 38. That the power and authority vested in the board by this act, except as herein otherwise provided, may be exercised directly by the board, or by it through the United States Shipping Board Emergency Fleet Corporation.

The amendment was agreed to.

Mr. JONES of Washington. I offer an amendment, in line 22, after the word "otherwise," to insert the word "exclusively."

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Washington.

The amendment was agreed to.

Mr. KING. Mr. President, may I inquire of the Senator from Washington, under the provisions of this bill, what becomes of the Emergency Fleet Corporation? Is a consolidation effected between that and the Shipping Board?

Mr. JONES of Washington. No; the Emergency Fleet Corporation remains just as it is. It is really the agency of the Shipping Board now, and is continued, so far as may be necessary, in carrying out the provisions of this proposed act.

Mr. KING. Is it to be the instrumentality by which will be effectuated all of the duties and responsibilities which are devolved upon the Shipping Board?

Mr. JONES of Washington. No; not at all. It is really the instrumentality of the Shipping Board to handle and dispose of the ships, and so on; but it does not take care of the matter of discrimination or of regulating rates or revising the navigation laws or matters of policy, and so forth. It has nothing to do with such questions as those; but is the agency of the Shipping Board for the purpose of constructing ships, as it has been heretofore, and the agency to carry on dealings with reference to ships and the property of the Shipping Board.

Mr. KING. Mr. President, the reason I have propounded the inquiry is that a number of suggestions have been made to me by persons who are more or less familiar with the duties of the Shipping Board and of the Emergency Fleet Corporation to the effect that the duties of both organizations could with propriety be performed by one; that the present arrangement led to more or less of duplication, to the setting up of unnecessary machinery, and they suggested a consolidation under which the Shipping Board should be fully authorized not only to perform the duties now devolved upon it by law, and such as may be devolved upon it under this bill, but as well whatever duties are devolved upon the Emergency Fleet Corporation. I ask the Senator from Washington why, in the formulation of this bill, that suggestion has not been carried into effect?

Mr. JONES of Washington. Mr. President, the Senator from Utah knows that in dealing with property and making contracts and matters of similar character a legislative organization such as the Shipping Board has very little flexibility. There is no provision for suing it or that it shall bring suit or anything of that sort, so that in certain aspects the work can be much better done by a corporation. Independently of that, the two organizations are substantially the same, but the Emergency Fleet Corporation was created for the purpose of providing that flexibility, so that individuals could deal with it far better than they could with a purely legislative agency, such as the Shipping Board, which would have to have its powers more particularly defined so far as concerns its dealings with different subjects.

Mr. KING. Mr. President, I have listened to the observations made by the chairman of the Committee on Commerce——

Mr. JONES of Washington. If the Senator will permit me, I will add merely a word. The original shipping act, as the Senator will remember, was passed before we entered the war, and for the purpose of enabling us to build ships for which some $50,000,000 were appropriated. Under that act it was provided that the Shipping Board, if it found it necessary to carry out the purposes of the act, could create one or more corporations to do the things necessary to be done. Under that authority it created the Emergency Fleet Corporation. That was the only corporation that was created. That corporation is, as I have said, practically the same as the Shipping Board; that is, the five members of the Shipping Board are trustees of the Emergency Fleet Corporation. I think there are two additional members, but if this bill passes as now framed the members of the Shipping Board will constitute the trustees of the corporation.

The original act also provided that the Shipping Board might create additional corporations or agencies. We have stricken out that authorization, because we thought they ought not to create any additional corporations; that the one now in existence was enough, and we did not think it was wise to disturb the whole organization; but for the reason which I stated a while ago, that a person can deal much more flexibly with a corporation in matters of contract and with reference to obligations than he can with a legislative agency such as the Shipping Board, we did not make any change in the status of the Emergency Fleet Corporation.

Mr. KING. Mr. President, the Senator will remember that during the war there was some complaint that the Shipping Board and the Emergency Fleet Corporation did not cooperate and integrate as they should have done; that there was too much machinery; that the organizations were too widely separated; and that they did not properly function. As to whether or not those criticisms were warranted, I am not prepared to state, but I do believe there was too much machinery, either in the Shipping Board or in the Emergency Fleet Corporation, or in both, and that there is too much machinery now in either one or both of those organizations.

Mr. JONES of Washington. I will say to the Senator—and I think I know what I am talking about with reference to this phase of the matter, at any rate—that the real difficulty during the early part of the war was that the Shipping Board and the manager, I might say, or the chairman of the Emergency Fleet Corporation, did not work very well together, because the manager of the corporation did not have the authority that the manager of a corporation usually has, and he was hampered, restricted, and limited by the Shipping Board.

Finally, however, the by-laws of the corporation were so amended as to vest the powers of the Emergency Fleet Corporation practically in the manager, who was the chairman, and that enabled the Emergency Fleet Corporation then to go ahead and do the business that it was really intended to do. That was really the difficulty originally.

Mr. SMITH of South Carolina. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from South Carolina?

Mr. JONES of Washington. I yield.

Mr. SMITH of South Carolina. Is it not a fact that the Shipping Board created the Emergency Fleet Corporation?

Mr. JONES of Washington. Oh, yes; the Emergency Fleet Corporation is an agency of that organization.

Mr. SMITH of South Carolina. And in this bill it is provided that they shall do the same thing, is it not?

Mr. JONES of Washington. We do not provide that; we simply leave that as it is now.

Mr. SMITH of South Carolina. It is left as the law was originally written.

Mr. JONES of Washington. Yes.

Mr. SMITH of South Carolina. So that the coordination depends upon the discretion with which the board selects those who are to function for it?

Mr. JONES of Washington. Oh, yes.

The reading of the bill was resumed.

The next amendment of the Committee on Commerce was, at the top of page 54, to insert:

SEC. 39. That if any provision of this act is declared unconstitutional or the application of any provision to certain circumstances be held invalid, the remainder of the act and the application of such provisions to circumstances other than those as to which it is held invalid shall not be affected thereby.

The amendment was agreed to.

The next amendment was, on page 54, after line 6, to insert:

SEC. 40. That when used in this act, unless the context otherwise requires, the terms "person," "vessel," "documented under the laws of the United States," and "citizen of the United States" shall have the meaning assigned to them by sections 1 and 2 of the "shipping act, 1916," as amended by this act.

The amendment was agreed to.

The next amendment was, on page 54, after line 12, to insert:

SEC. 41. That section 2 of the "shipping act, 1916," is amended to read as follows:

"SEC. 2. That within the meaning of this act no corporation, partnership, or association shall be deemed a citizen of the United States unless all the stock and securities of such corporation, partnership, or association are at all times wholly and bona fide owned by citizens of the United States, and, in the case of a corporation, unless in addition to such requirement, its president and directors are citizens of the United States, and the corporation itself is organized under the laws of the United States, or of a State, Territory, District, or possession thereof.

"A corporation shall not be deemed to be so owned by citizens of the United States (a) if the title to all of its stock and other securities is not vested in such citizens, free from any trust or fiduciary obligation in favor of any person not a citizen of the United States; or (b) if all the voting power in such corporation is not vested in citizens of the United States; or (c) if, through any contract or understanding, it is so arranged that voting power in such corporation may be exercised, directly or indirectly, in behalf of any person who is not a citizen of the United States; or (d) if by any other means whatsoever control of any interest in the corporation is conferred upon or permitted to be exercised by any person who is not a citizen of the United States: *Provided*, That for the purpose of operating vessels exclusively in foreign commerce a corporation, partnership, or association organized and officered as provided in this section shall be deemed a citizen of the United States if at least 75 per cent of its stock and other securities are at all times bona fide owned by citizens of the United States, free from any trust or fiduciary obligation in favor of any person not a citizen of the United States."

Mr. EDGE obtained the floor.

Mr. CALDER. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from New York?

Mr. CALDER. I wish to offer an amendment to this section.

Mr. EDGE. Perhaps the amendment is the same. I was going to offer an amendment, on page 54, line 17, after the word "unless," to insert the words "at least 90 per cent of," which will make the three or four lines beginning on line 15 read:

That within the meaning of this act no corporation, partnership, or association shall be deemed a citizen of the United States unless at least 90 per cent of all the stock and securities of such corporation—

And so forth.

I think it is very indefensible to pass any act providing something that we know perfectly well is impossible of enforcement. When we require 100 per cent of the stock of a shipping corporation to be owned at all times by American citizens, we know perfectly well that we are making innocent violators out of every corporation in the country, or at least we are certainly inviting it. If one share of stock is sold on the exchange—and, of course, in the case of many of these corporations the stock is listed—the result of it would be that you could proceed under this act for violation, and if stock was owned by an American woman who married an alien the same thing would occur.

I feel that if we make the provision 90 per cent we are in every way protecting American interests and we are not passing laws that we know perfectly well are unenforceable.

Mr. SMITH of South Carolina. Mr. President, I should like to ask the Senator from New Jersey if it would not be more difficult to keep within the 10 per cent than to know that you could not sell any of the stock to persons other than citizens of the United States?

Mr. EDGE. In answer to that question there is unquestionably difficulty in keeping a record of it in any event; but we established a precedent at the present session of Congress in passing the so-called export finance bill, which was discussed on the floor of the Senate by a number of Senators and which presented exactly the same question. We finally decided in the case of that bill that a majority of the stock should be held by American citizens, and also that all the directors and officers should be American citizens. I believe that all the directors and all the officers should be American citizens, but I do not entirely agree with the Senator from South Carolina in his view that it would be as difficult to enforce a 90 per cent restriction as it would to enforce a 100 per cent restriction. If it is a known fact that there is a small leeway, like 10 per cent, I think the average corporation would make every effort to defend that situation. The stock records, of course, are open, and there is a way to do it; but I do not like to ask for 100 per cent when it seems unnecessary as a protection to American interests and is such an invitation for continued violation.

Mr. KING. Mr. President, will the Senator yield?

Mr. EDGE. I yield.

Mr. KING. I invite the Senator's attention to the words on page 55, with a view to inquiring whether they will not call for a modification of his statement.

Mr. EDGE. I am going to offer an amendment to subdivision (a) that would call for the same modification, as I understand.

Mr. KING. If the Senator will pardon me a moment, in line 13 there is a provision reading as follows:

Provided, That for the purpose of operating vessels exclusively in foreign commerce a corporation, partnership, or association organized and officered as provided in this section shall be deemed a citizen of the United States if at least 75 per cent of its stock and other securities are at all times—

And so forth.

The Senator's complaint was that it limited the ownership to Americans exclusively. As I interpret this, it provides that foreign residents may own at least 25 per cent of the stock of vessels engaged in foreign commerce.

Mr. EDGE. I think that is correct. That, however, is a different classification.

Mr. KING. Then the Senator's criticism would apply only to vessels that are engaged in domestic commerce, coastwise trade?

Mr. EDGE. The answer to the Senator from Utah would seem to me to be this: It is true that the mere fact that in the case of corporations engaged in foreign commerce the bill only exacts 75 per cent—that is, that the stockholders shall total not less than 75 per cent of American citizens—demonstrates that vessels owned by corporations that are organized under American laws, and are doing business abroad, are only required to have 75 per cent American citizenship-owned stock; but vessels doing a coastwise or American business solely are, under the terms of the same section, required to have 100 per cent. I do not see the reason for the difference in the requirement. I think both of them could be well 75 per cent. I am simply making as modest a modification as possible in order to meet the conditions that exist.

Mr. JONES of Washington. Mr. President, just a word.

I recognize the difficulty of enforcing the law. I think there would be just as much difficulty, however, in enforcing the law as proposed to be amended by the Senator from New Jersey as there would be in enforcing it as it is proposed in the bill.

I want to read just a couple of extracts from a letter from the chairman of the Shipping Board, urging this amendment:

Believing that it is essential that our coasting fleet be wholly owned by American citizens, I respectfully suggest that section 29 of the second committee print be amended—

So as to make it read as we have it in the bill. He says, further:

Unless our coasting fleet be wholly and unequivocally owned by loyal United States citizens, it can not be rated a dependable unit in time of national emergency. Such dependability must always be insured, and this can only be accomplished by making 100 per cent bona fide American ownership the only key to our coasting trade, and in so far as consistent with present conditions, to establish the same requirement for our foreign commerce.

Mr. KING. Mr. President, will the Senator yield?

Mr. JONES of Washington. Certainly.

Mr. KING. Suppose a case where a foreigner is an heir to an American who owns a certain block of stock in a coastwise boat, and under the laws of distribution that alien received the stock. What becomes of the stock? Is it forfeited? What provisions are there in the bill to penalize the corporation, if it is to be

penalized, for permitting some alien to remain the owner of stock in the corporation?

Mr. JONES of Washington. There are no penalizing provisions. There are no penalizing provisions in the law now and as it has existed ever since we had a Shipping Board. We have made no change in that particular.

Mr. KING. How would the provision be enforced, if there is any enforcement of the provision, restricting the ownership to all Americans?

Mr. JONES of Washington. I will say that I do not know just how it would be done. I think probably the Shipping Board would make some rules and regulations under which they would seek to control the issuance of stock to aliens, or something of that kind; but there is no penalty.

Mr. KING. It is just a sort of a naked fulmination?

Mr. JONES of Washington. Really, that is about it.

Mr. EDGE. Mr. President, may I ask the Senator from Washington what is the present provision?

Mr. JONES of Washington. The present provision is a controlling interest, and there is no provision about enforcing compliance. This follows the present law.

Mr. EDGE. The controlling interest—which, of course, means the majority of the stock, which has been apparently the policy heretofore—is changed here to a 100 per cent basis. I have never believed in passing a law that we admitted while it was before the Senate could not possibly be enforced.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New Jersey [Mr. EDGE] to the amendment of the committee.

On a division, the amendment to the amendment was rejected.

Mr. CALDER. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 55, at the end of line 20, it is proposed to insert a semicolon and the following:

And provided further, That a person who resides in the United States, and who has lost the status of a citizen of the United States through marriage, shall be deemed a citizen of the United States for the purpose of determining the citizenship of a corporation, partnership, or association under the provisions of this section.

Mr. JONES of Washington. I see no objection to that amendment, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York to the amendment of the committee.

Mr. SMITH of South of Carolina. I ask to have the amendment stated again.

The PRESIDING OFFICER. The Secretary will restate the amendment.

The amendment to the amendment was restated.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New York to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. REED. Mr. President, I should like the attention of the chairman of the committee for a moment. I think there is nothing more difficult to preserve intact than the ownership or the control of a corporation that issues stock. The bill tries to do that, but the section only covers the question of ownership. It provides:

That within the meaning of this act no corporation, partnership, or association shall be deemed a citizen of the United States unless all the stock and securities of such corporation, partnership, or association are at all times wholly and bona fide owned by citizens of the United States.

Under that section the stock might all be owned by citizens of the United States, and all of it might be trusteed or assigned to an alien, or to an alien corporation. Indeed, the modern method of transacting the business of corporations frequently results in exactly the thing I have suggested being done.

I therefore suggest to the chairman this amendment: In line 19, after the word "by," insert "and under the control of," so that the clause would read:

Unless all the stock and securities of such corporation, partnership, or association are at all times wholly and bona fide owned by and under the control of citizens of the United States.

Mr. JONES of Washington. Mr. President, I have no objection to that, although I am rather inclined to think that it is covered on the other page. Notice on page 55, line 1:

A corporation shall not be deemed to be so owned by citizens of the United States (a) if the title to all of its stock and other securities is not vested in such citizens, free from any trust or fiduciary obligation in favor of any person not a citizen of the United States; or (b) if all the voting power in such corporation is not vested in citizens of the United States; or (c) if, through any contract or understanding, it is so arranged that voting power—

And so forth.

If that does not cover what the Senator wishes to accomplish, I am perfectly willing to have it amended.

Mr. REED. I had not noticed the section. I am working on the bill piecemeal.

Mr. JONES of Washington. I understand.

Mr. REED. Nevertheless, I think it would do no harm to put the words in which I suggest.

Mr. JONES of Washington. I think not.

The amendment to the amendment was agreed to.

Mr. REED. Mr. President, if it is not elsewhere covered in the bill, I desire to suggest this amendment, at the bottom of page 54, at the end of line 24:

No issue, sale, hypothecation, or transfer of stock or ownership shall be valid unless recorded with and approved by the Shipping Board.

Mr. JONES of Washington. I have no objection to that amendment. I am inclined to think, however, that these corporations, in the transfer of their stock, and so on, would be controlled by the authority under which they are organized. I suppose every State has laws of incorporation, and all these corporations would be organized under the laws of some State. They would control the transfer and disposition of stock. But personally I have no objection to the amendment.

Mr. REED. If that rule is to be applied, it might also affect other clauses of the bill. I have no desire to make it hard for these corporations to do business, but I know of no way in the world by which the Shipping Board can determine whether a corporation's stock is really owned by American citizens except that the record of the transfer of the stock should be filed with it, and subject to its approval. If the words I have suggested go in, I think we will have come very near fixing it so that these companies will have to remain American companies.

Mr. JONES of Washington. I have no objection to the amendment.

Mr. KING. Mr. President, it seems to me that the amendment is a little too broad. I do not think the board ought to have the authority to prevent a transfer of stock by any American citizen to any other American citizen, or corporation, or association, or partnership, and it appears to me that the Senator's amendment would confer discretionary power on the board, and make it necessary for them to approve of a transfer. I do not think any board ought to be permitted to determine whether or not "A," a bona fide citizen of the United States, may sell his stock in a corporation to some other citizen of the United States.

Mr. REED. I did not have the point in mind which the Senator has suggested. I have no desire to prevent the sale of stock by a citizen of the United States to another citizen, and if the Senator thinks it is too broad, I will offer the amendment in this form——

Mr. NELSON. Mr. President, will the Senator yield to me?

Mr. REED. I yield.

Mr. NELSON. Would not a provision in the bill prohibiting stock exchanges from selling the stock to any one but citizens of the United States be effective?

Mr. REED. That would cover the stock exchange transaction, but as soon as it got into the hands of the purchaser on the stock exchange he might sell it to some one else.

Mr. NELSON. Would it not be a good plan to prohibit the stock exchanges from selling this stock to anybody but citizens of the United States?

Mr. REED. I think the amendment in this form practically accomplishes it. I appreciate the suggestion made by the Senator from Utah [Mr. KING] and I will change the form of the amendment so that it shall read:

No issue, sale, hypothecation, or transfer of stock or ownership shall be valid unless recorded with the Shipping Board.

In other words, they must make a record with the Shipping Board.

Mr. JONES of Washington. I have no objection to the amendment to the amendment.

The PRESIDING OFFICER. The Secretary will state the amendment to the amendment as modified.

The READING CLERK. On page 54, at the end of line 24, insert:

No issue, sale, hypothecation, or transfer of stock or ownership shall be valid unless recorded with the Shipping Board.

Mr. BRANDEGEE. Mr. President, let me ask the Senator from Missouri a question. Has the Senator considered this situation, which I think might arise under his amendment?

The holders of stock can indorse their certificates in blank and hand them over to a foreigner or a foreign corporation to be held in their treasury. In that way really the foreigner controls the concern. Of course, he could not become the equitable owner of the stock until he had finally secured the action of the Shipping Board, but actually it would deprive the

American management of real control, because it would only be voted when the foreigners were of a mind to surrender it. I am not prepared, on the spur of the moment, to suggest whether that is any real danger or not, but it ought to be effectively controlled if it is a danger. I leave it for the conference committee to consider in case the amendment is agreed to in its present form.

Mr. REED. I sought to cover that by the amendment which I have just offered.

Mr. BRANDEGEE. I did not hear it read.

Mr. REED. My amendment was to insert in the clause "unless all the stock and securities of such corporation, partnership, or association are at all times wholly and bona fide owned by citizens of the United States," the words "and under the control of," so that it will read "wholly and bona fide owned by and under the control of citizens of the United States."

That may not be broad enough to cover it, but supplemented by this language on the next page in the text of the bill as offered, I think it would:

A corporation shall not be deemed to be so owned by citizens of the United States (a) if the title to all of its stock and other securities is not vested in such citizens, free from any trust or fiduciary obligation in favor of any person not a citizen of the United States.

Perhaps the two together cover it, although I will repeat to the Senator from Connecticut, who has come in since I made the remark, that the control of stock is one of the most difficult things in the world to handle.

Mr. EDGE. Let the amendment to the amendment be read as modified.

The PRESIDING OFFICER. The Secretary will state it as modified.

The READING CLERK. On page 54, at the end of line 24, insert:

No issue, sale, hypothecation, or transfer of stock or ownership shall be valid unless recorded with the Shipping Board.

Mr. EDGE. May I ask the Senator a question?

Mr. REED. Certainly.

Mr. EDGE. I am in sympathy with the object the Senator is attempting to attain, but by incorporating the word "valid" into a law would we not in effect raise the question of validity on the ordinary sale of stock? If a company should cease to qualify as being under 100 per cent American control, by using that language would we not really raise the question of the actual validity of the sale of stock?

Mr. REED. I intended to do that. I intended to make it so that one of these corporations which has the benefits of this law could not sell its stock to foreigners.

Mr. EDGE. I do not think the Senator understands my suggestion, if he will permit me. As I understand the section, the moment a company permits one share of stock to go out of the hands of an American owner, it automatically ceases to function under the bill.

Mr. REED. Oh, no.

Mr. EDGE. It ceases to be a company which can operate under the bill; that is certainly correct. Therefore, I make the point, why should we then in any way attempt to raise the question of the validity of the sale, when they automatically go out from under the act anyhow?

Mr. REED. Merely because we will not know whether their stock has gone into the hands of foreigners unless there is some place where they must register the transfer.

Mr. EDGE. I agree with the Senator on that.

Mr. REED. And the only way to compel them to register the transfer is to make a sale invalid until it is so registered. Then the owner of the stock, in order to have his stock of value, it seems to me, would necessarily take it to the board and register it.

Mr. EDGE. I am in entire agreement with the Senator that it should be registered with the Shipping Board. That is the only method. But the word "valid" seems to me to be rather a dangerous word to use.

Mr. KING. May I inquire of my friend from Missouri whether his amendment would in any way interfere with the usual custom of hypothecating stocks with banks for loans? As the Senator knows, one of the easiest methods employed by business men to obtain money is to go to a bank and give the note of the individual or the corporation and pledge the stock of a corporation as collateral security for the obligation. I fancy that the stocks of these corporations may be used for loans. Would the amendment offered by the Senator forbid the acceptation by the banks of an indorsed certificate as collateral for a loan to be made to the owner?

Mr. REED. I think it would compel a registration of the transaction with the Shipping Board. I believe we are forced to do that, even though it to some extent interferes with the freedom of movement of the stock, because the very thing we are trying to do is to keep this stock from getting into the hands of foreign holders. If you permit it to be hypothecated without a registration of it, it might speedily be hypothecated to some foreign shipping corporation, and in that way the control would pass from us. I know of no way to avoid that without interposing some sort of an obstacle, which we might like to avoid if we could do it, and still keep the corporation securely within the United States.

Mr. KING. I appreciate the point my distinguished friend is making, but it seems to me that it is going to interfere with the usual course of business and make it very difficult at times for individuals to obtain a loan speedily. It occurs to me that a provision might be attached to the bill, or the amendment of the Senator might be so modified as that where notice was given to the Shipping Board that stock had been pledged for a loan, that would accomplish the purpose.

I am in entire sympathy with the position the Senator takes, and his desire to restrict the sale of this stock to foreigners, and yet I believe that his amendment will interfere materially with business operations and prove quite embarrassing to those who own the stock and who will be compelled to utilize it in their business for the purpose of securing loans. However, I shall not object to the amendment offered by the Senator.

I ask the chairman of the committee a question, in view of the statement just made by the Senator from New Jersey [Mr. EDGE] and the acquiescence in that statement by the Senator, although the RECORD does not show his acquiescence. The Senator from New Jersey stated that under the provisions of the bill if one share of stock passed into the hands of an alien, no matter by what process that ownership was obtained, automatically the corporation would cease to be permitted to enjoy the benefits of the bill, even though that transfer were made against the wish of all the rest of the stockholders and of the board of directors of the corporation.

Mr. JONES of Washington. I think the situation would be met by the amendment of the Senator from Missouri, because it is provided by that amendment that the sale, transfer, and so on, shall not be valid until it is recorded with the Shipping Board. So that would prevent a fraudulent passing of a share of stock. The language of the section is that—

A corporation shall not be deemed to be so owned by citizens of the United States (a) if the title to all of its stock and other securities is not vested in such citizens, free from any trust or fiduciary obligation—

And so forth.

Mr. KING. Let me make this inquiry of the Senator: Suppose stock, by devolution upon the death of the owner, passes to some alien as an heir. What occurs then? Does the corporation, pending the settlement of the estate, cease to have the benefits of this act? Is it to be outlawed and penalized?

Mr. JONES of Washington. I think it would be under this act.

Mr. KING. It seems to me that that would be unfortunate. Suppose some citizen of the United States dies who owns a share of stock in a corporation, and his son, or daughter, or some other heir, is an alien——

Mr. McCORMICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Illinois?

Mr. KING. I yield.

Mr. McCORMICK. Let me ask the Senator if that problem can not be met very easily by amendment? The Senator knows that under the laws of some of the States certain kinds of property may not be owned by aliens, and that in the event of the death of an owner and inheritance by an alien a period is fixed by law within which the alien heir must dispose of the ownership of the inherited property.

Mr. KING. I am directing attention to the provision because in legislation heretofore enacted that question received attention, and, as I recall, there was some provision that the stock must be disposed of within a certain time. It does seem to me that it is too severe a penalty to visit upon a corporation to deny it the benefits of this act simply because some man dies and he happens to have a relative who is his heir residing in some other country.

Mr. EDGE. Will the Senator yield?

Mr. KING. I yield to the Senator from New Jersey.

Mr. EDGE. I again draw attention to the fact that it was just to meet such a possible situation, where a corporation, the management, the officers, and directors would be absolutely helpless, that I suggested an amendment to reduce the necessary amount of stock to be owned by American citizens to 90 per cent. That is purely an arbitrary figure, but it is to admit of some little leeway so the law would not be continually violated even innocently.

The benefits of the act, I think, are such that if a corporation were engaged in coastwise trade and its vessels carrying freight and passengers to American ports, as provided under the coastwise laws and this act, would suddenly have their stock pass into the hands of an alien in some way or other, and if anyone desired to start proceedings, they would automatically have to give up their service under a strict interpretation of the act. I do not see any real gain in passing that type of legislation.

Mr. JONES of Washington. I will say to the Senator from Utah and the Senator from New Jersey that their suggestions will be given very careful consideration in conference. If the Senator from Utah can in the meantime frame some provision that will meet the situation, I shall be very glad to have it presented, and the vote can be reconsidered.

Mr. KING. With that understanding, I have no objection to the amendment being agreed to. I shall prepare an amendment during the interim and submit it to the Senator tomorrow.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri to the amendment of the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is now on agreeing to the committee amendment, inserting section 41 as amended.

The amendment as amended was agreed to.

Mr. REED. Mr. President, a parliamentary inquiry. It has been suggested that an amendment be prepared to this section by the Senator from Utah [Mr. KING] covering the question we have just been discussing. If we agree to the amendment now a further amendment would be precluded.

Mr. JONES of Washington. I have just stated that if the Senator from Utah would prepare an amendment covering the provision he would like to have inserted, I would be glad to reconsider the amendment.

Mr. REED. Very well.

The next amendment was, on page 55, line 21, to change the number of the section from "13" to "42," and in line 22, after the word "act," to change the date "1919" to "1920," so as to make the section read:

SEC. 42. That this act may be cited as the merchant marine act, 1920.

The amendment was agreed to.

Mr. JONES of Washington. I have one more amendment to present. It is to take care of the hiatus that was suggested by the Senator from Colorado [Mr. THOMAS] with reference to the board. I think it would be well to have that cared for.

The PRESIDING OFFICER. The proposed amendment will be stated.

The READING CLERK. Add a new section, as follows:

SEC. —. That the present members of the board shall continue as such until their successors, provided for in this act, shall be appointed and qualified.

The amendment was agreed to.

Mr. JONES of Washington. That completes the amendments of the committee to the bill, except those that were passed over. I shall not ask the Senate to consider the bill further to-day.

RECESS.

Mr. LODGE. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate took a recess until to-morrow, Saturday, May 15, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

FRIDAY, *May 14, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou Great Creator and Dispenser of every good, our Father in heaven, help us to prove ourselves worthy recipients by conforming our lives to what we know to be right in the eternal fitness of things; confirmed by the still small voice and the revelation of the heart of Christ, by His teachings, incomparable character, and sublime death on Calvary; that we may hallow Thy name and grow day by day into the likeness of our Maker. In the spirit of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEAVE TO ADDRESS THE HOUSE.

Mr. GARNER. Mr. Speaker, I would like to make a request for unanimous consent.

Mr. KELLEY of Michigan. For what?

Mr. GARNER. That the gentleman from South Carolina [Mr. BYRNES] may have 20 minutes in which to address the House.

Mr. KELLEY of Michigan. Of course, I like to be accommodating, as the gentleman knows, but I would like to go ahead with the business of the House.

Mr. GARNER. Mr. Speaker, I ask unanimous consent that immediately following the disposition of the conference report called up by the gentleman from Michigan [Mr. KELLEY] that the gentleman from South Carolina [Mr. BYRNES] be permitted to address the House for 20 minutes.

The SPEAKER. The gentleman from Texas [Mr. GARNER] asks unanimous consent that immediately following the calling up of the conference report the gentleman from South Carolina [Mr. BYRNES] have leave to address the House for 20 minutes. Is there objection?

Mr. SELLS. Reserving the right to object, this is pension day in the House, and there are two bills on the calendar which the Committee on Pensions and the Committee on Invalid Pensions expect to call up. Could it not be arranged that the gentleman's speech be deferred until after the consideration of those bills?

Mr. GARNER. There is no danger of the gentleman's bills not being passed.

Mr. SELLS. No; and I do not anticipate that there is any danger that the gentleman will not be permitted to speak.

Mr. GARNER. If we stayed here until we passed the pension bills everybody would go home, and nobody would hear the gentleman from South Carolina. Nobody is going to stay here and consider pension bills, because there is no opposition. So I thought you could defer that matter until the gentleman had made his speech, and then gentlemen could go home and you could pass your pension bills. [Laughter.]

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. GARNER].

Mr. SELLS. I withdraw my objection.

The SPEAKER. The Chair hears no objection.

REREFERENCE OF BILL.

The SPEAKER. The bill S. 2977, an act to amend section 8 of an act to provide for the sale of desert lands in certain States and Territories, and so forth, is on the House Calendar, and the Chair, without objection, will refer it to the Union Calendar.

There was no objection.

EXTENSION OF REMARKS.

Mr. OSBORNE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Fuller Civil War pension act, and I also wish to incorporate in my remarks the act itself and the instructions to the Pension Bureau.

The SPEAKER. The gentleman from California [Mr. OSBORNE] asks unanimous consent to extend his remarks in the RECORD on the Fuller pension bill and incorporate in the remarks the bill itself. Is there objection? [After a pause.] The Chair hears none.

Mr. HARRELD. Mr. Speaker, I ask unanimous consent to print in the RECORD an editorial appearing in the New York Times of May 10 headed, "Save the Postal Service."

The SPEAKER. The Chair did not recognize the gentleman for that purpose.

EFFICIENCY OF PERSONNEL OF THE NAVY—CONFERENCE REPORT.

Mr. KELLEY of Michigan. Mr. Speaker, I call up the conference report on the bill H. R. 11927, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Michigan [Mr. KELLEY] calls up the conference report on the bill H. R. 11927, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 11927) to increase the efficiency of the personnel of the Navy and Coast Guard through the temporary provision of bonuses or increased compensation.

Mr. KELLEY of Michigan. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The statement was read.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11927) to increase the efficiency of the personnel of the Navy

and Coast Guard through the temporary provision of bonuses or increased compensation, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"That, commencing January 1, 1920, commissioned officers of the Army, Navy, Marine Corps, and Public Health Service shall be paid, in addition to all pay and allowances now allowed by law, increases at rates per annum as follows: Colonels in the Army and Marine Corps, captains in the Navy, and assistant surgeons general in the Public Health Service, $600; lieutenant colonels in the Army and Marine Corps, commanders in the Navy, and senior surgeons in the Public Health Service, $600; majors in the Army and Marine Corps, lieutenant commanders in the Navy, and surgeons in the Public Health Service, $840; captains in the Army and Marine Corps, lieutenants in the Navy, and passed assistant surgeons in the Public Health Service, $720; first lieutenants in the Army and Marine Corps, lieutenants (junior grade), acting assistant surgeons and acting assistant dental surgeons in the Navy, and assistant surgeons in the Public Health Service, $600; second lieutenants in the Army and Marine Corps, and ensigns in the Navy, $420: *Provided*, That contract surgeons of the Army serving full time shall receive the pay of a second lieutenant.

"SEC. 2. That the right and benefits prescribed under the act of April 16, 1918, granting commutation of quarters, heat, and light during the present emergency to officers of the Army on duty in the field are hereby continued and made effective until June 30, 1922, and shall apply equally to officers of the Navy, Marine Corps, Coast Guard, and Public Health Service: *Provided*, That such rights and benefits as are prescribed for officers shall apply equally for enlisted men now entitled by regulations to quarters or to commutation therefor.

"SEC. 3. That, commencing January 1, 1920, warrant officers of the Navy shall be paid, in addition to all pay and allowances now allowed by law, an increase at the rate of $240 per annum.

"SEC. 4. That, commencing January 1, 1920, the pay of all enlisted men of the Army and Marine Corps and of members of the female Nurse Corps of the Army and Navy is hereby increased 20 per centum: *Provided*, That such increase shall not apply to enlisted men whose initial pay, if it has already been permanently increased since April 6, 1917, is now less than $33 per month.

"SEC. 5. That all noncommissioned officers of the Army of grade of color sergeant and above as fixed by existing Army Regulations and noncommissioned officers of the Marine Corps of corresponding grades shall be entitled to one ration or commutation therefor in addition to that to which they are now entitled. The commutation value shall be determined by the President on July 1 of each fiscal year, and for the current fiscal year the value shall be computed on the basis of 55 cents per ration: *Provided*, That Army field clerks and field clerks Quartermaster Corps, whose total pay and allowances do not exceed $2,500 per annum, shall be paid an increase at the rate of $240 per annum: *Provided further*, That such Army field clerks and field clerks Quartermaster Corps, whose total pay and allowances exceed $2,500 but do not exceed $2,740 per annum, shall be paid such additional amount as will make their total pay and allowances not to exceed $2,740 per annum: *Provided further*, That this section shall not be construed to reduce the pay and allowances of any Army field clerk or field clerk Quartermaster Corps.

"SEC. 6. That, commencing January 1, 1920, the following shall be the rate of base pay for each enlisted rating: Chief petty officers with acting appointments, $99 per month; chief petty officers with permanent appointments and mates, $126 per month; petty officers, first class, $84 per month; petty officers, second class, $72 per month; petty officers, third class, $60 per month; nonrated men, first class, $54 per month; nonrated men, second class, $48 per month; nonrated men, third class, $33 per month: *Provided*, That the base pay of firemen, first class, shall be $60 per month; firemen, second class, $54 per month; firemen, third class, $48 per month: *Provided further*, That the rate of base pay for each rating in the Naval Academy Band shall be as follows: Second leader, with acting appointment, $99 per month, with permanent appointment, $126 per month; drum major, $84 per month; musicians, first class, $72 per month; musicians, second class, $60 per month: *Provided further*, That the base pay of cabin stewards and cabin cooks shall be $84 per month; wardroom stewards and wardroom cooks, $72 per month; steerage stewards and steerage cooks, $72 per month; warrant officers' stewards and warrant officers' cooks, $60 per month; mess attendants, first class, $42 per month; mess attendants, second class, $36 per month; mess attendants, third class, $33 per month: *Provided further*, That the retainer pay of those members of the Fleet Naval Reserve who, pursuant to call, shall return to active duty within one month after the approval of this act and shall continue on active duty until the Navy shall have been recruited up to its permanent authorized strength, or until the number in the grade to which they may be assigned is filled, but not beyond June 30, 1922, shall be computed upon the base pay they are receiving when retransferred to inactive duty, plus the additions or increases prescribed in the naval appropriation act approved August 29, 1916, for members of the Fleet Naval Reserve: *Provided further*, That the rates of base pay herein fixed shall not be further increased 10 per cent as authorized by an act approved May 13, 1908, nor by the temporary war increases as authorized by section 15 of the act approved May 22, 1917, as amended by the act approved July 11, 1919.

"SEC. 7. That the Secretary of the Navy is authorized, in his discretion, to readjust the prevailing rates of pay of civilian professors and instructors at the United States Naval Academy: *Provided*, That said readjustment, which shall be effective from January 1, 1920, shall not involve an additional expenditure in excess of $55,000 for the remainder of the current fiscal year.

"SEC. 8. That commissioned officers, warrant officers, petty officers, and other enlisted men of the Coast Guard shall receive the same pay, allowances, and increases as now are, herein are, or hereafter may be prescribed for corresponding grades or ratings and length of service in the Navy; and the grades and ratings of warrant officers, chief petty officers, petty officers and other enlisted persons in the Coast Guard shall be the same as in the Navy, in so far as the duties of the Coast Guard may require, with the continuance, in the Coast Guard, of the grade of surfman, whose base pay shall be $70 per month: *Provided*, That the senior district superintendent, the three district superintendents next in order of seniority, the four district superintendents next below these three in order of seniority, and the junior five district superintendents shall have the rank, pay, and allowances of captain, first lieutenant, second lieutenant, and third lieutenant in the Coast Guard, respectively.

"SEC. 9. That nothing contained in this act shall be construed as granting any back pay or allowances to any officer or enlisted man whose active service shall have terminated subsequent to December 31, 1919, and prior to the approval of this act, unless such officers or enlisted men shall have been recalled to active service or shall have been reenlisted prior to the approval of this act.

"SEC. 10. That any enlisted man or apprentice seaman who shall reenlist in the Navy within one year from the date of his discharge therefrom shall, upon such reenlistment, be entitled to and shall receive the same benefits as are now authorized by law for reenlistment within four months from date of last discharge from the service: *Provided*, That this section shall become inoperative six months after the date of the approval of this act.

"SEC. 11. That in lieu of compensation now prescribed by law, commissioned officers of the Coast and Geodetic Survey shall receive the same pay and allowances as now are or hereafter may be prescribed for officers of the Navy with whom they hold relative rank as prescribed in the act of May 22, 1917, entitled 'An act to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes,' including longevity; and all laws relating to the retirement of commissioned officers of the Navy shall hereafter apply to commissioned officers of the Coast and Geodetic Survey: *Provided*, That hereafter longevity pay for officers in the Army, Navy, Marine Corps, Coast Guard, Public Health Service, and Coast and Geodetic Survey shall be based on the total of all service in any or all of said services.

"SEC 12. That hereafter when any commissioned officer, noncommissioned officer of the grade of color sergeant and above, including any noncommissioned officer of the Marine Corps of corresponding grade, warrant officer, chief petty officer, or petty officer (first class), having a wife or dependent child or children, is ordered to make a permanent change of station, the United States shall furnish transportation in kind from funds appropriated for the transportation of the Army, the Navy, the Marine Corps, the Coast Guard, the Coast and Geodetic Survey, and the Public Health Service to his new station for the wife and dependent child or children: *Provided*, That for persons in the naval service the term 'permanent station,' as used in this section, shall be interpreted to mean a shore station or the home yard of the vessel to which the person concerned may be ordered; and a duly authorized change in home yard or home port of such vessel shall be deemed a change of station: *Provided further*, That if the cost of such transportation exceeds

that for transportation from the old to the new station the excess cost shall be paid to the United States by the officer concerned: *Provided further*, That transportation supplied the wife or dependent child or children of such officer, to or from stations beyond the continental limits of the United States, shall not be other than by Government transport, if such transportation is available: *And provided further*, That the personnel of the Navy shall have the benefit of all existing laws applying to the Army and the Marine Corps for the transportation of household effects.

"SEC. 13. That the provisions of sections 1, 3, 4, 5, and 6 of this act shall remain effective until the close of the fiscal year ending June 30, 1922, unless sooner amended or repealed: *Provided*, That the rates of pay prescribed in sections 4 and 6 hereof shall be the rates of pay during the current enlistment of all men in active service on the date of the approval of this act, and for those who enlist, reenlist, or extend their enlistments prior to July 1, 1922, for the term of such enlistment, reenlistment, or extended enlistment: *Provided further*, That the increases provided in this act shall not enter into the computation of the retired pay of officers or enlisted men who may be retired prior to July 1, 1922: *And provided further*, That a special committee, to be composed of five Members of the Senate, to be appointed by the Vice President, and five Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives, shall make an investigation and report recommendations to their respective Houses not later than the first Monday in January, 1922, relative to the readjustment of the pay and allowances of the commissioned and enlisted personnel of the several services herein mentioned.

"SEC. 14. That nothing contained in this act shall operate to reduce the pay or allowances of any officer or enlisted man on the active or retired list: *Provided*, That the allowances and gratuities now authorized by existing law are not changed hereby, except as otherwise specified in this act.

"SEC. 15. That the appropriations 'Pay of the Navy, 1920,' and 'Pay, Marine Corps, 1920,' are hereby made available for any of the expenses authorized by this act, and any part or all of the appropriations 'Provisions, Navy, 1920,' and 'Maintenance, Quartermaster's Department, Marine Corps, 1920,' not required for the objects of expenditure specified in said appropriations, may be transferred to the appropriations 'Pay of the Navy, 1920,' or 'Pay, Marine Corps, 1920,' respectively, as may be required."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

THOMAS S. BUTLER,
PATRICK H. KELLEY,
FRED A. BRITTEN,
L. P. PADGETT,
D. J. RIORDAN,
Managers on the part of the House.

C. S. PAGE,
JOHN WALTER SMITH,
HENRY W. KEYES,
J. W. WADSWORTH, Jr.,
GEO. E. CHAMBERLAIN,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11927) to increase the efficiency of the personnel of the Navy and Coast Guard through the temporary provision of bonuses or increased compensation submit the following statement explaining the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report, namely:

The sections agreed upon in lieu of the matter proposed by the Senate amendment retain practically verbatim all of the provisions of the bill H. R. 11927 as it originally passed the House, and in addition embody many of the features of the Senate amendment in more or less altered form. The bill as agreed upon places all of the military or quasi military services of the Government on a similar basis as regards rates of pay, and provides relief for all of them by way of temporary specific increases in compensation, retroactive to January 1, 1920, and effective until June 30, 1922, with a further provision for an investigation of the entire subject of the pay and allowances of the personnel of these services, looking toward a complete readjustment thereof within the period named.

Section 1 of the bill as agreed upon provides specific increases in the pay of commissioned officers of the Army, Navy, Marine Corps, and Public Health Service in lieu of the various pay increases for officers proposed in the Senate amendment, as follows:

Army and Marine Corps.	Navy.	Public Health Service.	Increase as carried in bill.
Colonels	Captains	Assistant surgeons general.	$600
Lieutenant colonels	Commanders	Senior surgeons	600
Majors	Lieutenant commanders.	Surgeons	840
Captains	Lieutenants	Passed assistant surgeons.	720
First lieutenants	Lieutenants (j.g.) and acting assistant surgeons.	Assistant surgeons	600
Second lieutenants	Ensigns		420

A proviso places contract surgeons serving full time on a parity, in pay, with second lieutenants.

Section 2 is substantially the same as section 7 of the Senate amendment; and extends temporarily until June 30, 1922, the benefits prescribed under the act of April 16, 1918, granting commutation of quarters, heat, and light during the war emergency to officers in the field or at sea having dependents.

Section 3 is taken from section 1 of the original bill, H. R. 11927. It relates to the pay of warrant officers of the Navy, and provides for them a specific increase of $240 per annum.

Section 4 is based on the last clause of section 1 of the Senate amendment, and relates to the pay of enlisted men of the Army and Marine Corps and members of the female Nurse Corps of the Army and Navy. It provides an increase of 20 per cent in the pay of those receiving $33 per month or more.

Section 5 is taken from section 3 of the Senate amendment. It provides increased compensation, by way of an additional ration or commutation thereof, for the higher grade noncommissioned officers of the Army and Marine Corps, and has the effect of making their total pay fairly equivalent to that of petty officers of the Navy of similar grade. It also contains a provision allowing to Army field clerks and to field clerks Quartermaster Corps, whose total pay and allowances do not exceed $2,500 per year, a specific increase of $240 per annum.

Section 6 is the same as section 2 of the original bill, H. R. 11927, with minor changes in phraseology. It provides increased compensation and fixes the scales of pay as well for the enlisted men and petty officers of the Navy.

Section 7 is precisely the same as section 3 of the original bill, H. R. 11927, and relates to the pay of civilian professors and instructors at the United States Naval Academy.

Section 8 is the same as section 4 of the original bill, H. R. 11927, as modified in section 2 of the Senate amendment. It places the officers and men of the Coast Guard on a parity, so far as concerns pay and allowances, with officers and men of corresponding grades or ratings and length of service in the Navy.

Section 9 is substantially the same as section 5 of the original bill, H. R. 11927, and provides that no back pay shall be granted to any person who shall have left the service after December 31, 1919, and prior to approval of this act, unless recalled to active service or reenlisted.

Section 10 is substantially the same as section 6 of the original bill, H. R. 11927. It relates to the payment of an amount equal to four months' pay and extends the benefits of continuous service to discharged naval seamen who reenlist within one year after their discharge. The provision becomes inoperative six months after approval of the act.

Section 11 is substantially the same as section 5 of the Senate amendment. It provides that the commissioned officers of the Coast and Geodetic Survey, a highly technical and specialized service, shall receive the same pay and allowances as are prescribed for officers of the Navy, with whom they hold relative rank, as prescribed in the act of May 22, 1917. It also contains a proviso placing all the services on an equality in the matter of computation of longevity or service pay.

Section 12 is substantially the same as section 6 of the Senate amendment, with some modifications and added provisions. It permits transportation in kind to be furnished for the wife and dependent children of commissioned, noncommissioned, warrant, or petty officers when they are ordered to make a permanent change of station, and provides further that the personnel of the Navy shall have the benefit of existing laws applying to the Army and Marine Corps for the transportation of household effects.

Section 13 is based on section 7 of the original bill, H. R. 11927, with amendments. It provides that the increases in pay

specified in the act shall be effective until June 30, 1922, but shall not enter into the computation of retired pay; and a further proviso relates to the appointment of a joint special committee to investigate and to report to Congress by January, 1922, the question of readjustments in the pay and allowances of the personnel of all the services.

Section 14 is substantially the same as section 9 of the original bill, H. R. 11927, and provides that nothing in the act shall operate to reduce the pay or allowances of any officer or enlisted man.

Section 15 is practically the same as section 8 of the original bill, H. R. 11927. It makes existing naval and Marine Corps appropriations available for the payment of any expenses authorized by the act during the current fiscal year.

On amendment of the Senate to the title of the bill: This amendment in title is agreed to, since it more aptly describes the scope of the legislation as amended and agreed to.

THOMAS S. BUTLER,
PATRICK H. KELLEY,
FRED A. BRITTEN,
L. P. PADGETT,
D. J. RIORDAN,
Managers on the part of the House.

Mr. KELLEY of Michigan. Mr. Speaker, I have not any desire to occupy the time of the House unless there is some objection to the report.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

On motion of Mr. PADGETT, a motion to reconsider the vote by which the conference report was agreed to was laid on the table.

Mr. BRITTEN. Mr. Speaker, in 1923 the American Navy will be superior to the British Navy in first-line battleships by from 26½ to 40 per cent and will be capable of defeating the navies of any three nations combined, excepting Great Britain.

We will have 26.5 per cent more actual dreadnaught tonnage than Great Britain, with tremendous superiority in large guns and more modern ships, and the supremacy of the seas will once more rest with America, provided Congress will immediately enact legislation that will give a living wage for enlisted and commissioned personnel.

With officers and men dissatisfied and disheartened, with skeleton crews, with few ships in full commission, with the desertion of practically 5,000 men during the past six months, the finest and most destructive engines of naval warfare will soon become mere masses of cold steel, of little fighting value, and all because of the niggardly salaries prescribed for men who by law are compelled to stay in the military service or who disregard the shame of a destroyed character record besmirched with the charge of desertion from what ought to be the most noble service in the gift of the Government.

Underpaid officers and men mean unhappy ships, and unhappy ships mean desertions, inefficiency, and a second-class Navy in offensive and defensive warfare, despite superiority in steel tonnage.

The average age of an ensign is 24½ years, yet 21 per cent of the ensigns in the Navy are married.

The average age of lieutenants, junior grade, is 27 years and 48 per cent of them are married.

The average age of lieutenants is 31.7 years, with 68 per cent married.

The average age of lieutenant commander is 37 years, with 83 per cent married.

The average age of commander is 44 years, with 90 per cent married.

The average age of captain is 52 years, with 90 per cent married.

The conference report now before the House provides for the appointment of a committee which will report to Congress on the first Monday of January, 1921, with a complete reclassification of grades and pay for officers and men in all branches of the military service of the Government, and I am in hopes that this committee will see the wisdom of further increases in pay, not only for those men in active service, but for those who have given the best part of their lives to the service and are now on the retired list, either because of old age or because of disability incurred in the line of duty.

Mr. Speaker, the high cost of living has hit the retired officer and his family just as seriously as it has those in the active service, and just why the suggestion of economy should eliminate the retired patriots from participation in this really emergency measure is something hard to explain and quite unnatural.

I thoroughly approve of the economy which is being practiced by the Republican steering committee of the House, and I have taken much pleasure in assisting in this direction in every way possible, but economy and justice must go hand in hand together, otherwise there will be a serious disruption of governmental affairs which will not be easily remedied and which will incur the displeasure of the country, to the detriment of those whose honesty of purpose may be destroyed by poor judgment, and it is for this reason that I have steadfastly maintained that officers and men whose salaries have not been raised for 13 years should now be dealt with in no parsimonious manner, and that from the highest to the lowest should be made proud of the service which most of them have selected as a life's work.

I will not in all probability be a member of the committee for the reclassification of grades and pay, but I am quite certain that Congress and the people of the country generally do not desire the military service of the Government to be composed of men who must apologize for themselves or for the appearance of their families, and I shall therefore do everything in my power to bring about such increases in their pay as will make for happy ships, as well as happy homes, and until this has been accomplished the American Navy will not be a success.

Mr. Speaker, the Army and Navy are to-day in a very sad way because of disastrous shortage of officers and men, while good, experienced, able men are quitting the services, not because they want to but because they can not exist on the pay the Government allows them.

Young men are refusing to join either branch of the service because the men already in are dissatisfied and dropping out as fast as their enlistments expire.

Men whom the Government trained as specialists, on whom it depends to solve technical problems, men who were destined to spend all their lives in the Army or the Navy, and who with these careers in view were educated at Government expense at West Point and Annapolis, are abandoning their professions because the United States will not give them a living wage.

Retirements, honorable discharges, and desertions are destroying the instruments of national self-defense at a period in the world's history when America has forged to the front as the world's financial, industrial, political, social, and peaceful center.

Mr. Speaker, I am sure that every Member of the House knows the editorial sentiment of the metropolitan press of the country from San Francisco to New York and from the Canadian line to the Gulf.

In a smashing editorial on October 28 of last year the Chicago Tribune referred to the "pinch-penny policy" of the Government as being destructive of both branches of the military service, as being wasteful, dishonest, parsimonious, and without justice toward men who spend their lives in the maintenance of our defense, and whom we expect to be the first to lay down their lives for our national honor and safety.

The editorial follows:

PINCH-PENNY POLICY.

Public opinion should give prompt and effective support to the proposals for increasing the pay of Navy and Army officers. An ensign in the Navy or second lieutenant in the Army gets $1,700 a year. Each has had four years of drastic professional training. A lieutenant, junior grade, Navy, first lieutenant, Army, gets $2,000. A lieutenant in the Navy, captain in the Army, gets $2,400. A lieutenant commander, Navy, major, Army, $3,000. A commander, Navy, lieutenant colonel, Army, $3,500. A captain, Navy, colonel, Army, $4,000. Rear admiral or commodore (lower half) Navy, brigadier general, Army, $6,000. Rear admiral (upper half), Navy, major general, Army, $8,000. Vice admiral, second in command of fleet, Navy, lieutenant general, Army, $9,000. Admiral commanding fleet, Navy, general, Army, $10,000.

Some increases are allowed for years of service. But the above sets forth sufficiently the scale of pay upon which our Government compensates (?) men who are expected to possess exacting professional acquirements and to display in our defense in times of national peril the highest qualities of character.

The policy we follow is the nadir of stupidity. Its inevitable effects are just now especially apparent. We are losing from the service much of the best material brought out by the war. While plumbers and carpenters are having their wages jumped and the cost of living has gone sky-high, many of the most spirited and intelligent of our officers' corps are leaving or planning on leaving the service because the pressure is too great. Those who remain are either those who lack initiative or are unable to make the change for one reason or another, or are able to stay because of private means, or are exceptionally willing to make heavy personal sacrifice to remain in the service of a country which seems to be willing to exploit patriotism.

This is not economy. It is waste. It is not honest. It is parsimony and injustice. We have just had demonstration of what the defense of the Nation means in intelligent effort and sacrifice. We ought to feel now, above all things, our duty to provide decently for the men who spend their lives in the maintenance of our defense, and whom we expect to be the first to lay down their lives for our national honor and safety.

On April 6 of this year the Chicago Tribune, in another characteristic editorial, "Pay for the officers," says that failure to give Army officers a decent remuneration will drive those officers out of the service, and without competent officers the

Army must dwindle to insignificance. The editorial correctly states that Army officers are quitting the service by hundreds because they lack the common necessities of life, and that failure to maintain them properly is a waste of Government energy. It says further, "We are living in the shadow of the greatest war of all times. Shall we throw away our defenses?" The editorial follows:

PAY FOR THE OFFICERS.

That lamentable lack of prescience which sends men into war without arms and information of the dangers to be met with is maneuvering in Congress to increase the pay of naval officers only.

Those who favor increases only for the Navy are our old friends the "springers to arms." They are perfectly well aware that the failure to give the Army officers a decent remuneration will drive those officers out of the service. They are perfectly well aware that without competent officers the Army must dwindle to insignificance. They must be aware that with only a feeble gesture posing as the military strength of a great Nation we shall be in a miserable posture of defense.

Pay the naval officers, who justly are the first line of defense. But pay also the Army officers, who must keep everlastingly on the alert to maintain the framework upon which in times of stress we must construct our civilian armies.

March 21 ought to be a date well fixed in the minds of those who ignore defense. They may take good advice out of reading now of what happened to the British Army on the Somme on March 21, 1918. The British were bold and tenacious. But they lacked skill. The tens of thousands of British who fell before the German advance of March, 1918, ought to remind us that defense is of two parts—preparation and accomplishment.

Skill is the one thing which reposes in the trained minds of the Regular officers. They are quitting the Army by hundreds because they lack common necessities. They have been schooled and trained for the Government defense. The failure to maintain them properly is a waste of Government energy.

This is a dangerous period in international history. Revolt and warfare have not been abolished. We are living in the shadow of the greatest war of all times. Shall we throw away our defenses?

Mr. Speaker, on March 22 of this year the Chicago Herald-Examiner declared its approval of pay increases for the Army and the Navy in a "No pay—no Navy" editorial, and, after calling attention to an 84 per cent increase in the cost of living since the present rate of pay has been in effect, it says, "No wonder the Regular officer patches his own uniform."

This editorial very properly says, "In times of peace a man with brains and executive ability will not go into a service which will not pay him enough to live on. In time of war he will. Then idealism controls." Those are true words, Mr. Speaker. The editorial follows:

NO PAY, NO NAVY.

Something over 1,300 naval officers have either resigned or applied for discharge since the war. The Navy is at present short approximately 40 per cent of the officers and men allowed it by Congress. A destroyer placed in commission this month should have had 8 officers and 120 men. She had 3 officers and 1 man.

The situation in the Army is similar. The present pay bill is of the vintage of 1908. The cost of living has increased in the 12 years about 84 per cent, according to the statistical report presented to Congress. No wonder the Regular officer patches his own uniform!

The Senate bill, known as the Wadsworth-Kelley bill, is a combination of two suggestions, one to increase the pay of enlisted men in the Navy, the other to increase the pay of officers not only in the Navy but also in the Army and allied services, such as the Marine Corps and the Nurses' Corps.

The bill calls for an increase in officers' pay not of 84 per cent but of 30 per cent. The total increase is $60,000,000. In other words, the chairman of the steering committee prefers saving $60,000,000 to saving the Navy.

For that is about what it amounts to. A good naval or Army officer takes a heavy responsibility. He has to have brains and executive ability. But in times of peace a man with brains and executive ability will not go into a service which will not pay him enough to live on.

In time of war he will. Then idealism controls.

But anybody who expects a man who can go into the open market and sell his ability for a dollar to take 50 cents and a pat on the back is strangely lacking in common sense. At the present rate of pay, the roster of the Navy will rapidly come to look like a directory of Leadville—lots of names, but nobody there now.

The House should pass the Wadsworth-Kelley bill; and the Representative who does not use his influence with the economical MONDELL to get a chance to pass it is in a fair way to need an extra secretary to explain the matter to his constituents.

On March 22 of this year the Chicago Daily Journal evidenced its feelings for the national defense when it said that thousands would quit the service unless the pay was quickly raised, and its editorial, "Pay for our officers," finishes with "Congress is paltering with the national safety when it holds up the increased pay bill." A very sensible conclusion. The editorial follows:

PAY FOR OUR OFFICERS.

The American people need an efficient Army. They can get such an Army only by maintaining a sufficient number of properly trained officers. They can find and keep such officers only by paying adequate salaries, and the bill to provide such salaries is now tied up in a jangle between House and Senate.

Officers by thousands have quit the service because they can not live on their present stipend. Other thousands will quit unless the pay is raised, and that quickly. There is nothing mercenary about their attitude. They are willing to take part of their reward in the consciousness of duty done, but they can not care for their families without more pay. Modern industry is eager to get men with a West Point education, and unless their country will provide livable incomes in the Army they will have to heed the industrial call.

Congress is paltering with the national safety when it holds up the increased pay bill.

Under the caption "Inadequate pay in the Navy," Frank J. Sprague says in the New York Evening Post of March 9, 1920, that salaries in practically every walk of life have been increased from 25 per cent to 60 per cent while Naval and Army officers find themselves singled out for distressingly unfair treatment at the hands of Congress and their Government, while being unable to meet their current obligations. He says:

There is a limit to what men with family duties and obligations can stand, despite that Navy spirit which has made the corps unsurpassed. With a knowledge of the conditions in the service and the disheartenment now universally felt by the officers, I know that if that simple measure of justice which in common decency is due them, and which is vital to their efficiency, is not granted, many of them will undoubtedly resign, because they simply can not support their families on their present pay.

With every industry raising its rate of compensation, every marketable product doubled in value, every mechanic demanding and receiving a living wage to meet the increased cost of living, and every college and university raising the pay of its teaching staff from 25 to 60 per cent, until the pay of a professor, with all the advantages of fixed habitation and limited duties, exceeds the pay of the captain of a battleship, officers find themselves singled out for distressingly unfair treatment and simply can not meet their current obligations, many of which are inseparable from and particularly incident to their position and imposed method of living.

If this country wants and intends to have an efficient fighting force it must pay its officers and men, who necessarily suffer many personal and domestic hardships foreign to civilian life, a reasonable and just compensation. If not, it will pay a much heavier amount as the penalty for its niggardly policy.

Mr. Speaker, much has been said in and out of Congress of the so-called propaganda of officers and men in the service to promote a living wage scale, and I am therefore glad to call to the attention of the House an editorial appearing in the Sun and New York Herald of March 30, 1920, "It isn't pernicious 'propaganda' to want to clothe and feed your children," and I will take this occasion to compliment the writer of that editorial on his wisdom.

Practically everything that is done in Congress is done because of the necessity of that particular act, and necessity might well promote activity which, in turn, is labeled "propaganda," when that particular necessity does not meet with the approval of the person in authority.

There is a "propaganda" on right now for increased pay for postal employees all over the country, and no one can successfully contradict the statement that they are the poorest paid employees in the Government service, and that the Postal Service itself is practically demoralized and thoroughly inefficient because of that fact, and yet the commission "sitting" on the reclassification of salaries for that service continues to sit, and sit, and sit, while not only employees but everybody in the country interested in adequate Postal Service is clamoring for just recognition of an existing condition.

It is true that there is not only necessity but unrest in practically every walk of life at the present time, and while industrial managers are meeting the emergency halfway we in Congress are inclined to criticize our underpaid heroes when they suggest salary increases to meet actual living expenses.

The editorial follows:

IT ISN'T PERNICIOUS "PROPAGANDA" TO WANT TO CLOTHE AND FEED YOUR CHILDREN.

In the House of Representatives and in the Senate there are legislators who say officers of the Army and the Navy have been so active in urging increases in pay for themselves and their comrades that their solicitations constitute a propaganda.

Propaganda is hateful, these lawmakers declare, and therefore they are preparing to oppose, or at best not to support, bills to raise soldiers' and sailors' pay.

If there is propaganda by military and naval officers for more pay, it is propaganda which began in the departments when their civilian heads saw the services under their direction falling to pieces as the trained and expert men in them resigned by tens and scores and hundreds because they could not live on their pay.

If there is propaganda for more pay by military and naval officers, it is not propaganda set going and maintained by the expenditure of money to attain a desired end; it is propaganda which began when military and naval officers found themselves not able to pay their bills, not able to buy the clothing their wives and their babies needed, not able to get the food their dependents wanted and ought to have.

If there is propaganda for more pay by military and naval officers, it is not financed and maintained by rich men to enforce a laudable but unpopular reform. It is propaganda which has not the money to put page advertisements in the newspapers or to sow circular letters broadcast. It is propaganda which is maintained by the personal labor of proud men who have been compelled by actual poverty to bare to the world their desperate plight.

When the word propaganda is used the hearer visualizes well-fed, well-clothed, well-paid agents skilled in the arts of persuasion, professionally keen to accomplish their object, but in many cases personally without interest in it and lacking conviction concerning it.

If anybody in Washington or outside of Washington wants to put the label propaganda on the efforts of military and naval officers to get living pay for the work they do, he may do so, but it is not the propa-

ganda of paid press agents, subsidized orators, and deceived sympathizers. It is propaganda, if the word is to be used, of loyal, hard-working, efficient gentlemen who see the national services to which they devote their lives collapsing because the men in them do not get enough money to pay the butcher, the baker, the tailor. It is propaganda, if the word must be used, of men who ask only enough to live on in their country that they may perhaps win the opportunity to die for their country; of men who serve faithfully under any hardships which affect only themselves, but who do not count it part of the duty of a rich nation's servants to clothe their families in rags, to feed their wives and children half rations, and to send their sons and daughters to work when they should be in school.

Mr. Speaker, the New York Tribune of March 27, 1920, printed a letter from a naval officer's wife, in which she said that she intended to use all her influence to compel her husband to resign from the Navy and find some other position which would pay a living wage. I think this letter might reasonably be inserted in the RECORD as coming, not from one, but from the wives of a thousand naval officers. The letter follows:

FROM A NAVAL OFFICER'S WIFE.

To the EDITOR OF THE TRIBUNE.

SIR: In your paper this morning there is an article pertaining to the failure of the House steering committee to take any decisive action regarding the increase in pay for the officers and men of our military forces.

I am a naval officer's wife and we have two daughters. Since the cost of living has been steadily soaring it's been a mighty difficult task to keep our girls even decently clothed. Having them well dressed is out of the question on our meager income. As for myself, an Easter suit this year would mean one-third of our monthly salary. Now, we must maintain a certain social status and my husband's uniforms must always be immaculate. Under the existing conditions all this makes life "one darn bill after another" and is causing discontent and lack of interest among both the officers and the enlisted men.

Before long, if something is not forthcoming, our Navy will be without officers or men to man the ships. Personally, I surely intend to use all my influence to compel my husband to resign and find some other position which will pay a living wage.

Is it fair that after serving the country all through its crisis their request for an increase in pay should be tossed around like an old glove and finally consigned to the scrap heap?

A NAVAL OFFICER'S WIFE.

In an editorial on Saturday, April 17, of this year, the New York Times requests Congress to "pass the pay bill," and says that if the question of increasing the pay of the officers and men of the Army and Navy were submitted to a country-wide referendum Congress would be directed to send the amended Senate bill to the President; and a little further down the same editorial says there could be no worse economy than denying the rank and file of the Army and Navy adequate pay, enough to live on decently, and driving the brightest and most efficient officers into civil life to the detriment, impairment, and decay of both services. The editorial follows:

PASS THE PAY BILL.

If the question of increasing the pay of the officers and men of the Army and Navy were submitted to a country-wide referendum, Congress would be directed to send the amended Senate bill to the President. To hold otherwise would be to doubt the loyalty of the American people to the first line of defense, the Navy, and to the Regular Army, which won imperishable fame on so many hard-fought fields in France. The Senate bill as amended by the Kelley bill, which provided for increased pay only to the enlisted men of the Navy, would raise the rate for officers and men in both the sea and land forces, including the Marine Corps, for the Coast Guard, and the Public Health Service. * * *

There could be no worse "economy" than denying the rank and file of the Army and Navy adequate pay, enough to live on decently, and driving the brightest and most efficient officers into civil life, to the detriment, impairment, and decay of both services. Despairing of obtaining justice from Congress, several hundred officers have relinquished their posts in the Navy, and in the last six months of 1919 there were 4,666 desertions of enlisted men and petty officers. This was the testimony of Rear Admiral Thomas Washington, Chief of the Bureau of Navigation, before a Senate Naval Affairs Subcommittee.

"Literally thousands of resignations are pending," said Admiral Washington, "not one ship in the Navy is completely manned. Battleships average 70 per cent of their full complement, and some destroyers have as few as two to six men aboard. The Naval Academy can not turn out enough officers in 10 years to fill the gaps. It is an awful showing."

On February 10 Representative CRAGO, of the House Military Affairs Committee, said that since November 11, 1918, more than 2,180 officers had resigned their commissions in the Army, or one out of every five.

"The great depreciation in the purchasing power of the dollar is exerting economic pressure on the Army which is seriously depressing its morale," wrote Secretary Baker on December 23, 1919. There have since been almost four more months of demoralization. * * * Underpay the sea and land forces, deny them a square deal, and the result must be a slackening of discipline, a marked decline in efficiency, which would mean ever-growing insecurity of the country.

The Philadelphia Inquirer on March 26, 1920, editorially says that "Congress is unjust to the Army officers," and that "there is no excuse whatever for holding up the proposed increases of pay in the military and naval services," and says further, that "As a matter of fact, it is not economy but waste, to foster retirement of officers who have been trained for their work at Government expense."

The editorial which I regard as a good one, follows:

UNJUST TO THE ARMY OFFICERS.

There is no excuse whatever for the action of the House steering committee in holding up the proposed increases of pay in the military and naval services. The objection offered is to the increase in the case of Army officers alone; but the others are halted meanwhile. The unfairness of this is obvious; no plea of economy can justify it. As a matter of fact, it is not economy but waste to force the retirement of officers who have been trained for their work at Government expense.

That the increase in the cost of living has made an increase of pay necessary has been completely demonstrated. Army, Navy, Marine Corps, Public Health Service, Coast and Geodetic Survey—all are in the same boat in this respect. The services of all are vital to the national welfare. Members have made many sacrifices in the past, they have accepted cheerfully lower salaries than their abilities could have commanded in private employment; but there is a limit to their power as well as their willingness to do this. The obligation to support themselves and their families is one they can not escape.

The need of governmental economy is very great. The late Senator Aldrich once named the very large sum which could be saved yearly if the Government were operated on business principles. But the trouble with the congressional method of economizing is that it too often wastes at the tap and saves at the bunghole. It lops off necessary expenditures here and there, but lets extravagance on a large scale go on as usual.

The Washington Times, on March 18, 1920, called attention to the "serious plight of the United States Navy," in the desertions and resignations of petty officers and men, and says, "These petty officers are the instructors and leaders in every department of the ships. They are really the backbone of the service," and a little further down the editorial says, "The dangerous part of the shortage is that it is the skilled men, mostly mechanics who have left the Navy, and that it is now a notoriously known fact that hundreds of costly vessels are without crews, some with just a few men to care for them."

As a final shot at Congress, Bill Price concludes his editorial with "Don't monkey with the Navy, Congress." The editorial follows:

THE SERIOUS PLIGHT OF THE UNITED STATES NAVY.

(By Bill Price.)

The grave situation in the Navy is finally forcing leaders of Congress to the conclusion that if they do not abandon time-killing and niggardly economies the United States may be confronted with a disastrously weakened condition of the fighting force upon which the country mainly depends in the event of foreign aggression or atttack.

The trouble is due to the poor compensation paid to officers and men. So many thousands of valuable men have left the Navy that it is now a notoriously known fact that hundreds of costly vessels are without crews, some with just a few men to care for them.

The dangerous part of the shortage is that it is the skilled men, mostly mechanics, who have left the Navy. But even of the ordinary deckhands 70 per cent are boys under 20 years of age. The figures are really alarming. The Navy is to-day over 40,000 skilled men short, and the personnel is being depleted as fast as skilled men can get out and obtain positions paying two or three times as much money.

These petty officers are the instructors and leaders in every department of the ships. They are really the backbone of the service.

And why don't they stay in the Navy? A civilian machinist on shore, often less of an expert than his brother in the Navy, receives at least $6 per day, with overtime, and his work is done within eight hours.

A chief machinist's mate on shipboard, whose qualifications must be high, who is a minor officer over others, and whose daily work extends over many hours, gets approximately $2.75 per day for his first enlistment, $83 per month. After 20 years in the Navy he will get $99 per month. The most money the highest paid enlisted man can possibly send his family, whom he often fails to see for months at a time, is $70. Many chief petty officers can not send home over $40. Do you see why the Navy is being weakened? These men receive far less pay than common laborers.

The Kelley bill, which passed the House in January, carried increased pay for officers and all enlisted men. The Senate has also passed legislation along somewhat different lines. A conference of the two Houses is the necessary step to handle the matter and provide legislation to maintain the efficiency and morale of the Navy. False economy will lose the Government more in one year in deterioration of equipment and personnel than it would have to pay out in two years in increased salaries.

Don't monkey with the Navy, Congress!

Mr. Speaker, when it is generally understood that a Chicago bricklayer, carpenter, plumber, plasterer, steam fitter, or electrician earns as much money per day as the base pay of an officer in the Army, Navy, or Marine Corps who has given 15 years of the best period of his life to his chosen profession, I am sure that no one will say that the very small increases carried in the conference report are anything but just and reasonable, while at the same time being much lower than salaries paid in industrial directions where the same intelligence, efficiency, and honesty of purpose are required.

In the determination of pay for officers it should be accepted as a basic principle that every officer should receive a salary which, while insuring the fullest measure of efficient service in his exacting profession, will permit him to marry, bring up and educate a family, aid him in maintaining the offical and social position imposed upon him, and inseparable from his status, and leave a reasonable margin for unusual emergency, modest savings, and for safeguarding his family from want by suitable insurance.

In this I know that every Member of Congress will agree with me; and unless we proceed along those lines we can not hope for a Navy that, man for man and ship for ship, can lick anything afloat.

Mr. Speaker, men in all walks of life have several times been granted increased wages and salaries since 1914, to meet the

growing cost of living, but Army and Navy officers have not had even one increase over the pay fixed a dozen years ago.

While I fully appreciate the necessity of a thoroughly efficient and complete enlisted personnel, I also feel that nothing is more important to the Nation's safety than trained officers of a high standard of excellence, morale, and ambitious interests among those whose privilege and duty it is to keep our country safe in an emergency domestic or foreign in nature.

National defense is cheap at any price, yet a peculiar economy of our Government is now imperiling our defense. We have come through the war with a remarkable record of performance in spite of unpreparedness, and now the men who were largely responsible for the rapid and efficient expansion of our national arms are being allowed to drop into civil life because they can not live on the old salaries of the Army and Navy.

Mr. Speaker, it will be a serious matter when none but the sons of the rich can afford to hold commissions in the Army and Navy. This condition has long characterized the diplomatic service, to the great loss of the Nation.

Congress has been quite liberal in providing funds for the construction of a great Navy—soon to be the greatest in all the world—and it can not now be penny-wise in leaving battleships, cruisers, and destroyers with an insufficient quota of men, through unwillingness to pay fair wages; nor should the American officer suffer in his pride over being unable to support his family in a style befitting his station.

With everybody admitting that conditions are such that either salaries must be raised or standards must suffer, I am quite sure that Congress will not find any difficulty in completely justifying the salary increases provided for in the conference report now before the House.

The Atlantic Fleet has just put into New York Harbor after its winter cruise and target practice off the coast of Cuba, and, although the fleet has been away from our shores for many months, it is a curious as well as a serious fact that very few wives of commissioned officers attached to the fleet met their husbands upon their arrival at New York.

Mr. Speaker, this simple statement tells a sad story. It means that wives and children can not journey to the big city, where hotels are expensive and every form of amusement costs so much; that the pay of the officer simply can not stand the strain, and wife and family are therefore told to stay at home until the head of the house can journey to them at his own expense after he has been given permission by his superior officer to "leave ship" for a few days.

A condition of this kind certainly can not make for efficiency, and is a decidedly unfair deal for officers as well as their families, and one which would not be countenanced for a moment by Members of Congress if it applied to themselves.

The SPEAKER. The gentleman from South Carolina [Mr. BYRNES] is recognized for 20 minutes.

Mr. BYRNES of South Carolina. Mr. Speaker, when in the closing days of the last Congress the Republicans of the Senate filibustered to death the appropriation bills, their declared purpose was to force the President to call an extraordinary session of Congress in order that they might commence work upon their program of reconstruction legislation. In response to the call of the President, the Congress convened on May 19, 1919. A year has now passed and Congress, instead of enacting any legislation of a constructive nature, has devoted its time to the prosecution of a series of political investigations which for futility and extravagance are unparalleled in the history of Congress. Congress has not only wasted a year but has wasted more than a million dollars of the money of the people. Through the favor of these committees, many highly paid parasites have fastened themselves on to the pay roll of the Government, and unless the House takes some action March 4 next will find them still drawing their excessive salaries. Some of these committees have not made a report. At least one has never entered upon the specific investigation it was directed to make. The Republican leaders tell us that the Congress is to adjourn in June, and, if this is true, then the House owes it to itself and to the country to require these committees to go to work and complete their investigations before this session ends, so that there may be an end to the indefensibly extravagant expenditures. [Applause on the Democratic side.] Because of this extravagance and because of the methods pursued by these committees, I have introduced a resolution providing for the appointment of a committee to investigate the investigating committees, which, I trust, the steering committee of the Republicans will permit their Committee on Rules to consider.

In justification of the resolution I have introduced, let me call your attention to the fact that more than 50 investigations have been authorized by this Congress covering every activity of the Government during the Democratic administration. The business of every executive department of the Government has been interfered with. Witnesses have been summoned at the expense of the taxpayers from every section of the country. The Senate has conducted as many, or more, investigations than has the House. What they have cost I do not know and can not comment upon. We do know that from the House contingent fund, as far back as February, 1920, $150,000 was allotted for House investigations. Of course, this will not begin to cover the expense, and how much more we will be called upon to pay through this fund no one can estimate. This does not include the cost of printing the hearings or of franking the hearings through the mails. In every executive department hundreds of clerks have been employed in preparing data to be furnished upon the request of some of the employees of these committees, and while no accurate statement can be made, every man familiar with the situation will agree that the total expense to the Government of the investigations by the House and Senate will exceed a million dollars.

When we recall that these committees of the House were appointed to investigate the alleged extravagances in the executive departments, it is interesting, but depressing, to examine the statement of their own expenditures, which is contained in the hearings upon the second deficiency appropriation bill, page 1014.

A few instances will justify the adoption of my resolution:

The Committee on Expenditures in the War Department appointed a subcommittee on ordnance, of which Mr. GRAHAM was chairman. The investigating work of this committee has been practically controlled by a man named D. J. Bennett. This man filed an application with the Civil Service Commission in January, 1918, for the departmental service, stating that he would accept a salary of $1,000 per annum. He was appointed in the War Department and served in the equipment section until November, 1918, when he was transferred to the Quartermaster Corps as a clerk, his salary being $1,800. He made himself so obnoxious to his superior officials that when, in December, there was a reduction in personnel in that office his name was suggested for transfer to the statistical branch, which branch needed additional employees. Because his reputation had preceded him, that department at first refused to accept him, but finally agreed to give him a trial. His conduct there was such that at the end of a month they sought to transfer him, but two months elapsed before they could find a division that would take him. He was then transferred to the War Claims Board. Prying into papers with which he had no business at all, he would make notations upon them criticizing the judgment and the character of executive officers and inspectors. In some instances these files were sent to the field without knowledge of his notations and caused dissension among officials. He seemingly questioned the honesty of everybody but himself. This trait doubtless suggested his suitability for employment with the investigating committees. At any rate, he tendered his resignation one afternoon and the next morning presented at the office in which he had to that date been employed, credentials as investigator of the congressional investigating committee. He had overnight increased his compensation from the $1,800 he received in the War Department to $3,600 and expenses, paid by the committee investigating extravagance in the War Department. Since that time he has had access to every paper in the office of the War Claims Board. A desk is assigned to him and he has the privilege of commanding stenographic and clerical assistance. The official in charge of the War Claims Board told him that if in the settlement of any contract he could find where the Government could save a dollar he would be glad to be advised of it, but as the months have passed he has never once suggested that in any contract a saving could be made. Previous to his work in the department it is said that Mr. Bennett was a tinsmith, and this village tinsmith has been assigned by the House investigating committee to pass upon the settlements made by the War Department in the cancellation of contracts for leather, textiles, copper, and steel, involving millions of dollars. His opinion, based upon his business experience prior to entering the Government service, when he earned a salary of $75 per month, is presented to us and to the country in reports by the chairman of the investigating committee, Mr. GRAHAM of Illinois.

In the cancellation of leather contracts millions were involved and the department had consulted the best brains in the industry. To investigate such contracts the committee summoned as an expert investigator an employee of the Rock Island Arsenal, located in the district represented by the chairman of the committee, Mr. GRAHAM. The investigator, Mr. C. D. Worley, was employed at the Rock Island Arsenal on a machine sewing leather. For the month of August, 1919, the last month he served there, he received a compensation of $131.30. This, of course, qualified

him to pass upon the settlement of these contracts involving millions of dollars, and the committee investigating extravagance in the War Department immediately increased his compensation to $208 a month and expenses. In October, 1919, his expenses were given as $107.85, and in September as $92.45. Since that time there is no mention of what became of the investigator, but I trust that he is a grateful man and he will turn up in time for the November election.

The committee on investigation of camps was, of course, seriously handicapped, because the Military Committee, not wishing to be sidetracked in a summary manner, conducted an extensive investigation of all the camps of the country, traveling from State to State at an expense to the taxpayers of $2,500. But in order to emphasize the importance of its investigation, as compared with that of the Military Committee, the investigating committee has spent about $25,000 instead of $2,500. It was not difficult for them to make this expenditure, because you know that it is necessary to employ counsel to investigate camps. They therefore employed a Mr. Chatland, who was formerly employed by the Federal Trade Commission at a salary of $333.33 per month. The committee investigating the extravagances of the War Department paid him $1,000 per month. Of course he could not do all the legal work, so in addition to counsel they paid another gentleman for "preparing law brief."

Then there is the Ansell subcommittee. Gen. Ansell was receiving in the Judge Advocate Corps of the War Department a salary of $4,500 per year, and commutation and heat allowance of $1,000 when he resigned on July 21, 1919. On the next day he was employed by the committee investigating extravagances in the War Department at a salary of $20,000 a year and expenses, and was furnished a "secretary," who is receiving a salary at the rate of $1,500 a year.

Mr. IRELAND. Will the gentleman yield?

Mr. BYRNES of South Carolina. I regret I can not, because I have but 20 minutes and I have something else to say.

I refer to it as the Ansell subcommittee because the two Republican members constituting the majority of the committee adopted a resolution authorizing Gen. Ansell to conduct the hearings in the absence of any member of the committee, and the General has doubtless had a splendid time summoning and cross-examining officers of the service with which he was formerly connected. What I do not understand is, if the committee members will not listen to the Ansell hearings, how do they expect anybody else to read them. This committee was charged with the duty of investigating foreign expenditures.

Mr. BLAND of Indiana. Will the gentleman yield?

Mr. BYRNES of South Carolina. I will not, unless the gentleman questions the accuracy of my statement.

Mr. BLAND of Indiana. I wish to explain that the filibuster was going on on the report of this committee at that time.

Mr. BYRNES of South Carolina. The gentleman will have lots of explanations to make.

Mr. BLAND of Indiana. Will the gentleman yield there? The gentleman wants to be fair.

Mr. BYRNES of South Carolina. If you contradict the statement of fact that he has not conducted the hearings in your absence and in the absence of every other Member, I will yield. Otherwise I can not.

Mr. BLAND of Indiana. During the filibuster on the floor of this House against the report of the main committee——

Mr. BYRNES of South Carolina. Representative FLOOD, a member of this committee, states that he walked into the room where the hearings were held and saw Gen. Ansell conducting the hearing in the absence of any member of the committee. When he protested, Gen. Ansell stated he was proceeding by direction of the Republican members of the committee. Mr. FLOOD placed in the record his protest against it, and the chairman promised him it would not occur again, and on a subsequent occasion he went into the room and again found Gen. Ansell conducting the hearings in the absence of any member of the committee. [Applause on the Democratic side.] This Congress delegated to this committee the power to investigate, and they ought to know that they have not the power to delegate that power to anybody else.

To date I have noticed that they were investigating the court-martial system, the condition of the jails in Paris, the strategy of the Army in continuing to fight on armistice day, and many other interesting subjects, but I fear they will never get down to foreign expenditures before March 4 next.

But this extravagance is not confined entirely to the investigations of the War Department. The committee investigating the Shipping Board, according to the Clerk of the House, has a clerk and statistician at $700 per month. Then they have another clerk at $200 per month. I presume these clerks were needed in order to arrange for the trip the committee made to the Pacific coast in a private car. I am informed that four members made the trip and the party did not exceed eight. They had to pay $50 a day for the car, and in order to secure it had to buy 25 tickets, or pay fares for 25 persons. The dignity of the House was preserved, but I do not know what effect it had upon the officials of the department whose alleged extravagances were being investigated.

I trust the Members of the House will read the statement furnished by the Clerk of the House, and from it learn the extravagances of these committees. For instance, on page 1017 of the hearings you will find under the expenditures of "subcommittee No. 5, ordnance," the following:

Accountants.	Salaries.	Expenses.
George W. Storck, at $50:		
Aug. 20, services and expenses, 4 days	$200.00	$193.78
Aug. 18, 19, 20, 21, services and expenses, 4 days	200.00	147.79

An expense item of $193.78 for four days means $48.44 a day, which, even in these days of high cost of living, is a liberal expense account for a man investigating the extravagances of Army officers who, when away from headquarters, receive no allowance for expenses other than mileage. That the same date, August 20, is included in both items is one of the matters than can doubtless be explained satisfactorily, if the investigation I ask for is ordered.

But, Mr. Speaker, how futile have been these investigations. When the original resolution for the investigation of the War Department was considered, the chairman of the Republican congressional committee stated that the investigation would be made "to secure facts as a groundwork for needed relief legislation in the immediate future." Immediate future! Why, a year has passed, and I challenge you to point to any relief legislation that has been proposed, much less enacted into law. That this was but a hollow pretense and that their true purpose was to endeavor to secure material for the coming campaign was early evidenced by the conduct of the investigations. Oh, how hopeful you were! How you longed for a thief! Surely, you thought, out of all the thousands of Army officers who were engaged in the purchase of supplies there must be some who were guilty of fraud and whose fraud you could charge up to the Democratic administration. In anticipation of the great exposures the Republican national committee assigned to daily attend the hearings, one of the best publicity men in the country. It was his business to prepare the copy to send to the newspaper correspondents revealing the fraud and corruption of the Government of the United States. Copy was sent for a while, but it soon became so patent that the copy was but partisan political propaganda that all reputable newspapers refused to publish it, and the publicity man ceased to attend. This service of the Republican national committee was based on the theory that newspaper correspondents are busy men, have not the time to regularly attend hearings, and if you give them "copy" they will publish it, and in this way you can "put over" poison gas that would not ordinarily be accepted. It is the same policy that actuates the Republican publicity committee, of which ex-Senator Jonathan Bourne is president, and Representative MARTIN MADDEN is treasurer. This committee sends out to the press for publication a series of articles entitled "Uncle Ted's Bedtime Stories." These stories detail imaginary conversations between Uncle Ted and two children, Jack and Ruth, about governmental affairs, and always attack the President of the United States, making false statements as to his official acts. They are so worded that many reputable newspapers carried them for some time before realizing the use to which their columns were being put. I sincerely trust that the gentleman from Illinois confines his activities to the duties of treasurer and is not guilty of impersonating Uncle Ted. Inexcusable as is this method of attack upon the President, it but shows the poverty of the Republican Party, that they no longer can fool grown people, and have to resort to an effort to fool the children and even wait until bedtime, when the children are sleepy, before they attempt to fool them. [Laughter and applause on the Democratic side.]

But while the publicity man was at work the committee handed out some remarkable statements. It was an idle day that there was not an intimation of fraud discovered, and at least on one occcasion the statement was made that a number of Army officers would be criminally prosecuted. A year has passed and not a single man has been arrested; not a single

warrant has been issued; and not a single case reported to this House that would justify even a Republican politician in charging an official of the War Department with fraud.

Let us not forget those statements. On July 7, 1919, the chairman of the committee unearthed the most heinous of all crimes. He solemnly announced that the Council of National Defense was "a secret government of the United States." He said, "Behind closed doors, weeks and even months before the war, these seven men designed practically every war measure which Congress subsequently enacted. They devised the entire system of purchasing war supplies, planned a press censorship, designed a system of food control and selected Herbert Hoover as its director, and even determined on the daylight-saving scheme." And yet the money of the taxpayers is to-day being spent by other investigation committees to prove that prior to our entrance into the war no steps were taken to prepare for war. Could greater tribute be paid to any administration? Under the act of Congress the Council of Defense is a peace-time agency, not a war agency. Its duty is in time of peace to acquire and collate information which can be made immediately available for war purposes in time of war. How well these appointees of the President performed their duty is evidenced by the fact that the gentleman from Illinois says that every act they proposed was thereafter adopted by Congress, and the gentleman from Illinois [Mr. GRAHAM], I have no doubt, voted for every one of them.

And while you are engaged in trying to show that the Council of National Defense was unduly active in preparing for war, Admiral Sims charges that as a result of the failure of the Navy Department to follow his advice the Navy is responsible for the loss of 500,000 men and millions of dollars and delayed the ending of the war at least four months. If a citizen of any other country had made such a charge against the Navy of the United States every Member of Congress would have risen in righteous indignation and repudiated this slander of our Navy. But this is campaign year, and because you think that any attack upon the Navy will serve to discredit the administration, you have not raised a single voice in answer to this charge. Well, you may encourage such attacks, but in behalf of the Navy of the United States the Democratic Members of this House, want you and the country to know that our Navy convoyed across the sea, without the loss of a single life in combat, 2,000,000 men, who turned the tide of battle, SHORTENED the war more than four months, and SAVED more than 500,000 lives. [Applause on the Democratic side.] To serve your political purposes you have encouraged a perfectly good admiral to make charges that have destroyed his prestige in the Navy and discredited him in the Nation.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from South Carolina yield to the gentleman from Illinois?

Mr. BYRNES of South Carolina. I regret I can not yield.

Mr. MADDEN. I just want to say what I think about the admiral.

Mr. BYRNES of South Carolina. I can not yield.

The SPEAKER. The gentleman declines to yield.

Mr. BYRNES of South Carolina. You criticize the Council of National Defense as the secret Government of the United States, but the American people know that within its ranks the council had patriotic citizens at work in every community serving at a sacrifice to themselves, "doing their bit" for their country. In Washington it served as the unit around which was built the great organization of business men who came to the aid of the Government and so marshaled the resources of the country as to make possible the successful conclusion of the war in so short a time. If there was any fraud on the part of a single individual connected with any of these boards, you have had the opportunity and the means to discover it; and when, after a year's investigation, you have failed to report it, it is conclusive evidence that there was no fraud, and it is time for you to cease reflecting upon the character of these business men who so patriotically served their country.

When the armistice came, more than 26,000 contracts for supplies were canceled, and the duty devolved upon the War Department of making settlement with the contractors. In the cases settled to date the Government has paid only 12 per cent of the total amount of the contracts involved. More than 20,000 men have been engaged in one way or another in the investigation and settlements. As they are human, their judgment is not infallible. They may have made mistakes, but the result speaks well for their judgment, and you have not dared to name a single officer who has been guilty of fraud.

The people have so tired of your smelling committees that even stalwart Republican newspapers now fail to publish your reports. You can not blame them. When you charge that the Government paid more for shoes than it did prior to the war, the American marine says, "Yes; but wearing those shoes we held the Germans at Chateau-Thierry and started them on the return trip to the Fatherland."

When you charge that the Government purchased too much ammunition, the fathers of the boys who saved this Nation answer that no man could tell when the war would end, and you could not purchase too much to make certain the early and successful end of the war.

When you charge that too much was paid for rifles, the doughboy answers that with these rifles they chased the Germans through the Argonne Forest.

When you charge that too much was paid for overcoats, Gen. Goethals tells you that he ordered coats purchased wherever they could be found, and the mothers of America tell you they rejoice that the department did not follow your plan of waiting for "bargain sales," but hastily forwarded coats to protect their boys against the unusually severe winter of 1918.

When you charge that extravagant prices were paid for food, the doughboy again answers that it was good food, and the mothers again rejoice that it did not contain embalmed beef, as in 1898.

Never before has a successful military campaign been investigated as you have attempted to investigate the conduct of the A. E. F. under Pershing. Your subcommittee endeavored to embarrass Gen. Pershing on the day he was leaving France, and he ignored you, as he should have done, advising you that in Washington, where he had sent his files, he would be at your service. Though he has been in this country since September, and in this city the greater part of the time, you have never summoned him. It shows your bad faith. Summon him! Learn from him that which you seem not to know—that WE WON THE WAR. Learn from him also that which is contained in his final report:

In closing this report, Mr. Secretary, I desire to record my deep appreciation of the unqualified support accorded me throughout the war by the President and yourself. My task was simplified by your confidence and wise counsel.

With this testimony as to the cooperation of the President and the Secretary of War with Gen. Pershing in the success of the American Expeditionary Forces, bring your political investigations to a close. We care not what you report, because the American people have long since discovered the political character of your investigations and have discounted in advance any report you may make. No Democrat opposed your making these investigations. We told you that if any officer of the Army or Navy, or any official of an executive department had been guilty of fraud we were as anxious as you to learn of it. But you have had a year in which to investigate. You have discovered no fraud, and you owe it to the taxpayers of America to put an end to your extravagant expenditures before you recess or adjourn. The time has come for you to put up or shut up. [Applause on the Democratic side.]

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. BYRNES of South Carolina. Mr. Speaker, I ask unanimous consent that I may proceed for five minutes more.

The SPEAKER. The Chair thinks that that can not be done.

Mr. BYRNES of South Carolina. Do I understand the Speaker objects to a unanimous-consent request?

The SPEAKER. The gentleman's time has expired, and the Chair has not recognized the gentleman to make a unanimous-consent request.

Mr. BYRNES of South Carolina. Does the Chair refuse to entertain a request for unanimous consent to proceed?

The SPEAKER. The Chair does not recognize the gentleman to ask for unanimous consent. The Chair will recognize the gentleman to ask leave to extend his remarks.

Mr. CLARK of Missouri. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended 10 minutes.

The SPEAKER. The Chair does not recognize the gentleman for that purpose.

Mr. CLARK of Missouri. Well, the Chair will find out about it. [Laughter.]

The SPEAKER. The Chair does not think it is fair for gentlemen to ask that the business of the House be set aside for what time they wish, and then use that as leverage for getting more time.

Mr. CLARK of Missouri. There is nothing up to-day.

The SPEAKER. There is business pending.

NO QUORUM—CALL OF THE HOUSE.

Mr. BARKLEY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Kentucky makes the point of order that there is no quorum present. The Chair will count.

Mr. IGOE. Mr. Speaker, a point of order.

The SPEAKER. No point of order can be made while a point of order is pending. [After counting.] Evidently there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Wyoming moves a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Aswell	Eagle	Kelly, Pa.	Reber
Baer	Edmonds	Kendall	Reed, N. Y.
Bankhead	Ellsworth	Kennedy, Iowa	Rhodes
Bell	Elston	Kennedy, R. I.	Riddick
Blackmon	Emerson	Kettner	Riordan
Blanton	Fairfield	Kiess	Rodenberg
Bowers	Ferris	Kitchin	Rose
Brinson	Fields	Kreider	Rowan
Browne	Focht	Langley	Sanders, Ind.
Brumbaugh	Ganly	Lankford	Schall
Burke	Gard	Lazaro	Scully
Butler	Garrett	Lee, Ga.	Sears
Campbell, Pa.	Goldfogle	Lesher	Shreve
Caraway	Good	McCulloch	Sisson
Carew	Goodall	McFadden	Small
Carss	Goodwin, Ark.	McKiniry	Smith, N. Y.
Carter	Gould	McKinley	Smithwick
Casey	Graham, Ill.	McLane	Snell
Clark, Fla.	Graham, Pa.	McPherson	Snyder
Cleary	Griest	Maher	Steagall
Cole	Griffin	Mason	Stedman
Connally	Hamill	Merritt	Steele
Cooper	Harrison	Moore, Va.	Stephens, Ohio
Copley	Hastings	Morin	Strong, Pa.
Costello	Hayden	Nolan	Sullivan
Curry, Calif.	Heflin	O'Connell	Tague
Darrow	Hernandez	O'Connor	Temple
Dempsey	Hill	Paige	Tillman
Denison	Houghton	Parker	Tilson
Dent	Huddleston	Phelan	Vare
Dewalt	Hulings	Porter	Walters
Donovan	Husted	Radcliffe	Ward
Dooling	Hutchinson	Ramsey	Webster
Drane	Jefferis	Ramseyer	Wheeler
Drewry	Johnston, N. Y.	Randall, Calif.	Wood, Ind.
Dunn	Jones, Pa.	Reavis	

The SPEAKER. Two hundred and eighty-four Members have answered to their names. A quorum is present.

Mr. BYRNES of South Carolina. Mr. Speaker——

The SPEAKER. No business can be done until further proceedings under the call are dispensed with.

Mr. FULLER of Illinois. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The SPEAKER. The gentleman from Illinois moves that further proceedings under the call be dispensed with. The question is on agreeing to that motion.

The motion was agreed to.

Mr. BYRNES of South Carolina rose.

The SPEAKER. For what purpose does the gentleman from South Carolina rise?

Mr. BYRNES of South Carolina. I rise to ask unanimous consent that I may proceed for 10 minutes in order to complete my remarks.

The SPEAKER. The Chair does not recognize the gentleman for that purpose.

Mr. SELLS rose.

The SPEAKER. The gentleman from Tennessee [Mr. SELLS] is recognized.

Mr. BYRNES of South Carolina. Will the Speaker permit the gentleman from South Carolina to ask unanimous consent to extend his remarks in the RECORD?

The SPEAKER. The Chair offered before to recognize the gentleman for that purpose.

Mr. BYRNES of South Carolina. The gentleman from South Carolina is extremely grateful to the Chair for his kindness, and asks unanimous consent for permission to revise and extend his remarks.

The SPEAKER. The gentleman from South Carolina asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. BYRNES of South Carolina. The gentleman from South Carolina will be allowed to remain in the House, will he not, Mr. Speaker? [Laughter.]

The SPEAKER. The gentleman from Tennessee [Mr. SELLS] is recognized.

PENSIONS.

Mr. SELLS. Mr. Speaker, I call up the bill (H. R. 14063) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, and I ask that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 14063) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the bill be considered in the House as in Committee of the Whole. Is there objection?

Mr. HOWARD. I object.

Mr. SELLS. I move, Mr. Speaker, that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 14063.

The SPEAKER. The gentleman from Tennessee moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 14063. The question is on agreeing to that motion.

Mr. IGOE. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from Missouri makes the point that there is no quorum present. The Chair will count. [After counting.] One hundred and ninety-five gentlemen are present, not a quorum.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Ohio moves a call of the House.

A call of the House was ordered.

The SPEAKER. The Clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Aswell	Drewry	Kennedy, Iowa	Reed, N. Y.
Baer	Dunn	Kennedy, R. I.	Rhodes
Bankhead	Eagle	Kettner	Riddick
Blackmon	Edmonds	Kiess	Riordan
Bland, Va.	Ellsworth	Kinkaid	Robinson, N. C.
Blanton	Elston	Kitchin	Rodenberg
Bowers	Emerson	Kreider	Rose
Brinson	Evans, Nev.	Langley	Rowan
Britten	Ferris	Lankford	Sanders, Ind.
Browne	Fields	Lazaro	Schall
Brumbaugh	Fisher	Lee, Ga.	Scully
Burke	Focht	Lesher	Sears
Butler	Fuller, Mass.	McClintic	Shreve
Caldwell	Ganly	McCulloch	Sisson
Campbell, Pa.	Gard	McFadden	Small
Caraway	Garrett	McKiniry	Smith, N. Y.
Carew	Goldfogle	McKinley	Smithwick
Carss	Goodwin, Ark.	McLane	Snell
Carter	Gould	McPherson	Snyder
Casey	Graham, Pa.	Maher	Steagall
Clark, Fla.	Griest	Mason	Steele
Clark, Mo.	Griffin	Merritt	Stephens, Ohio
Cleary	Hamill	Montague	Strong, Pa.
Cole	Harrison	Moore, Va.	Sullivan
Cooper	Hastings	Morin	Tague
Copley	Hayden	Nicholls	Taylor, Colo.
Costello	Heflin	O'Connell	Taylor, Tenn.
Curry, Calif.	Hernandez	O'Connor	Temple
Darrow	Hersey	Paige	Tillman
Davey	Hill	Parker	Tilson
Davis, Tenn.	Houghton	Phelan	Vare
Dempsey	Huddleston	Porter	Vinson
Denison	Hulings	Pou	Walters
Dent	Hull, Iowa	Radcliffe	Ward
Dewalt	Husted	Ramsey	Webster
Donovan	Johnston, N. Y.	Ramseyer	Wheeler
Dooling	Jones, Pa.	Randall, Calif.	Wood, Ind.
Doremus	Kelly, Pa.	Reavis	
Drane	Kendall	Reber	

The SPEAKER. Two hundred and seventy-three Members have answered to their names. A quorum is present.

Mr. McKEOWN. Mr. Speaker, a parliamentary inquiry. There are no reports——

The SPEAKER. The doors have not yet been opened. No business is in order.

Mr. LONGWORTH. I move to dispense with further proceedings under the call.

The SPEAKER. The gentleman from Ohio moves to dispense with further proceedings under the call. Without objection, it will be so ordered.

Mr. IGOE. I object.

The SPEAKER. The gentleman from Missouri objects. The question is on the motion of the gentleman from Ohio.

The question being taken, the Speaker announced that the ayes appeared to have it.

Mr. IGOE. I ask for a division.

The SPEAKER. The gentleman from Missouri demands a division. As many as are in favor of dispensing with further proceedings under the call will answer "aye."

The affirmative vote was taken.

Mr. IGOE. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The Chair overrules the point of order.

Mr. IGOE. I appeal from the decision of the Chair.

The SPEAKER. The Chair thinks that is dilatory. The Chair is counting.

Mr. IGOE. The Constitution provides——

The SPEAKER. Within one minute the presence of a quorum has been developed. The Chair is now counting. As many as are opposed to the motion of the gentleman from Ohio will say "no."

The negative vote was taken.

The SPEAKER. On this question the ayes are 101 and the noes are 47.

Mr. IGOE. I make the point of order that there is no quorum present.

Mr. MANN of Illinois. I make the point of order that it does not require a quorum to determine that motion.

The SPEAKER. The Chair sustains the point of order.

Mr. IGOE. Then I appeal from the decision of the Chair.

Mr. MANN of Illinois. I make the point of order that that is dilatory.

The SPEAKER. The Chair sustains the point of order.

Mr. IGOE. Then I appeal from the decision of the Chair.

The SPEAKER. The gentleman from Illinois makes the point of order that that is dilatory. The Chair thinks that clearly it is dilatory.

Mr. IGOE. Is it not in order to appeal from the decision of the Chair?

Mr. MANN of Illinois. Not when it is dilatory.

Mr. IGOE. Can not a gentleman appeal from the decision of the Chair?

The SPEAKER. When the point of order is made that it is dilatory the Chair must pass upon it. [Applause.]

Mr. MANN of Illinois. The Chair has passed upon it.

Mr. KINCHELOE. Mr. Speaker, I ask for the yeas and nays on the question of dispensing with further proceedings under the call.

SEVERAL MEMBERS. Too late.

The SPEAKER. The Chair thinks the gentleman has the right to demand the yeas and nays.

The yeas and nays were ordered.

Mr. LONGWORTH. What is the question, Mr. Speaker?

The SPEAKER. The question is on the motion of the gentleman from Ohio to dispense with further proceedings under the call.

The question was taken; and there were—yeas 225, nays 52, answered "present" 1, not voting 149, as follows:

YEAS—225.

Ackerman	Echols	Johnson, S. Dak.	Murphy
Almon	Elliott	Johnson, Wash.	Nelson, Wis.
Anderson	Esch	Jones, Tex.	Newton, Minn.
Andrews, Md.	Evans, Mont.	Juul	Newton, Mo.
Andrews, Nebr.	Evans, Nebr.	Kahn	Nolan
Anthony	Evans, Nev.	Kearns	Ogden
Ashbrook	Fairfield	Keller	Olney
Ayres	Fess	King	Osborne
Babka	Fisher	Kinkaid	Padgett
Bacharach	Foster	Kleczka	Parker
Barbour	Frear	Knutson	Parrish
Bee	Freeman	Kraus	Pell
Begg	French	Lampert	Peters
Benham	Fuller, Ill.	Lanham	Platt
Benson	Gallagher	Larsen	Porter
Black	Gallivan	Layton	Pou
Bland, Ind.	Gandy	Lea, Calif.	Purnell
Bland, Va.	Gard	Lee, Ga.	Raker
Boles	Garland	Lehlbach	Randall, Wis.
Box	Garner	Linthicum	Reed, N. Y.
Brand	Godwin, N. C.	Little	Ricketts
Briggs	Goodall	Lonergan	Robsion, Ky.
Brinson	Goodwin, Ark.	Longworth	Rogers
Brooks, Ill.	Goodykoontz	Luce	Rowe
Brooks, Pa.	Gould	Lufkin	Rubey
Burdick	Graham, Ill.	Luhring	Sanders, La.
Byrnes, S. C.	Green, Iowa	McAndrews	Scott
Byrns, Tenn.	Greene, Mass.	McArthur	Sells
Campbell, Kans.	Greene, Vt.	McKenzie	Siegel
Cannon	Hadley	McLaughlin, Mich.	Sinclair
Chindblom	Hamilton	McLaughlin, Nebr.	Sinnott
Christopherson	Hardy, Colo.	MacCrate	Smith, Idaho
Classon	Haugen	MacGregor	Smith, Ill.
Crago	Hays	Magee	Smith, Mich.
Cramton	Hersey	Mann, Ill.	Snell
Crisp	Hickey	Mann, S. C.	Stiness
Crowther	Hicks	Mapes	Strong, Kans.
Cullen	Hoch	Martin	Summers, Wash.
Currie, Mich.	Houghton	Mead	Sumners, Tex.
Dale	Howard	Michener	Sweet
Dallinger	Hudspeth	Miller	Swope
Davis, Minn.	Hull, Iowa	Minahan, N. J.	Thomas
Davis, Tenn.	Humphreys	Monahan, Wis.	Thompson
Dickinson, Mo.	Hutchinson	Mondell	Timberlake
Dickinson, Iowa	Ireland	Montague	Tincher
Dominick	Jacoway	Moore, Ohio	Tinkham
Doremus	James	Moores, Ind.	Towner
Dowell	Jefferis	Morgan	Treadway
Dunbar	Johnson, Ky.	Mott	Upshaw
Dyer	Johnson, Miss.	Mudd	Vaile
Vestal	Watkins	Wilson, Pa.	Yates
Vinson	Watson	Wingo	Young, N. Dak.
Voigt	Welling	Winslow	Young, Tex.
Volstead	Whaley	Wise	Zihlman
Walsh	White, Kans.	Woods, Va.	
Ward	White, Me.	Woodyard	
Wason	Wilson, La.	Wright	

NAYS—52.

Barkley	Dupré	Nelson, Mo.	Rucker
Bland, Mo.	Eagan	Nicholls	Sabath
Booher	Hersman	Oldfield	Sims
Buchanan	Hoey	Oliver	Sisson
Caldwell	Hull, Tenn.	Overstreet	Stedman
Candler	Igoe	Park	Stephens, Miss.
Cantrill	Kincheloe	Quin	Stevenson
Clark, Mo.	McDuffie	Rainey, Ala.	Stoll
Coady	McGlennon	Rainey, H. T.	Taylor, Ark.
Collier	Major	Rainey, J. W.	Taylor, Colo.
Connally	Milligan	Rayburn	Venable
Davey	Moon	Romjue	Weaver
Doughton	Neely	Rouse	Welty

ANSWERED "PRESENT"—1.

Madden

NOT VOTING—149.

Aswell	Ellsworth	Kettner	Robinson, N. C.
Baer	Elston	Kiess	Rodenberg
Bankhead	Emerson	Kitchin	Rose
Bell	Ferris	Kreider	Rowan
Blackmon	Fields	Langley	Sanders, Ind.
Blanton	Flood	Lankford	Sanders, N. Y.
Bowers	Focht	Lazaro	Sanford
Britten	Fordney	Lesher	Schall
Browne	Fuller, Mass.	McClintic	Scully
Brumbaugh	Ganly	McCulloch	Sears
Burke	Garrett	McFadden	Sherwood
Burroughs	Glynn	McKeown	Shreve
Butler	Goldfogle	McKiniry	Slemp
Campbell, Pa.	Good	McKinley	Small
Caraway	Graham, Pa.	McLane	Smith, N. Y.
Carew	Griest	McPherson	Smithwick
Carss	Griffin	Maher	Snyder
Carter	Hamill	Mansfield	Steagall
Casey	Hardy, Tex.	Mason	Steele
Clark, Fla.	Harreld	Mays	Steenerson
Cleary	Harrison	Merritt	Stephens, Ohio
Cole	Hastings	Mooney	Strong, Pa.
Cooper	Hawley	Moore, Va.	Sullivan
Copley	Hayden	Morin	Tague
Costello	Heflin	O'Connell	Taylor, Tenn.
Curry, Calif.	Hernandez	O'Connor	Temple
Darrow	Hill	Paige	Tillman
Dempsey	Holland	Phelan	Tilson
Denison	Huddleston	Radcliffe	Vare
Dent	Hulings	Ramsey	Walters
Dewalt	Husted	Ramseyer	Webster
Donovan	Johnston, N. Y.	Randall, Calif.	Wheeler
Dooling	Jones, Pa.	Reavis	Williams
Drane	Kelley, Mich.	Reber	Wilson, Ill.
Drewry	Kelly, Pa.	Reed, W. Va.	Wood, Ind.
Dunn	Kendall	Rhodes	
Eagle	Kennedy, Iowa	Riddick	
Edmonds	Kennedy, R. I.	Riordan	

So the motion to dispense with further proceedings under the call was agreed to.

The following pairs were announced:

Mr. MADDEN (on account of Postal Commission work) with Mr. BELL.

Mr. RHODES with Mr. TILLMAN.

Mr. SNYDER with Mr. CARTER.

Mr. COLE with Mr. HAYDEN.

Mr. HERNANDEZ with Mr. HASTINGS.

Mr. COOPER with Mr. CARSS.

Mr. ELSTON with Mr. DRANE.

Mr. BUTLER with Mr. STEELE.

Mr. COSTELLO with Mr. MOONEY.

Mr. PAIGE with Mr. ROWAN.

Mr. KENNEDY of Rhode Island with Mr. TAGUE.

Mr. MASON with Mr. KITCHIN.

Mr. GOOD with Mr. FLOOD.

Mr. KIESS with Mr. BANKHEAD.

Mr. SCHALL with Mr. ASWELL.

Mr. MCKINLEY with Mr. FERRIS.

Mr. KREIDER with Mr. HUDDLESTON.

Mr. SANDERS of New York with Mr. MCKINIRY.

Mr. MORIN with Mr. CLEARY.

Mr. FOCHT with Mr. DEWALT.

Mr. REAVIS with Mr. MCCLINTIC.

Mr. WOOD of Indiana with Mr. HEFLIN.

Mr. HUSTED with Mr. O'CONNELL.

Mr. WHEELER with Mr. ROBINSON of North Carolina.

Mr. BROWNE with Mr. SCULLY.

Mr. LANGLEY with Mr. CLARK of Florida.

Mr. WILSON of Illinois with Mr. BLACKMON.

Mr. KELLY of Pennsylvania with Mr. CAMPBELL of Pennsylvania.

Mr. DENISON with Mr. MANSFIELD.

Mr. STEPHENS of Ohio with Mr. BLANTON.

Mr. RAMSEY with Mr. PHELAN.

Mr. WILLIAMS with Mr. KETTNER.

Mr. SLEMP with Mr. LAZARO.
Mr. TEMPLE with Mr. CARAWAY.
Mr. EDMONDS with Mr. CASEY.
Mr. GRAHAM of Pennsylvania with Mr. GARRETT.
Mr. KENDALL with Mr. SULLIVAN.
Mr. VARE with Mr. SMITHWICK.
Mr. RADCLIFFE with Mr. HARDY of Texas.
Mr. TILSON with Mr. SHERWOOD.
Mr. ROSE with Mr. GOLDFOGLE.
Mr. BOWERS with Mr. SMALL.
Mr. MCCULLOCH with Mr. CAREW.
Mr. DARROW with Mr. MCKEOWN.
Mr. WALTERS with Mr. SEARS.
Mr. HARRELD with Mr. GRIFFIN.
Mr. BURROUGHS with Mr. LESHER.
Mr. DUNN with Mr. FIELDS.
Mr. REBER with Mr. SMITH of New York.
Mr. MCPHERSON with Mr. DOOLING.
Mr. DEMPSEY with Mr. GANLY.
Mr. MERRITT with Mr. STEAGALL.
Mr. RODENBERG with Mr. DENT.
Mr. GRIEST with Mr. HAMILL.
Mr. FORDNEY with Mr. EAGLE.
Mr. CURRY of California with Mr. DREWRY.
Mr. TAYLOR of Tennessee with Mr. HARRISON.
Mr. SANFORD with Mr. HOLLAND.
Mr. STRONG of Pennsylvania with Mr. O'CONNOR.
Mr. RIDDICK with Mr. MOORE of Virginia.
Mr. BRITTEN with Mr. BRUMBAUGH.
Mr. KELLEY of Michigan with Mr. MCLANE.
Mr. SANDERS of Indiana with Mr. LANKFORD.
Mr. BURKE with Mr. JOHNSTON of New York.
Mr. SHREVE with Mr. MAYS.
Mr. HULINGS with Mr. RIORDAN.
Mr. MCFADDEN with Mr. DONOVAN.
Mr. JONES of Pennsylvania with Mr. MAHER.
Mr. REED of West Virginia with Mr. RANDALL of California.
The result of the vote was announced as above recorded.

PENSIONS.

Mr. SELLS. Mr. Speaker, I renew my request that the bill H. R. 14063 be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the bill H. R. 14063, the pension bill, be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The bill, H. R. 14063, is as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of Robert S. Hansbury, late second lieutenant Company L, Twenty-eighth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of William Bogen, late of Company M, Tenth Regiment Ohio Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of William H. Heller, late of Companies E and F, Sixth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Francis P. McCue, late of the United States Navy, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Elizabeth Gouldrick, widow of Edward Gouldrick, late of Company B, Twenty-second United States Infantry, Indian wars, and pay her a pension at the rate of $12 per month.

The name of Susan M. Gregory, former widow of John R. Sherry, alias John Fitzgerald, who served in Troop F, Fifth Regiment United States Cavalry, Regular Establishment, Indian wars, and pay her a pension at the rate of $12 per month.

The name of Fountain Tankersley, late of Company L, Fourth Regiment Kentucky Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Fred C. Swain, late of Company F, Sixth Regiment Illinois Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of John E. Coleman, late of Captain Sperry's company Umatilla County Guards, Oregon State Militia, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Socrates P. Battle, late of Company D, First Regiment Louisiana Infantry, War wth Spain, and pay him a pension at the rate of $24 per month.

The name of Henry M. Agenbroad, late of Company L, Second Regiment Ohio Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Sarah M. J. Bertram, widow of Francis Bertram, late of the United States Navy, War with Mexico, and pay her a pension at the rate of $35 per month.

The name of Maurice Leahy, late of Battery M, First United States Artillery, and Company G, Fifteenth United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of Louisa H. Highley, dependent mother of Robert A. Highley, late of Company M, First Regiment Missouri Infantry, War with Spain, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of George W. Hook, late of Troop E, Sixth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of James M. Vint, late of Company H, One hundred and fifty-ninth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Virgil O. Adams, late of Company B, First Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Frank R. Wall, late of the First Company, United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Ewell V. Osborn, late of Company B, Nineteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of James P. Burns, late of Battery D, First United States Field Artillery, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of George W. Mason, late of Troop A, First Regiment Kentucky Cavalry, War with Spain, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Benjamin Hammonds, late of Company C, Sixth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Daniel B. W. Stocking, late of Company I, Fourth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Lucius P. Burress, late of Company H, First Regiment North Carolina Infantry, National Guard, Regular Establishment, border defense, and pay him a pension at the rate of $17 per month.

The name of James W. Noe (insane), late of the One hundred and thirty-seventh Company, United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of James Sullivan, late of Company G, Thirty-first Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Seaburn D. Wray, late of Troop M, Fourth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Scott Engle, late of the Twenty-second Battalion United States Field Artillery, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of Carey O. Amsbaugh, late of Company L, Twentieth Regiment Kansas Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Charles W. Ranger, late of Company D, Third Regiment United States Volunteer Cavalry, War with Spain, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Tom S. Bailey, late of Company F, Third Regiment Tennessee Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Anna Kennedy, dependent mother of Charles M. N. Stenstrom, late of the United States Marine Corps, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of James Philpot, widow of Steve Philpot, late of the Eighty-second Company United States Coast Artillery, Regular Establishment, and pay her a pension at the rate of $12 per month and $2 per month additional on account of each of the minor children of said Steve Philpot until they reach the age of 16 years.

The name of Charles M. Walker, late of Company F, First Regiment Montana Infantry, War with Spain, and pay him a pension at the rate of $30 per month.

The name of Gustave Pinksohn, late of Company H, Fifth Regiment United States Infantry, Regular Establishment, Indian wars, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Dr. Harris, late of Company M, Third Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of James Robinson, late of Company C, Twenty-fourth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of James R. Burroughs, late of Company B, Twenty-first Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Lawrence P. Williams, late of Company G, Thirteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Dudley R. Sloan, late of Company B, Seventh Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Jesse Callahan, late of Company M, Tenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Blain Pedago, helpless and dependent child of Robert Pedago, late of Company H, Thirty-first Regiment United States Volunteer Infantry, Philippine insurrection, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Robert Strong, late of the Fourth Company United States Coast Artillery, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Milton Ross, late of Company D, Tenth Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of John D. Jones, late of Company A, Twenty-second Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Elmer C. Wilcox, late of Company K, Sixth Regiment Illinois Infantry, War with Spain, and pay him a pension at the rate of $24 per month.

The name of Marion J. Morgan, widow of Wanfred A. Morgan, late of the United States Navy, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of Marianne H. D'Arcy, former widow of Abraham Edmunds, late of Company E, Third Regiment Ohio Volunteer Infantry, War with Mexico, and pay her a pension at the rate of $20 per month.

The name of Henry Lee, late of Company K, Second Regiment Oregon Infantry, War with Spain, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Sarah Cronin, widow of James Cronin, late of Company A, Twenty-second Regiment United States Infantry, Indian wars, and pay her a pension at the rate of $12 per month.

The name of Patrick J. Blake, late of the Tenth Company, United States Volunteer Signal Corps, War with Spain, and pay him a pension at the rate of $12 per month.

The name of William Jackson, late of Company I, First Regiment Kentucky Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Mary Hart, widow of the late James Hart, United States Navy, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said James Hart until they shall reach the age of 16 years.

The name of Margaret Howell Butler, widow of Matthew C. Butler, jr., late lieutenant colonel of Cavalry, United States Army, Regular Establishment, and pay her a pension at the rate of $30 per month.

The name of Adam Roth, late of Company D, Seventh Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of John J. Sharp, late of Company M, Fourth Regiment Tennessee Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of John M. Williams, late of Troop M, Third Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of John Felzen, late of Company F, Thirty-seventh Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Hyram Colwell, late of Troop M, Twelfth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Ellie J. Hays, late of Company D, Eleventh Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Roger I. Wershing (insane), late of Company D, Second Regiment Missouri Infantry, War with Spain, and pay him a pension at the rate of $30 per month.

The name of Mary Watson Smith Maher, former widow of Albert D. Smith, late of the United States Navy, War with Mexico, and pay her a pension at the rate of $30 per month.

The name of William C. Phillips, late of Company I, Sixteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of George W. Robinson, late of Company E, Second Regiment Arkansas Infantry, and Company E, Thirty-third Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Morris E. Leighty, late of Company B, Second United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Mary E. Frederick, widow of Henry Frederick, late of Troop E, Seventh Regiment United States Cavalry, Indian wars, and pay her a pension at the rate of $12 per month.

The name of Mary Loftain Wildey, widow of Harry Wildey, late of General Service, United States Army, and United States Marine Corps, United States Navy, Regular Establishment, and pay her a pension at the rate of $12 per month and $2 per month additional on account of the minor child of said Harry Wildey until he reaches the age of 16 years.

The name of Charles J. McCarthy, late of Battery B, Seventh Regiment United States Artillery, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Clarance E. West, alias Earl West, late of Company M, Forty-ninth Regiment Iowa Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Marguerite B. Fitzgerald, widow of John Fitzgerald, late of Signal Corps, United States Army, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of William H. Troxell, late of Company B, First Battalion Engineers, United States Army, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Charles E. Hodges, late of Company F, Third Regiment Tennessee Infantry, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Fronie Fisher, dependent mother of Walter Fisher, late of Battery C, Third United States Field Artillery, Regular Establishment, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Harry W. Feldman, late of United States Navy, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of William R. Drain, late of Fourth Company, United States Artillery Corps, Regular Establishment, and pay him a pension at the rate of $24 per month.

The name of Pharoah Pack, late private Company E, Fifth Regiment United States Infantry, Regular Establishment, Philippine insurrection, and pay him a pension at the rate of $30 per month.

The name of Martin Quinn, late of Company D, Sixteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Thomas Mattes, late of Troop G, Sixth United States Cavalry, War with Spain, and pay him a pension at the rate of $24 per month.

The name of Jesse Cunningham, late of Troop C, Fourth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Floyd H. Wilkins, late of Ninety-fifth Company, United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Grace F. Marix, widow of Adolph Marix, late rear admiral, United States Navy, Regular Establishment, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Brooklyn Hodges, late of Company K, Eleventh Regiment, United States Cavalry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Francis O. Nash, late Acting Assistant Surgeon, United States Army, Regular Establishment, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Walter E. Crackel, late of Company F, Thirty-third Regiment Michigan Infantry, War with Spain, and pay him a pension at the rate of $24 per month.

The name of Esther M. Openshaw, widow of Samuel Openshaw, late of Captain John D. Holliday's Company, Utah Infantry, Indian wars, and pay her a pension at the rate of $12 per month.

The name of William Bays, late of Company E, First Regiment Nebraska Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Walter J. Miller, late of Troop E, Fourteenth United States Cavalry, Regular Establishment, and pay him a pension at the rate of $24 per month.

The name of Sewell C. Rose, late of Company H, Second Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Milton L. Stover, late of Company F, Eleventh Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Henry Niberding, late of Troop M, First Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Henry Nieberding, late of Troop M, First Regiment Maryland Infantry, War with Spain, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Mildred S. Lewis, widow of Ellwood H. Lewis, late of Battery L, Fifth Regiment United States Artillery, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of Henry M. Smith, alias Henry Ash, late of Company G, Fourteenth Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of James Phelps, late of Company F, Twenty-fifth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Charles W. Bryant, late of Company D, Second Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Emil A. Ackerman, late of Company D, Eighth Regiment Infantry, Ohio National Guard, Regular Establishment (border defense), and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Zora Schenkelberger, dependent mother of Alvin J. Schenkelberger, late of Company H, Seventy-first Regiment New York National Guard Infantry, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of Rush W. Burnside, late of Company C, Third Regiment Tennessee Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Katherine F. Candee, widow of Ralph Candee, late of Company F, First Regiment Connecticut Infantry, War with Spain, and pay her a pension at the rate of $25 per month and $2 per month additional for the minor child of said Ralph Candee until he reaches the age of 16 years, in lieu of that she is now receiving.

The name of George R. Everhart, late of Companies F and L, Eleventh Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Maidora C. Parker, late of Battery M, Second Regiment United States Artillery, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of William G. Rowland, late of Company A, First Battalion Oregon Cavalry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Albert D. Clark, late of Battery F, First Regiment United States Field Artillery, Regular Establishment, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Alvina Sanders, formerly widow of William G. York, late of Company H, Second Battalion, Thirteenth Regiment United States Infantry, Indian wars, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of Christopher Röhrscheid, late an unassigned recruit, Fifth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of James B. Waters, late of Company I, Eighth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of George W. Shafer, late of Capt. Foster's Company D, Col. Bee's volunteer battalion, Utah expedition of 1857–58, and pay him a pension at the rate of $20 per month.

The name of Hull Itskin, late of Company G, Sixteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Samuel H. Rodeheaver, late of Troop M, Second Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Charley Salyers, late of Company H, First Regiment United States Infantry, and Company H, Ninth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of Harlem L. Gorham, late of Company K, Sixteenth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Millie Cisler, dependent mother of John H. Cisler, late of Company B, Seventeenth Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of Conrad C. Kalber, late of Company A, First Regiment Connecticut Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Thomas J. Stevens, late of Company D, Third Regiment Kentucky Infantry, War with Spain, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Bessie Walsh, widow of Harry F. Walsh, late of Troop H, First Regiment Illinois Cavalry, War with Spain, and pay her a pension at the rate of $12 per month.

The name of George J. Molloy, late of Company D, Ninth Regiment Massachusetts Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Julius A. Nemitz, late captain and regimental quartermaster, Second Regiment Wisconsin Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Nicola Depompa, late of Company I, Sixth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of John A. Lovett, late of Company B, Third Regiment Mississippi Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Roy C. Murray, late of Company I, Fourteenth Regiment, and Company I, Eleventh Regiment, United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Flora B. Warren, widow of Louis W. Warren, late of Company H, Twenty-third Regiment United States Infantry, Indian wars, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said Louis W. Warren until they reach the age of 16 years.

The name of Columbus Brundage, late of Company C, Second Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $24 per month.

The name of Elizabeth Shaw, widow of John S. Shaw, late of Battery H, Seventh Regiment United States Artillery, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said John S. Shaw until they reach the age of 16 years.

The name of Augustus O. Hartel, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of Dell W. Stinchcomb, late first lieutenant Company A, Seventh Regiment Ohio Infantry, War with Spain, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of May Lace, widow of William Lace, late of Battery K, Fifth United States Artillery, War with Spain, and pay her a pension at the rate of $12 per month.

The name of Palace Douglas, late of Company H, Sixth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of August H. Knippenberg, late of Company M, One hundred and sixty-first Regiment Indiana Infantry, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Charley Thomas, late of Company L, Eighth Regiment Illinois Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Marshall F. Truax, late of Company C, Tenth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of James B. Bristow, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of John J. Bogg, late of Company K, Third Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Willie E. Vaughan, late of Company F, Second Battalion United States Engineers, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Christina Wylie, dependent mother of John L. Wylie, late of Company D, Second Regiment New York Infantry, War with Spain, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Anton Schwarz, late of band, Fortieth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Alexander Emory, late of Company I, First Regiment Tennessee Infantry, and Company D, Thirty-seventh Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of George F. Smith, alias F. G. Kasimir, late of Troop K, Third Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Carrie S. Warner, widow of John F. Warner, late of Battery B, Third United States Artillery, War with Spain, and pay her a pension at the rate of $12 per month.

The name of William A. Morris, late of Company M, Montague County, Tex., Minute Men, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Charles F. Walker, late of Company F, Fifteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of George W. Fariss, late of Company K, Thirty-fourth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Mary M. Durand, dependent mother of Patrick William Durand, alias William H. Durand, late of Company K, Fourth Regiment Wisconsin Infantry, War with Spain, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Katherine M. Flanagan, widow of George H. Flanagan, late of Company E, Second Regiment New York Infantry, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of the minor child of said George H. Flanagan until she reaches the age of 16 years.

The name of Knight F. Flanders, late of Company C, First Regiment Illinois Infantry, War with Spain, and pay him a pension at the rate of $24 per month.

The name of Ralph L. Hackett, late of Battery B, First Regiment Maine Heavy Artillery, War with Spain, and pay him a pension at the rate of $17 per month.

The name of John C. Gaskins, late of Company M, Sixth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Frank H. Alspach (insane), late of Company K, Fiftieth Regiment Iowa Infantry, War with Spain, and pay him a pension at the rate of $30 per month.

The name of Richard L. McGregor, late of Company F, Fifth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Priscilla Eggleston, widow of George A. Eggleston, late of Battery H, First Regiment United States Artillery, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said George A. Eggleston until they reach the age of 16 years.

The name of Ray W. Burkdoll, late of Company B, Signal Corps United States Army, Regular Establishment, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Oren O. Pound, late of Company L, Third Regiment New York National Guard Infantry (border defense), and pay him a pension at the rate of $17 per month.

The name of John W. Thompson, late of Company H, Third Regiment Ohio Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Eliza Brown, dependent mother of Jay A. Brown, late of Company A, Thirteenth Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of $25 per month in lieu of that she is now receiving.

The name of Mary Gass, widow of Charles Gass, late of Troop C, Seventh Regiment United States Cavalry, Regular Establishment, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The names of Paul J. Barr and Roy S. Barr, minor children of John W. Barr, late of the Third Company, United States Coast Artillery, Philippine insurrection, and pay them a pension at the rate of $12 per month and $2 per month additional on account of the two minor children of the said John W. Barr until they reach the age of 16 years.

The name of Cornelius Conley, alias Cornelius Connelly, late of Troop B, Second Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Anson T. Lazier, late of Company E, Seventh Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Charles J. S. Arey, late of Company D, Twenty-second Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of George W. Keith, late of Troop C, Fifth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Mary Reid, now Nichols, dependent mother of William J. Reid, late of Company I, Twenty-second Regiment Kansas Infantry, War with Spain, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Robert C. Ladd, late of Company G, Thirty-ninth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Herbert E. Strode, late of Company L, Second Regiment Illinois Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Luke Monroe, late of Company K, Third Regiment Alabama Infantry, War with Spain, and pay him a pension at the rate of $30 per month.

The name of John S. Jamison, late of Battery M, Fifth Regiment United States Artillery, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of William A. Foster, late of Company B, Fourth Regiment Virginia Infantry, War with Spain, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Abraham M. Reams, late of Company K, Fifty-first Regiment Iowa Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Lena Mauter, widow of Joseph P. Mauter, late of Company E, Twenty-second Regiment United States Infantry, Indian wars, and pay her a pension at the rate of $25 per month in lieu of that she is now receiving.

The name of Susan Chittenden, widow of Smith Chittenden, late of Company D, Fourth Regiment United States Infantry, Indian wars, and pay her a pension at the rate of $25 per month in lieu of that she is now receiving.

The name of Anna Dixon, dependent mother of Charles A. Dixon, late of Company K, Tenth Regiment United States Infantry, War with Spain, and pay her a pension at the rate of $12 per month.

The name of Rose M. Painter, dependent mother of Jesse C. Painter, late of Battery O, Third Regiment United States Artillery, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of Patrick Kinny, late of Company E, Second Battalion Seventeenth Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Andrew J. Showan, late of Company M, Fourth Regiment Tennessee Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of John F. McNeeley, late of Company D, Seventh Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Benjamin Phillips, late of Company I, Fourth Regiment Tennessee Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Cora Booram, widow of Chester Booram, late of the One hundred and sixth Company, United States Coast Artillery Corps, Regular Establishment, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of the minor child of said Chester Booram until she reaches the age of 16 years.

The name of Louisa Cary, former widow of Joseph B. Crowley, late of Company B, Third Regiment Ohio Volunteer Infantry, War with Mexico, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Tony Jud, late of Troop C, Fourteenth Regiment, and Troop D, Fifth Regiment, United States Cavalry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Mike Kulas, late of Company E, Twelfth Regiment Minnesota Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Richard J. Weaver, dependent father of John T. Weaver, late of Company M, First Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Nelle T. O'Neil, widow of Thomas F. O'Neil, late major First Regiment California Infantry, War with Spain, and pay her a pension at the rate of $25 per month, and $2 per month additional on account of the minor child of said Thomas F. O'Neil until she reaches the age of 16 years.

The name of Edward F. Stewart, late of Company K, Thirty-first Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Isaac Morris, late of Troop K, Sixth Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Frank Risner, late of Company G, Forty-fourth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of William Winn, late of Company C, Fourth Regiment Kentucky Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Leck Patrick, late of Company C, Twenty-second Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Julia Tomlin, dependent mother of Archie Tomlin, late of Company A, Fourth Regiment Missouri Infantry, War with Spain, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Simpson Hornaday, late of Troop H, Sixth Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving, to include special pension of $10, medal of honor roll.

The name of Joseph E. W. Bergbower, late of the Twenty-eighth Company, United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of John Rovinsky, late of Company B, Seventh Regiment United States Infantry, and Troop B, Eighth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of Philip Dieter, late of Troop D, Seventh Regiment United States Cavalry, Indian wars, and Company F, Third Potomac Home Brigade, Maryland Volunteer Infantry, Civil War, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Huse Walker, late of Company B, Fourth Regiment Tennessee Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Frederick Hattler, late of Company E, Thirteenth Regiment Pennsylvania Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Lynn J. Heldreth, late of the Ninety-fifth Company, United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Robert A. Herbst, late of Company D, Fifth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $30 per month.

The name of Henry N. Wilks, late of the Twenty-eighth Battery, United States Field Artillery, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of James Nolan, jr., late of Company G, Twenty-seventh Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Abbie Davis Morang, widow of Chester A. Morang, late of the United States Navy, Regular Establishment, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said Chester A. Morang until they reach the age of 16 years.

The name of Charles Augustus Morrison, dependent father of Peter Temple Morrison, late of Company C, Thirty-ninth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Ewel King, late of Fiftieth Company, United States Coast Artillery, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of John Baker, late of Company L, Seventh Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of James M. Vaughn, dependent father of Albert Vaughn, late of Company C, Thirty-eighth United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Elijah Spurlock, late of Company G, Fifteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of Stephen Lyttle, late of Troop M, Ninth Regiment United States Cavalry, War with Spain, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Harlan R. Hudson, late of Company B, Eighth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of Louise Niemann, dependent mother of George Niemann, late of Company E, Third Regiment United States Infantry, War with Spain, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Louise M. McArthur, widow of William G. McArthur, late of the United States Navy, War with Spain, and pay her a pension at the rate of $12 per month.

The name of Henry Puder, late of Company F, Sixth Regiment Ohio Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Archie M. Leighton, late of Company C, First Regiment New Hampshire Infantry, War with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of James M. Caldwell, insane, late of Company I, Fourth Regiment Tennessee Infantry, War with Spain, and pay him a pension at the rate of $24 per month.

The name of David M. Bates, late of Company A, Eighth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Bose Cox, late of Company E, Eighth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Carl L. Setchell, late of Company F, Thirteenth Regiment Minnesota Infantry, War with Spain, and pay him a pension at the rate of $30 per month.

The name of Robert H. Foote, late of Company L, Third Regiment Iowa National Guard, border defense, and Hospital Corps, United States Army, War with Spain, and pay him a pension at the rate of $24 per month.

The name of John H. Clark, late of Company C, Sixty-ninth Regiment New York Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Bert Rich, late of Company M, Thirty-eighth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Mary Plum, widow of Emil Plum, late of Troop L, Second Regiment United States Cavalry, Indian wars, and pay her a pension at the rate of $12 per month, and that the Commissioner of Pensions be directed to pay the claimant the pension that accrued to the soldier.

The name of Michael F. Fisher, late of Company L, Thirteenth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of George H. Leaycraft, alias George H. Wallace, late of Company L, First Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Betty Lentz, widow of David Lentz, late of Capt. S. B. Stafford's Company C, First Regiment Oregon Mounted Volunteers, Indian wars, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Virginia H. Welsh, dependent mother of George Welsh, late of Company G, Thirty-second Regiment United States Volunteer Infantry, War with Spain, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Clanton Jarrett, late of Troop A, Fifth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of William Pace, late of Company M, Fourth Regiment Kentucky Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of William T. Conway, late of Companies C and L, Twenty-first Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Elizabeth F. McCasland, dependent mother of Murray McCasland, alias McCaslin, late of Company K, Twenty-second Regiment United States Infantry, War with Spain, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Alfred J. Hester, late captain of Company E, Thirteenth Regiment Pennsylvania Infantry, National Guard, Regular Establishment, border defense, and pay him a pension at the rate of $17 per month.

The name of John D. Hoskins, late of Company E, Twenty-third Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Henry Mason, late of Company E, Eighteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Charles L. Cook, late of Troop L, Third Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Howard F. Watters, late of Company G, Twenty-second Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of William S. Starnes, late of Company L, Twentieth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $55 per month.

The name of Hugh Sizemore, late of Companies C and H, Twenty-third Regiment United States Regular Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of John H. Lytle, late of Company E, Eighteenth Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of John F. Scott, late of Company I, Sixth Regiment Missouri Infantry, War with Spain, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of James A. Fullen, late of band, Company G, and band, Eleventh and Fourteenth Regiments United States Infantry, War with Spain, and pay him a pension at the rate of $24 per month.

The name of William H. Hambleton, late of Company M, Twelfth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Mack Hickey, late of Company K, Fourth Regiment Tennessee Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Frederick W. Duden, late of Troop D, Third Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Thomas F. Moore, late of Company A, First Regiment Maine Heavy Artillery, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of George Clark, late of Company K, Seventh Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Daniel Guthrie, late of Company H, Seventh Regiment Illinois Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Fannie M. Buchanan, widow of Benjamin F. Buchanan, late of Company H, First Regiment North Carolina Infantry and Hospital Corps, United States Army, War with Spain, and pay her a pension at the rate of $12 per month and $2 per month additional on account of each of the minor children of said Benjamin F. Buchanan until they reach the age of 16 years.

The name of Alfred Kirkpatrick, late of Company B, Eleventh Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Joseph Griffin, late of Company C, Fifth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Peter Mariann, late of Company I, Thirty-seventh Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Lucy C. Strout, dependent mother of Roy L. Strout, late of Company L, Ninth Regiment United States Infantry, War with Spain, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of John Huff, late of the Twentieth Battery United States Field Artillery, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of William H. Riffey, late of Company H, Thirty-sixth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of John B. Eakles, late of Company M, Second Regiment Tennessee Infantry, War with Spain, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Frank Bachmeyer, late of Company B, Forty-fifth United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Albin D. Schaefer, late chief musician of the Forty-first Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of John F. Lindquist, late of Company H, Twelfth Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Louis S. Harris, late of Battery A, Third Regiment United States Artillery, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Elyza Settles, dependent mother of James Settles, late recruit, unassigned Cavalry, United States Army, War with Spain, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of John Salyer, late of the Tenth Company, United States Coast Artillery, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Annie Heston, widow of John Heston, late of Company I, Third Regiment United States Infantry, Indian wars, and pay her a pension at the rate of $12 per month.

The name of Mont Graham, late of the Sixty-first Company, United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Mary E. Scifres, widow of Levi M. Scifres, late of Companies H and L, Second Regiment United States Infantry, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said Levi M. Scifres until they reach the age of 16 years.

The name of Harry L. Evans, late of Company G, One hundred and fifty-eighth Regiment Indiana Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Harry Goff, late of Company K, Eleventh Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Willie Lee, late of Company F, Tenth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of James Baker, late of Companies K and E, Fourth Regiment Kentucky Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of James E. Wilson, late of Company L, Twenty-ninth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of William J. Degnan, late of Company K, Thirtieth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Mary Long, widow of Orian C. Long, late of Company E, Sixteenth Regiment United States Infantry, War with Spain, and pay her a pension at the rate of $12 per month and $2 per month additional on account of each of the minor children of said Orian C. Long until they reach the age of 16 years.

The name of Ruth Posey, widow of William C. Posey, late of Capt. Cantrell's company, Georgia Volunteers, Indian wars, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Sarah A. Willingham, widow of William Willingham, late of Company C, Nineteenth Regiment Kansas Volunteer Cavalry, Regular Establishment, Indian wars, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Robert Sweeney, late of Company E, Twenty-first Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Michael A. Kilrow, late of Company G, Thirteenth Regiment Pennsylvania Infantry, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Mary C. Hall, dependent mother of Cabell B. Hall, late of Troop C, Twelfth Regiment United States Cavalry, Regular Establishment, border defense, and pay her a pension at the rate of $12 per month.

The name of Mary McJenkins, dependent mother of John E. McJenkins, late of Troop I, Fifth Regiment United States Cavalry, Regular Establishment, and Company H, Thirty-first United States Volunteer Infantry, War with Spain, and pay her a pension at the rate of $12 per month.

The name of Joshua H. Ervin, late of Company K, Fourth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Jesse Baird, late of Company H, Sixth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Emma F. Buchanan, widow of Francis A. Buchanan, late of Capt. Childs's company, South Carolina Mounted Volunteers, Indian wars, and pay her a pension at the rate of $25 per month in lieu of that she is now receiving.

The name of Robert A. Edwards, late of Company F, Third Regiment Tennessee National Guard Infantry, Regular Establishment, border defense, and pay him a pension at the rate of $30 per month.

The name of Thomas Pope, dependent father of William H. Pope, late of Company D, Second Regiment United States Volunteer Cavalry, War with Spain, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Harrison Roberts, dependent father of Harvey E. Roberts, late of Company F, Eighth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of March Agard, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Robert W. McFarland, late of Company K, Fourteenth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Aolia Lauber, widow of George Lauber, late of the United States Navy, War with Spain, and pay her a pension at the rate of $12 per month and $2 per month additional on account of each of the minor children of said George Lauber until they reach the age of 16 years.

The name of Austin R. Fite, late of Companies D and L, Eighteenth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of John Lynch, late of Companies D and C, Fourth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $24 per month.

The name of Alexandra Mackenzie, widow of Egebert G. Mackenzie, late assistant surgeon, United States Navy, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of Frederick Dupont, late of Company I, Twenty-first Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of George Roberts, late of Company I, Thirtieth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of John T. Hyder, late of Company E, Tenth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Isaac Wainscott, late of Lieut. Willingham's Company U, Texas Volunteers, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Garrett D. Bailey, late of Company A, Twenty-first Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Anthony D. Mitten, late captain Company M, Ninth Regiment Massachusetts Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Jane Jackson, widow of Allen M. Jackson, late of Troop C, First Regiment United States Cavalry, Indian wars, and pay her a pension at the rate of $12 per month.

The name of Isabella B. Slayter, widow of John T. H. Slayter, late captain and assistant surgeon, United States Volunteer Infantry, War with Spain, and pay her a pension at the rate of $25 per month in lieu of that she is now receiving.

The name of John W. Ramey, late of Company C, Seventh Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Herbert Hill, late of Company G, Nineteenth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of John S. Robison, late of Capt. James Williams's Company N, Washington Territory Mounted Volunteers, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of James E. Davis, late of Company D, Two hundred and third Regiment New York Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Albert M. Gordon, late of Company E, Second Regiment Ohio Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of John Noble, jr., late of Troop A, Seventh Regiment United States Cavalry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Adron Duff, late of Company D, Fifth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of George S. Nevils, late of Company H, Forty-first Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of William B. Spencer, late of Companies I and C, Fifth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Ada Johnston Cowles, widow of Walter Cleveland Cowles, late rear admiral, United States Navy, Regular Establishment, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ward A. Siebenthal, late of Company H, One hundred and fifty-ninth Regiment Indiana Infantry, and Company G, Fourth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Jasper E. Glascock, late of Company E, Fourth Regiment Illinois Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of George B. Petteys, late of Company E, Nineteenth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Edward Carter, late of Company C, First Regiment Colorado Infantry, War with Spain, and pay him a pension at the rate of $24 per month.

The name of Cevilla Wise, widow of William Wise, late of Company A, Seventeenth Regiment United States Infantry, War with Spain, and pay her a pension at the rate of $12 per month.

The name of Noah Lucas, late of Company C, Fourth Regiment Kentucky Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of William Taylor, late of Company D, Third Regiment New York Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Wilbur C. Gahret, late of Company L, Second Regiment Ohio Infantry, War with Spain, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Charles V. Bradford, insane, late of Company B, Eighth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Annie E. Walker, widow of George C. Walker, late of Company L, First Regiment United States Cavalry, War with Spain, and pay her a pension at the rate of $12 per month and $2 per month additional on account of each of the minor children of said George C. Walker until they reach the age of 16 years.

The name of John H. Hopewell, late of Company A, Thirteenth Regiment United States Infantry, Regular Establishment, Indian wars, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of William A. McClarty, late of Company A, Seventeenth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Frank L. Johnson, late of Battery H, First Ohio Light Artillery, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of John W. Long, late of Company H, Eighth Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Ella Fortney, dependent mother of Benton Fortney, late of Company I, Fourth Regiment United States Cavalry, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of Katherine Mundorff, widow of John Mundorff, late of Company E, First Regiment United States Cavalry, War with Spain, and pay her a pension at the rate of $12 per month and $2 per month additional on account of the minor child of said John Mundorff until she reaches the age of 16 years.

The name of Frank Coombs, late of Troop I, Sixth Regiment United States Cavalry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Millie Lawson, widow of Walter Lawson, alias Walker Lawson, late of Company E, Twenty-fifth Regiment United States Infantry, Indian wars, and pay her a pension at the rate of $12 per month and $2 per month additional on account of the minor child of said Walter Lawson until he reaches the age of 16 years.

The name of Frank C. Baylor, late of Company H, One hundred and sixty-first Regiment Indiana Infantry, War with Spain, and pay him a pension at the rate of $24 per month.

The name of Edward J. Conway, late of Troop G, Fourth Regiment United States Cavalry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Frank L. Jewell, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Ralph Waite, late of Company L, Fourth Regiment Ohio Infantry, War with Spain, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Bettie E. Pearson, widow of Sandy W. Pearson, late of Troop F, Tenth Regiment United States Cavalry, Indian wars, and pay her a pension at the rate of $25 per month in lieu of that she is now receiving.

The name of Michael Burger, late of Company I, Seventh Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of James Adams, late of Company H, One hundred and sixty-first Regiment Indiana Infantry, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Agnes L. Ernst, widow of Joseph Ernst, late of Company I, Seventeenth Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of $25 per month in lieu of that she is now receiving.

The name of Mary L. Carr, widow of Charles Carr, late of the United States Navy, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional for each of the minor children of said Charles Carr until they reach the age of 16 years.

The name of Rudolph B. Scheitlin, late of Company F, First Regiment District of Columbia Infantry, War with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of William H. Edwards, late of the Fifth Battery United States Field Artillery, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Jefferson H. Murray, late of Company K, Third Regiment Georgia Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Frank H. Bruce, late of the Ninety-fifth Company United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Peter Crosby, late of Company K, Twelfth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of John A. Combs, late of Company B, Twenty-eighth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of John Miller, late of Company A, Eighteenth Battalion Kansas Cavalry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Sarah McGhee, dependent mother of Oscar McGhee, late of Company D, Ninth Regiment United States Cavalry, War with Spain, and pay her a pension at the rate of $12 per month.

The name of Charles L. Taylor, late quartermaster sergeant, Fourth Regiment Ohio Infantry, War with Spain, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of George P. Barker, late major, Sixth Regiment Ohio Infantry, War with Spain, and pay him a pension at the rate of $24 per month.

The name of Taylor Hensley, late of Company E, Thirteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Sherman E. Jackson, late of Company D, Ninth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $72 per month in lieu of that he is now receiving.

The name of Nora Waters, widow of Michael Waters, jr., late of Company K, First Regiment Missouri Infantry, War with Spain, and pay her a pension at the rate of $25 per month, and $2 per month additional on account of each of the minor children of said Michael J. Waters until they reach the age of 16 years, in lieu of that she is now receiving.

The name of Joseph H. Mayo, late of the United States Navy, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Galen Back, late of Company M, Twelfth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Amelia Skinner, widow of Emmett Skinner, late of Company C, Fourth Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of Elizabeth Peters, widow of James T. Peters, late of Capt. Powell's company, Tennessee Volunteers, Indian wars, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Henry C. Mulvey, late of Company I, Fifth Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Francis H. McGee, late of Troop G, Third Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Winfield S. Cooper, late of Company A, Second Regiment Mississippi Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Virgil Mahan, late of Company L, Twentieth Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Crowell Lisenby, late of Company G, Third Regiment United States Infantry, War with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of William A. Turner, late of the Eighth Company, United States Coast Artillery, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Louisa Johnson, widow of Daniel T. Johnson, late of Company G, Thirty-eighth Regiment, United States Infantry, Indian wars, and pay her a pension at the rate of $25 per month in lieu of that she is now receiving.

The name of Georgia A. Godard, dependent mother of Monroe Godard, late of Company K, Third Regiment United States Volunteer Infantry, War with Spain, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Preston Phinney, late of Battery M, Fifth United States Artillery, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of Hannah Brodeck, now Barney, dependent mother of David S. Brodeck, late of Troop M, Fourth Regiment United States Cavalry, War with Spain, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of William M. Miller, late of Battery E, Fifth United States Field Artillery, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Tabitha A. Coole, dependent mother of Charles Coole, late of Company B, One hundred and fifty-ninth Regiment Indiana Infantry, War with Spain, and pay her a pension at the rate of $20 per month.

The name of Hiram L. Middlebrooks, late of Company H, Third Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of William J. Norton, late of Company E, Third Regiment Connecticut Infantry, War with Spain, and pay him a pension at the rate of $24 per month.

The name of George G. Denning, late of Companies C and D, Thirty-ninth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

The name of Carrie Bouret, widow of William Bouret, late scout, United States Army, Indian wars, and pay her a pension at the rate of $12 per month.

The name of Anna Burke, dependent mother of John W. Burke, late of Company F, Seventh Regiment Illinois Infantry, War with Spain, and pay her a pension at the rate of $12 per month.

The name of John G. Pearson, late of Company B, Thirty-fourth Regiment Michigan Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

The name of Ubert C. Ricker, late of the Eighth Company, United States Coast Artillery, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Sarah Sipes, dependent mother of Comer E. Sipes, late of Company H, Ninth Regiment Illinois Infantry, War with Spain, and pay her a pension at the rate of $12 per month.

The name of Joseph E. Hayden, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving. This pension being in addition to the $2 per month claimant is receiving under section 4757, Revised Statutes, United States.

The name of Eva Estes, dependent mother of William R. Estes, late of Company C, Seventeenth Regiment United States Infantry, War with Spain, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Sarah L. Owen, helpless and dependent daughter of Robert Owen, late of Capt. Johnson Bedel's company, Atchison's Regiment, New York Militia; Capt. Daniel Buel's company, First Regiment (Harris) New York Militia; and in Capt. Andrew Robison's company of riflemen and infantry, Lieut. Col. John Findlay's battalion, Pennsylvania Volunteers, War of 1812, and pay her a pension at the rate of $12 per month.

The name of Stanley S. Stout, late of Company C, Sixth Regiment United States Volunteer Infantry, War with Spain, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The bill is in lieu of the following House bills:

H. R. 582.	Robert S. Hansbury.	H. R. 7067.	Marianne H. D'Arcy.
H. R. 648.	William Bogen.	H. R. 7075.	Henry Lee.
H. R. 659.	William H. Heller.	H. R. 7127.	Sarah Cronin.
H. R. 669.	Francis P. McCue.	H. R. 7222.	Patrick J. Blake.
H. R. 676.	Elizabeth Gouldrick.	H. R. 7332.	William Jackson.
H. R. 679.	Susan M. Gregory.	H. R. 7399.	Mary Hart.
H. R. 2407.	Fountain Tankersley.	H. R. 7553.	Margaret Howell Butler.
H. R. 2410.	Fred C. Sawin.		
H. R. 2414.	John E. Coleman.	H. R. 7616.	Adam Roth.
H. R. 2468.	Socrates P. Battle.	H. R. 7832.	John J. Sharp.
H. R. 2832.	Henry M. Agenbroad.	H. R. 7845.	John M. Williams.
H. R. 3062.	Sarah M. J. Bertram.	H. R. 7996.	John Felzen.
H. R. 3222.	Maurice Leahy.	H. R. 7998.	Hyram Colwell.
H. R. 3828.	Louisa H. Highley.	H. R. 8054.	Ellie J. Hays.
H. R. 3996.	George W. Hook.	H. R. 8130.	Roger J. Wershing.
H. R. 5064.	James M. Vint.	H. R. 8274.	Mary Watson Smith Maher.
H. R. 5072.	Virgil O. Adams.		
H. R. 5074.	Frank R. Wall.	H. R. 8282.	William C. Phillips.
H. R. 5202.	Ewell V. Osborn.	H. R. 8331.	George W. Robinson.
H. R. 5318.	James P. Burns.	H. R. 8351.	Morris E. Leighty.
H. R. 5356.	George W. Mason.	H. R. 8427.	Mary E. Frederick.
H. R. 5363.	Benjamin Hammonds.	H. R. 8438.	Mary Loftain Wildey.
H. R. 5384.	Daniel B. W. Stocking.	H. R. 8451.	Charles J. McCarthy.
H. R. 5392.	Lucius P. Burress.	H. R. 8548.	Clarence E. West, alias Earl West.
H. R. 5478.	James W. Noe.		
H. R. 5479.	James Sullivan.	H. R. 8609.	Marguerite B. Fitzgerald.
H. R. 5480.	Seaburn D. Wray.		
H. R. 5481.	Scott Engle.	H. R. 8629.	William H. Troxell.
H. R. 5486.	Carey O. Amsbaugh.	H. R. 8706.	Charles E. Hodges.
H. R. 5748.	Charles W. Ranger.	H. R. 8935.	Eronie Fisher.
H. R. 5874.	Tom S. Bailey.	H. R. 8972.	Harry W. Feldman.
H. R. 5893.	Anna Kennedy.	H. R. 8978.	William R. Drain.
H. R. 5983.	Jane Philpot.	H. R. 8999.	Pharoah Pack.
H. R. 6102.	Charles M. Walker.	H. R. 9013.	Martin Quinn.
H. R. 6106.	Gustave Pinksohn.	H. R. 9015.	Thomas Mattes.
H. R. 6115.	Doctor Harris.	H. R. 9019.	Jesse Cunningham.
H. R. 6130.	James Robinson.	H. R. 9043.	Floyd H. Wilkins.
H. R. 6318.	James R. Burroughs.	H. R. 9185.	Grace F. Marix.
H. R. 6455.	Lawrence P. Williams.	H. R. 9363.	Brooklyn Hodges.
H. R. 6620.	Dudley R. Sloan.	H. R. 9402.	Francis O. Nash.
H. R. 6724.	Jesse Callahan.	H. R. 9425.	Walter E. Crackel.
H. R. 6728.	Blain Pedago.	H. R. 9428.	Esther M. Openshaw.
H. R. 6730.	Robert Strong.	H. R. 9436.	William Bays.
H. R. 6826.	Milton Ross.	H. R. 9454.	Walter J. Miller.
H. R. 6890.	John D. Jones.	H. R. 9502.	Sewell C. Rose.
H. R. 6930.	Elmer C. Wilcox.	H. R. 9527.	Milton L. Stover.
H. R. 6973.	Marion J. Morgan.	H. R. 9689.	Henry Nieberding.

H. R. 9768. Jacob P. Marling.
H. R. 9808. Mildred S. Lewis.
H. R. 9851. Henry M. Smith, alias Henry Ash.
H. R. 9883. James Phelps.
H. R. 9903. Charles W. Bryant.
H. R. 9996. Emil A. Akerman.
H. R. 10013. Zora Schenkelberger.
H. R. 10022. Rush W. Burnside.
H. R. 10026. Katherine F. Candee.
H. R. 10029. George R. Everhart.
H. R. 10053. Maidora C. Parker.
H. R. 10063. William G. Rowland.
H. R. 10122. Albert D. Clark.
H. R. 10201. Alvina Sanders.
H. R. 10264. Christopher Rohrscheid.
H. R. 10334. James B. Waters.
H. R. 10383. George W. Shafer.
H. R. 10428. Hull Itskin.
H. R. 10486. Samuel H. Rodeheaver.
H. R. 10497. Charley Salyers.
H. R. 10574. Harlem L. Gorham.
H. R. 10575. Millie Cisler.
H. R. 10580. Conrad C. Kalber.
H. R. 10599. Thomas J. Stevens.
H. R. 10729. Bessie Walsh.
H. R. 10796. George J. Molloy.
H. R. 10817. Julius A. Nemitz.
H. R. 10823. Nicola Depompa.
H. R. 10855. John A. Lovett.
H. R. 10897. Roy C. Murray.
H. R. 10903. Flora B. Warren.
H. R. 10933. Columbus Brundage.
H. R. 10941. Elizabeth Shaw.
H. R. 11006. Augustus O. Hartel.
H. R. 11042. Dell W. Stinchcomb.
H. R. 11094. May Lace.
H. R. 11110. Palace Douglas.
H. R. 11135. August H. Knippenberg.
H. R. 11151. Charley Thomas.
H. R. 11157. Marshall F. Truax.
H. R. 11160. James B. Bristow.
H. R. 11169. John J. Boggs.
H. R. 11192. Willie E. Vaughan.
H. R. 11219. Christina Wylie.
H. R. 11240. Anton Schwarz.
H. R. 11268. Alexander Emory.
H. R. 11290. George F. Smith alias F. G. Kasimir.
H. R. 11379. Carrie S. Warner.
H. R. 11380. William A. Morris.
H. R. 11406. George W. Fariss.
H. R. 11407. Mary M. Durand.
H. R. 11454. Katherine M. Flanagan.
H. R. 11463. Knight F. Flanders.
H. R. 11464. Ralph L. Hackett.
H. R. 11470. John C. Gaskins.
H. R. 11471. Frank H. Alspach.
H. R. 11473. Richard L. McGregor.
H. R. 11481. Priscilla Eggleston.
H. R. 11486. Ray W. Burkdoll.
H. R. 11504. Oren O. Pound.
H. R. 11512. John W. Thompson.
H. R. 11515. Eliza Brown.
H. R. 11519. Mary Gass.
H. R. 11528. Paul J. Barr and Roy S. Barr, minors.
H. R. 11535. Cornelius Conley alias Cornelius Connelly.
H. R. 11573. Anson T. Lazier.
H. R. 11574. Charles J. S. Arey.
H. R. 11601. George W. Keith.
H. R. 11611. Mary Reid, now Nichols.
H. R. 11629. Robert C. Ladd.
H. R. 11630. Herbert E. Strode.
H. R. 11653. Luke Monroe.
H. R. 11655. John S. Jamison.
H. R. 11685. William A. Foster.
H. R. 11691. Abraham M. Reams.
H. R. 11692. Lena Mauter.
H. R. 11694. Susan Chittenden.
H. R. 11696. Anna Dixon.
H. R. 11698. Rose M. Painter.
H. R. 11706. Patrick Kinny.
H. R. 11710. Andrew J. Showan.
H. R. 11711. John F. McNeeley.
H. R. 11713. Benjamin Phillips.
H. R. 11715. Cora Booram.
H. R. 11760. Louisa Cary.
H. R. 11762. Tony Jud.
H. R. 11781. Mike Kulas.
H. R. 11787. Richard J. Weaver.
H. R. 11794. Nelle T. O'Neil.
H. R. 11799. Edward F. Stewart.
H. R. 11822. Isaac Morris.
H. R. 11829. Frank Risner.
H. R. 11831. William Winn.
H. R. 11832. Leck Patrick.
H. R. 11837. Julia Tomlin.
H. R. 11839. Simpson Hornaday.
H. R. 11854. Joseph E. W. Bergbower.
H. R. 11856. John Rovinsky.
H. R. 11860. Philip Dieter.
H. R. 11870. Huse Walker.
H. R. 11905. Frederick Hattler.
H. R. 11909. Lynn J. Heldreth.
H. R. 11930. Robert A. Herbst.
H. R. 11932. Henry N. Wilks.
H. R. 11940. James Nolan, jr.
H. R. 11987. Abbie Davis Morang.
H. R. 11989. Charles A. Morrison.
H. R. 11993. Ewel King.
H. R. 11995. John Baker.
H. R. 11996. James M. Vaughn.
H. R. 11999. Elijah Spurlock.
H. R. 12000. Stephen Lyttle.
H. R. 12003. Harlan R. Hudson.
H. R. 12008. Louise Niemann.
H. R. 12023. Louise M. McArthur.
H. R. 12049. Henry Puder.
H. R. 12059. Archie M. Leighton.
H. R. 12069. James M. Caldwell.
H. R. 12070. David M. Bates.
H. R. 12071. Bose Cox.
H. R. 12105. Carl L. Setchell.
H. R. 12107. Robert H. Foote.
H. R. 12116. John H. Clark.
H. R. 12118. Bert Rich.
H. R. 12120. Mary Plum.
H. R. 12132. Michael F. Fisher.
H. R. 12145. George H. Leaycraft, alias George H. Wallace.
H. R. 12149. Betty Lentz.
H. R. 12173. Virginia H. Welsh.
H. R. 12177. Clanton Jarrett.
H. R. 12178. William Pace.
H. R. 12186. William T. Conway.
H. R. 12197. Elizabeth F. McCasland.
H. R. 12205. Alfred J. Hester.
H. R. 12222. John D. Hoskins.
H. R. 12223. Henry Mason.
H. R. 12224. Charles L. Cook.
H. R. 12227. Howard F. Watters.
H. R. 12228. William S. Starnes.
H. R. 12229. Hugh Sizemore.
H. R. 12233. John H. Lytle.
H. R. 12234. John F. Scott.
H. R. 12235. James A. Fullen.
H. R. 12274. William H. Hambleton.
H. R. 12289. Mack Hickey.
H. R. 12344. Frederick W. Duden.
H. R. 12346. Thomas F. Moore.
H. R. 12353. George Clark.
H. R. 12363. Daniel Guthrie.
H. R. 12372. Fannie M. Buchanan.
H. R. 12373. Alfred Kirkpatrick.
H. R. 12388. Joseph Griffin.
H. R. 12408. Peter Mariann.
H. R. 12410. Lucy C. Strout.
H. R. 12411. John Huff.
H. R. 12412. William H. Riffey.
H. R. 12415. John B. Eakles.
H. R. 12440. Frank Bachmeyer.
H. R. 12448. Albin D. Schaefer.
H. R. 12450. John F. Lindquist.
H. R. 12451. Louis S. Harris.
H. R. 12454. Elyza Settles.
H. R. 12493. John Salyer.
H. R. 12497. Annie Heston.
H. R. 12499. Mont Graham.
H. R. 12515. Mary E. Scifres.
H. R. 12550. Harry L. Evans.
H. R. 12554. Harry Goff.
H. R. 12560. Willie Lee.
H. R. 12562. James Baker.
H. R. 12566. James E. Wilson.
H. R. 12571. William J. Degnan.
H. R. 12572. Mary Long.
H. R. 12575. Ruth Posey.
H. R. 12587. Sarah A. Willingham.
H. R. 12590. Robert Sweeney.
H. R. 12591. Michael A. Kilrow.
H. R. 12595. Mary C. Hall.
H. R. 12596. Mary McJenkins.
H. R. 12597. Joshua H. Ervin.
H. R. 12599. Jesse Baird.
H. R. 12617. Emma F. Buchanan.
H. R. 12625. Robert A. Edwards.
H. R. 12654. Thomas Pope.
H. R. 12656. Harrison Roberts.
H. R. 12667. March Agard.
H. R. 12673. Robert W. McFarland.
H. R. 12688. Aolia Lauber.
H. R. 12694. Austin R. Fite.
H. R. 12705. John Lynch.
H. R. 12731. Alexander Mackenzie.
H. R. 12733. Frederick Dupont.
H. R. 12741. George Roberts.
H. R. 12744. John T. Hyder.
H. R. 12763. Isaac Wainscott.
H. R. 12768. Garrett D. Bailey.
H. R. 12783. Anthony D. Mitten.
H. R. 12815. Jane Jackson.
H. R. 12840. Isabella B. Slayter.
H. R. 12865. John W. Ramey.
H. R. 12873. Herbert Hill.
H. R. 12877. John S. Robison.
H. R. 12893. James E. Davis.
H. R. 12894. Albert M. Gordon.
H. R. 12897. John Noble, jr.
H. R. 12900. Adron Duff.
H. R. 12902. George S. Nevils.
H. R. 12921. William B. Spencer.
H. R. 12947. Ada Johnston Cowles.
H. R. 12958. Ward A. Siebenthal.
H. R. 12984. Jasper E. Glascock.
H. R. 12986. George B. Petteys.
H. R. 12987. Edward Carter.
H. R. 13005. Cevilla Wise.
H. R. 13016. Noah Lucas.
H. R. 13017. William Taylor.
H. R. 13037. Wilbur C. Gabret.
H. R. 13058. Charles V. Bradford.
H. R. 13064. Annie E. Walker.
H. R. 13076. John H. Hopewell.
H. R. 13079. William A. McClarty.
H. R. 13085. Frank L. Johnson.
H. R. 13104. John W. Long.
H. R. 13115. Ella Fortney.
H. R. 13117. Katherine Mundorff.
H. R. 13128. Frank Coombs.
H. R. 13130. Millie Lawson.
H. R. 13147. Frank C. Baylor.
H. R. 13150. Edward J. Conway.
H. R. 13154. Frank L. Jewell.
H. R. 13161. Ralph Waite.
H. R. 13194. Bettie E. Pearson.
H. R. 13207. Michael Burger.
H. R. 13208. James Adams.
H. R. 13214. Agnes L. Ernst.
H. R. 13233. Mary L. Carr.
H. R. 13235. Rudolph B. Scheitlin.
H. R. 13249. William H. Edwards.
H. R. 13269. Jefferson H. Murray.
H. R. 13271. Frank H. Bruce.
H. R. 13281. Peter Crosby.
H. R. 13340. John A. Combs.
H. R. 13341. John Miller.
H. R. 13352. Sarah McGhee.
H. R. 13392. Charles F. Walker.
H. R. 13396. Charles L. Taylor.
H. R. 13441. George P. Barker.
H. R. 13443. Taylor Hensley.
H. R. 13445. Sherman E. Jackson.
H. R. 13448. Nora Waters.
H. R. 13455. Joseph H. Mayo.
H. R. 13457. Galen Back.
H. R. 13458. Amelia Skinner.
H. R. 13463. Elizabeth Peters.
H. R. 13466. Henry C. Mulvey.
H. R. 13470. Francis H. McGee.
H. R. 13472. Winfield S. Cooper.
H. R. 13473. Virgil Mahan.
H. R. 13492. Crowell Lisenby.
H. R. 13498. William A. Turner.
H. R. 13544. Louisa Johnson.
H. R. 13550. Georgia A. Godard.
H. R. 13611. Preston Phinney.
H. R. 13615. Hannah Brodeck, now Barney.
H. R. 13616. William M. Miller.
H. R. 13618. Tabitha A. Coole.
H. R. 13621. Hiram L. Middlebrooks.
H. R. 13638. William J. Norton.
H. R. 13642. George G. Denning.
H. R. 13643. Carrie Bouret.
H. R. 13713. Anna Burke.
H. R. 13715. John G. Pearson.
H. R. 13718. Ubert C. Ricker.
H. R. 13738. Sarah Sipes.
H. R. 13817. Joseph E. Hayden.
H. R. 13863. Eva Estes.
H. R. 13949. Sarah L. Owen.
H. R. 14013. Stanley S. Stout.

The Clerk proceeded to read the bill for amendment.

Mr. CALDWELL. Mr. Speaker, I rise to a point of order. The Clerk is not reading the whole bill. He is reading the name and the amount. There are several lines between, and as we are not doing much to-day I think he should read the whole bill. Has the first reading been dispensed with?

Mr. MANN of Illinois. The first reading was dispensed with.

Mr. CALDWELL. I did not hear any such request.

Mr. MANN of Illinois. Granting a request to consider a bill in the House as in Committee of the Whole dispenses with the first reading of the bill under a ruling by ex-Speaker CLARK.

The Clerk read as follows:

The name of Fred C. Swain, late of Company F, Sixth Regiment Illinois Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

With the following committee amendment:

Page 2, line 19, strike out "Swain" and insert "Savin."

The committee amendment was agreed to.

The Clerk read as follows:

The name of Scott Engle, late of the Twenty-second Battalion United States Field Artillery, Regular Establishment, and pay him a pension at the rate of $17 per month.

Mr. CALDWELL. Mr. Speaker, I move to strike out the last word to ask the chairman of the committee a question. Where is the report on this bill? I have tried to get a copy of the report, but have been unable to get it.

Mr. KNUTSON. If the gentleman wishes a copy of the report, I will give him mine.

Mr. CALDWELL. If there is a report, all right. I withdraw the pro forma amendment.

The Clerk read as follows:

The name of Tom S. Bailey, late of Company F, Third Regiment Tennessee Infantry, War with Spain, and pay him a pension at the rate of $17 per month.

Mr. HOWARD. Mr. Speaker, under the ruling of the Speaker this morning, this seems to be very important business before the House, and I think we should have a quorum to do business. I make the point that there is no quorum present.

The SPEAKER pro tempore (Mr. LONGWORTH). The gentleman from Oklahoma makes the point that no quorum is present. The Chair will count. [After counting.] One hundred and fifty-eight Members present, not a quorum.

Mr. MONDELL. Mr. Speaker, in view of the fact that the Democratic side of the House wants to oppose pension bills, I move a call of the House.

The question was taken; and on a division (demanded by Mr. CALDWELL) there were 127 ayes and 5 noes.

So the motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

Anthony	Campbell, Pa.	Curry, Calif.	Elston
Aswell	Caraway	Darrow	Emerson
Baer	Carew	Dempsey	Esch
Bankhead	Carss	Denison	Ferris
Bell	Carter	Dent	Fess
Blackmon	Casey	Dewalt	Fields
Blanton	Clark, Fla.	Donovan	Focht
Boies	Clark, Mo.	Dooling	Frear
Bowers	Cleary	Drane	Fuller, Mass.
Brinson	Cole	Drewry	Ganly
Britten	Cooper	Dunn	Garrett
Browne	Copley	Eagle	Goldfogle
Burke	Costello	Edmonds	Goodall
Butler	Crago	Ellsworth	Goodwin, Ark.

Gould	Kiess	Phelan	Stephens, Ohio
Graham, Pa.	Kitchin	Radcliffe	Stiness
Greene, Vt.	Kreider	Rainey, John W.	Strong, Pa.
Griest	Langley	Ramsey	Sullivan
Hamill	Lankford	Ramseyer	Sumners, Tex.
Harreld	Lazaro	Randall, Calif.	Tague
Harrison	Lesher	Reber	Taylor, Colo.
Hastings	McCulloch	Reed, N. Y.	Taylor, Tenn.
Hayden	McFadden	Rhodes	Temple
Heflin	McKinley	Riddick	Thomas
Hernandez	McKinley	Riordan	Tillman
Hill	McLane	Rodenberg	Tilson
Hoey	McPherson	Rowan	Vare
Huddleston	Madden	Rucker	Venable
Hulings	Maher	Schall	Walters
Husted	Martin	Scully	Webster
Hutchinson	Mason	Sears	Whaley
Jefferis	Mays	Shreve	Wheeler
Johnston, N. Y.	Merritt	Sinnott	Williams
Jones, Pa.	Moore, Va.	Small	Wilson, Ill.
Kelley, Mich.	Morin	Smith, N. Y.	Wise
Kelly, Pa.	Nicholls	Smithwick	Wood, Ind.
Kendall	Nolan	Snell	Wright
Kennedy, Iowa	O'Connell	Snyder	
Kennedy, R. I.	Osborne	Steagall	
Kettner	Parker	Steele	

The SPEAKER pro tempore. Two hundred and sixty-five Members have answered to their names, a quorum.

Mr. SELLS. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

The SPEAKER pro tempore. The Clerk will read.

The Clerk read as follows:

The name of William C. Phillips, late of Company I, Sixteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

Mr. McKEOWN. Mr. Speaker, I move to strike out the last word, and I do that for this purpose: To call attention to the fact that the report accompanying this bill was not available at the time the bill was called up for consideration. I want to protest against that practice. I am opposed to the practice of not having reports on bills of this kind printed in time for Members to examine them before the bill comes up. I do not take it that that is the fault of the committee, but the reports nevertheless were not available and were not made available until after the bill was under consideration. I do not think that practice ought to be indulged in, because the membership of the House is entitled to examine these several claims.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. KNUTSON. I think the Printing Office was short of paper.

Mr. McKEOWN. I am simply protesting against taking up bills of this kind which carry appropriations without an opportunity on the part of Members of the House to examine the report and the cases.

Mr. KNUTSON. As a general thing, it is a very bad practice.

Mr. MONDELL. Mr. Speaker, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. MONDELL. Mr. Speaker, I think the gentleman's point is well taken. I am rather inclined to think that if we had all realized the report was not available we might not have taken this bill up for consideration. I think the House ought to have the reports available before bills are taken up, but there is no controversy over any item in this particular bill, so that I do not know if it is important in this case. I do think it is important as a general proposition.

Mr. McKEOWN. The question of whether or not it might be of consequence would arise out of information contained in the report. I have no objection to the bill, and I am not making any objection. I am simply calling the attention of the House to the practice of taking up a bill carrying appropriations without an opportunity to read the report upon the measure.

Mr. SELLS. Mr. Speaker, the Committee on Pensions meets on Wednesday of each week. Immediately after the committee meeting the clerk and the examiner of the committee prepare the bills approved for printing. The bills with the reports go to the Public Printer on Wednesday afternoon. That course was pursued in this case and they went to the Public Printer on Wednesday afternoon and they should have been here yesterday morning. That they were delayed is no fault of the Committee on Pensions. We have merely observed the usual practice, heretofore observed in reporting these bills.

Mr. McKEOWN. In that event bills ought not to be called up for consideration, although to-day is pension day, until the House can have opportunity to read the report. I raised this point merely to call the attention of the House to the facts so that in the future we may have opportunity to examine reports.

Mr. BEE. Mr. Speaker, will the gentleman from Tennessee yield?

Mr. SELLS. I have not the floor.

Mr. McKEOWN. I yield.

Mr. BEE. Two weeks ago we passed a special bill for Spanish-American War veterans. Does this bill include individuals who do not come under the operation of that law, for whom it is necessary to pass special legislation, or under what circumstances do these claims arise?

Mr. SELLS. H. R. 2, to which the gentleman refers, is a general bill for the relief of Spanish War veterans, and it has not yet become a law.

The SPEAKER pro tempore. The time of the gentleman from Tennessee has expired, and the Clerk will read.

The Clerk read as follows:

The name of Conrad C. Kalber, late of Company A, First Regiment Connecticut Infantry, War with Spain, and pay him a pension at the rate of $12 per month.

Mr. SELLS. Mr. Speaker, I ask unanimous consent to return to page 15 for the purpose of offering an amendment to strike out lines 4, 5, and 6.

The SPEAKER pro tempore. The gentleman from Tennessee asks unanimous consent to return to page 15 for the purpose of offering an amendment. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Page 15, strike out all of lines 4, 5, and 6.

Mr. SELLS. Mr. Speaker, in that case the claimant is dead.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. SELLS, a motion to reconsider the vote by which the bill was passed was laid on the table.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

Mr. GOOD. Mr. Speaker, I present a privileged report from the Committee on Appropriations, which I send to the desk and ask to have read.

The Clerk read as follows:

The Committee on Appropriations, to which was referred the bill (H. R. 12610) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes, together with the veto message of the President thereon, having considered the same, reports the bill herewith, with the recommendation that it be passed by the House of Representatives, the objections of the President to the contrary notwithstanding.

Mr. GOOD. Mr. Speaker, I desire to ask the gentleman from Tennessee with regard to time. I assume that I have one hour on this matter. At the end of that time I desire to move the previous question, and at the same time I want to yield to the gentleman from Tennessee such time as he may desire.

Mr. GARNER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GARNER. Does the gentleman from Iowa have an hour under the rules to discuss the veto message of the President?

The SPEAKER pro tempore. The Chair would be inclined to think that the gentleman having made a privileged motion would be entitled to the floor for an hour.

Mr. GOOD. Mr. Speaker, if an hour is not enough, I desire to be entirely fair and I want the gentleman from Tennessee [Mr. BYRNS] to have one-half of that time. If that is not sufficient, we will get more time.

Mr. BYRNS of Tennessee. Mr. Speaker, I do not know who wants to speak on the matter, but from the information that I now have I think 30 minutes will be ample time on this side, and possibly more than we would need.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

Mr. BYRNS of Tennessee. I suggest that the gentleman take his hour and yield half of it to those on this side or yield it to me for the purpose of yielding to those gentlemen who want to speak, and if additional time——

Mr. GOOD. I will yield at this time 30 minutes to the gentleman from Tennessee, and I ask that he consume that time now.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WINGO. As I understand, the House is reconsidering a bill. Now, does the Speaker rule that that allows one hour to the gentleman who brings up the bill and does not allow an hour to each side?

The SPEAKER pro tempore. The Chair would think not. The Chair thinks the motion the gentleman from Iowa has

made is under the regular rules of the House, and he is entitled to an hour.

Mr. WINGO. I am not protesting against it, but there is some doubt——

Mr. GOOD. And if additional time is wanted, I shall be very glad to ask unanimous consent to grant a little additional time, the time to be equally divided.

Mr. WINGO. I will state that I was not protesting, but I did not know whether, as the bill came up on reconsideration, it would proceed upon one hour to whoever got the floor. I was possibly in error.

Mr. GOOD. Mr. Speaker, I ask unanimous consent that at the end of one hour the previous question be considered as ordered.

The SPEAKER pro tempore. The gentleman from Iowa asks unanimous consent that at the expiration of one hour the previous question shall be considered as ordered. Is there objection? [After a pause.] The Chair hears none.

Mr. CALDWELL. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman from New York rise?

Mr. CALDWELL. Inasmuch as this is an effort to pass the bill over the President's veto, I think we ought to have a quorum present, and I therefore make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from New York makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and sixty-seven gentlemen are present; not a quorum.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Anthony	Drewry	Kelley, Mich.	Reed, N. Y.
Aswell	Dunn	Kelly, Pa.	Rhodes
Baer	Eagle	Kendall	Riddick
Bankhead	Echols	Kennedy, Iowa	Riordan
Bell	Edmonds	Kennedy, R. I.	Rodenberg
Blackmon	Ellsworth	Kettner	Rose
Blanton	Elston	Kiess	Rowan
Boies	Emerson	Kitchin	Rucker
Booher	Esch	Kreider	Sanders, Ind.
Bowers	Ferris	Langley	Schall
Brinson	Fess	Lankford	Scully
Britten	Fields	Lazaro	Sears
Browne	Focht	Lesher	Shreve
Brumbaugh	Frear	McArthur	Small
Burke	Fuller, Mass.	McCulloch	Smith, N. Y.
Butler	Ganly	McFadden	Smithwick
Campbell, Pa.	Garrett	McKenzie	Snell
Caraway	Godwin, N. C.	McKiniry	Snyder
Carew	Goldfogle	McKinley	Steagall
Carss	Goodykoontz	McLane	Steele
Carter	Gould	McPherson	Steenerson
Casey	Graham, Pa.	Madden	Stephens, Miss.
Clark, Fla.	Greene, Vt.	Maher	Stephens, Ohio
Classon	Griest	Martin	Strong, Pa.
Cleary	Hamill	Mason	Sullivan
Cole	Harreld	Mays	Sumners, Tex.
Cooper	Harrison	Merritt	Tague
Copley	Hastings	Moon	Temple
Costello	Haugen	Moore, Va.	Tillman
Curry, Calif.	Hayden	Morin	Tilson
Darrow	Hays	Nelson, Wis.	Vare
Davis, Minn.	Heflin	O'Connell	Walters
Dempsey	Hernandez	Padgett	Webster
Denison	Hill	Parker	Whaley
Dent	Huddleston	Phelan	Wheeler
Dewalt	Hulings	Radcliffe	White, Kans.
Donovan	Husted	Ramsey	Winslow
Dooling	Jefferis	Ramseyer	Wood, Ind.
Doremus	Johnston, N. Y.	Reavis	
Drane	Jones, Pa.	Reber	

The SPEAKER. On this roll call 269 Members have answered to their names. A quorum is present.

Mr. GOOD. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The gentleman from Iowa has one hour.

Mr. GOOD. Mr. Speaker, I have yielded 30 minutes to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS of Tennessee. Mr. Speaker, the motion before the House is to pass the legislative, executive, and judicial appropriation bill, the veto of the President notwithstanding. The objection of the President to the bill as it passed the Congress is based on section 8 of the bill, which I wish to read to the House for its information. It reads as follows:

SEC. 8. That section 11 of the act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1920, and for other purposes," is hereby amended by striking out the first proviso and inserting the following in lieu thereof:

"*Provided*, That hereafter no journal, magazine, periodical, or similar Government publication shall be printed, issued, or discontinued by any branch or officer of the Government service unless the same shall have been authorized under such regulations as shall be prescribed by the Joint Committee on Printing, and such publications shall not contain any commercial advertisements: *Provided further*, That the foregoing provisions of this section shall also apply to mimeographing, multigraphing, and other processes used for the duplication of typewritten and printed matter, other than official correspondence and office records."

Now, the amendment in the act which was approved March 1, 1919, and which this provision I have just read seeks to amend, reads as follows:

SEC. 11. That the Joint Committee on Printing shall have power to adopt and employ such measures as, in its discretion, may be deemed necessary to remedy any neglect, delay, duplication, or waste in the public printing and binding and the distribution of Government publications: *Provided*, That hereafter no journal, magazine, periodical, or other similar publication shall be printed and issued by any branch or officer of the Government service unless the same shall have been specifically authorized by Congress, but such publications as are now being printed without specific authority from Congress may, in the discretion of the Joint Committee on Printing, be continued until the close of the next regular session of Congress, when, if authority for their continuance is not then granted by Congress, they shall not thereafter be printed: *Provided further*, That on and after July 1, 1919, all printing, binding, and blank-book work for Congress, the Executive Office, the judiciary, and every executive department, independent office, and establishment of the Government shall be done at the Government Printing Office, except such classes of work as shall be deemed by the Joint Committee on Printing to be urgent or necessary to have done elsewhere than in the District of Columbia for the exclusive use of any field service outside of said District.

Now, if you will analyze the provision which was carried in the current law and the amendment which was adopted, and which I first read, you will see that there is quite a difference.

In other words, on March 1, 1919, Congress undertook to say and did say that after the adjournment of the next regular session no journal, magazine, periodical, and so forth, shall be printed and issued by any branch or officer of the Government unless it is specifically authorized by law. But it provided that in the interim, between that date and the adjournment of the next regular session of Congress, which is the present session, the Joint Committee on Printing should have the power and authority to permit such publications as in its judgment and discretion should be made. The provision which the President has vetoed places the exclusive authority in the Joint Committee on Printing for all time to absolutely determine, regardless of anything that the executive branch may have to say and regardless of anything that Congress may have to say, unless it takes formal action, as to just what publications shall be issued. So I say there is a most material difference between the act as it was passed in March, 1919, and as approved by the President at that time and the provision carried in this bill which he has vetoed.

It is clear that when Congress passed the bill, on March 1, 1919, and when it was approved by the President, it was expected that before the next regular session of Congress should have come to a close Congress would have taken the matter up through its proper legislative committee and adopted some legislation giving authority for the publication of such publications as were deemed necessary. But this Congress has sat here for more than a year and has absolutely failed to consider the matter or to pass any legislation upon the subject as it was expected that it would do when the bill to which I have referred was passed. And it is only another evidence of the fact of the failure of this Congress, although it has been in session more than a year, to grapple with legislative problems and pass legislation needed in order that our Government may properly function.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield.

Mr. JOHNSON of Washington. This session of Congress has already passed the so-called printing reform bill, which would in itself, if passed in the other body, correct 85 per cent, at least, of this overplus of printing matter, would it not?

Mr. BYRNS of Tennessee. That is true; and I am glad the gentleman corrected me in so far as this House is concerned. But it so happens that the Senate is a part of the Congress, and the assent of the Senate is necessary in order that a matter may become a law. The other end of the Capitol is controlled by the same party that controls in this House. So I repeat the very difficulty with which we are confronted to-day is due to the inexcusable inactivity of this Congress and its failure to pass legislation that it was expected it would pass in order to take care of this particular matter.

Now, it will be said by those who favor passing this bill over the veto of the President that if you strike this provision out the Government will find itself in a position where practically no publications can be issued after July 1, because I am informed there are some 150 new publications that are being issued for which there is no specific authority of law. But that is no reason, gentlemen, why Congress should undertake to take from the executive branch of the Government by permanent law authority that properly belongs to it. The President has set

out in his message very fully and elaborately the reasons which prompted him to veto this provision. He has insisted, and in my judgment he has good reason to insist, that when you undertake to say, not that Congress but a joint committee of Congress, shall have the power to absolutely censor all of the publications of the executive branch of this Government, have the power to go into the department and into the independent establishments, and censor what they issue, what they send out to the country, it is a clear, plain encroachment upon the functions of the executive branch of the Government.

Mr. LONGWORTH. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield.

Mr. LONGWORTH. The gentleman was a member of the conference committee, was he not?

Mr. BYRNS of Tennessee. No; I was not.

Mr. LONGWORTH. Did any gentleman on the gentleman's side who was a member of the conference object to this provision?

Mr. BYRNS of Tennessee. Not that I know of. It was a unanimous conference report, but it was a Senate amendment. The provision never did come directly before the House. The House never had an opportunity to pass upon it or consider it, and I dare say that there were very few Members of Congress who knew it was in the bill by way of Senate amendment.

Mr. BARKLEY. Aside from the question of these publications that are issued by the various departments, does the gentleman propose to discuss the effect this amendment would have upon the phase of it relating to copying, multigraphing, and so forth?

Mr. KNUTSON. And will the gentleman also touch upon the effect that the passage of this bill over the President's veto would have on the paper situation?

Mr. BYRNS of Tennessee. I will try to come to that.

Mr. JOHNSON of Washington. Also in regard to this immense amount of press-agent stuff put out every night?

Mr. TOWNER. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. TOWNER. I was going to ask the gentleman if the same reason and principle would not apply to the bill of a year ago that applies now—that it is a usurpation of the Executive authority? I was wondering why the President did not veto that bill but vetoes this.

Mr. BYRNS of Tennessee. I tried to give my own views in regard to that matter a moment ago. To repeat, very briefly, I will say to the gentleman from Iowa that the provision adopted a year ago is entirely different from the provision that is carried in this particular bill, in that the provision adopted a year ago provided that upon the adjournment of the next regular session of Congress no publication of any kind—bulletin, magazines, or periodicals—should be printed and issued without specific authority of law. But in order to give this Congress at this regular session the time in which to formulate legislation and to determine just what magazines and periodicals and bulletins should be published and issued, it was provided that the Joint Committee on Printing should have authority in the interim to say whether or not a particular magazine or periodical should be issued. It was a temporary measure, looking to the enactment of proper remedial legislation. Now, the gentleman will see clearly, I am sure, that that is an entirely different proposition from the one that is presented now, which proposes to make permanent law the right of the Joint Committee on Printing to absolutely dictate to the executive branches of this Government, and to censor, if it desires to do so, any magazine, publication, or periodical that may be issued by it.

Mr. TOWNER. I certainly understand the gentleman's distinction, which he has made clear; but that is not the proposition that I asked the gentleman to give his attention to. The proposition is that while this is contended to be an encroachment upon the executive branch of the Government, to that extent the gentleman states the other was also an encroachment on the Executive power, and the principle involved is exactly the same. I was wondering if the gentleman could tell us why the President did not veto that a year ago if it was an encroachment on his power?

Mr. BYRNS of Tennessee. I do not think anyone would seriously contend that Congress, which has authority to make appropriations and has full control of the purse strings, would not have the authority to say of itself how that money should be expended, whether for a particular magazine or another.

But Congress in this case is undertaking to delegate such authority as it might have as a Congress to a joint committee composed of four or five Senators and Representatives and giving to them the authority which it ought to exercise itself and which it was contemplated it would exercise when that law was passed.

Mr. TOWNER. Mr. Speaker, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. TOWNER. Again, let me suggest to the gentleman that the same principle would apply to the bill a year ago that applies now.

Mr. BYRNS of Tennessee. I do not agree with the gentleman that the cases are on all fours with each other.

Now, the President set forth very much more clearly than I possibly can his reason for presenting this veto, and I want to read you a portion of what he had to say upon the subject. He said:

> Aside from the control over the printing, issuing, or discontinuing of periodicals or similar Government publications by the Congressional Joint Committee on Printing, the obvious effect of this provision would be to give to that committee power to prevent the executive departments from mimeographing, multigraphing, or otherwise duplicating any material which they desire, and, in that way, power to determine what information shall be given to the people of the country by the executive departments. The committee apparently would have power, for example, to prevent even the making of carbon copies of anything other than official correspondence and office records. Without raising any constitutional question, I think that this section, which would give the Congressional Joint Committee on Printing power to exercise censorship over the executive departments, is an encroachment on the functions of the Executive and incompatible with good government. I am in entire sympathy with the efforts of the Congress and the departments to effect economies in printing and in the use of paper and supplies, but I do not believe that such a provision as this should become law. I should also call attention to the fact that by its terms the section in question absolutely forbids mimeographing, multigraphing, and other duplicating processes in the executive departments (except as permitted by regulations established by the Congressional Joint Committee on Printing) and thus imposes a flat prohibition against the exercise of executive functions.

And, answering the inquiry of the gentleman from Iowa, he goes on to say:

> In considering bills containing the provisions mentioned above, I was willing to overlook the objectionable features for the time being with the thought that they were designed as exceptional and temporary measures to meet unusual conditions. To permit such expedients to serve as precedents or accepted rules for legislation would, in my judgment, be most unfortunate and destructive of proper principles for the orderly and efficient management of the Government's business. I feel very strongly that the authority carried in section 8 of the bill herewith returned should not be conferred upon a legislative committee and that the entire section should be stricken from the measure.

So I suggest to the gentleman from Iowa [Mr. TOWNER] that this provision goes much further than the provision adopted a year ago, because, as the President well said, it would very likely prevent the executive departments from doing anything more than the making of carbon copies of official correspondence and office records in the bureaus, and would permit a joint committee of Congress, after an appropriation was made, to say to the executive branch of the Government just what publications should be made and just what they should contain by denying the right to publish any document which does not happen to suit its views. And certainly it seems to me that the Executive was well within his constitutional prerogatives and within his right in asking that Congress should not seek in this way to encroach upon the functions of the Executive.

Now, I will tell you what, in my opinion, ought to be done. I think this veto ought to be sustained; but no one who knows the facts will deny that there is the gravest sort of abuse in connection with the publications of our Government, and the action a year ago and the action of the committee, in so far as this provision is concerned, was taken because of that great abuse and the great waste of money in sending out such a mass of material of no real value and frequently to people who are not interested in it. It is a great waste of paper, but I think we ought to sustain the veto of the President. Then I think that this bill ought to be sent back to the Committee on Appropriations and let that committee get together and frame a provision which will meet the exigencies of the case and which will cut out a large part, if not all, of this great duplication and waste. And that can be done in this way: A commission can be created consisting of two or three members of the Cabinet, if you please—say, the Secretary of the Treasury and the Postmaster General and the Attorney General—and let that commission be substituted for the Joint Committee on Printing, so that no new issues, no new publications or magazines, can be issued without their approval.

Mr. CALDWELL. Mr. Speaker, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. CALDWELL. I want to ask the gentleman how the committee was divided on this question—whether or not the committee was a unit on reporting this resolution, or whether some of its members favored reporting the bill over again? How did the committee divide on that proposition?

Mr. BYRNS of Tennessee. There was a division in the committee.

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. JOHNSON of Washington. I will say to the gentleman that the Joint Committee on Printing did ask the Cabinet officers to name what publications they wanted to be issued, and even after the Cabinet officers had named what publications they wanted to be issued the committee found it was almost impossible to make anybody who does any printing, bureau chief or otherwise, let go at all.

Mr. BYRNS of Tennessee. But, after all, the Joint Committee on Printing would have the power under this bill to veto what is purely an executive function of the Government.

This is not a partisan matter, because it is a matter that involves next year and all years to come until Congress takes affirmative action to the contrary. But I say again that it is not good policy for Congress to undertake to act in a matter of this kind through one of its committees. I am not making an attack on the members of this Joint Committee on Printing. It is composed of most reputable and able Members of the House and Senate. But it is not good policy for Congress to give the power to one of its committees to go down to the departments and say to them, "Now, if you will change this publication as we want you to change it, and cut out here and put in there, we will permit you to send it out; but we propose to stand here and censor that publication, and if it does not conform to our views we do not propose to permit you to place it before the American people."

Mr. Speaker, I reserve the balance of my time. [Applause.]

Mr. HOWARD. Mr. Speaker, will the gentleman yield to a question before he leaves the floor?

Mr. BYRNS of Tennessee. Yes.

Mr. HOWARD. Do you think this extravagance in printing is confined to the executive departments?

Mr. BYRNS of Tennessee. By no means. I think we might well clean our own skirts up here on the question of extravagance in printing.

Mr. HOWARD. Does the gentleman know that to-day the presses of the Government Printing Office are running almost all night and day printing envelopes to be sent out that are costing this Government $4.50 a thousand?

Mr. BYRNS of Tennessee. I do not doubt that the gentleman is correct. I reserve the balance of my time.

Mr. GOOD. Mr. Speaker, I yield five minutes to the gentleman from Massachusetts [Mr. LUCE].

The SPEAKER. The gentleman from Massachusetts is recognized for five minutes.

Mr. LUCE. Mr. Speaker, this question goes to the very core of our parliamentary institutions. In essence it involves the greatest question that has come before this Congress. At the beginning parliaments sprang out of a bargain between the commons and the king. Under the Tudors the commons lost influence, and then under James I and Charles I began the great contest out of which came the control of a people by itself.

The question here, of whether the people can attach conditions to their grants of money, was the very center of the battles fought not only in Westminster, but on the fields of Naseby and Marston Moor. This question cost Charles I his head. It was settled for England by the Bill of Rights, and then it was transferred to this country.

In the Province out of which my own State sprang, this very question for two generations was constantly at issue between the general court and the governors. The general court insisted on the right to audit the accounts of the governors. It went even further and stipulated that the general court might direct the expenditure of money appropriated for the use of the speaker. Out of this controversy, in no small part, grew the Revolutionary War.

When our constitutions were written the Montesquieu doctrine had come to public notice, and there followed with us that attempt at separation of powers which should leave sharp lines of demarcation between the executive, the legislative, and the judicial. Notably the great Democratic Presidents have been those who have most overstepped the bounds between the departments of Government.

I want to call your attention to the fact that the present occupant of the Executive Mansion, soon after his elecion but before his inauguration, delivered himself of this pronouncement:

He—

The President—

must be prime minister, as much concerned with the guidance of legislation as with the just and orderly execution of law.

He came into office announcing that he conceived it to be his duty to be concerned with the guidance of legislation. From that day to this he has overstepped at every possible opportunity he could find the line between the executive and the legislative.

Two wrongs do not make one right. We may not on our part overstep these bounds. We may not wisely thereby approve his policy, a policy proclaimed by him as a writer on political science for more than 30 years, a policy that strangely Providence gave him the power to put into effect. We may not imitate him in transgressing the spirit of the Constitution; but we may recall that our Constitution was written and our Government founded upon the principle so dear to the hearts of Englishmen, among the greatest of democratic principles, the right that we have to demand redress of grievances before supply. That is the very center of all the proceedings of Parliament. That was the basis of our own parliamentary institutions.

We have the right to demand redress of grievances before supply. We have the right to direct how our money shall be spent. We have the right to go to the full extreme that the President in his message indicates would be so audacious. Not one dollar may the executive departments use contrary to our direction, contrary to our law. Even if we should see fit to go to such an extreme as to impose a censorship, that would be no more than exercise of the birthright of men who belong to the English-speaking race. It is a right which we would give up our lives rather than sacrifice, because it is the right upon which the Republic itself rests, the right to say to those who are to enforce the law what the law shall be. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. GOOD. Will the gentleman from Tennessee use some of his time? I have only one more speech.

Mr. BYRNS of Tennessee. I am going to use what little time I have left.

Mr. GOOD. There will be but one speech on this side.

Mr. BYRNS of Tennessee. I understand that, but I submit to the gentleman in all fairness that I have used 25 minutes practically, or 26 minutes. How much time have I used, Mr. Speaker?

The SPEAKER. The gentleman has four minutes remaining.

Mr. BYRNS of Tennessee. I have used 26 minutes, and the gentleman has used only 10 minutes. I think the gentleman should use some of his time.

Mr. GOOD. I expect to make but one speech, and I expect to close, being the mover of the question, as is the custom of the House. I will ask the gentleman, following the customary practice, to use the balance of his time.

Mr. BYRNS of Tennessee. I think the gentleman should at least use a portion of his time now. The gentleman from Iowa has made no speech, and there has been no speech made dealing with some of the questions which he will probably raise, and yet the gentleman desires to reserve all of his time and to make the closing speech, permitting no reply whatever.

Mr. GOOD. The gentleman from Mississippi [Mr. SISSON] has practically made my speech.

Mr. BYRNS of Tennessee. The gentleman from Mississippi made a very able speech, as he always does, but he did not touch some of the questions which I feel sure the gentleman intends to discuss.

The SPEAKER. The gentleman from Tennessee had the right to use his whole 30 minutes.

Mr. BYRNS of Tennessee. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. BYRNS of Tennessee. After the gentleman from Iowa concludes his speech, will I be permitted to use the four minutes that I have remaining?

The SPEAKER. The Chair thinks the rule of the House is that the one who controls the time has the right to close; the rule is that when there is but one speech left on the side of the one who has control, the other side must use all of its time first. Does not the gentleman from Tennessee recognize that as the regular rule?

Mr. BYRNS of Tennessee. I know that never before, at least to my knowledge, has the mover of a motion with 20 minutes at his disposal, and who expects to make an argument, refused to disclose his hand or state the grounds on which he bases his motion in order that the other side may have a fair opportunity to answer such argument as he may present. [Applause.] And I submit that there is no rule, but simply a custom, and it is a question that must appeal to the fairness of a Member as to how he shall treat those who differ with him in such circumstances.

The gentleman from Iowa will undoubtedly say that the President will be responsible if this provision goes out of the bill, because on July 1, unless some legislation is adopted in the meantime, there will be no authority whereby a magazine or

a periodical of the country can be printed. I want to say to you gentlemen on the majority side of this House that you will be responsible if such a result obtains, because you have had more than one year to enact legislation which would give authority for the publication of those periodicals and bulletins in which the people of this country are interested. This, I repeat, is but another evidence of the failure of this Congress to take up important legislative matters during the time it has been in session for more than a year and pass on them in the interest of the people.

The President of the United States has told you in his message that this provision, in his opinion, is an encroachment upon the executive branch of the Government. I do not think any fair-minded man who will look at it in a nonpartisan and fair way will fail to agree with him on that point. I have suggested to you a remedy, or a provision that can be adopted, which will save duplication and which will bring about economy. That is the creation of a commission to pass on these publications as they are issued and cut out duplication, and that commission can be formed without $1 of expense to the Government.

The gentleman from Mississippi [Mr. SISSON] has said that Congress should have and does have the right to limit its appropriations and keep its hands on the appropriations made by it. Nobody disputes that proposition. Congress has the right to make an appropriation for publications in just such amount as it desires and to limit the appropriations to the publication of just such documents as it may prescribe, but after it makes that appropriation I deny the right of Congress, acting through a joint committee, to go down to the departments and say to them, "We will censor what you undertake to print; we do not like this paragraph; we do not like this particular clause; we are not in sympathy with the views expressed; cut them out or change them and you shall have our O. K.; but if you insist on keeping that paragraph in then we do not propose to give you authority to issue that publication." [Applause.] Clearly under this provision the committee could take that position if it was so disposed.

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. GOOD. Mr. Speaker, I feel that the membership of the House should approach this question without any spirit of partisanship. It is a business proposition, pure and simple, involving as it does the expenditure of hundreds of thousands of dollars a year. The gentleman from Tennessee [Mr. BYRNS] who has just taken his seat complains rather bitterly because this provision that brought forth the President's veto finds a place in the legislative, executive, and judicial appropriation bill. I want to remind the gentleman from Tennessee that the section to which the President has called attention, and to which he objects, is not as drastic as section 11, found in the present law that was approved by the President on March 1, 1919. That measure was reported to this House by the gentleman from Tennessee [Mr. BYRNS], who has just taken his seat. What does that act contain? Section 11 contains this proviso, and if you will refer to the President's veto you will see that it was the first proviso in section 11 of that act, the act that he approved, which the present bill attempts to amend. That proviso is as follows:

Provided, That hereafter no journal, magazine, periodical, or other similar publication, shall be printed and issued by any branch or officer of the Government service unless the same shall have been specifically authorized by Congress, but such publications as are now being printed without specific authority from Congress may, in the discretion of the Joint Committee on Printing, be continued until the close of the next regular session of Congress, when, if authority for their continuance is not then granted by Congress, they shall not thereafter be printed.

That law is now on the statute books, and was reported by the gentleman from Tennessee and is permanent law. You will observe that it is provided that "hereafter" those publications should not be printed at all, so in that respect this bill does not enlarge existing law. The provision in the bill that has been vetoed provides as follows:

Provided, That hereafter no journal, magazine, periodical, or similar Government publication, shall be printed, issued, or discontinued by any branch or officer of the Government service unless the same shall have been authorized under such regulations as shall be prescribed by the Joint Committee on Printing, and such publications shall not contain any commercial advertisements.

A Committee on Printing was established back in 1846, composed of three Members of the Senate and three Members of the House. In 1852 there was established a Joint Committee on Printing, composed of three Members of the House and three Members of the Senate. That joint committee has existed ever since. When the gentleman from Tennessee [Mr. BYRNS] brought his bill in a year ago, the act the President approved, he said by that bill, and the President said by that approval, that 266 publications not authorized by law could not be printed during this session of Congress unless the Joint Committee on Printing should so direct.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. BYRNS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. GOOD. I yield to the gentleman from Tennessee.

Mr. BYRNS of Tennessee. The gentleman will remember that it was a Senate amendment a year ago, just as it was this time.

Mr. GOOD. Certainly; and the gentleman accepted it and the President approved it. There were 266 of those publications. This great committee of the two Houses, composed of Republicans and Democrats alike, have done what? They have eliminated 111 of these publications, and there is not a newspaper published in any congressional district in the United States but applauds their act in trying to cut out this useless extravagance and useless waste of paper. [Applause.] One hundred and eleven of those publications have ceased to be printed, and I wonder if that is what the President refers to when he says in his message:

I regard the proviso in question as an invasion of the province of the Executive, and calculated to result in unwarranted interference in the processes of good government, producing confusion, irritation, and distrust.

Yes; it did produce distrust when the Joint Committee on Printing cut out 111 useless publications. No one has heard from a single constituent with regard to that loss. What does this provision that the President refers to do? It simply permits 155 publications, that will have to stop when this session of Congress ends, unless you give somebody somewhere authority to pass on them and permit them to continue. The gentleman from Tennessee says we should give to a commission the power to determine the question of their continuance. The President says, "Keep your hands off." Whom will we follow? Does the gentleman distrust the Members of this body or the Members of the Senate who compose this great Joint Committee on Printing? They have done good work. The public approves it. The only person in the United States that I have heard of who complains about it is the President of the United States. If any bill should have been vetoed as an unwarranted interference by the Congress with the executive departments, it was the bill reported by the gentleman from Tennessee that carried this provision originally. And that was approved by the President. This bill simply permits the present order of things to continue during the next year. That is all.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. GOOD. For a brief question.

Mr. SABATH. The gentleman has omitted—I do not know whether willfully or not—to read the proviso in the amendment.

Mr. GOOD. Oh, no, I have not. I am coming to that. The gentleman suggests that there is another item in this amendment which provides that they can not use duplicating machines in doing this work. Let me say to you that there is not a bank in the United States, not a newspaper in the United States, that had been receiving the daily statement from the Secretary of the Treasury that did not receive during the past month a letter from the Secretary of the Treasury to the effect that the daily statement was not printed because Congress had not provided the funds. The Congress provided for those funds. They were used in part in sending out just such publications. I have here a publication put out by a duplicating machine, a letter by a national bank examiner, sent out under the frank of the Comptroller of the Currency, with a publication of the kind that Congress will not permit, with extensive graphic illustrations and the money appropriated for printing in the Treasury Department was used in part in publishing such useless publications, which was simply to explain the annual report of the Comptroller of the Currency. No one can read this mimeographed copy sent out by the comptroller and approve of the expense involved. It performs no useful purpose, but it helped deplete the appropriation and make a deficiency appropriation necessary. A great deal has been expended uselessly in using duplicating machines to get around the decision of the Joint Committee on Printing and send out propaganda. Vote to sustain the veto message that was written by somebody who does not apparently understand the provisions of the present law, and you cut off the right to print these publications. You prevent the publication of the Crop Reporter—183,000 copies annually—the sending throughout the country of the agricultural statistics. It will prevent the sending out of 7,000 copies of the Experimental Station Reporter; it will prevent the sending out of the Market Reporter, 30,000 copies; it will prevent the sending out the weather reports and some valuable publications.

Mr. CALDWELL. Will the gentleman yield?

Mr. GOOD. I do not yield. It will prevent the sending out of publications of this kind, and, remember this, that when the last Congress, a Democratic House and a Democratic Senate, functioned upon this very subject it said that these publications should not hereafter be published at all, but during the present Congress they might be sent out only to the extent the Joint Committee on Printing would approve. When did your Joint Committee on Printing come in such disfavor? When the last Congress was looking for a commission to pass on this subject, when the last Congress was trying to solve this question, it said that the Joint Committee on Printing had the confidence and respect of the membership of both Houses and of the country, and should pass upon this question. Now, the gentleman from Tennessee says, "Oh, this Congress has been doing nothing; it has not passed legislation." Why did not the last Congress and the Congress before that, which saw millions of dollars expended in this way—why did not that Congress settle the question? It thought that the settlement ought to be to give the Joint Committee on Printing jurisdiction over the subject matter, but now that somebody has called the attention of the President to the item in the pending bill without calling his attention to existing law, which he approved, the gentleman now objects to the provision of the present law that a year ago he asked the House to adopt.

Mr. BYRNS of Tennessee. If the gentleman will yield, the last Congress did function on March 1, 1919, and gave the Joint Committee on Printing only during this session of Congress the right to pass upon the question as to what publications should be made, expecting this Congress to legislate upon the subject.

Mr. CANNON. Can the gentleman prove that?

Mr. BYRNS of Tennessee. I can prove it from the very letter of the law, I will say to the gentleman from Illinois, because certainly the last Congress did not expect these publications should absolutely cease at the end of this session.

Mr. CANNON. If the gentleman will allow me, while he was making a law and had charge of it, why did not he make it extend further?

Mr. GOOD. Oh, gentlemen, that is a poor excuse. Read the language of the gentleman's bill; read the language of the great bill reported to this House by the gentleman from Tennessee in that regard and measure the words:

That hereafter no journal, magazine, publication, periodical, or similar publication shall be printed and issued by any branch or officer of the Government unless the same shall have been specifically authorized by Congress.

A clear recognition——

Mr. GRIFFIN. Will the gentleman yield?

Mr. GOOD. I can not yield—a clear recognition of the terrible waste of the administration in the publication of these various periodicals and magazines. That committee and that Congress recognized the terrible extravagance and waste of the people's money in printing these publications. It recognized they were useless, and then it said—as strong as language can say it—that these unauthorized publications shall not be printed at all, except that during the next Congress, if the Joint Committee on Printing finds any merit in any of them, they can permit them during that session alone, and after that they shall not be printed at all. Now, the joint committee of the present Congress felt that some of these publications that had some merit should continue, and so they were simply extended for the next year, under the discretion which the last Congress lodged in this Joint Committee on Printing. Now, what will be the result if we fail to pass this bill? I want that side of the House to understand what it means to vote to support the President's veto. If that side of the House votes to support the President's veto, you will have the bill back, in my opinion, eliminating the objectionable section entirely, and then we will have in full force and effect all the provisions of the gentleman's bill, and that is that these publications will die just as the gentleman's bill provided they should die—at the end of this Congress. [Applause.]

Mr. BYRNS of Tennessee. Will the gentleman yield? The gentleman and his party is in control of the House. Why did not you bring in a provision making possible the publication——

Mr. GOOD. We did bring in a bill. We brought in a bill simply to extend the power the gentleman's law gave—the very idea that the gentleman's law carried out—but because the President objected to it seems to be sufficient reason why practically every Member on that side shall yield their personality, yield their judgment, and vote to sustain the President, when we all know that the provision carried in the bill is a sensible and businesslike proposition and ought to be enacted into law. [Applause.]

Mr. Speaker, I ask for a vote.

The SPEAKER. Under the agreement the previous question is ordered, and the question is, Will the House on reconsideration pass the bill, the objections of the President to the contrary notwithstanding, and on this there is a yea and nay vote.

The question was taken; and there were—yeas 170, nays 127, not voting 130, as follows:

YEAS—170.

Ackerman	Frear	Luce	Sanford
Anderson	Freeman	Lufkin	Scott
Andrews, Md.	French	Luhring	Sells
Andrews, Nebr.	Fuller, Ill.	McKenzie	Siegel
Bacharach	Gallivan	McLaughlin, Mich.	Sinclair
Baer	Garland	McLaughlin, Nebr.	Sinnott
Barbour	Glynn	MacCrate	Sisson
Begg	Good	MacGregor	Slemp
Benham	Goodall	Magee	Smith, Idaho
Bland, Ind.	Goodykoontz	Mapes	Smith, Ill.
Boies	Graham, Ill.	Mason	Smith, Mich.
Britten	Green, Iowa	Michener	Snell
Brooks, Ill.	Greene, Mass.	Miller	Steenerson
Brooks, Pa.	Greene, Vt.	Monahan, Wis.	Stiness
Burdick	Hadley	Mondell	Strong, Kans.
Burroughs	Hamilton	Moore, Ohio	Summers, Wash.
Campbell, Kans.	Hardy, Colo.	Moores, Ind.	Sweet
Cannon	Hawley	Morgan	Swope
Chindblom	Hersey	Mott	Taylor, Tenn.
Christopherson	Hickey	Mudd	Thompson
Classon	Hicks	Murphy	Timberlake
Copley	Hoch	Nelson, Wis.	Tincher
Crago	Houghton	Newton, Minn.	Tinkham
Cramton	Hull, Iowa	Newton, Mo.	Towner
Crowther	Hutchinson	Nolan	Treadway
Currie, Mich.	Ireland	Ogden	Vaile
Dale	James	Olney	Vestal
Dallinger	Johnson, S. Dak.	Osborne	Voigt
Davis, Minn.	Johnson, Wash.	Paige	Volstead
Dickinson, Iowa	Juul	Parker	Walsh
Dowell	Kahn	Peters	Ward
Dunbar	Kearns	Platt	Wason
Dunn	Keller	Porter	Watson
Dyer	King	Purnell	White, Kans.
Echols	Kinkaid	Randall, Calif.	White, Me.
Elliott	Kleczka	Randall, Wis.	Williams
Esch	Knutson	Reed, W. Va.	Wilson, Ill.
Evans, Nebr.	Kraus	Ricketts	Winslow
Evans, Nev.	Lampert	Robsion, Ky.	Yates
Fairfield	Lea, Calif.	Rogers	Young, N. Dak.
Fess	Lehlbach	Rowe	Zihlman
Fordney	Little	Sanders, Ind.	
Foster	Longworth	Sanders, N. Y.	

NAYS—127.

Almon	Doughton	McAndrews	Romjue
Ashbrook	Dupré	McDuffie	Rouse
Ayres	Eagan	McGlennon	Rubey
Babka	Evans, Mont.	McKeown	Rucker
Bankhead	Fisher	Major	Sabath
Barkley	Flood	Mann, S. C.	Sanders, La.
Bee	Gallagher	Mansfield	Sherwood
Benson	Gandy	Martin	Sims
Black	Gard	Milligan	Stedman
Bland, Mo.	Garner	Minahan, N. J.	Stephens, Miss.
Bland, Va.	Godwin, N. C.	Montague	Stevenson
Booher	Goodwin, Ark.	Mooney	Stoll
Box	Griffin	Moore, Va.	Sumners, Tex.
Brand	Hardy, Tex.	Neely	Taylor, Ark.
Briggs	Hersman	Nelson, Mo.	Taylor, Colo.
Buchanan	Hoey	Nicholls	Thomas
Byrnes, S. C.	Holland	O'Connor	Upshaw
Byrns, Tenn.	Howard	Oldfield	Venable
Caldwell	Hudspeth	Oliver	Vinson
Candler	Hull, Tenn.	Overstreet	Watkins
Cantrill	Humphreys	Padgett	Weaver
Clark, Mo.	Igoe	Park	Welling
Coady	Jacoway	Parrish	Welty
Collier	Johnson, Ky.	Pell	Whaley
Connally	Johnson, Miss.	Pou	Wilson, La.
Crisp	Jones, Tex.	Quin	Wilson, Pa.
Cullen	Kincheloe	Rainey, Ala.	Wingo
Davey	Lanham	Rainey, J. W.	Wise
Davis, Tenn.	Larsen	Raker	Woods, Va.
Dickinson, Mo.	Lee, Ga.	Rayburn	Wright
Dominick	Linthicum	Riordan	Young, Tex.
Doremus	Lonergan	Robinson, N. C.	

NOT VOTING—130.

Anthony	Dent	Hayden	McClintic
Aswell	Dewalt	Hays	McCulloch
Bell	Donovan	Heflin	McFadden
Blackmon	Dooling	Hernandez	McKiniry
Blanton	Drane	Hill	McKinley
Bowers	Drewry	Huddleston	McLane
Brinson	Eagle	Hulings	McPherson
Browne	Edmonds	Husted	Madden
Brumbaugh	Ellsworth	Jefferis	Maher
Burke	Elston	Johnston, N. Y.	Mann, Ill.
Butler	Emerson	Jones, Pa.	Mays
Campbell, Pa.	Ferris	Kelley, Mich.	Mead
Caraway	Fields	Kelly, Pa.	Merritt
Carew	Focht	Kendall	Moon
Carss	Fuller, Mass.	Kennedy, Iowa	Morin
Carter	Ganly	Kennedy, R. I.	O'Connell
Casey	Garrett	Kettner	Phelan
Clark, Fla.	Goldfogle	Kiess	Radcliffe
Cleary	Gould	Kitchin	Rainey, H. T.
Cole	Graham, Pa.	Kreider	Ramsey
Cooper	Griest	Langley	Ramseyer
Costello	Hamill	Lankford	Reavis
Curry, Calif.	Harreld	Layton	Reber
Darrow	Harrison	Lazaro	Reed, N. Y.
Dempsey	Hastings	Lesher	Rhodes
Denison	Haugen	McArthur	Riddick

Rodenberg	Small	Strong, Pa.	Walters
Rose	Smith, N. Y.	Sullivan	Webster
Rowan	Smithwick	Tague	Wheeler
Schall	Snyder	Temple	Wood, Ind.
Scully	Steagall	Tillman	Woodyard
Sears	Steele	Tilson	
Shreve	Stephens, Ohio	Vare	

And so, two-thirds not having voted in favor of the bill, the veto of the President was sustained.

The Clerk announced the following pairs:

On this vote:

Mr. BROWNE and Mr. MANN of Illinois (to override veto) with Mr. DREWRY (to sustain veto).

Mr. DARROW and Mr. KIESS (to override veto) with Mr. SMITH of New York (to sustain veto).

Mr. MCPHERSON and Mr. TILSON (to override veto) with Mr. LAZARO (to sustain veto).

Mr. RAMSEY and Mr. WHEELER (to override veto) with Mr. O'CONNELL (to sustain veto).

Mr. GRIEST and Mr. RADCLIFFE (to override veto) with Mr. SCULLY (to sustain veto).

Mr. RODENBERG and Mr. FOCHT (to override veto) with Mr. HAMILL (to sustain veto).

Mr. DENISON and Mr. WOODYARD (to override veto) with Mr. LANKFORD (to sustain veto).

Mr. HARRELD and Mr. HAYS (to override veto) with Mr. SULLIVAN (to sustain veto).

Mr. CURRY of California and Mr. ELSTON (to override veto) with Mr. MAHER (to sustain veto).

Mr. ANTHONY. Mr. Speaker, I would like to have my name called.

The SPEAKER. Was the gentleman present and listening?

Mr. ANTHONY. I was not. I was on the Senate side engaged in a conference.

The SPEAKER. The gentleman does not bring himself within the rule.

Mr. ANTHONY. I would like to answer "present," then.

The SPEAKER. That is permissible.

The name of Mr. ANTHONY was called, and he answered "Present."

The result of the vote was announced as above recorded.

The SPEAKER. The bill is referred to the Committee on Appropriations.

PENSIONS.

Mr. FULLER of Illinois. Mr. Speaker, I call up the bill H. R. 13944.

The SPEAKER. The gentleman from Illinois calls up a bill, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13944) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

Mr. FULLER of Illinois. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the bill be considered in the House as in Committee of the Whole. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of George W. McDonald, late of Company C, Sixty-fifth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Richard R. Hill, late private unassigned, United States Colored Volunteer Infantry, and pay him a pension at the rate of $40 per month.

The name of Sarah J. Latta, former widow of John C. Neet, late of Company C, Eighty-fifth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Alwilda Smith, late nurse, Medical Department, United States Volunteers, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Joseph S. Morton, late private unassigned, Tenth Regiment Maine Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Margaret E. Leonard, widow of Edward Leonard, late of Company F, Fifth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary A. Brace, widow of Charles W. Brace, late of Company F, One hundred and eighteenth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Henrietta I. Machenheimer, former widow of James C. Ecker, late of Company D, Fifth Regiment West Virginia Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sarah Amerine, widow of Leander Amerine, late of Company E, Ninetieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Malinda A. Robinson, widow of Thomas Robinson, late of Company I, Seventy-eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $25 per month.

The name of Eliza Frederick, former wife of Jacob D. Frederick, late of Company K, First Regiment Minnesota Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month, with no deductions on account of previous erroneous payments of pension.

The name of Isaac D. Caldwell, late of the Quartermaster Department, United States Army, and pay him a pension at the rate of $30 per month.

The name of Magdalena O. Shanks, widow of John R. C. Shanks, late colonel Seventh Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Sarah E. Ingham, late nurse, Medical Department, United States Volunteers, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Ellen W. Carpenter, widow of Leonard W. Carpenter, late of Company G, One hundred and forty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Olive K. Jeffries, widow of William E. Jeffries, late second-class pilot, United States Navy, and pay her a pension at the rate of $30 per month.

The name of Josephine J. Teeter, former widow of Charles A. Teeter, late of Company A, Thirty-second Regiment New York Volunteer Infantry; Company G, Fifteenth Regiment New York Volunteer Cavalry; and Company G, Second Regiment New York Volunteer Provisional Cavalry, and pay her a pension at the rate of $30 per month.

The name of Minnie K. Martin, former widow of Charles M. Hackett, late of Company C, Fourth Regiment Minnesota Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of William S. Beachum, late teamster, Quartermaster Department, United States Army, and pay him a pension at the rate of $30 per month.

The name of Mary Manning, former widow of Alonzo P. Van Epps, alias John Smith, late of Company K, Fifty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Julia A. Marcum, daughter of Hiram C. Marcum, late of the United States Army, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hattie Lameroux, widow of Scott T. Crow, known as Scott T. Lameroux, late of Company G, Thirty-sixth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate $30 per month.

The name of Elizabeth Freeman, widow of Daniel M. Freeman, late of Company K, Second Regiment Michigan Volunteer Infantry, and Capt. Ingalls's company A. C. United States Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Yaple, widow of Jacob Yaple, late of Company C, One hundred and first Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $45 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Anna L. Yaple, helpless and dependent daughter of said Mary E. and Jacob Yaple, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Mary E. Yaple the name of said Anna L. Yaple shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Mary E. Yaple.

The name of Samuel C. Whitwam, late of Company F, Fourth Regiment Michigan Volunteer Cavalry, and pay him a pension at the rate of $72 per month in lieu of that he is now receiving.

The name of Alice Yarnell, helpless and dependent daughter of Daniel F. Yarnell, late of Company C, Sixteenth Regiment, and Company A, One hundred and fourteenth Regiment, Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Susan Hixson, widow of David Hixson, late of Company D, Seventy-fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Alice May Lewis, helpless and dependent daughter of Charles M. Lewis, late of the United States Marine Corps, and pay her a pension at the rate of $20 per month through a duly appointed guardian.

The name of Jessie A. Haynes, former widow of John S. McIntyre, late of Company K, Fourteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Jennie J. Brown, widow of James Brown, late of Company D, Eightieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Adaline Peak, widow of Albert Peak, late of Company A, Seventeenth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $35 per month.

The name of Georgiana Atkinson, widow of Charles R. Atkinson, late of Company C, Ninety-first Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month, and pay her the soldier's accrued pension.

The name of Martha J. Holden, widow of Richard Holden, late of Company G, Thirteenth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Alice J. Goebel, widow of Christian H. Goebel, late of Company D, Seventy-third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Edith H. Arnold, widow of James L. Arnold, late of Company E, First Regiment New York Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Burket, widow of Joseph Burket, late of Company E, Second Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $45 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Daniel Burket, helpless and dependent son of said Elizabeth and Joseph Burket, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Elizabeth Burket, the name of said Daniel Burket shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Elizabeth Burket.

The name of Rhoda Beeler, widow of Henry Beeler, late of Company A, Twelfth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Ezra P. Pratt, helpless and dependent son of James P. Pratt, late of Company L, Third Regiment Massachusetts Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Ella C. Wolfe, widow of Henry C. Wolfe, late of Company E, Twenty-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Hannah B. Gibbs, widow of Joseph P. Gibbs, late of Company D, First Regiment Illinois Volunteer Cavalry, and pay her

a pension at the rate of $35 per month and pay her the soldier's accrued pension.

The name of Lucinda Welch, former widow of Hartland L. Kellogg, late of Company F, First Regiment Michigan Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Mary F. Green, former widow of James R. Rice, late of Company B, Sixty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Myra Scranton, former widow of Charles Scranton, late of Company C, Twelfth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Harriet Aymar, helpless and dependent daughter of Adolphus Aymar, late of Company K, Twelfth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Alice V. Cook, widow of John R. Cook, late of Company E, Twelfth Regiment Kansas Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Rose A. Woods, widow of John H. Woods, late of Company E, Forty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Matilda M. Howard, widow of James E. Howard, late of Company M, Second Regiment United States Colored Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Thomas Skaggs, helpless and dependent son of James M. Skaggs, late of Company B, Sixty-third Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Presima W. Plummer, widow of Henry C. Plummer, late of Company I, Forty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sadie L. Runyan, widow of Clay C. Runyan, late of Company D, Second Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Delos Burke, late of Company D, Third Regiment New York Volunteer Infantry, and Company L, Fourth Regiment New York Provisional Volunteer Cavalry, and pay him a pension at the rate of $40 per month.

The name of Hulda J. Chapman, widow of Pleasant M. Chapman, late of Company A, Third Regiment East Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha J. Duddleson, widow of Albert L. Duddleson, late of Company A, One hundred and eighty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Smith, widow of John Smith, late of Company E, Ninth Regiment Indiana Cavalry (One hundred and twenty-first Regiment Indiana Volunteers), and pay her a pension at the rate of $45 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Pearl Smith, helpless and dependent daughter of said Mary and John Smith, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Mary Smith, the name of said Pearl Smith shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Mary Smith.

The name of William A. Anderson, helpless and dependent son of Johnson Anderson, late of Company H, One hundred and tenth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Cora J. Cromwell, helpless and dependent daughter of George F. Cromwell, late of Company I, Thirty-first Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Mary F. Douglas, former widow of George V. Wells, late of Company A, One hundred and forty-first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Yeates, widow of David C. Yeates, alias David C. Cass, late of Company E, One hundred and twenty-second Regiment Ohio Volunteer Infantry, and Twenty-fourth Independent Battery Ohio Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of William Vollrath, alias William Walworth, late of Company B, Seventh Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $30 per month.

The name of Mary Benson, widow of Joel Benson, late of Company F, One hundred and eighty-fifth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $35 per month.

The name of Andrew Goddard, late of Companies M and H, Second Regiment Tennessee Volunteer Cavalry, and pay him a pension at the rate of $30 per month.

The name of Carrie E. Brown, widow of Alvan A. Savage, late of Company E, Fourth Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Samuel S. Coldwell, late of Company B, Eighth Regiment Tennessee Volunteer Infantry, and pay him a pension at the rate of $40 per month.

The name of Mary T. Tupper, widow of James T. Tupper, late captain of Engineers, United States Revenue-Cutter Service, and pay her a pension at the rate of $30 per month.

The name of Margaret Lloyd, widow of John Lloyd, late of Company 6, First Battalion New York Volunteer Sharpshooters, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Jennie Barker, widow of John Wesley Barker, late of Company F, Twenty-fourth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of John Frederick Fellhauer, late of Company H, One hundred and forty-ninth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $40 per month.

The name of James Wheeler, late of Company G, Fourteenth Regiment Kentucky Volunteer Infantry, and pay him a pension at the rate of $72 per month in lieu of that he is now receiving.

The name of Marshall M. Sayre, late of Quartermaster Department, United States Army, and pay him a pension at the rate of $30 per month.

The name of Mary J. Herbert, widow of Peter Herbert, late of Company I, Twelfth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Erastus A. Buck, late of Capt. Graham's company, Fourteenth Regiment Missouri Volunteer Infantry, and pay him a pension at the rate of $40 per month.

The name of Annie B. Kenyon, former widow of George D. Woodward, late of Company H, Tenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Carrie Hanks, helpless and dependent daughter of Joseph A. Hanks, late of Companies A and E, Twenty-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Bessie B. Johnson, former widow of John N. Foster, late of Company G, Twenty-sixth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Abraham Hess, helpless and dependent son of Frederick D. Hess, late of Company A, Ninetieth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Delia P. Smith, widow of Frank W. Smith, late of Company A, Fifth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Charles L. Kent, helpless and dependent son of Abraham Kent, late of Company D, Forty-second Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Susan E. Lime, widow of Martin L. Lime, late of Company H, Fifty-sixth Regiment Illinois Volunteer Infantry, Mechanics and Fusileers, and pay her a pension at the rate of $30 per month.

The name of Richard E. Edwards, widow of William M. Edwards, late landsman, United States Navy, and pay her a pension at the rate of $30 per month.

The name of Anna Eschbach, helpless and dependent daughter of David A. Eschbach, late of Company F, Fifty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Mary A. McClelland, former widow of Samuel McClelland, late of Company B, Seventy-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Susan Fackler, former widow of Alfred Weaver, late of Company I, Fortieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ella Williamson, helpless and dependent daughter of James H. Williamson, late of Company I, One hundred and thirtieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Mary Wessel, widow of Conrad Wessel, late of Company C, Twenty-first Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lydia Ann Purviance, helpless and dependent daughter of Samuel Purviance, late of Company E, Ninth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $45 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Elizabeth Purviance, helpless and dependent daughter of said Lydia Ann and Samuel Purviance, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Lydia Ann Purviance, the name of said Elizabeth Purviance shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Lydia Ann Purviance.

The name of William Rosenbarger, helpless and dependent son of Philip Rosenbarger, late of Company A, Eighty-first Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Rosella King, widow of Albert King, late of Company C, Thirteenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $45 per month in lieu or that she is now receiving: *Provided*, That in the event of the death of Helen Eugenie King, helpless and dependent daughter of said Rosella and Albert King, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Rosella King, the name of said Helen Eugenie King shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Rosella King.

The name of George M. Mitchell, helpless and dependent son of Benjamin T. Mitchell, late of Company C, Ninth Regiment Kentucky Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Mary Muhleder, helpless and dependent daughter of Leonhard Muhleder, late of Battery E, Third Regiment United States Volunteer Artillery, and pay her a pension at the rate of $20 per month.

The name of Sarah Ella Weidner, helpless and dependent daughter of James F. Weidner, late of Company K, One hundred and forty-eighth Regiment Pennsylvania Volunteer Infantry, and Companies E and K, Seventh Regiment Pennsylvania Veteran Reserve Corps, and pay her a pension at the rate of $20 per month.

The name of Theresa Bruner, former widow of Harvy Reddick, late of Company K, Fourteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Malinda Nulph, widow of James O. Nulph, late of Company H, Seventy-eighth Regiment Pennsylvania Volunteer Infantry, and the Thirty-fourth Company, Second Battalion Pennsylvania Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Eunice A. Smith, widow of Frederick R. Smith, late commander, United States Navy, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Patrick Hughes, alias Patrick Keagan, late of Company F, Thirty-fifth Regiment Wisconsin Volunteer Infantry, and pay him a pension at the rate of $30 per month.

The name of Carrie Lourenia Briney, helpless and dependent daughter of Simon P. Briney, late of Company G, One hundred and first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Carrie M. Booher, helpless and dependent daughter of Joshua M. Booher, late of Company K, Two hundred and second Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Mary L. Farrar, widow of Charles A. Farrar, late of Company F, Seventh Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Elmina Dutcher, widow of Charles H. Dutcher, late of Company G, One hundred and fifty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Maria T. Smyth, widow of Wayland R. Smyth, late of Company A, Forty-third Regiment Massachusetts Militia Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary A. Austin, widow of Eli Austin, late of Company H, One hundred and first Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $45 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Carl L.

Austin, helpless and dependent son of said Mary A. and Eli Austin, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Mary A. Austin the name of said Carl L. Austin shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Mary A. Austin.

The name of Mary L. Sterling, widow of Charles D. Sterling, late of Company H, One hundred and forty-first Regiment, and Company H, Fifty-seventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $35 per month.

The name of Mary S. Davis, widow of Marquis D. Davis, late of Company B, Eighty-ninth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Bain, widow of John Bain, late of Company A, Thirty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $45 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Claud I. Bain, helpless and dependent son of said Mary E. and John Bain, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Mary E. Bain, the name of said Claud I. Bain shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Mary E. Bain.

The name of Delia Williams, widow of Rancellaer J. Williams, late of Company F, Fourteenth Regiment Missouri Volunteer Infantry, and of band, Second Brigade, Third Division, Sixth Army Corps, and pay her a pension at the rate of $45 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Eugene Williams, helpless and dependent son of said Delia and Rancellaer J. Williams, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Delia Williams, the name of said Eugene Williams shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Delia Williams.

The name of Edwin E. Chick, helpless and dependent son of Sylvester T. Chick, late of Company K, One hundred and seventy-third Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Mary Field, former widow of Zumette Couchay, late of Company F, One hundred and eighteenth Regiment, and Company E, Ninety-sixth Regiment, New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah O. German, former widow of Joseph C. Fry, late of Company A, Fifty-fifth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Lena Griswold, helpless and dependent daughter of Oscar C. Griswold, late of Company C, One hundred and thirty-second Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Joanna L. Dixon, helpless and dependent daughter of Barton S. Dixon, late of Company F, Eighth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Sarah J. Stapleton, helpless and dependent daughter of Isaac Stapleton, late of Company F, Nineteenth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $20 per month through a duly appointed guardian.

The name of James S. Henry, helpless and dependent son of Samuel B. Henry, late of Company A, Thirty-fifth Regiment Missouri Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Anna Gottwald, widow of Herman Gottwald, late of Company A, Seventh Regiment New York Volunteer Infantry, and pay her a pension at the rate of $35 per month.

The name of Mary E. Snyder, former widow of Simon A. Snyder, late of Company K, Eighty-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Kate Young, widow of Alexander Young, late of Company H, Nineteenth Regiment United States Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of David F. Benson, alias John Bliss, late of Company D, Thirty-third Regiment New York Volunteer Infantry, and Company G, Twenty-first Regiment Pennsylvania Volunteer Cavalry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Ruth C. Peterson, widow of Halvor Peterson, alias Nicholas H. Paulson, late of Company H, First Regiment Vermont Volunteer Cavalry, and Company D, Third Regiment Massachusetts Voluntary Heavy Artillery, and pay her a pension at the rate of $30 per mouth.

The name of Philo L. Kelsey, helpless and dependent son of Philo Kelsey, late of Company E, One hundred and thirty-seventh Regiment New York Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Ella G. Burt, former widow of Charles F. Grenell, late of Company C, One hundred and eighty-eighth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret Smallwood, helpless and dependent daughter of James P. Smallwood, late of Company A, Seventh Regiment, and Company I, Forty-seventh Regiment, Kentucky Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Charlotte F. Perrin, widow of Frank Perrin, late of Company H, Twentieth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Lennie Anne Shunk, helpless and dependent daughter of George Shunk, late of Company D, Fifty-fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Clara A. Collins, widow of Henry P. Collins, late of Company L, Fourteenth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Henry Gregg, late of Company F, Fourth Regiment, and Company K, Eighth Regiment, Tennessee Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of James Lynch, helpless and dependent son of William W. Lynch, jr., late of Companies L and D, Ninth Regiment Tennessee Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Martha McFarland, former widow of David H. Thacker, late of Company M, Ninth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of William S. Denius, helpless and dependent son of Charles E. Denius, late of Company D, One hundred and eighty-fourth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Emma B. Showalter, helpless and dependent daughter of James H. Showalter, late of Company F, Seventeenth Regiment, and Company C, Forty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Annette J. Shipley, widow of Everhart Shipley, late of Company F, Second Regiment Pennsylvania Provisional Volunteer Heavy Artillery, and pay her a pension at the rate of $65 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Catherine Shipley, helpless and dependent daughter of said Annette J. and Everhart Shipley, $20 of the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Mary Shipley, helpless and dependent daughter of said Annette J. and Everhart Shipley, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Annette J. Shipley the names of said Catherine Shipley and Mary Shipley shall each be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Annette J. Shipley.

The name of Edwin M. Brainard, late private unassigned, Twenty-third Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $30 per month.

The name of Jonathan W. Watts, late of Company K, Eighth Regiment Pennsylvania Volunteer Cavalry, and Company B, Two hundred and eleventh Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Emma Lucinda Davidson, helpless and dependent daughter of David Davidson, late of Company C, Sixth Regiment Tennessee Volunteer Mounted Infantry, and pay her a pension at the rate of $20 per month.

The name of Ruth A. Burris, former widow of Stinson H. Burris, late of Company G, One hundred and eighty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ruth Ann Porter, dependent sister of George H. Porter, late of Company D, Third Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Rufus C. Williams, helpless and dependent son of Joseph Williams, late of Company G, Twenty-fourth Regiment Missouri Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Millie Kennedy, widow of John Kennedy, late of Company A, Twelfth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Etta Hall, widow of Peter A. Hall, alias William Conley, late of Company H, One hundred and forty-second Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Nannie L. Baker, former widow of James M. Price, late of Company E, Fifth Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lucy Whitmore, now Whitmore, former widow of Henry Whitmore, late of Company H, Ninetieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Albina Van Meter Pearse, helpless and dependent daughter of John Van Pearse, late of Company C, Eleventh Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Malinda R. Cranmer, widow of Alfred S. Cranmer, late of Company G, Twenty-third Regiment New York Volunteer Infantry, and Company B, First Regiment New York Veteran Volunteer Cavalry, and pay her a pension at the rate of $45 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Charles Cranmer, helpless and dependent son of said Malinda R. and Alfred S. Cranmer, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Malinda R. Cranmer, the name of said Charles Cranmer shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Malinda R. Cranmer.

The name of George W. Dille, late private, unassigned, Fourth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Harriet M. O. Williams, widow of John F. Williams, late colonel Ninth Regiment Missouri State Militia Cavalry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of William Martin, helpless and dependent son of Clay Martin, late of Company B, First Regiment United States Colored Volunteer Heavy Artillery, and pay him a pension at the rate of $20 per month.

The name of Rebecca Greenawalt, widow of Jacob W. Greenawalt, late lieutenant colonel One hundred and fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Lucinda Rickards, widow of John D. Rickards, late of Company A, Sixty-ninth Regiment Missouri Enrolled Volunteer Militia, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Charles W. Cole, late of Company D, Twenty-seventh Regiment Pennsylvania Militia, and first-class fireman, United States Navy, and pay him a pension at the rate of $50 per month.

The name of Clara C. Biernbaumer, former widow of Edward Wilhelm, late of Company D, One hundred and twenty-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary L. Point, former widow of Chancey A. Brown, late of Company E, Fourth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Cornelia K. Smith, former widow of John W. Davey, late of Company I, Fourth Regiment Minnesota Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary C. Brandyberry, widow of Jesse Brandyberry, late of Company F, One hundred and forty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah R. Gibson, widow of George A. Gibson, late deputy provost marshal, fifth Ohio district, and pay her a pension at the rate of $30 per month.

The name of Martha A. Burdick, widow of William H. Burdick, late of Company H, Third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Emma Piles, widow of John W. Piles, late of Company D, Second Regiment Potomac Home Brigade, Maryland Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Ann McLaughlin, widow of John P. McLaughlin, late of Company C, Ninety-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Earl Kelley, helpless and dependent son of Jerome Kelley, late of Company B, Sixth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Sullivan W. Buck, late of Company E, One hundred and thirteenth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Estella Rearick, helpless and dependent daughter of Joseph W. Rearick, late of Company K, One hundred and sixty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Caroline Leasure, widow of William H. Leasure, late of Company I, Fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month.

The name of Samuel T. Haynes, helpless and dependent son of Sheldon H. Haynes, late of Company I, Second Regiment West Virginia Volunteer Cavalry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Myron H. McMullen, late of Company G, Seventh Regiment, and Company C, Fifty-second Regiment, Indiana Volunteer Infantry, and Company C, One hundred and forty-ninth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Caroline Strobel, widow of Jacob Strobel, late of Battery A, First Regiment West Virginia Volunteer Light Artillery, and pay her a pension at the rate of $45 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of William Strobel, helpless and dependent son of said Caroline and Jacob Strobel, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Caroline Strobel, the name of said William Strobel shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Caroline Strobel.

The name of Duracy E. Ash, former widow of George W. Durand, alias George W. Porter, late of Company H, One hundred and eleventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Persillia Plummer, widow of Amos Plummer, late of Company H, Thirty-seventh Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Albro, widow of James S. Albro, late of Company M, Eleventh Regiment, and Company M, Eighth Regiment, Michigan, Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Maria Hadden, widow of William J. Hadden, late of Company G, Fifty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Nellie G. Burrus, helpless and dependent daughter of John W. Burrus, late of Company B, Thirty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Sarah E. Holton, widow of Noble Holton, late of Company B, Fifty-first Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Harriet C. Garber, widow of John H. Garber, late of Company C, Third Regiment Wisconsin Volunteer Cavalry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving, and the soldier's accrued pension.

The name of Anna E. Thomas, widow of George W. Thomas, late of Company G, One hundred and second Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Thomas B. McClane, late of Company D, Eighteenth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Anna E. Headland, former widow of Jeremiah W. Brinkley, late of Company I, Fourteenth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Ida Stanley, helpless and dependent daughter of William H. Stanley, late of Company A, Sixty-first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Gustave C. Wernecke, helpless and dependent son of Henry Wernecke, late of Company C, Fourth Regiment United States Reserve Corps, Missouri Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Mary L. Helm, widow of William Helm, late of Company H, One hundred and fourteenth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Rebecca Reinbold, former widow of Peter Getz, late of Company A, First Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Alice Hingson, widow of Thomas J. Hingson, late of Company C, One hundred and fifty-sixth Regiment Indiana Volunteer Infantry, and Company A, Thirty-sixth Regiment United States Volunteer Infantry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving, with $2 per month additional to each of four minor children of soldier whose names are now on pension roll, to date each attains the age of 16 years.

The name of Martha A. Harris, widow of James H. Harris, late of Company I, Fortieth Regiment Enrolled Missouri Militia Volunteer Infantry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Cora Gurley, helpless and dependent daughter of William T. Gurley, late of Company E, Sixth Regiment Provisional Enrolled Missouri Volunteer Militia, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving through a duly appointed guardian.

The name of Elizabeth C. Martin, widow of George W. Martin, late of Company E, Nineteenth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Henry Ellis, late seaman, United States ship *Nyack*, United States Navy, and pay him a pension at the rte of $30 per month.

The name of Minnie E. Cook, helpless and dependent daughter of William H. Cook, late of Company B, One hundred and eightieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Sallie Justis, widow of Lewis Justis, late of Company C, Thirty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Eleanor Young, widow of William C. Young, late of Company H, Twenty-fourth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $35 per month.

The name of Edward F. Davis, late of Company A, First Regiment Michigan Volunteer Light Artillery, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Peter Michel, late of Company F, Fourteenth Regiment Pennsylvania Volunteer Cavalry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving, with no deductions on account of any former alleged erroneous payments of pension.

The name of Jane Letcher, widow of Benjamin Letcher, late assistant surgeon, Thirty-fifth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Charles Herbst, helpless and dependent son of Michael Herbst, late of Companies I and G, First Regiment Missouri Volunteer Engineers of the West, and pay him a pension at the rate of $20 per month.

The name of William F. Cummins, helpless and dependent son of Vincent Cummins, late of Company H, Seventy-second Regiment Enrolled Missouri Volunteer Militia, and pay him a pension at the rate of $20 per month.

The name of Laura A. McCormick, widow of James T. McCormick, late of Company C, Sixty-second Regiment Ohio Volunteer Infantry, and Company A, One hundred and sixtieth Regiment Ohio National Guard, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Mary I. Carey, widow of Benjamin Carey, late of Company B, One hundred and seventh Regiment New York Volunteer Infantry, and pay him a pension at the rate of $30 per month.

The name of Hiram Strayer, by guardian, Kate E. Sauer, helpless and dependent son of Hiram Strayer, late of Company C, One hundred and seventy-third Regiment Pennsylvania Drafted Militia Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Margaret T. Rust, widow of Charles A. Rust, late of Company A, Twelfth Regiment New Hampshire Volunteer Infantry, and Company F, Eighteenth Regiment Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Esther Adele Williams, helpless and dependent daughter of Francis Williams, late of Company B, One hundred and sixty-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Elizabeth Venning, widow of Henry Venning, late of Company C, Seventy-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Rebecca Ann Bradshaw, helpless and dependent daughter of Thomas W. Bradshaw, late of Company H, Sixty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Creighton Bradshaw, helpless and dependent son of Thomas W. Bradshaw, late of Company H, Sixty-second Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of George R. Tuttle, helpless and dependent son of Edmund B. Tuttle, late of Company C, Eighth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Sarah E. Palmer, widow of Robert Palmer, late of Company G, Sixth Regiment Indiana Volunteer Infantry, and Company G, One hundred and eighty-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $45 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Lucy Palmer, helpless and dependent daughter of said Sarah E. and Robert Palmer, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Sarah E. Palmer the name of said Lucy Palmer shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Sarah E. Palmer.

The name of Betty White, widow of Alonzo White, who was pensioned as Andrew White, late of Company K, First Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Josephine Bennett, widow of Alva Bennett, late of Company D, One hundred and seventy-ninth Regiment Pennsylvania Drafted Militia Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Lucinda Davis, widow of Reuben A. Davis, late lieutenant colonel Eleventh Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Jessie F. Harris, helpless and dependent daughter of Thomas S. Harris, late of Company C, Third Battalion Eighteenth Regiment United States Volunteer Infantry, and Company D, Eleventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Bertha E. Jones, helpless and dependent daughter of Edwin Jones, late of the Third Battery, Vermont Volunteer Light Artillery, and pay her a pension at the rate of $20 per month.

The name of Amanda M. Selleck, former widow of Harrison Cary, late of Company K, Fourteenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Elizabeth A. Whitehurst, widow of Ransford R. Whitehurst, late musician, band, First Brigade, Fourth Division, Sixteenth Army Corps, and First Brigade, First Division, Seventeenth Army Corps, United States Army, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Clara H. Farnsworth, widow of John A. Farnsworth, late of Company H, Thirty-fourth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Norah E. Billstein, widow of Marcus Billstein, late of Company A, Fifteenth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Maria S. Newman, widow of William H. Newman, late surgeon, Sixth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Matilda K. Baldwin, former widow of Norman King, late of Company C, Twenty-third Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $35 per month.

The name of Abbie J. Geuthner, helpless and dependent daughter of Isaiah Geuthner, late of Battery 3, ——— Regiment Maine Volunteer Light Artillery, and Company G, Second Regiment Maine Volunteer Cavalry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Melissa Groves, widow of Daniel T. Groves, late of Company G, Tenth Regiment, and Company A, Second Regiment, Missouri Volunteer Cavalry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Arminta Lary, helpless and dependent daughter of James M. Lary, late of Company F, One hundred and thirty-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Effie M. Stradley, helpless and dependent daughter of Samuel Stradley, late of Company F, One hundred and twenty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Mary McNally, widow of Patrick McNally, late major Second Regiment Virginia Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Letitia R. Whitehouse, widow of James L. Whitehouse, late of Company D, Ninety-ninth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Martin Hunt, late of Company D, Twenty-fifth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of James Flanagan, alias James Fitzgerald, late of Company I, Forty-seventh Regiment New York Volunteer Infantry, and coal heaver, U. S. S. *North Carolina, Shamrock, Louisiana,* and *Tacony,* United States Navy, and pay him a pension at the rate of $35 per month in lieu of that he is now receiving.

The name of Agnes Crawford, helpless and dependent daughter of George W. Crawford, late of Company B, Ninety-second Regiment New York Volunteer Infantry, and Company B, Twelfth Regiment Veteran Reserve Corps, and pay her a pension at the rate of $20 per month.

The name of Rebecker G. Foot, widow of Patrick M. Foot, late of Company A, Eighteenth Regiment New Hampshire Volunteer Infantry, and pay her a pension at the rate of $45 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Sarah Jane Foot, helpless and dependent daughter of said Rebecker G. and Patrick M. Foot, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Rebecker G. Foot the name of said Sarah Jane Foot shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Rebecker G. Foot.

The name of Patient Wilder, widow of Nel Wilder, late of Company B, Seventh Regiment Kentucky Volunteer Infantry, and Company A, Eleventh Regiment, Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Henrietta Fowler, former widow of Joseph R. B. Tait, alias Joseph Tait, late of Captain King's company, District of Columbia Militia, later Sixth Battalion, District of Columbia Volunteer Militia Infantry, and pay her a pension at the rate of $30 per month.

The name of Zanie Trent, widow of Madison T. Trent, late of Company C, Tenth Regiment, and Company E, Eighth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary M. Frantz, former widow of Peter Gimer, late of Company E, Fifty-third Regiment, Ohio Volunteer Infantry, and pay her a pension at the rate of $35 per month.

The name of Mary B. Houk, widow of Leonidas C. Houk, late colonel Third Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Maria Rice, widow of Richard Rice, late of Company A, Eighth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The foregoing bill was a substitute for the following House bills referred to the said committee:

H. R. 820. George W. McDonald.
H. R. 1008. Richard R. Hill.
H. R. 1729. Sarah J. Latta.
H. R. 1770. Alwilda Smith.
H. R. 1809. Joseph S. Morton.
H. R. 1840. Margaret E. Leonard.
H. R. 2808. Mary A. Brace.
H. R. 3236. Henrietta I. Machenheimer.
H. R. 3557. Sarah Amerine.
H. R. 4314. Malinda A. Robinson.
H. R. 5236. Eliza Frederick.
H. R. 5454. Isaac D. Caldwell.
H. R. 5795. Magdalena O. Shanks.
H. R. 6082. Sarah E. Ingham.
H. R. 6187. Ellen W. Carpenter.
H. R. 6205. Olive K. Jeffries.
H. R. 6527. Josephine J. Teeter.
H. R. 6899. Minnie K. Martin.
H. R. 7149. William S. Beachum.
H. R. 7214. Mary Manning.
H. R. 7324. Julia A. Marcum.
H. R. 7378. Hattie Lameroux.
H. R. 7736. Elizabeth Freeman.
H. R. 8139. Mary E. Yaple.
H. R. 8457. Samuel C. Whitwam.
H. R. 8460. Alice Yarnell.
H. R. 8594. Susan Hixson.
H. R. 8634. Alice May Lewis.
H. R. 9002. Jessie A. Haynes.
H. R. 9243. Jennie J. Brown.
H. R. 9589. Adaline Peak.
H. R. 9704. Georgiana Atkinson.
H. R. 9712. Martha J. Holden.
H. R. 9845. Alice J. Goebel.
H. R. 10096. Edith H. Arnold.
H. R. 10282. Elizabeth Burket.
H. R. 10304. Rhoda Beeler.
H. R. 10353. Ezra P. Pratt.
H. R. 10488. Ella C. Wolfe.
H. R. 10549. Hannah B. Gibbs.
H. R. 10604. Lucinda Welch.
H. R. 10800. Mary F. Green.
H. R. 10819. Myra Scranton.
H. R. 10868. Harriet Aymar.
H. R. 10912. Alice V. Cook.
H. R. 10976. Rose A. Woods.
H. R. 11072. Matilda M. Howard.
H. R. 11143. Thomas Skaggs.
H. R. 11164. Presima W. Plummer.
H. R. 11217. Sadie L. Runyan.
H. R. 11250. Delos Burke.
H. R. 11267. Hulda J. Chapman.
H. R. 11324. Martha J. Duddleson.
H. R. 11478. Mary Smith.
H. R. 11511. William A. Anderson.
H. R. 11513. Cora J. Cromwell.
H. R. 11565. Mary F. Douglas.
H. R. 11567. Elizabeth Yeates.
H. R. 11588. William Vollrath, alias William Walworth.
H. R. 11592. Mary Benson.
H. R. 11628. Andrew Goddard.
H. R. 11646. Carrie E. Brown.
H. R. 11712. Samuel S. Coldwell.
H. R. 11765. Mary T. Tupper.
H. R. 11793. Margaret Lloyd.
H. R. 11819. Jennie Barker.
H. R. 11825. John Frederick Fellhauer.
H. R. 11833. James Wheeler.
H. R. 11853. Marshall M. Sayre.
H. R. 11901. Mary J. Herbert.
H. R. 11903. Erastus A. Buck.
H. R. 11907. Annie B. Kenyon.
H. R. 11912. Carrie Hanks.
H. R. 11941. Bessie B. Johnson.
H. R. 11943. Abraham Hess.
H. R. 11968. Delia P. Smith.
H. R. 12020. Charles L. Kent.
H. R. 12048. Susan E. Lime.
H. R. 12050. Rachel E. Edwards.
H. R. 12051. Anna Eschbach.
H. R. 12061. Mary A. McClelland.
H. R. 12073. Susan Fackler.
H. R. 12074. Ella Williamson.
H. R. 12086. Mary Wessel.
H. R. 12117. Lydia Ann Purviance.
H. R. 12138. William Rosenberger.
H. R. 12150. Rosella King.
H. R. 12152. George M. Mitchell.
H. R. 12169. Mary Muhleder.
H. R. 12182. Sarah Ella Weidner.
H. R. 12183. Theresa Bruner.
H. R. 12184. Malinda Nulph.
H. R. 12215. Eunice A. Smith.
H. R. 12216. Patrick Hughes, alias Patrick Keagan.
H. R. 12232. Carrie Lourenia Briney.
H. R. 12279. Carrie M. Booher.
H. R. 12285. Mary L. Farrar.
H. R. 12286. Elmina Dutcher.
H. R. 12291. Maria T. Smyth.
H. R. 12338. Mary A. Austin.
H. R. 12381. Mary L. Sterling.
H. R. 12383. Mary S. Davis.
H. R. 12400. Mary E. Bain.
H. R. 12402. Delia Williams.
H. R. 12403. Edwin E. Chick.
H. R. 12422. Mary Field.
H. R. 12439. Sarah O. German.
H. R. 12445. Lena Griswold.
H. R. 12452. Joanna L. Dixon.
H. R. 12455. Sarah J. Stapleton.
H. R. 12468. James S. Henry.
H. R. 12491. Anna Gottwald.
H. R. 12514. Mary E. Snyder.
H. R. 12525. Kate Young.
H. R. 12542. David F. Benson, alias John Bliss.
H. R. 12544. Ruth C. Peterson.
H. R. 12545. Philo L. Kelsey.
H. R. 12546. Ella G. Burt.
H. R. 12561. Margaret Smallwood.
H. R. 12567. Charlotte F. Perrin.
H. R. 12568. Lennie Anne Shunk.
H. R. 12569. Clara A. Collins.
H. R. 12576. Henry Gregg.
H. R. 12577. James Lynch.
H. R. 12583. Martha McFarland.
H. R. 12584. William S. Denius.
H. R. 12612. Emma B. Showalter.
H. R. 12620. Annette J. Shipley.
H. R. 12624. Edwin M. Brainard.
H. R. 12639. Jonathan W. Watts.
H. R. 12644. Emma Lucinda Davidson.
H. R. 12668. Ruth A. Burris.
H. R. 12686. Ruth Ann Porter.
H. R. 12702. Rufus C. Williams.
H. R. 12719. Millie Kennedy.
H. R. 12730. Etta Hall.
H. R. 12737. Nannie L. Baker.
H. R. 12765. Lucy Whitmore.
H. R. 12767. Albina Van Meter Pearse.
H. R. 12804. Malinda R. Cranmer.
H. R. 12834. George W. Dille.
H. R. 12835. Harriet M. O. Williams.
H. R. 12839. William Martin.
H. R. 12841. Rebecca Greenawalt.
H. R. 12874. Lucinda Rickards.
H. R. 12882. Charles W. Cole.
H. R. 12919. Clara C. Biernbaumer.
H. R. 12920. Mary L. Point.
H. R. 12930. Cornelia K. Smith.
H. R. 12937. Mary C. Brandyberry.
H. R. 12939. Sarah R. Gibson.
H. R. 12944. Martha A. Burdick.
H. R. 12964. Emma Piles.
H. R. 12968. Mary Ann McLaughlin.
H. R. 12983. Earl Kelley.
H. R. 12985. Sullivan W. Buck.
H. R. 12991. Estella Rearick.
H. R. 12992. Caroline Leasure.
H. R. 12993. Samuel T. Haynes.
H. R. 12999. Myron H. McMullen.
H. R. 13008. Caroline Strobel.
H. R. 13011. Duracy E. Ash.
H. R. 13018. Persillia Plummer.
H. R. 13021. Mary E. Albro.
H. R. 13022. Maria Hadden.
H. R. 13061. Nellie G. Burrus.
H. R. 13067. Sarah E. Holton.
H. R. 13070. Harriet C. Garber.
H. R. 13075. Anna E. Thomas.
H. R. 13077. Thomas B. McClane.
H. R. 13086. Anna E. Headland.
H. R. 13087. Ida Stanley.
H. R. 13103. Gustave C. Wernecke.
H. R. 13112. Mary L. Helm.
H. R. 13113. Rebecca Reinbold.
H. R. 13114. Alice Hingson.
H. R. 13121. Martha A. Harris.
H. R. 13123. Cora Gurley.
H. R. 13126. Elizabeth C. Martin.
H. R. 13131. Henry Ellis.
H. R. 13145. Minnie E. Cook.
H. R. 13151. Sallie Justis.
H. R. 13163. Elenor Young.
H. R. 13169. Edward F. Davis.
H. R. 13210. Peter Michel.
H. R. 13218. Jane Letcher.
H. R. 13240. Charles Herbst.
H. R. 13241. William F. Cummins.
H. R. 13282. Laura A. McCormick.
H. R. 13285. Mary I. Carey.
H. R. 13286. Hiram Strayer, by guardian, Kate E. Sauer.
H. R. 13299. Margaret T. Rust.
H. R. 13318. Esther Adele Williams.
H. R. 13321. Elizabeth Venning.
H. R. 13322. Rebecca Ann Bradshaw.
H. R. 13323. Creighton Bradshaw.
H. R. 13349. George R. Tuttle.
H. R. 13362. Sarah E. Palmer.
H. R. 13363. Betty White.
H. R. 13371. Josephine Bennett.
H. R. 13373. Lucinda Davis.
H. R. 13381. Jessie F. Harris.
H. R. 13382. Bertha E. Jones.
H. R. 13383. Amanda M. Selleck.
H. R. 13394. Elizabeth A. Whitehurst.
H. R. 13413. Clara H. Farnsworth.
H. R. 13440. Nora E. Billstein.
H. R. 13464. Maria S. Newman.
H. R. 13491. Matilda K. Baldwin.
H. R. 13513. Abbie J. Geuthner.
H. R. 13520. Melissa Groves.
H. R. 13543. Arminta Lary.
H. R. 13584. Effie M. Stradley.
H. R. 13603. Mary McNally.
H. R. 13632. Letitia R. Whitehouse.
H. R. 13687. Martin Hunt.
H. R. 13691. James Flanagan, alias James Fitzgerald.
H. R. 13694. Agnes Crawford.
H. R. 13740. Rebecker G. Foot.
H. R. 13796. Petient Wilder.
H. R. 13834. Henrietta Fowler.
H. R. 13844. Zanie Trent.
H. R. 13857. Mary M. Frant.
H. R. 13868. Mary B. Houk.
H. R. 14668. Maria Rice.

During the reading the following occurred:

The SPEAKER. The Chair will call the attention of the gentleman from Illinois that on page 42, line 4, there seems to be a word lacking, giving the number of the regiment.

Mr. FULLER of Illinois. I ask unanimous consent that we may return to that paragraph.

The SPEAKER. The gentleman asks unanimous consent to return to the paragraph mentioned at the completion of the reading of the bill. Is there objection? [After a pause.] The Chair hears none.

The Clerk concluded the reading of the bill.

Mr. FULLER of Illinois. Mr. Speaker, I move to amend, on page 42, line 4, pension of Abbie J. Geuthner, by striking out "Battery 3" and inserting in lieu thereof "Third Battery Maine Light Artillery," so that it will read, in lines 4 and 5:

Late of the Third Battery Maine Light Artillery.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. FULLER of Illinois: Page 42, line 4, strike out "Battery 3, Regiment Maine Volunteer," and insert in lieu thereof the words "the Third Battery Maine Light Artillery."

Mr. CANNON. Will my friend allow me to ask him a question?

Mr. FULLER of Illinois. Yes.

Mr. CANNON. I am always for the bills the gentleman's committee reports, but does not the general legislation do better by these people than the special bill?

Mr. FULLER of Illinois. This bill is supposed to include only those that are not covered by the general bill that became a law on the 1st day of May.

Mr. CANNON. Are there many exceptions?

Mr. FULLER of Illinois. There are quite a number that are not covered.

Mr. CANNON. And as to those who would get more under the general law, they could not get this in addition?

Mr. FULLER of Illinois. We have undertaken to strike out the names of those who will get an increase under the general law that we passed recently and which became the law on the 1st day of May.

Mr. CANDLER. Mr. Speaker, on page 34, line 10, there is a pension allowed to Thomas B. McClane of $30 per month. Thomas B. McClane at the present time is on the pension roll and is a veteran of the Civil War. The general bill which we passed had a provision in it in which it said that all those upon the roll at that time as veterans of the Civil War should have a pension of $50 a month.

Mr. FULLER of Illinois. This should be stricken out then.

Mr. CANDLER. He is already on the roll at the present time.

Mr. FULLER of Illinois. Mr. Speaker, I move to amend, on page 34——

The SPEAKER. The other amendment is not yet agreed to. Is there objection?

Mr. WALSH. Reserving the right to object, I would like to discuss the first amendment.

The SPEAKER. The gentleman from Massachusetts [Mr. WALSH] is recognized.

Mr. WALSH. I would like to ask the gentleman from Illinois if he is sure that in the Pension Bureau there has been any official recognition given to such an organization as the Third Battery of Maine Light Artillery? There may have been more than one regiment having three batteries of light artillery.

Mr. FULLER of Illinois. That is the description given in the proof before the committee, and the examiner is supposed to examine the files from the Pension Bureau, and I presume that designation in the report is given correctly.

Mr. WALSH. How does it then appear so in the bill?

Mr. FULLER of Illinois. That is evidently a misprint.

Mr. WALSH. The gentleman is sure that this will give rise to no complication? It is not customary to so describe it.

Mr. FULLER of Illinois. I suppose from the report of the examiner that he gave the correct designation.

Mr. WALSH. It is rather an unusual designation.

Mr. CANDLER. I want to ask the gentleman from Illinois another question: I think under the general bill the case of Thomas B. McClane would be covered. There may be some question about it. He was on the rolls under a special bill passed by Congress that placed him on the roll.

Mr. FULLER of Illinois. There is no question but that, under the ruling of the Pension Bureau, if he is on the rolls he is covered by the general bill.

Mr. CANDLER. He is on the rolls at the present time.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. Does the gentleman from Illinois wish to return to page 34?

Mr. FULLER of Illinois. Yes.

The SPEAKER. The gentleman from Illinois asks unanimous consent to return to page 34 to offer an amendment. Is there any objection to returning?

There was no objection.

Mr. FULLER of Illinois. Mr. Speaker, the motion is to strike out, on page 34, lines 10, 11, 12, and 13.

The SPEAKER. The Clerk will report the amendment offered by the gentleman from Illinois.

The Clerk read as follows:

Amendment offered by Mr. FULLER of Illinois: On page 34, strike out lines 10 to 13, inclusive.

The SPEAKER. Without objection, the amendment is agreed to.

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. FULLER of Illinois, a motion to reconsider the last vote was laid on the table.

ARMY TENTS FOR STATE ENCAMPMENT, BLOOMINGTON, IND.

Mr. BLAND of Indiana. Mr. Speaker, I ask unanimous consent for the present consideration of House joint resolution 354.

The SPEAKER. The gentleman from Indiana asks unanimous consent for the present consideration of House joint resolution 354, which the Clerk will report by title.

The Clerk read as follows:

Joint resolution (H. J. Res. 354) authorizing the Secretary of War to loan to Paul E. Slocumb Post, No. 85, Grand Army of the Republic, Bloomington, Ind., necessary tents, cots, mattresses, pillows, and blankets for use at the State encampment to be held at said city May 25, 26, and 27, 1920.

The SPEAKER. Is there objection?

Mr. GARD. What is the post that the gentleman refers to?

Mr. BLAND of Indiana. That is the Grand Army Post of Bloomington, Ind.

Mr. GARD. It is for an encampment of the Grand Army of the State of Indiana?

Mr. BLAND of Indiana. Yes.

Mr. GARNER. Mr. Speaker, I do not know what are the provisions of this bill, and whether the Treasury is guarded, as is usual in bills of this character. I would like to know the nature of it.

Mr. CLARK of Missouri. Mr. Speaker, I have examined this bill, and I find it saves the Government from any expense whatever.

Mr. GARNER. Very well.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the joint resolution.

The Clerk read as follows:

Resolved, etc., That the Secretary of War be, and he is hereby, authorized to loan, in his discretion, to the Paul E. Slocumb Post, No. 85, Grand Army of the Republic, Bloomington, in the State encampment to be held at Bloomington, Ind., May 25, 26, and 27, 1920, the necessary tents, cots, mattresses, pillows, and blankets, as may be agreed upon by said post and the War Department: *Provided*, That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered to the commander of said Paul E. Slocumb Post at such time as may be agreed upon by the Secretary of War and the commander of said post: *Provided further*, That the Secretary of War, before delivering said equipment, shall take from the commander of said post a good and sufficient security for the safe return of said property in good order and condition, and the whole to be without expense to the United States Government.

With a committee amendment, as follows:

On page 1, line 8, strike out the words "mattresses, pillows."

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the resolution as amended.

The joint resolution as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. Without objection, the title will be amended to accord with the text.

There was no objection.

On motion of Mr. BLAND of Indiana, a motion to reconsider the vote whereby the resolution was passed was laid on the table.

DIPLOMATIC AND CONSULAR APPROPRIATION BILL—CONFERENCE REPORT.

Mr. PORTER, by direction of the Committee on Foreign Affairs, reported for printing, under the rule, the conference report and statement on the bill (H. R. 11960) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11927) to increase the efficiency of the personnel of the Navy and Coast Guard through the temporary provision of bonuses or increased compensation.

SECTION 32 OF THE FARM LOAN ACT.

Mr. CAMPBELL of Kansas. Mr. Speaker, I present a privileged report from the Committee on Rules.

The SPEAKER. The gentleman from Kansas submits a privileged resolution, which the Clerk will report.

The Clerk read as follows:

The Committee on Rules, to which was referred House resolution 553, providing for the consideration of House joint resolution 351, having considered the same, beg to report in lieu thereof the following substitute and recommend that it be adopted:

"*Resolved*, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House joint resolution 351, extending the provisions of the act amending section 32 of the Federal farm loan act to June 30, 1921; that there shall be not to exceed one hour's debate, one-half of the time to be controlled by the gentleman from New York [Mr. PLATT] and one-half by the gentleman from Massachusetts [Mr. PHELAN]; that at the conclusion of the general debate the joint resolution shall be read for amendment under the five-minute rule, and at the conclusion of such reading the committee shall rise and report the joint resolution to the House, together with amendments, if any, whereupon the previous question shall be considered as ordered on the joint resolution and all amendments thereto to final passage without intervening motion except one motion to recommit."

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask unanimous consent that the resolution be amended so that the name of the gentleman from Arkansas [Mr. WINGO] be substituted for that of the gentleman from Massachusetts [Mr. PHELAN] in the resolution.

The SPEAKER. The gentleman asks unanimous consent to substitute the name of the gentleman from Arkansas [Mr. WINGO] for that of the gentleman from Massachusetts [Mr. PHELAN]. Is there objection?

Mr. WALSH. Reserving the right to object, does this take care of anybody who is opposed to the resolution, if there is opposition to it?

Mr. WINGO. There will not be any trouble about that. One gentleman wants to offer an amendment, but we will be in Committee of the Whole, and there will be no effort to cut off that gentleman.

Mr. WALSH. In offering the amendment there could not be any way to cut him off, but suppose the gentleman needed time in general debate?

Mr. WINGO. There will be no question about that. There is one gentleman who has been given the assurance that he will be cared for.

Mr. MADDEN. There may be others. I want to reserve the right to object, because I am not at all sure that I am going to be for this resolution, or for the bill when it is reported.

Mr. WINGO. If it is going to take up any time, I suggest to the gentleman that he withdraw his request.

Mr. CAMPBELL of Kansas. I withdraw my request in order to save time.

Mr. MADDEN. Reserving the right to object——

Mr. CAMPBELL of Kansas. There is nothing to object to. I withdraw the request.

The SPEAKER. The gentleman from Kansas is recognized.

Mr. MADDEN. But if I may be permitted——

Mr. CAMPBELL of Kansas. Does the gentleman want some time on the rule?

Mr. MADDEN. No; I just want to ask a question.

Mr. CAMPBELL of Kansas. All right.

Mr. MADDEN. I want to know whether all the time is going to be allotted to those in favor of the bill when the bill is up for consideration, or whether those who may be opposed to it are going to have any consideration whatever. This seems to allot the time to those who are in favor of the bill and to take no account of those who are opposed to it.

Mr. CAMPBELL of Kansas. The report that came to the Committee on Rules was that the bill was unanimously reported from the Committee on Banking and Currency.

Mr. MADDEN. But that does not bind other Members of the House.

Mr. CAMPBELL of Kansas. And the resolution was unanimously reported by the Committee on Rules. One Member of the House has indicated a desire to offer an amendment, and he is protected under the rule.

Mr. MADDEN. There may be others.

Mr. KING. Will the gentleman yield?

Mr. CAMPBELL of Kansas. I yield to the gentleman.

Mr. KING. I do not know whether I caught the full import of this, but it seems as though the Committee on Banking and Currency—without criticizing those gentlemen—are frequently before the Rules Committee asking for rules, and when they do get a rule it always divides the time among those who favor the proposition. So far as I am concerned, I am for the proposition contained in this joint resolution and voted for it, but I know that there are Members in this House who probably will want to question the advisability of passing this resolution. Many of them have spoken to me, and they may want time. It seems to me that it is a bad practice to bring in a resolution limiting the discussion to the affirmative side of a bill.

Mr. CAMPBELL of Kansas. This does not limit the discussion to the affirmative side of the bill. The rule makes no provision whatever for that, and the practice of the House has always been to divide the time between those for and those against the proposition.

Mr. KING. Both the gentlemen who are to monopolize the control of the time under this resolution are for the joint resolution.

Mr. CAMPBELL of Kansas. Is the gentleman for or against the joint resolution?

Mr. KING. I am for it.

Mr. CAMPBELL of Kansas. That is what everybody says. Then why this talk? Everybody is for the joint resolution. Why raise a moot question on a matter of this kind?

Mr. CLARK of Missouri. Mr. Speaker, this kind of a squabble comes up nearly every time that we have a bill up and try to divide the time. The gentleman from Arkansas, I know, will be perfectly willing to give some of his time to gentlemen opposed to the bill. Now, I want to ask the chairman, does this rule provide for amendment?

Mr. CAMPBELL of Kansas. It does.

Mr. CLARK of Missouri. I am glad to say that the Committee on Rules is improving.

Mr. CAMPBELL of Kansas. I do not recollect of bringing in a rule for a long time that prohibited amendment. This rule provides for amendment.

Mr. CANNON. Is it to be considered in Committee of the Whole?

Mr. CAMPBELL of Kansas. Certainly.

Mr. CANNON. And the five-minute rule will prevail?

Mr. CAMPBELL of Kansas. Yes; the five-minute rule will prevail. Now, Mr. Speaker, I yield 10 minutes to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Speaker and gentlemen of the House, when this measure was up before the House in 1918 I voted against it. I interrupted Mr. GLASS, who had charge of it, to ask him whether he was in favor of this sort of legislation and he said he was not except in an emergency. I asked him whether he expected that this would become permanent after the emergency had passed and we would be called upon to continue it. He said no, that would not be the case.

This resolution now before the House is on its face not to make it permanent, since it is still considered as an emergency and is to carry the emergency until the clarification by the Supreme Court decision has been made. Consequently I am still in the same position I was in when it was up before.

Mr. MORGAN. Will the gentleman yield?

Mr. FESS. Yes.

Mr. MORGAN. As I understand, this only carries the emergency until the 1st of next March.

Mr. FESS. That is all.

Mr. MORGAN. I thought the gentleman said until the emergency passes.

Mr. FESS. It is still an emergency measure and not permanent law. I did not resist it in the Committee on Rules because it had been recommended and represented by those who appeared as being necessary, owing to the court decision which can not come in the immediate future.

Mr. MADDEN. Will the gentleman yield?

Mr. FESS. Yes.

Mr. MADDEN. Is it not a fact that the Treasury already has $136,000,000 in these bonds which they have purchased?

Mr. FESS. I understand that is the case.

Mr. MADDEN. And notwithstanding the advance information they had as to what the Supreme Court is to do, they still incur obligations that create this condition.

Mr. FESS. Now, Mr. Speaker, I want to call the attention of the Members of Congress to the policy of the Federal Reserve Board. I want the attention of Members of the House, as I regard this quite a serious situation too often overlooked by the country. We passed the Federal reserve act for which I voted in 1913, but at the time there were certain fears that we entertained which we thought might materialize. One of the fears was the inflation that was made possible in the system. Some of us called attention to that feature. They claimed that the inflation would be saved by virtue of the requirements of the reserve which was fixed in gold and in sufficient amount to guard against undue expansion. Twice since the war began we have amended this bill making greater freedom in the use

of the reserve, cutting down the amount necessary, until it permits a paper basis which is already dangerously close to realization.

I have noticed that there has been a gradual reduction of the reserve requirement in the administration of the law, and if you note these figures from the central reserve city banks you will see what that reduction has been. The reduction has been from 25 per cent to 4.18 per cent in the central reserve city banks, and from 15.6 to 3.34 in the reserve city banks, and from 7.4 to 2.5 in the country banks. That is a gradual reduction under the operation of the amendment of the reserve requirement which is significant of the dangers of inflation and loss of purchasing power.

Mr. WINGO. Will the gentleman yield?

Mr. FESS. Yes.

Mr. WINGO. The gentleman is talking about one set of banks and we are legislating for another.

Mr. FESS. I am talking about what the requirements of the Federal Reserve System permits and the actual practice. There has been an enlarged capacity under the administration of the law for the expansion of credit, and this country, under the stress of war, always suggesting inflation of the credit system, has kept pace with the countries of Europe on the expansion of credit. Let me cite you some figures: The cash reserve has declined from 1913 to 1920 over 40 per cent. The reserve notes which have taken place of the circulating medium, much of it either coin, metal, or its equivalent, have increased in a tremendous volume.

Let me give you briefly the figures of the Treasury: For example, take the gold certificate. In 1913 the amount was $994,000,000, or 29.7 per cent of our circulation. The amount in 1920, March 1, was $387,000,000, or 6½ per cent, less than a fourth of what it was seven years ago.

Silver certificates from $461,000,000, which is 13.8 per cent, to $128,000,000, which is but 2.1 per cent.

United States notes or greenbacks from $339,000,000 in 1913 to $328,000,000 in 1920. National-bank notes, from $711,000,000, which is 21.3 per cent, to $657,000,000, which is 11 per cent. Federal Reserve notes, in 1913, nothing, naturally, but in March, 1920, $2,999,700,000, or 50 per cent. On the first of this present month it was $3,065,935,013. Take the total circulation in 1913, and it amounted to $3,343,000,000, while in March of this year the total circulation was $5,999,000,000, which would be a per capita circulation, if you count 100,000,000 population, of something like $59, while prior to the war, in 1913, when we adopted the reserve system, it was but $34. The stock of money amounts to $7,755,953,906, or about $77 per capita. Note again the gold-reserve problem. Owing to the balance of trade prior to our entering the war being in our favor by many billions, we had an increase of gold shipments from Europe of over $1,109,000,000, making the largest collection of gold of any country on earth, which amounted in all to over $3,000,000,000. The increase was from our fund of $1,887,000,000 to $3,089,000,000. With that amount of gold here, a great proportion of it brought here during the war and kept here under an embargo in order to prevent its flowing back to Europe, we have enormously increased our reserve possibilities, which have stimulated the board to enlarge our circulation of Federal reserve notes until we have a paper circulation of over $30 per capita if we call our population 100,000,000. This gold fund is bound to be depleted, and I want to know what is to be the outcome of the reserve upon which this tremendously expanded paper money has been issued here in our own Government. We can not definitely insure against the inevitable depletion. Our stock of gold of $3,080,000,000 at the time of the armistice decreased to $2,721,000,000 by March 1, 1920.

We can not hope to hold this stock upon which this vast circulation has been constructed. With the loss of gold in the process of trade, what will be the effect upon the stupendous circulation? If not reduced, the gold standard is gone; if reduced, it must be in obedience to the demands of contraction, which is always a delicate problem.

During the war the necessity of floating billions of Government obligations, such as bonds, invited, if not demanded, a campaign of Government borrowing, in which the entire Nation joined. The whole country became a loaning propaganda. Patriotism was appealed to, loyalty was enlisted, and every passion was resorted to for the sale of bonds. They were presented as the very best securities upon the basis of profitable investment. The buyer was induced to go to the bank, borrow the money with which to buy bonds as a national duty. The banks were expected to loan the money at the rate allowed on the bonds. Consequently, the country, or a good part of its people, instead of purchasing out of its savings, to deposit again as an investment to be held for future reward, went to the banks, borrowed the funds, purchased the bonds, which were deposited with the banks as collateral security.

The banks could afford to do it if the Government allowed the money represented by the bonds to remain with the bank at a small rate of interest, which was done in many cases.

A procedure was allowed which served as a basis for issuing reserve notes released against the bonds held by the banks. The amendments to the act to reduce the reserve requirements were asked and granted in order to carry out this process. It will be seen that this procedure did not invite the buyer to take up his note to the bank, which operated as so much inflation. There was no inducement to save, but rather an invitation to continue expenditure until the country has entered upon a scale of extravagance never before experienced. We are plunging along totally unaware that the day of settlement must come in time. This policy can have but one effect, namely, an upward tendency of the price current. It is not an increase of value, but rather an increase of price. The very virtue of the Federal Reserve System is its greatest danger. It readily responds to the demands of expansion, but it will not respond to the requirement of contraction. We boast that there can be no money crisis under the Reserve System. That is based upon the statement that when money becomes tight we expand to the point of a liquefying of all our industrial wealth. In other words, the country's wealth may be put in circulation in the form of reserve notes, to be retired when the crisis is past.

We have noted the increase, but no decrease. Expansion is easy, contraction dangerous. Inflation comes without effort, deflation is the problem. The true measure of the necessity of increased circulation is the increase of business from 1914 to 1919. That increase for the country, measured in currency, was about 20 per cent, but, measured by bushels, yards, pounds, and so forth, it is only 10 per cent.

The latter would be a measure of the necessity of note increase. Instead of that we have an increase of 71 per cent, or seven times the real measure.

The inevitable result of this policy is the loss of purchasing power of our money. That is why we buy from 30 to 50 cents on the dollar. This has vastly increased the cost of war. All materials and labor must cost proportionately more. To-day the cost of government is four to five times what it was before the war. Labor demands higher wages to meet higher costs of living. If granted, the cost of living in that degree again goes up, and the wage earner gets more, but pays more and is not the gainer, while the salaried people, whose remuneration does not expand with the cost scale, find their salaries cut in two by virtue of the loss of purchasing power of an inflated measure of value.

The powers of the Federal Reserve Board are almost plenary over suspension of reserve requirements within a certain period of time, also to issue and retire reserve notes, also over suspension of any officer of the system, also over the rediscount of notes of reserve banks, to control the rates of discount, the power to control exchange, and to exercise general supervision over the banks within the system.

Hearings before the Rules Committee last week show the efforts to compel all banks to come within the system, where one group of men shall have complete power over the purse of the Nation. If this power should ever be abused, the fears of Jackson back in the thirties of the last century would be but a ripple compared with the current of fiscal power.

If prices are the result of control, the Federal Reserve Board has all the power men could demand. The men who are administering this law and who have permitted a policy of expansion until we are in danger of a paper basis must be sobered by the tremendous responsibility now upon them to take the proper steps to reach a normal status. Of all the explanations of the abnormal price current, the expanded credit due to the war and the expanded currency permitted by the Federal board has most to do with it.

Mr. Speaker, that is the explanation of your high cost level, and that is the greatest problem of the country to-day, and it is in the hands of the Federal Reserve Board, and it must be solved. Let us approach these emergency measures with caution. It is always dangerous to increase the ease for borrowing. Let us stimulate the habits of saving. Speculation is inviting, borrowing is common, but the best national trait, both for the individual and the Government, is produce and save. This is the real solution of our greatest problem.

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield 10 minutes to the gentleman from North Carolina [Mr. POU].

Mr. POU. Mr. Speaker, I yield 10 minutes to the gentleman from Arkansas [Mr. WINGO].

Mr. WINGO. Mr. Speaker, the gentleman from Ohio [Mr. FESS] raises a very interesting question, but it has nothing to

do with the pending legislation, and to that I desire first to direct my attention. I call attention first to the statement made by the gentleman from Illinois [Mr. MADDEN]. He asks the question why it is that these banks and the Federal Land Bank Board, with the advance information as to what the Supreme Court was going to do, continued to incur obligations? That is an astounding question to ask. In the first place, neither the Federal Land Bank Board nor the Committee on Banking and Currency received any advance information from the Supreme Court, and it is the first intimation that I have had that the Supreme Court gave out any advance information to anyone.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. WINGO. Yes.

Mr. MADDEN. The Supreme Court did render a decision long enough ago to enable the land banks to trim their sails to meet the conditions instead of continuing to create obligations that make this legislation necessary.

Mr. WINGO. Mr. Speaker, will the gentleman please tell me when the Supreme Court rendered that decision?

Mr. MADDEN. Whenever they rendered it; it is not so long ago.

Mr. WINGO. Mr. Speaker, the gentleman undertakes to speak about something on which he has no information. There has been no decision by the Supreme Court. I will call the attention of the House to the facts. As soon as the Federal farm-loan act was passed the private mortgage bankers of this country immediately had to reduce their rates about 1 per cent. That is conceded. They immediately started a campaign of misrepresentation and threatened to test the constitutionality of the act. They dragged the matter along, while the land banks prospered. Some time about a year ago they brought suit—a man did in Kansas City—to test the constitutionality of the act. After a very able argument, after full hearing, the Federal court at Kansas City upheld the constitutionality of the act upon every point that was challenged. Some of the ablest counsel in the United States appeared. Ex-Associate Justice Hughes at first rendered his opinion that the act was constitutional, and he is one of the attorneys who argued the case. Finally, the people who were attacking the act appealed to the Supreme Court of the United States, and Mr. Hughes and other able counsel appeared before the Supreme Court and upheld the decision of the Federal court at Kansas City in very able arguments. It dragged along in the Supreme Court for some time, but in the meantime the Federal land banks ceased doing business by not receiving new applications, but confined their operations to applications pending, though they felt sure the Supreme Court would affirm the decision of the lower court, and do so by the 1st of April.

Now, a few days ago the Supreme Court of the United States set the case down for reargument. That indicated that the court was equally divided, one member having been absent and not participating, and, as we know the Supreme Court is going to adjourn, the reargument can not be had until next fall. What happens? What is the situation sought to be met by this legislation in a practical way? Even though the banks stop operating they had a lot of business pending, they had loans to be completed, mortgages actually given prior to March 1, prior to the time we had any intimation the matter was being held up in the Supreme Court. As I say, mortgages were given and put upon record throughout the country by farmers who relied upon the decision of the lower court, upon the opinion of Mr. Hughes, and to-day they are without their money, although their mortgages are of record.

Mr. MADDEN. How much do they amount to—$8,000,000?

Mr. WINGO. I will tell the gentleman something else if he will wait.

Mr. MADDEN. I would like to hear it.

Mr. WINGO. The gentleman says it amounts to $8,000,000. In addition, there were other commitments on loans closed amounting to several million dollars. In addition to those two classes, there is another class of commitments, illustrated by the methods of the bank doing business in Indiana and Ohio. Headed by a practical banker, instead of issuing bonds in advance of needs he arranged a line of credit with commercial banks in those States, on which it now owes $5,000,000 upon 60 and 90 day paper, and that paper is going to come due pretty soon, the money having been used to meet loans closed. Now, what do we do? We find the $35,000,000 or $40,000,000 will clean it all up, the commitments of the land banks made when they felt sure there would be no question but that the Supreme Court would uphold the lower court, and I deny the land banks have shown lack of business judgment. I deny that they went ahead and made loans and commitments as charged by the gentleman, but, as a matter of fact, they closed down, and every Member of this House, except the gentleman from Illinois, had protests for months from people in their districts against these land banks refusing any new business.

Mr. MADDEN. Will the gentleman yield for another question?

Mr. WINGO. Yes; certainly.

Mr. MADDEN. Now, will the gentleman tell the House what justice there is in legislation that seeks to enable a banker in Indiana or any other State to pay a $5,000,000 obligation that they have created without any authority of law?

Mr. WINGO. For the same reason that the gentleman from Illinois has legislated here when we passed a bill that made it possible to take from the United States Treasury $3,000,000,000 to settle the informal war contracts, for which they had no legal obligation. Now it is for the same reason.

Mr. MADDEN. Well, I deny that statement.

Mr. WINGO. The gentleman can not deny it; it is a matter of common knowledge. The gentleman himself and this Congress, under a moral obligation, without any legal obligation, passed the measure for the relief of informal war contracts under which $3,000,000 of claims are being adjusted, and millions have been allowed, including profits made during the war and prospective profits to be made upon war contracts. Now, what has the committee done as practical men? They bring in this bill which authorized the Secretary of the Treasury "under that war-time emergency act, to buy bonds ad libitum and continue in the business." The committee has reported a limitation that goes further than I would go, but as responsible agents of the House, knowing the temper of the House, the committee put a limit that the Treasury shall not purchase any bonds issued against any loans approved subsequent to March 1. We are undertaking to put a check on the situation and to meet these commitments and to clean up the business. In the meantime these banks will remain idle, their forces being disrupted; their employees are now being discharged, waiting for the Supreme Court of the United States to render their decision; and, I take it, it is a matter of common public interest. Certainly Congress having provided for adjustment of $3,000,000,000 of war contracts, which unadjusted, it was said, would bankrupt the banks which held the paper, which would bankrupt the manufacturer—Congress having recognized that certainly can put up a paltry thirty or forty million dollars to be expended in the purchase of the best bonds that ever floated in order to maintain and tide over the farm-loan system in this emergency, when we know every dollar will be paid.

Mr. GOOD. Will the gentleman yield?

Mr. WINGO. I will yield.

Mr. GOOD. The gentleman does not mean to say that it was this Congress?

Mr. WINGO. Last Congress. The gentleman, I guess, voted for it.

Mr. MADDEN. I would like to have the gentleman tell us what contract obligation exists between the Government of the United States and this banker that went and borrowed money on his own paper, and what obligation we have on us to pass legislation to enable him to pay it?

Mr. WINGO. None whatever. The money was not borrowed on his own paper. The gentleman asked me what was outstanding, and I told him. In other words, as a member of the committee, I have made a clean breast to the House. That is the condition that exists. And does any gentleman say it is not a proper public business interest? Is there any sane man here who believes that the United States will ever lose a dollar? Did we not ask these banks not to go out and market their bonds during the Liberty loan campaign? Yes; we did. Why? Because we thought there were many investors in this country who thought them better than the restricted bonds we issued at that time. And we asked them to keep off the market, and the Treasury did buy $136,000,000 of them. We are facing a practical condition now. Are we going to clean up their commitments and let the farmers have the money for which they mortgaged their lands and which mortgages are now on record? Would you think it good policy to not meet this emergency?

Mr. CAMPBELL of Kansas. Mr. Speaker, the rule properly protects the consideration of the bill and provides for debate and amendment in the usual way. I therefore move the previous question on the rule.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the rule.

The rule was agreed to.

EXTENSION OF REMARKS.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks on the work of the Joint Committee on Printing.

Mr. MADDEN. Mr. Speaker, I make the point of no quorum.
The SPEAKER. Will the gentleman reserve it for a moment?
Mr. MADDEN. Yes, sir.
The SPEAKER. The gentleman from Washington asks unanimous consent to extend his remarks in the RECORD on the work of the Joint Committee on Printing. Is there objection? [After a pause.] The Chair hears none.
Mr. MADDEN. Mr. Speaker, I make the point of no quorum.
Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.
Mr. CANNON. Will the gentleman withhold it?
Mr. MONDELL. I will withhold it.
Mr. MADDEN. I withdraw the point of no quorum.
Mr. CANNON. Mr. Speaker, to-morrow, I think at 2 o'clock, there is to be a dedication of the memorial over at Arlington. I do not know, but as one Member of the House I hate to leave the House when it is in session, especially if any considerable number of Members have left. I am always here to try to make a quorum, but it seems to me that the dedication of that memorial to-morrow would justify an adjournment.
Mr. MONDELL. There is a special order for to-morrow, as the gentleman knows.
Mr. CANNON. What is it?
Mr. MONDELL. A special order for the gentleman from Georgia [Mr. UPSHAW] to address the House for one hour.
Mr. CANNON. Then, could we not have some agreement that at the end of that address we might go over to Arlington?
Mr. MONDELL. I do not know how many gentlemen will want to go to Arlington, Mr. Speaker. I think we can better determine that to-morrow than to-night.
Mr. CANNON. All right.

ENROLLED BILLS SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:
H. R. 9944. An act authorizing the Secretary of the Treasury to accept on behalf of the United States the donation by Sedgwick Post, No. 10, Grand Army of the Republic, of its memorial hall property in Bedford, Taylor County, Iowa, for Federal building purposes.
The SPEAKER announced his signature to enrolled bill of the following title:
S. 2448. An act for the relief of certain officers of the United States Army, and for other purposes.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.
The motion was agreed to; accordingly (at 5 o'clock and 17 minutes p. m.) the House adjourned until Saturday, May 15, 1920, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:
Mr. STEENERSON, from the Committee on the Post Office and Post Roads, to which was referred the bill (H. R. 13998) to fix second-class postage rates, reported the same with an amendment, accompanied by a report (No. 980), which said bill and report were referred to the Committee of the Whole House on the state of the Union.
Mr. DEWALT, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (S. 4212) to authorize the Central Railroad Co. of New Jersey to construct a bridge across the waters of the Delaware River, between the city of Easton, in the State of Pennsylvania, and the city of Phillipsburg, in the State of New Jersey, reported the same without amendment, accompanied by a report (No. 981), which said bill and report were referred to the House Calendar.
Mr. BURDICK, from the Committee on the District of Columbia, to which was referred the bill (H. R. 10004) to authorize the widening of Georgia Avenue between Fairmont Street and Gresham Place NW., reported the same with an amendment, accompanied by a report (No. 982), which said bill and report were referred to the Committee of the Whole House on the state of the Union.
Mr. ROWE, from the Committee on the Merchant Marine and Fisheries, to which was referred the bill (H. R. 5003) to amend section 4414, Revised Statutes of the United States, to classify and provide salaries for clerks in the Steamboat-Inspection Service, reported the same without amendment, accompanied by a report (No. 983), which said bill and report were referred to the Committee of the Whole House on the state of the Union.
Mr. CRAGO, from the Committee on Military Affairs, to which was referred the bill (H. R. 13001) for the relief of Rock of the Marne Post, No. 138, Veterans of Foreign Wars, composed of men who served in the Thirty-eighth Infantry, reported the same with an amendment, accompanied by a report (No. 984), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:
By Mr. JOHNSON of Washington: A bill (H. R. 14072) to provide for the care of certain insane citizens of the Territory of Alaska; to the Committee on the Judiciary.
By Mr. OLDFIELD: A bill (H. R. 14073) to repeal section 5 of the act entitled "An act to provide relief in cases of contracts connected with the prosecution of the war, and for other purposes," approved March 2, 1919; to the Committee on Military Affairs.
By Mr. EDMONDS: A bill (H. R. 14074) to amend the shipping act of 1916 as amended; to the Committee on the Merchant Marine and Fisheries.
By Mr. BYRNES of South Carolina: A resolution (H. Res. 558) to appoint a committee to investigate the investigating committees; to the Committee on Rules.
By Mr. VESTAL: A resolution (H. Res. 559) providing for the consideration of House bill 12350; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:
By Mr. BENSON: A bill (H. R. 14075) for the relief of George F. Jones; to the Committee on War Claims.
By Mr. BURROUGHS: A bill (H. R. 14076) granting a pension to Dennis Ryng; to the Committee on Invalid Pensions.
By Mr. BYRNS of Tennessee: A bill (H. R. 14077) granting an increase of pension to Robert T. Rowland; to the Committee on Pensions.
By Mr. GOODALL: A bill (H. R. 14078) granting an increase of pension to Margaret E. Murren; to the Committee on Pensions.
By Mr. JACOWAY: A bill (H. R. 14079) granting a pension to Mrs. A. M. Hughes; to the Committee on Pensions.
By Mr. KELLEY of Michigan: A bill (H. R. 14080) granting a pension to Alice M. Knox; to the Committee on Invalid Pensions.
By Mr. LESHER: A bill (H. R. 14081) granting a pension to Mary Irvin; to the Committee on Invalid Pensions.
By Mr. LONERGAN: A bill (H. R. 14082) authorizing the President of the United States to restore to the active list of the Navy Thomas Smith, formerly chief gunner, United States Navy; to the Committee on Naval Affairs.
By Mr. RAKER: A bill (H. R. 14083) granting a pension to Marie Schneider; to the Committee on Invalid Pensions.
By Mr. STRONG of Kansas: A bill (H. R. 14084) authorizing the President of the United States to appoint William E. Shaw a captain of Infantry; to the Committee on Military Affairs.
By Mr. TAYLOR of Tennessee: A bill (H. R. 14085) granting a pension to James L. Philips; to the Committee on Pensions.
Also, a bill (H. R. 14086) granting a pension to Bessie Wood; to the Committee on Pensions.
Also, a bill (H. R. 14087) for the relief of Augusta R. Tuell; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:
3620. By Mr. BROOKS of Pennsylvania: Petition of postal employees of York County, Pa., for remedial postal legislation; to the Committee on the Post Office and Post Roads.
3621. By Mr. CULLEN: Petition of Rochester Typothetæ, of Rochester, N. Y., protesting against the proposed tax on advertising; to the Committee on Ways and Means.
3622. By Mr. DYER: Petition of board of directors of the Merchants' Exchange of St. Louis, Mo., protesting against the proposed tax on stock-exchange transactions; to the Committee on Ways and Means.
3623. Also, petition of F. J. Wade and 17 other residents and corporations of St. Louis, Mo., protesting against the tax legislation connected with the soldier bonus legislation; to the Committee on Ways and Means.

3624. Also, petition of H. J. Mohler, general chairman of the Order of Railroad Telegraphers, favoring release of so-called political prisoners; to the Committee on the Judiciary.

3625. Also, petition of Charles F. Bates, of St. Louis, Mo., favoring passage of House bill 13201; to the Committee on Mines and Mining.

3626. Also, petition of William H. C. D'Antignac, of New York, favoring increase in postal employees' salaries; to the Committee on the Post Office and Post Roads.

3627. Also, petition of director of experiment station of University of Missouri, protesting against passage of legislation for Federal regulation of sale of commercial fertilizer; to the Committee on Agriculture.

3628. Also, petitions of S. S. Kresge Co., of St. Louis, Mo., protesting against the soldier bonus bill; to the Committee on Ways and Means.

3629. Also, petition of J. R. Leary, of St. Louis, Mo., urging action on soldier bonus; to the Committee on Ways and Means.

3630. By Mr. ESCH: Petition of Northwestern Association of General Contractors, St. Paul, Minn., protesting against the construction of nonessential work, both public and private, urging its postponement at this time; to the Committee on Labor.

3631. By Mr. FESS: Petition in opposition to compulsory military training as provided in House bill 12652, by 23 citizens of Bryan, Ohio; to the Committee on Education.

3632. By Mr. FOCHT: Evidence in support of House bill 13917, granting an increase of pension to Clarence R. Solomon; to the Committee on Pensions.

3633. By Mr. FULLER of Illinois: Petition of the Wilson Shoe Co., of La Salle, Ill., opposing the McNary bill for the branding of the manufacturer's cost price on each pair of shoes; to the Committee on Interstate and Foreign Commerce.

3634. By Mr. GALLIVAN: Petition of registry division, post office, postal employees, clerk's letter room, John W. Galligan, Thomas J. Martin, P. O. Nugent, Mrs. James F. Barry, John H. Tyler, and Arthur McCann, all of Boston, Mass., urging passage of legislation increasing salaries of postal employees; to the Committee on the Post Office and Post Roads.

3635. Also, petition of P. J. Uagle, of Roxbury, Mass., favoring the passage of the Mason bill; to the Committee on Foreign Affairs.

3636. Also, petition of M. C. Tuttle, of Boston, Mass., favoring the passage of the Volstead-Overman bill; to the Committee on the Judiciary.

3637. Also, petition of Alexander Pope, of Boston, Mass., protesting against the passage of House bill 12446; to the Committee on Claims.

3638. Also, petition of Charles F. Hammond, Junior, Post, No. 78, American Legion, of Dorchester, Mass., and Brockton Post, No. 35, American Legion, Brockton, Mass., favoring compensation for ex-service men; to the Committee on Ways and Means.

3639. Also, petition of Boston Typothetæ Board of Trade, Boston, Mass., protesting against the passage of House bill 12976; to the Committee on Ways and Means.

3640. By Mr. GOLDFOGLE: Petition of Board of Aldermen of New York City, favoring increase in pay for post-office employees; to the Committee on the Post Office and Post Roads.

3641. By Mr. JOHNSTON of New York: Petition of World War Veterans' League, of New York, urging cash bonus for ex-service men, payable from taxes on high incomes; to the Committee on Ways and Means.

3642. By Mr. CULLEN: Petition of World War Veterans' League, of New York, urging cash bonus for ex-service men, payable from taxes on high incomes; to the Committee on Ways and Means.

3643. By Mr. McGLENNON: Petition of James Connolly Branch, Friends of Irish Freedom, Jersey City, N. J., urging the passage of the Mason bill; to the Committee on Foreign Affairs.

3644. Also, petition of Patrick Henry Branch, Bloomfield, N. J., Friends of Irish Freedom, urging the passage of the Mason bill; to the Committee on Foreign Affairs.

3645. By Mr. O'CONNELL: Petition of Merrill Bros., New York City, opposing House bill 12379, legalizing exchange charge; to the Committee on Banking and Currency.

3646. Also, petition of McGlave & Co., Harry Bress, Harry A. Champion, Springs & Co., Gertrude Krause, and John Hopeditz, of New York City, protesting against proposed taxation on stock sales; to the Committee on Ways and Means.

3647. Also, petition of World War Veterans' League, New York, urging cash bonus for ex-service men payable from taxes on high incomes; to the Committee on Ways and Means.

3648. By Mr. OSBORNE: Petition of 500 ex-service men of Los Angeles, Calif., and neighboring cities of southern California, urging the passage of legislation to provide a $500 cash bonus for World War veterans; to the Committee on Ways and Means.

3649. By Mr. ROGERS: Petition of Lowell Post, No. 87, American Legion, Lowell, Mass., favoring the bonus for soldiers; to the Committee on Ways and Means.

3650. By Mr. SHERWOOD: Petition of Private Soldiers and Sailors' Legion, Washington, D. C., favoring a bonus of $500 for all ex-service men; to the Committee on Ways and Means.

3651. By Mr. WATSON: Petition of John Mitchell Branch of the Friends of Irish Freedom, Jenkintown, Pa., favoring freedom of Ireland; to the Committee on Foreign Affairs.

3652. By Mr. YATES: Petition of Yates & Co., San Francisco, Calif., urging the early passage of House bill 263; to the Committee on the Judiciary.

3653. Also, petition of Peoria Advertising and Selling Club, Peoria, Ill., protesting against a tax on advertising; to the Committee on Ways and Means.

3654. Also, petition of Walter H. Kirk, Peoria, Ill., urging the passage of legislation which will establish house-to-house mail delivery in Peoria Heights, Bartonville, Averyville, etc.; to the Committee on the Post Office and Post Roads.

3655. By Mr. YOUNG of North Dakota: Petition of Amidon Woman's Club, Amidon, Current Events Club, of Bismarck, N. Dak., indorsing the Smith-Towner education bill; to the Committee on Education.

SENATE.

SATURDAY, *May 15, 1920.*

(Legislative day of Tuesday, May 11, 1920.)

The Senate met at 12 o'clock noon, on the expiration of the recess.

TERMINATION OF WAR WITH GERMANY.

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The roll will be called.

The Reading Clerk called the roll, and the following Senators answered to their names:

Ashurst	Gronna	McNary	Simmons
Ball	Hale	Moses	Smith, Md.
Borah	Harris	Myers	Smith, S. C.
Brandegee	Harrison	Nelson	Smoot
Calder	Henderson	New	Spencer
Capper	Jones, N. Mex.	Norris	Sterling
Chamberlain	Jones, Wash.	Nugent	Swanson
Colt	Kellogg	Page	Thomas
Comer	Kendrick	Phelan	Townsend
Culberson	Kenyon	Phipps	Trammell
Curtis	Keyes	Pittman	Underwood
Dial	King	Pomerene	Walsh, Mass.
Dillingham	Knox	Ransdell	Warren
Edge	Lodge	Reed	Williams
Elkins	McCormick	Robinson	Wolcott
Gay	McCumber	Sheppard	
Gerry	McKellar	Sherman	
Glass	McLean	Shields	

Mr. GERRY. The Senator from Nebraska [Mr. HITCHCOCK], the Senator from North Carolina [Mr. OVERMAN], and the Senator from Montana [Mr. WALSH] are absent on official business.

Mr. GRONNA. I desire to announce the unavoidable absence of the senior Senator from Wisconsin [Mr. LA FOLLETTE], due to illness. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Sixty-nine Senators have answered to the roll call. There is a quorum present.

Mr. POMERENE obtained the floor.

Mr. PITTMAN. Mr. President——

Mr. POMERENE. I yield to the Senator from Nevada.

PRICE OF SILVER.

Mr. PITTMAN. Mr. President, I have asked the Senator from Ohio to yield to me for a few moments only for the purpose of placing in the RECORD some important telegrams dealing with the price of silver. The price of silver has fallen below $1 an ounce, notwithstanding an act which was passed by Congress, generally known as the Pittman Act, providing that the Government shall buy American silver at $1 per ounce any time that it is presented for sale to the Government. This falling price is threatening the silver production of the country, and I think that publicity should be given with regard to it.

The principal object of the statement is that the producers of silver may be notified that upon the presentation of any silver mined and reduced in the United States at the mints at San Francisco, Denver, Philadelphia, or New York for sale under the Pittman Act the Government will buy such silver at $1 an ounce, even though the market price be less than $1 an ounce throughout the world.

I simply ask permission to place in the RECORD at this time that portion of the act of April 23, 1918, known as the Pittman Act, to which I have referred.

Mr. SMOOT. I should like to have it read into the RECORD that we may hear what it is.

Mr. PITTMAN. Very well. I ask to have read the portion of section 2 of the act which I have marked.

The VICE PRESIDENT. The Secretary will read as requested.

The Reading Clerk read as follows:

SEC. 2. That upon every such sale of bullion from time to time the Secretary of the Treasury shall immediately direct the Director of the Mint to purchase in the United States, of the product of mines situated in the United States and of reduction works so located, an amount of silver equal to 371.25 grains of pure silver in respect of every standard silver dollar so melted or broken up and sold as bullion. Such purchases shall be made in accordance with the then existing regulations of the mint and at the fixed price of $1 per ounce of silver 1,000 fine, delivered at the option of the Director of the Mint at New York, Philadelphia, Denver, or San Francisco.

Mr. PITTMAN. Mr. President, I have made inquiry at the Treasury Department and am informed that they are now about to promulgate a form of certificate to be used by producers of American silver to accompany any bullion that is presented under this act, and that when such silver bullion is presented at the mints named they will pay cash $1 an ounce for such silver.

There has been inquiry also made from numerous sources as to the reason for the fall in the price of silver below a dollar an ounce. I am informed by the best authorities I can obtain, and also by the experts of the Treasury Department, that it is caused by peculiar conditions. Germany is melting up its silver coin for the purpose of foreign exchange. France is doing the same. Germany was expected to purchase silver as a reserve behind its paper money. It has nothing with which to purchase silver or anything else. The only value that it has to purchase with to-day that has a par value is its silver coin. France is largely in the same position. For that reason there is an unusual quantity of silver suddenly thrown upon the market. It is only temporary, as I am informed by the authorities, because it will soon be absorbed in the world's markets, where there is a tremendous demand for silver; but that condition does exist.

There is another condition affecting it. The East—China and Japan—were starved for the want of silver during the entire war. Immediately after the cessation of the war or the signing of the armistice the embargo upon silver was lifted; these countries went into the markets and competed with each other for the purchase of silver, and they not only satisfied their demands but drove the price of silver quite high. That demand will again come, and come quickly, with the reestablishment of commerce, but such is the situation now.

I want it distinctly understood, however, that the act only protects silver produced and reduced in this country. We melted up 271,000,000 silver dollars under the Pittman Act. Under the act that 271,000,000 silver dollars must be returned to the Treasury of the United States in the form of coined silver dollars and the bullion for that purpose must be purchased from our American mines. In addition to that it must be purchased from our American mines whenever the silver is tendered at $1 an ounce, which is the price at which the silver so melted up was sold by our Government.

There is nothing to prevent Mexican or Canadian or German or French silver from being sold to the industries in this country at any price less than a dollar an ounce. Anyone may sell it for 50 cents an ounce. There is no attempt to protect that price of silver, so far as foreign countries are concerned, but, at the same time, when foreign silver is being sold in our markets to our industries at less than a dollar an ounce, our Government has obligated itself, and is pledged to carry out the obligation, to purchase American silver at $1 an ounce.

So there is only one thing for the producers of American silver to do, if they desire to sell silver when the market price is under a dollar, and that is to tender their silver bullion at the mint in New York, Philadelphia, Denver, or San Francisco, together with the proper certificate of its origin as American silver, and receive $1 an ounce.

I ask leave to place in the RECORD some correspondence that I have on the subject.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

NEVADA MINE OPERATORS' ASSOCIATION,
Reno, Nev., May 7, 1920.

Hon. KEY PITTMAN,
United States Senate, Washington, D. C.

MY DEAR SENATOR: At the instance of silver-producing members of the association there was dispatched to you on May 5 the following message:

"It is rumored in San Francisco that Government is selling Treasury silver to India, thereby breaking price, which has sharply receded in last few days. Producers are anxious to ascertain reason for slump, and have therefore suggested that you might be able to supply desired information, if not incompatible."

I am to-day in receipt of your reply, for which I thank you.

On April 8 silver was quoted at $1.26. On April 22 it had declined to $1.18, and on the following day it went to $1.12. Yesterday it was $1.05½, while to-day it is less than $1.03. Silver producers are greatly disturbed and are anxious to ascertain the reason; hence my telegram. The association will be grateful indeed for any information you can furnish on the subject.

With kindest personal regards.

Yours, very truly, HENRY M. RIVES, *Secretary.*

[Western Union Telegram.]

WASHINGTON, D. C., *May 11, 1920.*

HENRY M. RIVES,
Secretary, Nevada Mine Operators' Association,
Reno, Nev.

Replying your telegram: Have conferred with Treasury and mint officials. Have obtained all information possible at present. No truth in rumor that Government is selling silver to India or to any other foreign Government. Saw another telegram to-day from person in Reno stating San Francisco Mint closed. No truth in this statement. By law each mint required to clean up once a year and make settlement. During few days required for this purpose refining operations cease. Mint still accepting bullion for refinement and will settle on assay as soon as it can be made. Best authority for slump in price of silver I can obtain is as follows: At time of removal of embargo on shipment of silver China, Japan, and India were starving for silver because the amount they ordinarily absorbed each month from United States had been cut off during war. The large purchases made by these countries immediately after raising of embargo not only raised price of silver quickly but substantially satisfied absolute requirements of those countries. Germany was expected to buy silver as a reserve for her paper money. She has nothing with which to buy silver. She could only buy silver either with money or with goods. If she bought it with her paper money she would have to pay about $10 in her own money for every ounce of silver. Germany is not only not buying silver as was expected but selling silver. She is selling her silver reserve because it is the only thing that she has to sell. With what silver she has she can buy in the market at par. With her paper money she has got to pay ten times as much. This silver is temporarily helping to satisfy demand. All these conditions are only temporary. As commerce is reestablished between nations and its volume increased the demand for silver must increase with it. A sudden complication of such conditions might have driven silver down to where it was in 1915 but for Pittman Act. Inquiries are reaching Director of Mint from many sources asking if director will purchase silver when tendered to him at a dollar an ounce. Director is also being asked if he will purchase such silver if reduced in this country but mined in some other country. He has officially construed Pittman Act as meaning that it is obligatory upon him to purchase all silver tendered to him at a dollar an ounce until the $271,000,000 of silver that have been melted up have been recoined and placed in Treasury, provided that silver so tendered to him is not only produced but is reduced in United States. In other words, he will not accept any silver except silver actually mined in United States. He has prepared a certificate which must be duly executed and accompany every offer of a sale of silver to mint under Pittman Act.

KEY PITTMAN.

RENO, NEV., *May 14, 1920.*

Hon. KEY PITTMAN,
United States Senate, Washington, D. C.:

Your telegram of 11th, which was published throughout State, was received with extraordinary interest. To-day's silver quotation is 99¾ cents. Great concern is felt over possible further decline. Our understanding is that Pittman Act prevents silver from going below dollar until Treasury is replenished through purchase from domestic producers. Have been requested to obtain from you confirmation of this for publication and to ask you if Government will protect silver from declining below dollar under purchase provisions of Pittman Act. Could you wire statement for publication and also give publicity to same in East? Producers greatly disturbed and believe such action would stabilize situation.

HENRY M. RIVES.

WASHINGTON, D. C., *May 15, 1920.*

HENRY M. RIVES,
Secretary Nevada Mine Operators Association,
Reno, Nev.:

Pittman silver act only protects American silver. Mexican and Canadian silver may be sold at any price below a dollar to individual purchasers in United States. Even if foreign silver is being sold in United States for industries, the Director of Mint will purchase all American-mined silver tendered him at San Francisco, Philadelphia, and New York at $1 an ounce. Will give publicity in East through medium of United States Senate.

KEY PITTMAN.

Mr. THOMAS. Mr. President, will the Senator from Ohio yield to me?

Mr. POMERENE. Certainly.

Mr. THOMAS. Before the Senator from Nevada takes his seat I should like to inquire whether he believes that the reasons which have been assigned to him for this remarkable fall in the price of silver are the only ones entering into the equation?

Mr. PITTMAN. Mr. President, I am perfectly confident that those are elements of it. I would not be surprised, however, if there were a concerted movement for the purpose of bearing silver; but I am confident that the United States Government is not a party to it in any way.

Mr. THOMAS. I hope not.

Mr. PITTMAN. Because the Government would not be a party to placing silver below a dollar an ounce when it is announcing to-day that it is prepared to buy it at a dollar an ounce. The very object of the passage of this provision of the act was in anticipation of this very condition, that the time would come when certain interests of the world would bear the price of silver below its worth, and the only protection that industry would have would be the protection which we have now thrown around it by this act.

Mr. THOMAS. Mr. President, the Senator from Nevada will discover that the same old boycott and the same influences, constant and irresistible, have been again placed in operation because of the price which silver assumed on the markets of the world a short time ago.

Mr. PITTMAN. And but for this act they would drive it down to 50 cents an ounce, to which point, under the outrageous methods pursued, they drove it in 1915.

Mr. THOMAS. That is true; but even under the present conditions the silver-bullion producer will lose 25 cents an ounce upon his silver.

Mr. PITTMAN. Yes; and he would lose 50 cents an ounce more on his silver if it were not for this act.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 13944. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war;

H. R. 14063. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of said soldiers and sailors; and

H. J. Res. 354. Joint resolution authorizing the Secretary of War to loan to Paul E. Slocumb Post, No. 85, Grand Army of the Republic, Bloomington, Ind., necessary tents, cots, and blankets for use at the State encampment to be held at said city May 25, 26, and 27, 1920.

The message also announced that the President of the United States, having returned to the House of Representatives, in which it originated, the bill (H. R. 12610) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes, with his objections thereto, the House proceeded in pursuance of the Constitution to reconsider the same, and resolved that the bill do not pass, two-thirds of the House of Representatives not agreeing to pass it.

The message further announced that the Speaker of the House had signed the enrolled bill (H. R. 11927) to increase the efficiency of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service, and it was thereupon signed by the Vice President.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a telegram in the nature of a memorial adopted by the general conference of the Methodist Episcopal Church, remonstrating against the interference by the United States in the domestic affairs of Great Britain, which was referred to the Committee on Foreign Relations.

He also presented petitions from sundry teachers of the public schools in the District of Columbia, of the North Washington Citizens' Association, of the Cathedral Heights Citizens' Association, of the Stanton Park Citizens' Association, and the Kiwanis Club of Washington, praying that a bonus be granted to the teachers of public schools, which were referred to the Committee on the District of Columbia.

He also presented petitions from the general conference of the Protestant Episcopal Church; of the League of Women Voters, in conference assembled in Chicago, February 17, 1920; and of the National Council of Congregational Churches of the United States, praying for the adoption of an amendment to the Constitution regulating all questions of marriage and divorce, which were referred to the Committee on the Judiciary.

Mr. McLEAN presented petitions of the Chamber of Commerce of New Haven, of the Chamber of Commerce of New London, and of the American Legion of Waterbury, all in the State of Connecticut, praying for the enactment of legislation granting bonus to ex-service men, which were referred to the Committee on Finance.

He also presented a petition of the Mothers' Club of Colchester, Conn., and a petition of the Council of Jewish Women of Hartford, Conn., praying for the enactment of legislation for the protection of maternity and infancy, which were referred to the Committee on Public Health and National Quarantine.

He also presented a memorial of sundry retail shoe dealers of New Haven and Hartford, in the State of Connecticut, remonstrating against the enactment of legislation to compel shoe manufacturers to stamp the cost of the shoe on the sole thereof, which was ordered to lie on the table.

He also presented a petition of Connecticut Division, Sons of Veterans, and a petition of the Woman's Club of Enfield, Conn., praying for the establishment of a department of education, which were referred to the Committee on Education and Labor.

He also presented a petition of the Trades Council of New Haven, Conn., and a petition of sundry citizens of Putnam, Conn., praying for an increase in the salaries of postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented a petition of sundry citizens of New Haven, Conn., praying for the parole of Federal prisoners, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Norwich, Conn., praying for the acceptance by the United States of the mandate for Armenia, which was referred to the Committee on Foreign Affairs.

He also presented a petition of John O'Donovan Branch, Friends of Irish Freedom, of Middletown, Conn., praying for the independence of the Republic of Ireland, which was referred to the Committee on Foreign Relations.

He also presented a memorial of Pynchon & Co., of New York City, N. Y., remonstrating against the enactment of legislation proposing to increase the stock transfer tax, which was referred to the Committee on Finance.

Mr. COLT presented a petition of sundry post-office employees of Newport, R. I., praying for an increase in the salaries of postal employees, which was refered to the Committee on Post Offices and Post Roads.

He also presented a memorial of Local Branch No. 39, Society of Albania, of Woonsocket, R. I., remonstrating against the enactment of legislation awarding to Greece by the peace conference of Northern Epirus, including Corytza, the 12 islands of the Ægean and the western coast of Asia Minor, and praying that representatives of Albania be granted a hearing on the question, which was ordered to lie on the table.

REPORTS OF COMMITTEES.

Mr. SMOOT, from the Committee on Public Lands, to which was referred the bill (S. 3372) authorizing the Secretary of the Interior to issue a patent to Jennie Dunphy Meyer for certain lands in the State of Nevada, reported it with amendments and submitted a report (No. 588) thereon.

He also, from the same committee, to which was referred the bill (S. 3992) authorizing the exchange of certain lands in the State of Nevada, reported it with an amendment and submitted a report (No. 589) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment:

H. R. 8440. An act to restore to the public domain certain lands heretofore reserved for a bird reservation in Siskiyou and Modoc Counties, Calif., and Klamath County, Oreg., and for other purposes;

H. R. 10285. An act to authorize the purchase by the city of Myrtle Point, Oreg., of certain lands formerly embraced in the grant to the Oregon & California Railroad Co. and revested in the United States by the act approved June 9, 1916; and

H. R. 13389. An act to authorize the Secretary of the Interior to dispose of at public sale certain isolated and fractional tracts of lands formerly embraced in the grant to the Oregon & California Railroad Co.

Mr. PHELAN, from the Committee on Public Lands, to which was referred the bill (H. R. 12044) to accept the cession by the State of California of exclusive jurisdiction over the lands embraced within the Yosemite National Park, Sequoia National Park, and General Grant National Park, respectively, and for other purposes, reported it with amendments and submitted a report (No. 590) thereon.

Mr. DILLINGHAM, from the Committee on the District of Columbia, to which was referred the bill (S. 2537) to revive with amendments an act entitled "An act to incorporate the Medical Society of the District of Columbia," asked to be discharged from its further consideration, and that it be referred to the Committee on the Judiciary, which was agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NELSON:

A bill (S. 4386) to amend section 9 of the "trading-with-the-enemy act," approved October 6, 1917; to the Committee on the Judiciary.

By Mr. GERRY:

A bill (S. 4387) for the relief of Philias Cauchon and Zelia Cauchon (with accompanying papers); to the Committee on Claims.

Mr. REED. I introduce two bills, which I ask to have properly referred. In general, they provide for the repeal of all the war-time legislation, which was made contingent upon the continuance of the war.

By Mr. REED:

A bill (S. 4388) to repeal certain war-time legislation, and for other purposes; and

A bill (S. 4389) to repeal certain war-time legislation; to the Committee on the Judiciary.

AMENDMENTS TO SUNDRY CIVIL APPROPRIATION BILL.

Mr. CALDER submitted an amendment proposing to appropriate $6,000,000 to enable the Postmaster General to acquire, by purchase, condemnation, or otherwise, a site in the city of New York for use as a foreign branch station and other postal purposes, etc., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. SMOOT submitted an amendment authorizing the heads of executive departments and other governmental establishments in the District of Columbia to furnish to such civilian employees whose services are no longer required, or whose employment may be terminated, or who may resign from their positions, their actual railroad transportation from the District of Columbia to the place from which they accepted employment or to their legal residence, as the employees may elect, etc., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. CURTIS submitted an amendment proposing to appropriate $15,000 to perfect an organization that can adequately mobilize and direct the workers required to harvest the wheat crops in Oklahoma, Nebraska, Kansas, and the Dakotas, intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

THE MERCHANT MARINE.

Mr. KING submitted an amendment intended to be proposed by him to the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes, which was ordered to lie on the table and be printed.

FINANCIAL POLICY.

Mr. McCORMICK. I offer a resolution and ask that it be read and lie on the table.

The resolution, S. Res. 363, was read and ordered to lie on the table, as follows:

Resolved, That the Federal Reserve Board be directed to advise the Senate what steps it purposes to take or to recommend to the member banks of the Federal reserve system to meet the existing inflation of currency and credits and consequent high prices, and what further steps it purposes to take or recommend to mobilize credits in order to move the 1920 crop.

SIXTH INTERNATIONAL SANITARY CONGRESS.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, ordered to be printed, and, with the accompanying papers, on motion of Mr. LODGE, was referred to the Committee on Foreign Relations:

To the Senate and House of Representatives:

I transmit herewith for the consideration of the Congress and for its determination whether it will authorize that the United States be officially represented in the Sixth International Sanitary Conference and appropriate the sum necessary to meet the expenses incident to such representation, a report from the Secretary of State setting forth the importance of the conference and the reasons which make it desirable that this Government be represented therein.

WOODROW WILSON.

THE WHITE HOUSE,
15 May, 1920.

HOUSE BILLS AND JOINT RESOLUTION REFERRED.

The following bills were each read twice by their titles and referred to the Committee on Pensions:

H. R. 13944. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; and

H. R. 14063. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and certain soldiers and sailors of wars other than the Civil War, and to widows of said soldiers and sailors.

H. J. Res. 354. Joint resolution authorizing the Secretary of War to loan to Paul E. Slocumb Post, No. 85, Grand Army of the Republic, Bloomington, Ind., necessary tents, cots, and blankets for use at the State encampment to be held at said city May 25, 26, and 27, 1920, was read twice by its title and referred to the Committee on Military Affairs.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had, on the 14th instant, approved and signed the act (S. 3016) to authorize the disposition of certain grazing lands in the State of Utah, and for other purposes.

TERMINATION OF WAR WITH GERMANY.

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes.

Mr. POMERENE. Mr. President, this joint resolution has been very ably discussed pro and con. I find myself in practical accord with the remarkably able speeches made against the resolution by the distinguished Senator from North Dakota [Mr. McCUMBER], the distinguished Senator from Colorado [Mr. THOMAS], and the distinguished Senator from Nebraska [Mr. HITCHCOCK] so far as the legal features thereof are concerned. I am greatly disappointed when I find myself compelled to differ with the distinguished Senator from Pennsylvania [Mr. KNOX] on any legal or constitutional question. I am in entire accord with what he says on the subject of the necessity for an early peace, and I am willing to join with him and my other colleagues in the Senate, as well as with the President, to bring about a peace—I hope a lasting peace—at the earliest possible moment. As I construe this resolution, it would be worse than useless to pass it. My belief is that even if it were legal it would not meet the presidential approval, and I do not believe that in its present form it is legal. Mr. President, I do not quite understand why we should attempt to do a vain thing.

It is argued, with very great force, that if the Congress of the United States has a right to pass a resolution it has a right to rescind or repeal it. With the general proposition I am in entire accord, but it can not change vested rights; it can not change conditions with regard to property or the status of individuals acquired during the state of war. In my judgment, this is not a resolution to rescind the war resolution; it is an attempt by legislative act to create a treaty.

Let us see what it is. Stripped of its legal phraseology, it provides, first, for the repeal of the resolution declaring a state of war; second, it declares the state of war ended; third, it provides that all property of Germany and German nationals which has come into the possession of the United States or its agents shall be retained and not be disposed of, except as Congress may hereafter provide, until Germany and the United States by treaty make provision for the satisfaction of all claims against the German Government subsequent to July 31, 1914, and until the German Government by treaty undertakings grants to citizens of the United States the most-favored-nation treatment in all matters affecting residence, business, trade, navigation, commerce, and industrial property rights; and, fourth, it confirms all fines, penalties, and seizures imposed or made by the United States, and compels Germany to waive all claims based upon events before said treaty takes effect, notwithstanding any existing treaty to the contrary. The President is then directed to open negotiations for the purpose of entering into a treaty.

I understand that a motion has been made to strike out the last provision; but, nevertheless, the effect of the resolution, if it is passed, is to depend not upon action of the Government agencies of the United States but is to depend upon some action of our enemy, the German Empire.

Mr. Oppenheim, in his work on International Law, in section 498, says:

A treaty being a convention, mutual consent of the parties is necessary. Mere proposals made by one party and not accepted by the other are, therefore, not binding upon the proposer.

And I take it, it makes no difference whether they are made by the Congress of the United States, acting in its legislative capacity, or by the President and the Senate, acting in their capacity of negotiator and ratifiers of treaties.

Then the author adds:

Without force are also pollicitations which contain mere promises without acceptance by the party to whom they were made.

That is exactly what this resolution is; but the resolution goes further even than I have thus far suggested. It provides:

SEC. 3. That until by treaty or act or joint resolution of Congress it shall be determined otherwise, the United States, although it has not ratified the treaty of Versailles, does not waive any of the rights, privileges, indemnities, reparations, or advantages to which it and its nationals have become entitled under the terms of the armistice signed November 11, 1918, or any extensions or modifications thereof or which under the treaty of Versailles have been stipulated for its benefit as one of the principal allied and associated powers and to which it is entitled.

Strange as it may seem, this is our position: While it is true that a treaty has been negotiated, it has not been ratified by the United States Senate; it has therefore—at least it was not so supposed until this proposition was made the other day—no binding effect upon the Government of the United States or its nationals, because it has failed of ratification. It is a mere pending proposition; and yet we are asked to pass a resolution by the terms of which we accept all the benefits that are to be derived from the treaty without undertaking any of its obligations.

Mr. KNOX. Mr. President——

Mr. POMERENE. I yield.

Mr. KNOX. I know the Senator from Ohio does not desire to be inaccurate.

Mr. POMERENE. I certainly do not.

Mr. KNOX. The resolution does not accept any benefits under the treaty of Versailles; it simply does not waive any of those benefits until a satisfactory adjustment can be made.

Mr. POMERENE. I realize that.

Mr. KNOX. I understood the Senator to say that we accepted the benefits under the treaty.

Mr. POMERENE. That may be true, and I thank the Senator for the correction, but I fail to find any very great distinction between the two, speaking from a legal or constitutional standpoint.

Mr. KNOX. The distinction is simply this: The Senator, with his great legal ability, will at once accept the proposition that, even though a nation or an individual may not be a party to a contract, yet if there are stipulations made in a contract for the benefit of a nation or an individual, that nation or individual may accept them if it or he sees fit. The treaty of Versailles is full of stipulations of that kind for the benefit of countries that were not belligerents at all; and the whole scope of the resolution is to hold in statu quo whatever rights we might be entitled to have as against Germany, under the treaty of Versailles, until we have adjusted our relations.

Mr. POMERENE. Oh, I realize that; but we are holding this property which has been seized during the exercise of the war powers of the country, and we are claiming, for the time being at least, a possessory right. At least, we are denying to the enemies with whom we are seeking to make peace their right to the possession thereof. In other words, we are accepting the benefits of a treaty which we have refused to ratify and which therefore is not a treaty, so far as the United States is concerned.

Mr. REED. Mr. President, I do not want to interrupt the Senator if it is at all disagreeable to him.

Mr. POMERENE. I would a little rather follow my own argument. However, I yield for a question.

Mr. REED. Just what is the matter with that, just as stated by the Senator, just as baldly as he has stated it? What is the matter with the proposition? If we had a war with Germany, and they injured us, and we have some of their property, and we have arrived now at a period when the war is ended——

Mr. POMERENE. If the Senator will pardon me——

Mr. REED. Let me finish the sentence.

Mr. POMERENE. Very well.

Mr. REED. If we say, "Now, the war is ended, and we are going to declare it an end, but in doing that we do not waive our right to this property; that is a matter that remains to be settled in the future, and we except it specifically in order that it may not be treated as having been included under the general clause," what is the matter with that?

Mr. POMERENE. Mr. President, I shall not take the time to answer the Senator in full at the present time, but will answer more fully later; but, so far as I am personally concerned, I decline to be put in the position that I am making peace and then insisting on having property and rights which will be subject for serious dispute and negotiation at some future time. In other words, I refuse to be put in a position where I will give to the enemy, if I have the right and the power to give to them, the thing which they want above everything else, renewal of commercial relations, and leave the most troublesome propositions for negotiation and settlement thereafter.

Now, Mr. President, I want to examine briefly the constitutional provisions so far as they relate to the treaty-making and the war-making powers; and I confess that I have not been able quite to understand the argument which has been presented upon this subject.

Under the war-making power, the Congress has the following war powers:

First. To declare war.

Second. To raise and support armies, but no appropriation of money to that use shall be for a longer term than two years.

Third. To provide and maintain a navy.

Fourth. To make rules for the government and regulation of the land and naval forces.

Fifth. To provide for calling forth the militia to execute the laws of the Union, suppress insurrections, and repel invasions.

Sixth. To provide for organizing, arming, and disciplining the militia.

Seventh. To make all laws which shall be necessary and proper for carrying into execution the foregoing powers. To that is added "and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof."

These are enumerated powers, express powers; and clearly the constitutional fathers had it in their minds that it was just as necessary to have peace-making powers as it was to have war-making powers. Let us bear that fact in mind.

Then we have the following war-making power given to the President:

The President shall be Commander in Chief of the Army and Navy.

The Congress is further given the power to regulate commerce with foreign nations.

Now, observe: There is nothing in these declarations of war powers relating to peace. There is nothing vested in the Congress with relation to our foreign affairs save and except the power to regulate commerce with foreign nations. Now, where do we look for the peace-making power?

The President of the United States is given the power to negotiate treaties by and with the advice and the consent of the Senate. These provisions were not a mere accident. They were the result of the experience of the thirteen Colonies growing out of the Articles of Confederation. Let us examine them briefly.

In the Articles of Confederation it was provided:

ARTICLE IX. The United States in Congress assembled shall have the sole and exclusive right and power of determining on peace and war.

Without attempting to go into the situation, they had their difficulties in negotiating peace with France, growing out of some controversies between the two nations, the details of which it is not necessary to discuss. In the Constitutional Convention it was proposed that the Congress should be given the power to "make war." During the discussion it was stated that the power to "make war" included the power to "wage war," and it was thought unwise to place the power to "wage war" in a body so numerous as Congress, and so the convention substituted the words "declare war" for the words "make war." Then—and the matter was referred to here the other day in the discussion—one of the delegates, Mr. Butler, arose and moved to add the words "and peace" after the word "war," so that it would leave this provision of the Constitution to read "to declare war and peace."

Mr. THOMAS. "To make war."

Mr. POMERENE. That suggestion was made at some time during the proceedings. Strange to say, this amendment was unanimously defeated. Now, by all the rules of construction, where a proposition has been before a legislative body and an amendment of this kind is defeated, its defeat is strong evidence that it was intended not to give that particular power to the Congress of the United States. Of course, it is not conclusive, because there may be some other provision which would embrace it; but I submit, with all due respect, that the Senators

who differ with me upon this subject have not yet found a single authority—at least, an American authority—which holds that the constitutional power to make war includes the power to make peace.

Let us bear in mind that this subject was taken care of. Under the Articles of Confederation the Congress had the right to make peace. That power is eliminated from our present Constitution, and we have the broad power conferred upon the President to negotiate peace or, rather, to negotiate treaties. That, of course, means with foreign nations or with the Indian tribes—nothing more and nothing less—and when do we attempt to negotiate treaties? Why, of course, we can do it in time of peace. We always attempt to do it, at least, after a war, for the purpose of negotiating and settling the terms upon which the two nations shall continue their peaceful negotiations and relations thereafter.

Mr. President, is there anything in this treaty-making provision which reserves to the Congress of the United States a concurrent treaty-making power? I have not been able to discover it, but let me go a little further.

Mr. KELLOGG. Mr. President, will the Senator yield for a question?

Mr. POMERENE. Yes; I yield.

Mr. KELLOGG. Suppose the treaty were to be ratified tomorrow by the Senate and published by the President, is it not true that the Congress the very same day could repudiate it and decline to make peace on the terms named in the treaty?

Mr. POMERENE. As a general proposition, yes; but let me remind the Senator that the word "treaty," as we understand it, is entirely different from what it is usually understood to be in international law. The treaty, so far as it defines the rights of our people, is a law. The Constitution makes it a part of the supreme law, but when it defines the relations between the United States of America and Germany it is a contract.

The Senator from Wisconsin [Mr. LENROOT] the other day referred to the "Head money cases"—another paragraph, however—but there is one paragraph in the opinion bearing directly upon the question which the Senator from Minnesota has put to me. I want to read a part of it.

> A treaty is primarily a compact between independent nations. It depends for the enforcement of its provisions on the interest and the honor of the Governments which are parties to it.

Note that—on the "interest and the honor of the Governments."

> If these fail, its infraction becomes the subject of international negotiations and reclamations, so far as the interested party chooses to seek redress, which may in the end be enforced by actual war. It is obvious with all this the judicial courts have nothing to do and can give no redress.

That is as between the parties to the treaty; but when it comes to the definition of the rights of our nationals, then it has the force of law; it is the supreme law.

Now, let us see further as bearing upon the construction which I have placed upon the treaty-making power, and so forth.

Mr. Justice Story, in his work on the Constitution, section 11735, edition 3, says:

> It was proposed to add the power to make peace, but this was unanimously rejected upon the plain ground that it more properly belonged to the treaty-making power. The experience of Congress under the Federation, of the difficulties attendant on vesting the treaty-making power in a large legislative body, was too deeply felt to justify the hazard of another experiment.

Think of it, Senators! Imagine the Congress of the United States sitting with the Parliament of Great Britain and the Parliament of France and the Reichstag of Germany. You would have a regular bedlam. It would be as impossible for them to negotiate a peace as it would for those several bodies to conduct or make war.

But let me go further. On March 13, 1798, Oliver Ellsworth wrote to Jonathan Trumbull bearing upon this subject. I want to read a paragraph or two:

> The grant of the treaty-making power is in these words: "The President, with the advice and consent of the Senate, shall make treaties." The power goes to all kinds of treaties, because no exception is expressed and also because no treaty-making power is elsewhere granted to others, and it is not to be supposed that the Constitution has omitted to vest sufficient power to make all kinds of treaties which have been usually made or which the existence or interests of the Nation may require.
>
> The effect of treaties is declared in these words: "All treaties made under the authority of the United States shall be supreme laws of the land." The Constitution gives them this effect, and they do not, therefore, need or derive it from congressional resolutions or statutes. The instant the President and Senate have made a treaty the Constitution makes it a law of the land; and, of course, all persons and bodies in whatever station or department within the jurisdiction of the United States are bound to conform their actions and proceedings to it.

Now, Mr. President, this is not without reason, and I take it the 96 Senators generally acknowledge the treaty-making power was properly exercised by the President and that we were performing our functions when we sought to ratify it; but only after it became apparent that the President and the Senate of the United States could not adjust their differences they seek to find some other method of embarrassing the President.

There is a very good reason why the power to declare war should be lodged in one body and the power to make peace in another. The Congress of the United States declares war. We ask no permission from anyone. We, in the exercise of our sovereign power, declare war, we wage war, and the Commander in Chief of the armies and navies leads our armies and navies against the enemy. There is not any reason why we should consult any other power, least of all why we should consult our enemy.

We fight them, and we conquer them if we can; otherwise we may be conquered. But our action is under our absolute control. For that reason it is well that the Congress, representing the sovereign people, should be vested with that power.

But when it comes to the negotiating of peace we can not negotiate a peace ourselves. It takes two to make a peace. It takes two men to settle their differences; one man can not settle them. It takes two nations to settle their differences; one nation can not settle them, unless they overcome and absolutely subjugate the enemy.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Missouri?

Mr. POMERENE. I yield.

Mr. REED. Does the Senator regard peace as a condition of fact or merely as a condition of contract?

Mr. POMERENE. Both, sir.

Mr. REED. Does the Senator maintain that there can not be a status of peace unless there has been a signed agreement?

Mr. POMERENE. Mr. President, there can not be any difference between the distinguished Senator and myself bearing upon that subject. Of course there can be a de facto peace.

Mr. REED. It can be a de jure peace, too.

Mr. POMERENE. That may be so, but it will be a de jure peace when it has been acquiesced in for so long a time—and I am not clear about that—as to cast aside all doubt. It is a de jure peace when the proper body declares and makes and negotiates and ratifies that peace, and not before.

Mr. President, let us go along a little further with this matter. In my humble judgment the distinguished Senator from Pennsylvania [Mr. KNOX], when he seeks to preserve all rights, or privileges, if you choose, which are to be given to us under the Versailles treaty, and when he suggests that there shall be a negotiation for a completed treaty, clearly proves that this resolution is not of itself sufficient to settle all the terms of the disputes between the two nations.

Then, Mr. President, let us go a little further. I was very much interested in the Senator's argument when he tried to prove that there was a peace, that Germany is at peace with the United States, and that peace, according to the distinguished Senator, comes about because under article 440 of the treaty of peace we find this:

> A first procès-verbal of the deposit of ratifications will be drawn up as soon as the treaty has been ratified by Germany, on the one hand, and by three of the principal allied and associated powers, on the other hand.

And then the treaty further provides:

> From the date of this first procès-verbal the treaty will come into force between the high contracting parties who have ratified it.

We have not ratified it at all. Then it further provides:

> For the determination of all periods of time provided for in the present treaty this date—

that is, the date when the procès verbal is deposited—

> will be the date of the coming into force of the treaty.

Because there are dozens and dozens of provisions in this treaty to the effect that certain things shall be done or accomplished by the German Empire within a given number of days or years after "the coming into force of the present treaty."

Then, wonderful to relate, while he has gone to very great pains to demonstrate that Germany is at peace, "as of the date of the deposit of the ratifications by Germany and by three of the principal allied and associated powers," he provides that the date of the passage of the pending joint resolution shall be the date when we shall be at peace. I do not understand that argument.

But now, Mr. President, let me direct the Senator's attention to another feature of this case. In 1785 the treaty of Prussia was negotiated and ratified. Article 23 of it reads as follows:

> If war should arise between the two contracting parties, the merchants of either country then residing in the other shall be allowed to remain nine months to collect their debts and settle their affairs, and

may depart freely, carrying off all their effects without molestation or hindrance; and all women and children, scholars of every faculty, cultivators of the earth, artisans, manufacturers, and fishermen, unarmed and inhabiting unfortified towns, villages, or places, and in general all others whose occupations are for the common subsistence and benefit of mankind, shall be allowed to continue their respective employments, and shall not be molested in their persons, nor shall their houses be burnt or otherwise destroyed, nor their fields wasted by the armed force of the enemy into whose power by the events of war they may happen to fall; but if anything is necessary to be taken from them for the use of such armed force, the same shall be paid for at a reasonable price.

This treaty by its terms was to continue for 10 years. In 1799 another treaty of amity and commerce was negotiated. It expired 10 years later, on June 22, 1810.

A new treaty of commerce and navigation was ratified in May, 1828. Article 13, above quoted, was in substance incorporated in the new treaty.

But there is this significant provision in the last treaty:

If war should arise between the two contracting parties, the merchants of either country then residing in the other shall be allowed to remain nine months to collect their debts and settle their affairs and may depart freely, carrying off all their effects, without molestation or hindrance.

That provision was practically the same as in the earlier treaty. Then, in the treaty of 1828, known as the new treaty of commerce and navigation, there is the further provision that by its terms this treaty is made "applicable in time of peace as well as in time of war."

The provisions to which I have referred have been reincorporated into the last treaty, and it was made self-continuing, and it has at no time been denounced.

Of course, we can not say what the effect of this war is going to be on these treaty obligations. Our courts can not determine that. German courts can not determine that. That is a question to be determined by the belligerents themselves by negotiation, and if they can not agree, then it must be determined by some court of arbitration or a league of nations, if you please; and if it can not be determined in either one of these ways, then the only other way to determine it is by the arbitrament of the sword.

In spite of the provisions of these Prussian treaties our Government seized German property in the United States and the German Government seized American property in Germany, the property of nationals as well as of the Governments themselves. All of those questions will rise up like Banquo's ghost if you pass a joint resolution of this kind.

By this joint resolution it is claimed that we are bringing about peace; in other words, we are restoring a condition which was the excuse for our seizing this property. Assuming for the sake of argument that this joint resolution should pass and should be approved by the President, if we are to give it the construction which is sought to be placed upon it by the distinguished Senator from Pennsylvania, war, which was the excuse for our seizing alien property, is at an end. There is not only a de facto peace but a de jure peace.

Who is going to determine the title to this property? Our courts? Who is going to determine the title of American nationals in Germany to their property? Let us see: The resolution is passed. All of this property is held in nubibus. How are we to determine its ownership and the countless claims for indemnity?

Commercial relations are restored. Germany is getting from us all the raw materials and other supplies that she wants. She is not very much disturbed about making speedy reimbursement for the wrongs she has done the American people. By passing the resolution we are giving them all they want, because that is what it means, and we will thereby defer the settlement of the question of their indemnity to our nationals for a future time.

Mr. President, I confess I do not see how it can be claimed for a minute that we have any rights or any privileges, personal or property, under the Versailles treaty until we ratify it. In my humble judgment that question is not open to dispute or discussion, and it would not have been thought of here save for the fact that there has been this difference between the Executive and the Senate of the United States.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Missouri?

Mr. POMERENE. I yield.

Mr. REED. The Senator has spoken about the renewal of trade with Germany. I did not understand whether he meant that it would be renewed after the joint resolution had been passed or whether it has already been renewed.

Mr. POMERENE. There has been some renewal of it by special permission or special license, I understand.

Mr. REED. It has amounted to $145,000,000 this year, has it not?

Mr. POMERENE. I think since negotiations began it has amounted to $145,000,000, but it is on a very restricted basis, as the Senator knows, and it is only a modicum compared with the amount that we had prior to the war.

Mr. REED. Is it not true, if the Senator will indulge me for a further question, that every restriction there is on it was put on by the executive department of the Government——

Mr. POMERENE. Oh, I suppose so.

Mr. REED. That it all acts injuriously to us, and that it can be removed in a moment's time by Executive action?

Mr. POMERENE. I do not know. Whatever the Executive has done has been by virtue of the authority conferred upon him by the Congress of the United States and because he thought it for the protection of the American people.

Mr. REED. Will the Senator pardon me while I state that the information I have, and I get it direct from the State Department, is that there are practically no restrictions upon trade or commerce between this country and Germany to-day?

Mr. POMERENE. That may be so. That does not alter the legal question we are trying to discuss, in my judgment.

More than that, just think of the situation in which the United States is placed. We fought this war together; we negotiated a peace treaty together. Some differences have arisen between the President and the Senate of the United States, and now it is proposed by the solemn act of the Congress of the United States that we shall ignore everything that has been done by the Executive and by our allies in order that we shall make a separate peace. Other Senators may take pride in that position. I do not. I was ready to stand by, and did stand by, our allies when we were fighting this war, and I would be ashamed of myself if I were to desert them now in the negotiation of peace.

Mr. REED. I do not wish to be constantly interrupting the Senator, but he is discussing a very important question. Is it not true that we stood by our allies until they made their peace, wrote it in their own words, and compelled it to be signed, and that under the terms thus signed they have obtained everything they wanted? Have we not stood by them until they got their peace on their own terms, and now have we not a perfect right to make our peace on our own terms?

Mr. POMERENE. No; we have not. We have deserted them and left upon their shoulders the responsibilities of preserving peace. The Senator and I differ so radically that we could not agree upon this proposition if we both lived to be as old as Methuselah.

Mr. REED. I think that is true.

Mr. POMERENE. Yes; I think so.

Mr. President, let me go a step further. Assume, for the sake of the argument, that the joint resolution is passed and it goes to the President. What is to happen then? One of two things will happen. If it come back here disapproved, what do we gain? Only this, that it will enable our friends on the other side of the Chamber to say, "Well, we put the President in a hole."

It will not be a hole, even if it is vetoed, because the great American people can understand what the treaty-making power is and what it was for, and they know what the uniform practice has been heretofore with respect to the making of treaties, and they are not going to sit silently by and see these strained constructions and give very much comfort to those favoring the joint resolution for the purpose of putting the President in the hole.

What else can be done? The other alternative is that it be approved. Then what have we got? Have we got a real repeal of the joint resolution? And if so, what is it? Bear in mind, please, that the resolution which was passed on April 6, 1917, was not a resolution declaring war. There already was war against the United States, war made by Germany. All the Congress of the United States did was to pass a resolution declaring solemnly that there was a state of war brought on by the aggressions of Germany.

Then what have we done? We have simply repealed a resolution which was a formal declaration that there was a state of war. It is true that the resolution goes a little further and declares that there is a state of peace. I do not believe Congress would be guilty of a very much greater violation of the Constitution if they themselves sought to negotiate the peace than to declare peace on the terms contained in this joint resolution with all conditions and reservations contained therein.

Then think of the situation. The distinguished Senator from Wisconsin [Mr. LENROOT] the other day in his colloquy with the Senator from Pennsylvania [Mr. KNOX] did not agree with him that the passage of the joint resolution would bring on a state of peace, so far as our nationals in Germany were concerned. Of course it could not. We can not by our legislative action declare a status for the American nationals in Germany

any more than they by some law can declare a status for their nationals dwelling in the United States or describing the status of their property.

But now we are put in this position under the joint resolution. We make a proposition to them for a state of peace; we keep the property of their Government and their nationals; but this is contingent upon the German Parliament doing something akin to it; in other words, we are going to place within the two legislative bodies of the two different countries the power to make and to ratify the peace treaty.

Let me go a step further, because this raises a very serious constitutional question. Has the Congress, by a bare majority, the right to declare the status of this property, what indemnities they shall pay to us, and do all of this in a way that will be absolutely binding upon our nationals who have suffered losses, and upon our Government? Are they not interested in it? Of course they are, and for this reason. Bear in mind, and I think there can be no doubt about it, that this proposed action at least relates to the treaty-making power, but the constitutional fathers in their wisdom provided in the Constitution that a treaty should be negotiated by the President, and that it should receive the advice and consent of two-thirds of the Members of the Senate voting thereon. When you have a treaty passed in that way, as declared by the Constitution of the United States, it is part of the supreme law of the land. It is enforceable in our courts as a law of the land. In our relations with Germany it is a contract. The treaty-making power by a two-thirds vote might give to our nationals certain rights and impose certain obligations, but the Congress by a bare majority vote might confer other rights and impose other obligations. Would not this course raise a very serious controversy as to whether what was done by the Congress was a valid act or not when it related to the property and personal rights or obligations of German nationals here or of our nationals in Germany?

Laying all differences aside, the negotiations of treaties is but a very ordinary thing, speaking from a standpoint of authority. It is the ordinary way to settle extraordinary disputes; but here comes the very able Senator from Pennsylvania, and he attempts to do a very ordinary thing by a very extraordinary method; a method, if you please, which has never been heard of before in the history of our country.

Mr. President, I do not care to discuss the legal questions further. What I have said is not a mere opinion with me; it is a conviction; and I should vote against the resolution if I stood alone, because, first, I doubt the authority of Congress to pass it; and, second, I have no doubt about the impolicy of it.

At the same time, Mr. President, I join with the distinguished Senator from Pennsylvania and with all my brethren here in the Senate in the hope that there may be a speedy peace; and I stand ready at any and all times to further any movement that will lead to peace. That is my solemn duty, as I conceive it to be under my oath of office. But the method proposed by the pending resolution will lead to no good result. There is just one way to do this, in my judgment, and that is for the President, if he shall see fit, to send the treaty back to the Senate—and it ought to come back here—with some message which would look to the adjustment of our differences. The Senate is, in part, to blame for the existing condition and, I regret to say, the Chief Executive is not altogether free from fault. It has seemed to me that at one end of the Avenue an unalterable position has been taken and at the other end of the Avenue an immovable position. Meanwhile the whole American people, aye, the whole world, looks on and suffers.

Mr. President, except a declaration of war, the settlement of the terms of peace is the most solemn duty that ever fell to the Senate of the United States. We performed our duty in the conduct of the war to the satisfaction of the people of the United States, and we ought to make peace to their satisfaction. My guess is that while each of us comes here as an ambassador of his own State, the constituency of no one of us expects us to sit here determined to have our own way. We are expected to make reasonable compromises with our associates. No great statute was ever passed without compromise; no great treaty, settling the international affairs of two nations, was ever negotiated and ratified without compromise.

Mr. President, for the reasons which I have thus in part stated, I hope the pending resolution will be defeated.

Mr. WALSH of Montana rose.

Mr. UNDERWOOD. Mr. President, I had expected to address myself to the subject matter before the Senate for a few minutes, but I will yield until the Senator from Montana has concluded.

Mr. WALSH of Montana. Mr. President, I entertain no doubt whatever of the competency of Congress, with the approval of the President, or by overriding his veto in the manner prescribed by the Constitution, to enact legislation such as that contemplated in the resolution before us. How Congress can reflectingly do so, as a matter of policy, I find it impossible to conceive, and can not believe that if Members would but divest themselves of the passions aroused by the heated debate over the treaty and disregard what they conceive to be the dictates of wise political strategy in the face of an impending presidential campaign, Congress ever would give its approval to this resolution.

That Congress may repeal all the legislation it enacted for the successful prosecution of the war, the trading-with-the-enemy act, the food-control act, for example, I dare say no one will deny. Such, I understand, to be one of the purposes of the resolution, and particularly of section 2 thereof. But certain important consequences flow from a plain declaration of war such as the historic resolution of April 6, 1917, though no specific statute were passed interdicting trade with the enemy. All intercourse between the belligerents becomes illegal. Every kind of trading or commercial dealing or intercourse, whether by transmission of goods or orders for the delivery of either between the two countries at war, directly or indirectly, or through the intervention of third persons or partnerships, or by contracts in any form looking to or involving such transactions, is prohibited. It follows that every contract by the nationals of one belligerent with the other or with the nationals thereof is void and will be so treated by the courts. Property that is the subject of any such contracts or that is used in carrying on contraband trade may be seized by either belligerent, but unless there is in effect some specific statute, such as the trading-with-the-enemy act, no penal consequences follow, so far as the United States is concerned.

I take it that the effect of the resolution, if it becomes a law, will be not only to bar any criminal prosecution on account of intercourse with the public enemy or its nationals but to remove all danger of confiscation of any property involved, and to give validity to any contracts growing out of such intercourse—rather to remove the taint of invalidity which would otherwise affect them in consequence of the declaration of war. That such action is within the power of Congress, the President approving, or his veto being rendered nugatory, can not, as I think, be seriously questioned. It can not be open to serious doubt that limited intercourse with the public enemy may be permitted, even in the midst of hostilities, by act of Congress which may prescribe the conditions under which such trade as is tolerable may be carried on. It was so held in Hamilton *v.* Dillin (21 Wall., 73). If limited intercourse may be permitted, unrestricted trade may necessarily be authorized. And if *inter arma* unrestricted trade may be authorized, there is no room to contend that when all hostilities have ceased there is any constitutional objection to such legislation.

I can not believe that anything that transpired in the Constitutional Convention can be interpreted as a purpose on its part to withhold such power from Congress. It is easily conceivable that we should engage in war with some country, and that though hostilities had ceased it should decline to enter into any negotiations with us looking to a treaty of peace, but should eventually tolerate commercial intercourse between its nationals and ours. It is inconceivable that Congress by law, the President approving in the constitutional manner, can not legalize contracts growing out of such transactions. Reference is made to the debates in the convention from which it appears that when the clause in the Constitution to the effect that Congress shall have power to declare war was under consideration it was proposed to make it read "Congress shall have power * * * to declare war *and peace*." The suggestion was not adopted, and from this circumstance it is argued that a status of peace can not be brought about by action of Congress. But I can not believe that the action taken by the convention goes further than to deny to Congress the right to enter into negotiations with a belligerent looking to a treaty of peace or to enter into such a treaty with a foreign power. The convention wisely concluded to intrust such negotiations to the Executive—Congress could scarcely conduct them save through plenipotentiaries of its choice, and it was a part of the general scheme that all such and all officers of the United States—save only some filling minor stations—should be appointed by the President and confirmed by the Senate. Moreover, being charged with the conduct of intercourse generally between our Government and other nations, the appropriateness of having negotiations for peace treaties conducted through him was obvious.

It was recognized, furthermore, by the wise framers of the Constitution, though some of our contemporaries do not seem to appreciate the fact, that, as was so forcefully stated a few moments ago by the distinguished Senator from Ohio [Mr.

POMERENE], though one nation may declare or make war, it takes at least two to make peace. They doubtless reflected that it approached an absurdity to say that Congress may declare peace. Congress might declare until doomsday, but there would be no peace until the other belligerent concluded as well that the struggle should cease.

Whether Congress, having once declared war and thus authorized the President as Commander in Chief to conduct hostilities at his discretion against the enemy, may by a resolution repealing such declaration before a treaty of peace becomes effective deprive him of the power to wage war upon the foe, through such forces and by such means as are at his command, it is entirely unnecessary to consider. No such condition is likely now or ever to arise.

But this resolution, if the expression be parliamentary, is economic idiocy. We give everything and get nothing. We abolish all restrictions on the importation into this country of goods bearing the "made in Germany" trade-mark without any agreement with that country that she will admit all or any of ours into her territory. We invite the representatives of the commercial houses of Germany again to overrun our cities, while she is at liberty to shut her gates on any American merchant, manufacturer, or banker, on our growers of cotton, corn, and live stock, our producers of copper, who may desire to deal with her people. We permit the reestablishment in our midst of the industrial plants that prior to the war enriched so many of her war-mad minions, and that became centers of sedition and disloyalty after we entered it, without any assurance that an American firm may even set up an agency in the city of Hamburg. We throw open our ports to emigrants from her impoverished States and Provinces and admit them to citizenship on exactly the same terms as are accorded to the citizens of our faithful Allies or the liberated people of the new Republics we have aided in creating within her former territory without any guaranty that an American may remain overnight in a hotel in Munich, Dresden, or Berlin.

Mr. REED. Mr. President——

The PRESIDING OFFICER (Mr. SIMMONS in the chair). Does the Senator from Montana yield to the Senator from Missouri?

Mr. WALSH of Montana. I yield.

Mr. REED. Can not all that be cured by a simple act of Congress excluding their goods or their peoples or naming the conditions under which they may enter this country?

Mr. WALSH of Montana. That is the law now. We do not need any more legislation. That is the law, which this resolution will operate to repeal. That is the purpose of this joint resolution, to destroy all these laws under which the President of the United States can keep them and their goods out of this country.

Mr. REED. The Senator is discussing the repeal clause. I thought he was discussing the general situation.

Mr. WALSH of Montana. I am discussing the general situation. The general situation is that this joint resolution says, in effect, to the Germans: "Come here just the same as you did before the war; occupy exactly the same status; you are friends of ours"; while Germany is at perfect liberty to treat our nationals as enemies, and to exclude them from her territory if she sees fit to do so.

Mr. REED. Does the Senator contend that if we pass this peace resolution the Congress can not the next day bar all trade with Germany if it wants to?

Mr. WALSH of Montana. Why, certainly not. You may repeal all these laws to-day, you may pass this joint resolution to-day, and to-morrow you may repeal and rescind your act, if you care to do so.

Mr. REED. Oh, yes; but let us take one thing at a time.

Mr. WALSH of Montana. Yes; I am taking one thing at a time.

Mr. REED. I was not referring to the Senator's remark. The proposition now is to declare that this war is at an end. The Senator says that certain consequences flow from that; among others, that German citizens can come here and Germany can come to our markets.

Does the Senator think that the old treaties with Germany will be revived and repealed by virtue of this mere declaration that the war is at an end? On the contrary, are not all those treaties dead? Do they not require a new act?

Mr. WALSH of Montana. The Senator wants one thing at a time. Those treaties are not dead. The Supreme Court of the United States has decided repeatedly that treaties do not die by reason of the fact that the parties to them enter into a war.

Mr. REED. They undoubtedly die as far as any rights of the parties to enter another country are concerned. Now, does the Senator claim that Congress can not pass this joint resolution and to-morrow, by any act that it sees fit to pass, enumerate the terms and conditions upon which Germans can enter?

Mr. WALSH of Montana. Why, certainly. That is the question the Senator asked me a little while ago. You propose to-day to repeal all these laws and to-morrow to reenact them. That is the situation.

Mr. REED. Oh, well, I am speaking about the war status now.

Mr. WALSH of Montana. I, too, am speaking about the war status.

Mr. REED. Very well.

Mr. WALSH of Montana. The proposition is to repeal all these statutes. Of course, you can reenact them at any time you want to.

Mr. REED. No; there are two questions. I do not want to take the Senator's time, but let me state my point clearly.

The peace resolution embraces two propositions: One is to declare a state of peace. That is the proposition I have been discussing. There is another clause of the peace resolution which proposes to repeal certain of our war legislation. That is quite another question.

Mr. WALSH of Montana. I am undertaking to deal with both of those questions. I have undertaken to show that the repeal of the declaration of war removes the taint of invalidity upon every contract that may be entered into with German nationals. The repeal of the specific acts takes away all the penal consequences of intercourse with Germany in violation of such statutes.

Mr. REED. The Senator knows that we have restored trade with Germany?

Mr. WALSH of Montana. Yes; I am going to talk about that.

Mr. REED. And that it is going on right now, practically unrestricted?

Mr. WALSH of Montana. Yes; I shall discuss that presently. I shall be glad to give the Senator the exact facts and the exact figures.

I was discussing, Mr. President, the one-sided character of this proposition when interrupted by the Senator. I continue.

The resolution must be construed as in the nature of an invitation to her to send consular agents to our cities to promote her trade here, with the assurance that the appropriate exequatur will be issued to them, under which they will enjoy not only the right to officiate as authorized by their government, but be entitled to the privileges which attach to a representative of a foreign state; among others, the sanctity of his official residence and exemption from suit in any State court and the right to invoke the original jurisdiction of the Supreme Court. We must depend upon the friendly disposition of Germany to accord a similar hospitality to our consular and commercial agents.

The resolution provides that all property of Germany or its nationals seized by the United States shall be retained until, by treaty, Germany makes provision to indemnify American citizens for all losses sustained through her acts since July 31, 1914, which treaty shall contain the usual favored-nation clause and shall confirm to the United States all fines, forfeitures, penalties, and seizures imposed or made by the United States during the war.

An analysis of these provisions will be made later.

As reported, the resolution requested the President immediately to open negotiations with the Government of Germany, to the end, among others, that such a treaty might be entered into; but this feature was, on the motion of the chairman of the committee reporting it, eliminated. Doubtless he felt some delicacy about expressly preferring such a request, remembering what he said in an article contributed by him to The Forum of June, 1918, from which I quote:

> The President who delivered the war message and the Congress who voted for war would be guilty of the blackest crime if they were willing to make a peace on the status quo ante bellum and recreate the situation which existed before the war. If we sent our armies and our young men abroad to be killed and wounded in northern France and Flanders with no result but this, our entrance into the war with such an intention was a crime which nothing can justify. The intent of Congress and the intent of the President was that there could be no peace until we could create a situation where no such war as this could recur. We can not, in the first place, make peace except in company with our allies. It would brand us with everlasting dishonor and bring ruin to us also if we undertook to make a separate peace.

But the excision of the specific request is of no consequence. The other provisions of the treaty clearly contemplate that a separate treaty with Germany shall be made, and the President is necessarily looked to for the initiation of the negotiations—is, indeed, charged with the duty of entering into such, since the resolution, at least in one part, proceeds upon the assumption that we may not honorably or honestly keep the property which fell into our hands as the spoils of war except as col-

lateral to secure the discharge by Germany of obligations justly due our people.

In the fateful days of August, September, October, and early November, 1918, Germany was by the valor of our brave sons—75,000 of whom—

Sleep the sleep that knows no waking—

beaten to her knees. Her military power had been broken, and our victorious armies would have marched with little impediment to Berlin had she not thrown up her hands and shouted "Kamerad!" We were, with our allies, in a position to make such a peace as the senior Senator from Massachusetts demanded, and which he epigrammatically described as a "dictated," not a "negotiated," peace. In his speech of August 23, 1918, he said:

It can not be a peace of bargain, of give and take, and of arrangement. * * * No peace that satisfies Germany in any degree can ever satisfy us. It can not be a negotiated peace. It must be a dictated peace, and we and our allies must dictate it.

But forthwith, the armistice being signed, the anvil chorus started the refrain "Bring the boys home," repeating it endlessly, with the obvious purpose of conveying the impression that the administration was coldly indifferent to the very natural desire on both sides of the ocean to see reunited the families that had been separated by the war. This form of criticism was persisted in, though never in the feverish haste with which they had been sent to Europe were we able to move as many or to move them as fast as we were bringing our soldiers home. Just how we were going to secure a "dictated" peace without a formidable army on German soil, or in a position immediately to cross her borders, was left to conjecture. But the two demands went up simultaneously and insistently. Marshal Foch, however, succeeded in maintaining such a status as to enable the congress at Versailles to frame a peace treaty meeting the requirement that it should be "dictated," not "negotiated." This treaty has had the approval of all of our allies, but has been rejected by the Senate, which is about to ask not only for a separate treaty with Germany, but for a negotiated and not a dictated treaty. Obviously, if we are to have a treaty with Germany at all, it must be negotiated—it must be a give-and-take proposition. We have no such force on German soil or elsewhere as is requisite to enable us to dictate terms of peace to her. Our allies have made their terms with her, and could not consistently with their treaty join us in any warlike movement or demonstration to coerce her into acquiescence in our demands.

But we occupy a commanding position economically in connection with any negotiations which might be carried on. Despite the burdens of the war, the credit of our Government is unimpaired. Our industries have been untouched by its ravages. Our productive capacity continues to expand. We are rich. Germany trembles on the brink of bankruptcy. Unrestricted access to American markets is one of the first conditions of her resuscitation. American capital to revitalize her industrial and transportation systems is another.

To buy raw material of us on credit and pay for it in fabricated products is the simple formula of the German for the restoration of industry in the Fatherland. Details are set out in a Berlin dispatch appearing in the Washington Post of to-day, which I ask to be printed as an appendix to my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALSH of Montana. In any negotiations for the reestablishment of relations of amity with Germany we still hold the trump cards. These it is proposed by the resolution deliberately to throw away. Did I not know too well the acumen of its authors, I should say that some clever German intriguer, some modern Machiavelli, had played upon their prejudices and thus produced it.

The President is expected to negotiate with Germany a treaty of amity and commerce, and he is bound hand and foot before the pourparlers begin.

What is to be accomplished by the resolution? It is loudly proclaimed that its purpose is to permit or to accomplish the restoration of commercial relations with Germany. But so far as action on our part can attain that end, it has already been achieved. By the so-called espionage act, approved June 15, 1917, it was provided that—

Whenever during the present war the President shall find that the public safety shall so require and shall make proclamation thereof, it shall be unlawful to export from, or ship from, or take out of, the United States to any country named in such proclamation any article or articles mentioned in such proclamation, except at such time or times, and under such regulations and orders, and subject to such limitations and exceptions as the President shall prescribe, until otherwise ordered by the President or by Congress: *Provided, however,* That no preference shall be given to the ports of one State over those of another.

Pursuant to this act the President made proclamation forbidding the exportation of goods to Germany.

By the trading-with-the-enemy act of October 6, 1917, it was provided that—

Whenever during the present war the President shall find that the public safety so requires and shall make proclamation thereof it shall be unlawful to import into the United States from any country named in such proclamation any article or articles mentioned in such proclamation except at such time or times, and under such regulations or orders, and subject to such limitations and exceptions as the President shall prescribe, until otherwise ordered by the President or by Congress: *Provided, however,* That no preference shall be given to the ports of one State over those of another.

Appropriate proclamation was made under this act, so that all trade with Germany was prohibited under penalties prescribed by the laws referred to, the administration of which, in the particulars that are important here, was by Executive order intrusted to the War Trade Board.

Upon the dissolution of that organization, after the conclusion of the armistice, its powers were vested in the War Trade Board section of the State Department, which on July 14, 1919, issued the following announcement:

DEPARTMENT OF STATE,
WAR TRADE BOARD SECTION,
Washington, July 14, 1919.

Resumption of trade with Germany.

The War Trade Board section of the Department of State announced that a general enemy-trade license has been issued authorizing all persons in the United States, on and after July 14, 1919, to trade and communicate with persons residing in Germany and to trade and communicate with all persons with whom trade and communication is prohibited by the trading-with-the-enemy act, subject, however, to the following specific limitations and exceptions, to wit:

1. The above-mentioned general license does not authorize the importation into the United States from Germany or elsewhere of dyes, dyestuffs, potash, drugs, or chemicals which have been produced or manufactured in Germany.

2. The above-mentioned general license does not modify or affect in any respect present restrictions against trade and communication between the United States and Hungary or that portion of Russia under the control of the bolshevik authorities.

3. The above-mentioned general license does not authorize trade with respect to any property which heretofore, pursuant to the provisions of the trading-with-the-enemy act as amended has been reported to the Alien Property Custodian or should have been so reported to him, or any property which heretofore, pursuant to the provisions of said act, the Alien Property Custodian has seized or has required to be conveyed, transferred, assigned, delivered, or paid over to him.

Exports to and imports from Germany may take place under Special Export License RAC No. 77 and General Import License PBF No. 37, as announced in W. T. B. R. 803 and W. T. B. R. 804, respectively.

Other related orders I ask be printed as an appendix to my remarks.

Apparently the only effect of the joint resolution before us on trade with Germany will be to permit the unrestricted importation from that country of dyes, dyestuffs, potash, drugs, and chemicals, a result that could be arrived at by a simple modification of the order of July 14, 1919, referred to.

Under the operation of the order, anticipated by others less comprehensive, trade with Germany has been carried on unhampered on this side of the water, imports having come to us from there since the armistice to March 20, 1919, of the value of $26,272,081 and exports having departed for Germany to the value of $147,300,934. For the first three months of 1920 the exports and imports amounted, respectively, to $54,214,620 and $15,361,716. If the same ratio is observed for the remainder of the current year Germany will take more in value of our products than she did in 1913. Evidently she is greedily availing herself of the opportunity to trade with us. We can get along without her trade. It would be disastrous to her to lose the privilege of dealing with us. She enjoys it now by virtue of the order issued under the authority of the President pursuant to the law of Congress. He may withdraw it at will or modify the order under which it is enjoyed. Why take that power away from him at the same time that he is charged with the duty of negotiating a treaty such as that contemplated in the joint resolution?

Mr. JONES of New Mexico. Mr. President——

The VICE PRESIDENT. Does the Senator yield to the Senator from New Mexico?

Mr. WALSH of Montana. I yield.

Mr. JONES of New Mexico. I have been listening to the debates here in the Senate on the question of putting an embargo on the importation of dyestuffs. Does the Senator understand that if this joint resolution were to pass, and the so-called dyestuff bill should fail of passage, then dyestuffs from Germany could be imported into the United States?

Mr. WALSH of Montana. I do.

Mr. JONES of New Mexico. And at the present time there is an embargo upon the importation of dyestuffs, by virtue of this order of the War Trade Board, which would be repealed by this joint resolution?

Mr. WALSH of Montana. Exactly. It is the only effect of this joint resolution, so far as trade with Germany is concerned, to admit these prohibited articles.

Confronted with the facts that trade is now open with Germany, the acute as well as usually candid junior Senator from Minnesota asserts that it is hampered because we have no consular representatives in that country, but when asked how the adoption of the pending joint resolution affects that situation and what there is in it that entitles us to send consuls to German cities, if anything we could do without the consent of Germany could confer upon us that right, he answers with much nonchalance and a little attempt at disdain that he had no doubt she would gladly welcome our consuls. She may indeed do so. She may receive them with open arms without this joint resolution. She is at perfect liberty to accord them the requisite official status whether we enact this legislation or kill it, and, so far as I can judge, is as likely to do so in the one case as in the other.

Some nations might, indeed, moved by such generosity on the part of a late enemy as it is proposed by this resolution the United States shall display with respect to Germany, exhibit in the official acts of their Government the gratitude it ought to excite. But let us not act in this matter in the hope of reciprocal favors from our late enemy. Germany hates us, and with good cause from her point of view. Before we entered the war we were abomination in her eyes because we permitted trade in munitions in which, because of her relative weakness as a sea power, she was unable to participate. She had her enemies with their backs to the wall when we went in, and she blames us, not without reason, for the, to her, disastrous result. She will trade with us because she must. She will give us such concessions within her territory as she conceives will redound to her own benefit. She will make a treaty with us, but she will utilize to its utmost every advantage which her shrewd and unscrupulous diplomats can find in the conditions under which negotiations are carried on.

The one-sided operation of this joint resolution is illustrated by the conditions under which an American is admitted into Germany at present. He secures a passport to some neighboring neutral country and there applies to a German consul for a visé. This is extended or withheld, apparently without regard to rule, according to the whim of the officer, depending possibly on the degree of tolerance he has for Americans in general, on the state of the weather, or the vigor of his digestion. This legislation proposes that we let down all the bars to the entry of Germans while our people go through the humiliating procedure outlined to get into Germany, and it offers no remedy, the formal request to the President to negotiate a treaty that might improve matters having been withdrawn. There is absolutely nothing it can or does accomplish for this country. It should be entitled "A measure for the relief of the German people."

I now address myself to a few particular features of the joint resolution which either impugn the good faith of its framers or stamp it as having been unreflectingly drawn.

1. The joint resolution provides that all property of the German Government and its nationals which has—

come into the possession or under the control of the Government of the United States or of any of its officers, agents, or employees, from any source or by any agency whatsoever, shall be retained by the United States, and no disposition thereof made except as shall specifically be hereafter provided by Congress until—

a treaty is made, as hereinbefore referred to.

It is well known that most of the property seized by the United States is no longer in its possession, having been disposed of by the Alien Property Custodian. There remain the ships we seized. The joint resolution apparently suggests a treaty under which these are to be turned back to Germany when she has "given * * * undertakings and made provision by treaty" for the payment of losses suffered by American citizens by her acts, which treaty shall contain a most-favored nation clause and confirm the title in the United States to all property seized. When we get Germany's promise that she will pay our citizens we are to surrender to her the ships. There seems to be an inconsistency between the opening part of the proviso in section 1 and its conclusion. By the latter, the treaty contemplated is to confirm to the United States the title to all property seized, while by the introductory part so much as remains in the possession of the United States is to be surrendered to Germany upon her giving the undertaking to satisfy the claims of our citizens and consenting to a most-favored nation provision.

But if the ships are to be surrendered, as first suggested in the joint resolution, and not retained, as clearly implied in the concluding portion of the proviso, they are to be given upon Germany's *promise* to pay our citizens whatever obligations may be due them from her. But by the general treaty which Germany has entered into with our allies, now effective as between them and her, she has already bound herself to pay them in amounts which were fixed at what they thought was the limit of her ability to pay and which able economists, including the financial adviser of the American commission, insist exceeds her ability to pay. Upon a promise by Germany so bound to pay our citizens their just demands, we are to let the ships go.

But if apprehensions are aroused by the statements just made they may be dismissed, since by another provision of the treaty, the execution of which by Germany is a condition of the surrender, we are to be accorded most-favored nation treatment by her. But Germany is in no situation to make any such agreement with us or to carry it out should she unscrupulously undertake to do so. Her whole trade and taxing systems are practically controlled by the Reparation Commission, provided for in the Versailles treaty, whose business it is to see that every dollar that can be wrung out of Germany goes to the payment of the obligations for the liquidation of which it provides, and she has bound herself therein (art. 291) to "pass, issue, and maintain in force any legislation, orders, or decrees that may be necessary to give complete effect to these provisions," namely, those concerning reparation, by which she is practically placed in the hands of a receiver. By article 240 of the treaty Germany "agrees irrevocably to the possession and exercise by such commission of the power and authority given to it under the present treaty," and that it may be fully equipped to tell her what to do and what not to do, to the end that the purposes for which it was created may be accomplished, the Government of Germany, by the same article agrees to "supply the commission all the information which the commission may require relative to the financial situation and operations and to the property, productive capacity, and stock and current production of raw materials and manufactured articles of Germany and her nationals."

So vast are the powers of this Reparation Commission that provision was made by one of the 14 Lodge reservations as follows:

8. The United States understands that the reparation commission will regulate or interfere with exports from the United States to Germany, or from Germany to the United States, only when the United States by act or joint resolution of Congress approves such regulation or interference.

This was deemed necessary to forestall any attempt on the part of the commission to discriminate in any requirements it should exact of Germany in respect to foreign trade, against commerce with the United States. The reservation necessarily assumed, doubtless correctly, that the commission had the power to insist upon such discrimination, if it should be so disposed. One of the ends of its creation was to restrain exports from Germany of such manufactured commodities as prior to the war went into the market in competition with the products of the mills and factories so ruthlessly destroyed in Belgium and France by her soldiery until they were rebuilt and the trade which they enjoyed was restored, that Germany should not secure a monopoly of it during the period of rehabilitation and thus have the advantage of an established business when they were prepared otherwise to compete. The exportation of manufactures of cotton and copper produced equally in Germany and in the devastated regions of Flanders and France might, pursuant to this policy, be prohibited or restricted. The consequence would be that the American producers of the raw material entering into such fabrications, who would otherwise find a larger market in Germany, would be injuriously affected. If the commission should restrict exports of manufactured cotton, the raw material of which comes from the United States, while permitting the unrestricted exportation of woolen goods, the raw material of which comes from Australia, it might constitute an indefensible discrimination against this country.

Speaking, as I think I may, for the producers of copper, an important item in the wealth of my State, they had no apprehension of unfair treatment from the Reparation Commission and were willing to suffer some loss in the interest of justice to the victims of German savagery in the devastated areas. I refer to the matter for the purpose of making clear how impossible it is for Germany to give to the United States by a separate treaty any guaranty of treatment in trade such as is accorded by her to any nation.

The resolution holds out to Germany the hope that by discharging her obligations to our people she may recover the property we took from her during the war, and then affixes a condition with which it is impossible for her to comply. The President is called upon, not expressly, as the resolution now stands, but impliedly, to negotiate a treaty with Germany which he knows and must know it is impossible for her to observe.

The resolution which has simply furnished the occasion for a series of tirades against the President of the United States is not only futile but mischievous and ought unhesitatingly to be rejected.

APPENDIX A.

[From the Washington Post of Saturday, May 15, 1920.]

GERMANY FEARS NEW REVOLUTION AND COLLAPSE OF CAPITALISM IF ALLIES DO NOT PROVIDE MARKETS—TEUTON FACTORIES ALREADY CLOSING DOWN—FINANCIERS TO URGE RETURN OF PROPERTY LIQUIDATED IN ENTENTE COUNTRIES AND AMERICA DURING WAR—BOLSHEVISM PREDICTED IF COMMON INTERESTS ARE NOT RECOGNIZED.

(By Raymond Swing. Special cable to the Washington Post and New York Sun-Herald.)

BERLIN, *May 14.*

Germany's real need of outside assistance consists of obtaining steady foreign markets for her manufactures. This need will be emphasized by the German representatives at the conference in Brussels, and a comparatively small loan to enable German manufacturers to buy necessary raw material undoubtedly will be asked for.

However, Germany's most important financiers are more concerned with being able to keep the German industrial machine operating than they are with any other phase of the situation. Raw materials bought on time credit and paid for in wares is the German formula, and individual credits from one country to another, rather than Government loans, is considered the only safe way of rebuilding healthy trade relations.

The correspondent finds a fear in banking circles in this country that unless the Spa and the Brussels conferences lead to more tangible results and less political chess playing than other conferences have developed Germany will have another revolution this summer.

The failure of the Frankfort fair and the even more serious failure of the Leipzig fair are frequently commented upon in business circles here. At neither of these fairs did foreign orders develop in the volume expected. Foreign buyers at Frankfort found that the German prices either were above the world's market prices or so close to them as to make purchasing in Frankfort unprofitable.

German factories have begun to pay off employees in large number, and this closing-down movement, according to well-informed observers, is only commencing. Another matter the Germans would like to see discused at Brussels is the return of German property liquidated in the allied countries during the war. If the Allies refuse ratification of this and the German Government has to indemnify citizens of the United States, it will result in such an inflation of German currency that, as one Berlin banker said, "When you go out to luncheon you will have to take a suitcase full of bank notes with you."

IN FEAR OF BOLSHEVISM.

It is urged here that rectification should be made on behalf of German property owners, as well as in the common interest, and that unless international financiers acknowledge these common interests capitalism will collapse.

This is not the view of the radicals, but is that of one of the best trained financiers of Europe.

"Germany can still be saved for capitalism, but it has got to be done without waste of words, and there can not be any mistakes permitted," he said. "If it is not done it will mean that capitalism will be unable to save itself as a system, and bolshevism must follow. When that is proved I, for my part, will put my services at the disposal of the Bolsheviki."

Much satisfaction was expressed in Berlin financial circles over the American entry into the German market as an investor in industrial stocks. The purchase by the Guggenheim interests and Kuhn, Loeb & Co. of a block of shares of the German General Electric Co. was the first step in what the Germans hope was the inauguration of a new American financial policy.

OPENS DOOR TO RUSSIA.

Hitherto American investments in Germany have been largely in the way of municipal securities, while the British and French became heavily interested in German industrials.

Germans say that the significance of the electric company deal is that it gives America an entry into Russia. Walter Rathenau, president of the German General Electric Co., is a leader in the movement for a resumption of trade with Russia, and his company has 16 branches in that country.

DEPARTMENT OF STATE,
WAR TRADE BOARD SECTION,
Washington, July 14, 1919.

Special export license No. RAC–77 amended to cover shipments to Germany and to merge certain special export licenses already issued.

The War Trade Board Section of the Department of State announces that special export license RAC–77, granted through the Customs Service, effective May 15, 1919, W. T. B. R. 738, has been extended and reissued, effective July 14, 1919. Special export license RAC–77 as now amended authorizes the exportation by freight or express, without individual licenses, to the countries hereinbelow mentioned of all commodities whatsoever, except (1) arms, ammunition, and explosives consigned to Mexico or China; (2) machinery or materials intended for the manufacture of munitions, and radio or wireless apparatus consigned to Mexico; and (3) wheat and wheat flour, the control over the exportation of which has been vested in the Wheat Director (see W. T. B. R. 797, issued June 30, 1919):

A. Any country in the Western Hemisphere.
B. Any country in Africa.
C. Any country in Asia or Oceania, except Turkey in Asia.
D. The following countries in Europe: United Kingdom, France, Italy, and that territory included in the line set out in article 3 of the military clause of the armistice protocol of November 3, 1918; Belgium, Greece, Spain, Portugal, or their possessions in Europe; Iceland, Faroe Islands, Serbia, Roumania, Norway, Sweden, Denmark, Holland, Switzerland, and Germany (including that territory on the left bank of the Rhine occupied by the forces of the associated Governments).

The attention of exporters is called to the fact that, by virtue of the above-mentioned extension of special export license RAC–77, the following special export licenses have been merged with special export license RAC–77:

RAC–63 (W. T. B. R. 777, issued June 12, 1919).
RAC–78 (W. T. B. R. 731, issued May 8, 1919).
RAC–79 (W. T. B. R. 730, issued May 8, 1919).
RAC–80 (W. T. B. R. 759, issued May 28, 1919).
RAC–81 (W. T. B. R. 784, issued June 18, 1919).
RAC–82 (W. T. B. R. 791, issued June 24, 1919).

The attention of shippers is called to the fact that, effective July 14, 1919, the special regulations governing shipments in transit through Holland, set forth in W. T. B. R. 771, issued June 5, 1919, are rescinded.

Shipping arrangements made prior to July 14, 1919, under any of the above-mentioned special export licenses will continue in full force and effect, but thereafter shipments coming within the provisions of RAC–77 may be made only under that license.

Exporters who desire to make shipments under special export license RAC–77 need only present their shipper's export declarations (Customs Cat. 7525) in triplicate to the collectors of customs at the ports of exit for indorsement to permit the shipments to proceed.

APPENDIX B.

(Not to be released before Sept. 30, 1919.)

DEPARTMENT OF STATE,
WAR TRADE BOARD SECTION,
Washington, September 30, 1919.

SHIPMENTS BY MAIL UNDER SPECIAL LICENSE RAC–52.

The War Trade Board Section of the Department of State announces the revision of special export license RAC–52 (W. T. B. R. 816, issued July 21, 1919), covering certain shipments to foreign countries by mail, effective October 1, 1919.

(1) Special export license RAC–52 has been issued through the Post Office Department to permit any local postmaster to accept without individual export license shipments of all commodities, except wheat and wheat flour (see W. T. B. R. 797, issued June 30, 1919) when destined to—

A. Any country in the Western Hemisphere.
B. Any country in Africa.
C. Any country in Asia or Oceania.
D. Any country in Europe except Russia.

(2) In making shipments under this special license (RAC–52) it is not necessary to make any application for license nor to present a license of any kind to the postmaster. If the shipment is consigned to a consignee in any country named in paragraph (1), the package, in so far as the War Trade Board Section is concerned, need only be delivered to the postmaster with the following facts noted upon the wrapper:

1. "Shipped under export license RAC–52."
2. List of contents.
3. Name and address of shipper.
4. Name and address of consignee.

(Where a package bears a customs tag or an invoice describing the contents, the list of contents need not be written upon the wrapper of the package.)

(3) All shipments made under special export license RAC–52 must be made by mail and are subject to the regulations of the Post Office Department.

(Not to be released before Sept. 30, 1919.)

DEPARTMENT OF STATE,
WAR TRADE BOARD SECTION,
September 30, 1919.

SPECIAL EXPORT LICENSE NO. RAC–77 EXTENDED TO COVER THE SHIPMENT TO THE REPUBLIC OF AUSTRIA, BULGARIA, TURKEY, AND HUNGARY OF ALL COMMODITIES EXCEPT WAR MATERIALS.

The War Trade Board Section of the Department of State announces that special export license RAC–77 (W. T. B. R. 831) has been extended and reissued, effective October 1, 1919. Special export license RAC–77 as amended will authorize the exportation by freight or express, without individual licenses to the countries hereinbelow mentioned, of all commodities whatsoever, except (1) certain commodities as listed below when destined to Hungary, the Republic of Austria, Bulgaria, or Turkey; (2) arms, ammunition, and explosives consigned to China; (3) wheat and wheat flour, the control over the exportation of which has been vested in the wheat director (see W. T. B. R. 797, issued June 30, 1919):

A. Any country in the Western Hemisphere.
B. Any country in Africa.
C. Any country in Asia or Oceania.
D. Any country in Europe except Russia.

An individual export license must be obtained before any of the commodities hereinafter mentioned may be exported to Hungary, the Republic of Austria, Bulgaria, or Turkey. The importation into the above-named countries of the following commodities will be restricted, and individual export licenses will be granted only in exceptional cases:

Aircraft of all kinds, including aeroplanes, airships, balloons, and their component parts, together with accessories and articles suitable for use in connection with aircraft.

Apparatus which can be used for the storage or projection of compressed or liquefied gases, flame acids, or other destructive agents capable of use in warlike operations, and their component parts.

Armor plates.

Armored motor cars.

Arms of all kinds, including arms for sporting purposes, and their component parts.

Barbed wire and implements for fixing and cutting same.

Camp equipment.

Camp equipment, articles of, and their component parts.

Clothing and equipment of a distinctively military character.

Electrical appliances adapted for use in the war and their component parts.

Explosives especially prepared for use in war.

Field glasses.

Gases for war purposes.

Guns and machine guns.

Gun mountings, limbers, and military wagons of all descriptions.

Harness or horse equipment of a military character.

Implements and apparatus designed exclusively for the manufacture of munitions of war, or for the manufacture or repair of arms or of war materials, for use on land or sea.

Mines, submarines, and their component parts.

Projectiles, charges, cartridges, and grenades of all kinds and their component parts.

Range finders and their component parts.

Searchlights and their component parts.

Submarine sound signaling apparatus and materials for wireless telegraphs.

Torpedoes.

Warships, including boats and their component parts of such a nature that they can only be used on a vessel of war.

The exportation to the Republic of Austria, Hungary, Bulgaria, and Turkey of the following articles, viz, barged wire and implements for fixing and cutting the same; articles of camp equipment and their component parts; clothing and equipment of a distinctly military

character; electrical appliances for use in war and their component parts; military wagons of all descriptions; and harness or horse equipment of a military character is forbidden only on account of the military use to which such articles can be put. If exporters have information showing that the articles are destined for civil purposes, the same should be submitted with their applications for export licenses.

Exporters who desire to make shipments under special export license RAC-77 need only present their shipper's export declarations (Customs Cat. 7525) in duplicate (see W. T. B. R. 828, issued Aug. 21, 1919) to the collectors of customs at the ports of exit for indorsement to permit the shipments to proceed.

(For immediate release.)

DEPARTMENT OF STATE,
WAR TRADE BOARD SECTION,
Washington, July 14, 1919.

PBF NO. 37 AMENDED TO COVER GERMANY.

The War Trade Board section of the Department of State announces that general import license PBF No. 37 (W. T. B. R. 726, issued May 8, 1919; amended by W. T. B. R. 739, issued May 16, 1919) has been revised and extended, effective July 14, 1919, so as to permit the free importation from Germany of all commodities except those hereinafter specifically mentioned.

As now amended general import license PBF No. 37 authorizes the importation into the United States from all countries of the world, except Hungary and those parts of Russia under the control of the bolshevik authorities, of all commodities except those hereinafter enumerated, to wit:

1. The following foodstuffs:
(a) Sugar.
(b) Wheat and wheat flour, the control over whose importation is now vested in the Wheat Director. (See W. T. B. R. 797, issued June 30, 1919.)

2. The following commodities, the importation of which continues to be controlled by reason of existing agreements:
Pig tin, and all metal alloys containing tin, including tin drosses, tin oxides, solder drosses, type metals, antifriction metals, waste metals, and other metals containing tin, except tin plate and tin-plate scrap.

3. Salvarsan, neosalvarsan, arsphenamine, and all substitutes therefor and equivalents thereof.

4. All commodities whatsoever which have been produced or manufactured in Hungary.

5. The following commodities, the control of whose importation by individual import licenses is desirable:
(a) Dyes and dyestuffs, including dye bases, crudes, and intermediates.
(b) Potash.
(c) All drugs and chemicals.

It should be noted that the foregoing paragraph 5, as now amended, provides that hereafter individual import licenses will be required for all importations of drugs and chemicals from every source whatsoever.

All applications for licenses to import dyes or dyestuffs, including dye bases, crudes, and intermediates, must be accompanied by supplemental information sheets as set forth in W. T. B. R. 670, issued March 27, 1919. (Bureau of Imports Ruling 489.)

American consuls abroad have been instructed to issue certificates of nonenemy origin before certifying invoices covering shipments of potash, dyes or dyestuffs, or drugs or chemicals intended for importation into the United States.

The prior rulings of the War Trade Board which required the purchase price of certain commodities permitted to be imported from Germany to be deposited with the American Relief Administration (W. T. B. Rs. 764, 772, and 779) have been rescinded, and such purchase price may now be remitted in any manner desired by the importer under the terms of the general enemy trade license issued simultaneously with this ruling, W. T. B. R. 802.

Mr. UNDERWOOD. Mr. President, I do not intend to delay the Senate by an extended speech on the pending joint resolution, but before the time comes to vote I wish to express a few views as to why I think that the resolution, if adopted, will not accomplish a result that will be beneficial to the people of the Nation.

This seems to be the closing scene in the drama, so far as this Congress is concerned, in the attempt to conclude a peace with Germany. I do not intend to discuss the treaty that was negotiated by the President and our allies with the German Government, except in so far as to say that the action of the majority party in the Senate seems to have foreclosed further action on the treaty, at least for the present.

The President of the United States negotiated a treaty, and so far as its terms are concerned with the German Government it seems to have been satisfactory to those on the other side of the Chamber as well as to most of the Senators on this side of the Chamber, as is proved by the introduction of this resolution itself, which in a way attempts to retain for our people the terms of the treaty of Versailles so far as it relates solely to concluding peace with the Imperial Government of Germany.

Of course, the real battle in the Senate as to the ratification or the rejection of the treaty concluded at Versailles turned on those clauses in the treaty which related to a League of Nations and not the clauses that terminated the war with Germany. After many, many months of debate the Senate was unable to reach a conclusion as to the ratification of the treaty of peace negotiated by the President. Then the majority party in the Senate took the responsibility of returning the treaty to the President without amendment and without suggested amendment. In other words, in that way the treaty was rejected by the majority party so far as it was possible for them to reject the terms of the treaty; and whether they intended it as such or not they rejected it, when they returned it to the President, in all its details.

It could not be expected that under those circumstances the President would proceed further with the negotiations unless it was indicated by the Senate that some amendment could be agreed to that was satisfactory to the Chief Executive as well as to the Senate, and no such suggestion has been made.

If it was the purpose of those controlling the Senate on this subject merely to reject the League of Nations from the treaty and to secure the ratification of peace with Germany, the opportunity was here for more than nine months. It was within the power of the majority of the Senate to have amended the treaty by striking out of it all the provisions that related to the covenant of the League of Nations, and to have ratified the treaty with that amendment. If that had been done, all that is in this resolution would have been accomplished, and more, because the Imperial Government of Germany was only a party to the treaty so far as the covenants of peace were concerned, and was not a party to the treaty so far as the covenants that related to the League of Nations were concerned. We could have established lasting peace with Germany if action of that kind had been taken and had been accepted by the President.

But that opportunity of acceptance or rejection was not presented to the President of the United States. Therefore I think that the party in control of the Senate, when they returned the treaty to the President without amendment, foreclosed the opportunity to conclude the treaty of peace that ourselves and our allies had made.

Now, so far as my own individual views are concerned, I am not disposed to take the time of the Senate in restating them. More than a year ago I discussed the treaty in the Senate and expressed my views in favor of unconditional ratification. I have not changed my view personally as to the wisdom of unconditional ratification at that time, but I know that my viewpoint is not reflected by many of my colleagues.

I have never regarded the question of reservations as the important question that faced the country. I have always believed that the Constitution of the United States in all its details was written within the terms of the treaty, and that it would be impossible for any action of the executive or the legislative branch of the Government to prevent the Constitution and its limitations from being within the terms of the treaty. Therefore I did not believe that express reservations were necessary to establish that fact. I was very anxious and am now that peace might be concluded with the German Government, but when the Senate returned the treaty of peace to the President, I think, at least for the time, the opportunity was foreclosed, and peace can not be accomplished as is proposed in the pending resolution.

Briefly I wish to express my reasons for the conclusion that I have reached. The resolution passed by the House of Representatives and amended by the Foreign Relations Committee of the Senate attempts to accomplish three objects: It attempts, by repealing the war statute or the declaration of war, to declare that the war with Germany has ceased; it attempts, by congressional enactment, to tie ourselves into the terms of the treaty of Versailles so far as the rights and privileges we were to obtain under that treaty are concerned; and it attempts to declare peace or the end of the war with the Government of Austria.

Let us see whether those objects can be accomplished by the resolution. The distinguished Senator from Pennsylvania [Mr. KNOX], the author of the pending amendment, in his able speech to the Senate on May 5 last, laid down the following propositions:

> In this discussion it is necessary, as pointed out in the majority report upon the House resolution, to recall that wars may be terminated in one of three ways: First, through the abstention by both parties from further acts of war, or, as one writer puts it, "War may silently cease and peace be silently renewed" (III Phillimore, 772; II Oppenheim, 323); or, second, war may be ended by the establishment of peace "through a special treaty of peace"; or, third, one of the belligerents may completely subjugate his adversary.

I agree with what the Senator said, that those are the three ways in which we can accomplish a status of peace. Now, let us reverse the order in which he stated the problem and see what confronts us. Making the first last, he asserts:

> One of the belligerents may completely subjugate his adversary.

That has not been accomplished in this war, and, therefore, peace will not arrive in that way.

> Second. War may be ended by the establishment of peace "through a special treaty of peace."

The accomplishment of peace in that way was proposed by the Executive. A treaty of peace was negotiated and submitted to the Senate. The Senate might have rejected it by a direct vote; it might have ratified it——

Mr. KNOX. Mr. President——

The PRESIDING OFFICER (Mr. JONES of New Mexico in the chair). Does the Senator from Alabama yield to the Senator from Pennsylvania?

Mr. UNDERWOOD. I do.

Mr. KNOX. May I inquire if I correctly understand the Senator from Alabama as saying that the enemy has not been completely subjugated?

Mr. UNDERWOOD. Not in the sense, I think, that we have made peace in that way.

Mr. KNOX. Did not the President of the United States on at least two occasions, and on each occasion by two or three different methods of expression, each one stronger almost than the other, say that the war was at an end; that Germany had been destroyed; that she was unable to renew hostilities, and that all of the purposes of the war had been accomplished?

Mr. UNDERWOOD. I am not trying the case on the statement of the President, and I do not think that is conclusive of the matter; but I am sure that the Senator from Pennsylvania himself will not insist that we have arrived at a state of peace by the subjugation of Germany in the sense that is used by the text writers from whom he quotes. Subjugation in that respect means the destruction of the government, making the people of the conquered territory absolutely subject to the will and control of the conquerer. That has not been done in Germany.

Mr. KNOX. Mr. President, if the Senator will allow me further, I do not want to interfere with the course of his argument——

Mr. UNDERWOOD. I am glad to have the Senator interrupt me.

Mr. KNOX. But I wish to call his attention to the language of the armistice, which the President read to us and commented upon; that all hostilities on land, in the air, and on the sea were terminated, and all of the instrumentalities of war which pertained to the conduct of the war upon the land and in the air and upon the sea were surrendered to the belligerent forces that were attacking Germany.

If the Senator will permit one more sentence, I think the Senator from Alabama fails to discriminate between the fact of peace and the terms upon which we propose to arrive at peace, which are the usual functions of a treaty.

Mr. UNDERWOOD. Not at all; I am coming to that, and I am trying merely to analyze what the distinguished Senator from Pennsylvania said in his opening speech in the discussion of this question.

I take it that there is a vast difference between conquest and subjugation. I concede—and I think what the President has said and all that the Senator has said carries out the idea—that Germany has been conquered; but that is very different from saying that Germany has been subjugated. There can be no question of subjugation involved here. Subjugation means the destruction of the enemy's government, reducing their population to a servile condition subject to the will of the conqueror. No such condition exists. There has never been an hour since the war was declared when a government functioning for the great majority of the German people has not been in existence and performing the duties devolving upon it. There has never been an hour since the war was declared when the great body of the German people have not been under the orders and the control of their own Government, and not under the control of the conquering nation. So I think it is conclusive that the war has not been concluded by subjugation. The enemy has been conquered; he has surrendered according to terms; but there is nothing of which I know in the terms of the armistice signed that indicates that the Germans now or for the future are to be a subjugated people, subject absolutely to the will and control of their conqueror. I think that eliminates the third proposition as to whether peace has been declared by subjugation.

Then the first proposition, as stated by the Senator from Pennsylvania, is this:

> Through the abstention by both parties from further acts of war, or, as one writer puts it, "war may silently cease and peace be silently renewed."

I am perfectly willing to agree that actual hostilities have ceased. The Senator's interesting speech presented many details to demonstrate the fact that hostilities have ceased, and, in my opinion, in that respect he conclusively proved his case. I think, however, I can go one step further in aid of the argument made along that line to prove that hostilities have ceased, and the illustration is so spectacular that no man can deny the result. After the declaration of war we moved 2,000,000 men across 3,000 miles of ocean, put them on the battle lines of France, and after the armistice was signed we moved those 2,000,000 men back across 3,000 miles of water to our own country, demobilized them, and returned them to their homes.

To-day we have on German soil merely a picket line of a few thousand American soldiers, representing the Army of the United States, there only for the purpose of showing that we are still a part of the negotiations of the supreme council that was established by the armistice, and for no other purpose. I do not think it is possible for any man to assert that there can be any question that hostilities have ceased when one of the great conquering nations has returned its army home and demobilized it. So I think that the argument of the Senator from Pennsylvania that hostilities have ceased can well be conceded. But the time referred to in the second part of this sentence, in my judgment, has not yet arrived.

In the Senator's quotation he says:

> War may silently cease and peace be silently renewed.

True, it can be, and there are instances in history where peace has been accomplished in that way; but not overnight, not in a year or an hour. It has been through the endless tract of time that a status of peace has been recognized in that way. I am not prepared to say that in the course of years, if no further action is taken by our Government or the Government of Germany toward the renewal of hostilities, peace might not be silently recognized; but we certainly have not yet reached that period. The accomplishment of that result, so far as fixing the status of these Governments on a peace basis is concerned, certainly has not arrived up to this hour.

What is the condition that really confronts the country?

I think there are three questions that are involved in the return from war to peace.

The first is the cessation of hostilities. That undoubtedly has been accomplished.

The second is the repeal of war legislation on the part of our Government. During the period of the war, for the purpose of carrying on the war, it became necessary for the Congress to pass and the President to enforce certain war legislation in order that our efforts to conquer the enemy might not fail. It is legislation that is not acceptable to our people in time of peace. It is legislation that is not necessary to the life of our Nation in time of peace. It is legislation, unquestionably, that should be repealed. Now, the Congress contemplated the repeal of this legislation when it was enacted, because, I think, there was not one bill carrying war legislation that did not carry within its terms a clause providing that it should either cease to exist instantly upon the ratification of a treaty of peace with the German Government or within a short stated period immediately thereafter.

I think this legislation should be repealed. I have not examined it in all its details. There may be some particular piece of legislation that it may be advisable to carry on for a short length of time; but if there is, I am not advised of the fact. I see no reason why this legislation should not have been repealed when the President returned the American Army from the battle fields of Europe to American soil. That was notice to the Congress that hostilities had ceased. The legislation was not passed to protect a status of war. The legislation was passed to carry on actual hostilities; and now that it is conceded by all that actual hostilities have ceased for more than a year, I see no reason why war legislation should remain on the statute books. Bill after bill has been introduced in this Congress looking to the repeal of this war legislation, in whole or in part. The party to which I hold allegiance is not in power in either branch of Congress. The responsibility for legislation rests with the majority party. For more than a year the majority party in the Congress has had a full and ample opportunity to repeal war legislation by the express enactment of statutes, and no action has been taken except the proposal in this joint resolution to tie the repeal of war legislation with the issues involved in establishing peace relations with Germany. I think they are issues that are entirely separate and distinct.

The German Government has no interest in or power to control the repeal of war legislation. The only interest it has in the matter is in questions in which the two Governments are involved in reference to their commerce and their diplomatic relations. So I say it is no answer to the problem to assert that the joint resolution should be passed through Congress because we want to repeal war legislation. There are other ways in which to repeal war legislation. There has been ample time, within the life of this Congress, to have repealed the war legislation if the Congress had desired to do so; so I take it that the repeal of war legislation is not a ground for the passage of this joint resolution.

The third accomplishment that will bring us to a status of peace is the renewal of diplomatic and commercial relations with the Governments with which we have been at war. That is the only question that is really involved—the only question that is at issue—in the proposals of a treaty of peace. It is conceded by all that hostilities have ceased and that they will not be renewed, because if there had been any intention of

renewing hostilities the President would not have withdrawn our armies from the battle field and the Congress would not have remained silent during the withdrawal. So that the only issue now involved outside of the domestic one—a mere question of legislation that is purely domestic and relates only to our internal affairs—is the question of the renewal of diplomatic relations with our late enemies and the renewal of commercial relations with them.

How can that be accomplished? In a way, it is being accomplished to-day. We are trading with Germany and Germany is trading with us. We have no direct diplomatic relations, but indirectly we are carrying on certain negotiations with her—a very unsatisfactory condition, I admit, but one that is proof of the cessation of hostilities.

Here are two great Governments, representing millions of people, who for generations had close commercial relations that it is to the interest of both peoples to renew. How are you going to renew these relations? By our assuming that we can establish a fact, and that that fact will be accepted for all time by an alien country? The thought is impossible. If we desire to renew diplomatic and commercial relations with our enemy, we must do so in one way, and one way only, and that is by contract—by mutual understanding—and that can no longer be accomplished by a declaration such as this joint resolution proposes, telling the enemy the terms on which we will renew our commercial life and intercourse with them when we no longer have the power to enforce our demands. That power was removed from the battle fields of France more than a year ago, or at least its removal was begun, and was accomplished many months ago.

I do not know what this joint resolution means when you take it by its four corners, in so far as it seeks to establish commercial relations with Germany, unless it is a bluff; unless we are saying to the German Government: "You must accept these terms and, without our ratifying the treaty of Versailles, without our becoming a party to it, you must accept the terms and the burdens of the treaty of Versailles," when there is not a bayonet on the border to enforce our bluff.

You may say there are 8,000 men there, a mere picket line. You have brought your armies home. You have refused to ratify the treaty when your Government said "Sign on the dotted line," and now you propose to offer this declaration without guns and soldiers and bayonets to enforce it, and you know full well that the American people are not going to countenance the sending back to France of the boys of America to force the signing of this contract. You have let the opportunity go by, and to satisfy the American people you are trying to build a wall of paper as a camouflage in its place.

Mr. SHIELDS. Mr. President——

The VICE PRESIDENT. Does the Senator yield to the Senator from Tennessee?

Mr. UNDERWOOD. I yield.

Mr. SHIELDS. The Senator makes the point that we have no Army to compel Germany to negotiate a treaty with us. That is true, and Germany has no army or no navy to resist ours should we bombard their ports. But the question I wish to ask the Senator is, would not the economic pressure which the United States can bring to bear upon Germany, and Germany's desire for our raw material and commerce generally, compel them to accept almost any sort of a negotiated treaty? I refer the Senator to the very able argument just made by the Senator from Montana [Mr. WALSH], in which he demonstrated that Germany economically is at the feet of the United States, and that we could by economic force compel them to do almost anything.

Mr. UNDERWOOD. I am in accord with the view expressed by the Senator from Tennessee. I think that is true. But that is not within the four corners of this joint resolution. There is but one way to accomplish that, and I think it can be accomplished, and that is by a contract between the two Governments, by a treaty of peace.

Mr. SHIELDS. There is another question about which I would ask the Senator's view. The President, fully cognizant of the entire situation, saw no objection to negotiating a separate treaty with Germany when only recently he threatened to withdraw the treaty from the Senate. I submit that when the President, with his full knowledge of the facts, was willing to undertake to negotiate a separate treaty, abandoning this one, as he threatened to do, does not the Senator think it reasonable to presume that it could be accomplished?

Mr. UNDERWOOD. If the treaty of Versailles is not ultimately ratified, a separate treaty with Germany must be made. There is nothing else to do. I agree with my friend entirely about that matter. If you can not ratify the treaty of Versailles, then we must ultimately make a treaty with Germany. But this joint resolution does not accomplish that. This is a declaration on our part which is as sounding cymbals.

Mr. HITCHCOCK. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Nebraska?

Mr. UNDERWOOD. I yield.

Mr. HITCHCOCK. I call the attention of the Senator from Tennessee [Mr. SHIELDS] to the fact that in the President's letter he referred to the danger that if this treaty were rejected he would be reduced to the unthinkable task, as he expressed it, of being compelled to attempt to negotiate a treaty with Germany. He described it as an unthinkable thing to do.

Mr. SHIELDS. I remember very well the President said that in his letter, as I recall, last December, when he wished the Democratic Senators not to agree to the ratification of the treaty. Is that the occasion, or was it on the occasion of the Jackson Day dinner?

Mr. HITCHCOCK. It was the Jackson Day dinner to which I was referring.

Mr. SHIELDS. That was equally intended to affect the Democratic Members of the Senate. But I want to know how the Senator makes that consist with the declaration of the President to the powers, Great Britain, France, and Italy, that if they did not agree with his ideas about settling the little shoe string of territory on the Adriatic coast he would withdraw this treaty, and therefore he would negotiate a separate treaty, for, in the language of the President, it is unthinkable that he intended this country forever to continue at war with Germany. If he withdrew the Versailles treaty, he certainly intended to negotiate a separate one.

Mr. HITCHCOCK. The Senator can only make an inference in that matter. The President did not state that he would make a separate treaty with Germany. He has always deplored, as in the letter referred to deplored, the danger that if this treaty was rejected he would be reduced to the unthinkable task of attempting to enter into a separate treaty with Germany.

Mr. SHIELDS. And he impliedly proposed to do that unthinkable task.

Mr. HITCHCOCK. The Senator draws his inference, but the President did not state it, and I deny the inference. There are other methods of accomplishing the same thing.

Mr. UNDERWOOD. Mr. President, the point I am seeking to make is that the renewal of diplomatic and commercial relations can not be accomplished by the pending joint resolution, that in the end it must be by a treaty of peace. We must in some of its details, in whole or in part, ratify the treaty of Versailles, or ultimately we must be driven to making a separate treaty of peace with Germany; but it can not be accomplished in this way.

I was interested in an amendment which was proposed yesterday or the day before, and accepted by the Senate, offered by the leader of the majority party in the Senate, which seemed to reflect the views of his party on this question of making peace.

When the joint resolution was originally introduced and reported, after reciting the necessity for commercial relations, and so on, it contained this clause:

> To these ends, and for the purpose of establishing fully friendly relations and commercial intercourse between the United States and Germany, the President is hereby requested immediately to open negotiations with the Government of Germany.

In other words, to establish peace through a treaty. That is all it meant, and the joint resolution itself as introduced and indorsed by its distinguished author, the Senator from Pennsylvania [Mr. KNOX], recognized that we could not reestablish diplomatic and commercial relations merely by a declaration of Congress, but that it must be followed up by something else.

Mr. KNOX. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Pennsylvania?

Mr. UNDERWOOD. I yield.

Mr. KNOX. I think the Senator from Alabama has not read the joint resolution quite as closely as he should; otherwise, he would not have put the construction he has upon it. There is a large difference between reestablishing commercial relations through diplomatic and consular intercourse and the establishment of peace. Of course, if your diplomatic and consular relations have been broken and suspended, you can not resume them except by an arrangement, and that arrangement, not necessarily always, but very frequently, follows the establishment of peace.

I was perfectly willing to have the amendment of the Senator from Massachusetts [Mr. LODGE] agreed to. He asked my consent to have the amendment made, and I assented to it upon this ground, that if the joint resolution repealing the war reso-

lution, supplemented by the fact that hostilities have ceased for a year and a half, that we are already dealing with Germany and Germany is dealing with us, as the Senator has just now said, terminates the state of war, it is the obvious duty of the President to renegotiate a treaty of amity and commerce with Germany. The only purpose of putting it in the joint resolution originally was to accentuate that fact, and I did not care to rub it on the President, if anybody thought it was wise to let it go out.

Mr. UNDERWOOD. But the Senator evidently felt that it was proper to point out that a treaty must be made.

Mr. KNOX. Absolutely.

Mr. UNDERWOOD. The Senator concedes that it must be made, and, therefore, if it must be made in order to establish entirely peaceful relations between the countries, and that diplomatic relations be renewed and commercial relations encouraged, then what I say about the joint resolution is true—that the passage of the joint resolution does not accomplish the desired result.

Mr. KNOX. But, Mr. President, if the Senator will indulge me for just a moment longer, that is not a treaty of peace which is contemplated there; it is a treaty of amity and commerce. You may be at peace with a nation without having any treaty whatever defining your commercial relations or determining the friendly position upon which the two countries will stand in respect to each other. Let me call the attention of the Senator from Alabama to an illustration of that with which he is entirely familiar. Back in 1911 the House of Representatives passed a joint resolution to abrogate the treaty with Russia. It was about to pass the Senate when the Department of State took advantage of the terms of the treaty, and the treaty was abrogated according to its own terms; and from 1911 down to the present moment of time we have had no treaty whatever with Russia relating to consular and diplomatic intercourse; and we have always been at peace.

Mr. UNDERWOOD. Surely; but we never established a condition of war, and therefore the former conditions of peace moved on, with some interruption of our consular and trade relations, but only to a slight extent.

The Senator, I hope, will not understand me to say that it is necessary for us to write an entire treaty of peace with Germany to wipe out the conditions of the war. I have already said that on the termination of the war hostilities must cease. As a rule that is one of the conditions in a treaty of peace; but I think that condition has been established by the armistice. There is no point of difference between the Senator from Pennsylvania and myself on that subject. We both agree that hostilities have ceased. That is one of the points in reaching a peace conclusion that has been accomplished.

The other point I referred to was the repeal of war legislation. That is not involved in this controversy at all. That is a responsibility which rests on the majority party which controls the Congress of the United States, and in their good time I hope they will see that the war statutes are repealed.

Then, as to the other question, with the ceasing of hostilities, when neither party to the contract is claiming the soil of the other belligerent, as the fact exists between this Republic and the Government of Germany, there is nothing left of accomplishment in a treaty of peace except the clauses which relate to reparation, and that is being handled by the supreme council appointed by ourselves and the Allies when we signed the armistice.

So there is no question involved except a renewal of our diplomatic and consular relations and our commercial relations, and the Senator from Pennsylvania has just conceded that that has to be accomplished by a treaty; that this clause was inserted in the joint resolution in the beginning in recognition of that fact and withdrawn by the majority party because they did not wish to push that question on the President at this time.

Mr. KELLOGG. Mr. President, will the Senator yield?

Mr. UNDERWOOD. I yield.

Mr. KELLOGG. Does the Senator from Alabama intend to state that if the joint resolution should be passed a treaty is necessary in order to restore diplomatic and consular relations with Germany?

Mr. UNDERWOOD. I certainly do; most emphatically.

Mr. KELLOGG. Is it not a fact that if the joint resolution is passed the President, so far as this country is concerned, may appoint consular agents and diplomatic representatives, and, if received by Germany, those relations are restored?

Mr. UNDERWOOD. Certainly, if received by Germany.

Mr. KELLOGG. Does it require——

Mr. UNDERWOOD. If received by Germany! Of course, if Germany agrees to accept them. In part you have entered into a contract and understanding, which, in other words, would be a treaty only in part. There are other things to be accomplished.

Mr. KELLOGG. If Germany simply receives our representatives?

Mr. UNDERWOOD. The Senator admits himself out of court when he uses the words "if received by Germany"; because when Germany agrees to the contract it will be binding, and it never will be binding until Germany agrees to the contract. Yet here we are trying to establish a declaration of peace on our own part, throwing it out into the endless limitations of time, with no understanding that it will now or ever be accepted by the German Government, declaring on our own part that the contracts made by German nationals shall have the status of peace conditions, and leaving contracts made by our own nationals subject to rejection because Germany herself has not agreed to a treaty of peace.

It seems to me that that would be a most enlightening position for a great Government to take, to stand for a provision that we recognize peace, and that if one of our nationals makes a contract with a German citizen, because we have recognized peace he is bound, and leaving it open to the German national who makes the contract to fall back and say, "This was a war contract, and not binding," and to reject his contract. That is what it means. Not only that, but one might go on in endless detail pointing out the objections to a one-sided declaration of peace.

There is but one way to make a contract of peace, and that is by treaty, and that is what we have ahead of us. The statement that because Congress can declare war it can repeal its declaration of war and accomplish peace, it seems to me, in the face of the Constitution of the United States, is an idle declaration.

This Government of ours is a government of delegated and limited powers. There can be no question, with the precedents of 100 years behind us, that the power to declare war vested in the two Houses of Congress does not carry with it the question of making peace any more than it carries with it the control of the armies of the United States on the battle field, when the Constitution recognizes the President of the United States as Commander in Chief.

The language of Article III, section 2, of the Constitution says: "He"—the President—"shall have power, by and with the advice and consent of the Senate, to make treaties of peace, provided two-thirds of the Senators present concur."

This question has been referred to many times in this debate, and I shall not delay the Senate with an extended discussion of the problem, but I hold in my hand a very interesting pamphlet prepared by our distinguished ambassador at the Court of St. James on the "Treaty-making power of the United States." He quotes Charles Cotesworth Pinckney, of South Carolina, a member of the Constitutional Convention, as saying:

> At last it was agreed to give the President the power of proposing treaties, as he was the ostensible head of the Union, and to vest the Senate, where each State has an equal voice, with the power of agreeing or disagreeing with the terms proposed.

That comes from the mouth of one of the men who wrote the Constitution. I want to quote a statement that I think will be recognized on this side of the Chamber as authority. Thomas Jefferson, in his Manual of Parliamentary Practice, which has been adopted by the Senate as a part of its rules of order, said:

> By the Constitution of the United States this department of legislation is confined to two branches only of the ordinary legislature, the President originating and the Senate having a negative—

Referring to the treaty-making power. I think that clause in the Constitution can not be questioned. I think there is but one question left in the conclusion of peace, and that is the renewal of our diplomatic and consular relations, provided we desire to scrap all the clauses that were put in the treaty of Versailles for the protection of American citizens who lost their property in the Great War and for those advantages that were received by our Government for being a conquering nation.

Mr. LODGE. Mr. President, I desire the Senator to correct me if I am wrong, but I understood him a few moments ago to read the provision of the Constitution regarding treaties, and I understood him to read it that "he shall have the power, by and with the advice and consent of the Senate, to make treaties of peace." Of course, there is no such term as that in the Constitution.

Mr. UNDERWOOD. I was quoting from the American ambassador to Great Britain.

Mr. LODGE. Does he quote the Constitution in that way?

Mr. UNDERWOOD. He quotes the Constitution as follows:

> The language of the Constitution, Article III, section 2, is that "he"—the President—"shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur."

Mr. LODGE. That is the way it reads. I understood the Senator to read it "treaties of peace."

Mr. UNDERWOOD. Oh, no; I think I read it as it is here. Of course, treaties of peace are treaties. The treaty-making power is broad and extensive in its area. It goes far beyond making treaties of peace, but treaties of peace are within the power, and it is the only way to accomplish this result.

In conclusion let me say that there is no man on the floor of the Senate, now that the war is over and actual hostilities have ceased, who is more anxious than I am to wipe out war legislation, to bring our Government and our people back to peace conditions, to renew our commercial relations with all the world, our enemies included; but when we come to that accomplishment I want it done in a way that will be productive of final results. I do not believe that the majority party in control of this Congress would be willing to stand on this resolution as a final conclusion of this matter, if they thought that this way of closing the war was all that was to be done.

As a matter of fact, we know now what it means. We know what the result will be. We know that the majority party commands a sufficient number of votes to pass the resolution this afternoon. We know equally well that to be effective it must be approved by the President, and that the President of the United States would not approve this joint resolution, so that in the course of a few days it must be returned here. So far as I am concerned, it is merely a political play. Our friends on the other side of the Chamber recognize that this session is drawing to a close, that before the Congress meets in session again we will go to the country for the election of a President of the United States and a Congress of the United States. They realize the fact that they have been in control of the legislative branch of the Government for more than a year, that they have passed through that year without the repeal of war legislation when it was in their power to accomplish that result. They recognize that they had the treaty of Versailles before them, at least the Senate had, for acceptance or rejection.

They recognize the fact that after months and months of consideration and debate they did not propose by affirmative action or accept one single amendment to the treaty, and that their entire proposals were in the nature of so-called reservations defining what they understood the President meant when he signed the treaty. Then, when their understanding could not secure sufficient votes to pass the resolution of ratification, they rejected the treaty entirely and returned it to the President without affirmative action.

I am not at all surprised that our friends on the other side of the Chamber should feel a hesitancy in closing the legislative book for this session without attempting in some way to demonstrate to the American people that they were really desirous of the repeal of the war legislation and the renewal of our commercial relations with the great powers of the world; and, as they foreclosed the door on themselves to further consideration of a peace treaty, they now at the eleventh hour—at 11.55—bring a proposal that they expect the country to accept as their position in this matter, a proposal that they know can not become a law, and which, if it should become a law, according to their own confession must yet be sustained by the making of a treaty. However, as that is all they can do after their unfortunate effort at restoring peace in the country, I do not blame them, at the eleventh hour, for making a proposal on which they hope to go to the country, but I must say that our friends on the other side of the Chamber must believe the American people are blind—very, very blind—if they think that the smoke clouds of this resolution are going to fool the American people as to who is really responsible for the present existing state of affairs and the failure of this country to be at actual peace with the nations of the world.

Mr. MYERS. Mr. President, it is with some reluctance that I have decided to vote against the pending joint resolution. I realize that we are in an anomalous position; that we are neither at war nor at peace—a most unsatisfactory condition. I realize that the unsettled affairs of the world need the stabilizing effect of peace. However, I believe we should have a treaty of peace with Germany; I believe we should have a treaty containing some terms, and, among others, terms to impose some punishment upon Germany for her great wrongs. I do not believe we will get a treaty of peace with Germany until after the 4th of March, 1921; but I believe we would better wait until after that time and have a treaty of peace containing some terms than to have merely a resolution of peace without setting forth any terms or making any provision for just punishment of the guilty.

It is now 18 months since the unfortunate, mistaken, ill-fated armistice was entered into, and I think we would better wait 10 months longer in the hope of having a treaty of peace with some terms to it and some justice in it than to have merely a peace by resolution which has no terms or provisions for justice in it. I believe justice requires that we should have a treaty of peace with Germany, and that among the terms of the treaty should be some terms for the punishment of the late Kaiser of Germany. I believe it would be a burning shame and scandalous outrage for that arch criminal of all time to go unpunished of his monstrous crimes. On that subject I have here a short editorial which appeared recently in the Sioux City (Iowa) Tribune, which expresses my views. I will read it. It is as follows:

TREATY "CRUEL" TO GERMANY?

["One German mother said it was hardest at night after the children were in bed and one heard them crying and whimpering from hunger until they fell asleep, and even after." From Jane Addams's report of investigation in Germany in the summer of 1919.]

This is the work of Wilhelm Hohenzollern even unto the people of his own blood. And yet there are those who say he should be left alone to skulk behind the protecting folds of a queen's skirt, and putter over his sawbuck.

Is the *Lusitania* forgotten, and the floating bodies of women and children? Is there no justice for the girls of Belgium, deported into slavery and prostitution? Is there none for the French girls who choked their illegitimate infants with their own fingers? What of the dumb appeal of civilians shot down in cold blood? What of the thefts and pillages, the broken homes? What of the bones of the Armenians bleaching on desert sands? What of the scourge of typhus, and starvation, tuberculosis, and influenza inflicted upon the world? What of the widows and mothers and fathers of the men who fell on battle fields, sons and husbands of all nationalities—for wifehood, motherhood, and fatherhood know no nationality. What of the German babies sobbing in their sleep because of hunger?

Are all these to pay and the author of this human misery to escape? Nor will this generation alone pay for the madness of this vain lump of clay that called itself Kaiser. Thousands of girl babies the world over, now deformed by rickets, will pay years hence at childbirth. Thousands of boy babies will cough out their lives.

"The children who die," says Dr. Hilda Clark, who investigated child life in war-worn countries, in Germany and Austria in particular, "are, perhaps, the most fortunate, as those who survive will be stunted in mind and crippled in body."

"Looking upon myself as the instrument of the Lord, without regard to the opinions or intentions of the day, I go my way," said this Kaiser blasphemer in 1910. And his way led millions into the shambles of war.

Men were slaughtered like sheep, but not the Kaiser nor any of his family.

Women and children, starved to death, gasped their last in the death throes of war disease, but not one pang of hunger, not one pain shot through this Kaiser's body.

Posing as a patron of art, and peace, and theology, and science, and music, this Judas spun his web and betrayed humanity. And while men died in the agony of battle, while women wept out their sorrow, this Dr. Jekyll and Mr. Hyde dined on quail, and picked violets. So Nero quaffed wine from his goblet of gold and cast flowers down into the Roman arena as the jaws of his lions closed down upon the tender flesh of naked, screaming Christians.

"Leave the Hohenzollern to the torture of his own conscience?" He has no conscience.

Who says, "The King can do no wrong?" Enough of this quibbling about "precedents," and "traditions." Let the criminal be brought before the bar!

Mr. HARDING. Mr. President, I listened with a great deal of interest to the remarks of the Senator from Alabama [Mr. UNDERWOOD], and while I listened I thought, perhaps, he overlooked the chief significance of the pending resolution. I do not regard a pronouncement of formal peace as tremendously essential to the welfare of the United States or to the promotion of our trade relationships with the other nations of the world. I do not think a formal declaration of peace is essential to continued freedom from hostilities; I do not think it possible that Germany is likely to resume armed warfare against this Republic in two generations to come; nor does it seem to me necessary to have this formal declaration, particularly in this form, in order to resume our commercial relations with Germany, for they are already more or less resumed, and, in the very nature of things, trade relations with Germany will be developed according to the needs of that people and our own inclination to trade.

There has been but one way of recovery from war and war waste since the world began, and that is to work, to produce, and exchange; but we need not worry on this side of the Atlantic, for the war-torn nations of the Old World are just as certain to seek our favors in trade as that to-morrow shall come. So the peace resolution is not seriously involved in a continuation of peaceful relationships.

I think the significance of the passage of this resolution lies in its reestablishment of the constitutional powers of the American Congress. It not only reestablishes the powers of Congress, but it particularly emphasizes the powers of the Senate as a coordinate body in the making of treaties. I like to think that the so-called Knox resolution is going to do for America what the World War did for the autocrat of Germany. The World War demonstrated that no one man and no one power can rule the world, and the Knox resolution is going to be a formal demonstration that no one man can run the United States of America. I hope that it will not be considered out of place to say——

Mr. NELSON. Mr. President, may I ask the Senator a question?

Mr. HARDING. Certainly.

Mr. NELSON. Can 12 men on this side of the Chamber run the United States of America?

Mr. HARDING. I think they can do so better than one man. I do not think any one man is big enough to run the United States Government, much less to attempt to run the world; and I believe it is going to be a fortunate hour in American history when this Congress has demonstrated once more that this Republic is not subject to the dictation of one man.

I know of nothing in this Republic so valuable in the promise of influence for a popular representative government as the proof of the capacity of Congress to function. Mr. President, we surrendered that capacity very largely during the war. I voted for that surrender. We were willing to give unlimited authority to the Chief Executive in time of anxiety and stress; but while we gave during the war, we are going to be just as insistent in refusing to give in time of peace. I think America's greatest contribution to the world lies in the fact that it has furnished the best example of representative popular government the world has ever seen, and I rather rejoice in the manifestation we made of the willingness of Congress to submerge itself in the hour of extreme anxiety. I am only sorry that the Chief Executive of this Republic, because of Congress's willingness to surrender at that time, has gone on to assume continued powers for peace.

It is a very easy thing, Senators, to become intoxicated with power; aye, and it is a very easy thing to be carried away with a consuming ambition. I can sympathize, to a reasonable degree, with the ambition of the President to write for himself the most eminent page in the history of the world. It would have been a very remarkable thing to have committed 30 nations of present-day civilization to a supergovernment of the world, and I can see how the historian was led far afield by a very natural ambition.

But the President was warned when he went abroad. I found no fault with his going. He was not only warned before he went by a referendum to the American people on his own appeal in the elections of 1918, but he was specifically and formally warned by Members of this body after he went abroad, when notice was given that the Senate of the United States of America had no thought to surrender American independence of action. But in spite of these things—warnings from the people on the one hand and warnings from the Senate on the other—the President insisted: "My will or none."

Senators on the other side of the Chamber know just as well as I do that the League of Nations would have been disposed of months ago, and this Republic would have been enjoying formal peace, if it had not been for the insistent obstinacy of the Chief Executive of this Republic. And so, Mr. President, I want to call attention to the fact, more for the RECORD than anything else, that in the passage of this joint resolution we are demonstrating to the people of the United States of America and giving notice to the world that the Chief Executive alone does not run the Republic of the United States of America; that this is still a representative, popular government under the Constitution; that the Senate has equal and coordinate power with the President in the making of treaties, and that neither to-day nor to-morrow shall there ever be a Chief Executive of this Republic who, in the lure of ambition or the intoxication of power, can barter away anything essential to the welfare of this Republic.

This joint resolution will establish that fact, and that a Congress willing to submerge in war is once more functioning in peace. It will be the most wholesome message that can be sent to the world, and it will be the most reassuring message that can be given to the people of the United States of America.

Mr. JONES of New Mexico. Mr. President, will the Senator yield for a question?

Mr. HARDING. I yield. I am quite through. I will yield the floor.

Mr. JONES of New Mexico. I merely desire to ask the Senator if he feels that the passage of this joint resolution is all that will be necessary to restore relations with Germany in the way that this country hopes it may be done?

Mr. HARDING. So far as legislation is concerned, I do.

Mr. JONES of New Mexico. The Senator feels, then, that the passage of this joint resolution is all that needs to be done by the United States of America with reference to its relations with Germany?

Mr. HARDING. So far as the United States Congress is concerned, yes.

Mr. JONES of New Mexico. I suppose, then, the Senator feels that at some time it will be necessary to have a treaty of peace with Germany, will it not?

Mr. HARDING. I think it could be accomplished by the resumption of diplomatic relations, and that could be done——

Mr. JONES of New Mexico. Without any formal treaty of peace?

Mr. HARDING. I think so.

Mr. JONES of New Mexico. Does not the Senator realize that thus far the Senate of the United States has failed to function by giving its support to any treaty of peace by a two-thirds majority of the Senate, the constitutional number?

Mr. HARDING. Yes; I quite agree; and let me call the attention of the Senator from New Mexico to this point:

Throughout the period of the war this Republic was not in any way allied with those with whom we fought. We are known only as an associated power; and because of the obstinacy of the Chief Executive, whose dictum we refused to accept, we have stood aside and witnessed the Old World restore itself to peace, and we are left on the outside. Now, I agree in one respect with the Senator from New Mexico—I was one who believed in some new international relationship. I am sorry that we could not go into it on our own terms, as we ought, when the league covenant first came back. But we frittered away our day of opportunity to dictate the terms on which we might enter. It ought to have been done in the beginning.

Now we witness the world at peace, and here is the United States of America at formal war with Germany, and there is no necessity for it. There is no sense in it. It ought not to be for a single moment. We are literally at peace. Why not say so? And if the President of the United States in his obstinacy refuses to say so, then let the Congress assert itself and say that war no longer abides.

Mr. JONES of New Mexico. Mr. President, does the Senator feel that the duty was incumbent upon the Senate to frame something to which two-thirds of the Senate could agree and bring about peace in the ordinary and the orderly way?

Mr. HARDING. Mr. President, I wish the Senator from New Mexico would not press me for an answer to that question. I think it ought to be said—and perhaps I can say it with the courtesy that becomes a Senator—that I have talked to individual Members upon the other side of the Chamber who spoke in infinitely more emphatic terms than I have ever assumed to speak in opposition to the presidential dictation over what should be done with the treaty; and I should like to say for the Members on the other side of the Chamber that if they had been left to follow their own inclinations and convictions the League of Nations covenant would have been adjusted and protected with reservations and disposed of six months ago. Nobody knows that better than the Senator from New Mexico, and there is not a single thing but presidential dictation that has interfered. I want the thing put aside, and let America get down to business, and let us put our own house in order once more. It would be well for us to put America in order before we assume to run the remainder of the world.

Mr. HITCHCOCK. Mr. President, the Senator from Ohio [Mr. HARDING] has advanced an entirely new and highly interesting reason as to why this joint resolution should be passed. It does not seem to be for any practical purpose of promoting trade. It does not seem to be for any altruistic purpose of establishing peace. It seems, according to his reasoning, to be for the personal purpose of showing the President of the United States that he is not running this country, and for the purpose of indicating to him that certain Senators are running the country.

Mr. HARDING. Mr. President, the Senator from Nebraska must not misrepresent me. I did not say any such thing at all. I have stood here to advocate coordinate government under the Constitution; not government by the Senate, but government through the Executive and the Senate, on these matters, in cooperation.

Mr. HITCHCOCK. The Senator is hardly justified, I think, under the course he has followed, in making that statement. The President of the United States had the constitutional power, and the sole constitutional power, to negotiate a treaty. He negotiated it, and he brought it to the Senate and delivered it to the Senate in an address on the 10th day of July of last year. That treaty was then referred to the Committee on Foreign Relations, of which the Senator is a member. It was kept locked up in that antagonistic committee for two months—two months of aggravating and disastrous delay, disastrous not only to the United States, but disastrous to the world also.

Mr. HARDING. Mr. President, will the Senator permit me there?

Mr. HITCHCOCK. I yield.

Mr. HARDING. What does the Senator construe the Constitution to mean where it says "with the advice of the Senate"?

Mr. HITCHCOCK. I construe that to mean that as the President is given the sole power to negotiate treaties, the advice and

the consent which the Senate may give can not interfere with his right to negotiate. In the exercise of that sole power—a power which all the writers recognize as sole—the President negotiated a treaty, and if I had the time I could show that in negotiating that treaty he was carrying out what he believed to be the desire of the people of the United States, as he had expressed it with the approval of the country in his speech of January 8, 1918, to the Senate and House of Representatives.

Mr. HARDING. What does the Senator mean by "with the approval of the country"?

Mr. HITCHCOCK. I mean that when the President delivered that address at a joint session of the House and the Senate on the 8th of January, 1918, in the midst of war, and at a time when the prospects of success were gloomy, when we realized the probability that we would not only have to fight all through 1918 but probably through 1919, he called the two Houses in joint session in order to specify and designate not only to the Senate and the House of Representatives, but through them to the people of the United States as well, and to the world at large, the objects for which we were engaged in fighting. He delivered that message, and one of the purposes which he specified as the object for which the United States had entered the war and was carrying on the war was at its conclusion to establish an association of nations or a league of nations to make future wars impossible.

Mr. HARDING. Mr. President, may I ask the Senator a question?

Mr. HITCHCOCK. In a moment. Now, Mr. President, that was a statement made officially by the Executive of the United States, who alone had power to negotiate treaties. It was a notice to the Senate and to the House of Representatives and to the people of the United States that when he came to negotiate the treaty that would be one of the things incorporated in the treaty. That was a message to the Senate and House of Representatives. If there had been any substantial opposition to that object of the war, it would have been perfectly proper to refer the message to the proper committees of the House and Senate, and it would have been perfectly proper for the committees to report upon the message, and perfectly proper for the House of Representatives and the Senate to discuss the message. Then, if at all, was the time for opposition to raise its head and say whether or not that was one of the objects of the war.

Mr. HARDING. Does the Senator from Nebraska——

Mr. HITCHCOCK. If the Senator will pardon me a moment. But not a voice was raised either in the Senate or House of Representatives, and for eight months the declaration of the President, that that was one of the purposes of the war to be incorporated in the peace settlement, went unchallenged in the Congress of the United States.

I need not say it was received with acclaim by the people of the United States; I need not call attention to the fact that Republican statesmen as well as Democratic statesmen indorsed the statement; I need not say that Republican newspapers throughout the country as well as Democratic newspapers approved the plan; but I go further, and I say that when the war was once brought to a successful conclusion, in November, 1918, and the German Government appealed to the United States for a statement of terms of peace to be incorporated in the peace settlement, the President of the United States took their request and laid it before the nations associated in the war with us, and was duly authorized by them to make this reply to the German Government.

Mr. HARDING. Now, may I ask the Senator——

Mr. HITCHCOCK. I would like to get the reply in first. [Laughter in the galleries.]

The VICE PRESIDENT. The occupants of the galleries are violating the rule. It has been so long since they violated it that they have forgotten it.

Mr. HITCHCOCK. This is the reply:

[*From the Secretary of State to the minister of Switzerland, in charge of German interests in the United States.*]

DEPARTMENT OF STATE,
November 5, 1918.

SIR: I have the honor to request you to transmit the following communication to the German Government:

In my note of October 23, 1918, I advised you that the President had transmitted his correspondence with the German authorities to the Governments with which the Government of the United States is associated as a belligerent, with the suggestion that, *if those Governments were disposed to effect peace upon the terms and principles indicated*, their military advisers and the military advisers of the United States be asked to submit to the Governments associated against Germany the necessary terms of such armistice as would fully protect the interests of the peoples involved and insure to the associated Governments the unrestricted power to safeguard and enforce the details of the peace to which the German Government has agreed, provided they deemed such an armistice possible from the military point of view.

The President is now in receipt of a memorandum of observations by the Allied Governments on this correspondence, which is as follows:

"The Allied Governments have given careful consideration to the correspondence which has passed between the President of the United States and the German Government. Subject to the qualifications which follow, *they declare their willingness to make peace with the Government of Germany on the terms of peace laid down in* THE PRESIDENT'S ADDRESS TO CONGRESS OF JANUARY, 1918, AND THE PRINCIPLES OF SETTLEMENT ENUNCIATED IN HIS SUBSEQUENT ADDRESSES."

Mr. President, that carries us a step further. Not only had the President of the United States, charged solely with the duty of negotiating peace, called the Congress together and notified both the House and the Senate that he proposed the establishment of a League of Nations as one of the purposes of the war, not only had it been received here with applause and without criticism for eight months, but finally, when Germany asked the President of the United States for terms of peace, and he negotiated with the other nations associated with us in the war, they and the President agreed that that speech should be made the basis of settlement. They and the President agreed with Germany that the points set forth in that speech should be made the foundation stones for the peace settlement.

Mr. HARDING. Is the Senator discussing the 14 points?

Mr. HITCHCOCK. That was accepted by Germany, and yet the Senator from Ohio and other Senators who have delayed and defeated this treaty questioned the right of the President to incorporate in the peace settlement the creation of the League of Nations, with all that splendid certificate of justice and authority and regularity behind it.

Now I yield to the Senator.

Mr. HARDING. Did the Senator expect Members of the United States Congress to take issue with the President over his various and varying rhetorical offerings throughout the war, to divide sentiment in this country?

Mr. HITCHCOCK. Mr. President, that was the time to do it if the world was to be warned that it was not one of the purposes of the United States. We allowed that to be held out to the world. You allowed it, and every Senator who now opposes the League of Nations permitted the President officially, in the great presence of the House and the Senate, to notify the world that that was one of the objects of the peace settlement which should be incorporated in the treaty of peace.

Mr. HARDING. Does the Senator from Nebraska think that any warning from the Senate would have interfered with the Chief Executive?

Mr. HITCHCOCK. Mr. President, it would at least have had the effect of notifying the President that the Senate might not consent to that. It would at least have prevented the other nations of the world from being led to believe that the people of the United States wanted to have the League of Nations incorporated in the peace settlement.

Mr. HARDING. Will not the Senator agree that the notice from the Senate gave him some warning? Will not the Senator agree that the elections of 1918 gave him some warning?

Mr. HITCHCOCK. Mr. President, that is what I am telling the Senator from Ohio. There was silence, silence, silence in the Senate for eight months.

Mr. HARDING. Yes; a very solemn silence.

Mr. HITCHCOCK. During all that time the world had a right to believe that that pledge was going to be carried into effect. Let me read it to the Senator.

Mr. KNOX. Mr. President, may I interrupt the Senator?

Mr. HITCHCOCK. In a moment. It reads:

A general association of nations must be formed under specific covenants for the purpose of affording mutual guaranties of political independence and territorial integrity to great and small States alike.

You permitted that to go out to the world. You permitted the world to believe that the Senate and the House of Representatives indorsed the President's declaration that a part of the peace settlement should be a guaranty of the political independence and territorial integrity of the nations of the world. I yield to the Senator from Pennsylvania.

Mr. KNOX. I only want to avail myself of the courtesy of the Senator from Nebraska to acquit myself of the charge which he just now made, that all the Senators upon this side who opposed the treaty allowed the President of the United States to go abroad upon the representation to the powers of the earth that we were to embody the League of Nations in the treaty. For one Senator, I offered upon this floor a resolution, and made a speech in favor of the resolution, before the President departed for Europe, endeavoring to show how disastrous it would be to undertake to link the League of Nations with the treaty of peace, and I pointed out that it had no proper place there. Before I sit down I would like to ask the Senator from Nebraska why the President abandoned the other 13 propositions which were contained in his statement?

Mr. HITCHCOCK. The President did not abandon the other 13 propositions. The President went there representing one of the powers and he made the best settlement he could with the other countries. But here is an agreement which they all made,

and what the Senator says exactly bears out my statement, that it was more than eight months after the President made that declaration before a single Senator raised his voice against the pledge and the promise made in the message to the House and the Senate in January, 1918.

Mr. BRANDEGEE. Mr. President, will the Senator yield that I may make a parliamentary inquiry?

Mr. HITCHCOCK. I yield.

Mr. BRANDEGEE. We have to stop the debate at 4 o'clock, and I have an amendment which I would like to offer. The unanimous-consent agreement provides that at 4 o'clock a vote must be taken upon all pending amendments. I am not sure that I will have an opportunity to offer it.

The VICE PRESIDENT. The agreement provides that the vote shall be taken upon any amendments that may be offered. The Chair will rule that amendments may be offered, but not debated, after 4 o'clock.

Mr. BRANDEGEE. Very good.

Mr. HITCHCOCK. Mr. President, there have been statements made here which have questioned my declaration and the declaration which all of us have made—that the defeat of the treaty was due to opposition on the other side of the aisle. I can not in the brief time which remains recite all the efforts which we made to reach a settlement; but the fact is that everybody knew that the Lodge reservations would defeat the treaty. Everybody knew that if the Lodge reservations were adopted by the Senate and sent to the President he would not accept the treaty. Everybody knew that the Democrats in the Senate would not accept the Lodge reservations; and they did not. When I said that the Senate had failed to function in the matter of this treaty, I said what was true. The Senate did not send the treaty to the President with the Lodge reservations. The Senate refused to consent to the ratification of the treaty after the Lodge reservations had been attached.

The Lodge reservations were attached to the treaty for the obvious purpose of defeating its ratification. When they were attached, the Senators who attached them knew that they might as well vote for the destruction of the treaty. They knew that the vote for the Lodge reservations killed the treaty, and yet they voted that way. And when on several occasions I made every effort to secure a little delay in sending the treaty back to the President—made every effort to keep it here—because I said that as long as it was here there was a possibility of compromise, Senators on the other side voted against allowing even one day's delay, and they gloated over the fact that the treaty had been defeated by affixing the Lodge reservations to it.

Mr. President, I do not want anybody to assert that this side is responsible for the defeat of the treaty. For two long months you kept the treaty locked up in the adverse Committee on Foreign Relations. After it came out of the Committee on Foreign Relations, you prolonged debate to the uttermost moment of time that you could delay debate, and finally, when patience ceased to be a virtue and we introduced a resolution of cloture to put a stop to debate, and it was defeated, and you were compelled to present a resolution of cloture to close debate, one-third of the Senators on the other side of the aisle voted against the resolution of cloture and voted to prolong debate after it had been going on for nearly a year.

Under these circumstances, Mr. President, there is no sort of doubt as to who defeated the treaty; there is no sort of doubt as to who delayed the treaty; there is no sort of doubt as to who prolonged the war. To introduce at this time a joint resolution declaring that the war is at an end is an impotent, futile, useless thing to do, and it is done for no other reason under the sun except for political purposes, with a design of deceiving the people of the United States.

The VICE PRESIDENT. The hour of 4 o'clock having arrived, the unanimous-consent agreement is in effect. The pending question is the amendment in the nature of a substitute reported by the Committee on Foreign Relations.

Mr. BRANDEGEE. Mr. President, I am aware that debate is not in order, but I offer the amendment which I send to the desk, and which is in the hands of the Secretary. It is designed to cover a claim by a large manufacturing plant owned in this country and located in Austria which was destroyed during the war. The language of the joint resolution as it stands would not, in my opinion, cover the compensation. I ask the attention of the Senator from Pennsylvania [Mr. KNOX], the author of the joint resolution, to the proposed amendment.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. On page 5, line 5, after the word "corporations," insert the following words:

Or have suffered damage directly in consequence of hostilities or of any operations of war.

Mr. KNOX. As the Senator from Connecticut addressed me, I can only reply that I see no objection to the amendment——

Mr. ROBINSON. Mr. President, I make the point of order that debate is not in order.

The VICE PRESIDENT. Debate is not in order. The question is on the amendment proposed by the Senator from Connecticut to the amendment.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. Are there any further amendments to the amendment? If there are no further amendments to be offered, the question is on the committee amendment as amended.

Mr. HITCHCOCK. I ask for the yeas and nays on the question.

The yeas and nays were ordered, and the Reading Clerk proceeded to call the roll.

Mr. FERNALD (when his name was called). I have a pair with the junior Senator from South Dakota [Mr. JOHNSON]. The Senator from Montana [Mr. WALSH] has a pair with the senior Senator from New Jersey [Mr. FRELINGHUYSEN]. We have arranged a transfer of our pairs so that it will permit the Senator from Montana [Mr. WALSH] to vote and that I may vote. I vote "yea."

Mr. EDGE (when Mr. FRELINGHUYSEN'S name was called). I desire to announce in behalf of my colleague, the senior Senator from New Jersey [Mr. FRELINGHUYSEN], that he is unavoidably absent, and if present would vote "yea."

Mr. GERRY (when the name of Mr. JOHNSON of South Dakota was called). The pair of the Senator from South Dakota [Mr. JOHNSON] has already been announced. If present, he would vote "nay."

Mr. GRONNA (when Mr. LA FOLLETTE'S name was called). The senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent, due to illness. He is paired with the junior Senator from Arkansas [Mr. KIRBY]. If the senior Senator from Wisconsin were present, he would vote "yea," and I understand the junior Senator from Arkansas would vote "nay."

M. LODGE (when his name was called). I have a general pair with the senior Senator from Georgia [Mr. SMITH]. I transfer that pair to the Senator from Oklahoma [Mr. GORE] and vote "yea."

Mr. McCUMBER (when his name was called). The senior Senator from Iowa [Mr. CUMMINS] is necessarily absent from the Senate, and I have agreed to pair with him on all questions arising under the joint resolution. I therefore withhold my vote.

Mr. WALSH of Montana (when his name was called). Referring to the statement made by the Senator from Maine [Mr. FERNALD], I transfer my pair with the Senator from New Jersey [Mr. FRELINGHUYSEN] to the Senator from South Dakota [Mr. JOHNSON] and vote "nay."

Mr. WILLIAMS (when his name was called). I transfer my pair with the senior Senator from Pennsylvania [Mr. PENROSE], who is unfortunately absent on account of illness, to the Senator from Florida [Mr. FLETCHER] and vote "nay."

Mr. WOLCOTT (when his name was called). I have a pair with the Senator from Indiana [Mr. WATSON]. That Senator is absent, and I am therefore not at liberty to vote. If at liberty to vote, I would vote "nay."

The roll call was concluded.

Mr. BALL (after having voted in the affirmative). I have a general pair with the senior Senator from Florida [Mr. FLETCHER]. The Senator from Mississippi [Mr. WILLIAMS] has a general pair with the senior Senator from Pennsylvania [Mr. PENROSE]. The Senator from Mississippi has transferred his pair to the Senator from Florida [Mr. FLETCHER] and voted. I therefore transfer my pair to the senior Senator from Pennsylvania [Mr. PENROSE] and allow my vote to stand.

Mr. ROBINSON. My colleague, the junior Senator from Arkansas [Mr. KIRBY], is necessarily absent. As announced by the Senator from North Dakota [Mr. GRONNA], my colleague is paired with the Senator from Wisconsin [Mr. LA FOLLETTE]. If present and at liberty to vote, my colleague would vote "nay."

Mr. STANLEY. My colleague, the senior Senator from Kentucky [Mr. BECKHAM], is necessarily absent. He is paired with the Senator from West Virginia [Mr. SUTHERLAND]. If present, my colleague would vote "nay."

The result was announced—yeas 43, nays 38, as follows:

YEAS—43.

Ball	Fernald	Lenroot	Reed
Borah	France	Lodge	Sherman
Brandegee	Gronna	McCormick	Shields
Calder	Hale	McLean	Smoot
Capper	Harding	McNary	Spencer
Colt	Johnson, Calif.	Moses	Sterling
Curtis	Jones, Wash.	New	Townsend
Dillingham	Kellogg	Norris	Wadsworth
Edge	Kenyon	Page	Walsh, Mass.
Elkins	Keyes	Phipps	Warren
Fall	Knox	Poindexter	

NAYS—38.

Ashurst	Henderson	Owen	Smith, S. C.
Chamberlain	Hitchcock	Phelan	Stanley
Comer	Jones, N. Mex.	Pittman	Swanson
Culberson	Kendrick	Pomerene	Thomas
Dial	King	Ransdell	Trammell
Gay	McKellar	Robinson	Underwood
Gerry	Myers	Sheppard	Walsh, Mont.
Glass	Nelson	Simmons	Williams
Harris	Nugent	Smith, Ariz.	
Harrison	Overman	Smith, Md.	

NOT VOTING—15.

Beckham	Gore	McCumber	Sutherland
Cummins	Johnson, S. Dak.	Newberry	Watson
Fletcher	Kirby	Penrose	Wolcott
Frelinghuysen	La Follette	Smith, Ga.	

So the amendment, in the nature of a substitute, reported by the Committee on Foreign Relations, as amended, was agreed to, as follows:

That the joint resolution of Congress passed April 6, 1917, declaring a state of war to exist between the Imperial German Government and the Government and people of the United States, and making provisions to prosecute the same, be, and the same is hereby, repealed, and said state of war is hereby declared at an end: *Provided, however,* That all property of the Imperial German Government, or its successor or successors, and of all German nationals which was, on April 6, 1917, in or has since that date come into the possession or under control of the Government of the United States or of any of its officers, agents, or employees, from any source or by any agency whatsoever, shall be retained by the United States and no disposition thereof made, except as shall specifically be hereafter provided by Congress, until such time as the German Government has, by treaty with the United States, ratification whereof is to be made by and with the advice and consent of the Senate, made suitable provisions for the satisfaction of all claims against the German Government of all persons, wheresoever domiciled, who owe permanent allegiance to the United States, whether such persons have suffered, through the acts of the German Government or its agents since July 31, 1914, loss, damage, or injury to their persons or property, directly or indirectly, through the ownership of shares of stock in German, American, or other corporations, or have suffered damage directly in consequence of hostilities or of any operations of war, or otherwise and until the German Government has given further undertakings and made provisions by treaty, to be ratified by and with the advice and consent of the Senate, for granting to persons owing permanent allegiance to the United States, most favored nation treatment, whether the same be national or otherwise, in all matters affecting residence, business, profession, trade, navigation, commerce, and industrial property rights, and confirming to the United States all fines, forfeitures, penalties, and seizures imposed or made by the United States during the war, whether in respect to the property of the German Government or German nationals, and waiving any pecuniary claim based on events which occurred at any time before the coming into force of such treaty, any existing treaty between the United States and Germany to the contrary notwithstanding.

SEC. 2. That in the interpretation of any provision relating to the date of the termination of the present war or of the present or existing emergency in any acts of Congress, joint resolutions, or proclamations of the President containing provisions contingent upon the date of the termination of the war or of the present or existing emergency, the date when this resolution becomes effective shall be construed and treated as the date of the termination of the war or of the present or existing emergency, notwithstanding any provision in any act of Congress or joint resolution providing any other mode of determining the date of the termination of the war or of the present or existing emergency.

SEC. 3. That until by treaty or act or joint resolution of Congress it shall be determined otherwise, the United States, although it has not ratified the treaty of Versailles, does not waive any of the rights, privileges, indemnities, reparations, or advantages to which it and its nationals have become entitled under the terms of the armistice signed November 11, 1918, or any extensions or modifications thereof or which under the treaty of Versailles have been stipulated for its benefit as one of the principal allied and associated powers and to which it is entitled.

SEC. 4. That the joint resolution of Congress approved December 7, 1917, declaring that a state of war exists between the Imperial and Royal Austro-Hungarian Government and the Government and the people of the United States and making provisions to prosecute the same, be, and the same is hereby, repealed, and said state of war is hereby declared at an end, and the President is hereby requested immediately to open negotiations with the successor or successors of said Government for the purpose of establishing fully friendly relations and commercial intercourse between the United States and the Governments and peoples of Austria and Hungary.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time.

The VICE PRESIDENT. Shall the joint resolution pass?

Mr. HITCHCOCK. On that I call for the yeas and nays.

The yeas and nays were ordered, and the Reading Clerk proceeded to call the roll.

Mr. BALL (when his name was called). Making the same announcement of my pair and transfer as before, I vote "yea."

Mr. STANLEY (when Mr. BECKHAM's name was called). My colleague, the senior Senator from Kentucky [Mr. BECKHAM] is paired with the senior Senator from West Virginia [Mr. SUTHERLAND]. If present, my colleague would vote "nay."

Mr. FERNALD (when his name was called). Making the same announcement as before, I vote "yea."

Mr. EDGE (when Mr. FRELINGHUYSEN's name was called). I desire to make the same announcement as to the absence and pair of my colleague [Mr. FRELINGHUYSEN] that I previously made.

Mr. GERRY (when the name of Mr. JOHNSON of South Dakota was called). The Senator from South Dakota [Mr. JOHNSON] is paired. If present and permitted to vote, he would vote "nay."

Mr. ROBINSON (when Mr. KIRBY's name was called). My colleague, the junior Senator from Arkansas [Mr. KIRBY] is necessarily absent. He is paired with the Senator from Wisconsin [Mr. LA FOLLETTE]. If my colleague were present and at liberty to vote he would vote "nay."

Mr. GRONNA when Mr. LA FOLLETTE's name was called). The senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent, due to illness. If present, he would vote "yea." He is paired with the junior Senator from Arkansas [Mr. KIRBY], who, I understand, if present, would vote "nay."

Mr. LODGE (when his name was called). I announce again the transfer of my pair with the Senator from Georgia [Mr. SMITH] to the Senator from Oklahoma [Mr. GORE] and vote "yea."

Mr. McCUMBER (when his name was called). I again announce my pair with the senior Senator from Iowa [Mr. CUMMINS]. If the Senator from Iowa were present, he would vote "yea" and I should vote "nay." I withhold my vote.

Mr. WALSH of Montana (when his name was called). Referring to the statement made a while ago by the Senator from Maine [Mr. FERNALD], I transfer my pair with the senior Senator from New Jersey [Mr. FRELINGHUYSEN] to the Senator from South Dakota [Mr. JOHNSON] and vote nay.

Mr. WILLIAMS (when his name was called). I repeat the statement made on the preceding roll call and vote "nay."

Mr. WOLCOTT. For the same reason as that announced by me on the last previous vote, I am unable to vote on this question. If at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. CURTIS. I wish to announce the unavoidable absence of the Senator from West Virginia [Mr. SUTHERLAND]. He is paired with the Senator from Kentucky [Mr. BECKHAM].

The result was announced—yeas 43, nays 38, as follows:

YEAS—43.

Ball	Fernald	Lenroot	Reed
Borah	France	Lodge	Sherman
Brandegee	Gronna	McCormick	Shields
Calder	Hale	McLean	Smoot
Capper	Harding	McNary	Spencer
Colt	Johnson, Calif.	Moses	Sterling
Curtis	Jones, Wash.	New	Townsend
Dillingham	Kellogg	Norris	Wadsworth
Edge	Kenyon	Page	Walsh, Mass.
Elkins	Keyes	Phipps	Warren
Fall	Knox	Poindexter	

NAYS—38.

Ashurst	Henderson	Owen	Smith, S. C.
Chamberlain	Hitchcock	Phelan	Stanley
Comer	Jones, N. Mex.	Pittman	Swanson
Culberson	Kendrick	Pomerene	Thomas
Dial	King	Ransdell	Trammell
Gay	McKellar	Robinson	Underwood
Gerry	Myers	Sheppard	Walsh, Mont.
Glass	Nelson	Simmons	Williams
Harris	Nugent	Smith, Ariz.	
Harrison	Overman	Smith, Md.	

NOT VOTING—15.

Beckham	Gore	McCumber	Sutherland
Cummins	Johnson, S. Dak.	Newberry	Watson
Fletcher	Kirby	Penrose	Wolcott
Frelinghuysen	La Follette	Smith, Ga.	

So the joint resolution was passed.

The VICE PRESIDENT. The committee report to strike out the preamble of the joint resolution. Without objection, the preamble will be rejected.

The title was amended so as to read: "A joint resolution repealing the joint resolution of April 6, 1917, declaring that a state of war exists between the United States and Germany, and the joint resolution of December 7, 1917, declaring that a state of war exists between the United States and the Austro-Hungarian Government."

Mr. WALSH of Massachusetts subsequently said:

Mr. President, I desire to state very briefly my reasons for voting in affirmation of the joint resolution which has just been passed, as I had no opportunity to get the floor before the vote was taken.

I can now only hastily outline the basis and reasons for my views pertaining to this resolution. I am convinced that the Chief Executive of the United States will not accept any changes in the treaty of Versailles which might be recommended or suggested by the Senate. Again, in my way of thinking, the Senate will not accept the treaty of Versailles as submitted by the President.

The only constructive measure suggested tending to remove the chaotic state of neither peace nor war in which this country finds itself at the present time is the joint resolution introduced by the Senator from Pennsylvania [Mr. KNOX] and

reported from the Committee on Foreign Relations as an amendment to the House resolution.

If any explanation is necessary on the part of a Democrat voting for this joint resolution, I want to say that in my opinion the treaty of Versailles submitted to the United States Senate is pregnant with international injustices. I regard it a service to my country to do whatever may be possible to prevent ratification in its original form. I feel that since the joint resolution helps to put this question behind the Senate and helps to remove a possible ratification of the treaty in its original form, a vote directed toward that end is in the interest of this Republic and its people.

It is one thing to uphold and support the principles and ideals of the Chief Executive of the United States—and I am willing and ready and prepared to stand by them and with them—but it is another thing to thrust upon a political party and upon a nation the acceptance of international intrigue and the exploitation of the world by foreign powers and the representatives of foreign powers. As a Democrat I protest against my political party being forced to defend in the next election not the international doctrines of the present leader of the party but the international injustices and robberies and exploitations which the powers of Europe have inculcated into the treaty and into the covenant of a League of Nations.

I want it to be clear and unmistakable that in voting as I have upon the treaty and the reservations I have attempted not to depart in one iota from the principles advocated by the Chief Executive of this country during the war and before his participation in European diplomacy in Europe. I protest against the ratification by my country of a treaty which will for the first time associate its name with the Governments of the world which have a long history in the performances of international injustice, secret diplomacy, and selfish, imperialistic aggrandizements.

This brief explanation, Mr. President, outlines the causes which have prompted me to record my vote in favor of the joint resolution.

REPEAL OF WAR LEGISLATION.

Mr. KING. The Senator from Massachusetts [Mr. WALSH] believes that it would be wise to repeal certain war legislation that is now upon the statute books, as I understand from his statement. I introduce the following bills and ask that they may be appropriately referred: One proposes to repeal what is known as the Overman Act, another to repeal certain powers of the Shipping Board, and the other to repeal the trading-with-the-enemy act.

A bill (S. 4390) repealing the act of May 20, 1918;

A bill (S. 4391) to repeal the act of October 6, 1917; and

A bill (S. 4392) to repeal the act of October 6, 1917, relative to trading with the enemy; to the Committee on the Judiciary.

ADDRESS BY SENATOR POMERENE.

Mr. ROBINSON. Mr. President, I ask unanimous consent that the address delivered by the Senator from Ohio [Mr. POMERENE] before the Virginia State Bar Association at its recent session at Richmond on the subject of our recent Federal railroad legislation be printed in the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. POMERENE's address is as follows:

OUR RECENT FEDERAL RAILROAD LEGISLATION.

"No domestic problem has been presented to the Congress in the last generation which has been so difficult, so involved, and so fraught with consequences to America as the recent railroad legislation known as the 'transportation act of 1920.'

"Think of it! Two hundred and sixty thousand miles of railroad, valued at from $17,000,000,000 to $20,000,000,000—probably one-twelfth of the entire national wealth—serving as they do the activities of 110,000,000 of people.

"They are the nerves and arteries of our national organism. Without them our industrial, commercial, and social life would be paralyzed.

"Looking at it from a financial standpoint in its more comprehensive aspect, we must remember there are 672,930 stockholders owning 97,475,776 shares in the class 1 roads. These stockholders are men, women, children, and institutions of all classes, rich and poor.

"The 20 largest stockholders in each road aggregate 8,301 persons, estates, corporations, and partnerships, with 873,322 shares, or a little more than half; 46,602,454 shares, or a little less than one-half of the total number, are held by 619,629 men, women, children, and other holders, the average holdings being about 75 shares. Some of the railroads are practically close corporations. The majority of the great systems are not.

"While 13 stockholders own and control entirely all of the stock of the Philadelphia & Reading, in the Pennsylvania Railroad system there are 100,038 stockholders, the 20 largest owning only 8.9 per cent of the entire capital. While 326 stockholders own 99.5 per cent of the Chicago, Burlington & Quincy, there are 27,062 stockholders in the New York Central Railroad, the 20 largest owning only 25.1 per cent of the whole. While 17 stockholders own the entire capital stock of the Pennsylvania Co., there are 29,360 stockholders in the Baltimore & Ohio Railroad Co., the 20 largest owning only 17.4 per cent of the whole. In the Southern Pacific there are 37,853 stockholders, the 20 largest owning only 23 per cent thereof. In the Atchison, Topeka & Santa Fe there are 44,561 stockholders, the 20 largest owning only 14.3 per cent of the stock. In the Great Northern there are 26,716 stockholders, the 20 largest owning only 18.5 per cent. In the North Pacific there are 25,780 stockholders, the 20 largest owning only 19.8 per cent. And in the Northern Pacific there are 33,875 stockholders, the 20 largest owning only 17.8 per cent.

"We find that the life insurance companies reporting to the superintendent of insurance of the State of New York for 1918 held railroad bonds valued in the aggregate at $1,681,242,371. The savings banks and life insurance companies together own over $2,000,000,000 of railroad bonds. The railroad companies on December 3, 1916, held $2,135,086,517 worth of bonds.

"In short, it will be found that these bonds are widely held, and any fair-minded man must conclude that any legislation which affects seriously either railroad stocks or bonds is embarrassing, either directly or indirectly, every financial institution in the country.

"It is the best judgment of the National Association of Owners of Railroad Securities that there are between 2,500,000 and 3,000,000 institutional and individual owners of railroad stocks, and probably 7,500,000 institutional and individual holders of American railroad bonds.

"During the development period of the railroads the public was made the victim of stock and bond manipulations by men who were adepts at high finance, and who knew little or nothing about practical railroading. By the changing of traffic rates and regulations they built up communities where they chose and destroyed others when they chose.

"Out of these injustices originated the Interstate Commerce Commission and regulatory bodies in each of the 48 States. Reaction set in. The pendulum swung too far the other way. Some of the new legislation was good, some bad, and some indifferent. Every scheming politician in the country saw his opportunity to promote his political fortunes by proposing, and having enacted, if he could, some legislation the effect of which was to cripple if not to destroy our transportation system, giving little thought to the consequences.

"Railroads, broadly speaking, are interstate or intrastate in character. Theoretically speaking, interstate commerce is controlled wholly by the Congress; and intrastate commerce wholly by the legislatures of the 48 several States. Eighty-five per cent or more of our transportation is interstate. Not to exceed 15 per cent is intrastate. As a practical problem, whether we speak of it financially or economically, all of this commerce is affected directly and indirectly both by Federal and State legislation.

"The commerce of the country thus became the subject of consideration by the Congress of the United States, and the legislatures of the 48 States and their regulatory agencies. The result has been that those who viewed the subject from a national standpoint sought to treat all commerce as interstate, while the States, through their agencies, either directly or indirectly, sought to impose burdens upon interstate commerce, if thereby they thought they could benefit the shippers of their respective States. As a further result State traffic in many instances did not bear its portion of the burden of transportation, and interstate commerce was compelled to shoulder too great a portion of the cost of maintenance and operation. As a still further result, for the past five or ten years the railroads were not able to keep pace with the industrial, agricultural, and commercial development of the country. So great a railroad expert as James J. Hill, several years before his death told the country that the railroads ought to spend for a period of years $1,000,000,000 annually in the further development of the transportation needs of the country. Because of the severe regulatory measures which had been adopted in some of the States, and the disposition of many to further starve the railway systems of the country, it was impossible to finance the roads as they ought to have been financed; and when on April 6, 1917, this great Nation of ours found itself hurled into the maelstrom of a World War, the railroads broke down and the National Government was compelled to assume control.

"The activities of peace were superseded by preparation for war. The brains and brawn of 110,000,000 of men, women, and

children were directed to the task of winning the war for our country and humanity.

"For some years students of the railroad problem, particularly in the Congress, were giving their best thought to some constructive legislation for the purpose of improving our transportation methods. After the signing of the armistice the Congress took up the problem with renewed energy.

"By the railroad control act the President was authorized to retain possession of the roads for the period of the war, and for 21 months after the proclamation of the President of the exchange of ratifications of the treaty of peace, but he had the power to return them at any time he saw fit.

"In January, 1919, the Director General of Railroads appeared before the Interstate Commerce Committee of the Senate and advised us that there was a deficit under Federal management, largely due to the increase in the scale of wages which was made to date from January 1, 1918, while the increase in freight rates amounting to 25 per cent on freight and 50 per cent on passenger traffic dated only from July 1, 1918. But he assured the committee that with the increased freight and passenger rates there would be a net profit of more than $100,000,000 over and above the Government guaranty during the current year. Substantially the same statement was made by his successor, Mr. Walker D. Hines.

"The Directors General of Railroads urged an extension of Government control and operation for five years, and this after active hostilities had ceased. Had the Congress acceded to their suggestion, the Government would have been put in the position of having said to the railroad companies: 'It is true you turned over the roads to the Government to help win the war, but now that we have them we are going to keep them.'

"They wanted to continue control of these roads, not because they had any constructive plan of reorganization in mind—they did not have any. They wanted to develop a plan. They wanted five years in which to do it, and they asked the Congress for the necessary authority. It was not their property. It was not the Government's property. It was the property of the hundreds of thousands of stockholders and bondholders. In substance, their position was: 'If in five years we devise a plan which is successful, the Government will keep the roads, but if we fail and succeed only in scrapping them we shall turn the roads back to you.'

"Stripped of all its veneer, that was the naked proposition. Whatever may have been their purpose, and I do not question their motives, if the Congress had acceded to their wishes the Government would have been guilty of dishonesty in dealing with the owners of the railroads. It would have taken possession of the roads for one purpose, and having secured them sought to retain them for another. That course could not have been defended by an honest Government, and Uncle Sam always means to be honest.

"Men whose wages were increased by the Government feared that their wages would be lowered if the properties were returned to private ownership and accordingly they favored Government operation or ownership. Other men who have dreamed dreams all their lives and who could not recognize an economic problem if they met it on the street under a midday sun, continued to dream and to hope for Government control and ownership. They had learned something of the problem 25 years ago, when the railroads were under the control of stock manipulators and they have never learned anything about the railroads since.

"Most of them cared little for the effect it would have upon the country. They thought Government ownership would be something new, and by reason thereof they might be able to promote their political fortunes. They forgot that nearly every man in the country either is a shipper or a traveler, knows something about the inefficiency of Government management, and is controlled by his own experience rather than by the theories of dreamers.

"The roads instead of having a net surplus of $100,000,000, as promised by the director general, for the calendar year 1919 had deficits and surpluses as follows:

For January the deficit was	$36,658,972
For February the deficit was	36,387,644
For March the deficit was	56,895,604
For April the deficit was	40,987,467
For May the deficit was	38,267,595
For June the deficit was	31,174,088
For July the surplus was	1,526,320
For August the surplus was	4,715,168
For September the deficit was	14,359,851
For October the deficit was	18,726,436
For November the deficit was	61,729,931
For December the deficit was	60,026,036
The total deficit for 10 months was	395,213,624
The total surplus for 2 months was	6,241,488
The net deficit for the year was	388,972,136

"It has grown since. When the 'Transportation Act of 1920' was in conference, our information then was that the total loss to the Government due to Federal operation would amount to $750,000,000, then admitted, to which should be added claims growing out of depreciation, which still are unliquidated.

"Since that time the net loss to date of the Government has been ascertained to be $905,000,000, to which must be added $200,000,000, the estimated cost of the six months' guaranty ending September 1, 1920, and the estimated payment to the short lines of $25,000,000. Also, we must not forget the claims growing out of depreciation of $375,000,000 referred to a moment ago. The figures just given do not include $1,146,000,000 which the Government loaned to the railroads, and out of which will probably grow additional losses.

"Railway executives testified last week before the Interstate Commerce Committee of the Senate that the roads, in order to be fully equipped, need 226,000 new freight cars, 9,000 passenger cars, and 3,400 locomotives, the total cost of which, as of date, would amount to about $1,600,000,000. During the present year the car and locomotive shops can produce 100,000 freight cars, 3,000 passenger cars, and 2,000 locomotives, the total cost to be about $610,000,000.

"I have given these figures in order to demonstrate the need of additional finances for the roads, and the necessity for such continued Government action as will help to restore and conserve their credit.

"Our prewar experiences, as well as during the war and since, demonstrated the necessity of greater unity of operation and control of roads, rolling stock, and terminals, if we are to secure to the public a maximum of service at reasonable rates. Another thing is even more important: If the railroads are to be extended and improved so as to keep apace with the growth and increased demands of the country, their credit must be conserved. Of one thing I am certain: these things can not be done by Government ownership or operation.

"There must, however, be strict Government control over the construction, maintenance, and operation, but we must not destroy individual initiative. Whatever may have been the faults of private ownership and operation in the past, the fact is that under private ownership we have had the best and cheapest rail transportation in the world, with the best paid and most efficient labor. Let that not be gainsaid. We have sought by the transportation act of 1920 to improve it. I shall call attention to the more important amendments only.

CAR SERVICE.

"For years the public has suffered for lack of car supply in one section while there was a surplus in another. At all times there has been difficulty in returning empties to the owning roads. Certainly the country is entitled to a maximum of service out of every car for the public good. To this end we have broadened the powers of the Interstate Commerce Commission.

"Car service is defined to include the use, control, supply, movement, distribution, exchange and interchange, and return of locomotives, cars, and other facilities used in the transportation of property, including types of equipment and supplies of trains by any carrier by railroad. The carriers are required to furnish safe and adequate car service and to establish, observe, and enforce reasonable rules and regulations and practices with regard thereto. Every unjust and unreasonable rule, regulation, and practice is prohibited. Every carrier is especially required to make reasonable distribution of cars for transportation of coal among the coal mines served by it. They are required to file with the commission from time to time their car-service rules and regulations. Whenever the commission is of the opinion that the shortage of equipment, congestion of traffic, or other emergency exists it is authorized in order to improve the public service to suspend the operation of all rules, regulations, or practices then established and to make new directions concerning car service, provided they are just and reasonable, without regard to ownership during such emergency as in its opinion will best promote the service in the interest of the public and the commerce of the people upon such terms of compensation as between the carriers as they may be agreed upon, or in the event of their disagreement as the commission may after subsequent hearings find to be just and reasonable.

ROUTING OF TRAFFIC.

"In order to aid further in moving traffic the act provides that whenever any carrier is for any reason unable to transport the traffic offered it so as to serve the public properly it may make such just and reasonable directions for the handling, routing, and movement of the traffic and its distribution over other lines or roads as will in the opinion of the commission best promote the service in the interest of the public and the commerce of the people upon such terms as between the car-

riers as the commission may find just and reasonable in the event they fail to agree between themselves.

TERMINAL FACILITIES.

"Because of increased traffic in the large cities and industrial centers it has been impossible for some roads to secure necessary terminal facilities, while other roads had greater capacity than their business demanded. The Congress therefore provided that when the commission finds it to be in the public interest and practicable, without substantially impairing the ability of the carrier owning or entitled to the enjoyment of terminal facilities to handle its own business, it shall have power to require the use of any such terminal facilities, including main-line track or tracks for a reasonable distance outside such terminal, of any other carrier or carriers, upon such terms and upon such compensation as the carriers affected may agree upon, or, upon their failure to agree, as the commission may fix as just and reasonable, to be ascertained on the principle controlling compensation in condemnation proceedings.

POOLING OF FREIGHTS.

"While pooling of freights of different and competing railroads, or the division between them of the aggregate or the net proceeds of any such railroad, or any portion thereof, is prohibited as heretofore, the commission is authorized after hearing upon application of the carriers, or upon its own initiative, to authorize a division of traffic or earnings to the extent the commission may indicate when it shall be for the interest of better service to the public or economy in operation, and will not unduly restrain competition, and this division of traffic or earnings shall be made under such rules and regulations and for such consideration as between such carriers and upon such terms and conditions as the commission may find to be just and reasonable.

NEW LINES OF RAILROAD.

"No carrier shall hereafter undertake the extension of its line of railroad, or the construction of a new line of railroad, or to operate the same, unless and until it shall first have obtained from the commission a certificate that the present or future public convenience and necessity require, or will require, the construction, or operation, or construction and operation, of such additional or extended line of railroad; and no carrier shall abandon any portion of a line of railroad, or the operation thereof, without permission first obtained from the commission.

NEW FACILITIES.

"The commission also is authorized, after hearing, to require by order any carrier to provide itself with safe and adequate facilities for performing as a common carrier its car service as defined in this act. But no such authorization or order shall be made unless the commission finds as to such extension that it is reasonably required in the interest of public convenience and necessity, or as to such extension and facility that the expense involved therein will not impair the ability of the carrier to perform its duty to the public. This authority, however, with regard to extensions and the furnishing of facilities does not apply to the construction or abandonment of spur, industrial, team, switching, or sidetracks, located, or to be located wholly within one State, or of street, suburban or interurban railways, which are not operated as a part of a general steam railroad system of transportation.

CONSOLIDATION OF RAILROADS.

"The Congress believed that greater efficiency, as well as economy, in management could be secured by authorizing voluntary consolidations. Therefore it is provided in the act that upon application of any carrier the commission may authorize and approve the acquisition by one carrier of the control of any other carrier under a lease, or by the purchase of stock, or in any other manner not involving the consolidation of such carriers into a single system for ownership and operation, if the commission is of the opinion that it will be in the public interest under such rules and such regulations and for such consideration and on such terms and conditions as it shall be found to be just and reasonable.

"The commission is required as soon as practicable to prepare and adopt a plan for the consolidation of the railway properties of the continental United States into a limited number of systems. In devising such systems competition must be preserved as fully as possible, and wherever practicable existing routes and channels of trade and commerce shall be maintained. These systems shall be so arranged that the cost of transportation as between competitive systems and as related to the values of the properties through which the service is rendered shall be the same so far as practicable, so that they can employ uniform rates in the movement of competitive traffic and under efficient management earn substantially the same rate of return upon the value of their respective properties.

"When a tentative plan has been agreed upon by the commission, notice shall be given thereof to the governor of each State, and the commission is required to hear all persons who may file or present objections thereto. This plan may be changed by the commission upon its own motion, or its own application, in the interest of the public. All consolidations must be in harmony with such plan.

"Two or more carriers may consolidate their properties, or any part thereof, into one corporation for ownership, management, and operation upon the following terms:

"(a) The consolidation must be in harmony with the plan of consolidation devised by the commission, and must have its approval.

"(b) The bonds of the new corporation which becomes the owner of the consolidated properties, together with the outstanding capital stock at par, shall not exceed the value of the consolidated properties as determined by the commission.

"(c) When two or more carriers propose a consolidation they must present their application therefor to the commission, and the commission shall notify the governor of each State in which any part of the property sought to be consolidated is situated and the carriers proposed in the consolidation of the time and the place for public hearing. If the commission finds that the public interest will be promoted by the consolidation and the conditions therefor have been fulfilled, it may enter an order approving and authorizing the consolidation, with such modifications and upon such terms and conditions as it may prescribe, and thereupon such consolidations may be effected in accordance with such order if all the carriers involved assent thereto, the law of any State or the decision or order of any State authority to the contrary notwithstanding.

"The carriers thus consolidated are relieved from the operation of the antitrust laws, State and Federal, so far as may be necessary to enable them to do anything authorized or required pursuant to the provisions of this act.

ISSUANCE OF SECURITIES.

"In the early history of railroading many watered securities were issued, and this continued until within comparatively recent years. While there may have been some excuse for it during the early history of the country because many of the trunk lines were extended into undeveloped territory, and the returns upon the investment were uncertain, they could not have been built except under financial plans which were more or less speculative in character. But that time has passed. Before the passage of the present act the issuance of securities was subject to the approval of the public utilities commissions of the several States through which the roads extended. Delays in financing always occurred in the making applications for and having permits issued. This is particularly true when the system extends through two or more States. It was shown before the Interstate Commerce Committee of the Senate that one of the great continental railroad systems was obliged to secure the approval of the authorities of 14 different States before they could complete their loan. It appeared also that the State authority before granting a permit would often insist that a certain portion of the money be expended in their State, which was largely in excess of its transportation needs as compared with those of other States through which the lines extended.

"Again the delays incident to securing these permits often resulted in the defeat of the loan because we know that while large sums of money can be secured at a given rate to-day, perhaps the loan would not be granted until next month, or the month thereafter, either on account of increased demands or higher rates of interest. As heretofore stated, 85 per cent or more of our transportation is interstate, and not to exceed 15 per cent is intrastate.

"With these facts before it the Congress concluded that the issuance of securities should be under the exclusive control of the Interstate Commerce Commission, at the same time giving to the States and all interested parties a full opportunity to be heard.

"Accordingly the act is made to provide that after 120 days after the act takes effect no interstate common carrier by railroad shall issue any capital stock or bond or other evidence of interest or indebtedness of the carrier, or to assume any obligation or liability as lessor, lessee, guarantor, indorser, surety, or otherwise, except upon application by the carrier, and only to the extent that the commission after investigation shall authorize. And the commission can only make such order if it finds that the issue or assumption is (a) for some lawful object within its corporate purposes and compatible with the public interest, which is necessary or appropriate for or consistent with the proper performance by the carrier of service to the public as a common carrier, and which will not impair its

ability to perform that service, and (b) is reasonably necessary and appropriate for such purpose.

"The power of the commission is plenary. It can grant or deny the application, in whole or in part, upon such terms and conditions as the commission may prescribe, and may from time to time for good causes shown make such supplemental orders as may seem necessary, or modify the provisions of any previous order as to the particular purposes, uses, and extent to which, or the condition under which, such securities may be authorized or the proceeds thereof applied.

"When any application for such authority is filed with the commission it is required to give a copy thereof to the governor of the State in which the applicant carrier operates. The railroad commission, or other appropriate State authority, has the right to be fully heard for the purpose of preserving and conserving the rights and interests of their people and their States. The jurisdiction of the commission is exclusive and plenary, and when the approval of the Interstate Commerce Commission is granted the security may be sold and the obligations assumed without securing the approval of any other authority. It is expressly provided that nothing contained in the act shall be construed to imply any guaranty or obligation as to such securities on the part of the United States.

"These provisions, however, do not apply to notes issued by the carrier maturing not more than two years after the date thereof, and aggregating—together with all other then outstanding notes of a maturity of two years or less—not more than 5 per cent of the par value of the securities of the carrier then outstanding.

"Securities issued or obligations assumed which require the authorization of the commission are void if issued or assumed without such authorization, or if issued contrary to the terms or conditions of such organizations. They shall not, however, be void because of failure to comply with provisions relating to procedure and other matters preceding the entry of such order of authorization. If void securities are required by any person for value and in good faith without notice that the issue is void, he may recover the damages sustained from the carrier and its directors, officers, attorneys, or other agents, who participated in issuing or selling the same, and those who knowingly participated therein are made subject to criminal penalties.

MAXIMUM AND MINIMUM RATES.

"The Interstate Commerce Commission, instead of fixing maximum rates as heretofore, is authorized to establish maximum or minimum, or maximum and minimum rates.

"If upon complaint, or upon its own initiative after full hearing, the commission shall be of the opinion that any individual or joint rate, fare, or charge, demanded, charged, or collected by any common carrier, or that any classification, regulation, or practice whatsoever of such carrier is or will be unjust, or unreasonable, or unjustly discriminating, or unduly preferential or prejudicial, or otherwise in violation of this act, the commission is authorized to determine what will be the just and reasonable individual or joint rate, fare, or charge, or rates, fares, or charges to be thereafter observed * * * and what individual or joint classification, regulation, or practice is or will be just, fair, and reasonable, to be thereafter followed.

"The Interstate Commerce Commission is given more complete power over State rates, fares, charges, classifications, regulations, and practices than heretofore. The reason for this increase of power is found in the fact that heretofore a number of State legislatures and commissions have so reduced their rates as to make it impossible for interstate systems to operate. Rates on intrastate business have often been made very much lower than the rates on interstate business. The effect is that the intrastate business has not sustained its proper portion of the cost of operation and maintenance.

"By way of illustration: This is noticeably true in North Dakota. If the rate-making authorities in adjoining States had made their rates for traffic proportionately low, or if the Interstate Commerce Commission had reduced their rates to the same level it would have forced every one of these roads into receiverships. So the Congress has provided that when any rate, fare, charge, classification, regulation, or practice imposed by the authority of any State is put in issue by petition, the commission notifies the States interested of the proceeding. The State authorities and others interested have full right to be heard. If any of these State rates, fares, charges, classifications, regulations, or practices cause any undue or unreasonable advantage, preference, or prejudice as between persons or localities in intrastate commerce on the one hand and interstate or foreign commerce on the other hand, or any undue, unreasonable, or unjust discrimination against interstate or foreign commerce, it is authorized to prescribe the rate, fare, or charge, or the maximum or minimum, or maximum and minimum rate thereafter to be observed in such manner as to remove such advantage, preference, prejudice, or discrimination. Such rates, fares, charges, classifications, regulations, and practices shall be observed while in effect by the carriers parties to such proceeding, the law of any State or the decision or order of any State authority to the contrary notwithstanding.

Short and local lines have often been put to great disadvantage because the longer or trunk lines would often take advantage of their necessities to force from them a greater portion of the joint fares, rates, or charges than was equitable. This practice has led to serious injustices. The commission is given full power to hear and determine these differences, either on complaint or upon its own initiative, and to make such decisions as are just, reasonable, and equitable under all the circumstances.

CREDIT AND RATE MAKING.

"The discussion thus far demonstrates clearly the necessity of caring for the credit of our transportation system. The power of the Congress to regulate commerce among the States is plenary, but its rates must not be confiscatory. Rates under the old law were required to be just and reasonable, and unjust and unreasonable rates were declared unlawful. My belief is that under this rule rates should have been so adjusted as to provide for the needs of transportation, including a fair return on the actual investment, and thereby lend encouragement to capital to develop our railway systems so as to keep them apace with our national growth. But I fear that these requirements have not always been kept in mind by the Congress or the State legislatures or the rate-making agencies. If there was any doubt about the meaning of the old law in that behalf it has been made perfectly plain in the new act.

"Section 422 provides that—

"in the exercise of its powers to prescribe just and reasonable rates the commission shall initiate, modify, establish, or adjust such returns so that carriers as a whole (or as a whole of each of such rate groups or territories as the commission may from time to time designate) will under honest, efficient, and economical management and reasonable expenditures for maintenance of way, structures, and equipment, earn an aggregate annual net railway operating income equal, as nearly as may be, to a fair return upon the aggregate value of the railway property of such carriers held for and used in the service of transportation." * * *

"The commission shall from time to time determine and make public what percentage shall be uniform for all rate groups or territories which may be designated by the commission. In making such determination it shall give due consideration, among other things, to the transportation needs of the country and the necessity (under honest, efficient, and economical management of existing transportation facilities) of enlarging such facilities in order to provide the people of the United States with adequate transportation: *Provided*, That during the two years beginning March 1, 1920, the commission shall take as such fair return a sum equal to 5½ per cent of such aggregate value, but may, in its discretion, add thereto a sum not exceeding one-half of 1 per cent of such aggregate value to make provision in whole or in part for improvements, betterments, or equipment, which according to the accounting prescribed by the commission, are chargeable to capital account.

"It will be observed that under these provisions the commission has the power to designate rate groups or territories.

"Rate making has been referred to as the one unsolvable problem, and the more we think of it the more accurate this description seems. Clearly, it is not solvable to a mathematical certainty.

"Roads differ in location as well as in efficiency of management. One line extends from one large center of population to another through a country already industrially well developed. Another road is built through a more sparsely settled country in anticipation of future development. The amount of traffic as well as their earning capacity vary.

"If rates are made lower on one road than they are on another, with the view to equalizing the net earnings on the capital invested, the rule will defeat itself, because the road charging the lower rates will absorb all the business, and thereby impoverish the weaker road.

"If rates are made so as to permit a fair earning on the lower-class road, it will make the earnings on the higher-class road exorbitant and indefensible.

"If the rates are made so as to permit a fair return upon a fairly managed and fairly well-located road, it will not yield revenue enough for the poorly located road and will yield too much to the best managed and best located roads. And it must be borne in mind that most of these roads, if not all of them, serve their part in their respective communities, and all must be given considerate, if not sympathetic, attention by the Congress. Each plays its part on the stage of our national life.

"The Congress therefore declares:

"Inasmuch as it is impossible (without regulation and control in the interest of the commerce of the United States considered as a whole) to establish uniform rates upon competitive traffic which will adequately sustain all the carriers which are engaged in such traffic, and which are indispensable to the communities to which they render the service of transportation, without enabling some of the carriers to receive a net railway operating income substantially and unreasonably in excess of a fair return upon the value of their railway prop-

erty held for and used in the service of transportation, it is hereby declared that any carrier which receives such an income so in excess of a fair return shall hold such part of the excess as trustee for, and shall pay it to, the United States.

"It is therefore provided that if under the rule prescribed for a fair return upon the aggregate value of railway property, either as a whole or as a whole of each rate group or territory, the net railway operating income for any carrier should exceed 6 per cent on the value of the railway property held or used by it for transportation, one-half of such excess shall be placed in a reserve fund established and maintained by such carrier, and the other one-half shall be paid to the commission for the purpose of establishing and maintaining a railroad contingent fund.

"The carrier is permitted for the purpose of paying dividends or interest on its stocks, bonds, or other securities, or rent for leased roads, to draw from the reserve fund thus established and maintained by it to the extent that its net rail operating income for any year is less than a sum equal to 6 per cent of the value of the railway property held or used by it for transportation. But this fund must not be drawn upon for any other purpose.

"However, such reserve fund need not be accumulated and maintained by any carrier in excess of 5 per cent of the value of its railway property, and when such fund exceeds 5 per cent, such excess may be used by the railroad for any lawful purpose.

"Half of the excess earnings over and above the 6 per cent which each railroad is entitled to earn goes into the general railroad contingent fund, to be used by the Interstate Commerce Commission either to make loans to carriers for expenditures for capital account or to refund maturing securities originally issued for capital account, or to purchase transportation equipment and facilities and leasing them to carriers.

"This raises an interesting constitutional question. Former Justice Hughes, Judge R. S. Lovett, Col. Alfred P. Thom, and other leading lawyers hold that the diversion of these funds from the earning road for the purpose indicated is a taking of property contrary to the fifth amendment of the Federal Constitution.

"On the other hand, great lawyers like ex-Senator Root, Mr. John H. Miller, Mr. Hugh L. Bond, Mr. Forney Johnson, and others hold these provisions to be constitutional. I share their opinion. I shall not take your time to argue the question at length. I prefer to state briefly my reasons for this view without much elaboration:

"The power of the Congress over interstate commerce is plenary. It includes the fixing of rates. They must be just and reasonable. They can not be made confiscatory. They are so involved in the complexity of transportation that no single rate can be considered in and of itself. All rates are correlated. The Congress recognizes this fact. The shipper is not only interested in the shipment from point A to point B to-day, but he is interested in the transportation from point A to every other point in the group or territory in which he is located, nay, in the entire country. The rate he pays and the rate that every other shipper or traveler pays are necessary to the maintenance of the system of transportation without which his business would fail or be seriously crippled. The Congress, the public, and the courts know that it is physically impossible to make any rate so that it will produce mathematically its proportion of the cost of the maintenance and operation, or a fair return upon the whole property of any railroad, or of any rate group or territory. No human tribunal can do better than to approximate exactness in this behalf. The Congress has so declared.

"We realize the impossibility of making one rate for one road and another rate for another road. The rates must be just and reasonable, not only for the shipper of to-day but for the railroad that carries the shipment, not only from point A to point B but from point A to every other point, and from every other point back to point A and to every other point.

"Every student of this subject recognizes that the same rates for the same commodity can not be made so as to maintain every road without giving excess earnings to some or reducing the earnings of other roads below what is just and reasonable. And, this being so, must it follow that the individual carrier shall have the benefit of the excess earnings rather than the public? Since when is the profit of the individual common carrier to be preferred to the interest of the public? Can the Congress be said to regulate commerce if it can not dispose of excess earnings? The Constitution nowhere inhibits the Congress from disposing of excess earnings, provided its action is not confiscatory.

"It will be borne in mind that we do not say that the rate money becomes absolutely the property of the carrier the moment it is paid into its treasury. The Government of the United States keeps control over it until it discovers in the final analysis whether or not the total earnings are in excess of a fair return. I assume that in determining what is a just and reasonable rate the courts will take into consideration the justness and reasonableness of the charge, not only in its relation to the shipper, but the justness and reasonableness of the earnings which the carrier is permitted to have under the system. If the carrier gets a fair return he can not complain because he does not get the excess over and above a fair return, particularly when he is told by the Government in advance he shall not have the excess. If the rates are just and reasonable to the shipper, he has no cause to complain, because he has no reason to complain. If under a fortuitous combination of circumstances some fortunate carrier gets more than his fair return, and a portion of the excess is appropriated by the Government for the improvement of the transportation system of the country—in other words, if an interstate carrier gets the fair return provided for under the law—it can not complain because it does not get more than a fair return; and if the shipper gets his specific service for a just and reasonable rate, he is not in a position to complain if, under the act, the Government provides that a part of the excess over and above a fair return shall redound to the benefit either of the individual carrier receiving it or of the public, of which both the carrier and the shipper are a part.

"Ample provision is made in the act for the commission to give relief in case of overcharges, unlawfully excessive or discriminatory rates, or rates excessive in their relation to other rates. But can it be said that because a rate may be inferentially slightly too high, as reflected by the total earnings of a given road, that a court will take cognizance of things de minimis in order to hold the rate unconstitutional? Surely the Congress has the right to contemplate the transportation system as a whole and to provide for it as a whole, even if this element must be weighed in fixing specific rates on any individual road, or its relation to all the roads and to the commerce of the whole country.

"Again, it must be conceded that by an excess-profits tax the Congress could take all earnings on every road above 6 per cent and devote the proceeds to any purpose it saw fit. To take excess earnings can not be said to be unconstitutional because it is done in a way which departs from the usual form of collecting taxes. Courts look to the substance of the things done, and not to the form, or name, in determining their validity.

LABOR PROVISIONS.

"I can not conclude this discussion without a brief reference to the labor provisions. No one will deny the importance of mining or manufacturing or agriculture, but the relations which exist between the employees and employers of public utility corporations engaged in interstate commerce are far more essential to the national life than are the relations between employees and employers in a manufacturing or mining or agricultural enterprise. The latter are local in character, and however important or serious the disputes, which result in either lockouts or strikes, they remain local in character. But strikes and lockouts on railroads engaged in interstate commerce are not necessarily so. They may be State-wide or even Nation-wide. They may effect all industrial and social life. If transportation is to cease for even a week, the population in large cities like Richmond, Baltimore, Philadelphia, New York, Boston, Cleveland, or Chicago, may be reduced to distress, starvation, nay, even death. Such conditions are intolerable.

"During the last six months we have had in quick succession longshoremen strikes, coal strikes, steel strikes, threatened and actual railroad strikes, to say nothing of the innumerable lesser strikes with which the public prints have been filled. Such was the situation when the railroad legislation was pending. That there was need of a proper remedy admits of no doubt. The Congress sought for a remedy whereby to adjust differences constantly arising between railroad companies and their employees, to the end that the railroads, their officials, and their employees should be servants of the public—not their masters.

"The Congress declared it to—

"be the duty of all carriers, their officers, employees, and agents, to exert every reasonable effort and adopt every available means to avoid any interruption to the operation of any carrier growing out of any dispute between the carrier and the employees or subordinate officials thereof. All such disputes shall be considered and, if possible, decided in conference between representatives designated and authorized so to confer by the carriers, or the employees, or subordinate officials thereof, directly interested in the dispute.

"If any dispute is not decided in such conference, it is to be referred by the parties thereto to the boards created by the act to hear and to decide them. It provides for the appointment of adjustment boards by agreement between any carrier, group of carriers, or the carriers as a whole, and any employees or sub-

ordinate officials of carriers or organization or group of organizations thereof. Each such adjustment board shall upon the application of the chief executive of any carrier or organization of employees or subordinate officials whose members are directly interested in the dispute, or upon the written application of not fewer than 100 unorganized employees, or subordinate officials directly interested in the dispute, or upon the adjustment board's own motion, or upon the request of the labor board whenever it is of the opinion that the dispute is likely substantially to interrupt commerce, receive for hearing and decide any dispute involving only grievances, rules, or working conditions not decided by the parties themselves.

"There is also a Railroad Labor Board composed of nine members, three from the labor group to be appointed by the President from not fewer than six nominees, whose nominations are made by the employees in such manner as the commission shall prescribe; three members constituting the management group, representing the carriers, appointed by the President from not fewer than six nominations made by the carriers in like manner; and three constituting the public group appointed by the President. All of these appointees are named subject to the advice and consent of the Senate.

"The labor board is required to hear and to decide any disputes involving grievances, rules, or working conditions, in respect to which any adjustment board certifies to the labor board that, in its opinion, the adjustment board has failed or will fail to reach a decision within a reasonable time, or in respect to which the labor board determines that any adjustment board has failed or has not used due diligence in its consideration. If the adjustment boards are not organized, the labor board, either upon the application of the chief executive of any carrier or organization of employees or subordinate officials directly interested in the dispute, or upon a written petition signed by not fewer than 100 unorganized employees or subordinate officials directly interested in the dispute, or upon the labor board's own motion, if it is of the opinion that the dispute is likely substantially to disrupt commerce, shall receive for hearing and decide any dispute involving grievances, rules, or working conditions.

"Also, the labor board upon like application, or upon its own motion, is required to receive for hearing and to decide 'all disputes with respect to wages or salaries of employees or subordinate officials of carriers,' which are not decided by the parties themselves, and the labor board is authorized to suspend the operation of such private agreements if such increase in wages or salaries as may be made are likely to necessitate a substantial readjustment of the rates of any carrier, and they must decide such suspended decision promptly.

"All decisions of the labor board require concurrence therein of at least five of its nine members, but in decisions relating to wages and salaries at least one of the representatives of the public shall concur.

"The labor board is required to establish rates of wages and salaries and standards of working conditions which are just and reasonable, and in doing so they are required, so far as applicable, to take into consideration among other relevant circumstances:

"(1) The scale of wages paid for similar kind of work in other industries.

"(2) The relation between wages and cost of living.

"(3) The hazards of the employment.

"(4) The training and skill required.

"(5) The degree of responsibility.

"(6) The character and regularity of the employment.

"(7) Inequalities of increases in wages or of treatment, the result of previous wage orders or adjustments.

"This act means that the Congress declares it to be the duty of the carrier and the employee to adjust their differences so as to avoid interruption to the operation of the carrier. If they do not reach a decision, then they are required to refer the dispute either to the adjustment board or to the labor board for hearing and decision. All of this is done to the end that the business and life of the country shall continue uninterrupted. What is wrong with it?

"As a member of the subcommittee that framed the Cummins bill and as one of the Senate conferees, I did my utmost to penalize strikes and lockouts in interstate commerce on the railroads. The House would not concur therein. Its Committee on Rules would not even permit a vote on the subject.

"For one, I took the position it was necessary to penalize strikes and lockouts, because there was an apparent determination on the part of certain labor leaders in this country to have the entitre country at their mercy. Some of them came before a committee of the Congress and threatened revolution if they did not get what they wanted. At the time they were urging the passage of the so-called Plumb bill. Others, including Mr. Samuel Gompers, the president of the American Federation of Labor, threatened to defy the law if it was passed, and he added before the Interstate Commerce Committee of the Senate that he would not hesitate to advise his fellows to defy it.

"This is the land of plenty. No man who works, or is willing to work, need suffer for the want of food or fuel or any of the necessaries of life, and under the bounty of the Almighty be never will suffer if each of us will play his part in the divine economy of the country. Why should the people in the centers of population starve and freeze while the food products are wasting in the rural districts and the bowels of the earth are filled with coal? Why should industry be paralyzed because it can not get fuel or raw material or its finished products to the market? Why should the people in the country suffer because they can not get the products they need from the factory and the mine?

"No man or class of men ever would clothe the President of the United States, or the Congress, or the Supreme Court, or any other body, in time of peace, with the power to stop the wheels of commerce on our railroads. It is too great a power to be vested in any department of the Government, and if it is too great to be vested in any department of the Government it is too great to be exercised by the would-be autocrats of the country, I care not whether they be of the capital class, the labor class, or any other class.

"I cherish the hope that the labor leaders of this country will take counsel of their experiences during the past few months, and that it will not be necessary for the Congress to pass any more drastic legislation bearing upon this subject. But if they will not profit by experience, there never will be more than one nation-wide strike in this country on the railroads. And if that one strike comes, the American people will send to the Congress men who will have the courage to do their bidding and not quake like aspen leaves before a few lobbyists in Washington. The great American people are patient and long-suffering, but they can be aroused, and when they are aroused there will be a great upswell which will cast aside the autocrats of the country as the great billows of the ocean toss about the flotsam and jetsam of the sea.

"In conclusion, permit me to say that the sponsors of the transportation act do not claim it to be the last word in legislation. They believe it to be a long step forward. They feel confident it will add to the efficiency of our transportation system, restore its well-nigh ruined credit, and prove a great service to the country we love and cherish."

CIVIL-SERVICE RETIREMENT—CONFERENCE REPORT.

Mr. STERLING. Mr. President, I move that the Senate proceed to the consideration of the conference report on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1699) for the retirement of employees in the classified civil service, and for other purposes.

Mr. THOMAS. Mr. President, I do not intend to interpose any captious objection to the consideration of the conference report, but I am inclined to think that the Senate has done enough for this week and should not be required to consider additional legislation before Monday. For that reason, and for that reason only, I shall object to the consideration of the conference report to-day.

The VICE PRESIDENT. The Senator from South Dakota did not ask unanimous consent for the consideration of the conference report, but moved that the Senate proceed to its consideration.

Mr. THOMAS. Very well. Then I move that the Senate adjourn.

Mr. STERLING. I suggest the absence of a quorum.

The VICE PRESIDENT. The motion to adjourn is in order. The question is on that motion. [Putting the question.] The ayes seem to have it.

Mr. JONES of Washington, Mr. TOWNSEND, and Mr. STERLING called for the yeas and nays, and they were ordered.

The Reading Clerk proceeded to call the roll.

Mr. FERNALD (when his name was called). I have a general pair with the junior Senator from South Dakota [Mr. JOHNSON]. In his absence I withhold my vote.

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Georgia [Mr. SMITH]. I transfer that pair to the Senator from Iowa [Mr. CUMMINS] and vote "nay."

Mr. SMITH of Maryland (when his name was called). I have a general pair with the Senator from Vermont [Mr. DILLINGHAM]. I notice he is not in the Chamber, and in his absence I withhold my vote.

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER]. In his absence I withhold my vote.

Mr. WILLIAMS (when his name was called). I transfer my pair with the senior Senator from Pennsylvania [Mr. PENROSE] to the Senator from Nebraska [Mr. HITCHCOCK] and vote "yea."

The roll call was concluded.

Mr. THOMAS. I transfer the pair which I have just announced to the senior Senator from Virginia [Mr. SWANSON] and vote "yea."

Mr. GAY (after having voted in the affirmative). I inquire whether the senior Senator from New Hampshire [Mr. MOSES] has voted?

The VICE PRESIDENT. He has not.

Mr. GAY. I have a general pair with that Senator, which I transfer to the senior Senator from Nevada [Mr. PITTMAN] and allow my vote to stand.

Mr. FERNALD. I transfer my pair with the junior Senator from South Dakota [Mr. JOHNSON] to the junior Senator from California [Mr. JOHNSON] and vote "nay."

Mr. BALL (after having voted in the negative). I have a general pair with the senior Senator from Florida [Mr. FLETCHER]. I transfer that pair to the junior Senator from West Virginia [Mr. ELKINS] and allow my vote to stand.

Mr. SHERMAN (after having voted in the negative). I am paired with the junior Senator from Virginia [Mr. GLASS], who, as I understand, has not voted. I transfer my pair with that Senator to the Senator from Idaho [Mr. BORAH] and allow my vote to stand.

The result was announced—yeas 26, nays 41, as follows:

YEAS—26.

Ashurst	Henderson	Reed	Thomas
Culberson	King	Robinson	Trammell
Dial	Myers	Sheppard	Underwood
Gay	Overman	Shields	Walsh, Mass.
Gerry	Phelan	Simmons	Williams
Harris	Pomerene	Smith, S. C.	
Harrison	Ransdell	Stanley	

NAYS—41.

Ball	Gronna	Lodge	Poindexter
Brandegee	Hale	McCormick	Sherman
Calder	Harding	McKellar	Smoot
Capper	Jones, N. Mex.	McLean	Spencer
Chamberlain	Jones, Wash.	McNary	Sterling
Colt	Kellogg	Nelson	Townsend
Curtis	Kendrick	New	Wadsworth
Edge	Kenyon	Norris	Warren
Fall	Keyes	Nugent	
Fernald	Knox	Page	
France	Lenroot	Phipps	

NOT VOTING—29.

Beckham	Glass	Moses	Sutherland
Borah	Gore	Newberry	Swanson
Comer	Hitchcock	Owen	Walsh, Mont.
Cummins	Johnson, Calif.	Penrose	Watson
Dillingham	Johnson, S. Dak.	Pittman	Wolcott
Elkins	Kirby	Smith, Ariz.	
Fletcher	La Follette	Smith, Ga.	
Frelinghuysen	McCumber	Smith, Md.	

So the Senate refused to adjourn.

The VICE PRESIDENT. The pending question is the motion of the Senator from South Dakota [Mr. STERLING] that the Senate proceed to the consideration of the conference report on Senate bill 1699, for the retirement of employees in the classified civil service, and for other purposes.

The motion was agreed to.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. THOMAS. Mr. President, I suggest the absence of a quorum.

Mr. STERLING. Mr. President, a parliamentary inquiry. Has there been any intervening business which would make a call for a quorum in order at this time? I think not, and I raise that point of order against the call for a quorum.

The VICE PRESIDENT. The conference report has been taken up. That is perhaps intervening business.

Mr. THOMAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Gronna	McLean	Robinson
Borah	Hale	Moses	Sheppard
Brandegee	Harding	Myers	Smith, Ariz.
Calder	Harris	Nelson	Smith, S. C.
Capper	Harrison	New	Smoot
Chamberlain	Jones, N. Mex.	Norris	Spencer
Colt	Jones, Wash.	Nugent	Stanley
Curtis	Kellogg	Page	Sterling
Dial	Kendrick	Phelan	Thomas
Edge	Kenyon	Phipps	Townsend
Fall	Keyes	Pittman	Trammell
Fernald	Knox	Poindexter	Underwood
France	Lenroot	Pomerene	Wadsworth
Gay	Lodge	Ransdell	Walsh, Mass.
Gerry	McKellar	Reed	

Mr. GAY. I wish to announce the absence on official business of the junior Senator from Nevada [Mr. HENDERSON].

The VICE PRESIDENT. Fifty-nine Senators have answered to the roll call. There is a quorum present.

NATIONAL PROHIBITION.

Mr. SHEPPARD. Mr. President, when I stated yesterday in my remarks on the New Jersey prohibition case that I did not believe that the people of New Jersey were in sympathy with the action brought by its authorities in the Supreme Court of the United States, I intended to withdraw what I had previously said as to the State of New Jersey, the Vice President having called my attention to the rule. Certainly I had no intention to refer in any objectionable way to a State of this Union or to the Senator from New Jersey [Mr. EDGE], and in order that the RECORD may contain nothing susceptible of that construction I desire to withdraw the following part of my remarks of yesterday:

It seems to me that the State of New Jersey, in resisting the action of 45 of the 48 States of the Union in ratifying an amendment proposed under the Constitution, and adopted in accordance with its solemn terms, has put itself on the side of revolution and anarchy.

Mr. EDGE. Mr. President, because of the noise in the Chamber I did not hear fully the very kind remarks of the Senator from Texas [Mr. SHEPPARD] in withdrawing the statement he made yesterday during a debate concerning the brief and complaint of the State of New Jersey which I had asked and received the consent of the Senate to insert in the RECORD previously.

I simply want to take this occasion to express my appreciation of the action of the Senator, and to say further that whatever may be the individual thought of Senators upon the question involved, certainly it must be admitted that the orderly and proper method for any State to adopt is to have the subject reviewed by applying to the highest court of the country, the Supreme Court of the United States.

WATER-POWER DEVELOPMENT—CONFERENCE REPORT.

Mr. JONES of Washington. Mr. President, I give notice that at the first opportunity next week I shall call up the conference report on House bill 3184, known as the water-power bill.

Mr. NORRIS. I should like to ask the Senator from Washington for a little more definite information on that point. I think there are one or two days next week when I shall not be able to be here.

Mr. JONES of Washington. I have been trying to get up the report for some time.

Mr. NORRIS. I know it, and I have been here waiting.

Mr. JONES of Washington. I know the Senator has. I can not fix a definite time. The Senator knows about the condition of the business of the Senate.

Mr. NORRIS. I hope the Senator will not call up the report during my absence.

Mr. JONES of Washington. If the Senator will be absent only a couple of days, I will say to him that I will not; but I do want to call it up at the very first opportunity when Senators who are interested in it can be here.

ADDRESS OF SENATOR RANSDELL.

Mr. GAY. Mr. President, I ask permission to have inserted in the RECORD the address of the senior Senator from Louisiana [Mr. RANSDELL] delivered before the convention of American Cotton Association in Montgomery, Ala., April 14, 1920, on "Economies of high-density gin compression of cotton."

The VICE PRESIDENT. Is there any objection? The Chair hears none.

Mr. RANSDELL's address is as follows:

ECONOMIES OF HIGH-DENSITY GIN COMPRESSION OF COTTON.

"[Address of JOSEPH E. RANSDELL, United States Senator from Louisiana, before convention of American Cotton Association at Montgomery, Ala., Apr. 14, 1920.]

"Mr. Chairman, ladies, and gentlemen, this intelligent audience of men and women interested in cotton, either as producers, handlers, or manufacturers, is too well posted to require of me any detailed explanation of the present uneconomical and wasteful methods of baling and handling cotton. All of us who have had experience with cotton and are at all familiar with the systems of baling in vogue in India, Egypt, Peru, and Brazil, and with high-density gin compressed bales in our own land, are bound to admit that our old-style, low-density bale, averaging 46 cubic feet, partially covered with loosely woven jute fiber from India, is obsolete and should be replaced as soon as possible with modern, up-to-date methods. There is no other commodity in the world one-tenth the value of cotton which is handled so carelessly and in a manner resulting in so much damage and loss. There is no article of manufacture and no product of the farm put up in packages so unsightly, untidy, bulky, hard to handle as a bale of American cotton when unloaded on the quays at Liverpool or Naples after going through the careless handling to which it is subjected by recompressing, by half a dozen cotton samplers, by extra patching to cover up the rents made by the samplers, by tumbling it around in the mud at the compress and on the wharves before it is loaded

on this side, by great holes torn in its sides with hooks in loading, by screwing into the hold of the vessel under tremendous pressure, and by jerking it out with great force on the other side. If ever there was a slovenly, dirty, damaged, disreputable, water-soaked, wasteful, and inflammable package, it is a bale of American cotton when it reaches the spinner on the European Continent; and not only in that case, but before it reaches the spinners of New England it is subjected to substantially the same evil treatment accorded to the exported bale, and is in nearly as bad condition. All of you have seen many bales of cotton, that great product of the Southland of which the whole Nation is so proud, worth annually at least $2,000,000,000, lying in the mud and rain and grime at some plantation gin or river landing, in the yard of some local buyer, on the uncovered platform of some compress plant, or at the big concentration warehouses near large cotton centers. You have seen it lying exposed to the weather and spoiling and being injured in every imaginable way for weeks and months at a time; not a few isolated bales but thousands and hundreds of thousands. Such conditions are hard to believe, and if I were speaking to an audience who did not themselves know the facts I would not expect my hearers to believe me; but you gentlemen know that the whole truth has not been stated when I point out the waste, neglect, and criminal damage done every year to cotton, largely as a result of out-of-date, unscientific, expensive, and crude methods of low-density gin baling, recompressing, and indiscriminate sampling. These three factors—loose baling, compressing, and excessive sampling—are the main evils, and if we can by some method overcome them and eliminate all three of them there is no doubt that the other troubles will to a great extent right themselves.

"I shall give a brief description of the old and new systems of baling and handling cotton, and shall point out what seem to be the defects of the old and the advantages of the new.

"The method by which 98 per cent of all the cotton in the United States is initially prepared for market on the plantations where produced or in neighboring gins results in the ordinary square plantation or box bale. This is a package containing about 500 pounds of cotton fiber pressed to a density of 12 pounds to the cubic foot, partially covered with coarse, loosely woven jute bagging, fastened with six steel ties, has dimensions of 30 by 48 by 56 inches and a volume of 46 cubic feet. This bale is so bulky and awkward that in order to ship it long distances to advantage it is usually sent from the gin to a compress plant, where it is repacked or compressed into a package 30 by 22 by 60 inches, with a density of 22½ pounds per cubic foot, covered with the original bagging and ties, and having a volume of 22 cubic feet, the resulting compress bale having approximately one-half the volume of the gin bale. This compressed bale is then shipped from the compress to the spinner in America or to the seaboard for export.

"There are two methods of high-density gin compression in present use, one known as the square and the other as the round bale process. The high-density gin compressed bale of the square type is a package of 500 pounds weight, put up at the cotton gin, 20 by 25 by 52 inches in size, with a density of 32 to 35 pounds per cubic foot, is entirely covered with closely woven burlap or Osnaburgs, fastened with seven steel bands or ties, and having a volume of 15 cubic feet, about one-third the ordinary plantation bale and a little less than three-quarters the volume of the ordinary compressed bale.

"The standard round bale is 35 inches in length, 20 inches in diameter, weighs 250 pounds, and has a density of 39.3 pounds to the cubic foot, is entirely covered with closely woven burlap or Osnaburgs, securely sewed on, but not tied with metal bands, and having a volume of 6½ cubic feet. As 500 pounds is the unit for a bale of domestic cotton, it takes two of these round bales to make one commercial bale.

"Hereafter when the term 'high-density bales' is used it will be understood to mean high-density gin-compressed bales, either square or round, and not high-density recompressed bales, unless specifically so stated.

"The weight and bulk of cotton is so great and it has to be conveyed such long distances from the cotton fields of the South to the spinners of New England and the Old World that the question of its transportation, as affected by density and compactness, is one of the most important economic problems for us to consider.

"A very interesting and instructive report was issued on April 24, 1918, by the War Industries Board, Council of National Defense, Washington, on improved methods of baling cotton, as advocated by its storage committee in cooperation with the Southern Commercial Congress, National Council of American Cotton Manufacturers, Farmers' Union of Cotton States, and the Cotton States Official Advisory Board, with the approval of the Shipping Board and the Departments of War, Agriculture, and Commerce. This report was prepared by Messrs. James Inglis, president of the American Blower Co., Detroit, Mich.; T. C. Powell, vice president of the Erie Railroad; and J. L. Ackerson, vice president Winchester Repeating Arms Co., New Haven, Conn., who were prominent and successful business men of Northern States, not connected with cotton, and influenced solely by patriotism and sound business judgment, after the most careful investigation. It impresses me so favorably that I quote it, in part, as follows:

"Cotton is now almost universally compressed at the gin to a density of 12 pounds per cubic foot, and at the first railroad compress reduced to a density of 22½ pounds per cubic foot. There is no objection on the part of the spinners to compression to a density of 33 pounds per cubic foot; but, on the contrary, the users of the cotton are as unanimous as the growers for a change of conditions which will bring about at the earliest possible date the adoption of high-density baling at the gin and compress so that the cotton crop may be moved at less than one-half the present cost and with greater expedition.

"By the introduction of the proper gin compression it is a conservative statement to say that the cotton crop in this country can be moved by the use of only from one-quarter to one-third the number of cars now required in that service. The reduction in ship space, both overseas and coastwise, can safely be estimated as the difference between 22 and 33, or a saving in space of approximately 50 per cent.

"Opposition to this reform in the past on the part of the railroads has been based on the existence of an abundance of cars in which to carry all freight offered. Such conditions no longer prevail, and it must be and is conceded by railway operators, whether under Government or private control, that the loading of cars to full capacity is to be encouraged on selfish as well as economic grounds.

"High-density compression of cotton at initial gin points would not only create imperative war economies in the transportation of the crop but would likewise increase very materially the earnings per car and use of available motive power.

"The maximum of economic savings urged in the better baling of cotton, such as insurance, sampling, waste, country damage, storage, tare, etc., and strict economy in transportation can only be realized by producers and consumers of the American cotton crop through the medium of gin compression, and not by existing methods of recompression at centralized locations in the cotton belt or at the ports.

"The enormous loss of cotton in the shape of city crop, so called—samples taken from the bale from time to time—falls on the grower and is unnecessary. The general introduction of high density baling methods at the gin will bring about entirely new and greatly improved practices in the buying, sampling, and grading of cotton.

"The present allowance, running from 22 to 30 pounds for tare, and the general practice in connection with the covering of the bale are utterly indefensible on any grounds whatever, and an almost incredible saving in wrapping material will inevitably result. In fact, the conservation in material alone, which is only a small factor compared with the saving on transportation, constitutes an item of national importance.

* * * * * * *

"Equitable freight rates on cotton, with relation to other commodities, will result in preventing useless waste of energy and materials to the value of more than $100,000,000 annually.

"Removal of an unjust burden on cotton in the matter of freight rates will have the result of raising the efficiency of America more nearly to an equality with Egypt, India, and China in the cotton industry."

"Is not this a classic? I think so, beyond question. Every producer of cotton should commit it to memory and follow its advice.

"In this connection permit me to suggest that all delegates secure copies of the supplement to the Baltimore Manufacturers' Record of October 23, 1919, containing proceedings and speeches at the world cotton conference held in New Orleans that month. In it you will find information of much value relating to cotton. I wish also to say that the Manufacturers' Record, under the lead of its great editor, Richard H. Edmonds, has for a quarter of a century been doing truly good work for cotton. This journal has been the persistent, fearless, and able champion of cotton as the principal agricultural product of the South. It has been the special advocate of those who produce cotton by the sweat of their brow, and has insisted in and out of season that they have never received a fair price for their product.

"But to return to my subject, practically all of our cotton is compressed in some form before final shipment to market, and about 2 per cent is now baled by the two high-density gin-compress methods above described. I will therefore, for the purpose of this discussion, treat the crop as a unit of 12,000,000 bales and assume that 10,000,000 bales are moved first from the gin to the compress, and thence to the American spinner, or the seaboard for foreign export, in ordinary 36-foot cars which hold 35 plantation bales, or 75 compressed bales, or 108 high-density gin-compressed bales.

"The trading unit in cotton is 100 bales. To convey 100 bales from the old-style gin and press at my home, Lake Providence, La., to St. Joseph, the nearest compress point, which is 60 miles distant, would require three 36-foot cars; and from the compress at St. Joseph to New Orleans, 233 miles, would require two 36-foot cars, or a total of five cars, and an average of 16 car-days en route and at compress. If I had a high-density press at my gin, the 100 bales unit could be moved direct to New Orleans, a total distance of 293 miles, in one car in three days, a vast saving in time and money.

"In order to move 10,000,000 plantation bales from gin to compress would require 285,714 cars, and to transfer the whole crop

of 12,000,000 bales from compress to spinner or to seaboard would require an additional 160,000 cars, or a total of 445,714 cars. If the cotton were all baled at the gins by high-density presses it would require only 111,111 cars to move it to spinner or to seaboard. Deducting this 111,111 cars required for up-to-date methods from the 445,714 actually used under present conditions, we find there would be an annual saving of 334,603 cars in favor of high-density gin compression. I can not state exactly what this would amount to in money, but believe it fair to assume $100 per carload as a minimum figure, and applying that sum there would be a saving in the item of transportation alone of $33,460,300 a year.

"When one considers the great car shortage now existing, which probably will continue indefinitely, the extreme difficulties and delays of securing cars to move commerce at any price; and the colossal sum—nearly a billion dollars—which must be expended by the railroads before there is a normal supply, not only of freight cars, but of passenger cars and locomotives, it will be seen what a tremendous economic advantage would follow if a method is adopted in the baling and handling of cotton that would annually reduce the number of carloads for its conveyance to market by 330,000 or more, which would inevitably result from high density gin compress methods.

"Another way of presenting this matter is to compute the saving in car days in handling 100 bales from gin to spinner or port, as follows:

100 plantation bales:	Days.
Gin to compress, three 36-foot cars 2 days	6
Delay at compress, three 36-foot cars 2 days	6
Compress to spinner or port, two 36-foot cars 2 days	4
Total car days	16
100 square or 200 round high density gin compressed bales:	
Gin to spinner or port, one 36-foot car	3
Car days saved	13

"Based on a movement of 10,000,000 bales from gin to compress, and 12,000,000 from compress to spinner or port, the total number of car days saved would be 1,300,000, equal to the constant use of 10,833 cars for four months at a season of the year when the demand for transportation is greatest to move other crops of the country, and a corresponding saving in locomotives, fuel, crews, trackage, and other railroad equipment. The resultant benefit would be of supreme importance to all cotton growers and to every citizen of the Republic.

"The annual saving possible through high density gin compression which I have computed so far has included only that from transportation by rail. While such a saving is a strong argument in favor of gin compression it is by no means the only one. During the use for the past 60 years of our antiquated and stagnant methods of cotton baling and handling, certain leaks and weak spots have been recognized, and some of them have attained characteristic titles, such as 'city crop' and 'country damage.'

"The 'city crop' may be briefly defined as the enormous amount of cotton which annually accrues from excessive sampling and waste. Those who get the benefit of this 'city crop' do not expend any sweat or labor in its production. This 'crop' has been variously estimated by Government and other experts at from 50,000 to 150,000 bales; and we may safely say it will amount to a dollar a bale, or $12,000,000 per annum.

"'Country damage' is the result of criminal carelessness. It is the direct penalty of piling cotton bales, unprotected, in farm yards or on open platforms, on the ground at a store or river landing, and often in the mud of gin and compress yards, there to remain in many instances indefinitely, subject to all the ravages of the weather. This inexcusable loss has been estimated by Government officials as high as $60,000,000, while other experts both in this country and abroad have placed it at from thirty to seventy millions annually. Fifty millions is probably a fair average figure.

"The extra cost of the bagging and ties and the patches used in repairing the great gashes made by samplers, over and above the cost of burlap covering and ties on the round bale, is variously estimated as high as $17,160,000. It may be fairly placed at an average for both the square and the round system of $9,000,000 annually.

"From various estimates, the yearly saving on compressing and recompressing may be stated at approximately $12,000,000.

"On account of its neatness and reduced size, the high-density, gin-compressed bale, both round and square, is at present allowed a reduction in ocean freight rates of 25 cents per hundred pounds, or $1.25 per bale, over the present standard commercial bale. On the average annual exports of 6,000,000 bales, this saving would aggregate $7,500,000.

"The delay of fully 30 days caused by our present method of shipping from gin to compress, unloading, compressing, and reloading results in an annual loss of $7,000,000 through interest on capital invested in cotton.

When we consider the fact that cotton is insured from the time it is baled at the gin until it is delivered to the spinner for manufacture, or to the boat for export, and the further fact that the high-density gin-compressed bale is a much better fire risk than the original bale, we may safely estimate the yearly saving on domestic insurance at the rate of 50 cents per bale, or a total of $6,000,000.

"Marine insurance companies have given the high-density gin-compressed bale an average reduction in rates of 87½ cents per bale on present values, and the possible saving from this source may be put at $5,000,000 on a 6,000,000-bale export movement. This gives a total of $11,000,000 as a saving on insurance.

"'Tare,' as defined by the lexicographer, 'is an allowance made for the weight of the container of goods.' It comes from the Arab word 'tarha,' meaning 'throw away.' The bagging and ties which constitute the tare on a bale of compressed or recompressed cotton weigh about 30 pounds; on the high density square bale about 12 pounds; and on two round bales (equal to 500 pounds) it is 5 pounds. It thus appears that the tare, or waste material, is 18 pounds more on the ordinary bale than on the high density square bale, and 25 pounds more than on the high density round bale. The covering of the cotton is just as much a part of the expense of making it as the rent of the land on which it grows, the cost of seed, preparation of the soil, planting, cultivating, picking, and ginning. Some of our short-sighted cotton growers imagine they are paid for bagging and ties because there is no apparent deduction made for the weight thereof when the cotton is sold to American purchasers. Beyond question, however, the buyer takes into consideration the fact that the bale is covered with 30 pounds of tare, or worthless material, which must be thrown away when the fiber is carried into the cotton factory, and he is obliged to make full deduction for the cost of this covering. The English buyer always deducts 6 per cent from the gross weight for tare. The factory can not spin bagging and ties. It spins cotton, and cotton alone is what it buys. If the bale be an ordinary one the buyer computes 30 pounds as worthless; if it be a high density square gin bale, 12 pounds; and if a round bale, 5 pounds. Therefore there is an actual loss of a sum equivalent to the cost price of from 18 to 25 pounds of bagging and ties on every bale of cotton packed under the old process over and above the waste on either of the new style processes. This figures $1 to $1.50 per bale at the present time. It constitutes a loss of twelve to eighteen million dollars a year on the average crop of cotton, and this loss comes out of the cotton grower just as surely as every item of expense to make and harvest the crop is paid by him.

"Moreover, it is necessary to pay the freight on this excessive tare, which averages about 21 pounds on the ordinary compress bale—all the way from the compress point to the spinner at home or abroad. The freight thereon is computed at $4,500,000 for the 6,000,000 bales of export cotton and $1,200,000 on the 6,000,000 consumed in this country, which gives a clear saving in freight charges on extra weight of tare on the present commercial bale of $5,700,000.

"The total annual saving possible under high density gin compression may be summarized as follows:

Transportation	$33,000,000
Country damage	50,000,000
Tare	14,000,000
City crop	12,000,000
Recompression	12,000,000
Domestic and marine insurance	11,000,000
Cost of covering	9,000,000
Ocean-freight rates	7,000,000
Interest on delayed shipments through compression	7,000,000
Freight on extra tare	5,000,000
Total annual saving	160,000,000

"I consider this estimate of $160,000,000 as very conservative and believe it would actually reach nearly two hundred millions.

"At the big world cotton conference in New Orleans last October, to which reference has been made, high-density gin compression, light tare, and selling by net weight were indorsed in the strongest manner by delegates representing 9 out of the 11 groups attending the convention. These groups were as follows: (1) Growers; (2) ginners; (3) seed crushers and manufacturers of seed products; (4) compress and warehouse men; (5) cotton merchants; (6) transportation and insurance; (7) banking; (8) governments and economies; (9) spinners and manufacturers (American); (10) spinners and manufacturers (foreign); (11) textile merchants, converters, and finishers. Of these 11 groups, representing every branch of the cotton industry, many of them from foreign lands, all except two—the compress and warehouse men and the cotton merchants—in-

dorsed high-density gin compression, light tare, and selling by net weight; and it goes without saying that if the great consuming public which uses cotton had also been represented, it would have stood unanimously for these reforms.

"Unquestionably the proposed movement is revolutionary. It demands a complete reform in methods that have been in vogue for 60 years. It means the practical destruction of a number of ordinary gins and compresses. It means the introduction of progressive, up-to-date, scientific methods as compared with the back-number processes of 60 years ago. It means that the people of the South must follow the lead of great mechanical and financial geniuses, like Andrew Carnegie, E. H. Gary, Charles M. Schwab, and Henry C. Frick, who did not hesitate to throw into the junk pile millions of dollars' worth of machinery when they ascertained that better machinery which would produce larger profits could be installed.

"I have a letter from Judge Gary, in which he says that at McKeesport, Pa., the United States Steel Corporation rebuilt tube and pipe mills and charged off $7,000,000 against the old investment; that the same corporation installed a new system of by-product coke ovens and benzol plants at an outlay of about $60,000,000, which installation will lead to the abandonment of old plants representing an investment of fifteen millions.

"Mr. Schwab mentions an expensive converting mill constructed by the Carnegie Co., which, after being in operation only two months, was torn down and rebuilt in order to take advantage of a new mechanical discovery which had just developed.

"In the manufacture of sugar from sugar cane, one of the great industries of my State, great changes have been wrought, and the successful producer of sugar is ever alive to the necessity and value of keeping abreast of the times in employing the most modern methods and improved types of machinery.

"The old methods have been discarded. To succeed it was necessary to keep abreast of the times. Labor-saving, fuel-saving, cost-reducing devices, many of which came from the fertile brains of Louisianians, have taken the place of old methods. The growers of sugar cane now send their product to modern, well-equipped central factories, and the old-fashioned plants, with their crude, antiquated machinery, have been abandoned entirely for the new methods, which competition and the high price of labor and material have made necessary. The initial cost of installing modern and efficient machinery and methods in these sugar plants is often very large, but the saving in labor and time, the elimination of waste, both in the production and better handling of the finished product, the delivery to the purchaser of the more desirable article, fully warrant the cost and efforts expended.

"Why can not the cotton producers follow the wise example of the steel and sugar men, to say nothing of similar progressive methods in practically every branch of manufacturing?

"I do not advocate the immediate adoption of this reform, but think it should be put into effect gradually. There are already a number of round-bale presses which annually place on the market about 178,000 bales of 250 pounds, or 89,000 bales of 500 pounds each. There are also fifteen or twenty high-density square-bale presses which are doing satisfactory work in Mississippi and Louisiana. A start has been made. Why is it not practicable, as the machinery in our old-style gins wears out from time to time and new plants are needed, to replace them with one or the other of these two high-density systems or some other that will secure like results?

"If the reforms I advocate were put into effect immediately, there would be considerable loss to the owners of compresses and old style gins. It is difficult to ascertain exactly how many active ginneries there are in the United States, but from the best evidence obtainable I estimate the number at about 20,000, and the value of the presses therein at $1,000 each, aggregating $20,000,000. It would probably be wise to set aside entirely one-half of these gins, as 10,000 up-to-date gin outfits would doubtless suffice. The old style presses in all of them would be practically lost, but much of the other machinery could be transferred to the remaining 10,000 gin plants, in which there would be high-density presses. This would involve a loss of twenty millions for the old presses and possibly another twenty million for losses on the 10,000 gin outfits which are discarded, a total of $40,000,000 loss by the owners of gins, most all of whom are cotton growers directly interested in obtaining a better price for their cotton.

"As an illustration of how this reform would affect the average owner of a cotton gin permit me to refer to myself. My Olivedell plantation in Louisiana has on it an old style gin outfit, which I estimate to be worth from four to five thousand dollars. If high-density gin compresses were established in the public gins at my home town, Lake Providence, I would dismantle my gin and suffer a direct loss of about $3,000. Now, I have shown above by conservative figures that the annual losses resulting from the use of present methods of baling and handling cotton amount to at least $160,000,000 on a 12,000,000 bale crop, or $13.33⅓ per bale. Let us say these losses are an average of only $10 per bale, and that I, as a cotton producer, would receive the benefit in increased price of only one-half of the resultant saving from the new methods, or $5 per bale. This saving would give me an advance of $1,000 to $1,500 a year on my average crop of two to three hundred bales, and if I can sell my cotton for anything like $1,000 a year additional because of improved methods, it would pay me well to lose $3,000 on the dismantling of my gin.

"But, while there are several hundred thousand cotton planters in the United States, there are only about 20,000 of them who own gins, and only about 10,000 who, like myself, would find their gins in the discard. The big majority of cotton growers, who gin at public or neighborhood gins, would not suffer any loss through having to dismantle a gin, as they do not possess one, and they, as well as the owners of the discarded gins, would reap the benefit of this advance of $5 per bale. Moreover, it would be impracticable to put in high-density presses at a rate faster than about 1,000 per year, if all the gin owners so desired, because there are a very few on the market, and it would take several years to manufacture and install them. This would permit, or rather necessitate, a gradual change during 10 or more years that would not involve heavy loss on anyone.

"There are about 250 compress plants in the cotton States, which are estimated at $60,000 each, exclusive of warehousing facilities and grounds, a total of $15,000,000. On these plants there would be considerable loss unless the reform is adopted gradually, as it must be necessarily, in which event much of the machinery would pay for itself several times and wear out in service.

"However, if we assume a total loss on the gins of forty millions and on the compresses of twenty millions, a grand total of $60,000,000, this would be much less than one-half of the average annual loss of one hundred and sixty millions on the cotton itself, due to our present bad systems of baling and handling.

"I have tried to point out the most glaring and costly leaks in the methods which obtain generally to-day in dealing with our product, have reduced these leaks as accurately as possible in terms of dollars and cents, and have pleaded the cause of high-density gin compression as the only practical solution of our difficulties. If the direct monetary advantages set forth for this system are founded on fact, then it must certainly be admitted that its adoption would result in other economic advantages which I have not identified with a corresponding saving in actual cash. The following summary, therefore, includes certain factors not previously dealt with:

"High-density gin compression prepares the bale for the spinner at the gin and in accordance with the requirements of cotton spinners and maufacturers in general.

"It reduces the average weight of tare per bale at least 20 pounds.

"It covers the bale completely, and protects it effectually from dirt, trash, country damage, and loss of lint in transit.

"It provides a uniform tare per bale and removes the present arbitrary Liverpool deduction of 6 per cent.

"It prevents excessive sampling and resampling. Gin-compressed cotton should be sampled but once—while the bale is being pressed—but it can be resampled, if desired, with perfect satisfaction to buyers.

"This bale can be easily handled with trucks and without the use of hooks.

"It can be more conveniently stored on account of its great reduction in size from the plantation bale.

"The improved covering will retain identification marks from gin to spinner, domestic or foreign.

"This system reduces artificial absorption of water when the bale is exposed to dampness or rain.

"It prevents gradual loss in weight from which a more loosely packed bale suffers.

"It will secure minimum freight rates on land, and has already received a voluntary reduction of 25 cents per hundred pounds in ocean freight rates.

"It has already received material reduction in marine insurance, and will receive reduced domestic rates on account of its compactness and a minimum danger from damage by fire.

"It will make possible the adoption of the much desired net-weight contract in the purchase and sale of American cotton.

"It means prompt shipment from points of origin and quick delivery to final points of destination.

"It will prevent congestion of the cotton crop at large compress plants during the fall and winter months each year.

"It will enable railroads to move and handle the crop with less than one-third of the present rolling stock and equipment employed.

"It will prevent arbitrations and reclamations for differences in grades, tare, and weights between local shippers and exporters.

"And, finally, it will produce an absolutely honest bale of cotton for the grower, the middle man, and the spinner.

"On the 8th day of last March I introduced in the United States Senate a bill requiring the Interstate Commerce Commission to 'establish and enforce preferential rates on shipments of cotton based upon the cubic contents of the bale,' and in reaching its decision to 'take into consideration the density of the bale, the amount of space it occupies, its uniformity in size, the character of its covering as a safeguard against damage or fire, and any other points that seem fairly to entitle it to favorable discrimination.'

"This is a measure of the greatest importance, and I sincerely hope it will receive your cordial support. This bill, or a similar one, would insure fair treatment for gin-compressed cotton, which has been denied it in the past, and if we can get a square deal for it from the railroads and steamboats, such as ocean steamers now give, no earthly power can hold it back.

"Gentlemen of the convention, I hope and believe this large gathering of cotton growers from every State in the South will evolve practical plans to apply the only remedy that promises sure and speedy cure of our ailment, and that remedy, I repeat, is high-density gin compression. We should all determine to adopt it as speedily as possible in our own gins and should put the whole force of our American Cotton Association behind it.

"At the present crucial period in national transportation, when there is the greatest scarcity of cars for all kinds of commerce, especially bulky commodities like cotton and lumber and heavy low-class articles, such as coal and road material, it would be unpatriotic if cotton producers fail to adopt new methods of baling and marketing which would save more than a hundred millions in money and dispense with the use of more than 300,000 cars every year. Indeed, it would be an economic crime during this trying era, when everyone who loves his country should produce and conserve to the utmost, not to adopt such a reform."

GOVERNMENT OF GREECE.

Mr. KING. Mr. President, I send to the desk a resolution, which I ask to have read and referred to the Committee on Foreign Relations.

The resolution, S. Res. 364, was read and referred to the Committee on Foreign Relations, as follows:

Whereas the sovereignty of the Government of Greece has been extended over the ancestral and national Greek territories in Thrace, Smyrna, and the islands of the Ægean Sea; and

Whereas the redemption of the Greeks from alien rule, the liberation of Greek culture from foreign submergence, the reintegration of the national territory and establishment of the political unity of the Greeks, have been the consistent aim and policy of the Government of Greece from the time of its liberation and independence; and

Whereas the United States was one of the first Governments to recognize the independence of Greece, and has observed with gratification and good will the progressive realization of the national aims and policies of Greece: Now, therefore, be it

Resolved, That the Senate of the United States congratulates the peoples and the Government of Greece upon the reintegration of their ancient territories, the liberation of their people from alien rule, and expresses its best wishes for the unity, progress, and welfare of the Greek people.

CIVIL-SERVICE RETIREMENT—CONFERENCE REPORT.

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1699) for the retirement of employees in the classified civil service, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. THOMAS. Mr. President, the Washington Post of yesterday informed the public that—

The executive committee of the American Legion has been called to Washington next week in an effort to force through Congress a soldier bonus bill before the convention recess, it was learned yesterday at Legion headquarters here.

Plans are for the committee to continue in session until the measure is passed or until the recess is taken, which probably will be early in June.

If the bill fails, a delegation will be sent to each convention to obtain approval of the bonus in the party platform, it was learned.

A very short time ago Congress, by a practically unanimous vote, passed a measure to incorporate the American Legion. I am sure that nearly every Member of the two Houses was impelled in his action upon that measure by the very lofty and patriotic announcement made by the representatives of that legion as to their purposes and objects in associating themselves together, and in desiring a national charter. I read that announcement more than once, and each time with a feeling of pride, for the objects to be attained, as outlined in its pronunciamento, were thoroughly desirable and very necessary, for at this time, and in the coming time, an organization such as the American Legion purported to be will prove more than serviceable in aiding the Government of the United States, as well as the State governments and municipalities, to continue in their orderly and constitutional way, and by that means give continued security to life and property.

Mr. KING. Mr. President——

Mr. THOMAS. I yield.

Mr. KING. I may have misunderstood the Senator, but as I understand him he approved of the plan to obtain a Federal charter for that organization. I inquire of the Senator, because that matter is now before the Judiciary Committee, whether he thinks it is within the power of the Federal Government to grant charters to organizations of this character for work which really seems to be private in character? Does the Senator think it is so much of a governmental organization as that the Federal Government would be justified under the Constitution in granting a Federal charter?

Mr. THOMAS. As an abstract proposition, Mr. President, I doubt very seriously the existence of such power. Unfortunately, however, we have exercised it, not once but many times, and consequently precedents have been established which may be said generally at least to excuse or condone the practice if not to justify it. I construed the doubt in favor of the applicants for that reason, as well as for the reason to which I previously referred. But I felt an apprehension that however lofty the declarations of the legion, it would be prone to fall into the control and under the influence of those desiring to use its potential possibilities for other than the purposes ostensibly declared to lie at its foundation. However, I was not prepared to see my apprehensions verified so very shortly after the incorporation was granted.

I hope, Mr. President, that the statement which I read at the commencement of my remarks will prove unfounded. I sincerely trust that it is not the purpose of the executive committee of this organization to convert itself into a lobby within the year of its birth, and by its officials assume to visit Washington and set up headquarters and attempt to force legislation in its favor through the two Houses of Congress.

Mr. STERLING. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from South Dakota?

Mr. THOMAS. I will yield for a question.

Mr. STERLING. I want to make a little statement.

Mr. THOMAS. I think I know what the Senator wants to do, and I will detain the Senate but two or three moments longer.

Mr. STERLING. Very well.

Mr. THOMAS. If, however, it should be developed in the immediate future that this statement is true, and that such a situation will confront us, then, in my judgment, we should seriously consider the question of revoking that charter, because this is but the beginning of a political activity and regarding legislation in the interest not of all but of some of the membership, which will crystallize into a custom, and concentrate in the city of Washington among the other combinations now here, and for the purpose of influencing legislation, either positive or negative, a combination of service men demanding first one and then another species of legislation, until the original objects for which the organization was created and upon the strength of which its charter was granted shall have been lost sight of entirely.

I now yield to the Senator from South Dakota.

Mr. STERLING. A parliamentary inquiry, Mr. President. I understand that the conference report will be the unfinished business?

The VICE PRESIDENT. It would be if we adjourned right now.

Mr. STERLING. In view of the fact that this is Saturday evening, and the Senate has been in session since 12 o'clock, I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate adjourned until Monday, May 17, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, *May 15, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in heaven, with open hearts and receptive minds we wait upon Thee at the beginning of this new congressional day, that we may take up the duties as they present themselves to us wisely, sincerely, conscientiously, patriotically, and at its close feel Thine approbation and the approbation of those here represented, sleep soundly, and awake refreshed for the duties of a new day; and Thine be the praise through Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

CONTESTED-ELECTION CASE—SALTS AGAINST MAJOR.

Mr. DALLINGER. Mr. Speaker, I desire to give notice that on Tuesday next, immediately after the reading of the Journal and the disposition of matters on the Speaker's table, I shall call up the contested-election case of Salts against Major, from the seventh congressional district of Missouri.

SPEAKER PRO TEMPORE TO PRESIDE TO-MORROW.

The SPEAKER. The Chair will designate as the Speaker pro tempore to preside to-morrow Mr. HUTCHINSON, of New Jersey.

FORTIFICATION APPROPRIATION BILL—CONFERENCE REPORT.

Mr. SLEMP. Mr. Speaker, I call up the conference report on the bill H. R. 13555, the fortification bill, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Virginia calls up the conference report on the bill H. R. 13555, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13555) making appropriations for fortifications and other works of defense, for the armament thereof, and for the procurement of heavy ordnance for trial and service for the fiscal year ending June 30, 1921, and for other purposes.

The SPEAKER. The gentleman from Virginia asks unanimous consent that the statement be read in lieu of the report. It is the conference report on the fortification bill.

Mr. GARD. Reserving the right to object, Mr. Speaker, is the statement so comprehensive as to enlighten the House?

Mr. SLEMP. I suggest that both be read. They are brief.

Mr. GARD. If it is not long, I suggest that that be done.

The SPEAKER. The Clerk will read the conference report and accompanying statement.

The conference report and accompanying statement were read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13555) making appropriations for fortifications and other works of defense, for the armament thereof, and for the procurement of heavy ordnance for trial and service, for the fiscal year ending June 30, 1921, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 5, 6, and 12.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 7, 8, 9, 10, and 11, and agree to the same.

C. B. SLEMP,
BURTON L. FRENCH,
JOHN J. EAGAN,
Managers on the part of the House.

REED SMOOT,
WM. S. KENYON,
LEE S. OVERMAN,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13555) making appropriations for fortifications and other works of defense, for the armament thereof, and for the procurement of heavy ordnance for trial and service for the fiscal year ending June 30, 1921, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the committee of conference and submitted in the accompanying conference report as to each of said amendments, namely:

On amendment No. 1: Appropriates $1,600,000, as proposed by the House, for ammunition for Field Artillery, instead of $2,000,000, as proposed by the Senate.

On amendment No. 2: Appropriates $350,000, as proposed by the House, for current expenses of the ordnance proving grounds, instead of $500,000, as proposed by the Senate.

On amendment No. 3: Appropriates $130,000, as proposed by the House, for land defenses in the Hawaiian Islands, instead of $560,000, as proposed by the Senate.

On amendment No. 4: Provides for the preparation of plans for fortifications and other works of defense in the Hawaiian Islands, as proposed by the Senate, instead of the Philippine Island, as proposed by the House.

On amendment No. 5: Strikes out the provisions, proposed by the Senate, continuing available until June 30, 1921, the unexpended balances of appropriations for aviation purposes in connection with the seacoast defenses in the insular possessions, and establishing limits of costs for buildings to be erected in the same connection.

On amendment No. 6: Strikes out the provision, proposed by the Senate, continuing available until June 30, 1921, the unexpended balance of the appropriation made in the act of July 8, 1918, for the purchase or reclamation of land for the defense of the Panama Canal.

On amendment No. 7: Inserts the words "or contracts," as proposed by the Senate, in the paragraph relating to orders for work placed with arsenals or other ordnance establishments.

On amendments Nos. 8, 9, and 10: provides for covering additional sums into the Treasury, aggregating $80,146.20, as proposed by the Senate.

On amendment No. 11: Changes total of appropriations to be covered into the Treasury.

On amendment No. 12: Strikes out the paragraph, proposed by the Senate, relative to the abolition or removal from any one of the arsenals of the United States any permanent department or shop established by legislative act prior to April 6, 1917, unless authorized by law.

C. B. SLEMP,
BURTON L. FRENCH,
JOHN J. EAGAN,
Managers on the Part of the House.

The SPEAKER. The question is on agreeing to the conference report.

Mr. MONDELL. Mr. Speaker, the gentleman from Iowa [Mr. HULL] desires to extend his remarks on the conference report.

Mr. HULL of Iowa. Yes. I ask unanimous consent to extend my remarks in the RECORD on the conference report.

The SPEAKER. The gentleman from Iowa asks unanimous consent to extend his remarks on the conference report. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

On motion of Mr. SLEMP, a motion to reconsider the vote whereby the conference report was agreed to was laid on the table.

SPECIAL ORDER.

The SPEAKER. Under the special order to-day, the gentleman from Georgia [Mr. UPSHAW] is recognized for one hour.

Mr. UPSHAW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. The gentleman from Georgia asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. UPSHAW. Mr. Speaker and gentlemen of the House, before beginning my message for this hour I feel constrained to pay special tribute, if by no more than an upward look, to the distinguished visitors present, largely members of the Southern Baptist Convention now in session here. The records show that 8,300 had registered as delegates, to say nothing of the thousands of visitors.

I call attention to almost a national tragedy—that there is no auditorium in this Nation's Capital large enough to take care of half of the visitors to our city, and as all patriotic citizens naturally love to visit the capital of their Nation and as such visits do so much to increase the patriotism of the people I believe that this Congress ought to move speedily to the erection of a great auditorium, seating 10,000 or 15,000, that will invite great gatherings of people of patriotic and religious purpose to visit the beautiful Capital of our country.

The nature of my speech to-day is a surprise to me, and it will be a surprise to my colleagues on the floor and many of the

visitors in the galleries who have been invited to hear another subject discussed. I had announced that I expected to speak to-day on my bill for a Federal pension to Confederate soldiers. I had expected to bring this message, as God is my witness, not so much for the brave old soldiers of the Southland as for my country's sake, basing my contention, not on one single bitter memory of the sixties, but purely on the ground of our blood-bought national fellowship and the proven loyalty of the Confederate soldiers through 50 years of peace, and their sons through two victorious wars. But yesterday I received an avalanche of requests, inside the House and outside among my friends, urging that I address myself in this hour to another important matter, postponing the intended message to some later date; and that other matter deals, I think, with just about the most vital thing before the American people.

Another reason I yielded to this request was that there is to be a great celebration out at Arlington, with parades covering the streets at this very hour, preparing for the dedication of the amphitheater, and I am anxious for all the Members of this House, especially all those on the northern side, to hear the full message I have prepared for the supreme purpose of increasing our national fellowship.

But before I come to the subject in hand, allow me to say in the spirit of good-fellowship that during my brief career as a legislator—my first year in Congress—I have loved most our seasons of common interest and not the times of partisan division. I have loved most the hour of the common purpose that has caused us to shake hands, and not to shake fists at each other across the political aisle. I have a rather proud memory that in my first utterance on the floor of this House I said I would love to see a political armistice, especially during the days of our reconstruction legislation, when we might impress the anxious people whom we represent that we are here, not striving primarily for partisan advantage, but working side by side for our country's safety and for our national glory.

A TRAVESTY AT ARLINGTON.

But I would be recreant to an impulse of loyalty, not only to my own section but I believe to the flag as well, if I did not protest against one thing that is taking place to-day at Arlington. William McKinley, the martyred President, when visiting my home city of Atlanta to help us celebrate the victorious termination of the Spanish-American War, said that it "Is now time for the National Government to care for the graves of Confederate soldiers."

I have a conviction that if he were here, if that indescribable American, Theodore Roosevelt, were here, with the rich blood of the southern cavalier in his veins, shrining the memory of his queenly Georgia mother—yea, if Abraham Lincoln were here, a son of the South and the great apostle of human freedom; if the soldierly and magnanimous Grant were here, who took to his bosom southern leaders like Longstreet, Mosby, and others after the war, and who died with the prayer on his lips, "Let us have peace"—I have a feeling that if this great quartet of statesmen and patriots were here to-day they would feel hurt in their hearts to attend the dedication of that amphitheater out yonder, built out of the money of all the people, built at the home of Robert E. Lee, who was a hero in the war with Mexico, and who was himself not only a graduate of West Point, but at one time the honored superintendent of that great military post; Lee whose matchless military genius and stainless Christian character are the priceless heritage of all Americans—I believe that if those great leaders of the North and the Nation could be present and see the name of Robert E. Lee denied a place on the roster of America's great ones in that amphitheater they would be deeply grieved.

And John B. Gordon is not there, gallant son of southern knighthood, who was a Senator of the United States after being governor of Georgia, and who spent the evening of his brilliant life, as John Temple Graves said of Henry Grady, "literally loving the Nation into peace." And Stonewall Jackson is not there—another brave soldier of the Mexican War, the noble educator, and the Christian hero, who spent his Sunday evenings teaching a negro Sunday school the word of God, that they might be better members of society. And "Fighting Joe" Wheeler, once a Member of this Congress, and before and after the Civil War an officer in the United States Army, whose name is forever linked with the name of Theodore Roosevelt at San Juan Hill. Instead of being able to ride on a dashing charger, as Roosevelt did in that memorable battle, Gen. Wheeler was carried on a stretcher to the battle lines in order that he might give his voice and his presence for the defense of the Stars and Stripes we all love. Great God of love and freedom and fairness, forgive the unthinkable spirit that would keep Joe Wheeler's name off the honor roll at Arlington! Of one thing I am sure: If Theodore Roosevelt, who issued an Executive order placing Gen. Wheeler's rank as a Confederate officer on his tomb at Arlington, were here, freshened by the memory of Wheeler's fight for our common flag at San Juan Hill, he would never allow his fighting comrade's name left off of that Arlington honor roll to-day.

And time would fail me to call every name of every southern leader whose valor in war and whose loyalty in peace have added a new halo to the brow of American heroism.

Mr. MADDEN. Will the gentleman yield?

Mr. UPSHAW. Pardon me, but I can not begin to yield.

Mr. MADDEN. I should just like to have the gentleman answer one question.

Mr. UPSHAW. All right, sir.

Mr. MADDEN. Does the gentleman complain and protest because the loyal people of the United States refused to pay tribute to the men who were traitors to the country in its time of greatest distress?

Mr. UPSHAW. Will the gentleman hear this? I did not intend——

Mr. RAYBURN. I move to strike those words from the RECORD.

Mr. UPSHAW. Never mind; I am willing——

Mr. RAYBURN. They are an insult to every man——

Mr. UPSHAW. I have come here in the spirit of love and fellowship——

The SPEAKER. To whom does the gentleman yield?

Mr. RAYBURN. I yield at this time, of course.

Mr. UPSHAW. I believe it would be a beautiful thing for this Congress on this very day of that dedication——

Mr. BLANTON. Mr. Speaker, a point of order. I ask that the words of the gentleman from Illinois be taken down.

Mr. UPSHAW. No; do not do that.

Mr. BLANTON. I do not think the colleagues of the gentleman from Illinois will back him up in that statement.

Mr. UPSHAW. Never mind—don't do that.

The SPEAKER. The gentleman from Texas is not recognized.

Mr. BLANTON. You have got bigger men on that side of the aisle than that.

Mr. UPSHAW. Please do not strike them out—let his words stand.

Mr. BLANTON. There is not a man on that side who will O. K. what the gentleman said.

Mr. UPSHAW. I must decline to yield further. I believe it would be a beautiful thing if this House, in the spirit of our present-day fellowship, would this day pass the resolution of Gen. SHERWOOD, the hero of more than 30 battles in the Union Army, simply asking this Congress to correct that giant wrong; and I expect to insert in my extension of remarks a letter from Dr. Clarence J. Owens, a former commander of the Sons of Confederate Veterans, to President Wilson concerning this matter.

DO THE STARS HAVE ANY MEANING?

Let me say this to the gentleman from Illinois and to all of my colleagues, that if the star on that flag back of the Speaker's chair which answers to the name of Georgia means anything, and if the star of every other State from the Potomac to the Rio Grande that nurtures upon its bosom these brave old heroes who for more than half a hundred years have been loyal to the Stars and Stripes—if it means anything at all, it means that every citizen beneath those stars is a brother to his brothers everywhere. [Applause.]

And if this Government has been willing to see these brave old heroes march in unmurmuring loyalty to the Treasury of the Nation for more than 50 years, and ungrudgingly pay the pensions of their victorious brothers; if this Government has been willing to find the name of a Confederate soldier when it has wanted to sell Liberty bonds and raise the revenues of war; if this Government has been willing to visit the hearthstone of every soldier of the South and find there the brave boys, some now sleeping in graves of the Spanish-American War and others beneath the poppies of France, and take them to fight side by side with the boys of the North for that flag for which "Fighting Joe" Wheeler went to the front on a stretcher, to fight and maybe to die, at San Juan Hill, then in God's name it is time for any narrow, little partisan spirit to be forever driven from this House and from the American people, and let us love each other like brothers. [Great applause.]

My father, who wore the gray of the Confederate soldier, and who taught his sons to love the Stars and Stripes, always said that the war could have been averted if only the people could have understood each other, and that the honesty and bravery of the southern soldier in tenaciously clinging to his lifetime concept of the meaning of the Constitution made him just as much a hero as the honest soldier of the North who clung likewise tenaciously to his concept of duty to the Union.

Alas, it was "the strife of brothers," and no brave soldier of the North who faced the heroic soldier of the South ever felt like applying the brand of "traitor" to his heroic adversary. And when the misunderstanding was over and the great family quarrel settled in God's own appointed time the happy children, once estranged, gathered under the same roof tree, happy in the hand clasp of reconciliation and peace. And the man who calls the loyal soldier of the South "a traitor" after more than 50 years of proven devotion to the flag of our reunited country is as near to blindness, it seems to me, as he is far removed from that bravery and that magnanimous manhood which are essential to the happiness and security of the land we love. The war of the Revolution could never have been won without the South; the War of 1812 could never have been won without the South; the War with Mexico, that stretched our dominion from sea to sea, could never have been won without the South; the war of the sixties, for the permanence of the Union, would never have been fought and won but for the South's honest devotion to a sacred constitutional concept; the War with Spain was not won without the South; and the war with Germany, God knows, could never have been won without the sons and daughters of the South.

Where, O where, can you find justification for the narrow spirit—the callous philosophy that would shut out from this governmental recognition the leaders of those who come from the sun-kissed home of warm-hearted chivalry—the brave and noble people, the glory of whose valor, the beauty of whose sufferings, and the enterprise and fidelity of whose sons and daughters have made such a priceless contribution to the building of our common country? And I would have to apologize to my manhood if I were to submit without protest to this Arlington discrimination against the fathers and builders of that glorious section whose salutary influence in lofty patriotism, in orthodox religion, and in progressive commerce have made a veritable gulf stream of blessing flowing through the Nation's larger life and fructifying every shore that it has touched.

THE LAW RECOGNIZED THE SOUTHERN SOLDIER.

And to show that we are right in this contention, and that the framers of the law making this appropriation for the amphitheater did not intend that the southern soldier should be left out, I quote the following section of the bill:

For completing the construction, under the direction of a commission consisting of the Secretary of War, the Secretary of the Navy, and Superintendent of the United States Capitol Building and Grounds; John McElroy, representing the Grand Army of the Republic; the commander of Camp No. 171, United Confederate Veterans of the District of Columbia; and Charles W. Newton, representing the United Spanish War Veterans, of a memorial amphitheater, including a chapel, at the National Cemetery at Arlington, Va., and in accordance with the plans of Carrere & Hastings, architects, of New York City, adopted by the commission heretofore appointed, and for each and every purpose in connection therewith, $75,000, to remain available until expended; and the limit of cost of the said memorial is increased from $750,000 to $825,000.

In consonance with the spirit of this legislative act and the splendid devotion to the fellowship of the Nation which he has served so well through the Southern Commercial Congress in building "A Greater Nation Through a Greater South," Dr. Clarence J. Owens, of Washington, D. C., has written the following ringing letter to President Wilson:

WASHINGTON, D. C., *May 10, 1920.*

President WOODROW WILSON,
The White House, Washington, D. C.

MY DEAR PRESIDENT WILSON: The Arlington Memorial Amphitheater, according to announcement, will be dedicated May 15. The Congress of the United States in providing for this memorial provided for a Confederate veteran to be a member of the commission. This action was construed to make the program for the erection of the memorial cover every part of the United States.

Secretaries Baker and Daniels are sons of Confederate veterans. They have permitted John McElroy, representing the Grand Army of the Republic, to dominate the plans for the memorial to the extent that not a single southern military hero is honored in the memorial.

Herewith I am sending to you, in chronological order, the effort that I have put forth to correct this grave injustice to our fathers of the South. You will note that Secretary Baker stated that the inclusion of Confederate veterans was a peace offering to the South, whereas I replied that we understood that the peace offering was made at Appomattox and that the reunion was made complete when the stars representing the South were put back into the flag. Secretary Baker stated that President Alderman acted as a member of the committee that selected the names to be engraved on the memorial. The correspondence will disclose the fact that President Alderman acted under a misapprehension as to his prerogative, and he makes explanation. While his explanation to a great degree is satisfactory, yet from my own point of view I can not condone his acquiescence in the plan to omit all southern names and his ignorance of the inclusion of a Confederate veteran on the commission.

The articles appearing in the Sunday Star of May 9, written by John McElroy, and in the Washington Post of May 10, by Mrs. D. W. Ball, clearly indicate the spirit that is animating those who are in control of the plans for the dedication of the memorial. McElroy is a member of the commission, and he and Mrs. Ball point out the fact that the United States Government paid $150,000 for an estate valued at $34,000 by the assessors in 1860; that the United States bought Arlington for $26,000 in 1864 in a tax sale; and that Arlington, "never the property of Robert E. Lee," cost the United States $176,000. There is clear-cut animus back behind these statements. You are aware of the fact that Arlington was confiscated and sold for taxes when the amount due was approximately $100, and that it was not the negotiation of the heirs to the Lee estate with the United States resulting in the final purchase price, but that it was a decision of the Supreme Court of the United States in favor of the Lee heirs that inspired the Congress of the United States to make the appropriation in reparation for the confiscation.

Gen. SHERWOOD has introduced the joint resolution, copy of which is inclosed, but Congressman GOULD, chairman of the Library Committee, states that there is no opportunity to report this measure out before the adjournment, and therefore before the dedication, and hence for all present purposes the proposed legislation will be of no avail.

You will see that Congressman GOULD regards the act of Secretary Baker and the commission as presumptious, in that there is no authority of law for the placing of memorials in the amphitheater, and points out that a bill now pending, that has received the approval of Secretary Baker, provides expressly that this prerogative of the selection of names for the amphitheater shall be left with the Congress of the United States.

The appeal is now made to you direct to take such steps as may be necessary to not only correct the injustice above referred to, but to exhibit to our people in all parts of the United States the solidarity of America and the fidelity of the men of the South on a parity with the men of other parts of our common country in defense of the flag and humanity on the battle fields of the Spanish-American War and the Great World War.

With the hope that this memorandum may have your immediate and sympathetic consideration, and with best wishes for your own health and happiness, I have the honor, sir, to remain,

Cordially and sincerely,

CLARENCE J. OWENS,
Director General.

NO BACKWARD STEP MUST BE TAKEN.

But, Mr. Speaker and gentlemen of the House, the special matter that has attracted my attention and to which I have been asked to address myself comes in a resolution passed yesterday by the great Southern Baptist Convention, and also a remark made before that convention by the honored Vice President of the United States. In making that address of welcome the Vice President playfully said in his brilliant way, "I think you good people ought to give your attention to preaching the gospel and not bother with politics and with law." I want to remind my colleagues and all who hear me in the galleries that if that is true it would emasculate the citizenship of every loyal man in America who belongs to any church. I stand in reverent memory to-day by the sacred dust of my noble father, who taught his boys around the family altar two proverbs: First, it is the duty of every man to take an intelligent interest in the things of government.

Second, if good men do not control this Government then bad men will; and his son, who occupies a place in this House largely as a fulfillment of the impact of that influence, has put his father's words into another aphorism, if you please—that it is the duty of every man to project his citizenship beyond the church-house door. If my Baptist pioneer ancestors had not wrought their influence upon the unformed instrument of the Constitution, we might to-day have a state church in America, and we would not have had the world's fullest meaning of religious freedom and the separation of church and state. [Applause.] Thomas Jefferson said that he got his concept of the American Union "from witnessing the deliberations of a little backwoods Baptist church in the mountains of Virginia"—that he learned from them the fundamental principles of liberty of conscience, freedom of soul and absolute divorcement of the church from the state in all matters of conscience and support.

But, Mr. Speaker, I wish to read the resolution offered by that great preacher-statesman, Dr. A. J. Barton, of Texas, Arkansas, and Louisiana, and passed yesterday by the convention, representing 3,000,000 white Baptists in the South:

Whereas prohibition is now a part of the Constitution of the United States and is no longer a political question but a question of respect for and the enforcement of law, a question of the authority of the whole people expressed in law; and

Whereas the brewers and their paid attorneys are making every possible effort to circumvent and nullify the law by making beer and wine an entering wedge for the return of the saloon; and

Whereas the said brewers and their paid attorneys claim that there is a reaction in the public mind against prohibition: Therefore be it

Resolved by the Southern Baptist Convention in annual session assembled in Washington, D. C., May 12–17, 1920, with 8,000 messengers enrolled, representing a constituency of 3,000,000 white Baptists, That we hereby respectfully and earnestly petition each of the two great political parties of the United States to put a plank in their respective platforms to be adopted at their approaching national conventions declaring strongly for the maintenance and enforcement of the eighteenth amendment to the Constitution, and of the law enacted for its enforcement.

Second. That we also petition said parties not to nominate any man for the Presidency who is not known to be committed to this policy of law and order.

Third. That the committee on temperance and social service be, and the same is hereby, authorized and instructed to communicate a copy of these resolutions to the chairman of the executive committee of each of the two great parties.

These resolutions furnish an inspiring illustration of the militant purpose of 3,000,000 men and women who believe in

"bothering about Congress and the laws" by being vigilant citizens in the kingdom of men as well as the kingdom of God.

I put over by the side of this brave and ominous utterance of the Southern Baptist Convention the statement of the committee of six, representing 22 national antiliquor organizations in this country, in which they bring out in eight powerful points the reasons why there should be no laxity at this early day, or any other day as for that, on the question of prohibition and law enforcement.

The following represents the attitude of the combined temperance forces in their appeal to the national political conventions to adopt a plank to sustain and enforce the eighteenth amendment and the Federal prohibition code. The reasons set forth in this document are conclusive, and they ought to have weight not only with the convention but with every law-abiding citizen in the Nation:

[National Temperance Council. Officers: President, Daniel A. Poling, LL. D., 31 Mount Vernon Street, Boston; vice presidents, Rev. P. A. Baker, D. D.; Virgil G. Hinshaw; D. Leigh Colvin, Ph. D.; Anna A. Gordon; Ben D. Wright; secretary, Ernest H. Cherrington; treasurer, Joshua Levering, Baltimore, Md.; officers of executive committee—chairman, Ernest H. Cherrington, Westerville, Ohio; secretary, Cora F. Stoddard, 36 Bromfield Street, Boston.]

To the members of the platform committees of the national political party conventions:

In your consideration of the planks that should be inserted in the national platform, we respectfully submit that the eighteenth amendment and its enforcement should be favorably considered.

This amendment was adopted in the face of greater opposition than any other part of the Constitution. The investigation of the brewers, their corrupt practices and unpatriotic activities, reveals the vicious methods used by that traffic to continue its existence. We attach hereto a copy of the findings of the subcommittee of the Judiciary Committee of the Senate, after taking over 6,000 pages of sworn testimony, as to the correctness of the charges made in Senate resolution No. 307. That testimony, with the findings of that committee, represents the most astounding disclosure ever made relating to the corrupt methods of the liquor traffic.

In spite of this organized opposition and the difficulties that stood in the way of securing an amendment to the Constitution, more than two-thirds of the Members of Congress voted to submit the national prohibition amendment to the States for ratification or rejection. The number of Republicans who voted for it in the House was 137, the number against it 62. We inclose herewith data which shows a more detailed analysis of the vote for the use of the committee.

In less than 14 months, 45 State legislatures ratified the eighteenth amendment, after it was submitted, representing by majority rule of these legislatures over 95 per cent of the population and 98 per cent of the territory of the Nation.

There is no legal method to repeal that amendment but by its resubmission by Congress and the repeal of ratification by the legislatures of three-fourths of the States.

Just as one branch of the legislature in 13 States could prevent ratification (which means fewer than 200 State senators out of every 6,500 members of the legislatures of the 48 States) so an equal number can prevent the repeal of the eighteenth amendment. It is manifest, therefore, that this issue has resolved itself into a question of law and order and the effective enforcement of a constitutional provision.

The Congress by a vote of more than two-thirds majority enacted a law enforcement code as authorized by the Constitution. Its provisions are precedented by those in more than 30 States, which have for years dealt with the law enforcement problem of prohibition. The standard fixed in that law for defining what is intoxicating liquor has been sustained in principle by the supreme courts in practically all of the States and the Supreme Court of the United States. In fact, even stronger definitions have been adopted in some of the State prohibition laws.

The United States Supreme Court in sustaining the constitutionality of the war prohibition act, defining the term, "intoxicating liquor," which definition is identical with that of the permanent prohibition code, and in the case of Ruppert *v.* Caffey, decided January 15, 1920.

"For the legislation and decisions of the highest courts of nearly all of the States established that it is deemed impossible to effectively enforce either prohibitory or other laws merely regulating the manufacture and sale of intoxicating liquors, if liability or inclusion within the law is made to depend upon the issuable fact whether or not a particular liquor made or sold as a beverage is intoxicating.

"In other words, it clearly appears that a liquor law, to be capable of effective enforcement, must, in the opinion of the legislatures and courts of the several States, be made to apply either to all liquors of the species enumerated, like beer, ale, or wine, regardless of the presence or degree of alcoholic content; or if a more general description is used, such as distilled, rectified, spirituous, fermented, malt, or brewed liquors, to all liquors within the general description regardless of alcoholic content; or to such of these liquors as contain a named percentage of alcohol; and often several such standards are combined so that certain specific and generic liquors are altogether forbidden and such other liquors as contain a given percentage of alcohol. * * *

"A test often used to determine whether a beverage is to be deemed intoxicating within the meaning of the liquor law is whether it contains one-half of 1 per cent of alcohol by volume. * * *

"The decisions of the courts as well as the action of the legislatures make it clear, or, at least, furnish grounds upon which Congress reasonably might conclude—that a rigid classification of beverages is an essential or either effective prohibition of intoxicating liquors."

The court then quoted with approval the case of Purity Extract Co. *v.* Lynch (226 U. S., 192), which reads as follows:

"The State, within the limits we have stated, must decide upon the measures that are needful for the protection of its people, and, having regard to the artifices which are used to promote the sale of intoxicants under the guise of innocent beverages, it would constitute an unwarranted departure from accepted principle to hold that the prohibition of the sale of all malt liquors including the beverage in question, was beyond its reserved power. * * *

"That the Federal Government would, in attempting to enforce a prohibitory law, be confronted with difficulties similar to those encountered by the States is obvious; and both this experience of the States, and the need of the Federal Government of legislation defining intoxicating liquors, as was done in the Volstead Act, clearly set forth in the reports of the House Committee on the Judiciary in reporting the bill to the Sixty-fifth Congress, third session, Report 1143, February 26, 1919, and to the Sixty-sixth Congress, first session, Report 91, June 30, 1919. * * *

"It is, therefore, both clear that Congress might reasonably have considered some legislative definition of intoxicating liquor to be essential to effective enforcement of prohibition, and also that the definition provided by the Volstead Act was not an arbitrary one."

In the light of this decision and the experience of the States, it is manifest that any liberalization of this standard is an attack upon the Nation's enforcement of the law, and would in fact be winking at lawlessness.

These reasons set forth by the courts and followed by the State legislatures relating to beer and wine exemptions have also been accepted by the people. Soon after prohibition was adopted in Michigan, a State referendum was taken on a so-called light wine and beer amendment. Prohibition carried in the first election in Michigan by 68,000. The beer and wine amendment was defeated in 1919 by 207,000. Ohio voted for prohibition in 1918 by approximately 24,000. After the soldiers returned in 1919, the brewers brought on a referendum for the repeal of prohibition and a 2.75 per cent beer and wine amendment. The prohibition repeal was defeated by 41,853, almost double the first dry majority, and the beer and wine amendment by 29,781. Similar referenda have been taken in Washington, Arizona, Oregon, and Colorado with the same results. The advocates of beer and wine have always been defeated in State legislatures and in Congress in their attempt to provide an exemption of these alcoholic beverages. It means the continuance of the beer saloon, which was the most corrupting influence in the community. The people, the legislatures, and Congress know that it is a subterfuge to defeat the enforcement of the prohibition laws. The Attorney General, A. Mitchell Palmer, was right when he said in a communication to Senator SHEPPARD when the prohibition code was pending:

"Referring to the proposed definition, I do not think the wisdom of such action on the part of Congress admits to doubt. It goes without saying, I think, that if a law merely prohibits intoxicating liquors and leaves to the jury in each case, from the evidence produced, to determine whether the liquor in question is in fact intoxicating or not, its efficient and uniform administration will be impossible."

This so-called demand from the rank and file of the people for a beer-and-wine amendment is not real, as the votes on this issue show. It is brewery propaganda to cripple law enforcement. Until the amendment itself is repealed or modified, every loyal citizen and every faithful official is duty bound to stand for its enforcement. This admittedly sane policy of standing for the enforcement of the law can not be encouraged or carried out by raising the standard of alcoholic content in beverage liquors. Every prohibition State that has tried it has repudiated the experiment as a failure. Georgia, with a 2 per cent beer exemption, soon discovered that it was impossible to enforce the law in that form. In addition, the weakening of this standard would mean adopting a Federal policy in direct conflict with the standards set in at least 34 States of the Union.

WET PROPAGANDA AGAINST PROHIBITION.

The liquor interests in their effort to save beer and wine and discredit national prohibition have carried on a propaganda for many months to deceive the public concerning the facts in connection with the eighteenth amendment. They have done this on a large scale while the friends of prohibition were assuming that the amendment having been submitted and ratified by overwhelming majorities, the question had resolved itself into a matter of law enforcement. As a matter of fact, it has, because by the constitutional methods of amending the Federal organic law the liquor interests would need affirmative action by 36 States in both branches, whereas 33 States have already adopted prohibition, and 4 others State prohibition-enforcement codes, and a single branch of the State legislature in 13 States can prevent repeal.

The same public sentiment that carried prohibition in the States and in the Nation by such overwhelming popular and legislative majorities is less active now because of the confidence that all patriotic citizens and organizations will as a matter of course support the enforcement of the laws of the United States. But if conditions compel, that sentiment will undoubtedly be aroused and will assert itself with even greater power than heretofore manifested.

HOW PROHIBITION WORKS.

In spite of this campaign of misrepresentation, the facts show that prohibition is being accepted by the people generally as an accomplished fact. It is proving daily that its enforcement is a great economic, social, moral, and political blessing. We submit in Exhibit D attached hereto some of the rapidly accumulating testimony on this point.

It is manifest in the face of these facts and conditions that every political party which has stood for law and order and the integrity and unity of the Federal Government, should favor a strong plank for the eighteenth amendment and its honest enforcement, and that any backward step will not be countenanced in the weakening of the law, or in the making of its enforcement more difficult or impracticable. The American creed binds us all to support the Constitution of the United States, and to obey and help enforce the laws of our country. If the brewers of this Nation are permitted by subterfuge to nullify the eighteenth amendment by a so-called light wine and beer amendment, or to prevent the enforcement of the eighteenth amendment in the prohibition enforcement code, then any other class of lawbreakers may use the same or similar methods to defy the laws of the land, and the Government will then be in jeopardy.

Law enforcement is essential to the perpetuity of orderly government, and we believe now is the time for a clear, clarion declaration by the political parties for a greater respect for law, and the party which makes this declaration clearest and most emphatic for the enforcement of the eighteenth amendment, and effective laws enacted pursuant thereto, will secure the support of the largest majority of the voters.

We make this appeal to you on behalf of the National Temperance Council, made up of 22 national temperance and prohibition organizations. We trust that you will give it your careful and favorable consideration.

WAYNE B. WHEELER, *Chairman,*
LENNA L. YOST, *Secretary,*
EDWIN C. DINWIDDIE,
OLIVER W. STEWART,
DANIEL A. POLING,
CLARENCE TRUE WILSON,
Committee on Memorial to Political Parties.

COOPERATING ORGANIZATIONS.

American Temperance Board of the Disciples of Christ.
Anti-Saloon League of America.
Board of Temperance of the Presbyterian Church in the United States of America.
Board of Temperance, Prohibition, and Public Morals of the Methodist Episcopal Church.
Catholic Prohibition League.
Committee on Promotion of Temperance Legislation in Congress.
Committee of Sixty on National Prohibition.
Committee on Temperance and Social Service of the Northern Baptist Convention.
Committee on Temperance and Social Service of the Southern Baptist Convention.
Department of Temperance and Good Citizenship of the United Society of Christian Endeavor.
Flying Squadron Foundation.
Intercollegiate Prohibition Association.
International Order of Good Templars.
International Reform Bureau.
National Division of the Sons of Temperance.
National Prohibition Party.
National Woman's Christian Temperance Union.
Permanent Committee on Temperance of the Evangelical Lutheran Church, General Synod.
Scientific Temperance Federation.
Temperance Commission of the Federal Council of Churches of Christ in America.
Temperance Commission of the National Congregational Council.
Temperance Committee of the Universalist Church.

Let the "blind leaders of the blind" who foolishly hope to bring liquor back to the legalized protection of our flag ponder well these two sweeping declarations. I have been led to speak on this subject partly by the speech of my genial friend from Massachusetts [Mr. GALLIVAN], in which he sought to prove at this early day, when prohibition has had no opportunity to fully express itself, the failure of prohibition, and in which he referred to the presence of many stills in the mountains of Georgia and the Carolinas, and what not. I only remind him that the presence of these stills—and we are smashing them right and left—is but the evidence of a devilish appetite created by the legalized saloon—fighting our effort to get straightened out after the country has been on a big drunk all of these years—after whisky has wrought its havoc upon the people. I also remind him that the figures show that in New York and Baltimore, and even in his own Boston itself, there are countless illicit makers and sellers of rum.

The gentleman from Massachusetts [Mr. GALLIVAN] said, by some strange deduction, that it would cost $88,000,000 a year to enforce the prohibition law, when the facts here, as brought out by careful investigation, show that the actual cost is only about $5,000,000 a year, and computing from the experience of a district in Michigan and another district incorporating Virginia, the facts bear out the assertion that the fines and forfeitures thus far have more than taken care of the amount allotted by the National Government for the enforcement of this law. But even if it did cost that much outright, what is that compared with the annual drink bill of $2,500,000,000 in America, plus the unspeakable depletion of the earning capacity of millions of men and women, plus also the cost of police courts and prisons everywhere?

A SOLEMN WARNING.

I come to bring you in good fellowship this solemn warning, and in saying this thing I want to declare that I stand with uncovered head before the marble integrity and splendid manhood of many of my colleagues who do not agree with me on this question. In my long fight before coming to Congress, for the enactment of this law, I proceeded upon this fundamental motto: "Love for the saloonkeeper but death to the saloon." And so what I say is wholly impersonal.

Down in my city we have a genial merchant, "Bob" Broyles, who is a volcanic orator. He is also gloriously "dry" and gloriously red-headed. He told me the story of a boy who came down the street crying. A policeman said to him, "Sonny, what are you crying about?" The boy replied, "That boy said that my sister was red-headed and I climbed him and got bunged up." The policeman said, "Well, ain't your sister red-headed?" and the boy replied, "No; I ain't even got no sister; it is just the principle of the thing." [Laughter.] So, when a man says, "I do not drink myself, but I am against prohibition on principle," I am compelled to reach the conclusion that if his principle makes him in favor of the sale of liquor and his neighbor's principle makes him opposed to it, then the thing that influences him is a liquor principle. And I would be afraid to sleep with such a thing.

But I am not here to discuss the fundamental issues in detail. I come to this hour seeking to send this message as broadcast as I may, because I find so many good men forgetting the danger of influential utterances on this question. This is one of the things I warn against. We want to be law-abiding citizens; we want to do everything to build up a sober, happy Nation; but if Members of this Congress, influential in the leadership of their own sections, and if other prominent leaders of America right now, when this law is only beginning, suffer themselves to make rash public utterances that discourage law enforcement, they are hurting the meaning and the spirit of our Government. Some thoughtless people say that the fight is over.

IS THE FIGHT OVER?

Is the fight over? May we fold our hands and fight no more and give no more to the cause of righteousness? I offer you for your answer the meeting in Chicago last year of a great gathering of the amalgamated, concentrated, "unfumigated" liquor interests, who pooled what they claimed was $2,000,000,000 of their holdings and put as much as they might need into the hands of resourceful lawyers to fight this eighteenth amendment. And newspaper stories have been sent broadcast magnifying every failure and minimizing every success of prohibition.

Do you think the battle is over? I offer you for your answer the fact that last November more than half a million men in Ohio marched to the polls and voted to unratify the constitutional amendment already ratified. Do you think the battle is over? I offer you for your answer the election in New Jersey of a man who declares that he was elected on a plank that "would make New Jersey and the Nation as wet as the Atlantic Ocean." The governor of that State led his legislature to the enactment of a 3½ per cent law, which defiantly tramples the one-half per cent Volstead law that we passed here, a law in consonance with the spirit of the eighteenth amendment. That law declares Congress shall make laws for the enforcement of this act. The governor of Maryland led in a similar tragedy. In doing that they set the example and gave the personal encouragement to every form of lawbreaking that the liquor forces know how to carry out. These liquor men who are declaring prohibition laws "unconstitutional" and crying "*Back to the Constitution!*" really mean "*Back to the barrooms of our fathers!*"

I speak not of any one man or party. I speak of the liquor business as a business. It has no conscience or politics. Up yonder in Pennsylvania it stands for "the Grand Old Republican Party." Down in Georgia, where most everybody is a Democrat, I heard one of their attorneys stand before the committee of the whole in the legislature and say, "Oh, sons of Democratic fathers, the principles of democracy call on you to rise in the majesty of your might and drive out this iniquitous fanaticism." Ha! ha! In Kentucky and Ohio, where it is nip and tuck between Republicans and Democrats, the liquor interests stand for "any old thing" that will perpetuate their iniquitous rule.

What is to be done? Listen. I give you over against that dangerous leadership of these "wet" governors the answer of the governor of Massachusetts when he vetoed the 2.75 per cent law. Hear it:

BRAVERY OF GOV. COOLIDGE.

There is little satisfaction in attempting to deceive ourselves. There is grave danger in attempting to deceive the people. If this act were placed on the statute books of this Commonwealth to-day, it would provide no beer for the people. No one would dare act upon it, or if anyone did he would certainly be charged with crime. Similar laws in other States are to date ineffective. I am opposed to the practice of a legislative deception. It is better to proceed with candor.

* * * * * * *

When I took office I took oath to support the Constitution of the United States. That Constitution and the laws of Congress are declared to be the supreme law of the land. It may be that the eighteenth amendment and the act under it are one or both void. So far as any court has decided, I understand the amendment has been sustained. They have been before the Supreme Court for some time, where up to now they both stand as law. That which the court hesitated to decide I shall not hasten to declare. It would be extremely improper to undertake to influence that decision by the action of the law-making power of Massachusetts. Do not anticipate it; await it. My oath was not to take a chance on the Constitution; it was to support it. When the proponents of this measure do not intend to jeopardize their safety by acting upon it, why should I jeopardize my oath by approving it?

This comes as a brave answer from a brave and honored Republican governor of the historic Commonwealth of Massachusetts. Democrat as I am, I crown this loyalty to the Constitution of the United States and to the home interests of the American people, and I rejoice to give the hand of fellowship to Gov. Coolidge as a governor worthy of a great Commonwealth. [Applause.]

Gentleman, the eighteenth amendment found its way into the Constitution by due and orderly process after half a century of a public educational campaign, and when it found its way there by the vote of both Houses of Congress and was indorsed, not by the necessary 36 States but by 45 States of the American Union, I believe that when any governor will lead his people to trample on the national law and the Constitution of the United States itself, and thereby shake his fist at the American flag and say, "My State is bigger than the National Government," I believe that that governor ought to be removed from office, if not put behind the bars. [Applause,]

Gentlemen, here is the danger I bring to you. If we create the spirit of defiance concerning this law we open the door

through which a horde of lawbreakers will come and trample with impunity every law that is put on the statute books. I have fought side by side with leaders of all denominations in fighting saloons, including several Catholic priests, therefore I say it with sorrow and warning, but a high dignitary like Cardinal Gibbons, after the law had been passed, when its enactment was about to come into force, gave out a declaration that he was still opposed to prohibition. He said that 20,000 priests would not be able to celebrate mass because they could not get wine. I answer him earnestly and definitely, that there are more than 20,000 ministers of God in this land that celebrate the Lord's Supper with "the fruit of the vine," but not the fermented kind that has the evils of intemperance in it. It is a dangerous thing for a man, high or low, in church or state, to use his influence to discourage the enforcement of a law that was enacted for the guardianship of the sobriety of the manhood and the womanhood of America.

Without reference to the merits of unfermented or fermented wines, permit me to say, however, that there is nothing in the eighteenth amendment that prevents or authorizes the prohibition of the manufacture or sale of wines for sacramental purposes. The following communication was sent by the general counsel of the Anti-Saloon League of America to the Catholic paper entitled America, which gives the attitude of the Anti-Saloon League and most other prohibition organizations concerning the manufacture and use of wines for sacramental purposes:

WAYNE B. WHEELER'S ANSWER.

In the America on February 21, 1920, is found the following:

"MAY CONGRESS NOW BAN THE MASS?

"The answer to this question must be that under the eighteenth amendment the legal power of Congress to ban the mass can not be questioned.

"The conviction that under the eighteenth amendment Congress might legally suppress the mass has been strengthened by the frank admission made by Mr. Wayne B. Wheeler, chief legal counsel for the Anti-Saloon League."

Permit me through your columns to emphatically deny that I ever made any such admission or any statement justifying any person to quote me against the use, making, selling, or using of sacramental wine. In the eighteenth amendment the use of wine for sacramental purposes is not prohibited, and in my judgment could not be prohibited, because it does not represent any beverage use, nor does it have any reasonable relation to the purpose of the prohibition act to prohibit the beverage use of liquor.

Here is the reply I made at the hearing in the New Jersey Legislature to Mr. Brown, a member of the committee, who is aggressively against prohibition. Reference is made to this by Father McNamara in America on March 20:

"Mr. BROWN. Yes; and you will go a step further if you should succeed in passing another act—that is by way of supposition—you would do away entirely with the use of wines for sacramental or medicinal purposes if you thought it was necessary, would you not?

"Mr. WHEELER. No; that is specifically provided for in the Volstead Act.

"Mr. BROWN. I know, but the Constitution itself provides for a limitation for beverage purposes; isn't that right, a prohibition?

"Mr. WHEELER. Yes; for beverage purposes.

"Mr. BROWN. But if you want to make effective your line of argument, and it became necessary, you would legislate that no liquor could be used for any purpose at all, would you not?

"Mr. WHEELER. Well, I would say no. I have always advised against in any way interfering with the manufacture, sale, or use of wine for sacramental purposes; it has always been considered a part of the religious rite. They did it in one State contrary to our advice and the supreme court of that State held that they had no constitutional right to do it. It was interfering with a religious rite."

The above is from the official stenographic notes.

This is in harmony with the consistent attitude the Anti-Saloon League of America has taken on this subject. We were asked at the time of the adopting of the amendment why the league did not urge a specific exemption for sacramental wine from the eighteenth amendment. The reason was clear.

"The eighteenth amendment prohibits the manufacture and sale of intoxicating liquor for beverage uses. The Judiciary Committee and Congress considered the sacramental use of wine as having no reasonable relation to the beverage use. For this reason they decided it was unnecessary to specifically exempt it."

After the present draft of the eighteenth amendment was agreed upon by the prohibition forces, I submitted it to a large number of influential Catholic lawyers to see if they had any doubt about the amendment and the construction for which we contended. Among them were Judge William H. De Lacy, first judge of the Juvenile Court in Washington; Charles F. Reddoch, a leading Catholic lawyer of Idaho; John Boyce, of Indiana, and many other leading Catholic lawyers and laymen who gave strong opinions that sacramental wine could not be prohibited under authority to prohibit beverage liquors.

In order that there might not be any doubt in the minds of Catholics concerning the attitude of the officers of the Anti-Saloon League of America, this statement was adopted by the officers of the league, and given to the press, while this controversy was pending:

"It is the purpose of the Anti-Saloon League of America to secure legislation to prohibit the beverage-liquor traffic and not to interfere with wine for sacramental use.

"This purpose was made clear by the national prohibition amendment, which prohibits only the beverage use of intoxicating liquors. This wording has been repeatedly construed by leading Catholics and Protestants as not including wines for sacramental use by any reasonable or fair construction.

"The Anti-Saloon League forces in Arizona championed the amendment to the original prohibition law so as to specifically exempt from its prohibition wines for sacramental use.

"We wish to assert, without qualification, that it is our unremitting purpose as Anti-Saloon League officers, to avoid even the appearance of supporting any measure which would interfere with the religious rites or ceremonies of any denomination or communion."

We trust that you will give the same publicity to the facts concerning this matter as was given to the other article.

WAYNE B. WHEELER.

"STATE RIGHTS" FOR LIQUOR.

There is another amusing thing, and that is the way that our friends on the saloon side talk about State rights. I have been told that a large part of the great liquor fund that was raised was put into a certified check and laid before Charles E. Hughes, who would have been a far greater President than he made a candidate, a great Christian man, and they said: "Take this and lead our fight for the overthrow of the eighteenth amendment." With lightning flashing from his honest eyes, that intrepid, stainless son of a Baptist preacher, said, "Let thy gold perish with thee. This law has had no opportunity to show what it will do, and I refuse to join in such an unholy cause." Then they went with a check that was signed, to a former President, William Howard Taft—bless his heart—he has been behaving mighty well since he was President of the United States—and they said to him: "Fill out the amount and lead our cause to break down this law." And that great man answered: "Gentlemen, I was opposed to prohibition, but this law has found its way onto the statute books by due process, and I would not sell myself to the liquor interests of this country for any amount that they can put into that check." [Applause.]

I have heard about "Hires' Root Beer." But there came a case where "beer hires Root." And one of the most brilliant men in America was brought into the case, declaring to the United States Supreme Court that the States ought to have their own rights in making and enforcing the laws that affect their people. It is the funniest thing in the world to a man from the South to hear these northern friends of liquor talking about State rights. [Laughter.] I hear old Hickory Jackson saying now, when that brave little Hotspur of the South, South Carolina, had some ideas of her own about State rights. "By the eternal, I will send an army down there and whip her back into the Union." I think of the Hartford Convention, in the heart of New England, which had some ideas about State rights. And I do not remember—I was not living then, but I am told that the men up North who did not believe the State ought to be allowed to have its own way about everything, came down South with an overwhelming majority to help to spank our daddies into the surrender of the doctrine of State rights.

And now we come back, the solid South, if you please, gone gloriously dry, overwhelmingly sustained by the sentiment of the people of the Nation, and we say to these Northern States that want to remain wet—to New Jersey and Rhode Island and Delaware, especially, that did not ratify—we say to them, in the words of Dr. Wilbur F. Crafts, of the International Reform Bureau, "*You would not ratify and you shall not nullify.*" And we propose, as the friends of righteousness down South, standing with the friends of righteousness up North, to spank those friends of State rights who want to shake their fists at the American flag, and tell them that that thing was settled in the mingled blood of Gettysburg and Appomatox, and we propose to stand for the enforcement of the law against those in every State who want to secede from the American Union on account of liquor. [Applause.]

A NATIONAL EVIL REQUIRES A NATIONAL REMEDY.

The liquor business is so universally debauching and so defiant of State lines and State laws, that we are compelled to have a national remedy to cure a national evil.

And I remind you that the friends who would see this law nullified, who would seek to make it ineffective by refusing to help to enforce it, are standing for the bringing back into this country of a business so bad that it will not allow its own clerks to patronize it. I read this from a Fort Worth Record years ago: "Wanted a young man to be shipping clerk to a mail-order liquor house. Any young man addicted to intoxicating liquors need not apply." I fancy an ad in the Washington Herald, if you please, from Parker, Bridget & Co., "Wanted a young man to sell clothing in our store. Any young man caught wearing breeches can not have the job." [Laughter.] Or an ad from a grocery firm, "Wanted a young man to sell flour in our store. Any young man in the habit of eating biscuits need not apply." [Laughter.] That is the very identical spirit. And here we are called on to-day by men who ought to be friends of sobriety to bring back a law that will protect a business that will not allow its own clerks to patronize it. We are called upon to weaken this law that means so much for the sobriety of the people. I want to say this before I close. The party that tries to build its platform and its future on a beer keg or a liquor barrel will be doomed to defeat before the American people. With national constitutional prohibition greatly hobbled during

its first few months of enforcement, we have seen great decrease of drunkenness and crime, and a great increase of home joys and human happiness. And such an end, my colleagues, is the highest meaning of legislation.

Gentlemen, I come to you with this earnest word: The eyes of the world are on America. For the influence of our laws and the safety of our young manhood, who are the "to-morrow of this Republic," I call upon every friend of law and order and constitutional Government to do his best to create a spirit that will enforce the law that the people have righteously enacted. The eyes of the staggering world are upon that flag as they have never been before. It has not only stood unselfishly for the rights of humanity, and therefore has never known defeat, but it must stand now a stainless flag for the good of all humanity. If America fails in this, the first great nation to put such a law by orderly process on the statute books, then struggling humanity will say "We want no more of America's example," but if America wins, if the men who say that they love God and the right, the welfare of the boys and the girls of the present and the future, if they stand for the law that has found its way on the statute books by due governmental process, if they will take their stand by the side of the home and fight back the enemies of the home and the church of the living God, they will not only help to insure American purity and American security, but they will give to all humanity a glorious example of what America can do as the triumph, thank God, of our Christian civilization. [Applause.]

Mr. STEENERSON. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes on the postal commission.

The SPEAKER pro tempore. The gentleman from Minnesota asks unanimous consent to address the House for 10 minutes. Is there objection?

Mr. BLACK. Reserving the right to object, on what subject?

Mr. STEENERSON. On the postal commission.

Mr. BLACK. I have no objection.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

Mr. GARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GARD. Will the gentleman yield back such time as he did not use?

Mr. UPSHAW. I will yield back the remaining time.

Mr. KEARNS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. KEARNS. To whom did the gentleman yield back this time?

The SPEAKER pro tempore. The gentleman yielded back the time, although it was not necessary, yet it did no harm. The gentleman yielded back to the House itself.

Mr. STEENERSON. Mr. Speaker, I am sure that the membership of the House, like myself, have received a great many letters and clippings in criticism of the work of the Joint Commission on Postal Salaries, and I think, therefore, that it would be appropriate for me, as a member of that commission, to make a few remarks upon its work.

One charge is that Republicans are holding up postal salary increases. In the first place, the commission was created by the last Congress. It was organized on the 3d day of March, 1919, and consisted of five Senators and five Representatives. Of these five Senators there were three Democrats and two Republicans, and of the Representatives there were three Democrats and two Republicans; so that there were six Democrats and four Republicans on the commission. The Senator from Alabama, Mr. Bankhead, was elected chairman and the gentlemen from Tennessee [Mr. MOON] was elected vice chairman.

That was the organization of the commission until March 8, 1920, when a Republican Senator, Senator PHIPPS, was elected to succeed the late Senator Bankhead. The Democrats therefore controlled the commission up to that date, and they must bear the blame if there was any unnecessary delay. Since March 8, 1920, the Republicans and Democrats have been a tie, so if any blame there is for delay since then it should be equally divided. The critics of the commission seem to labor under a misapprehension as to what it was created for. They seem to go on the theory that it was created for the sole purpose of raising postal salaries and to do it quickly.

The statute creating it says it is "authorized to investigate the salaries of postmasters and employees of the Postal Service, with a view to reclassification and readjustment of such salaries upon an equitable basis." There are more than 200,000 positions on record in the Postal Service, and there are nearly 100,000 more employed under contracts or lump-sum appropriations. To reclassify and readjust all these positions of various classes and grades is a work of considerable magnitude. It is work that involves a reorganization of the whole postal system. It is a work that requires much attention to details and a broad comprehension of the work of that department. It is a task comparable to the work of reorganizing the Army of the United States.

The Postal Commission, as soon as it entered upon its work, found that in order to obey the law which created it, it would require at least a year, and when the employees in the Postal Service complained that their salaries were not then sufficiently high we took that matter up in Congress. The annual appropriation bill of last year carried the so-called temporary increases or bonuses, amounting to $200 or over. Congress then passed House joint resolution 151, which gave additional salary increases ranging from $100 to $200, so that clerks whose basic salary is $1,200 now get $1,650, rural carriers whose basic salary is $1,200 now get $1,700, and so on. These last increases were not recommended by the department, and House joint resolution 151 became law without the signature of the President. That was done because it was evident the commission would require time. It was, however, believed that a new salary scale could be recommended to Congress and enacted into law to take effect next fiscal year, beginning July 1. But the hearings were not completed until about two weeks ago. Since then we have held executive sessions almost daily in which salary and classifications have been gone over and discussed pro and con.

Many of them have already been tentatively passed upon, and the work is, I should say, two-thirds finished. If we encounter no unforeseen difficulties, we ought to be able to make a report by the 1st of June. And if Congress is in session, there will be time to enact the recommendations of the commission into law by the beginning of the next fiscal year.

The SPEAKER. The time of the gentleman has expired.

Mr. STEENERSON. Mr. Speaker, I ask unanimous consent for five minutes more.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to address the House for five minutes more. Is there objection? [After a pause.] The Chair hears none.

Mr. STEENERSON. The idea never occurred to the commission that they were to start in and make a report before the evidence was closed. Now, if for any reason, either by the adjournment of Congress or any other, the recommendation of the commission can not be enacted into law by the first of the fiscal year, the commission, I believe, would favor that whatever salary increases are recommended should be retroactive to the beginning of the year, so that no employee would suffer any loss by reason of such delay.

For these reasons it seems to me that this propaganda, if I may so call it, that is going on is entirely unjustifiable. It is alleged in these reports that the commission has "fallen down"; that it has been brooding for 14 months over a report and is not able yet to make it. You might as well charge that a court had been wasting its time because it had been gathering evidence and considering it before rendering an opinion.

So far as the personnel of the commission is concerned, I want to say this, that they are, nearly all of them, old Members of their respective Houses, and have had a great deal to do with the postal work and postal legislation. They have approached their task with only one spirit, and that is one of kindly sympathy for all of the postal employees.

I believe that every member is animated by a desire to do what is fair and just by the employees.

There has not been the least sign of any division on party lines amongst us, and we are all in favor of making a report as quickly as it is physically possible to do so and do it intelligently.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. STEENERSON. Yes.

Mr. MADDEN. I hope that nobody will get the impression that we are going to report by the 1st of June, because we may not be able to do it, and I do not think we will be able to do it myself.

Mr. STEENERSON. Well, I did not intend to fix any time. I was simply expressing a hope. The gentleman from Illinois [Mr. MADDEN] is one of the most hard-working members of this commission, and he devotes more time to it, perhaps, than anyone else, and if he says that its work can not probably be finished by the 1st of June, I will yield my judgment to his, because there has been no one more ardent and efficient than he in the work of the commission.

Mr. ROUSE. Mr. Speaker, will the gentleman yield?

Mr. STEENERSON. Certainly.

Mr. ROUSE. I will say to the gentleman that I am a member of the commission, and I thought last year that the commission should have reported the 1st of December, and I think to-day that the commission should report before the 1st of June, and that a bill embodying its recommendations should be passed by the House before the 1st of June.

Mr. STEENERSON. Well, I should be very glad to be able to agree with the gentleman, and I shall strive in every way to make a report in time for that work.

The SPEAKER. The time of the gentleman from Minnesota has expired.

SIXTH ANNUAL INTERNATIONAL SANITARY CONFERENCE.

The SPEAKER laid before the House the following message from the President of the United States, which was read and, with the accompanying documents, referred to the Committee on Appropriations and ordered to be printed:

To the Senate and House of Representatives:

I transmit herewith, for the consideration of the Congress and for its determination whether it will authorize that the United States be officially represented in the Sixth International Sanitary Conference and appropriate the sum necessary to meet the expenses incident to such representation, a report from the Secretary of State setting forth the importance of the conference and the reasons which make it desirable that this Government be represented therein.

WOODROW WILSON.

THE WHITE HOUSE,
15 May, 1920.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message in writing from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had approved and signed bills and joint resolution of the following titles:

On May 12, 1920:

H. R. 13227. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the landing of the Pilgrims.

On May 13, 1920:

H. J. Res. 302. Joint resolution authorizing an appropriation for the participation of the United States in the observance of the three hundredth anniversary of the landing of the Pilgrims at Provincetown and Plymouth, Mass.;

H. R. 13590. An act granting the consent of Congress to Sid Smith, of Bonham, Tex., for the construction of a bridge across the Red River between the counties of Fannin, Tex., and Bryan, Okla.;

H. R. 13724. An act to authorize the construction of a bridge across the Sabine River at or near Orange, Tex.; and

H. R. 10917. An act to amend an act entitled "An act to incorporate the National Education Association of the United States," by adding thereto an additional section.

ENROLLED BILL SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 11927. An act to increase the efficiency of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service.

EXTENSION OF REMARKS.

Mr. EVANS of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the soldiers' bonus bill.

The SPEAKER. The gentleman from Montana asks unanimous consent to extend in the RECORD his remarks on the soldiers' bonus bill. Is there objection?

There was no objection.

DIPLOMATIC AND CONSULAR APPROPRIATION BILL—CONFERENCE REPORT.

Mr. PORTER. Mr. Speaker, I desire to call up the Conference report on the bill H. R. 11960, the Diplomatic and Consular appropriation bill, making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921.

The SPEAKER. The gentleman from Pennsylvania calls up the conference report on the Diplomatic and Consular appropriation bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 11960) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921.

Mr. PORTER. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the statement accompanying the report be read in lieu of the report. Is there objection?

Mr. SIEGEL. I object. I raise a point of order on the report.

The SPEAKER. The gentleman can raise a point of order just as well and reserve it now.

Mr. SIEGEL. Very well. I reserve the point of order.

The SPEAKER. The Chair will see to it that the gentleman's rights are protected. Without objection, the Clerk will read the statement.

There was no objection.

The statement accompanying the conference report was read.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11960) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 10, and 13.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 6, 7, 8, 9, 11, 12, and 14.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$480,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed by the Senate amendment insert "$900,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"PURCHASE OF EMBASSY BUILDING AND GROUNDS AT SANTIAGO, CHILE.

"For the purchase of an embassy building and grounds at Santiago, Chile, and for making necessary minor repairs and alterations in the building to put it into proper condition, $130,000."

And the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15 and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"FEES FOR PASSPORTS AND VISÉS.

"SECTION 1. From and after the 1st day of June, 1920, there shall be collected and paid into the Treasury of the United States quarterly a fee of $1 for executing each application for a passport and $9 for each passport issued to a citizen or person owing allegiance to or entitled to the protection of the United States: *Provided*, That nothing herein contained shall be construed to limit the right of the Secretary of State by regulation to authorize the retention by State officials of the fee of $1 for executing an application for a passport: *And provided further*, That no fee shall be collected for passports issued to officers or employees of the United States proceeding abroad in the discharge of their official duties, or to members of their immediate families accompanying them, or to seamen, or to widows, children, parents, brothers, and sisters of American soldiers, sailors, or marines, buried abroad whose journey is undertaken for the purpose and with the intent of visiting the graves of such soldiers, sailors, or marines, which facts shall be made a part of the application for the passport.

"SEC. 2. From and after the 1st day of June, 1920, there shall be collected and paid into the Treasury of the United States quarterly a fee of $1 for executing each application of an alien for a visé and $9 for each visé of the passport of an alien: *Provided*, That no fee shall be collected from any officer of any foreign Government, its armed forces, or of any State, district, or municipality thereof, traveling to or through the United States, or of any soldiers coming within the terms of public resolution approved October 19, 1918 (40 Stat. L., pt. 1, p. 1014).

"SEC. 3. The visé of a passport of an alien may, under regulations prescribed by the Secretary of State, be refused if the applicant would be dangerous to the public safety or obviously be liable to exclusion if allowed to present himself at a port of the United States for admission: *Provided*, That such applicant, if rejected by the officer of the United States to whom application was originally made, may appeal to the Secretary of State: *And provided further*, That the issuance of a visé to an alien by a person duly authorized to issue such visé on behalf of the United States shall not relieve said alien or the steamship company transporting him from the operation of any provision of the laws of the United States.

"SEC. 4. From and after the 1st day of June, 1920, it shall be unlawful for any alien, other than a seaman, to enter or attempt to enter the United States without a passport duly viséed by a person duly authorized by the Secretary of State to issue such visé: *Provided*, That this section shall not apply

to nationals of Great Britain domiciled in the Dominion of Canada, Newfoundland, the Bermudas, or the Bahamas, or to nationals of France domiciled in St. Pierre and Miquelon, or to citizens of Cuba, Panama, or Mexico.

"SEC. 5. From and after the passage of this act every citizen or person, other than a seaman, owing allegiance to or entitled to the protection of the United States and departing from the United States or any of the possessions thereof for any foreign country, except the Dominion of Canada, Newfoundland, St. Pierre, and Miquelon, Panama, the Bermudas, the Bahamas, Mexico, and Cuba, or departing from the United States or any of the possessions thereof by way of any of said countries for any other country shall be required to bear a valid passport.

"SEC. 6. The validity of a passport or visé shall be limited to two years, unless the Secretary of State shall by regulation limit the validity of such passport or visé to a shorter period.

"SEC. 7. Whenever the appropriate officer within the United States of any foreign country refuses to visé a passport issued by the United States, the Department of State is hereby authorized upon request in writing and the return of the unused passport within six months from the date of issue to refund to the person to whom the passport was issued the fees which have been paid to Federal officials, and the money for that purpose is hereby appropriated and directed to be paid upon the order of the Secretary of State.

"SEC. 8. Section 1 of the act approved March 2, 1907, entitled 'An act in reference to the expatriation of citizens and their protection abroad' (34 Stat. L., pt. 1, p. 1228), authorizing the Secretary of State to issue passports to certain persons not citizens of the United States is hereby repealed."

And the Senate agree to the same.

STEPHEN G. PORTER,
JOHN JACOB ROGERS,
H. D. FLOOD,
Managers on the part of the House.

H. C. LODGE,
WM. E. BORAH,
G. M. HITCHCOCK,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreement of the House to the amendments of the Senate on H. R. 11969, entitled "An act making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921," submit the following written statement in explanation of the effect of the action agreed upon by the conference as to each of the said amendments:

The Senate recedes from its amendments Nos. 4, 10, and 13.

Amendment No. 4, appropriating funds for emergencies arising in the Diplomatic and Consular Service, increases the appropriation from $400,000 to $500,000.

Amendment No. 10, providing for the expenses of the International High Commission, struck out the word "State" and inserted the words "the Treasury."

Amendment No. 13, under post allowances to consular and diplomatic officers, added a proviso limiting the expenditure of the appropriation.

Senate amendments Nos. 5, 6, 7, 8, 9, 11, 12, and 14 were agreed to by the managers on the part of the House.

Amendment No. 5 inserts a new paragraph appropriating $4,500 for the relief of Mrs. Winifred T. Magelssen.

Amendment No. 6 adds a new paragraph making the unexpended balance of the appropriation for the fiscal year ending July 1, 1920, available for the fiscal year ending July 1, 1921, for the objects and purposes designated by said act of appropriation.

Amendment No. 7 inserts a new paragraph appropriating $9,000 for expenses in connection with the Pan-Pacific Union.

Amendments Nos. 8 and 9 changes the word "International" to "Inter-American."

Amendment No. 11 changes the appropriation for the International Joint Commission on Waterways Treaty, United States and Great Britain, from $25,000 to $40,000.

Amendment No. 12 struck out the last proviso limiting the expenditure of the appropriation.

Amendment No. 14 changes the appropriation for contingent expenses for the United States consulates from $900,000 to $1,000,000.

Amendment No. 1 fixes the amount for clerks at embassies and legations at $480,000 instead of $688,000, as proposed by the Senate amendment.

Amendment No. 2 increases the appropriation for contingent expenses, foreign missions, to $900,000 instead of $1,000,000, as proposed by the Senate amendment.

Amendment No. 3, providing for the purchase of embassy buildings and grounds at Santiago, Chile, changes the language but leaves the appropriation of $130,000 the same.

Amendment No. 6 changes the language and makes this the final appropriation under existing treaties for the maintenance of the International Boundary Commission, United States and Mexico, and dissolves the commission from and after six months from July 1, 1920.

Amendment No. 15, relating to fees for passports and visés, struck out the amendment submitted by the Senate and inserts new matter.

STEPHEN G. PORTER,
JOHN JACOB ROGERS,
H. D. FLOOD,
Managers on the part of the House.

Mr. PORTER. Mr. Speaker, I ask unanimous consent to strike from the statement the paragraph at the head of page 5, relating to the Mexican Boundary Commission, which was inserted inadvertently.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the paragraph referred to be stricken out, having been inserted by mistake. Is there objection?

There was no objection.

The SPEAKER. Does the gentleman from New York [Mr. SIEGEL] make a point of order?

Mr. SIEGEL. I make a point of order against the bill, and particularly against Senate amendment No. 15, on the ground that when the bill passed the House and Senate there was no provision similar to the language now contained in it. It is an elementary rule of the House that all that the conferees can do is to pass upon such legislation which is germane, and that they can not exceed their powers.

Now, the Senate inserted in Senate amendment 15 a proviso, reading as follows:

FEES FOR PASSPORTS AND VISÉS.

From and after the 1st day of May, 1920, a fee of $1 shall be collected for each application and $10 for each passport issued to a citizen or person owing allegiance to or entitled to the protection of the United States or a person who has declared his intention to become a citizen of the United States, and said fees shall be paid into the Treasury of the United States at least quarterly: *Provided, however,* That no fee shall be collected for passports issued to officers and employees of the United States proceeding abroad in the discharge of their official duties.

From and after the 1st day of May, 1920, a fee of $9 for each visé of the passport of an alien and $1 for each application of an alien for a visé shall be collected and paid into the Treasury of the United States quarterly: *Provided,* That no fee shall be collected from any officers of any foreign Government, its armed forces, or of any State, district, or municipality thereof, traveling to or through the United States or soldiers coming within the terms of public resolution No. 44, Sixty-fifth Congress (H. J. Res. 331).

From and after the passage of this act it shall be unlawful for any citizen or person owing allegiance to or entitled to the protection of the United States or any person who has resided in the United States three years and has declared his intention to become a citizen of the United States to depart from the United States for any foreign country except Canada, Mexico, Cuba, Bermuda, and the Bahama Islands, or by way of these excepted countries to a foreign country, through the possessions of the United States or otherwise, or to depart from said possessions for any foreign country except Panama and those hereinbefore excepted, unless he bears a valid passport.

Which provision, in effect, would require a payment of $9 and $1 in the case of a passport or visé. There was no such provision in the House bill. In conference they went further than that. They provide, in section 8, as follows:

Section 1 of the act approved March 2, 1907, entitled "An act in reference to the expatriation of citizens and their protection abroad" (34 Stat. L., pt. 1, p. 1228), authorizing the Secretary of State to issue passports to certain persons not citizens of the United States is hereby repealed.

They also endeavor to give the United States consul abroad the power to determine who shall have the right to come into this country, and who shall be kept out of it. For example, in section 3 they say:

The visé of a passport of an alien may, under regulations prescribed by the Secretary of State, be refused if the applicant would be dangerous to the public safety or obviously be liable to exclusion if allowed to present himself at a port of the United States for admission: *Provided,* That such applicant, if rejected by the officer of the United States to whom the application was originally made, may appeal to the Secretary of State: *And provided further,* That the issuance of a visé to an alien by a person duly authorized to issue such visé on behalf of the United States shall not relieve said alien or the steamship company transporting him from the operation of any provision of the laws of the United States.

They also provide that no person shall be allowed to leave the United States without obtaining a passport.

Now, it is my contention that there was no such provision in the bill as it passed the Senate, and that therefore the conferees had no power to exceed that which had been inserted in the Senate, namely, simply increasing the fees. They have done two things here: One is that they set up a consular officer as the authority to determine who should come into this country, and secondly, they attempted to repeal that part of the law which provides that passports may be issued to those who are declarants.

The SPEAKER. Will the gentleman state what the section provided that is repealed?

Mr. SIEGEL. That section provides that passports shall be issued to those who are declarants. In other words, during the war, and for a long time before that, we issued passports to those who were not full citizens, but who had the right to go abroad.

They attempt to repeal it by this act, and that is accomplished if this should become a law. In addition to that, in section 3 they practically make the consul on the other side the immigration officer to determine the question as to who shall be admitted to the United States. Furthermore, in contravention of treaty agreements, no alien will be able to leave here. It seems to me that the conferees certainly exceeded their powers.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. SIEGEL. I do.

Mr. WALSH. Was not section 8 an original Senate amendment?

Mr. SIEGEL. Oh, no; it was not. Section 8 was added in conference, and sections 3 and 4 were added in conference. It seems to me clearly subject to a point of order on two grounds: One that these items are not germane to what was the original Senate amendment; and second, that the conferees have exceeded their powers because there was no such amendment passed in the Senate at the time it was added on.

Mr. HICKS. Mr. Speaker, will the gentleman yield?

Mr. SIEGEL. I do.

Mr. HICKS. Will the gentleman inform the House as to just what the provision was that the Senate put in with reference to passports?

Mr. SIEGEL. The Senate simply provided that there should be a charge of $10. There was no provision by which the consular officer was to become the immigration officer. I will say that on a point of order in the House, when the gentleman from Texas, I believe, attempted to offer some amendment providing for an increased amount to be paid for passports, it was properly ruled out of order because that was new legislation.

The bill went over to the Senate, and there they put in a proviso about the $10. That part was a subject for the conferees when the bill went to conference, but they could not go a step further and repeal the law or add to it a whole lot of new ideas, changes, and thoughts which entered their minds, practically nullifying the immigration law. That was and is exclusively within the domain of the Committee on Immigration and Naturalization.

Mr. HICKS. Then the gentleman is not basing his objection on the point of order that as the Senate had put in $10 as a fee, the conferees exceeded their authority on that ground? He is basing it upon some other provision?

Mr. SIEGEL. On the one proposition that the only question that the conferees could determine was whether they would agree to the $10 for the passport or the visé. Personally I think it was a great mistake to put in the provision which they did put in that passports should be required for any person leaving the United States. Up to the time of the war anybody was at liberty to leave the United States with or without a passport, but under this provision which they put in here——

The SPEAKER. That was put in in the Senate.

Mr. GALLAGHER. Is it not a fact that that is new legislation, because they are trying to make permanent law out of the war legislation providing for passports?

Mr. SIEGEL. Not only that. They have gone a step further. They have put in more drastic provisions than we had during the entire period of the war or in all of the country's history. They strike at the very freedom of movement of the American citizen, although we are at peace.

Mr. LONGWORTH. If I understand the gentleman, he makes his point of order against sections 3, 4, 5, 6, 7, and 8, and not against sections 1 and 2. Am I right in that?

Mr. SIEGEL. My contention is that the point of order must lie against the whole conference report.

The SPEAKER. If any point of order is made, it is made against the whole conference report.

Mr. SIEGEL. Yes; it must lie against the whole report. I have made my point of order to that effect.

Mr. ROGERS. Mr. Speaker, by way of analogy I should like to recall to the mind of the Chair the situation that is presented when one House strikes out all of the bill as passed by the other House and substitutes a bill of its own. Of course, the rule is very well established and very familiar that when the bill goes to conference the conferees can throw away both bills if they like and write a new bill of their own, the only qualification upon that rule being that the new bill must be germane to the subject matter of one or the other of the old bills.

Mr. SIEGEL. Will the gentleman yield?

Mr. ROGERS. Let me proceed a little further, please.

Mr. SIEGEL. I should like to correct the gentleman.

Mr. ROGERS. We all know that in many cases the second body to act in a case of that kind prefers to throw aside all that the first body has done, because it will find it more convenient to have its own bill throughout. The suggestion is often made that a further reason is that the future conferees desire to have their hands entirely unfettered when the bill goes to conference. Although the two bills as passed by the Senate and House respectively may be very similar in many respects, nevertheless the rule prevails and applies, the whole matter is in conference, and the conferees may write an entirely new bill.

Take, for example, the case of the recent Army reorganization bill. The House bill and the Senate bill were similar in many respects and identical in some respects and in some sections. Yet, because the Senate struck from the House bill everything after the enacting clause, the conferees are at work on the whole problem, and will ultimately report a new bill for the consideration of the House and Senate.

Now, I ask the Speaker to compare the situation in that kind of a case with the situation that is presented here. The House in its Diplomatic and Consular appropriation bill did not deal in any way whatever with the subject of passports, passport fees, the control of aliens coming to the United States, or of American citizens departing from the United States. The Senate took up the question de novo; although this was an appropriation bill, it inserted in the bill a rather elaborate amendment legislating anew upon the whole subject of passport control, both of outgoing and incoming travelers. When that bill went to conference, the Speaker will notice, there was a complete lack of agreement between the Senate and the House. The House had not spoken at all. The Senate had spoken in terms of this elaborate amendment. In other words, there was no point of accord between the two bodies.

If, as I have suggested, the authority of the conferees is practically unlimited except with respect to the element of germaneness, where one House has passed a bill and the other House has passed a substitute—often very similar—for that bill, surely in this case, where there is no point of contact whatever between the Senate and the House, the conferees, as they go into conference, must have at least an equally broad power as compared to that which they have in the other case.

With that in mind I want to call the attention of the Chair to the form in which this matter passed the Senate.

The first paragraph of the Senate amendment provided a system of establishing and collecting passport fees for citizens; and if the Chair will particularly notice it included a provision for persons who have declared their intention to become citizens of the United States. The gentleman from New York [Mr. SIEGEL] lays great stress on the fact that section 8 of the conference report, as reported by the conferees, repeals the former law. Of course, almost all legislation is a change of the previous law.

The SPEAKER. The Chair does not think the gentleman need argue that last statement. The Chair is very clear about that.

Mr. ROGERS. I was simply going to suggest that nearly all legislation involves a change in law, and no more so when it specifically mentions the statutes which it changes.

The SPEAKER. May the Chair ask the gentleman a question?

Mr. ROGERS. Certainly.

The SPEAKER. The last section repeals the law authorizing the Secretary of State to give passports; but the original Senate amendment—the Chair thinks probably he had better let the gentleman proceed in his own way.

Mr. ROGERS. As I was observing, the first paragraph of the Senate amendment is a general provision establishing, in the case of American citizens, the scale of fees for passports and applications for passports. It also establishes what the practice shall be in the case of persons who are merely declarants for citizenship.

Then it goes on, in the proviso, to establish certain limitations which, if the applicant qualifies within them, result in the elimination of the necessity for a passport. The second section deals with the situation in the case of persons coming to the United States from abroad who are not American citizens.

The Chair will bear in mind that this passport question presents two distinct phases. First, what shall be the practice of the American Government with reference to American citizens who are going abroad and to whom passports must be issued.

Second, what shall be the practice of the American Government with respect to aliens who seek to come to the United States. Obviously, in the second case, the American Government does not and can not issue a passport, but it may require the intended immigrant to procure a passport from his own Government, and also require that that passport shall be viséed by the Amercan consul before the alien leaves his own country for the United States.

Senate amendment No. 15 dealt with both of these questions. It did not confine itself as it might have to passports; it did not confine itself as it might have to visées. But it dealt with both questions, and thereby opened up, as I submit, the entire field of passport and visé legislation.

I want to call the attention of the Chair to the fact that again in the second paragraph of the Senate amendment we find a proviso, a limitation, in other words, as to instances in which the visé of the United States and the passport of the foreign Government shall not be required of aliens who intend to come to the United States.

Then, in the third paragraph, we find a still more definite change in existing law. We find that as far as an American citizen is concerned, it shall be obligatory that he shall take a passport before leaving the United States. While this may not be material on the point of order, it is perhaps worth while to suggest what was apparently the Senate viewpoint, that it would scarcely be effective to raise the fees for the passport unless in some way it should be made obligatory for the intended traveler to take out the passport. So the Senate amendment goes into that question and makes obligatory the requirement that every American, with certain exceptions, shall take a passport before he leaves the United States for a foreign country.

The fourth paragraph of the Senate amendment is administrative, and perhaps does not very much modify the general situation on the point of order.

When the conferees came to deal with the problem, as I said at the outset, they found the Senate and House at opposite extremes. They found that the Senate amendment had opened up the whole question of passports; they found that the Senate amendment had opened up the whole question of visés. It seemed to the conferees that it was both their duty and their right to consider the whole question of passport and visé legislation in view of the breadth to which the Senate amendment went.

This precise question has not, I think, been very helpfully handled in the precedents, but there is one authority to which I should like to direct the attention of the Chair in case he is not familiar with it. It is found in the fifth volume of Hinds' Precedents, page 731, section 6424.

On February 18, 1907, Mr. William S. Bennet, of New York, submitted the report of the managers of the conference on the bill S. 4403, entitled "An act to amend an act entitled 'An act to regulate the immigration of aliens into the United States,' approved March 3, 1903."

Before the report was read Mr. John L. B. Burnett, of Alabama, proposed to reserve a point of order.

The point of order, as the decision shows, was based principally upon the insertion by the managers of the following proviso:

> *Provided further,* That whenever the President shall be satisfied that passports issued by any foreign Government to its citizens to go to any country other than the United States or to any insular possession of the United States, or to the Canal Zone, are being used for the purpose of enabling the holders to come to the continental territory of the United States to the detriment of labor conditions therein, the President may refuse to permit such citizens of the country issuing such passports to enter the continental territory of the United States from such other country, or from such insular possessions or from the Canal Zone.

It is interesting to note that nowhere in the immigration bill which was in conference at that time was there any reference whatever to passports. It happens by a coincidence that this authority deals with passports; but that is not why I cite it. That bill was an immigration bill purely. The point is that the managers on the part of the Senate and of the House who, I think, were in precisely the same fundamental position as the managers in this case, found that in order to regulate and control immigration it might be wise to utilize the passport method, either directly or indirectly, in order to control the influx and outgo of immigrants. Although the passport method was not even contemplated in the bill as it passed either House, the conferees incorporated it. Speaker CANNON, in quite an elaborate ruling, sustained the authority of the conferees and overruled the point of order. Here we have exactly a converse case—a passport bill incidentally including, by the action of the conferees, a provision relating to immigration.

The rule is rather well stated, I think, by Speaker Colfax back in 1865, found in Hinds' Precedents, section 6421:

> The Chair understands that the Senate adopted a substitute for the House bill. If the two Houses had agreed upon any particular language, or any part of a section, the committee of conference could not change that; but the Senate having stricken out the bill of the House and inserted another one, the committee of conference have the right to strike out that and report a substitute in its stead. Two separate bills have been referred to the committee, and they can take either one of them, or a new bill entirely, or a bill embracing parts of either. They have a right to report any bill that is germane to the bills referred to them.

See also Speaker CANNON's ruling, found in Hinds' Precedents, section 6417:

> It is true that if the whole paragraph in the bill as it passed the House had been stricken out and a substitute therefor proposed by the Senate, or if the Senate had stricken out the paragraph without proposing a substitute, and the House had disagreed to the amendments of the Senate, then the conferees might have had jurisdiction touching the whole matter and might have agreed upon any provision that would have been germane.

My contention is that the only question before the Chair at this time is whether the conference report on amendment No. 15 of the Senate is germane to the Senate amendment. My contention further is that in view of the fact that there is no point of contact between the Senate and the House on this question, the power of the conferees is much more extended than it is even in the case of the substitution of an entirely new bill. My contention further is that the Senate, having opened up in a very complete way, in a very general way, the whole subject of passports and visés, it was both the right and the duty of the House managers to prepare and perfect, with the Senate conferees, a general scheme of passport control upon the theory that that would have been germane if the Senate amendment had been originally before the House and open for amendment under the five-minute rule.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. In just a moment. I should like to call the attention of the Speaker also to the fact that to-day on the statute books there is a law, which expires March 4, 1921, which is not a war-time act but a peace-time act—because it has no relation to the termination of the war—which legislates quite fully concerning the entry of aliens into the United States and provides in part as follows:

> That if the President shall find that the public safety requires that restrictions and prohibitions in addition to those provided otherwise than by this act be imposed upon the entry of aliens into the United States, and shall make public proclamation thereof, it shall, until otherwise ordered by the President or Congress, be unlawful—
>
> (a) For any alien to enter or attempt to enter the United States except under such reasonable rules, regulations, and orders, and subject to such passport, visé, or other limitations and exceptions as the President shall prescribe—

And so forth.

That is public law No. 79, Sixty-sixth Congress. I cite it because it seems to me that it shows the intent of Congress, at least, that this question shall be handled as the conferees have handled it in this case. I am not quite sure as to the exact bearing of this suggestion upon the point of order, but the gentleman from New York [Mr. SIEGEL] has laid a great deal of stress upon the fact that the conferees, as he alleges, exceeded their authority in section 3—section 3 being the section which throws under the control of the consular officer the question of whether or not the visé shall be granted in cases where the alien would be obviously subject to exclusion under our laws. My point in mentioning the statute just cited is that section 3 is already almost exactly, if not precisely, in the law to-day, and that the conferees, in recommending it, seem to be legislating in harmony with the very recently declared intention of Congress upon that subject.

I yield to the gentleman from Massachusetts.

Mr. WALSH. Mr. Speaker, is it the gentleman's contention that in the same conference the conferees' authority and jurisdiction are broader upon an amendment which the House has disagreed to but which involves something entirely new in the bill than in the case of an amendment which the Senate has made to something that the House included in its bill?

Mr. ROGERS. So far as the subject matter of that particular Senate amendment is concerned, that is my contention.

Mr. WALSH. If that is the view of the gentleman, how are you going to protect a bill which has been amended in that way?

Mr. ROGERS. You are always protected by the requirement of germaneness. I do not contend, so far as I am concerned, that the conferees would have had the right to go outside in order to include matter which was not germane.

Mr. WALSH. Of course, in this instance the Senate did not strike out all after the enacting clause and insert a new bill.

Mr. ROGERS. No.

Mr. WALSH. They inserted several individual amendments, which have been numbered and which have been considered separately by the managers on the part of the House in the conference.

Mr. ROGERS. They inserted one amendment relating to passports generally, which was necessarily treated as a unit.

Mr. WALSH. But there were other amendments.

Mr. ROGERS. There were other amendments to other parts of the appropriation bill.

Mr. WALSH. And the gentleman contends that with reference to that one amendment the conferees can treat it as if it were all there was to the bill originally, and the bill comes back with all after the enacting clause stricken out and this new matter inserted.

Mr. ROGERS. As far as that one subject matter goes, that is precisely my contention. In other words, although in the ordinary case of one House writing a new bill and striking out what the other House has written you usually find a certain degree of unanimity between the two Houses, in this case you find a variation of 100 per cent between the views of the two Houses. One has not legislated at all and the other has legislated quite widely. Putting my contention at its lowest terms, it would seem to me that the conferees, so far as that subject matter is concerned, are at least as unhampered as are conferees in the case to which I refer.

Mr. WALSH. But the gentleman will admit that when the House disagreed to all the Senate amendments it disagreed in exactly the same manner and to the same extent to the other amendments as it did to this one, which involves new propositions.

Mr. ROGERS. Precisely.

Mr. WALSH. What I was endeavoring to get from the gentleman is his contention as to whether simply because this involves new matter the disagreement brought with it broader powers on the part of the managers.

Mr. ROGERS. I do not know that I can do more than repeat what I have said. When one House does not deal with a subject at all and when the other House puts upon an appropriation or other bill an amendment dealing de novo with that subject, and dealing with it very broadly, I contend that when that bill goes to conference without instructions the conferees have the right to legislate very freely on the matter, to report in a new proposal, and to be bound only by the consideration that whatever they report must be germane to the amendment in question.

Mr. SIEGEL. Mr. Speaker, the proposition advanced by the gentleman from Massachusetts [Mr. ROGERS] would practically reverse all of the precedents which have been followed in the House up to date. The precedents which he has cited up to now have all been cases where the entire bill after the enacting clause has been stricken out. He can not cite a single case where it was ever contended before to-day that an amendment is in order, as in this case, which embodies new legislation, which employs a new method for immigrants coming to this country, which gives power to the consul which is now vested in the United States immigration authorities at our ports, and which in the House would go to an entirely different committee, namely, the Committee on Naturalization and Immigration, but which also involves legislation which has not been considered in this House and which has never been brought up or discussed here and giving the most extraordinary power to consuls abroad.

If the entire bill had been stricken out after the enacting clause, then the argument from the gentleman from Massachusetts might hold water. What is attempted here is this: The Senate passed an amendment, No. 15, in which it provided that $9 and $1 shall be charged for viséing a passport or for the issuance of one. The gentleman from Massachusetts must have forgotten that when an immigrant arrives in America he pays $8, and that each and every alien entering the United States does so. If you add the $10, that will make $18 for each and every immigrant coming into the United States. That is the practical effect. They are also endeavoring to make the consul the supreme authority over there to determine the question whether the immigrant is absolutely fit to come to the United States, and under our law the authority to determine that question is lodged with the immigration authorities with the right to appeal to the Secretary of Labor. But they do not stop there. They try to repeal the provision which allows the Secretary of State at the present time to issue passports to a declarant, something that has been followed during the entire war period.

Many men who are in this country, although not fully naturalized, were in the service of the Government and who could not obtain their final papers were granted these passports. By section 8 they try to wipe that out. These conferees have done everything which conferees have never been permitted to do before by this House, and unless the precedents are going to be smashed it seems to me the point of order should be sustained, because it establishes a dangerous precedent by which it is possible to say that conferees in an amendment have a wider authority than they would have had in the event the entire legislation was thrown out and a new bill gotten together, as will perhaps be the case in the Army reorganization bill.

Mr. ROGERS. Will the gentleman yield?

Mr. SIEGEL. I will.

Mr. ROGERS. Does the gentleman see any difference in principle or reason——

Mr. SIEGEL. I do.

Mr. ROGERS. One moment—between a case where all after the enacting clause of a House bill is stricken out by the Senate and a case where a single Senate amendment opens up an entirely new subject——

Mr. SIEGEL. I do.

Mr. ROGERS. Does the gentleman see any reason why the conferees' authority should be different in the two cases?

Mr. SIEGEL. I see a big reason. One is that the precedents are to the contrary of the gentleman's contention.

Mr. ROGERS. There is no precedent against it.

Mr. SIEGEL. Yes.

Mr. ROGERS. Will the gentleman state the precedent?

Mr. SIEGEL. Every precedent——

Mr. ROGERS. Will the gentleman state the precedent opposed to my contention? I wish the gentleman would cite some of them. I have looked diligently——

Mr. SIEGEL. I, too, have looked diligently, and I have not been able to find the case where any such contention as the gentleman is making here to-day has ever been contended for before. Why, according to the gentleman's contention the conferees can go to work and bring in here anything they practically want as long as it is supported by an amendment of the Senate. When this kind of legislation was attempted to be put on in the Committee of the Whole House on the state of the Union it was stricken out on a point of order on the ground it was new legislation, and that certainly was the proper procedure. It goes over to the Senate, and the mere fact that the Senate inserts a provision for the $9 and $1 certainly does not give full authority to add to it and give the conferees the right to repeal all laws and give the consuls such drastic authority as is given. I admit the question is very important. I admit the ruling of the Speaker is probably the most important which he has been called upon to rule upon and determine, because if he decides to-day that a conference committee can do this, I do not know what kind of legislation may be put upon the statute books by conferees without the House having a single chance to pass upon it. The danger of conference rider legislation has been frequently discussed by all who know its serious effects, and this report certainly confirms its reprehensiveness.

Mr. SABATH. Mr. Speaker, unfortunately, I was not on the floor when this question came up originally, and I do not know whether the gentleman from New York has called the Speaker's attention to the so-called section 4 in the amendment, which is positively new legislation. It was not considered by the House at any time, and it came to my attention only a few moments ago. Section 4 provides that—

> from and after the 1st day of June, 1920, it shall be unlawful for any alien, other than a seaman, to enter or attempt to enter the United States without a passport duly viséd by a person duly authorized by the Secretary of State to issue such visés—

And so forth. There was nothing in the original bill nor in the Senate bill that required a passport on the part of any person before he could enter the United States. If this report should be adopted, it will be new legislation that was never considered by the House nor by the Senate. It is new legislation; it changes conditions and the immigration law; it makes it impossible for anyone at any time to enter the United States before he can secure a passport from his own country. Now, just see how far-reaching this legislation is: We will say that to-day in Ireland some man is dissatisfied with conditions that now exist and demands that Ireland be recognized as an independent state. Will the framers of this provision believe that such a man could secure a passport from the British Government and have it viséd, notwithstanding that he is only advocating and demanding for Ireland what that country is entitled to? Indeed not. Instead of receiving a passport, he would be arrested and thrown in jail, as is being done every day, so much so that the British prisons are filled with Irish political offenders.

Ever since the establishment of our Republic this country has been the refuge of those who have been obliged to flee their own country for political offenses. This provision will make it impossible for anyone to reach the United States who at any time will be found in displeasure with his own country. I have given only an example of how far-reaching this provision is. It surely is new legislation, never contemplated on the part of the committee nor on the part of the House, and was not considered in the Senate, and was inserted by the conferees without any right or jurisdiction. As pointed out by the gentleman from New York, it is clearly new legislation, and therefore I feel that on that ground the point of order should be sustained.

Mr. GALLAGHER. Mr. Speaker, during the war there was a bill passed that provided for a visé on passports, and the law was extended a short time ago, extended, I think, for one year. I voted against it, and was the only Member that did. Now, this seeks to make permanent law the provisions of that particular bill which was passed as a war measure. As my colleague from Illinois [Mr. SABATH] says, it simply makes it permanent law and deprives people from coming who ought to be allowed the privilege of coming here if they want to. It is new law and a distinct departure from conditions and privileges that made this country great and prosperous, and therefore is new legislation and subject to a point of order.

Mr. JOHNSON of Mississippi. Mr. Speaker, in view of the fact that this is such an important matter, I make the point of order there is no quorum present. We ought to have a quorum here.

Mr. MONDELL. I hope the gentleman will withdraw the point of order until the Chair rules.

Mr. JOHNSON of Mississippi. I withdraw it until the Chair has made a ruling.

The SPEAKER. It seems to the Chair that there is unquestionably legislation in the conference report, and in the view of the Chair it is a close question whether the conferees have or have not exceeded their authority. But the amendment of the Senate is on a subject which was not covered by the House and would not have been in order in the House. While nominally concerned simply with passports, it really seems to the Chair it is immigration legislation and was doubtless so intended. Is it all germane to the Senate amendment? It seems to the Chair pretty clear that it is germane, because the Senate amendment touches on different phases of passports, on immigration, and in one paragraph forbids the departure of certain citizens from the United States. It legislates and is quite sweeping. The House disagreed to it entirely. The main question is whether the conferees have added anything which exceeded their powers. A decision by Speaker CLARK on a somewhat similar question, on an amendment, it seems to the Chair, is very conclusive. He says, on page 481 of the manual:

> The House struck out the whole of the McCumber amendment; that is, agreed to a substitute for the entire McCumber amendment. It did not leave a single line or word of the McCumber amendment. That put it in exactly the same situation as if everything after the enacting clause of a bill was struck out. And it has been held so often and so far back and by so many Speakers that where everything after the enacting clause is struck out the conferees have carte blanche to prepare a bill on that subject that it seems to the Chair that question is no longer open to controversy.

Now, while the Chair will not say that the conferees have carte blanche, yet it seems to the Chair that what the conferees have agreed to is strictly germane and very closely connected and a natural sequence to the amendment put in by the Senate. Therefore the Chair overrules the point of order.

Mr. CONNALLY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CONNALLY. What is the proper procedure for a Member to pursue who desires to strike out a part of the conference report? Would it be a motion to recommit with instructions to strike out part of it?

The SPEAKER. There are two ways. The conference report could be voted down, and then everything would be open; or it has been held in recent years that a motion to recommit is in order if the Senate has not acted on the conference report.

Mr. ROGERS. Mr. Speaker, the Senate has acted upon the conference report already.

The SPEAKER. If the Senate has acted, there can not be a motion to recommit. The only course would be to vote down the conference report. The question is on agreeing to the conference report. Does the gentleman from Mississippi [Mr. JOHNSON] wish to make the point of no quorum?

Mr. JOHNSON of Mississippi. No, sir.

Mr. CROWTHER. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from New York makes the point of no quorum.

Mr. CROWTHER. I withdraw it.

Mr. McKEOWN. Mr. Speaker, it is an important matter, and there ought to be a quorum to consider the new legislation. I make the point.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 5 minutes p. m.) the House adjourned until to-morrow, May 16, 1920, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. LEHLBACH, from the Committee on Reform in the Civil Service, to which was referred the joint resolution (S. J. Res. 160) to provide for the preservation and maintenance of the records of the Joint Commission on Reclassification of Salaries, reported the same without amendment, accompanied by a report (No. 987), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. CHINDBLOM, from the Committee on the Merchant Marine and Fisheries, to which was referred the bill (H. R. 13264) to provide for the award of a medal of merit to the personnel of the merchant marine of the United States of America, reported the same without amendment, accompanied by a report (No. 988), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. PETERS, from the Committee on Naval Affairs, to which was referred the bill (H. R. 5899) for the relief of Kenneth S. Cook, storekeeper, second class, United States Navy, reported the same without amendment, accompanied by a report (No. 989), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 5580) granting six months' pay to Anton Kunz, father of Joseph Anthony Kunz, deceased, machinist's mate, first class, United States Navy, in active service, reported the same without amendment, accompanied by a report (No. 990), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Military Affairs was discharged from the consideration of the bill (H. R. 13541) for the relief of Lee M. Allen, and the same was referred to the Committee on Claims.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. IRELAND: A bill (H. R. 14088) providing for the extension of the United States courthouse, post office, and public building at Peoria, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. FORDNEY: A bill (H. R. 14089) to provide adjusted compensation for veterans of the World War, to provide revenue therefor, and for other purposes; to the Committee on Ways and Means.

By Mr. KAHN: A bill (H. R. 14090) authorizing the War Department to repair or furnish spare parts for property loaned by authority of law to other agencies, the expense thereof to be borne by such agencies; to the Committee on Military Affairs.

By Mr. STEENERSON: A bill (H. R. 14091) to increase the revenue by imposing a tax on certain sales of sugar, to prevent profiteering therein, and for other purposes; to the Committee on Ways and Means.

By Mr. LAYTON: A bill (H. R. 14092) to create a negro industrial commission; to the Committee on Appropriations.

By Mr. DARROW: A bill (H. R. 14093) to provide for celebrating the one hundred and fiftieth anniversary of the signing of the Declaration of Independence by holding an international exhibition of arts, industries, manufactures, and products of the soil, mine, and sea in the city of Philadelphia, in the

State of Pennsylvania; to the Committee on Industrial Arts and Expositions.

By Mr. MASON: Concurrent resolution (H. Con. Res. 56) regarding the republic of Ireland; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HULINGS: A bill (H. R. 14094) granting an increase of pension to Gordon W. Hall; to the Committee on Invalid Pensions.

By Mr. WELTY: A bill (H. R. 14095) granting a pension to Angie Caldwell; to the Committee on Invalid Pensions.

By Mr. YATES: A bill (H. R. 14096) granting a pension to Mary J. Finney; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3656. By Mr. BYRNS of Tennessee: Papers to accompany House bill 14077, granting an increase of pension to Robert R. Towland; to the Committee on Pensions.

3657. By Mr. DUNN: Petition of 50 citizens of Rochester, N. Y., favoring the passage of House bill 1112, providing parole of Federal prisoners; to the Committee on the Judiciary.

3658. By Mr. LINTHICUM: Petition of E. A. Lycett, Joseph L. Votta, Waldo Newcomer, Philander B. Briscoe, George Clarke Peck, Frederick Esslinger, W. H. Purcell, H. Gamse & Bro., Booz Bros., F. Friedmann, H. B. Davis Co., Bachrach, H. J. Cahn, Carroll Adams & Co., Mann Piano Co., M. E. Hecht, H. J. McGrath Co., Egerton Bros., and A. de R. Sappington, all of Baltimore, Md., relating to postal increase of salary; to the Committee on the Post Office and Post Roads.

3659. Also, petition of John J. Farrell, Baltimore, Md., in relation to the Mason bill; to the Committee on Foreign Affairs.

3660. Also, petition of Walda Newcomer, Baltimore, Md., in relation to the bonus; to the Committee on Ways and Means.

3661. Also, petition of Oppenheim, Oberndorf & Co., Baltimore, Md., relative to sales tax; to the Committee on Ways and Means.

3662. By Mr. McKEOWN: Petition of Bernard Gill Post, No. 16, American Legion, Shawnee, Okla., regarding bonus for soldiers; to the Committee on Ways and Means.

3663. Also, petition of Bernard Gill Post, No. 16, American Legion, Shawnee, Okla., favoring House bill 8290; to the Committee on Military Affairs.

3664. By Mr. O'CONNELL: Petition of George Fridman, Henrietta M. Forrest, Joseph Zadisky, James S. Taylor, and George J. Clap, jr., of New York City, protesting against legislation to increase the stock transfer tax; to the Committee on Ways and Means.

3665. Also, petition of Charles F. Smillie & Co., of New York, favoring higher salaries for postal employees; to the Committee on the Post Office and Post Roads.

3666. Also, petition of Hoboken Electro Chemical Co., of New York, opposing the passage of S. 3223; to the Committee on Patents.

3667. Also, petition of United Typothetæ of America, Rochester, N. Y., protesting against the passage of H. R. 12976; to the Committee on Ways and Means.

3668. By Mr. ROGERS: Petition of sundry citizens of Irish descent of Lowell, Mass., regarding the freedom of Ireland; to the Committee on Foreign Affairs.

3669. By Mr. TINKHAM: Petition of Local No. 100, Boston Post Office Clerks, favoring higher pay for post-office clerks; to the Committee on the Post Office and Post Roads.

HOUSE OF REPRESENTATIVES.

SUNDAY, *May 16, 1920.*

The House was called to order by the Speaker pro tempore [Mr. HUTCHINSON].

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father who art in heaven, that God, which ever lives and loves, one God, one law, one element, one far off divine event to which the whole creation moves.

"If I ask Him to receive me, will He say me nay?
Not till earth and not till heaven pass away."

So with renewed faith, and hope, and confidence, we approach Thee in the sacred attitude of prayer, confidently trusting in the overruling of Thy providence to the good of all Thy children. We thank Thee for the indissoluble ties which bind us to Thee, which time nor space can sever.

We meet to fulfill the desires of our heart. Two men of affairs, who wrought well, died well in the faithful discharge of their duty; in their work challenged the admiration of their fellows who called them to serve the people on the floor of this House; who shirked no duty, have passed on in the harness to that life in one of God's many mansions, where under more favorable circumstances they will develop the larger and more perfect life. But we would write on the pages of history their life, character and public service for those who shall come after us. May Thy loving arms be about those who knew and loved them and inspire them with hope and confidence, that though they may not return they will surely go to them in a realm where love reigns supreme.

We know not what the future hath of marvel or surprise,
Assured alone that life and death His mercy underlies.

Thus we hope, aspire and pray. In the spirit of the Master. Amen.

THE JOURNAL.

Mr. BACHARACH. Mr. Speaker, I ask unanimous consent that the reading of the Journal be deferred until to-morrow.

The SPEAKER pro tempore. The gentleman from New Jersey asks unanimous consent that the reading of the Journal be postponed until to-morrow. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the special order.

THE LATE REPRESENTATIVE WILLIAM J. BROWNING AND THE LATE REPRESENTATIVE CARL C. VAN DYKE.

The Clerk read as follows:

On motion of Mr. Hutchinson, by unanimous consent,

Ordered, That Sunday, May 16, 1920, be set apart for paying tribute to the memory of Hon. WILLIAM J. BROWNING, late a Member of this House from the State of New Jersey.

On motion of Mr. KELLER, by unanimous consent,

Ordered, That Sunday, May 16, 1920, be set apart for paying tribute to the memory of Hon. CARL C. VAN DYKE, late a Member from the State of Minnesota.

Mr. BACHARACH. Mr. Speaker, I offer the following resolution and ask for its adoption.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That the business of the House be now suspended, that an opportunity may be given for tributes to the memory of Hon. WILLIAM J. BROWNING, late a Member of the House of Representatives from the State of New Jersey, and to the memory of Hon. CARL C. VAN DYKE, late a Member of the House of Representatives from the State of Minnesota.

Resolved, That as a further mark of respect to the memory of the deceased, and in recognition of their eminent abilities as distinguished public servants, the House, at the conclusion of these memorial proceedings, shall stand adjourned.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk be instructed to send a copy of these resolutions to the families of the deceased.

The question was taken and the resolution was unanimously agreed to.

THE LATE REPRESENTATIVE WILLIAM J. BROWNING.

Mr. BACHARACH. Mr. Speaker, I ask unanimous consent that Members who are unable to be present to-day have an opportunity to extend their remarks in the RECORD on the life, character, and public services of our deceased colleague, WILLIAM J. BROWNING.

The SPEAKER pro tempore. The gentleman from New Jersey asks unanimous consent that Members may extend their remarks in the RECORD on the life, character, and public services of Hon. WILLIAM J. BROWNING. Is there objection? [After a pause.] The Chair hears none.

Mr. BACHARACH. Mr. Speaker, within the short period of five years in which I have been a Member of the House of Representatives, we have on three occasions been summoned in solemn assembly to pay public tribute to the life, character, and public service of Representatives in the National Congress from the great State of New Jersey.

To-day we gather to publicly attest our love and friendship for the dean of the Republican delegation from our State, the late WILLIAM J. BROWNING, of the city of Camden, whom a merciful God suddenly called to His heavenly home free from the agonies usually attendant at the hour of death.

At the time of his death Mr. BROWNING was serving his fifth consecutive term as a member of the House of Representatives from the first district of New Jersey, and was exceeded in point of service in the House by only one Member of the present State delegation.

Mr. BROWNING was for many years a faithful servant of the public, particularly to the people of his home city; first as a

member of the board of education, later as a member of the city council, and then as their postmaster.

His more public career began in 1895, when he was elected Chief Clerk of the National House of Representatives, in which position he faithfully and efficiently served for a period of 16 years, relinquishing his duties in that office upon his election by the voters of the first district of New Jersey to fill the vacancy in the House of Representatives caused by the death of the late Hon. Harry Loudenslager.

He was continuously reelected each term since then, and his popularity in his district was most forcefully demonstrated in the elections of 1912, when he was the only Republican elected to the National Congress from the State of New Jersey.

Upon coming to Congress he was assigned to the Committee on Naval Affairs, upon which committee he continued to serve until, at the time of his death, he was the ranking majority member.

By reason of his long service on that committee he became one of the best informed Members of the House on naval matters, and to him is due much credit in the shaping of our naval policy during the past few years. I am sure that his death has been a distinct loss to this important committee of the House and to the country in general.

In politics Mr. BROWNING was a staunch Republican. He was one of the "wheel horses" of the party in New Jersey, and he represented one of the strongest, if not the strongest, Republican districts in the State.

No matter to what office he was chosen during his public career it can be said of Mr. BROWNING that he at all times endeavored to give to that office the very best service that he knew how to render. He was an incessantly hard worker, and to his own detriment he gave little time to recreation and the care of his health.

Refusing to follow the advice of his physicians to let up in his work and give himself much-needed rest to build up his strength, which had been brought to a low ebb by ill health during the past winter, he insisted upon attending to his official duties, and it may truly be said of him that he died a martyr to his country.

Planning to return home and recuperate his health following the passage of the naval bill, which was passed by the House on the evening preceding his death, he waited too long, and finally the last thread of life which bound him to earth snapped, and he was summoned to his Master.

His life was full of years of good deeds accomplished. He was of a gentle and kindly nature and possessed of a host of friends, commanding at all times the attention and respect of his associates. The universal love and respect which the people of his home city had for him was most eloquently demonstrated in the vast numbers who attended his funeral and by the many magnificent floral tributes that surrounded him in death.

His funeral was generally observed throughout the city by the cessation of activities, as a mark of respect to the man who so faithfully and so earnestly served it.

Mr. Speaker, in the death of Mr. BROWNING we have all suffered a real loss. I shall personally never forget his many kindnesses to me when I first came to Congress and was new to the ways of this great body, and I deem it a high honor and a great privilege to here publicly express my gratitude and in my humble way endeavor to pay some lasting tribute to the memory of one of New Jersey's distinguished citizens, who leaves behind him a record of achievement and devotion to public duty which we, his colleagues, may well emulate, and of which the great State of New Jersey, which I, in part, have the honor to represent in this House, may well and justly be proud.

All who knew of the private life of Mr. BROWNING may well feel sure that he kept his "house in order" and that he was prepared to answer the sudden summons of his Master and to give an account of his stewardship, and I am sure that the answer made to him by his Lord was, "Well done, thou good and faithful servant; enter thou into everlasting glory."

Mr. MANN of Illinois. Mr. Speaker, Mr. BROWNING was the Chief Clerk of the House when I first came to the House in 1897. That is a very important office in the conduct of the House. I had occasion at various times to come in contact with him as chairman of committees of the House. When the House Office Building was opened I was the chairman of the committee in charge of the distribution of rooms, and the question of the furnishing of the rooms and various things of that sort came under the jurisdiction of Mr. BROWNING as Chief Clerk of the House. I found him then, as always, very knowing in matters that came under his jurisdiction. He was never extravagant, never inclined to extravagance in public affairs, yet he was very anxious at that time, as always, to accommodate the Members of the House as far as it could properly be done.

When he first came to Congress to receive a committee assignment I was the minority leader in the Sixty-second Congress and had the assignment of committees on the Republican side of the House. Strictly speaking, New Jersey at that time was not entitled to a place on the Committee on Naval Affairs owing to the proximity of members of that committee from neighboring States, but I had such confidence in Mr. BROWNING's fairness and intelligence that I readily placed him on the committee which he desired to serve upon. Certainly no one who knew what he did upon that committee ever had reason to regret that assignment. Always able, always intelligent, always fair, never desirous of extravagance, but always desiring to have the Navy maintained in a high position, he did as good work on that committee as any Member of the House ever did. It happened that I was in the chair in the consideration of the last naval appropriation bill.

Before that I had urged Mr. BROWNING to go away and take a rest, not to give such active attention to the work of the House, but he persisted and insisted upon remaining at his post of duty, and I watched him very closely from the chair during the consideration of the naval bill and was very much afraid that he might break down before we had reached the completion of that bill. He stayed here helping, working, fulfilling his desires as to the naval bill and its consideration, and then the next morning, as though he had completed the work for which he had been assigned in this world, quickly and quietly passed away, carrying with him and his memory the affectionate regard and whole-soul respect of every Member of this House and of everyone in the country who knew him and knew his work. He is gone. I only pray that the people he left behind him in close association may always remember he never failed in his duty, he never failed in his love and friendship for his fellow kind. He was a noble man.

Mr. LEHLBACH. Mr. Speaker, I approach this occasion in full appreciation of the loss sustained by Congress and by the State of New Jersey through the death of Representative WILLIAM J. BROWNING. But I also make confession of my feeling of personal grief and sorrow at the departure of one to whom I was drawn close by bonds of affection.

In the hearts and minds of the younger Members of the House, WILLIAM J. BROWNING occupied the place of a wise, kindly, and sympathetic father. His long experience in the House of Representatives, as an official and as a Member, gave him such a wealth of information regarding the practical workings of the machinery of the House as to make him an undoubted authority in this field. This knowledge it was his delight to place at the disposal of his younger and less experienced colleagues. I never knew a man so willing and generous in devoting time, trouble, and effort in helping his fellows, even in matters of trivial detail. I shall always cherish the memory of my first visit to the Capitol after my election as a Member of Congress. I had never met Mr. BROWNING before that occasion. He met me, gave me the friendliest of welcomes, and then devoted hours of his time to instructing me in the various necessary steps to get properly launched as a Member. He introduced me to every official, initiated me into the mysteries of the Document Room, Folding Room, Stationery Department, Government Printing Office, and in my rights and privileges as a Member generally.

From the messages and telephone calls he received I appreciated that he had much more important business demanding his attention, but he insisted that nothing must interfere with what he termed his duty to one of his boys. Throughout our service together it was his delight to impart information, to counsel and advise, and to render assistance. I have come to him with difficult problems, and he would lay aside his own work and accompany me to the departments to help solve them. From observation I know that this spirit of helpfulness was extended to all who chose to avail themselves of it.

WILLIAM J. BROWNING was in his every essence a Jerseyman. He was born, lived his allotted span of three score years and ten, and was laid to rest in the city of Camden. He was from early manhood identified with the public affairs of his city and State and was a loyal and uncompromising worker in the organization of the party of his choice. His character and temperament especially fitted him for effective work in this sphere in which unquestioned loyalty was deemed the paramount virtue. He was straightforward, simple, pious, and mentally honest. He accepted basic creeds in religion, morals, and politics and throughout his life undeviatingly adhered to them, indifferent to fitful breezes and transitory vagaries. Thus, from the depth of his convictions and in the best sense of the terms, he was "regular" and "organization."

He was happy in his committee assignment in the House. He thoroughly knew the American Navy and loved it. The great yards in his home town and across the Delaware River, where so many of the craft of the Navy were constructed, had from boyhood rendered him familiar with men-of-war. He had a widespread acquaintance with the personnel of the service and enjoyed not only their confidence and respect, but held their affection.

A substantial portion of his work in Congress was the preparation and passage of the annual naval bill. To this work he gave of his storehouse of information and of his capacity for painstaking attention to detail. He was in precarious health throughout this session of Congress and was urged by his intimates, both in and out of Congress, to withdraw for the time from active work and submit to the curative influences of a complete rest. He refused to listen to such advice. His sense of duty and his love for his work impelled him to remain at his task, although he was fully cognizant that by so doing he was imperiling his life. He was in his seat every moment of the time the naval bill was under consideration in the House. When it passed he was happy in the consciousness of having well done that which was intrusted to him to do and peacefully and painlessly entered upon his reward.

Life is a mystery. The purpose of the Creator in setting us here for a brief space is not given to us to fathom. Happiness is illusory and those who seek it most persistently seem least to possess it. I believe the best use to which we can put our lives is to seek those tasks within the scope of our powers and opportunities, the performance of which will yield the greatest amount of service to our fellows. I believe the greatest source of happiness is the accomplishment of the tasks we have set for ourselves. In the light of these concepts the enjoyment of life and happiness was in fullest measure accorded to our beloved colleague, WILLIAM J. BROWNING.

Mr. PADGETT. Mr. Speaker—

Friend after friend departs,
Who has not lost a friend?
There is no union here of hearts
That has not here an end.

Such, in brief, is the history of life in all of its vocations, in all locations. Wherever our life may be, whatever our environments, that is the sum and the substance. We meet here as strangers, we part as friends. Our parting is often in different ways. Some remain but a little while, others quite a long time. Some retire, others die. We form our attachments here, and that is one of the sweet, refreshing compensations of our service—the friendships which we form and our associations and our work in this body. While we have our political differences, while we have our different lines of work, some engaged along this line and others along a different one, yet there is no middle aisle of partition in our friendships and no dividing line in our affections. We form our friendships here, we seem to knit our hearts together, and we sometimes feel that they are so closely knit together that our lives become almost twin lives in their affection and their devotion.

But, after all, there is no permanent union here. There comes a separation and that separation always brings a tinge of sadness and reflections of sorrow. The thought comes to us also of our unfinished purposes. We are unable fully and completely to carry out our plans and our purposes. So it is all through life. We have a purpose or a plan, but it is not completed. We come here with our purposes and our plans and often they go not as we desire them, because we may not have the time or the opportunity. In all of life it is full of unfinished purposes and incomplete plans, and that leads us to ask, Is death the end? If it is, life is a travesty; yea, more, it is a tragedy. But if, as we believe, and as we feel that we know, death is not the end, living is a privilege, and life may be a benediction.

Living is full of opportunity and life opens a great vista of opportunities and great visions of what may be the grandeur and the glory of living, boundless opportunities, and limitless time and limitless space for development and for growth and for association. Ah, we have our friendships here, but in the hereafter the friendships begotten here will ripen into the full fruition of love over there; the richness, the fullness, and the glory of living in the conception that life here is simply a dip into the cycle of eternity. The little babe here, the young man in the full vigor of manhood, pass away, the one with threescore years and ten passes away, and, after all, it is only a short time. As the psalmist has said, we spend our years as a tale that is told.

But, Mr. Speaker, with all of our years here there is to us a sense of a lack of satisfaction. The very incompleteness of our purposes, the very lack of opportunity to fully mature and develop our plans, carries with it the lack of satisfaction. And upon an occasion like this we ask ourselves, Where is the remedy, and will there be a full satisfaction? It is to the loved ones, it is to the bereaved ones, upon an occasion like this, that we can say, as we believe, we shall be satisfied when we awake in His likeness. In the fullness and in the sweetness, in the glory and the grandeur, of that living into which the grave is only the open portal, we shall be satisfied, and there is the comfort, and that is the consolation, and that is the inspiration of our living and our toiling here, our friendships, our nobility of purpose and character here, that we may carry with us that nobility and that character and that uplift of purpose into that satisfaction hereafter.

And here bound down by the limitations of flesh, here limited by the habiliment of the senses, with very narrow opportunities and very limited horizon of action, we can but contemplate the pleasure—I speak it advisedly—of the thought that the spirit that leaves us here becomes a liberated spirit, passing into the Great Beyond, where the habiliments of the flesh, where the boundaries of the five senses, shall not limit the opportunities and the horizon of our action and our conception and our living.

Mr. Speaker, when the committee attended the funeral services of Mr. BROWNING, in the city of Camden, it was my privilege then, at the request of the family, to speak some words, wherein I then spoke of our intimate association and referred to his magnificent years of service, his high ideals, his lofty purposes, and the great work that he had accomplished in more than 20 years of service in this great capital of this great country. I do not feel it incumbent here to attempt to repeat or to rehearse those things. Others to-day have spoken of them with affection. I know that during the 20 years in which we served together here, 10 of them when he was a Member of the House and 10 of them when he was Chief Clerk of the House, our hearts were knit together. I speak it—I loved him because he was a man worthy and deserving of the love and the affection of his associates and his friends.

Early in the morning, quietly, peacefully, he heard the Master's call, and his liberated spirit was in the presence of the Almighty.

Peacefully, restfully, we laid him away in his home city, full of honor, full of years, full of respect and confidence of those with whom all those years he had associated.

As I passed along the way I read, "When the trail of a tear is softened with smiles." And I thought it was a beautiful sentiment. "When the trail of a tear is softened with smiles." Beautiful it was, full of sentiment and full of inspiration, and yet I thought it might still be a little higher plane if we said, "When the trail of a tear is wiped away with love." As I knew Mr. BROWNING, I believe I can say truly that oftentimes he softened the trail of a tear with a smile; yea, more, he wiped away the trail of a tear with love.

Mr. HUTCHINSON. Mr. Speaker, we have gathered here to-day in accordance with the time-honored custom of this House to pay tribute to the memory of one of its distinguished Members, Hon. WILLIAM J. BROWNING.

Spring, the most beautiful season of all the year, is a revelation of the matchless power and infinite wisdom of Almighty God. Winter has removed the plants and flowers with which we have become acquainted, and there is sent forward a new and fresh covering of the earth for man's comfort and enjoyment. The old order changeth for the new.

It is only natural then to expect changes in nature and the things material, but in our weakness we are unable to comprehend the divine plan of God as it relates to human life, and when called upon to lay away a loved one or a dear friend it is then we are brought face to face with the inevitable, and with tear-dimmed eye and broken heart we flee to the Rock of Ages for strength to bear our new burden.

Such was the experience of the membership of this House on the morning of March 24, 1920, when news of the sudden death of our colleague, WILLIAM J. BROWNING, was flashed through the halls of this magnificent building. Mr. BROWNING had passed through the winter of life and went forth into the spring of immortality to render an account of his stewardship and receive the reward of a faithful servant.

Within a very few days he would have completed the allotted span of life, for he was born in Camden, N. J., on April 11, 1850, and the years intervening were filled with useful service to his city, State, and Nation.

At the age of 17 years he entered the mercantile field, and although more or less actively engaged in that calling to the day of his death, he found time and counted it a privilege to take a keen interest in religious and civic affairs.

Busy men are always sought when important duties are to be performed, and Mr. BROWNING never shirked from a responsibility where the welfare of the community was concerned. He loved his home city with a devotion found only in strong men, and willingly sacrificed time from his private business and gave of his rich experience as frequently as the call was made.

He served the city of Camden for four years as a member of the board of education, and four years as a member of the city council, and was postmaster for five years.

Larger fields were opening to him, and in December of 1895 he was called to Washington as Chief Clerk of the House of Representatives, in which capacity he served until April, 1911, when he was further honored by being elected as a Member of Congress.

As Chief Clerk he was thrown in contact with the leading men of our Nation, and the experience gained by such association, together with the exceptional ability displayed in handling the many details of his important office, eminently qualified him for the higher and more responsible duties of a Representative.

Mr. BROWNING immediately on assuming his new position became one of the valuable Members of this House, his judgment was sound, his reasoning comprehensive, and his advice frequently sought and always freely given. In matters of legislation he was conscientious, painstaking, and exceedingly fair. Sham was unknown to him, for he would not deceive nor could he tolerate deceit in others. He was a man of high ideals whose very presence convinced one of his sincerity of purpose.

He was one of those public servants who regarded a public trust with an eye single to the general welfare, and when it came to a decision on a public question he knew neither friend nor foe, but fearlessly, without regard to comment or criticism, did his duty as he saw it.

Of his many activities in Congress, the one that most appealed to him was the work of the Committee on Naval Affairs. He had long been a member of that committee and was a consistent advocate of the policy of the best Navy for the best Nation, and no responsibility in connection with the work of that committee was too great for him to assume. He had made a study and comparison of the ships and personnel of the navies of the world, and devoted every ounce of energy to making our Navy superior to all in personnel, ships, and gunnery. The work of that great committee was clearly demonstrated and justified by the brilliant record of our Navy during the World War.

In private life the same characteristics that made him a valued public servant were brought into play, and during his busy career Mr. BROWNING found time and cherished the privilege to take an active interest in church and Sunday-school work. For approximately 50 years he was a devout member of the First Baptist Church of Camden, N. J., and his sincere devotion to his church and God has been an inspiration to those who came in contact with him.

The people of a community can receive and deserve no higher encomium for their intelligence, their integrity, steadfastness, and patriotism than by their continued and hearty support of such a man as Mr. BROWNING, who for many years was afforded an opportunity for such public service. He earned and received and appreciated it, and the people reaped their full reward by the dedication of a rare life solely to their welfare.

The close of such a long, useful, and honored life could not arouse a poignant sorrow, except as one would sincerely mourn that such a departure is the divine dispensation, and that such a friend has finally left us.

My personal acquaintance with Mr. BROWNING covers a period of 20 years, and I miss him, and feel his loss keenly.

In a conversation with him on the night of March 23, immediately following the passage of the Naval appropriation bill, he bid me good-bye and said: "My work is finished; in the morning I am going home and take a long rest." Little did I think at that time the journey would be made to his heavenly home and the rest eternal, but the call came, and he was found ready and willing to respond.

Mr. Speaker, some two or three years ago Mr. BROWNING delivered a brief address in Camden, N. J., entitled, "How dear to my heart are the scenes of my childhood." It was so typical of the character of the man in that it showed the profound interest he took in the growth and development of his home city, that I feel it should be made a part of these services, and ask unanimous consent that it be printed in the RECORD.

"HOW DEAR TO MY HEART ARE THE SCENES OF MY CHILDHOOD.

"Camden was my birthplace; Camden was the scene of my childhood; and in Camden I hope to breathe my last.

"None but those who have shared the joys and the sorrows incident to the growth of their place of nativity can appreciate fully its advancement nor enjoy with the same degree of pride its progress and material development.

"To me there is hardly a street, or an old building, or an old resident that is not a reminder of the old Camden as I know it when a boy. And now there are the newer things, the modern evidence of Camden's present life, the two—the old and the new—interwoven, linking the past with the present.

"Doubtless to some here present personal reminiscences by a native and one of Camden's 'oldest inhabitants' will be lacking in interest, but I am to be pardoned for this recital, for the topic assigned to me renders my good reminiscent. No 'dim recollection' but vivid memory presents to my view the scenes and incidents which endear Camden to me.

"Camden—the name suggests at once the rights of freemen, for it was Charles Pratt, first Earl of Camden, that great English statesman and wise jurist, who recognized and advocated constitutional liberty for our colonists.

"No wonder that the name is held in honor and esteem, as is evidenced by its bestowal upon twenty-two cities and towns throughout the United States. Of this number, our own Camden is the best known—to us belongs the chief distinction of prior right and well-earned prominence.

"One of my most valued possessions is a small volume, issued in 1909, entitled 'Historical Sketch of Camden, New Jersey,' by our townsman, Howard M. Cooper. This comprehensive little history of early Camden is instructive and entertaining, and I would suggest to those of my hearers who have not already read it to do so.

"I was born in Camden in the middle of the nineteenth century, at 214 Market Street (now the C. C. Chew Dry Goods Store), then embraced in the old North Ward, afterwards and now the First Ward. I still reside and vote in the same ward. Our town then had less than 10,000 people; now we have 104,000, an average growth in population of over 15,000 per decade.

"In the census period from 1870 to 1880, the number of our people doubled. At that time our commercial and industrial foundation was laid, and our future success as a manufacturing city assured. Then it was that the old Camden of my boyhood began to develop into the Camden of to-day. The former things began to pass away.

"As I was only in my second year, I do not remember, of course, when the first street paving was laid in Camden, in 1852, though I do remember those cobblestones for many, many years after. In the same year of the street-paving improvement, the city began to be lighted by gas. So, we were moving along.

"One of my earliest recollections is that of the New Jersey State Agricultural Society Fair, which was held in the year 1855, in Diamond Cottage Grove and on the ground now bounded by Cooper, Market, Sixth, and Seventh Streets. On the same site, for many years afterward, the old game of 'town ball' was played, before the days of the modern game of baseball.

"In my childhood days Diamond Cottage Grove was a favorite place for holding picnics, and many parties came from Philadelphia to make merry in those picturesque old grounds. There was also a public pleasure garden in those days at the foot of Cooper Street; another on Market Street, above the West Jersey Hotel; and still another on the south side of Federal Street, near Front Street.

"I remember distinctly the burning of the ferryboat *New Jersey* in 1858. For long years afterwards many disputes regarding dates of happenings were settled to the satisfaction of all disputants by some one recalling 'it happened before,' or 'it happened after,' the burning of the *New Jersey*.

"In 1860 our population had grown to 14,358, and of this number 2,500 marched away to the war to fight for a united country. Well do I remember with what boyish pride I saw young, handsome Shreve Ackley (whose family and my own were intimate friends) march down Cooper Street at the head of Col. Einstein's regiment as its adjutant. The picture comes back to me to-day—and it has during all of the intervening years—as one of the most inspiring lessons of my life. Mr. Ackley is at the present time a resident of Philadelphia.

"In those early days there were very few houses north of Penn Street to the Delaware River. North from the vicinity of Main Street was farm land, and I have wandered through the corn fields 'many a time.' Between Penn and Main Streets, I remember, had been farm land; I had great fun there cutting asparagus on Saturdays when we had holiday from school. A portion of this tract was afterwards fenced in and used by the first Camden baseball players.

"Some of our best citizens resided on Market Street, between Front and Second; notably, Jame B. Dayton, Peter L. Voorhees, and Abraham Browning. These old houses are still

standing, but are now owned by the Victor Talking Machine Co. and must soon disappear to make room for proposed extensive improvements.

"It is not likely that anyone present remembers the old ferryboats, *Merchant* and *Mechanic*, that ran from the foot of our Market Street, and the *Mary* and *Dido* that ran from the foot of Federal Street. It meant great effort and persistent hard work for those small boats to cross the river in wintertime, for there were no gigantic ice boats to break the way. In going to and from school during the years I attended the Friends Central High School in Philadelphia, I considered it great sport to jump off the boat onto the ice and walk ashore.

"The wonderful improvements that have been made in transportation facilities can well be appreciated when we compare the ferryboats just spoken of with the splendid steel boats *Bridgeton* and *Salem*, just placed on the line.

"The first school that I attended was a private one, taught by Miss Caddie Glover, in the second and top story of the Perseverance Hose House, on Third Street, below Market. Later, I went to another private school, in rooms over the grocery store of Burr Moore, on the southwest corner of Third and Market Streets, taught by Mrs. Catharine Cadwell and Miss Kate Cadwell, her daughter. Next, I went to the old academy, at Sixth and Market Streets on the site where the George Genge School now stands; the academy with a branch at Second and Plum Streets was the only public school in the city at that time. After my father's death, which occurred in 1861, my mother sent me to the Friends Central High School in Philadelphia, where I continued for four years.

"The development of our schools from the old academy days to our present magnificent system, with its kindergarten, primary, grammar, high, and manual-training departments, seems almost like a wonderful dream that has come true. I am glad indeed to have shared, even in a very small way, as a member of the board of education, in putting a few cogs in the wheels that have revolved to such purpose. In my early days Camden had not engaged much in manufactures. Jesse W. and John F. Starr were the proprietors of one of the leading establishments, now the Camden Iron Foundry. There were three sawmills on the Delaware River: McKeen & Bingham, the Garrison, and the Stockham. There were also the Esterbrook Steel Pen Co., the Collings Carriage Co., the Charles S. Caffrey Carriage Co., Potts & Kletts Chemical Works, Browning Bros. Log Works, Merrys Paper Mills, and one or two establishments on Cooper River.

"At the present time we find employed in our 365 manufacturing concerns between twenty and twenty-five thousand people, in iron mills, pottery plants, woolen mills, making soups, candy, chemicals, oilcloth, embroidery, laces, shoes, corks, talking-machines, and a thousand and one other articles, from the little steel pen to the proudest battleships and merchandise-bearing vessels in the world.

"Our wealth, such as it is, does not consist merely in tangible property, or stocks and bonds. It consists in homes—real homes, modest homes, owned and lived in by our own artisans, mechanics and business men, where the rights and immunities of conscious, dignified, and responsible proprietorship is in strong contrast to those great 'Alps of civilization' congesting the metropolitan cities, wherein home life and its sweetness is absent and the sense of individuality lost. Thank God for the 'two-story' homes of Camden!

"The future of Camden is unguessed. We shall be to Philadelphia what Jersey City is to New York. Our natural advantages as to water front are magnificent, and the possibilities for Camden's future business developments are almost without limitation.

"The War Department has just granted an extension of our pierhead lines in the Delaware River, and two concerns are ready to build wharves as far into the river as permissible. A governmental survey of the Delaware in front of Camden is just about completed; we shall soon have deeper water, so that vessels of deep draft may land at our wharves.

"I can not express with what interest, pleasure, and anticipation I am doing my share of the work toward securing for Camden all of the advantages that are sure to come when our water fronts on the Delaware River and on Cooper River are available for 'big business.' Sites unsurpassed for manufacturing purposes are located on both the Delaware and the Cooper, and I believe that we shall see all of the available space thus utilized in the near future. This all spells an increase of population and greater prosperity.

"Camden to-day is a city of which we must feel proud. We have churches of every denomination; we have well paved and beautifully lighted streets; we have the best drinking water in the world; we have a splendid school system; we have fine public library accommodations; we have excellent fire and police departments; and, best of all, we have a God-fearing, public-spirited population. On such foundation stones we are bound to build high, and if I am anything of a prophet you will see our city one of the leading cities of the State of New Jersey before any of us are many years older."

Mr. OLIVER. Mr. Speaker, the Hon. WILLIAM J. BROWNING passed away on the 24th day of March last, at the age of 69, after an illustrious, successful, and notable career. In his death not only the State and district that honored and trusted him, not only this Congress that loved and respected him, but the Nation, as well, sustained a great loss.

My association with him was close and intimate and I personally felt his loss. It has been well said by another—commenting on the friendships in Congress—that some of the sweetest fruits found in the experience of political life are those which hang over the party wall.

To the listeners in the gallery who witness the daily proceedings on the floor, with its sharp clashes and collisions in the heat of debate, to the public at large, reached by the echoes of the strife only, it may be difficult to realize that there are found here not alone cordial relations, but the very closest ties of warmest personal friendship between those sitting on the different sides of this dividing aisle.

But this fact is well known to those familiar with conditions here, and no one ever gathered to himself here more devoted friends than did Mr. BROWNING.

He had a golden heart, a generous mind, a knightly soul that inspired friendship, trust, and confidence in all whose good fortune it was to know him. Correct in his habits, devoted to his family, true to his friends, loyal to his convictions, he was an upright, conscientious, industrious, high-minded public servant.

He was a Christian gentleman in the best sense of that word. Devoted to his church, yet neither bigoted nor narrow. Generous and charitable wherever he was, the sunlight of good cheer and the wholesomeness of a real friendship could be found—it was his noble nature to love his friends, but above all to love his country.

The world was better for his having lived in it, and the influence of his private life, his goodly deeds, his public service will never die. Though he has left us to join the great majority, we can yet claim him, for—

There is
One great society alone on earth,
The noble living and the noble dead.

How little is here, Mr. Speaker, after all, of this true friend and good man that is consigned to the tomb. The shroud and the vault conceal the body from our vision, but the memory of his good deeds and great actions lives on, and will remain fresh and green forever, and will bear fruit elsewhere.

The day has come, not gone;
The sun has risen, not set;
His life is now beyond
The reach of death or change—
Not ended, but begun.

Mr. Speaker, Mr. BROWNING fell asleep in the barber's shop of the Capitol; and shortly thereafter the colored barbers, who were devoted to him, met and adopted a resolution dictated by Prince Robinson, one of the barbers, who always waited on him. I ask unanimous consent to read and insert the resolution in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. OLIVER. Like a shadow thrown softly and sweetly from a passing cloud, death fell upon Mr. BROWNING, just as he was rising from the chair after his morning shave, and he gently and quietly passed away in the arms of old Prince, his friend and colored barber, who comes from my State, and who has a great heart and noble impulses, and the fondest appreciation of Mr. BROWNING. It was this unlettered colored man, loving him with a devotion unsurpassed, who dictated this plain, simple, yet sincere tribute to our friend who has gone, given just as Prince wrote it:

RESOLUTION.

WASHINGTON, D. C., *April 21, 1920.*

It behooves me to say that the Hon. WILLIAM J. BROWNING passed away so suddenly while under my care, I could hardly realize it for several days. I was devoted to Mr. BROWNING and he was to me, and I always tried to be at my post on time to wait on him, so as not to excite him, for I knew his condition.

Mr. BROWNING was a great man and good to all, and all of us mourn his loss: Therefore, be it

Resolved, As it pleased Almighty God to take from our midst a statesman and friend, I, Prince Robinson and brother barbers, offer this resolution in respect to Mr. BROWNING; and, be it further

Resolved, That a copy of this resolution be sent to the heart-stricken family.

Mr. BRITTEN. Mr. Speaker, I ask unanimous consent to insert in the RECORD a copy of the funeral services held at the First Baptist Church in Camden, N. J., on Saturday, March 21, 1920.

The SPEAKER pro tempore (Mr. LEHLBACH). Is there objection to the request of the gentleman?

There was no objection.

Mr. BRITTEN. Mr. Speaker, I regard it as a privilege to pay tribute to the life, character, and memory of our late colleague, Hon. WILLIAM J. BROWNING, whose untimely death has taken from the House of Representatives one of its most valuable and painstaking Members.

As a Member of the Committee on Naval Affairs, where I served with Mr. BROWNING during the greater portion of the past eight years, it was my good fortune to be guided very largely in my opinion on matters of naval affairs, by his wisdom, honesty of purpose, excellent vision, and fair leadership for a military service which he dearly loved.

His attention to duty, his close application to public affairs, even after he was informed of his shattered health, was a matter of comment by his colleagues on the committee and of anxiety to his friends. He was not willing to take his needed rest and was on the floor of the House watching every angle of the disputes and parliamentary tangles of the annual naval appropriation bill, barely 12 hours before his untimely taking away. His quiet persistence in giving personal attention to every detailed requirement of the Navy, almost up to the very moment of his death, but characterizes the sterling qualities of this man who has given so much to his State and to the Nation.

He was not willing to take his needed rest, for he felt that his duty was here in the House, and faithfully he remained at his post until death's hand was actually upon his shoulder beckoning him to come to that home of uncertainty of the future, where all of our troubles are left behind.

Mr. BROWNING was always considerate of his colleagues, broad-minded and generous-hearted. He was respected by all who knew him.

When the war came, Mr. Speaker, no man in this Chamber gave more undivided support to the great conflict in which we were engaged than did Congressman BROWNING.

The Committee on Naval Affairs has already felt the absence of Mr. BROWNING, who gave to the meetings of that committee his undivided attention. He endeavored to familiarize himself with the naval code and with regulations and recommendations of the Navy Department, that the service he rendered in the consideration both of recommendations and of bills referred to the committee, might reflect the ripe fruits of a long tenure of activity in the Nation's Capitol, where that experience gave full knowledge of the subject involved.

Some of us are prone at times to be lax in the discharge of our committee duties, feeling that others will bear the burden, and that personal attention is not therefore a matter of mandatory importance. Congressman BROWNING never so felt nor acted. Others might be absent from the meetings of the committee; others might, for many reasons, be unacquainted or unfamiliar with its work and with the character and purpose of the bills referred to it for consideration, but Congressman BROWNING never. He was always in his seat and always vigilant and active, both in attention and in inquiry.

His talents were not of the brilliant variety; they were solid, practical, substantial, and if it be true, as Macaulay says, that genius is but another name for a capacity for hard work and unremitting labor, then Congressman BROWNING was a genius.

Bringing to bear upon the duties of the House the best faculties with which a Member is endowed is the highest possible service to himself and to the country. Measured by that standard, Congressman BROWNING was one of the most useful Members of this body. He was industrious, vigilant, painstaking, and conscientious. He loved his country and his State, appreciated the dignity and the duties of the high position which his people had conferred upon him, and reflected credit upon them and himself so long as he spoke for them and for the Nation.

We lose much in his death, but those nearer and dearer lose more. I can simply say that the tenderness and solicitude which he evidenced for his friends and loved ones were worthy of a son of God. May the peace and consolation of the Divine Master ever bless and comfort those who are left to mourn.

FUNERAL SERVICES OVER THE BODY OF HON. WILLIAM J. BROWNING AT THE FIRST BAPTIST CHURCH OF CAMDEN, N. J., AT 2 O'CLOCK IN THE AFTERNOON, SATURDAY, MARCH 27, 1920.

"Prayer by The Rev. John W. Lyell.

"The Rev. Mr. LYELL. I ask your attention to some selections from the Word of God:

"'God is our refuge and strength, a very present help in trouble. Therefore, will we not fear, though the earth do change, and though the mountains be moved in the heart of the seas. Be still, and know that I am God: The Lord of hosts is with us; The God of Jacob is our refuge.'

"'The Lord is my Shepherd; I shall not want. He maketh me to lie down in green pastures: He leadeth me beside the still waters. He restoreth my soul; He leadeth me in the paths of righteousness for His name's sake. Yea, though I walk through the valley of the shadow of death, I will fear no evil: for Thou art with me; Thy rod and Thy staff they comfort me.'

"'For which cause we faint not; but though our outward man perish, yet the inward man is renewed day by day. For our light affliction, which is but for a moment, worketh for us a far more exceeding and eternal weight of glory; while we look not at the things which are seen, but at the things which are not seen; for the things which are seen are temporal; but the things which are not seen are eternal.'

"'For we know that if our earthly house of this tabernacle were dissolved, we have a building of God, an house not made with hands, eternal in the heavens. For in this we groan, earnestly desiring to be clothed upon with our house which is from Heaven. If so be that being clothed we shall not be found naked. For we that are in this tabernacle do groan, being burdened; not for that we would be unclothed, but clothed upon, that mortality might be swallowed up of life. Now, he that hath wrought us for the self-same thing is God, who also hath given unto us the earnest of the Spirit. Therefore we are always confident, knowing that, whilst we are at home in the body, we are absent from the Lord, for we walk by faith—not by sight. We are confident, I say, and willing rather to be absent from the body, and to be present with the Lord. Wherefore we labor, that, whether present or absent, we may be accepted of Him.'

"'But now is Christ risen from the dead, and become the first fruits of them that slept. For since by man came death, by man came also the resurrection of the dead. For as in Adam all die, even so in Christ shall all be made alive. But every man in his own order: Christ the first fruits; afterwards they that are Christ's at his coming. The last enemy that shall be destroyed is death. There are also celestial bodies, and bodies terrestrial; but the glory of the celestial is one, and the glory of the terrestrial is another. So also is the resurrection of the dead. It is sown in corruption; it is raised in incorruption. It is sown in dishonor; it is raised in glory. It is sown in weakness; it is raised in power. It is sown a natural body; it is raised a spiritual body. There is a natural body, and there is a spiritual body. And as we have borne the image of the earthy, we shall also bear the image of the heavenly. Now this I say, brethren, that flesh and blood can not inherit the kingdom of God; neither doth corruption inherit incorruption. Behold, I show you a mystery: We shall not all sleep, but we shall all be changed, in a moment, in the twinkle of an eye, at the last trump; for the trumpet shall sound, and the dead shall be raised incorruptible, and we shall be changed. For this corruptible must put on incorruption, and this mortal must put on immortality. So when this corruptible shall have put on incorruption, and this mortal shall have put on immortality, then shall be brought to pass the saying that is written: Death is swallowed up in victory. O death, where is thy sting? O grave, where is thy victory? The sting of death is sin; and the strength of sin is the law. But thanks be to God, which giveth us the victory through our Lord Jesus Christ.'

"'Let not your heart be troubled; ye believe in God; believe also in Me. In my Father's house are many mansions; if it were not so, I would have told you. I go to prepare a place for you. And if I go and prepare a place for you, I will come again, and receive you unto Myself; that where I am, there ye may be also. Peace I leave with you; My peace I give unto you; not as the world giveth, give I unto you. Let not your heart be troubled, neither let it be afraid.'

"May God add His blessing to the reading of His Word.

"At other times and in other places men will gather to make due recognition of the distinguished service that our brother has rendered in the affairs of city, State, and Nation. We meet to-day in the House of God, and have come, as all men must come to the House of God, leaving outside all external distinctions of rank and privilege. We are here because we realize our need of God and our dependence upon Him, and

because there is no other source of hope or comfort or real consolation.

"The things that count in an hour like this are not so much what a man has gained or what he did, but what he was. Earthly glories are fleeting and transitory; character is the only thing that abides. When death comes it compels a new evaluation of the things of time and eternity in an hour like this. The teachings of God's Book have new significance.

"'Seek ye first the Kingdom of God and his righteousness, and all needed things shall be added unto you.' 'Lay up your treasures in Heaven, where moth and rust do not corrupt or thieves break through and steal.'

"The deepest needs of the soul can only be met by the truth that Divine Love has revealed. The comfort men are vainly seeking in the work of Spiritism is openly offered by Him that brought life and immortality to light, and our hopes of a blessed immortality and a home in Heaven are assured by Him whose victory over sin and death the church will soon celebrate with glad Easter exercises.

"It is fitting that we bring here this afternoon all that is mortal of our brother, to the place where he publicly confessed his faith in Christ, and because here, as nowhere else, we can face death without the sense of defeat. It is here that we can say with faith triumphant, 'O death, where is thy sting? O grave, where is thy victory? Thanks be unto God, who giveth us the victory through Jesus Christ, our Lord.'

"This remarkable attendance of representative men from all walks in life is a wonderful tribute to the ability of our brother to make friends and the appreciation his many sterling qualities has compelled; but we are drawn here to-day not so much by reason of our associations in the great activities of life, but because a friend and brother who has fought a good fight and kept the faith has fallen in the discharge of his duty, and we come impelled by friendship and affection to assure his sorrowing loved ones and friends of his youth and maturer years that we, too, loved him and share their sense of loss and that our hearts go out to them with a sympathy that words can not adequately express.

"Practically the whole of the life so recently ended was spent in this city, and much of it in the pitiless publicity of official life. Our brother passes to his reward with an unsullied name. The heritage of a spotless name is greater to be desired than much riches. Many traits of his Quaker ancestry persisted unto the end of his life; his avoidance of ostentation and display. He often appeared austere and reserved to those who did not know him well, but a seeming brusqueness of manner could not hide the bigness and warmth of our brother's heart.

"An aged farmer and friend of Daniel Webster stood by the open grave at Marshfield. He said, 'The world is lonesome and Webster dead. There is only one heart in Marshfield to-day and that is sad.' It is no exaggeration to say, 'There is only one heart in Camden to-day and that is sad.'

"Of the husband and father I will not presume to speak. That holy of holies is not lightly to be entered by one outside the inner circle. But as his pastor and his friend for more than 30 years, I count it a privilege to speak a word of appreciation on behalf of his brothers and sisters of this church.

"Our Brother BROWNING was baptized as a young man into the fellowship of this church, April 5, 1867, and has been a member of this church for nearly 53 years. I need not speak of the strength of those ties which have bound our hearts together, as we have labored and toiled and as we have made sacrifices for the sake of the Kingdom of God in this place. I can say it earnestly, most sincerely—our brother loved this church, he was faithful in attendance upon its services when he was in the city, and he was interested in all that pertained to its welfare.

"I have received a beautiful letter from a brother pastor in the city of Washington, Dr. J. J. Minor, who doubtless is known to some here to-day, saying how for many years he had appreciated the loyalty of our brother to the church, the denomination of which he was a member, and how often he had been present at the services there.

"Our brother was a member of the Bible school. He was a member of one of the classes of our school and he was treasurer of his class. He was not too big nor too busy to do this humble service for his Master and for the church, and I can say that the service that he rendered was with that same conspicuous fidelity that characterized the discharge of his public duties.

"He was one of the oldest members of this church, though we have a number who exceed him in the calendar years of their lives.

"We shall miss him. The sense of loss in our minds and hearts is very great. As a citizen of Camden for more than 30 years, perhaps I might venture to add just a word or two of my appreciation of him as a man and a citizen. As I think of WILLIAM J. BROWNING and his life, as I have known it for more than 30 years, I would say that one of the outstanding characteristics of the man was his loyalty to his friends and the truth as he saw it. He was a man of very positive convictions. All men of much strength are men of conviction, and all men who have deep convictions are likely to awaken some opposition somewhere, but everyone respects a man who has conviction, and a man like WILLIAM J. BROWNING, who not only had conviction, but had the courage of his conviction. As I have known his service in the years that are gone, I think of him as a friend of the weak and helpless. I think I never knew a man to go to WILLIAM J. BROWNING in trouble, in need, that he did not endeavor to serve, and I have reason to know that the men who served their country in 1861 to 1865, who had any trouble about their pension matters and felt they needed a friend and a friend's advice in that matter—I have reason to know that none of them ever went to him in vain, and there was no trouble too great for him to undertake if he could secure what was their right and just due.

"He was very conscientious and faithful in the discharge of all his obligations, and no personal considerations could swerve him from what he felt to be the path of duty.

"WILLIAM J. BROWNING gave his life in the service of his country just as surely as the men who to-day lie on Flanders field. He knew the risk that he ran in remaining in Washington in spite of the warnings of his doctor, but he did not hesitate to risk his life in the discharge of what he felt was his duty. And we, his fellow members of the Church of Christ, we, his fellow citizens in the goodly town of Camden, are here to say, 'Well done,' and lay our chaplets of love and appreciation on his casket. To have lived thus is to have lived well a life of service and helpfulness of others, the highest form of life, and our brother was vouchsafed a satisfaction rarely given to men, to reach the end of life and feel life's work was finished and it was well done.

"Our sister, Mrs. Browning, has furnished me a cherished clipping, which, she says, might have been written with her husband in mind, and contains an exhortation to which all should give heed.

"FINISH THY WORK.

"Finish thy work; the time is short;
The sun is in the West;
The night is coming down—'till then
Think not of rest.

"Yes, finish thy work, then rest;
Till then rest never;
The rest prepared for thee by God
Is rest forever.

"Finish thy work, then wipe thy brow;
Ungird thee from thy toil;
Take breath, and from each weary limb
Shake off the soil.

"Finish thy work; then go in peace;
Life's battle fought and won;
Hear from the throne the Master's voice:
'Well done! Well done!'

"Give thanks to Him who held thee up,
In all thy path below;
Who made thee faithful unto death
And crowns thee now.

"So be my passing!
My task accomplished and the long day done,
My wages taken, and in my heart
Some late lark singing.
Let me be gathered to the quiet West,
The sundown splendid and serene.

"I count this a very great privilege. We have with us to-day two distinguished gentlemen who have been associated with Mr. BROWNING in his public life in Washington. I have very great pleasure in presenting the Hon. Mr. PADGETT, who served with Mr. BROWNING in the arduous work on the Naval Committee.

"Mr. PADGETT. Christian friends, nearly twenty years of association with Mr. BROWNING continued to grow and to ripen stronger and stronger into a closer and better and more intimate friendship. When I first came to Congress I knew him not as a Member of the House then, but as the Chief Clerk of the House, in which capacity he served faithfully and well for many years. Upon the death of Mr. Loudenslager, whom I knew well, Mr. BROWNING succeeded him, not only as a Member of the House representing this district, but also succeeded him upon the Naval Affairs Committee, and for nearly 10 years we have been associated closely and intimately in the work of the Navy.

"Permit me to say that he was indeed and in truth a friend of the Navy. There was never any time that his faith in the Navy faltered or that his efforts failed. He was true to a deep-seated conviction that the Navy was one of the great and honored instrumentalities and agencies of our Government, challenging the admiration and deserving of the esteem and love and affection of the American people, and he never lost sight of an opportunity to render every service and every assistance he could, not only for its maintenance, but for its uplift and its stability.

"And to-day, gathered as we are here, I know of no greater tribute that I could speak of him than to say that at all times, under all circumstances, he was true and faithful and shirked not his duty nor evaded his obligations. It is not my purpose this afternoon, friends, to attempt to rehearse the many things, the many activities of his public life, nor to analyze the many virtues of his life, and yet I must say that he was an honorable man. Associating and seeing each other from many angles and from different sides and under conditions when we were cooperating together and when we were pulling for separate ideas and policies and purposes according to our convictions of what may have been our duty under particular circumstances, we have an opportunity to judge of the real merit and composition of a man, and I do not think that any man who was associated with Mr. BROWNING came away without being convinced with a deep conviction that he was an honorable man.

"Again, my friends, he was an honest man. It has been said that an honest man is the noblest work of God. To all that it means, all that it carries with it, he is entitled. He was an honest man, not alone in the material sense of paying debts or dealing in the physical and material things, but he was honest in the conception and ideals of true manhood, the principles of character that constitute real manhood, honest in his purpose, honest in his convictions, honest in his affections, honest in his judgment and his conception of his duty and toward his fellows and his country.

"My friends, the pastor has referred to it—he was a man of convictions and courageous in those convictions. He was not wishy-washy. He had his convictions; he believed in them and he had the courage and hardihood to maintain them and insist upon them. He was a man that, when you got close to him, had a warm, generous heart.

"I do not know where there was a closer association than between Mr. BROWNING and myself, and some years ago it was my pleasure and privilege, which I have often thought of and reflected upon, to come with him over here. I attended service with him in this church, and I occupied the pew there indicated, with him and his beloved wife. I enjoyed the hospitality of his home. My friends, the tie that is broken between us touches my heart.

"Not only in the personal relationships of life, but he was honest and honorable in the discharge of his public duties and in meeting his patriotic obligations. What more can I say? For more than 20 years he met honorably, faithfully, intelligently, earnestly the duties and responsibilities that devolved upon him as representative duties, as official duties, in the Capitol of the Nation.

"Last Wednesday morning, early in the morning, as was his custom, he went into the Capitol building, where he had so long served faithfully and well, and while in that building he heard the low, soft call. He answered it. It was the Angel call. His body became quiet and his spirit went to his God. Lovingly and tenderly they brought him here to his honored State of New Jersey, and to his beloved Camden, where he was born, where he was reared and lived all these years, always retaining the respect and honor and confidence of his people.

"My friends, on an occasion like this I do not wish to speak of the darkness, but of the light; not of the night, but of the day; not of the sunset, but of the sunrise. We see before us these flowers. Beautiful they are, and fragrant; but they soon will wilt and wither and their fragrance will be lost in the air. We want something at this time more lasting and more substantial, and the thought comes to us of the occasion when, in other days, in the early morning of the first day of the week the women went to the open grave looking for a loved one, and the Angel said to them, 'He is not here. He is risen.' O they are comforting words on an occasion like this, and as we stand by this casket, we, too, say, 'He is not here. He is risen,'—risen not into the beauty of these flowers, for they soon will wilt and fade; not into the beauty of the golden-tinted sunset of the west, for the shadow of night will blot it out; but risen in the life, into the fullness and the sweetness of that life where opportunity for greater and better things will be as immeasurable and as illimitable as the universe of God, and whose duration will be commensurate with the eternity of God.

"O my friends, the comfort is on an occasion like this, the life—the fullness, the sweetness, the beauty of the life of which the grave is only the portal, or the open door of the transition.

"My friends, they say that when we pass away we take nothing with us. It is not so. Mr. BROWNING had a wealth of character, a richness of soul, that moth and rust could not corrupt and thieves could not break through and steal—a wealth and a richness that he could take with him when he met his God."

"Rev. Mr. LYELL. I present the Hon. Mr. HUTCHINSON, a member of the House of Representatives from New Jersey, and associated with Mr. BROWNING.

"Mr. HUTCHINSON. Christian friends: I have been requested to speak for the New Jersey delegation. Words are very hard to find to express what the New Jersey delegation thought of Mr. BROWNING. He has always been a safe adviser to follow and we have taken advantage of his judgment, and we have found him an earnest, true worker. He always considered a subject very carefully. After he made up his mind he always did what he thought was right, irrespective of what the consequences might be.

"I suppose, personally, I have been closer to Mr. BROWNING than most, for the last two or three years, because both of us have had loved ones at home afflicted with the same disease, and we have talked for hours. I know what a great care he had and what thoughts he gave to his loved ones at home, and how he wished them to get better. I know, of my own experience, that the New Jersey delegation, the district which he represented, the State of New Jersey, and the loved ones at home, will miss him. He was a faithful worker and his one desire was to do what was right for the most people. He was a great credit to your district and to the country.

"For a great while his health was so bad it seemed a real injury to ask him to do anything. Still, he was always ready to do what he could for his fellow men; and I certainly felt very sorry myself as I came back here. I was very much attached to Mr. BROWNING, and I know I shall miss him, as will the entire New Jersey delegation."

"Prayer by the Rev. Mr. LYELL:

"Again, O greatest Lord and Master, we lift our hearts and our voices to Thee. We need Thee. We realize that all our help must come from Thee, and we thank Thee for Thy love and the love that was manifest in Jesus, Thy son, to be our Savior. We thank Thee for His life of serving and sacrifice, for His death and for His resurrection. We thank Thee for the hope we have in Him, for the life that now is and for the life that is to come. We thank Thee for that hope, that faith, that takes away the fear of death, and that blessed assurance which Thou hast given us of the home eternal that Love has prepared.

"We pray Thy blessing as we meet and meditate this hour upon the blessings of life and death. We thank Thee for the promise, for the assurance of deliverance from the power of sin and death. We thank Thee for the blessed hope of resurrection and immortal life offered through Jesus Christ, our Lord and our Savior.

"We pray Thee to bless and comfort the hearts that are heavy and sad to-day, because of the separation that has taken place. We thank Thee for the comfort Thou hast brought, of the hope of a soul sure and steadfast.

"We thank Thee for the great promise of Thy word that all things shall work together for good for those that love Thee, and out of experiences that are grievous for the present Thou wilt bring far more exceeding and eternal faith.

"Help us that we may be submissive to Thy Divine Will, realizing that not in anger, but in love Thou dost so visit Thy children, and underneath is Thy everlasting love.

"We pray Thy blessing upon the family and the relatives and friends who have gathered from far and near. O, Our Father, we pray our hearts may be comforted, our faith strengthened. May we give ourselves in consecration to Thee and Thy cause, and look forward with glorious hope, with faith and confidence to the things of life, and feel that that same power that raised up Christ from the dead will raise up all those who put their trust in Him.

"Bless those who have assembled here; bless those in distant places who, in thought, are turning toward here; sanctify to us all the lessons of life and death; go with us now as we shall go on the journey to the cemetery, and stand by us as we stand by the open grave. Help us to realize, as never before, that death is not the end of all, but that the power that raised up Christ will raise up this loved one also.

"Hear us in our prayer; forgive all that Thou hast seen amiss in us here, and guide us as we go on to the end of our days. May we hear Thee say, as we trust Thou hast said to our loved one, 'Well done, thou good and faithful servant.'

"For Jesus sake: Amen."

Mr. VENABLE. Mr. Speaker, I did not have the pleasure of knowing Mr. BROWNING for as many years as many Members of the committee or the House, but ever since I have been in Congress I have been more or less intimately thrown into contact with him, being upon the same committee, and had an opportunity to observe what I believe to be the salient points of his character. We have all known men who, though blessed with mental strength, seemed to make small use of their talents and seemed to make small impression either upon the conditions or the men with whom they were brought in contact. And more often than not I believe that we have found when such was the case that the failure of the strength of the man to manifest itself in results was due to two important weaknesses: Either they were intellectual Hamlets and the native hue of results was sicklied over with the pale cast of thought and enterprises of mighty moment were brought to naught because of lack of intellectual decision as to what course of conduct to follow, or else they failed because the decision once made, as a matter of intellect, they lacked the courage to put the resolution into action.

Such was not the case with Mr. BROWNING. Regardless of what the question was, regardless of how close it might be, Mr. BROWNING forced his intellect to the consideration of the matter until there was intellectual conviction as to what was right or best, and then he had the moral quality, the moral courage, to put that conviction into action and to defend it. I believe that his success as a member of the committee and of the House of Representatives was due to the possession in a large degree of these qualities.

But with it all he had the saving grace which made him, though a warrior, well beloved. Possibly in no assembly in the country is there manifested more the power of human kindness and of love than in this body. We are large in number, and there is represented here practically every type of man that lives as far as intellectual and emotional characteristics are concerned.

We all have seen some man who excited our admiration. All the world loves a fighter. We admire their skill, we have a profound admiration for their intellectual abilities, and yet with it all these men fail to win the affection of those with whom they come in contact. Our admiration was the judgment of intellect and not of heart. We have seen others just as stanch warriors, just as powerful in the conflict, just as ready for the battle, and while these men excited our admiration for their ability, with ourselves the recipients of their blows, there followed no sense of personal bitterness or animosity. And while engaged in constant conflict in this forum of debate and battle, regardless of party lines or difference of opinion, they herein not only won the admiration but the love of their colleagues.

There is an explanation for this, and I think it is that the men of the latter type added to their ability as warriors the endowment of having in addition a fund of human sympathy, of human love, which appeals to the like quality in others and brings a ready and generous response.

And while they take positions and while they battle with what they conceive to be errors there is always absent from their method any sort of personal feeling or personal animosity. Mr. BROWNING had this quality to a large degree, so that, though he was intellectually vigorous, firm in decision, and ready at all times to defend his position, there went always with it a ready sympathy and love for his opponent as a man which made it impossible to do other than to like and love him. Men come and go. They play their brief parts upon the stage and pass in to the wings. We say they die, and die they do in a sense, and yet I do not believe that any man dies or that any human life at all worth while is ever blotted from this world. We are a part and parcel of every man we have met and every thought we have thought. The personal contact and influence of men plays its part in molding and fashioning our lives and our characters. The influence of the life continues to live though the spirit itself has passed. I believe this will be preeminently true of the case of Mr. BROWNING. If he had done nothing else than to furnish us with a striking example of loyalty to those things, principles, and institutions in which he believed, he would have furnished us something of exceeding great value.

Mr. Speaker, I have prepared no formal address. I have simply undertaken in a simple way to bear tribute to my friend.

Mr. RADCLIFFE. Mr. Speaker, it was not my good fortune to know Hon. WILLIAM J. BROWNING, in whose memory we are gathered here to-day, until I became a Member of this body, and therefore I can speak of him only as I knew him and of the opinion I formed of him during our close association in this brief period of time.

I was first introduced to our revered friend on December 4, 1918, in his office by my predecessor, Congressman Dow H. Drukker. My first impression was that I had met a man whose demeanor was quiet, whose nature was sympathetic, whose greatest desire was to help his fellow man, and whose character was of a firmness that commanded the highest respect. That impression deepened and broadened as other striking and admirable characteristics came to my attention and I have often regretted the fact that I had not known Mr. BROWNING for a longer time to enjoy his company and the guiding influence of such a lovable man and earnest worker. With his many other remarkable traits there were also noticeable his great love for his fellow man and his charitable disposition toward his enemies, without whom no man lives who accomplishes anything of permanent value, such as Mr. BROWNING did.

But one of Mr. BROWNING's most apparent qualities was his quiet, ever-persisting determination to "carry on" to a success whatever project he started. This continued with him to the last few days of his career.

An incident indicative of this characteristic I well remember. I was in the city of Camden upon the occasion of the triumphant return of the Blue and Gray Division from overseas and at that time had the good fortune and honor to march by the Congressman's side. The day was extremely hot and Mr. BROWNING's health at that time was not of the best. Observing the terrible strain he was laboring under I advised him to drop out of the line of march at the grand stand instead of continuing to the end. Mr. BROWNING replied: "If these boys could suffer hardship and punishment over there in that veritable hell for me, the least I can do is to march with them here to the end."

I also recall the day that he told me of his physician's advice to stay home and rest. He refused to act upon this advice because, as he stated, "I have a duty to perform, and my colleague, Congressman BUTLER, needs my help, and I won't desert him at such a time." Only too well do I recall that he stayed until the curtain was rung down on that committee's work, and the excitement that preceded the close was the means, to my mind, of hastening his death.

Mr. BROWNING sacrificed much for the public service. He gave half of his life to his public duties and did his work faithfully and well. He was a model for his people to follow and a credit to the State that gave him birth. I shall always cherish the memory of this patriot who died in the service of his country, for I have no doubt that he would have been spared for a long time to come had he left his post of duty for the rest and quiet he so much needed.

Just as I remember him at his desk on that December morning when I first met him, Mr. BROWNING remained throughout the rest of his days—always willing and ready to guide and help me over the rough places. And little, my brethren, did I think on that morning that he passed away that I was to be the last member of the New Jersey delegation to have the pleasure of listening to his pleasant and cheerful voice, as he talked with his old friend Prince, and giving advice and counsel to him, and jokingly saying he was going home for a long rest. He said this was his last shave, and little did I realize at that time that was to be so, and when within 20 minutes after word was flashed to my office that Mr. BROWNING had passed away it was a shock I have not yet recovered from, because I really thought at that time he would be spared for some time to come.

His life will be a lamp to guide me in the years to come. His character teaches me to spread the brotherly cement of kindness and good cheer along life's pathway.

Good-bye, Brother BROWNING! May God, who watches over us, rest your soul and admit you to the unseen Temple where peace and joy abound forever more.

Mr. EAGAN. Mr. Speaker, on four occasions prior to to-day in the little more than seven years that I have been a Member of this House I have participated in these sad yet beautiful exercises in commemoration of the life, character, and public service of a Representative from the State of New Jersey or a Senator from my State stricken down in his service in the Congress of the United States. To-day we have assembled here to pay our feeble tributes of love and respect to the character and public services of our late colleague, Hon. WILLIAM J. BROWNING, for 16 years clerk of this House and for almost 10 years the Representative of the First Congressional District of New Jersey. Mr. BROWNING was not personally known to me until I became a Member of the House. That was in the Sixty-third Congress. He was the only Member of his party from the State of New Jersey who had been elected to the Sixty-third Congress. I knew of his long and distinguished service as clerk

of the House of Representatives; but I did not then know of his kindly and sympathetic nature. I hesitated to approach him for information so essential to a new Member of this great body. I overcame that feeling, however, introduced myself and asked him a number of questions, the answers to which were given so readily, so sympathetically, that I felt as if I had known him all my life. We were fast friends from that day to the hour of his death.

It was my privilege on many occasions to sit with him late in the afternoon in the restaurant of the House, and I am afraid that I trespassed rather too freely upon his kindness. But I am glad I did so because I feel that I knew BILL BROWNING the better for those opportunities. He was a gentle, kindly, unassuming, intelligent, conscientious worker in this body, as he had been no doubt as Clerk of this House during the 16 years prior to his service as a Member, and I am sure he was as postmaster of his native city, and as a member of the city council, and before that in the humble but very useful office of a member of the board of education of Camden. I reached the Capitol on the morning of his death a few moments after Mr. BROWNING's body had been removed from the barber shop. I was shocked as was everybody who had been here the day before, and who had observed his work and listened to his words on the naval bill, to learn that our friend was no more. I could not help but feel, and I think everybody felt, that Congressman BROWNING, though the armistice had been signed for upward of a year and a half, died in the service of his country and made the supreme sacrifice just as completely as any boy who wore the uniform of our country and who made that sacrifice overseas and in time of war. His sorrowing widow and son have lost a devoted husband and father; his intimates a loyal and faithful friend; this House a courageous, competent, conscientious Member; and his State and his country a public servant who has done his work well.

Mr. PETERS. Mr. Speaker, the kindly spirit and gentle nature of WILLIAM J. BROWNING endeared him to all of his associates, but especially to the members of the Naval Affairs Committee, whose closer and more intimate contact gave them a better knowledge and keener appreciation of his truly admirable qualities.

My own real personal acquaintance with Mr. BROWNING began in the summer of 1918, when he and I sailed with 11 other members of the Naval Committee to inspect our naval activities in Europe. That remarkable journey, which lasted two months, brought 13 men into unusually intimate association. We were together under varying conditions in many countries. We were subjected to dangers in war on land and sea.

We visited and ate with thousands of our brave sailors and marines. We were received and entertained by kings and rulers. We traveled almost continuously and each day was filled with strenuous activity and labor under the vigorous leadership of our then Chairman, the gentleman from Tennessee, Mr. PADGETT. It was an arduous undertaking for a man of the age and failing health of Mr. BROWNING, but while he sometimes had to walk a bit slower than the others he never complained. He never gave up or got discouraged, but went everywhere and took an interested and intelligent part in all investigations and activities, and he was always the same courteous, kindly, friendly, American gentleman—at times seemingly severe in demeanor, but gentle and kind at heart.

Our friend was essentially a democratic American. His mind comprehended no difference between royalty and the freeborn American citizen, except that the latter was more fortunate. I well remember the occasion of a dinner given our committee by the King of Italy. It was in a villa occupied by him behind the Italian front. It was at night after a hard day's work by our committee. There was a considerable gathering of Italian officers with the King—an altogether brilliant military function. After dinner the King and all the guests arose and stood about the room talking in groups. The King spoke excellent English. Mr. BROWNING, wearied with the day's exertions, was more interested in finding a seat than in talking with the Italian officers. I noticed that he was seated in a comfortable chair when one of our officers made the horrifying discovery that one of our party was seated while the King was on his feet. The local view of the situation being brought to the attention of Mr. BROWNING, he disclaimed any thought of rudeness and promptly stood—but only to avoid any appearance of discourtesy by our party. Kings meant nothing to him except so far as they showed capacity as human beings. His interest in the welfare and progress of our own boys was constant and unceasing.

Mr. BROWNING's long term of service in this House—25 years as Chief Clerk and Member—supplied him with an invaluable equipment of information and acquaintance. He was a faithful and valuable member of our committee. Indeed his conscientious devotion to duty may have hastened his death. He died at his post.

In all his relations with his fellow members and with all others who came before his committee he was considerate, reasonable, and just. While sometimes hiding a naturally friendly spirit with a cloak of gruffness he was tender and kindly in his feelings. Always strongly patriotic in matters affecting the country he was keenly alive to the interests of his constituents. He took just pride in the great shipbuilding and other important industries in his district and was ever quick to aid and protect them. As a legislator he was conscientious, capable, and patriotic. As a man, honest, faithful, and true.

His spirit has passed into the unseen. He lived a long, useful, and happy life. We, his associates, deplore our loss, and shall long cherish his memory, and hope to profit by his fine example.

Mr. WASON. Mr. Speaker, when I first came to Congress, December, 1915, one of the first men and Members I was introduced to was our deceased friend, WILLIAM J. BROWNING, of Camden, N. J. From that day until the day of his death our friendship increased, and my admiration, love, and respect for him was boundless and sincere. I learned from others that he was a self-made man. Leaving school and engaging in the mercantile business at the age of 17 years, he pursued his chosen avocation for nearly a quarter of a century in Camden, N. J., and during that period he had served the people of his city as a member of the board of education for four years and a member of the city council for four years. Later he served the same people as postmaster of Camden for 14 years. Then he served the House of Representatives here in Washington as Chief Clerk for 16 years. A vacancy occurred in the first congressional district of New Jersey by death of the Congressman, and he was elected to fill the unexpired term, entering the Sixty-second Congress December, 1911, and reelected to each succeeding Congress, serving his constituency and the country well until his death.

This record speaks eloquently of the confidence, the love, and affection of the people who knew Mr. BROWNING from childhood through his long and active life and honored him most. A glance at his record of service to the people of his native city of Camden and the first congressional district of New Jersey honestly attracts the mind to the fact that there at his home, among his neighbors in Camden, where he was born and lived so many years, we find conclusive and overwhelming evidence of the esteem, the love, the respect and confidence that those people happily bestowed upon our late lamented colleague.

When he was elected to Congress he possessed an experience as a business man and a public official and the additional training of 16 years' service in close connection with the House of Representatives that few new Members enjoy. He was early assigned to a position on the Committee on Naval Affairs, and continuously served thereon until his death. As a member of that committee he enjoyed the work; he was a firm believer in our Navy and strong in his convictions regarding its growth and efficiency. Industriously, studiously, and conscientiously he worked along those lines, and at the time of his death he was regarded as one of the safest and ablest Members of the House in regard to naval affairs. So earnest was he in his committee's work that he remained here in Washington after his physical strength began to show weakness, after he knew that he needed rest, after he knew that he needed medical treatment, contenting himself by saying that when the great naval reconstruction bill had been reported and passed by the House of Representatives he would return home for a rest and treatment, in the hope of regaining his strength and health. He saw passed by the House the bill that he had worked so faithfully with his associates on the committee to prepare, and then he relaxed, the tension of public business having momentarily passed, and the next morning he answered the call of his Maker, quickly and without a struggle.

Nature had favored Mr. BROWNING. It gave him a strong, large body and mind, and in every undertaking that he engaged in during his threescore years and ten of life he brought to that undertaking his physical strength and mental strength and applied them with tireless energy. He was painstaking, calculating, and industrious in all of his undertakings. He was modest, firm in his convictions, and well grounded in his conclusions. In his treatment of others he was kind, considerate, thoughtful, and conscientious; in thought and action he was democratic in its highest sense. I believe his greatest happiness, outside of the happiness of being with his family and relatives, whom he enjoyed, was in doing good and being of service and help to others. His life was an open book. His every day was for the benefit of his country, that he loved and loyally sup-

ported, and the closing moments of his life were consistent with the life he had lived upon this earth. He had lived hour by hour and day by day, doing the things that should be done at a particular time, and when the summons came in the midst of congressional and perplexing duties as a Member of this House he was ready, closed his eyes in sleep, as we close a book, and passed from this earth to the reward of a just, upright, true, and noble man.

To his family he leaves a precious legacy, to his country he leaves an example in public life that will be reflected in the years to come, to his friends sweet memories of association will steal upon us to obliterate the pain and sorrow of his death.

Life! We've been long together
Through pleasant and through cloudy weather;
'Tis hard to part when friends are dear;
Perhaps 'twill cost a sigh, a tear;
Then steal away, give little warning;
Choose thine own time;
Say not "Good night," but in some brighter clime
Bid me "Good morning."

Mr. ACKERMAN. Mr. Speaker and Members of the House: It is a strange coincidence that almost two years ago to a day; in fact, exactly two years ago as far as this Sunday is concerned, our late friend, whose sudden departure from this scene of activity we so deeply mourn, presided over this House when services of a character like this were being held in memory of Mr. Capstick, who then represented the district as my predecessor.

At that time Mr. BROWNING said:

"I had never met Mr. Capstick until after his election to Congress, but in the first clasp of his hand I realized that I was greeting a man whose friendship I would value as long as I lived."

That expression of his, a testimonial to his friend who had passed "over the river," covers far more eloquently than any words of mine can do how I felt when I first met Mr. BROWNING.

He coming from the southern part of the State of New Jersey, and my home being in the northern end thereof, our paths very seldom crossed prior to our meeting in the House, but when we did meet his cordial, even, affable manner was always the same, and far too short was the time I had the pleasure of knowing him. He was a patriarch in political service when I entered the arena, but during the brief time I was privileged to enjoy his society, I found him to be a ready listener, a wise counselor, a true friend, and one who would go to great lengths to oblige a colleague. Once he became interested in his associate's future, he was ever willing to assist to the limit of his ability.

The dean of our State delegation, he knew well more of the membership of the House in an intimate manner than probably any one else in the Sixty-sixth Congress. His long service as Clerk before he became an actual Member of Congress was a great asset.

His long public service bears eloquent testimony of the high regard in which he was held and in fact I have yet to hear of any one with whom he came in contact that did not regard him as a friend.

Fortunate, indeed, is one of whom it may be said "He had no enemies." And yet, Mr. BROWNING was a man of positive and fixed convictions. Because he lacked enemies does not imply that he had no fixed ideas or that he acquiesced in his interlocutor's opinion simply because of a kindly feeling for all mankind. He knew from personal experience how life's pathway might be made either rosy or thorny. Having experienced the many vicissitudes befalling the ordinary mortal in the upward climb to position and influence he generously bestowed his powerful and experienced aid ungrudgingly upon every occasion that was presented to him. He was devoted to his work and his love for the Navy was unsurpassed.

I did not have the rare pleasure of serving on any committee with Mr. BROWNING, but as ranking member of the Naval Affairs Committee much hard and long continued detail work fell to his lot. This was especially true during recent years, but he never shirked or shrank from it, because of his belief that he could do his part in helping to assist in the great work of reconstruction. Although urged by his associates to take a vacation he persistently refused, saying it was his duty to see the naval bill completed and when that was done he would take a rest. How prophetic were those words. The night before he passed away the bill was finished.

To his earthly home he never was to return, but his footsteps were even then quickly hastening to the home "not made with hands, eternal in the heavens," to which he had ever been aiming during the many and full years of his active career. He had almost reached the allotted span of three score and ten, and until shortly before being called so suddenly from his earthly labors he apparently was in the full vigor of life. We who knew and worked with him were encouraged and benefited by the association. The rank he attained and the standing he enjoyed among his colleagues is one of his richest legacies. His labors for the welfare of the country may well be emulated by all who wish to serve it well. His devotion to duty was an inspiration.

When he was called to his reward he obeyed the summons, "sustained and soothed by an unfaltering trust" in his Creator, and "wrapping the draperies of his couch about him" he laid down his earthly cares as one might welcome pleasant dreams.

Mr. HICKS. Mr. Speaker, prompted not by a sense of duty but impelled by a sorrowing heart, I desire to join in this tribute to the memory of our deceased colleague and a fellow member of the Committee on Naval Affairs, WILLIAM J. BROWNING.

Usually men who enter Congress are unfamiliar with parliamentary practice or departmental activities and are compelled to spend years learning the ethics of procedure and familiarizing themselves with the methods of government. Our late colleague was an exception to this rule, for his long term as Chief Clerk of the House, an office he held with credit to himself and satisfaction to those he served, had fully prepared him for entrance upon his duties as a Representative when the call came from the State he honored and loved.

He entered Congress not as a pupil but as an instructor. From the first day he took his seat as a Member of this body he was an essential factor of the House, and no Member took a more active interest in the proceedings, possessed a more intelligent understanding of them, or gave to their attention more liberally of his time than did he. While not an eloquent orator, his direct and forceful presentation of any subject carried conviction and always commanded the respect and attention of the House. The training of his youth in the Quaker faith of his ancestors stamped itself upon all his actions. To a strong, upright character there was added that positiveness of conviction and determination to stand unflinchingly for what he conceived to be right, that marks those who are the followers of George Fox and Elias Hicks. Slow to reach conclusions, he was equally slow to recede when a decision had once been made. A position on any public question, taken only after mature deliberation and willing conference with his colleagues, was maintained by him with a steadfastness of purpose that elicited the admiration of his friends and commanded the respect of those who differed with him. Simple, direct, gentle in judgment, just in his dealings, independent in spirit, and free from affectation, he sought to perform the highest service to his country, his district, and himself.

Honored by his people by many positions of trust, both civic and political, in every field of his endeavors his steadfastness of purpose, his candor, and his honesty—free from duplicity, deceit, or any compromise with wrong—never wavered in the performance of duty.

Though a loyal party man and devoted to the city of Camden, he did not devote his energies alone to the demands of his district or lend himself to narrow political issues that are ever present in a national assembly. Though ever mindful of his allegiance to party principles, he was animated by higher aims and conceived loftier ideals than mere partisanship advantage. He was a hard worker and accomplished much. To his office duties, his departmental work, and his attendance on the floor of Congress he gave unceasingly of his time and of his strength. Quick to respond to every call made upon him by a friend and ever anxious to help those who needed his assistance, he was without resentment toward those whose views did not coincide with his own.

Loyalty toward those who came within the portals of his encircling friendship was an ever-dependable characteristic. It can be truly said of WILLIAM J. BROWNING that:

We just shake hands at meeting
With many that come nigh;
We nod the head in greeting
To many that go by;
But welcome through the gateway
Our few old friends and true;
Then hearts leap up and straightway
There's open house for you,
Old friends,
There's open house for you.

From my first acquaintance with our late friend the intimacy grew into a constant and abiding friendship, which on my part I felt and appreciated and which I am happy in the thought was reciprocated by him. The shock of his death sent a pang into the heart of each one who knew him, and

those whose high privilege it was to be associated with him mourn his loss.

He was a firm believer in the American Navy, constant in his devotion to the service, and ever mindful of its needs. By voice and by act in behalf of the Navy he exemplified the feeling of Theodore Roosevelt, who in writing to one his children in 1907 expressed this sentiment:

I want still more to see our Navy maintained at the highest point of efficiency, for it is the real keeper of the peace.

A true American, imbued with the loftiest spirit of patriotism, he loved his country and its institutions and had an abiding faith in the destiny of the American Republic. New Jersey and the Nation have lost in the death of WILLIAM J. BROWNING a noble son and a legislator whose services will always merit the highest praise.

Mr. DARROW. Mr. Speaker, words fail me in endeavoring to express my deep sorrow at the untimely death of our late colleague, Hon. WILLIAM J. BROWNING.

It was my pleasure to know Mr. BROWNING intimately during the five years I served with him in Congress, where our duties brought us in frequent and friendly contact. Especially as a fellow member of the Committee on Naval Affairs did I observe closely his faithful and efficient work. Mr. BROWNING was a regular attendant at the meetings of that committee, and his counsel and advice were eagerly sought by other members of the committee, and especially by its new members. There is no doubt that his close attention and devotion to public duties, particularly during the period of his shattered health, hastened his death. Truly it may be said Mr. BROWNING gave his life in the service of his country.

As a lifetime resident of Camden, N. J., and occupying positions of trust and honor in his city as well as at the National Capital, Mr. BROWNING was well known in Philadelphia. Our city feels keenly his loss. He took an active interest in all matters affecting our welfare and advancement, and especially in the development of our port.

Mr. Speaker, our late lamented colleague was respected, beloved, honored, and esteemed by every Member of this House. I wish to say there existed between us a very warm personal friendship and an association that will be to me always a fond memory.

None knew him but to love him;
None named him but to praise.

Mr. BUTLER. Mr. Speaker, he did not come from the precinct in which I live, but WILLIAM J. BROWNING and I spent a quarter of a century together in close personal and official relationship, and I therefore feel capable of speaking of his works as they deserve.

He was the better prepared for his place in public life by the instruction he received from his Quaker ancestry, which admonished him to consult his conscience before his constituency. With this rule impressed upon him from the time he began to live, and which he always kept, he was constantly remarking to me. "I don't believe that is right and therefore I won't do it," an example worthy of imitation even by his betters. Plain in manners and blunt in expression, he struggled on, watching for the light.

Only a river and not a very wide one separated our homes. His people and my own had much in common and entertained similar views upon conditions, personal and political. They made many things of commerce with their hands, while mine did likewise. The great smokestacks of his industries marked his shore line of the river, while great smokestacks of my industries marked the shore line upon my side.

In our efforts to encourage these industries our battles were made side by side as we avowed in public that our purpose was the same. Produce that came from the ground of his congressional district was sold alongside of that raised in mine, for Philadelphia furnished a common market place. We thought alike to reach similar results; hence this of itself made us friends and completed our alliance. Indeed this official companionship was so close that (without an intention of taking one bit of merit from his public work) I felt I always knew how my friend would vote when I had reached my own conclusion. Thus our association makes me a capable judge of him as a man. His constituents and this House will place the high estimate upon his public service which it should have.

That he was an industrious man let me bear the testimony, for he dropped from my side to the arms of his fathers while he continued to work. All of his fellow committeemen (because we cared greatly for him) labored in vain to persuade him to abandon his duties that his health might be improved. With his intense perseverance and candor still possessing him, he closed his book and told me his work had been accomplished. The vision was before him, because the next morning my friend was to me only a delightful memory.

In measuring the integrity of a man's conduct, we should not compare it with that of others. He makes a place for himself and less worthy men should not attempt to occupy it with him. I choose to believe that men are naturally honest and only the weak give way to the various temptations placed around them. Like the rest of us, having equal opportunities of learning, my friend knew what was right and he knew the wrong when he saw it. He had no difficulty in keeping the alliance he made with the former when he reached the age of reasoning.

A good name he had because he deserved it. No one ever kept sentinel over his conduct, because it was always thought unnecessary. He had a fine conception of the proper course of life and he kept it He steered his own boat; hence the safety of his landing was at all times assured. He had but few idle words and those of others never influenced him. He thought well of other men, and those who could satisfy him of their better wisdom he was likely to follow. And here came his natural good sense to sustain him and make him the useful man that he was. He would not have me describe his service as measuring to the height of brilliant leadership. He had no such aspirations and no one would ever say that my friend could presume. While he was a man of originality, he modestly preferred that policy making and party leadership should remain in others, provided they were in good hands. No man who deceived him once ever thought of repeating the experiment. Yet, no man was more forgiving than he and his faith did not wane when he discovered that the intention to mislead was wanting.

His ways were those of the plain though substantial man, sincere in every movement in life. He was truthful to himself and therefore was truthful to others. Some men might have thought him obstinate at times. If they so thought they misunderstood him; he only wanted to know well of and about everything he had to do, so that he might do it intelligently and with fairness. He hated extravagance and was the enemy of the careless, the ignorant, and the wrongdoer. At no period of his long and well-spent service could he have been more useful to his country than now, as it passes through its reconstruction.

As I write these few feeble lines in the effort to do my longtime, faithful friend justice, there comes to my mind with every word the recollection of his untiring and unceasing work, which sapped his vitality and finally ended the companionship I so greatly enjoyed. His State appreciated the attention he constantly gave his public duties by ungrudgingly continuing his representation for many terms. This indorsement by a highly intelligent and industrious constituency will have greater weight with the history men, when writing their chapter on his service, than any poor word of mine added here. The life he lived can be pointed to by those who live after him as one worthy of duplication. With all his friends and associates I join in pronouncing the last word, "Well done."

Mr. McKINLEY. Mr. Speaker, in December, 1905, I was first sworn in as a Member of Congress by our deceased friend, WILLIAM J. BROWNING, who then was the Clerk of the House of Representatives. At that time our acquaintance started and later developed into an intimate friendship covering all the years I have been in Congress. Mr. BROWNING and I had a mutual friend in Congressman Harry Loudenslager, the former Representative of the Camden district, and up to the time of his death secretary to the national Republican congressional committee. When I became connected with the committee in 1906 as treasurer Mr. BROWNING had full charge of the committee headquarters and continued as the efficient manager of this work during the campaigns until after Mr. Loudenslager's death when he took Mr. Loudenslager's place as a member of the executive committee. Mr. BROWNING, on account of his intelligence, ability, and willingness to do hard work, was a tower of strength in the congressional committee. He was a true and devoted friend and a stanch Republican. His sudden death leaves a vacancy which it will be hard to fill.

LATE REPRESENTATIVE CARL C. VAN DYKE.

The SPEAKER pro tempore. The services in memory of the late WILLIAM J. BROWNING are at an end, and the gentleman from Minnesota [Mr. DAVIS] is requested to take the chair.

Mr. DAVIS of Minnesota took the chair as Speaker pro tempore.

The SPEAKER pro tempore. In accordance with the resolution recently passed, the time has now arrived for eulogies upon

the life, character, and public services of the late CARL CHESTER VAN DYKE of Minnesota.

Mr. VOLSTEAD. Mr. Speaker, in view of the fact that the notice of these exercises was very short, and that there are a good many people absent who would like to be here, I ask unanimous consent that those absent as well as those present may have opportunity to insert remarks appropriate to the occasion in the RECORD at any time hereafter.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VOLSTEAD] asks unanimous consent that those who are not present to-day and those who are present be given opportunity to extend appropriate remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

The gentleman from Minnesota [Mr. KELLER] is recognized.

Mr. KELLER. Mr. Speaker, we have again been called together to pay our respects to the departed, to memorialize the work of a sincere and faithful servant of the people—a beautiful custom, a sacred custom, and yet it has occurred to me that the rugged and thorny path that one must travel while performing the lofty duties as a Member of this House can scarcely be smoothed by what is said here in eulogizing the work of our departed coworkers. The road will still be beset with its obstacles, but surely there must be that infinite satisfaction to those who have traveled to that great beyond that their endeavors, sincere and true, have not been in vain, that to their relatives and to their friends who are left to mourn their loss will be conveyed the true recognition of the faithful service which they have so conscientiously endeavored to render their people and their country.

CARL CHESTER VAN DYKE, late a Member of this House, was born at Alexandria, Minn., February 18, 1881. The early years of his life were spent at his birthplace; he was educated in the public grade and high schools there, but in his early youth removed to St. Paul, Minn., where he entered the St. Paul College of Law. His earliest ambitions in life were to serve his fellowmen, to make this world a better place to live in, to inculcate into the hearts and minds of the growing generations the real American spirit. In order to realize his ambitions he entered the educational field as a teacher in the public schools of Douglas County, Minnesota. This was just prior to the outbreak of the Spanish-American War and while he was still in his teens.

Responding to that greater impulse to serve his country he enlisted as a private with a St. Paul company of infantry and was actively engaged during the entire war. Upon his discharge from the service he again resumed his activities in the educational field, teaching in the public schools of Alexandria. But the very meager remuneration, then as now, to those who undertake the education of our children resulted in his decision to enter a field of activity which would compensate him, at least sufficiently to insure the ordinary comforts and necessities of life, for his labors, although it deprived him of his cherished hope and desire to directly contribute to the upbuilding of those principles and those bulwarks that constitute the very backbone of our existence as a free and liberty-loving people.

His lot was then cast with the Government, having entered the Railway Mail Service as a postal clerk. It was here that he laid the foundation for his future greatness and his elevation to Congress. Imbued with that spirit of helpfulness to his fellowman, and realizing the absolute necessity for improvement in the working conditions and salaries, and the elimination of the "gag rule" under which his fellow employees had long been suffering, he succeeded in perfecting an effective organization and opened the fight to clean up conditions in the Postal Service. He entered this fight with the same spirit that animated his every action, both in public and in private life, with the sincere interests of his Government, his fellow worker, and the public at heart. He realized that the efficiency of the service depended almost wholly on a contented and satisfied employee. But his devotion to duty was not overlooked while attending his greater work among his fellow men, which fact can be substantiated by his remarkable record of promotions. His was the distinction of being the youngest man in the United States Postal Service to become "clerk in charge," attaining all grades in the period of two and one-half years.

After 10 years of service as a clerk he was elected President of the 10th Division Railway Mail Association. The great interest he maintained in the welfare of his coworkers and his energetic activities in their behalf resulted, ultimately, in his removal from the Railway Mail Service and his assignment to post-office duty, which assignment he refused. He continued his fight for the mail clerks in his capacity as an official of the Railway Mail Association. In 1914 he was chosen as the Democratic Party standard-bearer in the Congressional fight in the 4th District of Minnesota, and to the surprise of his most intimate friends, and in fact to all the people of the district, he was elected. His rise from obscurity as a postal clerk to the lofty post as a representative of the people in the halls of Congress was as well deserved as it was meteoric. The avenue for greater service to his fellowmen was opened to him. His record as a Congressman is an open book to which his family, his friends and his former constituents proudly point. Always firm in his convictions, sincere and well grounded in his principles, fair and impartial to all classes, thorough and convincing in his arguments, his achievements in Congress stand as the most fitting memorial, as the most sacred monument to his untiring efforts in behalf of the people he loved, in behalf of the ideals he so fondly cherished, in behalf of the ambitions he so yearned to realize.

Ever conscious of the great responsibilities devolving upon him, thoroughly conversant with the huge problems that developed especially during the latter days of his service here, his thoughts and his actions were always inspired with that noble devotion to the principles and ideals which he always held uppermost in his mind—those principles and ideals which won for him the esteem, the confidence, and the respect of his constituents and his thousands of friends. His primary thought ever concerned the man who ekes out his existence by the sweat of his brow, those countless thousands whose interests and whose welfare have so sorely been neglected in recent years. May the noble work so faithfully fostered and developed during his service in Congress serve as an inspiration to those of us who yet have the opportunity to advance it; may we open to them the door of a broader Americanism, a more devout Americanism, based more nearly upon that freedom and that liberty which our forefathers guaranteed them when they drafted and adopted that great document—the Constitution of the United States.

That Mr. VAN DYKE should have been cut down in the springtime of life, when all the world stood before him, with his vision clear and his course plainly mapped out, just at the moment when he was about to attain the summit of success in his life's work—when the golden dreams and the cherished hopes and aspirations were within reach of his outstretched hand—is difficult of comprehension. But as the good Lord, ever guiding him in his righteous and humane endeavors among his fellow men, saw fit to call him to that reward which he so justly deserved, we who remain to mourn his loss must console ourselves with the thought that his activities among us have not been in vain, that ours is the richer heritage because of our association with him, that to us is left that inspiration, that impelling force which teaches us that all that is given us in life is the knowledge and the desire to work for the betterment of conditions for our fellow men, that contentment and happiness can only come from service such as was rendered by our departed colleague, CARL C. VAN DYKE.

May you and I, to-day, grasp the significance of this inspiration, may we be brought to a realization of the opportunities that are presented to us daily, and may we ever be guided in our efforts here by the same lofty ideals and the same well-grounded principles which so nobly aided CARL C. VAN DYKE to realize, in part, the ambitions of his youth, to the end that when our

> Summons comes to join
> The innumerable caravan, that moves
> To that mysterious realm, where each shall take
> His chamber in the silent halls of death,
> Thou go not like the quarry-slave at night,
> Scourged to his dungeon, but, sustained and soothed
> By an unfaltering trust, approach thy grave,
> Like one who wraps the drapery of his couch
> About him, and lies down to pleasant dreams.

Mr. ANDERSON. Mr. Speaker, it is not my purpose to dwell at length and in detail upon the life and public services of our distinguished colleague, CARL C. VAN DYKE. That has already been done better and more eloquently than I could do it. I wish, rather, only to pay to his memory the sincere and modest tribute of a friend and comrade. It is a significant and a pleasing thing that we should gather here in these historic Halls for this purpose, where so many crises in the Nation's history have been met, and where the great moments of our colleague were spent.

Mr. Speaker, I am told that in a far country, in the midst of a splendid wilderness, where towering, snow-capped peaks stand like sentinels, and the roar of a cataract translates itself into a murmur of music, there has been erected a beautiful temple of white marble. I am told that this temple is surmounted by a great crystal dome, beneath which is a shrine, and that those

who pray at this shrine can hear their prayers answered in a language of ineffable sweetness. I wonder if the voices of those who speak in this Hall may not come back to us.

Mr. Speaker, if it is given in that other world to remember what took place in this, I know that in the deepest sanctuary of CARL VAN DYKE's heart is cherished the memory of the hours he spent with his wife and family, and next to them his friendships, and after these I am sure his soul responds to the tense excitement of this place in times of national stress and crisis. He had courage—moral courage, political courage—that virtue which is both rare and valuable, and because he had courage he loved politics, with its strife, its battles, its defeats, and its victories.

He thought straight, and he voted as he thought. He loved those with whom he had been associated before he came to Congress. He never lost his interest in their welfare. He was never too busy to concern himself with their troubles. He had a broad sympathy with those in distress and found a pleasure and satisfaction in aiding them. He understood the common people, perhaps because he never ceased being one of them. He was admired and loved, especially by his comrades of the War with Spain, and they delighted to honor him. He held the highest offices that they could give him and administered them with distinction. He labored earnestly and zealously for the interest of the people of his district and represented them with ability. He had the charm of personality that begets enduring friendship and stimulates personal loyalty.

I liked to talk with him, and I spent many hours in his office, for he had a sound philosophy that inspired confidence and radiated good will. I came to respect his judgment and to admire his stanch integrity of mind and heart. He had faults—who has not?—but they only served to emphasize his many good qualities. When I think of him I like to remember that it is a great thing to be a statesman but a greater to be a man.

Mr. McCLINTIC. Mr. Speaker, I feel very grateful to the members of the Minnesota delegation in Congress for the kind invitation they have extended me to be present and participate in the memorial exercises of our late distinguished colleague, CARL C. VAN DYKE.

During his service in Congress I considered him my warm, personal friend. My office was on the same floor, on the same corridor, and across the hall from his. I knew how he was regarded by his friends here in Washington, but I never had any conception of how he was loved by his home people until I visited that city. I sometimes think that the value of a Member of Congress is not fully appreciated by his colleagues until they have the opportunity of knowing how he is regarded by his home people.

It was my privilege to be appointed by the House of Representatives as a member of the congressional committee which accompanied his remains to his home, St. Paul, Minn. At various places along the route delegations of friends who had known him when he was connected with the Railway Mail Service or when he was performing service for the Spanish-American War Veterans met the train and presented beautiful floral tributes to be laid on the casket as a token of their appreciation of the splendid service he had performed for them in the past. At St. Paul many of the business institutions of the city closed their doors during the funeral as a mark of respect for the service performed for that city. The funeral procession passed through the beautiful Memorial Armory, constructed at his suggestion for the purpose of honoring the returning veterans of the World War. It passed on to the capitol, which was filled by thousands of his admiring friends. His body was laid in state surrounded by banks of flowers presented by friends as tokens of their appreciation for what he had done for them in the past. It was a sad but inspiring sight to witness the sorrow that came over those who were present on that occasion as they gazed for the last time on the lifeless form of their friend. I have never witnessed a more impressive ceremony, and every Member of Congress who attended this funeral returned to Washington with the full realization that no Member was ever better loved by his people than our late distinguished colleague.

In 1898, when the honor of this Nation was at stake and it was necessary to sever diplomatic relations with Spain, he was one of the first to volunteer his services when our President called for volunteers to defend the flag. He was willing to make the supreme sacrifice in order that the principles that have made this country the greatest on earth might survive. The hand of fate was kind to him, and his life was spared in order that he might accomplish good for those who would associate with him in the future.

In his death the Nation has lost one of its bravest citizens and most loyal supporters; the United States Congress has lost one of its most faithful workers; the people of his district a man who always did his duty; and the wife and children have lost a loving husband and father whose chief aim in life was to always provide them with every comfort.

Mr. Speaker, we are to-day writing the last chapter in the life of our distinguished colleague, CARL C. VAN DYKE. The record we are making will soon be filed in the archives of the Nation as a public document to be reviewed by those who come after you and I are gone. Those who read the beautiful tributes that have been paid to his memory should be inspired by the thought that here was a man who always faithfully kept every trust imposed in him; one who always conducted himself in such a way as to merit the confidence and respect of all who knew him; one who always followed the golden rule, "Do unto others as you would have them do unto you."

Here Mr. VOLSTEAD took the chair.

Mr. DAVIS of Minnesota. Mr. Speaker, to-day has been set apart by this honorable body to commemorate the life and services of the beloved late Representative of St. Paul, Minn., CARL CHESTER VAN DYKE, and it is a pleasure for me to have this opportunity to make a few remarks as to his life and character.

During the prime of the life and zenith of his faculties, Mr. VAN DYKE was taken from our midst at the age of 38 years. Although young in years, he was a man of sober thought, strong convictions, courageous in all matters, unlimited energy, and his career was filled with activities for the public welfare.

Mr. VAN DYKE was born of sturdy parentage at Alexandria, Minn., February 18, 1881, where he was reared to manhood. Attended and successfully completed courses in public schools, graded and high. Was limited in means and assisted materially by working during spare moments and vacations.

In this young man was instilled the spirit of patriotism and he was a "red blooded American" for at the age of 17, Mr. VAN DYKE entered the Spanish-American war as a volunteer in the Fifteenth Minnesota Volunteer Infantry at St. Paul and received an honorable discharge at the termination of the war. A man of fine physique, soldierly bearing, and always grasped an opportunity to relieve the oppressed and uplift the downtrodden.

Upon his discharge from the Army he returned to his home at Alexandria and received employment as a teacher in the public schools.

Married Myrtle B. Lampman, and out of said wedlock were born two daughters, Alleyene and Mildred. His home life was ideal, and his family were always uppermost in his thoughts; he was idolized by his friends and held in the highest esteem by all who were acquainted with him who valued his many sterling qualities.

Successfully passed the civil-service examination for railway mail clerk, received appointment, and faithfully served the Government for nine years in that capacity, and bore the distinction of being the youngest clerk in charge of a full railway post office at that time. While serving the Government Mr. VAN DYKE was activity engaged in the betterment of the working conditions of his fellow employees. Was elected president of the Railway Mail Clerks' organization at St. Paul, and by reason of his untiring activities the position of chairman of the Railway Mail Clerks' Welfare Association was created for him. Severed his connection with the Railway Mail Service after this appointment.

As such chairman he appeared before the congressional committees testifying as to sanitary and working conditions under which the railway postal employees labored, and through his endeavors conditions were greatly improved. To the postal railway employees his judgment was infallible and their confidence in him was supreme. Led the fight and finally was instrumental in securing the installation by our Government of the steel mail cars, which step was revolutionary in the railroad world but now generally accepted.

Elected to Congress as a Democrat for the Sixty-fourth and succeeding Congresses to date of his death, May 19, 1919, after an illness of two days at the George Washington University Hospital, Washington, D. C.

At the annual convention of the Spanish-American War Veterans, held in Baltimore, Md., Mr. VAN DYKE was honored by his comrades by being unanimously elected as their commander in chief.

As a Member of this honorable body, Mr. VAN DYKE, deeply interested himself in all the great questions facing our country and people, and particularly in the passage of legislation that would assist the laboring man in better meeting the daily problems with which he was confronted.

Mr. VAN DYKE in all his actions and efforts was guided solely by his conscience as to the right and wrong regardless of

party affiliations. Was a staunch and true friend, and at all times was interested in any matter that would assist to lighten the burdens carried by man throughout life.

All who knew and were acquainted with Mr. VAN DYKE were impressed with and admired his manly stand on all great questions facing our country's welfare and its people; and although dead, as the world says, yet he liveth perpetually in the memory of those who knew him and of his deeds, and they sympathize deeply with his wife, family, and relatives in their great loss.

Here Mr. DAVIS of Minnesota took the chair.

The SPEAKER pro tempore. Mr. Lundeen, a former Member of the House, forwarded the following, with a request that it be inserted in the RECORD:

"CARL VAN DYKE was my friend. He was a friend of the people. He fought his battle for the average man. He was never unfair to anyone. He never forgot the people who sent him to Congress to represent the capital city of the North Star State.

"In Congress men need courage above all else. CARL VAN DYKE was not afraid. In the greatest crises of world history he voted to keep his country out of war, and the course of events has proven him right. I will never forget that midnight hour, April 5, 1917. I walked over from the Republican side to the Democratic, where he was standing, and I said 'CARL, how are you going to vote on the war?' The emotion of the moment was almost too much for us all, and he said, 'Ernie, I'm going to vote as the people of St. Paul want me to vote.' That settled it for CARL VAN DYKE. He was a man. They could not bluff him. He could not be bulldozed. He followed the dictates of his conscience. That course was to him the highest law of patriotism. Joel Lundeen, my brother, served in the Railway Mail Service for several years and knew St. Paul's Congressman well, and we often talked about the fight 'VAN,' as he was often affectionately called, put up for the Federal employees in and out of the Capitol. VAN DYKE himself rose from their ranks to represent them in the United States Congress. When in doubt follow 'VAN,' was the admonition given me by many a railway man. They believed in him. He was their friend. It was 'write VAN,' 'wire VAN,' 'let's get VAN for our main speaker,' and so on.

"In the Spanish-American War he served Minnesota and the United States well, and so highly was he esteemed by his comrades that he was made their commander in chief in the midst of the World War. I can see him yet when he returned from the Baltimore convention as the new commander in chief of the United Spanish War Veterans; he was never in a happier frame of mind. In and out of Congress he fought for his comrades and he fought well. Anyone in distress he was at hand to help. Sickness, then a friendly and cheering word. To put it all in one word, he was a comrade. We of the Spanish-American War Veterans will often speak of VAN DYKE in the years to come. He builded for us, he fought for us; we will remember him. Labor will not forget 'VAN.' The great majority of mankind labor. He did not forget that fact and he truly represented that majority. How often men are elected to Congress by the people to fight for the people only to forget the people! St. Paul was fortunate to have such a representative. He brought honor to the fourth district of Minnesota. The years will roll by. Decade upon decade new men will fill the place of honor he once held. None will better represent St. Paul and Minnesota. The silent thousands that crowded about him to do him honor, the plain people, loved him. They sorrowed at his grave.

There is no night; the stars go down
To rise upon some other shore,
And bright in Heaven's jeweled crown
They shine forever more.

Mr. NEWTON of Minnesota. Mr. Speaker, my acquaintance with CARL VAN DYKE was somewhat limited. I first met him personally following my election to the 66th Congress and during the latter days of the last session of the 65th Congress. Coming from an adjoining district I have known of him and his work for some years, but for some reason or other we had not met, and so upon coming down here one of the first Congressmen whom I had the pleasure of meeting was Mr. VAN DYKE. My impression of him, of course, had been most favorable theretofore and upon meeting him I immediately realized something of the secret of the hold that he had upon his friends and neighbors in the adjoining city of St. Paul. His was truly a genial spirit. I saw him but little during those remaining days and upon going overseas and returning back just in time for the opening session of the 19th of May was shocked almost beyond belief upon hearing of his sudden death.

But from my acquaintance with him in that way and from the broad acquaintance from living in the same adjoining locality I think that CARL VAN DYKE will go down in history in the State of Minnesota as one of its great men, one of Minnesota's Representatives who had not only that genial spirit but accompanying it he had a spirit which was abundant—that of love for his fellow men. It was that spirit which shone forth on each and every occasion, was with him in his work in the Railway Mail Service, was with him later when he represented his fellow workers before committees of the Congress, and it was with him in this Chamber as he spoke for the rights of the men who toil in the world; and so while there have been many beautiful eulogies here this afternoon they will be forgotten, but the State of Minnesota, his comrades of the Spanish War, his fellow workers in the Postal Service will long, long remember the life, service, and sterling character of CARL C. VAN DYKE.

Mr. SANDERS of Indiana. Mr. Speaker, I did not know CARL C. VAN DYKE until I came to Congress. A very few weeks after I was here I had the pleasure of meeting him at the first meeting of the Committee on Mines and Mining, of which he and I were both members. He was a man of such fine appearance and striking personality that no one who ever met him could forget him. We served on that committee together for a period of two years. He took a very active interest in all deliberations of the committee. He was one of the practical sort of men whose advice was important in legislative matters. He had a happy faculty of brushing aside technicalities and inconsequential details and going right to the heart of proposed legislation. He was courageous and conscientious, and in all my experience with him in legislative matters I saw not a single instance of petty partisanship in his conduct. Coming from the ranks of labor himself, he always took an active and sympathetic interest in legislation purposing the remedy of existing evils in working conditions.

There were two other matters in which CARL VAN DYKE took a particular interest. One was legislation respecting employees of the Post Office Department. A former employee himself, he knew the needs of the men. He was in close touch with the organization of postal employees and was always able to present their case in a clear and convincing manner.

The other was the interest of the Spanish-American War veterans. When the Spanish-American War broke out over 20 years ago CARL VAN DYKE was one of the first volunteers to fight his country's battles. He served with courage and distinction during that war and so gained the respect and confidence of his comrades that he was at the time of his death commander in chief of the national organization of the United Spanish War Veterans. With this intimate knowledge and with the needs of his comrades and with his large, close personal acquaintance, he became their champion on the floor of the House. He was a champion worthy of that great organization.

Mr. Speaker, a feeling of sorrow comes to us who were close in our friendship to Hon. CARL C. VAN DYKE. Everyone knew him as CARL. We all must bow to the will of our Maker, but we can not repress a feeling of sadness as we recall that he was stricken in the prime of his manhood. When he was carried back to his native State of Minnesota by his comrades of the Spanish-American War and his colleagues in Congress a more impressing tribute to his memory could not have been given. I shall always remember that day as he lay in state in the beautiful capitol at St. Paul, guarded by his Spanish-American War comrades. Thousands upon thousands of his friends came to pay their silent tribute of love and respect. The whole Nation suffered a loss in his death, but the United Spanish-American War Veterans suffered a big loss. He was their chief, their counselor, and their friend.

When I think of the life of CARL VAN DYKE there comes to my mind the beautiful poem of Babcock:

Be strong!
We are not here to play, to dream, to drift;
We have hard work to do and loads to lift.
Shun not the struggle, face it; 'tis God's gift.

Be strong!
Say not the days are evil—who's to blame?
And fold the hands and acquiesce. O shame!
Stand up, speak out and bravely, in God's name.

Be strong!
It matters not how deep intrenched the wrong,
How hard the battle goes, the day how long;
Faint not; fight on! To-morrow comes the song.

Mr. Speaker, on his crypt in the cemetery in Minnesota is a bronze tablet bearing the inscription which best describes his life. It is as follows:

CARL C. VAN DYKE. Born February 18, 1881. Died May 20, 1919. Commander in chief of the United Spanish War Veterans. Member of the Sixty-fourth, Sixty-fifth (World War), Sixty-sixth Congresses of the United States of America, representing the fourth district of Minnesota.

A great-souled man, whose life was an interpretation of America to Americans; a man of the people, endowed by and representative of that Nation which gave him birth, for which he fought, and for whose Christian ideals of brotherhood he ever was a militant evangelist, beloved of men.

Mr. ELLSWORTH. Mr. Speaker, man can not contemplate the flowers and trees, the hills and valleys, the sun and stars, without awakening in his breast the fervid hope of the life beyond.

We are not philosophers; the mazes of theology and the processes of theosophy are to us a mystery; but we can discern beyond the twilight zone which separates the existence here from that beyond the spirit of the teachings of the Nazarene.

We feel an intuitive sense of mighty power, of exalted ideals, of an inexplicable grandeur, in nature, and we soliloquize.

Ah, we think, surely if the Power above breathes into the rosebuds the bloom which fills the winds of the valley with richest fragrance, it is more than chance that the assembled thoughts and hopes and aspirations of men should furnish the hidden motive power that drives the turbine and builds a city.

If nature's alchemy, in the first biting frosts of late summer, will change the mountain forest into a variegated screen for the curious and reflective to ponder over, surely the triumph of this same master hand is the marvelous blend of the babel of the human race.

And when the autumn is come and the sear and yellow leaves of the mountain wood glide through the chill November air to light upon the polished steel railroad rails at the mountain's foot, to be crushed to bare and sapless skeletons, if the oak and the poplar and the pine will live to reproduce their wonder panorama for generations yet unborn, will the Divine Father leave neglected the souls of men when in their autumn time they shake off the barren hulks that form the biding places for their short sojourns here?

And when the blasts of winter come, if the Father of Fathers in His all-wise and omnipotent power will cuddle the willow and the rosebush and the palm in nature's protecting robe, and hold forth the prospect of returning summers, will He withhold the promise of the life beyond to the still soul waiting in the grave?

Ah, no! Let us rather believe that the beneficent Creator who fixes the seasons and the stars, who dispenses the rainfall and the dew, who scatters the pollen to perpetuate the green verdure of mother earth, will find some sweet haven of rest for the tired soul whose earthly span has been devoted to the guardianship of the Master's creation.

Death but marks the terminal of earth's journey and is the transition state to prepare the neophite for initiation into the ethereal splendor of the never-ending day. The finite mind can not comprehend its metaphysical state or encompass its boundless sphere.

Earth's milestones are but weak and linkless chains with which the mortal mind is impotent to reach through the cavern of eternity's fugitive goal. Our day's fleeting sunshine and night's dazzling incandescence are but the glow and flickering of uncertain beacons on the way to the perpetual radiance of the palace in the skies. Earth's broken reeds and shrill flageolets can only form the listening ear to drink the perfect harmony of the celestial choir.

We reach for salvation; it moves away. We grope for understanding; the mind fails. We build by the rule and guide of the prophets and philosophers, and when we would crown the superstructure it crumbles and is gone.

Men whose dominant life's note is accomplishment of salvation for their own souls are but self-serving ambassadors, who treat in a language unspoken by the Creator; but he who holds self as an infinitesimal being save as he may commingle his impulses and aspirations with the universal scheme must become an indispensable part of the general plan.

Ah, my friends, I do not believe that anyone in all the world could have a more difficult task to perform than have I this day.

When the sad news came from Washington that Congressman CARL C. VAN DYKE had died, it might well be said that never in our State's history has intelligence of such nature been met with more widespread grief and sorrow.

The tribute paid to-day by the thousands on the streets of this beautiful city of St. Paul, under the dome of our State capitol, and in this splendid mausoleum was a most magnificent one and shows but in a small degree the esteem in which Congressman VAN DYKE was held by all citizens of all walks of life.

When this sad news came from Washington it meant to the loving and sorrowful wife, the two daughters grown to womanhood, and the seven brothers of the same character and sturdy stock, part of them gathered from distant States, that a loving and affectionate husband and kind and indulgent father and a generous-hearted and considerate brother had been taken away.

To the little compact community of Alexandria, near fields and lakes and streams where he sported in boyhood, where the older residents point out the path to the village school of the earlier days, where he was born and reared and betrothed and took up, almost a mere youth, life's problems of husbandhood and fatherhood, the sad news meant that "CARL," native son who had achieved distinction and reflected honor on his native city, was cut down in early life and his career was ended.

The sad message of death meant that thousands in the Government Railway Mail Service throughout America, men who had fought valiantly behind him while he organized them and led them, in Congress and out, in their fight for their rights and privileges, had lost their loyal chief; it meant that every city and rural letter carrier and every employee of the great Post Office Department had lost his friend. I saw its mute evidence as the funeral train reached the city. At the open door of a railway mail car, in working garb, cap in hand, head bowed, and with eyes fixed upon the American flag draped over the body of the former chieftain, a tall, pale-faced man, perhaps a fighter in the ranks, perhaps an official associate, and perhaps just going out on the old run through Devils Lake or Larimore, where "VAN" had worked in days gone by, stood silently and unobserved among the thousands, the tears streaming down his cheeks. To him and his associates death's most exalted dignity and life's most generous impulses were embodied in the name upon their lips this day, the simple name "VAN DYKE."

The sad news of the death of CARL C. VAN DYKE meant to 40,000 men who left their homes 21 years ago to give their services to the country's cause that their recently elected commander in chief had fallen. It meant the passing of their champion in Congress for pensions for their widows and preference in Government employment for soldiers and sailors and marines of all wars. We saw these veterans in platoon formation at the Grand Central Station at Chicago sounding taps upon the bugle as the funeral train departed; and to-day this occasion is honored by the presence of three past commanders in chief, Comrades Smith, Chisholm, and Busch, and Adjt. Gen. Raths, comrade, coworker, lifelong friend, and beneficiary of the most sacred public trust that it was his duty during his lifetime to confer.

To his colleagues in Congress CARL C. VAN DYKE's death meant that there had been taken away a Member of that honorable body who had always, with conspicuous courage for his convictions, faithfully performed every sacred trust. He was known in Congress as a man who was unswervingly loyal to his ideals, and whose aspirations were not for station and position, but to be able to perform a service. We saw him in our country's greatest crisis, disregarding what for the time seemed to best subserve his own personal or selfish ends, as he courageously fought for his convictions and for the best interests and welfare of his country.

But I have not spoken of the guiding motive of his life, the controlling ideal which made his career a conspicuous one. It was his attitude toward his fellow man. Reared in a country community, learning early the responsibilities of the home provider, starting as a worker in the ranks, his heart was always with the worker. He loved and trusted the men who work. He had their confidence and they enjoyed his confidence. He believed but little in the aristocracy of social caste, but was absorbed in the aristocracy of service. His friendships and sympathies were not those of utility, passing when the utilitarian purpose had been accomplished, nor of pleasure, vanishishing as the flitting moments passed, but the strong, substantial friendships of admiration, of human sympathy, of common cause, and early in life he adopted, unconsciously perhaps, the cause of the workers, and it became his life's work. Like the face chiseled in the solid granite rock of the White Mountains of New Hampshire, reverently termed the "Old Man of the Mountain," and representing to the New Englanders who sojourn there a lofty ideal and purpose, so there will ever remain in the affections and memories of the working people of our great State the tender recollections of the ideals and purposes and of the life and character of CARL C. VAN DYKE.

Speaking for my colleagues in Congress assembled here on this occasion, representing as we do the Senate and House of Representatives, we wish to extend our sympathy to the wife, the daughters, and brothers of our colleague and comrade, and

to say to you that amidst your heavy burden of sorrow you must recognize the right to feel a just pride in future years that no man in Minnesota's history will occupy a higher place on the roster of honor, and that few men have ever contributed a more substantial and definite service to their fellow men, than did CARL C. VAN DYKE.

Mr. CARSS. Mr. Speaker and gentlemen of the House, there is little that I can add to the eloquent tributes paid by the gentlemen who have preceeded me to the memory of my friend and colleague, CARL C. VAN DYKE, but nevertheless I wish to add my humble testimony to what has already been said.

CARL C. VAN DYKE was my friend, and I loved him. His influence on all those who came in contact with him was inspiring to better things, and his death was a great loss to the State of Minnesota and to the body wherein he has served so faithfully and well. Born among humble surroundings and reared in the hard school of experience, he developed such sturdy, honest, and sincere traits of character that he rose to a place of honor and trust in the greatest law-making body of the world and in the hearts of the people of his State and of the Nation.

CARL C. VAN DYKE was raised on a farm in Minnesota. His early life was spent on the hard work that was required to develop that great State. He was educated in the common schools and high schools of Alexandria. After completing his high-school course he taught school in Douglas County, Minn. When the call for troops was made at the beginning of the Spanish-American War, young VAN DYKE was one of the first to offer his services in defense of the flag. At the close of the war Mr. VAN DYKE entered the Government as a railway mail clerk. He afterwards represented the railway mail clerks' branch of the Government employees in this city. While in the Government service he completed a law course. He was elected to the Sixty-fourth, Sixty-fifth, and reelected to the Sixty-sixth Congresses. At the time of his death he was the honored commander in chief of the Spanish-American War Veterans' Association.

The whole course of CARL C. VAN DYKE's life was a struggle against adverse circumstances. It was my sad duty to be present at his funeral in St. Paul. Seldom if ever in the history of Minnesota has such a tribute of love and honor been paid to one of its citizens. The children strewed the route of the funeral cortege with wild flowers. The entire city of St. Paul was in mourning for the big-hearted, loyal friend of the common people; people of all ranks and station in life laid aside their accustomed pursuits to join in doing honor to this truly great man. The entire business life of the city was suspended, and thousands crowded the route of the funeral procession, with bared heads, to pay a last farewell to the man they loved.

As I last looked upon his features as he lay in state under the dome of that magnificent palace, the capitol building at St. Paul, surrounded by banks of flowers, the tokens of respect and love of his host of friends, guarded by the faithful comrades who never left his side from the time his body left the hospital until they fired the last volley over his grave, I realized that I was indeed parting with a true friend, and one whose like I might not look upon again. The life of CARL C. VAN DYKE stands as an inspiration to all the young of our land. It stands as an example of what may be achieved by those who by honest, earnest efforts seek to raise themselves to positions of honor and prominence, and emphasizes the fact that America is indeed the land of opportunity.

Mr. SCHALL. Mr. Speaker, when the finger of death is laid on a man, young, alert, capable, in the fullness of his powers, it adds a greater pathos and widens the circle of bereavement. When the grim reaper garnered Comrade CARL VAN DYKE to his Maker he took a man in his prime, at the moment when he was reaching out his hand to grasp fruition from years of deprivation, of toil, of self-denial. Born into a family of straitened means, he early shouldered his own burden and put his strength into the task of bringing along the others in the large family. He made his own way through the public schools, helping himself along by teaching school, and finally taking law while a railway mail clerk.

His 14 years in the Railway Mail Service showed a steady upward climb, and though clerk in charge, his big heart and quick sympathy and justice were always keen to understand and appreciate the side of the men. He fought for their interests at all times; hence he managed to incur the disfavor of those in power, and finally resigned. He was made chairman of the welfare committee of the tenth division, and while in this service, though still a young man, he had so endeared himself, his wonderful warmth of heart, personal magnetism, and knowledge of human nature had won him so many friends, that he was sent to Congress, being elected to the Sixty-fourth. His victory, young and unknown, with no machine but his own self-made one, woven of the iron bands of friendship, over a man older, experienced, statesmanlike, polished, cultured, well-trained, and capable, came as one of the surprises of the campaign—the one Democratic Representative in a Republican State. His unblemished labor record won him reelection.

He was intensely domestic, passionately devoted to his home and to his family. His constant regret was that unsatisfactory housing conditions in Washington prevented him from having them with him. The strain, the irregularity, the tremendous responsibilities of the war session, took toll of his strength. It is in keeping with the character of the man that even those closest to him did not suspect that for a long time before he died he was suffering. He made light of his physical condition, refused to consider himself, drove his splendid constitution at the rate he had always maintained, and so performed his duties and bore his affliction that few suspected the terrible handicap under which he was working.

When his final illness occurred he refused to notify any of his colleagues, but went to the hospital alone. His death did not come as a surprise to him. Before he came to the last session, when he was taking leave of his wife, his Spartan courage for a moment gave way, and he said: "I will never see you again." And he never did. He was stricken down in the midst of his duties. At the hospital, with his lifeblood draining away in a hemorrhage, he still fought valiantly, never giving up his courage or his will to live. With the realization that the flood of black waters was rising over him inevitably, he asked the hospital assistants around, "Aren't you going to do something for me?" Unable to the last to believe that his fighting courage and determination must give way before a mightier power.

Simple, democratic, unaffected, he possessed in an unusual degree the power of making and keeping friends. He kept his word, he kept his head; a plain, blunt man, that loved his friends and told them what they themselves did know. His heart was a heart of understanding, for he had been upon Mount Sinai, had seen the lightning flash and heard the thunders roll; had partaken of the meal of locusts and clothed himself in the camel's hair. He knew adversity, and could never forget its lesson, and therefore understood the heart of the laboring man, whose constant friend he was in private life as well as in his career as Congressman. A Spanish-American War veteran, through his executive ability and sterling qualities he rose to commander in chief of our organization, whose principles and ideals have held aloft to the youth of the land an example of loyal Americanism.

To know Comrade CARL VAN DYKE was to be his friend. To ultimately understand his character was to admire it. To come in contact with his mental power was to respect it. To oppose him was to fear him, for the undemonstrative resources that he could call to his command were astounding to his political enemies.

Quiet, unassuming, modest, unpretentious, caring not for the vaunt of leadership if the cause he championed was victorious. It was results he sought, not praise.

Laborer, student of nature, statesman, he put himself in harmony with the constitution of things, ever stamping them with his mark. The plain folks, who knew him and who gathered at his funeral in such multitudes as no public man in the history of St. Paul ever attracted, cherish his memory, and their hearts will echo and reecho his praise and his prowess in his fight for the human cause.

The SPEAKER pro tempore. The Chair wishes to state that last evening quite late HAROLD KNUTSON, from Minnesota, came to my office and made this request to me, saying that he very much desired to be present on this occasion to deliver a short eulogy at least upon the death of CARL VAN DYKE, but he was suddenly and hastily called to Minnesota on very important matters and could not be here, and requested that I have some one of our colleagues read for him, to go into the RECORD, a statement which he handed to me. I have just given the statement to the gentleman from Minnesota [Mr. NEWTON], and I request him to read that statement as and for HAROLD KNUTSON.

Mr. NEWTON of Minnesota read the following:

"Mr. KNUTSON. Mr. Speaker, 'Man that is born of a woman is of few days, and full of trouble. He cometh forth like a flower, and is cut down; he fleeth also as a shadow, and continueth not.'

"When the news came to me that my friend and colleague, Congressman CARL C. VAN DYKE, had passed to the great be-

yond, I was shocked and pained. I had seen him but a few days before, apparently in full vigor and virile manhood, and his sudden and unexpected demise called to my mind the biblical quotation quoted.

"To know CARL VAN DYKE was to love, admire, and esteem him. He possessed all those sterling qualities which go to make a good citizen. At the early age of 17 he answered his country's call and served faithfully during the Spanish-American War. His life since that time was one of sacrifice for others. He was never so happy as when he was doing something for some one else. He was in every way a self-made man. Elected to the Sixty-fourth Congress after a very strenuous campaign, he immediately took a prominent part in the House. As a member of the Labor and District of Columbia Committees he showed the stuff that was in him. He was a two-fisted fighter who always fought open and aboveboard. CARL VAN DYKE would not stoop to underhanded methods, no matter what the provocation, and he commanded the respect and admiration of friend and foe alike.

"In his death the Nation lost a true and faithful legislator, Minnesota and the city of St. Paul a splendid citizen, and the sorrowing family a kind and loving husband and father. Of him it can be truthfully said, 'Well done, thou good and faithful servant.'

"To-day I join with my colleagues in paying this poor tribute to his memory and silently drop a tear for a good friend who 'has gone on before to that undiscovered bourne from whence no traveler returns.'"

The SPEAKER pro tempore. Pursuant to the resolution heretofore adopted and as a further tribute to the deceased the Chair declares the House now adjourned.

Accordingly (at 2 o'clock and 30 minutes p. m.) the House adjourned to meet to-morrow, Monday, May 17, 1920, at 12 o'clock noon.

SENATE.

MONDAY, *May 17, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we pray Thee to lead us into all the deeper truths. Give us vision, vision to see Thy face, to see Thy movements in national and personal life. Give us, we pray Thee, devotion to the great ideals of Thy holy revelation. Give us that insight into the movement of God that will read the ever-continued revelations of Thy will to men. May we follow Thy lead as men who are brave to do the things which are true, and following God's guidance may we establish permanently order and peace in all our boundaries. For Christ's sake. Amen.

The Reading Clerk proceeded to read the Journal of the proceedings of the legislative day of Tuesday, May 11, 1920, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

SPREAD OF RADICALISM.

Mr. WALSH of Massachusetts. Mr. President, I desire to give notice that at the close of the routine morning business to-morrow I shall address the Senate on the spread of radicalism in America, and also some of the causes of it, and the remedies therefor.

PETITIONS AND MEMORIALS.

Mr. CAPPER presented petitions of sundry citizens of Eureka, Kans., praying for the enactment of legislation providing for the protection of maternity and infancy, which was referred to the Committee on Public Health and National Quarantine.

Mr. McLEAN presented a petition of the Manufacturers' State Association of Connecticut, praying for the enactment of legislation granting a bonus to ex-service men who were disabled or sick in consequence of their service in the World War, which was referred to the Committee on Military Affairs.

He also presented a memorial of the Nature Club of Westport, Conn., remonstrating against the enactment of legislation permitting private enterprises to cut into the public parks in the West, which was referred to the Committee on Public Lands.

He also presented petitions of sundry postal employees of Windsor Locks and Terryville, of sundry citizens of Hartford and New Haven, of sundry postal employees of Seymour and Litchfield, of the National Association of Post Office Clerks of Stamford, and of the Kiwanis Club, of Bridgeport, all in the State of Connecticut, praying for an increase in the salaries of postal employees, which were referred to the Committee on Post Offices and Post Roads.

REPORTS OF COMMITTEE ON PUBLIC LANDS.

Mr. MYERS, from the Committee on Public Lands, to which was referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 1695) validating certain homestead entries (Rept. No. 591); and

A bill (H. R. 9825) authorizing certain railroad companies, or their successors in interest, to convey for public-road purposes certain parts of their rights of way (Rept. No. 592).

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES of Washington:

A bill (S. 4393) relating to fees to be allowed registers and receivers of United States land offices, providing for the abolishment of the office of receiver of public moneys of such land offices, and for other purposes; to the Committee on Public Lands.

By Mr. TRAMMELL (for Mr. FLETCHER):

A bill (S. 4394) granting an increase of pension to William Genovar (with accompanying papers); and

A bill (S. 4395) granting an increase of pension to Josiah Roberts (with accompanying papers); to the Committee on Pensions.

By Mr. PHELAN:

A bill (S. 4396) authorizing the incorporation of the United States Oil Corporation; to the Committee on Public Lands.

By Mr. RANSDELL:

A bill (S. 4397) granting an increase of pension to Mrs. George Robinson; to the Committee on Pensions.

By Mr. SHERMAN:

A bill (S. 4398) for the relief of a certain estate; to the Committee on Claims;

A bill (S. 4399) to authorize the Commissioners of the District of Columbia to close certain streets, roads, or highways in the District of Columbia rendered useless or unnecessary by reason of the opening, extension, widening, or straightening of other streets, roads, or highways in the District of Columbia, and for other purposes;

A bill (S. 4400) to amend an act entitled "An act to incorporate the Masonic Mutual Relief Association of the District of Columbia," approved March 3, 1869, as amended; and

A bill (S. 4401) to authorize the widening of First Street NE., and for other purposes; to the Committee on the District of Columbia.

By Mr. KNOX:

A joint resolution (S. J. Res. 198) authorizing the Secretary of War to sell to the city of Pittsburgh, Pa., a certain tract of land within the Allegheny Arsenal Reservation; to the Committee on Military Affairs.

AMENDMENT TO SUNDRY CIVIL APPROPRIATION BILL.

Mr. LODGE submitted an amendment proposing to appropriate $400,000 for the participation of the United States in the observance of the three hundredth anniversary of the landing of the Pilgrims at Provincetown and Plymouth, Mass., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

MILITARY AUTOCRACY.

Mr. GRONNA. Mr. President, I ask unanimous consent to read a brief statement from the Washington Post and to make a few observations upon it.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. GRONNA. I find in this morning's Post, on the front page, the following:

KING FOR VOLUNTEER ARMY—SEES PROOF OF PEACEFUL STRENGTH IN GIVING UP CONSCRIPTION.

[Canadian Press.]

LONDON, *May 16.*

King George declared yesterday to the lord lieutenants of the counties, the lord mayors, and lord provosts who gathered at Buckingham Palace in answer to the call for the reconstruction of the territorial volunteer army that the formation of a volunteer citizen army was indispensable to the safety and freedom of the Empire.

"No more valuable proof of our peaceful strength and the soundness of our national life and character," continued the King, "could be given to the world than the fact that we have abandoned the principle of compulsory military service, to which we were forced to resort in the hard times of the war, and have returned to the purely voluntary system."

Mr. President, I call attention to this for the purpose of showing that the Empire of Great Britain sees the danger of establishing a military autocracy. It is needless for me to call the attention of the Senate to the fact that there is not one single Government on the face of the earth to-day that has withstood

a military autocracy. Greece had it, Persia had it, Rome had it, Germany had it. Before Germany Sweden had it. They were all, if not reduced to a small nation, destroyed. The military Government of Germany has been entirely destroyed.

Mr. President, I wish to congratulate the King of the great Empire of Great Britain upon the stand which he has taken. I only hope that this body and the other body will take the same step which the Empire of Great Britain has taken and will not impose upon this Government a military autocracy.

We know, Mr. President, that what destroyed the German Government was the military autocracy of Germany. The entire country knows that it was not the people of Germany who were the cause of destroying it, but it was the carefully and well established military autocracy which caused its destruction.

Mr. President, we are proceeding in this country, as I understand it, intending to place everything under the Army, to educate the farmer, to educate the blacksmith, to educate everyone in the industries under the War Department, ignoring all the other executive departments. We have an Agricultural Department, and yet it is well understood now that already we are trying to place the farmers of the country under a military autocracy.

Mr. President, again I want to express my approval of the action taken by the great Empire of Great Britain.

FINANCIAL POLICY.

Mr. McCORMICK. Mr. President, I move that the Senate take up Senate resolution 363, on which I desire to say only a word.

The VICE PRESIDENT. The Chair understands that it is a resolution coming over from a preceding day.

Mr. McCORMICK. It is.

The VICE PRESIDENT. Under the rule the Senator has a right to call it up, if there is no objection.

Mr. McCORMICK. I think there will not be any objection to the resolution.

Mr. GERRY. I ask that the resolution may be read.

The VICE PRESIDENT. It will be read.

The Assistant Secretary read Senate resolution 363, submitted by Mr. McCORMICK on the 15th instant, as follows:

Resolved, That the Federal Reserve Board be directed to advise the Senate what steps it purposes to take or to recommend to the member banks of the Federal Reserve System to meet the existing inflation of currency and credits and consequent high prices, and what further steps it purposes to take or recommend to mobilize credits in order to move the 1920 crop.

Mr. KING. May I inquire of the Senator whether the resolution has been reported by the committee?

Mr. McCORMICK. It has not been referred to a committee. It is a Senate resolution. I recognize that there may be some question in the mind of the Senator from Utah as to the purpose of the resolution, but I do not believe he will have any objection to it after a word of explanation.

Mr. KING. Let me say to the Senator, if he will pardon me, that I do not know that I have any objection to it, and yet there are some recitations in it that may not be agreed to by many students of political economy and many members of the committee to which the resolution would properly go.

Mr. McCORMICK. What recitations, may I ask the Senator?

Mr. KING. That high prices are the result of the so-called inflation of credits and currency, and the implication to be derived from the resolution that there is inflation as a result of the activities or lack of activities of the Federal Reserve Board.

Mr. McCORMICK. I do not think the last will be found in the resolution. It is indisputable that not only in this country but in every country there has been a vast increment in the total of currency and of credits. It is indisputable that there is a relation between the increment of currency and of credit and existing prices. The Senator surely recognizes that all the classic symptoms of impending financial crisis are manifest to-day. The principal hope of relief is in the Federal Reserve Board, and in the board advising the business world of steps proposed to meet the demand for credit when the period of crop moving comes.

While the distinguished Senator from Virginia [Mr. GLASS] was still Secretary of the Treasury, the Reserve Board with his concurrence, and, if I am not mistaken, following his advice, raised the bank rate. Subsequently Congress legislated to vest in the Reserve Board and the member banks discretion as to the establishment of different rates.

Mr. GRONNA. Will the Senator yield?

Mr. McCORMICK. Certainly.

Mr. GRONNA. Will the Senator briefly outline what are the provisions of the resolution?

Mr. McCORMICK. The resolution calls upon the Reserve Board to inform the Senate what steps it contemplates taking to relieve the existing inflation and to mobilize credits against the time when we must move the crops of the country. The Senator very well remembers that in 1907, at this period in the year, there were manifest exactly the symptoms of economic and credit disorder which are present to-day, very much the same symptoms that were manifest in 1903. Unless, under the Reserve System, the Reserve Board takes steps to forestall a credit stringency in the fall, we shall have something approximating a panic.

In my judgment announcement at this time of the contemplated steps will serve a most valuable purpose in relieving the apprehension of thousands of creditors in the country. Such announcement will tend to meet the very stringency which is threatened in the fall.

Mr. GRONNA. May I ask the Senator if the resolution simply asks for information?

Mr. McCORMICK. It asks for nothing more.

Mr. GRONNA. I certainly have no objection to that. I think it is very advisable that we should adopt such a resolution.

Mr. McCORMICK. The resolution asks for nothing more than information; in fact, I may say to the Senator that to-day there are gathering in Washington representative bankers from all over the country to confer with the reserve board and the Secretary of the Treasury about the grave situation now impending.

Mr. GRONNA. I rose only for the purpose of securing information. The Senator knows, of course, as well as I do, the danger of changing the monetary laws by piecemeal. In reference to rates of interest and what they will do, I think any man who has studied political science from any angle at all knows that the men who will get the advantage of a high rate of interest, or the concerns which will get the benefit of a high rate of interest, are those which are making large profits. There is nothing which will harm the farming interests any more than to compel them to pay a high rate of interest. They will be obliged, if that be done, to cease operations, because their business does not pay a sufficient profit to enable them to pay high rates of interest.

Mr. McCORMICK. The Senator from North Dakota will learn, if he will examine the resolution, that there is no reference to rates of interest. Unless steps are taken to-day to mobilize the necessary credit resources, farmers will be hard put to it to find money this fall when it is necessary for their very lives.

Mr. GRONNA. We know that the men who are now getting money are the automobile manufacturers and others who can place the burden upon the other party.

Mr. McCORMICK. Great amounts of credit are being utilized in the manufacture of silk stockings, phonographs, and all kinds of nonessentials.

Mr. McCUMBER. Mr. President——

Mr. McCORMICK. I yield to the Senator from North Dakota.

Mr. McCUMBER. I should like to ask the Senator from Illinois why he has such an apprehension of a stringency in connection with the securing of money to handle the crops when grain receipts or warehouse receipts can be taken as security to the Federal reserve banks, deposited there, and any amount of money issued upon them and no interest charged upon that money for six months? If a warehouse receipt is good for the cash—and it certainly is, if it covers wheat—why should there be the danger of inability to expand the currency when there is no interest charge for six months for such expansion?

Mr. McCORMICK. Mr. President, we may continue to expand the currency, as we have expanded it, without checking the increase in interest rates, which has been manifest all this year.

Mr. McCUMBER. The increase of interest rates is due to the demand for money.

Mr. McCORMICK. Precisely.

Mr. McCUMBER. But the information I wanted to obtain from the Senator was the basis of his fear that we could not get sufficient money in the fall; in other words, that we could not sufficiently expand our currency to meet the requirements of moving the crops.

Mr. McCORMICK. Doubtless we can expand the currency while prices and interest rates increase indefinitely.

Mr. McCUMBER. Does the Senator from Illinois assume that we will fail to utilize the power in the present banking laws to meet the requirements incident to handling the crops?

Mr. McCORMICK. I assume nothing. I want to learn from the Federal Reserve Board what plan of relief, if any, it has in contemplation.

Mr. McLEAN. Mr. President——

Mr. McCORMICK. I yield to the Senator from Connecticut.

Mr. McLEAN. Under the law there is, of course, a limit to the expansion of the currency. That limit is the gold reserve which is required. When the reserves of the Federal reserve banks are exhausted, no more currency can be issued until the gold reserve is replenished.

Mr. KENYON. I desire to ask the Senator from Illinois, if I may, in connection with his resolution, to explain the rate of interest that is being charged by the reserve banks? What rate of interest are the Federal reserve banks charging?

Mr. McCORMICK. They are not charging a uniform rate of interest, as the Senator from Iowa knows.

Mr. KENYON. They are, I know, charging a very high rate of interest in some cases.

Mr. McCORMICK. They are seeking, I am told, to moderate activities in the production of nonessentials, or they are supposedly doing so.

Mr. KENYON. They have forced some particular banks to pay all the way from 10 to 13 per cent for money. That is reflected on the small banks and is reflected as to the farmer, and it is becoming a very serious situation in the sections of the country which the Senator and I represent.

Mr. McCORMICK. The resolution seeks for information as to the policy of the Reserve Board. That is what is most immediately necessary in the present situation.

Mr. KENYON. It never was intended, was it, that the Reserve Board should be engaged in building up banks or getting profits for banks? Its purpose was to serve a general public use.

Mr. SHERMAN. Will the Senator welcome information as to whether they expect to earn 102 per cent on their capital stock next year?

Mr. BORAH. Mr. President, what is before the Senate?

The VICE PRESIDENT. The resolution of the Senator from Illinois [Mr. McCORMICK]

Mr. BORAH. I do not desire to speak upon that if we can have it disposed of.

Mr. McCORMICK. Mr. President, can we not have a vote on the resolution?

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

CAMPAIGN EXPENDITURES.

Mr. BORAH. Mr. President, a few days ago I offered a resolution, which was referred to the Committee on Privileges and Elections. Subsequently, by unanimous consent, that committee was discharged from the further consideration of the resolution, and it was referred to the Committee to Audit and Control the Contingent Expenses of the Senate. I was advised by the chairman of that committee last week that he hoped to report the resolution on Saturday afternoon at 2 o'clock. The chairman of the committee is absent to-day, but I see the able Senator from Utah [Mr. SMOOT] is present, and I should like to ask if there is a probability that we can have an immediate report upon the resolution.

Mr. SMOOT. Mr. President, the chairman of the committee undertook to hold a meeting on last Saturday, but it was impossible to secure a quorum. The chairman was called to New York and will not return until to-morrow morning. I was informed by him before he left that on his return he intended to call another meeting of the committee for the purpose of taking up the resolution of the Senator from Idaho and considering it. It is my understanding that the meeting will be held some time to-morrow, and it is also my understanding that a decision will be reached at that meeting as to the disposition of the resolution.

Mr. BORAH. In view of the fact that we may hope for a report, I presume, to-morrow, either pro or con, I have nothing further to say at this time.

OIL PROSPECTING IN FOREIGN COUNTRIES.

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States, which will be read.

The message was read, and on motion of Mr. PHELAN the message and accompanying papers were referred to the Committee on Public Lands and ordered to be printed in the RECORD, as follows:

To the Senate:

In response to the Senate's resolution of March 10, 1920, requesting the President, if not incompatible with the public interests, to inform the Senate,

"First, as to what restrictions, if any, are imposed either directly or indirectly by France, Great Britain, Holland, Japan, or any other foreign country, or the dependencies thereof, upon the citizens of the United States in the matter of prospecting for petroleum, or in the acquisition and development of lands containing the same within the territory subject to the jurisdiction and influence of such countries.

"Second, if such restrictions exist, what steps have been taken by the Government of the United States to secure their removal and equality of treatment in respect of citizens of the United States.

"Third, if any restrictions are imposed by the Government of Mexico upon citizens of the United States in regard to the acquisition or development of petroleum-bearing lands within its jurisdiction which are not imposed upon nationals of other foreign countries.

"Fourth, if any such discriminating restrictions are imposed by the Government of Mexico upon citizens of the United States, what steps have been taken by the Government to secure removal of such restrictions and the equality of treatment in respect to citizens of the United States,"

I transmit herewith a report by the Secretary of State, with accompanying inclosure, furnishing the information requested by the resolution as far as it can be supplied compatibly with the public interest.

WOODROW WILSON.

(Inclosure: Report by the Secretary of State with its inclosures.)

THE WHITE HOUSE,
17 May, 1920.

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The PRESIDENT: The Acting Secretary of State, to whom was referred the resolution adopted on March 10, 1920, requesting the President to inform the Senate, if not incompatible with the public interest,

"First, as to what restrictions, if any, are imposed, either directly or indirectly, by France, Great Britain, Holland, Japan, or any other foreign country, or the dependencies thereof, upon the citizens of the United States in the matter of prospecting for petroleum, or in the acquisition and development of lands containing the same within the territory subject to the jurisdiction and influence of such countries.

"Second, if such restrictions exist, what steps have been taken by the Government of the United States to secure their removal and equality of treatment in respect of citizens of the United States.

"Third, if any restrictions are imposed by the Government of Mexico upon citizens of the United States in regard to the acquisition or development of petroleum-bearing lands within its jurisdiction which are not imposed upon nationals of other foreign countries.

"Fourth, if any such discriminating restrictions are imposed by the Government of Mexico upon citizens of the United States, what steps have been taken by the Government to secure removal of such restrictions and the equality of treatment in respect to citizens of the United States,"

has the honor to lay before the President a report furnishing the information requested by the resolution as far as it can be supplied compatibly with the public interest.

Respectfully submitted.

FRANK L. POLK,
Acting Secretary of State.

(Inclosure: Report by the Department of State, with accompanying inclosures.)

DEPARTMENT OF STATE,
Washington, May 14, 1920.

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REPORT TO THE SENATE IN RESPONSE TO SENATE RESOLUTION 331.

In response to the request of the Senate embodied in Senate resolution 331 for certain information regarding restrictions directly or indirectly imposed upon citizens of the United States in prospecting, acquiring, and developing petroleum lands abroad, and further regarding action taken by this Government with a view to securing the removal of such restrictions and equality of treatment in respect to citizens of the United States, the following report is submitted as containing the information now available and not incompatible with the public interest.

A great part of the data contained herein has been derived from consular reports received in response to special consular instruction No. 672 of May 31, 1919, and diplomatic and consular instruction of August 16, 1919, instructing diplomatic

and consular officers to obtain and forward certain specific information relating to mining laws and legal restrictions imposed upon foreigners in securing or operating mineral concessions within their consular districts.

It will be noted from the copy of instruction No. 672 hereto attached that it was issued almost a year (May 31, 1919) prior to the passage of the above resolution of March 10, 1920, and further, that although mineral oil is expressly mentioned as being within the purview of the instruction, nevertheless the scope of the investigation called for therein did not permit of the intensive study of the foreign petroleum situation which its present and prospective importance would seem to require. With a view to directing attention to petroleum, the general circular instruction of August 16, 1919, of which a copy is attached, relating to mineral oil concessions and rights, was sent out. Since this was in the nature of a standing instruction, the department expects to be continuously in the receipt of information on this situation.

The above instruction was supplemented by a circular cablegram, under date of October 17, 1919, again requesting specific information on the petroleum situation, directed to posts from which significant information might be expected. It further appears that some of the restrictions on petroleum development are of a temporary character, growing out of the war situation, and it is still too early to tell whether they may form a part of permanent legislation on this subject. Moreover, there is nothing to show what action may be taken by the newly formed, reorganized, and unrecognized Governments of Europe and Asia, many of which have important petroleum-producing properties.

In view of these considerations and the probable urgency of an early reply, it has seemed desirable to submit the information now available and subsequently to supplement it with such more timely and detailed data as may be obtained on the rapidly changing international petroleum situation as reflected in restrictive legislation along nationalistic lines.

Because of the broad scope of the study based on instruction No. 672 of May 31, 1919, and the further fact that petroleum restrictions are not specifically mentioned in the general instruction of August 16, 1919, much of the data derived therefrom only remotely relates to restrictions on petroleum development. In many countries petroleum has not been discovered in commercial quantities, and there is consequently no specific legislation bearing on it except as general mining legislation might be supposed to cover it in the event of its discovery.

The present report with special reference to the first paragraph of the Senate resolution will be in general limited to restrictions arising out of legislation enacted to control the prospecting, acquiring, and development of petroleum lands in those countries in which petroleum is produced. The report falls in three principal parts so as to be in conformity with and responsive to the Senate resolution.

SECTION 1.

The restrictions in the countries and their dependencies named in the first paragraph of the Senate resolution follow in this section in the order of their designation with other foreign countries listed alphabetically.

FRANCE.

There appear to be no mineral oil concessions granted in continental France, although there are encouraging indications, and in the French colonial possessions of northern Africa several projects are in the course of development. The French Government exercises wide discretionary powers in the granting of concessions. This wide discretion makes possible discriminatory action, but there is no evidence of its operation against citizens of the United States. It is probable that the French policy is to regard all applications for concessions in the light of the public interest which was reflected by an act of September 9, 1919, providing for complete nationalization of all mineral resources. It is not clear whether petroleum would come within the scope of this act or be covered by special legislation. There is reason to believe that the policy mentioned above would find expression in a restriction on development by aliens, at least to the extent that concessions would not be granted to alien groups unless they form a part of a French joint-stock company, of which two-thirds of the directors should be French citizens.

This policy would probably be effective in Algeria, French West Africa, and Madagascar should petroleum be found in those dependencies. It does not appear whether the above restrictions would be applicable to Morocco and Tunis. (Cablegram from Paris, Oct. 18, 1919; consular report, Oct. 31, 1919; consular report, Tananarive, Madagascar, Oct. 29, 1919; report, Tangier, Morocco, Aug. 28, 1919; and consular reports from Tunis, May 31, 1919, and Jan. 26, 1920.)

BRITISH EMPIRE.

In general, each dominion and colony has its own legislation on the subject of the petroleum industry.

The policy of the British Empire is reported to be to bring about the exclusion of aliens from the control of the petroleum supplies of the Empire and to endeavor to secure some measure of control over oil properties in foreign countries. This policy appears to be developing along the following lines, which are directly or indirectly restrictive on citizens of the United States:

1. By debarring foreigners and foreign nationals from owning or operating oil-producing properties in the British Isles, colonies, and protectorates.

2. By direct participation in ownership and control of petroleum companies.

3. By arrangements to prevent British oil companies from selling their properties to foreign owned or controlled companies.

4. By orders in council that prohibit the transfer of shares in British oil companies to other than British subjects or nationals.

It is understood that the British Government has a controlling interest in the Anglo-Persian Oil Co. and that it has also assisted in the development of the Papuan oil fields by bearing one-half of the expense and contributing experts.

It may be of some significance that by general license of September 1, 1919, prohibited transactions under the regulations of the defense of the realm act were again permitted except as such transactions might relate to oil-mining property. (Cablegram from London, Oct. 18, 1919; consular reports from London, Oct. 21, 1919, Nov. 8, 1919.)

According to recent reports, prospecting for petroleum is lawful in the United Kingdom only by the board of trade or the minister of munitions or persons authorized by them. Similar regulations apply to working a petroleum property. The only drilling now going on in the United Kingdom for petroleum is being done by S. Pearson & Son (Ltd.) as petroleum development managers to the Government.

It is said to be unlawful for a British citizen, without the consent of the board of trade, to transfer to an alien or to a foreign-controlled company any interest in a company controlling an oil field in the United Kingdom. (Defense of the realm act of 1915, as ameded Oct. 23, 1917, regulation No. 30, B B).

AUSTRALIA.

Commonwealth mining regulations are contained in regulations under the war precautions act, 1914–1916, and amendments thereto. According to this act, no contract for the acquisition of any mining business, or of any interest in such, or of any security issued by a mining company shall be made by any other than a natural-born British subject without the written consent of the attorney general. It appears that no application for a mining lease to any person other than a natural-born British subject for a term of more than five years, and that no contract for the assignment or acquisition to or by any person other than a natural-born British subject of a mining lease of which a period of five years is unexpired, shall be made or granted without the written consent of the attorney general.

BRITISH EAST AFRICA.

Under the laws of this protectorate, all aliens would seem to be excluded from the development of petroleum:

"A prospecting license shall not authorize a person who is not a British subject to peg out an oil claim. (Ordinance, 1912, Pt. III, Div. II–24 (5).)

"A person who is not a British subject shall not be entitled to own an oil claim or enjoy the right of mining for oil, anything in the ordinance to the contrary notwithstanding. (Ordinance, 1912, Pt. III, Div. II–25.)

"And whenever oil is found on any claim other than an oil claim the holder of a prospecting license, being a British subject, may peg out on such claim an oil claim. (Ordinance, 1912, Pt. III, Div. II–35.)

"The transfer of an oil claim and the grant or transfer of any share or interest therein shall be invalid unless the consent in writing of the governor to such transfer or grant shall first have been obtained, and the transferee or grantee is a British subject, or a firm or syndicate all the members of which shall at all times be and remain British subjects, or a British company registered in Great Britain or in a British colony or in the protectorate and having its principal place of business within His Majesty's dominions or in the protectorate, and the chair-

man of the said company and all the remaining directors shall at all times be British subjects, and the company shall not at any time be or become a corporation directly or indirectly controlled by foreigners or foreign corporations. (Ordinance, 1912, Pt. III, Div. II–46 (2).)

"No lease for the purpose of mining for mineral oil or authorizing the lessee to mine for mineral oil shall be granted, and no assignment of any such license or lease shall be made, unless the lessee or assignee shall be a British subject or a firm or syndicate all the members of which shall at all times be and remain British subjects, or a British company registered in Great Britain or in a British colony or in the protectorate and having its principal place of business within His Majesty's dominions or the protectorate, and the chairman of the said company and all the remaining directors shall at all times be British subjects, and the company shall not at any time be or become a corporation directly or indirectly controlled by foreigners or foreign corporations.

"If the lessees shall assign the same, in whole or in part, without the previous consent in writing of the governor, or if the lessee or assignee shall cease to be a British subject; or if, where a firm or syndicate is the leseee or assignee, any member of the firm or syndicate shall cease to be a British subject, the governor may thereupon cancel the lease; and in the event of any alteration being made in the articles of association or constitution of a company holding any such lease, previous notice thereof shall be given in writing to the governor, who, if in his opinion the said alteration shall be contrary to the cardinal principle that the said company shall be and remain a British company and under British control, may refuse his consent to such alteration. If and whenever any such alteration shall be made without the written consent of the governor; or if the company shall at any time cease to be a British company or shall become a corporation under foreign control, the governor may thereupon cancel the lease. (Ordinance, 1912, Pt. III, Div. V–59, (1) and (2), and Mining Regulations, 1912, 134, (1) and (2).)

"No license held by a person who is not a British subject shall confer any right on the holder to prospect for oil or to acquire claims or leases for mining for oil or working oil. (Mining Regulations, 1912, 90.)"

Under ordinance No. 12 of 1917, no alien is allowed to acquire an interest of any description in any immovable property without the consent of the governor in council. This ordinance was to remain in operation during the continuance of the war, but it seems to have been still in force on October 27, 1919. (Consular report, Oct. 27, 1919, from Nairobi, British East Africa, with inclosures.)

UGANDA.

In this protectorate the general rules and regulations governing the development of mineral resources do not apply to mineral oil prospecting, which may be carried on only under special license and in defined areas. These licenses are issued subject to such restrictions, conditions, and regulations as the governor may impose in each particular case. (Ordinance No. 14 of 1915, consular reports, Oct. 27, 1919, from Nairobi.)

GERMAN EAST AFRICA (OCCUPIED).

Under British rule no mining department has as yet been organized, and all prospecting for minerals in this controlled territory is at present forbidden by proclamation No. 12, dated July 7, 1917. (Consular report of Oct. 27, 1919, from Nairobi.)

BRITISH WEST AFRICA.

The following notice was published in the Government Gazette, of the Gold Coast Colony, on May 25, 1918, restricting mineral-oil concessions to British subjects:

"The attention of all persons concerned with or likely to be concerned with mineral-oil interests in the Gold Coast Colony is hereby directed to the provisions of section 21 of the concessions ordinance, 1900, of the said colony, which reads as follows:

"'(1) No concession with respect to mineral oil shall be granted and no assignment of any such concession shall be made unless the grantee or assignee shall be a British subject or shall be a firm, syndicate, or company which shall at all times be and remain a British company, registered in Great Britain or in a British colony, and having its principal place of business within His Majesty's dominions; and the chairman of the said company and all the remaining directors shall at all times be British subjects, and the company shall not at any time be or become a corporation directly or indirectly controlled by foreigners or foreign corporations.

"'(2) In this section the expression "foreigners" means any person who is not a British subject, and the expression "foreign corporation" means any corporation other than a corporation established under and subject to the laws of some part of His Majesty's dominions, and having its principal place of business in those dominions.

"'(3) Every concession and assignment of a concession in respect of mineral oil shall be subject to the approval of the governor.

"'(4) If the grantee of any such concession shall assign the same in whole or in part without the previous consent in writing of the governor, or if the grantee or assignee shall cease to be a British subject, the governor may thereupon cancel the concession; and in the event of any alteration being made in the articles of association or constitution of a company holding any such concession, previous notice thereof shall be given in writing to the governor, who, if in his opinion the said alteration shall be contrary to the cardinal principle that the said company shall be and remain a British company and under British control, may refuse his consent to such alteration. If and whenever any such alteration shall be made without the written consent of the governor, or if the company shall at any time cease to be a British company, or shall become a corporation under foreign control, or shall assign such concession in whole or in part without the previous consent of the governor, the governor may thereupon cancel the concession.

"'(5) The expression "mineral oil" includes bitumen, asphalt, and all other bituminous substances, with the exception of coal.'

"All persons interested herein are informed that for several years past it has been the policy of the Gold Coast Government, a policy to which the statutory support above cited has been given, to insure that no concession with respect to mineral oil in the Gold Coast Colony shall be granted or assigned to or held by any person other than a British subject, or by any syndicate, firm, or company other than one of a predominantly British character and under a control predominantly British." (Consular reports from Dakar, Senegal, Nov. 20, 1919; Feb. 5, 1920.)

CANADA.

Most of the Canadian legislation regulating petroleum development has been enacted for the Crown lands in the western part of the dominion. The following is a provision of the order in council (P. C., Jan. 29, 1920) effective March 1, 1920, relating to petroleum and gas development:

"Any company acquiring, by assignment or otherwise, a lease under the provisions of these regulations shall be a company registered or licensed in Canada and having its principal place of business within His Majesty's dominion."

The above provision was substituted for article 40 of the Dominion regulations for the disposal of petroleum and gas. Leases on Crown lands provide that any company acquiring by assignment or otherwise a lease of petroleum or natural gas lands should at all times be and remain British companies, and if any such company which might acquire a location should cease to be a British company its lease should be subject to immediate cancellation in the discretion of the minister.

The reasons advanced by the governor general for rescinding article 40 of the Dominion regulations with the above-mentioned restrictions were, first, that the restrictions did not give the Dominion Government an effective control of oil production; second, that the restrictions had the effect of discouraging the introduction of foreign capital so essential to the exploitation and development of Dominion lands thought to contain oil. (Consular report from Ottawa of Dec. 29, 1919; Feb. 18, 1920; and Feb. 24, 1920.)

BRITISH GUIANA.

The only restrictions on mining concessions in this colony discriminating against aliens are in connection with concessions with mineral-oil rights. None but British subjects are reported to be entitled to secure such rights. The same restriction holds with regard to the transfer of mineral-oil rights and property to aliens. (Consular reports from Georgetown, Sept. 19, 1919, with inclosures, and Oct. 22, 1919.)

BRITISH HONDURAS.

"All mines of mineral oil are reserved to the Crown." (Ordinance No. 26, 1907, Bureau of Mines Report on the Petroleum Industry.)

INDIA.

American oil companies are expressly excluded from doing business in Burma by proclamation signed by Queen Victoria and Lord Salisbury, secretary of state for India, on September 24, 1884, and a blanket concession of 99 years was given the Burma Oil Co. (Ltd.) on August 23, 1885, protecting this company from all foreign competition.

In India no prospecting license or lease can be granted otherwise than according to the rules summarized below, except with the previous sanction of the secretary of state for India

in council, or with that of the governor general under authority delegated to him by the secretary of state for India in council. A certificate of approval, or a prospecting license, or a mining lease shall be granted only to a British subject, or to a British-controlled company. It would seem that the regulations preclude the sale of concessions or leases to foreigners, although this is not specifically stated. Leases and concessions are granted only on Government land. Private land may be exploited, but only with the consent of the owner and in accordance with the restrictions above mentioned. (Consular report from Bombay, Nov. 26, 1919.)

BRITISH WEST INDIES—BARBADOS.

Up to the present time no oil has been found in commercial quantities in Barbados, though there are croppings which seem to indicate the presence of oil. It is reported that no companies other than British companies have secured mineral concessions in the islands. The oil mines act, 1904–1908, III, 66, empowers the governor, in executive committee, to make regulations and by provisional order grant to any person the right to survey and to probe and bore to ascertain the nature of the soil and to make explorations and mine for oil within any area that the governor and the executive committee may think proper. Within the past few months the British Union Oil Co. has received certain powers under this legislation. The legislation in question appears to make no specific distinctions between aliens or nationals, but the grant to the British Union Oil Co., known as the British Union Oil Co. act of 1919, expressly provided that the privileges and powers therein shall not be conveyed or extended to any successors of the said British Union Oil Co. of a nationality other than British. The oil mines act referred to above provides in paragraphs 3 and 4 that the British Imperial Government shall have the right of preemption over all oil residues. (Consular report from Barbados, British West Indies, Oct. 21, 1919.)

TRINIDAD.

Title or interest in oil-bearing lands in the colonies of Trinidad and Tobago are covered in an ordinance (No. 29, 1917) which became effective December 3, 1917, entitled "An ordinance to control the acquisition of oil-bearing lands in the colony." This ordinance as enacted was a war measure and stipulated to remain in force during the continuance of the war and for a period of six months after the close thereof. It provided that no person shall acquire any right, title, or interest to oil-bearing lands without consent in writing of the governor. The governor may limit his consent, as he deems necessary, under instructions received from the secretary of state for the colonies. The above ordinance appears to apply particularly to privately owned oil lands.

Regulations applying to oil on Crown lands came into effect January 2, 1918, and remain in force until amended or revoked by the Government. These lands are leased by the governor, subject to the approval of the secretary of state for the colonies. It appears that the secretary of state for the colonies has been following the policy which would require that any acquisition of oil rights by a British company would provide that not more than 25 per cent of its capital or voting power is to be held by aliens, and also that the chairman and managing director and a majority of the other directors shall at all times be British subjects, together with such other provisions as might be deemed necessary to insure the company remaining under British control. It is probable that the present and future policy of the colony will be dictated by the secretary of state for the colonies at London with considerable regard to the needs of the British Admiralty, which seems anxious to reserve sufficient prospective supplies of petroleum for the British Navy. Trinidad, by reason of its location and its petroleum deposits, has a strategic importance from the standpoint of the British Navy, and in view of this it is unlikely that foreign capitalists would be given an opportunity to secure petroleum concessions. (Consular reports, Oct. 22, 1919, and Feb. 28, 1920, from Trinidad.)

HOLLAND (NETHERLANDS)—SUMATRA EAST COAST.

A number of companies are drilling for oil with reported success. All of these companies are said to be controlled by the Bataafsche Petroleum Maatschappij, of which the Kolonials Nederlandsche Petroleum Maatschappij of The Hague is the holding company. (Consular report from Medan, Sumatra, Oct. 19, 1919.)

DUTCH EAST INDIES.

Prospecting licenses and concessions are granted only to Dutch subjects, inhabitants of the Netherlands or Netherlands East Indies, and to companies incorporated under the Dutch laws either in the Netherlands or in the Netherlands East Indies having in their board of directors a majority of Dutch subjects. Persons or companies not established in the Netherlands East Indies must be represented in the islands by a trustee, who must comply with the stipulations of the mining law.

Considerable part of the archipelago, more especially the smaller islands, is still entirely closed to private mining work, partly by the reservation of large areas for State exploration, with a view to their being worked later either by the Government or by private companies. American companies have for many years without success endeavored to secure leases in this field.

The Royal Dutch Shell Co. has a complete economic monopoly of production.

A new bill has been laid before the Netherlands State Council to confirm the contract between the Royal Dutch Petroleum Co. and the Government, under which contract the company will secure the working of all the oil lands in the Dutch East Indies, including Sumatra. (Consular report from Soerabaya, Java, of Jan. 27, 1920.)

JAPAN.

Five oil fields, sufficient for the use of the Japanese Navy, are held by the navy department. Foreigners would seem to be restricted in the development of petroleum properties by article 5 of the Japanese mining law, promulgated by Imperial order on the 7th of March, 1905, reading as follows:

"No persons other than subjects of the Empire or juridical persons duly formed in accordance with the laws thereof are entitled to acquire mining rights."

The meaning of "juridical persons" in the Japanese law is such that it is believed to be practically impossible for foreign companies to retain or transfer undisputed possession of mining rights in Japan. (Consular reports, with inclosure of Oct. 8, 1919, and Dec. 10, 1919, from Yokohama, and Jan. 23, 1920.)

BOLIVIA.

Under a law dated December 12, 1916, all oil lands belong to the State except those already legally taken up by private owners. However, it is believed that there are no restrictions against aliens, since any person may freely prospect on these public lands without a license by merely notifying the local administrative authority. (Consular report from La Paz, Bolivia, Nov. 26, 1919.)

COLOMBIA.

Aliens have the same rights as natives to locate and own mines where such rights are secured by treaties or where the aliens' national laws give reciprocal rights to Colombians. (Consular reports from Barranquilla, Jan. 19, 1919, and Oct. 11, 1919.)

COSTA RICA.

There is said to be no distinction between natives and foreigners. The Government reserves ownership of the subsoil. No permission is required for exploration. Acquisitions can be obtained only by concessions from the Government. The only monopoly of mineral resources in the Republic concerns petroleum rights through contracts with the Government giving exclusive oil rights to one company in the Provinces of Limon, Puntarenas, and Guanacasti and to another company in the Provinces of Heredia, Alajuela, and Cartago. (Consular report, Oct. 6, 1919, from San Jose.)

DOMINICAN REPUBLIC.

There appear to be no legal distinctions between nationals and aliens in granting concessions. The proposed new mining law provides that petroleum or natural gas wherever found will be considered as the property of the nation. Special permits for exploration and exploitation are now required and will be required under the new law. (Consular report from Santo Domingo, July 25, 1919.)

ECUADOR.

A new law is reported to declare that petroleum mines not adjudicated belong exclusively to the State, and private parties may not denounce them pending the enactment of a new law. There are said to be no restrictions, legislative or administrative, discriminating between aliens and nationals. (Consular reports, June 5, 1919, and Aug. 30. 1919, from Guayaquil; cablegram of Oct. 30, 1919, from Quito.)

GUATEMALA.

Restrictions are laid on aliens in the acquisition of mining rights in the case of petroleum. These restrictions on petroleum are contained in presidential decree No. 722 of December 20, 1915:

"ARTICLE 1. The nation reserves the absolute title to all sources of petroleum and hydrocarbons in general which exist in the Republic.

"ART. 2. The acquisition and exploitation of said sources shall only be accomplished by means of a lease, not to exceed 10 years in duration, contracted with the ministry of public works,

which shall be submitted for the approval of the Chief Executive, and which shall only be made with native or naturalized citizens.

"ART. 3. The above-mentioned contracts shall be nontransferrable, except by express authorization of the Government, and then only provided the interested parties are citizens of Guatamala.

"ART. 4. Special regulations shall detail the requirements and conditions necessary for entering into these contracts, and this decree shall be held as an integral part of the mining code and shall be reported to the National Legislative Assembly at its ordinary sessions." (Published in El Guatemalteco of Dec. 20, 1915; approved by the National Legislative Assembly on Apr. 29, 1916, decree 945; consular reports of July 3, 1919, and Aug. 30, 1919, from Guatemala City.)

MEXICO.

Denouncement (filing claim by due legal process) of mining properties is made in accordance with the provisions of Mexican mining laws, as modified by the provisions of articles 27 and 33 of the Mexican constitution of 1917. This constitution was signed January 31, 1917, and promulgated February 5, 1917. The following is believed to be a reliable translation of pertinent excerpts from articles 27 and 33:

"ART. 27. The ownership of lands and waters within the limits of the national territory is vested originally in the Nation, which has had and has the right to transmit title thereof to private persons, thereby constituting private property.

"Private property shall not be expropriated except for cause of public utility[1] and by means of indemnification.

"The nation shall have at all times the right to impose on private property such limitations as the public interest may demand, as well as the right to regulate the development of natural resources, which are susceptible of appropriation, in order to conserve them and equitably to distribute the public wealth. In the nation is vested direct ownership of all minerals, petroleum, and all hydrocarbons—solid, liquid, or gaseous.

"Legal capacity to acquire ownership of lands and waters of the nation shall be governed by the following provisions:

"'I. Only Mexicans by birth or naturalization and Mexican companies have the right to acquire ownership in lands, waters, and their appurtenances, or to obtain concessions to develop mines, waters, or mineral fuels in the Republic of Mexico. The nation may grant the same right to foreigners, provided they agree before the department of foreign affairs to be considered Mexicans in respect to such property, and accordingly not to invoke the protection of their governments in respect to the same, under penalty, in case of breach, of forfeiture to the nation of property so acquired. With a zone of 100 kilometers (62.14 miles) from the frontiers and of 50 kilometers (31.07 miles) from the seacoast no foreigner shall under any conditions acquire direct ownership of lands and waters.

"'IV. Commercial stock companies may not acquire, hold, or administer rural properties. Companies of this nature which may be organized to develop any manufacturing, mining, petroleum, or other industry, excepting only agricultural industries, may acquire, hold, or administer lands only in an area absolutely necessary for their establishments or adequate to serve the purposes indicated, which the executive of the union or of the State in each case shall determine.'

"ART. 33. Foreigners are those who do not posses the qualifications prescribed by article 30 (birth or naturalization). They shall be entitled to the rights granted by chapter 1, Title I, of the present constitution; but the Executive shall have the exclusive right to expel from the Republic forthwith and without judicial process any foreigner whose presence he may deem inexpedient.

"No foreigner shall meddle in any way whatsoever in the political affairs of the country." (The Mexican Review for March, 1917.)

There appears to have been as yet no judicial interpretation of article 27. However, the following, from an opinion of the attorney general of Mexico as to the interpretation to be given to the first paragraph of article 27 of the new constitution, may be informative:

"I. All landed property, whether of national or of private ownership, urban or rural, comprised within the confines of the Republic, shall be considered as covered by the term 'lands and waters of the nation.'

"II. Only Mexican individuals and Mexican associations have the right to acquire lands, waters, and their appurtenances in the Republic.

"III. Alien individuals may acquire such property, either directly from the nation or from individuals—Mexican or alien—on complying with the conditions prescribed in section 1 of the seventh paragraph of article 27, when authorized by the State. Hence, even though compliance be had as hereinbefore provided, the State may deny aliens this right under the discretionary power vested in it by this provision.

"IV. Alien corporations shall in no event acquire such property." (Translated from Diario Oficial, Dec. 8, 1917; consular reports from Nogales, Sonora, Mexico, Sept. 27, 1919, and Guaymas, Mexico, Oct. 10, 1919, and from Aguascalientes, Aguas, Mexico, Aug. 22, 1919; also the Mexican Oil Question.)

PALESTINE.

Rich petroleum fields are believed to exist in certain districts of Palestine. The British policy in this section, as in all other occupied areas, seems to be to restrict petroleum activities so far as that may be possible by leaving in force for the time being the regulations in force prior to the time of occupation. (Consular report of Nov. 8, 1919, from Jerusalem.)

PERSIA.

Citizens of the United States are generally excluded from petroleum development in Persia, where the Anglo-Persian Oil Co. has an exclusive right, granted May 28, 1901, for a term of 60 years. This concession, extending over the entire country, with the exception of five Provinces, and covering about 500,000 square miles, has been greatly strengthened by the agreement between the British and Persian Governments, signed on August 9, 1919, by which the Persian civil, military, and financial administrations were placed under British supervision and direction. (Memorandum and inclosure from the American Petroleum Institute.)

SECTION 2.

With reference to steps taken by this Government looking to the removal of restrictions operating directly or indirectly on citizens of the United States as mentioned in the second paragraph of Senate resolution 331, it should be noted that in general the restrictions set forth above are so drawn as to distinguish between aliens and nationals. This distinction causes the discrimination, if any, to fall on aliens generally, thus only indirectly operating on citizens of the United States. In the absence of prohibitory treaty provisions, this form of discrimination would seem to be justifiable from the viewpoint of international law, however impolitic it might be as regards reciprocity and international comity.

It should be further noted that the above legal restrictions generally applicable to aliens are in a large measure enforceable by administrative regulations which give large play to the discretionary powers of the Executive. It is in the application of these comprehensive discretionary powers to particular cases that the possibility of discriminatory action is involved. Since this discriminatory action would seem in the absence of treaty provisions to be the only basis on which diplomatic protest could be based, the Department of State has endeavored promptly and systematically to secure detailed information regarding injuries to particular American interests resulting from the alleged discriminatory enforcement of these restrictions in foreign countries, with a view to making representations to these foreign Governments when the circumstances should seem to warrant.

The action taken by the department in connection with the restrictive legislation of Mexico appears in greater detail in the third section of this report.

Representations have been made to the Colombian Government for the fuller protection of the vested subsoil rights of citizens of the United States by the modification of Colombian legislation.

Pending future developments it has seemed to be the policy of the British Government in the occupied areas to prohibit prospecting for minerals (see German East Africa in sec. 1 above). It is believed that a similar policy is being followed in the occupied areas of the Ottoman Empire. The unsettled conditions generally prevailing in these occupied regions make it impossible to hazard any speculation as to the ultimate policy to be adopted. A final decision on this question, however, will be of great significance to this Government because of extensive American interests already present in these regions and the promise of future development. In connection with this policy of the British authorities in the occupied areas of the Ottoman Empire, the American Embassy at London was authorized by cable on October 30, 1919, to make representations to the British Government. In reply assurances were received that discrimination with reference to the

[1] While the term "public utility" may be somewhat misleading, it is felt that that of "public use" may be even more so. The same expression ("por causa de utilidad publica") is to be found in the 1857 constitution, and has always been interpreted by the courts of Mexico in the sense of public interest, as in the case of land expropriated for the surface work of a mine, etc.

H. N. B.

granting and development of concessions in the occupied regions is not being permitted.

The vastly increased importance of petroleum in gradually supplanting coal as a sinew of trade and war is reflected in the widespread restrictive legislation set forth above (see sec. 1). A step in the same direction in the legislation of the United States is found in section 1 of the recently enacted "Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain" (Public, No. 146, 66th Cong.), reading as follows:

"*Be it enacted, etc.*, That deposits of coal, phosphate, sodium, oil, oil shale, or gas, and lands containing such deposits owned by the United States, including those in national forests, but excluding lands acquired under the act known as the Appalachian forest act approved March 1, 1911 (36 Stats., p. 961), and those in national parks, and in lands withdrawn or reserved for military or naval uses or purposes, except as hereinafter provided, shall be subject to disposition in the form and manner provided by this act *to citizens of the United States, or to any association of such persons, or to any corporation organized under the laws of the United States, or of any State or Territory thereof*, and in the case of coal, oil, oil shale, or gas to municipalities: *Provided*, That the United States reserves the right to extract helium from all gas produced from lands permitted, leased, or otherwise granted under the provisions of this act, under such rules and regulations as shall be prescribed by the Secretary of the Interior: *Provided further*, That in the extraction of helium from gas produced from such lands, it shall be so extracted as to cause no substantial delay in the delivery of gas produced from the well to the purchaser thereof: *And provided further, That citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not by stock ownership, stock holding, or stock control own any interest in any lease acquired under the provisions of this act.*"

This legislation, although limited by its application to the public domain, evoked considerable interest abroad. This manifestation of foreign interest, indicative of the intense international competition to secure and restrict exploitation of the world's petroleum resources, makes the further protection and development of American petroleum interests abroad in a large measure dependent on reciprocal arrangements between Governments. A suggestion of a trend in this direction is already noticed in the following excerpt from a note directed by this department to an interested foreign Government prior to the enactment of the above legislation by Congress:

"The exclusion of American citizens, either in law or in fact, from commercial production in other countries has given rise in this country to an agitation for some form of governmental action. The source of this movement lies in the conviction that, with respect to certain essential raw materials, the enjoyment of the same rights in foreign countries that aliens enjoy in the United States is essential to the future welfare of our people. This conviction is believed to underlie and explain the provisions of the public lands leasing bill to which you have referred. The movement would lose much of its force if an agreement were in existence providing in adequate measure for that reciprocity toward which the proposed legislation is directed. The securing of adequate supplies of oil in emergencies does not appear to be irreconcilably opposed to the principle of reciprocal access to supplies."

SECTION 3.

In reference to the information requested in the third and fourth paragraphs of Senate resolution above mentioned, the Department of State is not advised that the Government of Mexico has imposed express restrictions upon citizens of the United States in regard to the acquisition and development of petroleum-bearing lands in Mexico which are not imposed upon the nationals of other foreign countries.

It should be noted that the holdings of American interests in Mexico are so extensive that general restrictions applicable to foreigners fall most heavily on American interests.

The alleged nationalization of petroleum by the separation of subsoil from surface rights, and the governmental reservation of the former, may have been effected by article 27 of the new Mexican constitution of 1917. (Mexico—above sec. 1.) There appears to have been no judicial interpretation on the construction of article 27. It may be that some relief may be expected from a judicial construction of the conflict which appears to exist between article 27 and article 14, which states that no law shall be given retroactive effect to the prejudice of any person. On February 19, 1918, the Mexican executive, under authority of a congressional resolution of May 8, 1917, conferring upon him extraordinary powers in the department of finance, issued the first of a series of decrees, which seems to have been the first step in enforcing article 27. To this decree diplomatic protests were made by this Government, Great Britain, and France. The position of this Government in regard to this apparently radical legislation is set forth in the following from Ambassador Fletcher's note of April 2, 1918, to the Mexican Government:

"While the United States Government is not disposed to request for its citizens exemption from the payment of their ordinary and just share of the burdens of taxation, so long as the tax is uniform and not discriminatory in its operation and can fairly be considered a tax and not a confiscation or unfair imposition, and while the United States Government is not inclined to interpose in behalf of its citizens in case of expropriation of private property for sound reasons of public welfare and upon just compensation and by legal proceedings before tribunals, allowing fair and equal opportunity to be heard and giving due consideration to American rights, nevertheless, the United States can not acquiesce in any procedure ostensibly or nominally in the form of taxation or the exercise of eminent domain but really resulting in confiscation of private rights and arbitrary deprivation of vested rights."

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[No. 672. Special instruction. Consular.]

REPORT ON MINING LAWS AND LEGAL RESTRICTIONS IMPOSED ON FOREIGNERS IN SECURING OR OPERATING MINERAL CONCESSIONS.

DEPARTMENT OF STATE,
Washington, May 31, 1919.

To the American Consular Officers.

GENTLEMEN: The Department of State, cooperating with other departments, is undertaking an economic study of the mineral resources of the world. This study will include, among other phases of the subject, an investigation into the legal restrictions imposed by the various countries upon aliens in securing mining concessions or operating mining properties.

Accordingly you are instructed to obtain and forward as soon as circumstances permit information on the following points:

1. General laws and rules governing the granting of mineral concessions, so far as they affect legal titles of concessionaires and not the physical aspects of mining property.
2. Restrictions, legislative or administrative, which are placed on aliens and not on nationals in granting mining rights or concessions.
3. Restrictions, legislative or administrative, which are placed on aliens and not on nationals in operating mineral properties or distributing mineral products.
4. Restrictions, either legislative or administrative, on the sale of mining rights and properties to aliens.
5. Information as to whether mineral rights are commonly reserved to the Government and special permits required from the Government to explore or develop mineral resources.
6. If licenses are required, restrictions, legislative or administrative, which are imposed on aliens and not on nationals.
7. Information regarding any development of mineral resources, or the distribution of mineral products, directly by the Government.
8. Information regarding governmental financing of private companies engaged in producing or distributing mineral products.
9. Information regarding any excessively large mining grants which, because of their size, can not be developed by the concessionaires in the immediate future.
10. Information regarding any monopolistic mineral grants covering the entire country.
11. The amount and character of taxes imposed by the Government on the output of minerals.

The terms "mines" and "minerals" as used above are to be construed broadly and include mineral oil.

If there is available a compiled mining code of recent date, you are requested to forward the code with your report.

You are also requested to distinguish between restrictions which are war measures and which will, or probably will, be repealed with the resumption of normal relations and those which are of a more permanent nature.

I am, gentlemen,

Your obedient servant,

For the Acting Secretary of State:

WILBUR J. CARR.

(Index under: Concessions, mining, mineral oils, etc. Mining, concessions, restriction, etc. Reports: Mining concessions, restrictions, etc. Consulate file No. 863.)

Instructions to be sent to the following consulates:
Argentina: Buenos Aires.
Bolivia: La Paz.
Brazil: Rio de Janeiro.

Chile: Valparaiso.
China:
Shanghai.
Mukden (for Manchuria).
Colombia: Barranquilla.
Costa Rica: San Jose.
Cuba: Habana.
Czechoslovakia: Prague.
Dominican Republic: Santo Domingo.
Ecuador: Guayaquil.
Finland: Helsingfors.
France:
Paris.
Algiers (for Algeria).
Dakar (for Senegal).
Saigon (for Indo-China).
Tananarive (for Madagascar).
Tunis (for Tunis).
Great Britain:
London.
Australia—
Sydney (also for New South Wales).
South Australia and Western Australia, Adelaide, Victoria, Melbourne.
Barbados, Barbados.
British South Africa—
Cape Town.
Natal, Durban.
Transvaal and Orange Free State, Johannesburg.
British East Africa, Nairobi.
British Guiana, Georgetown.
Ceylon, Colombo.
Dominion of Canada—
Ottawa.
Ontario, Toronto.
Quebec, Montreal.
Alberta, Calgary.
British Columbia, Vancouver.
Manitoba, Winnipeg.
Saskatchewan, Regina.
Nova Scotia, Halifax.
New Brunswick, St. John,
Prince Edward Island, Charlottetown.
Egypt and the Sudan, Cairo.
India, Bombay.
Newfoundland, St. Johns.
New Zealand, Auckland.
Straits Settlements, Singapore.
Trinidad, Trinidad.
Greece: Athens.
Guatemala: Guatemala.
Haiti: Port au Prince.
Honduras: Tegucigalpa.
Italy: Rome.
Japan:
Yokohama.
Seoul (for Chosen).
Jugo-Slavia: Belgrade.
Mexico: Mexico.
Morocco: Tangier.
Netherlands:
Rotterdam.
Batavia (for Dutch East Indies).
Nicaragua: Corinto.
Norway: Christiania.
Panama: Panama.
Persia: Teheran.
Poland: Warsaw.
Portugal: Lisbon.
Peru: Callao-Lima.
Roumania: Bucharest.
Russia: Irkutsk.
Salvador: San Salvador.
Siam: Bangkok.
Spain: Madrid.
Sweden: Stockholm.
Turkey: Constantinople.
Venezuela: La Guaira.

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MINERAL-OIL CONCESSIONS AND RIGHTS.

DEPARTMENT OF STATE,
Washington, August 16, 1919.

To the American Diplomatic and Consular Officers.

GENTLEMEN: The vital importance of securing adequate supplies of mineral oil both for present and future needs of the United States has been forcibly brought to the attention of the department. The development of proven fields and exploration of new areas is being aggressively conducted in many parts of the world by nationals of various countries, and concessions for mineral-oil rights are being actively sought. It is desired to have the most complete and recent information regarding such activities, either by United States citizens or by others.

You are accordingly instructed to obtain and forward promptly from time to time information regarding mineral-oil concessions either proposed or granted, sale or transfer of such concessions, change of ownership of oil property, or important changes in ownership or control of corporate companies concerned with oil production or distribution. Information regarding development of new oil fields or increased output of producing areas should also be forwarded. Comprehensive data are desired and reports should not be limited to the points specifically mentioned above, but should include information regarding all matters of interest affecting the mineral-oil industry which may arise from time to time.

You are also instructed to lend all legitimate aid to reliable and responsible United States citizens or interests which are seeking mineral-oil concessions or rights. Care should be taken, however, to distinguish between United States citizens representing United States capital and United States citizens representing foreign capital; also between companies incorporated in the United States and actually controlled by United States capital and those companies which are merely incorporated under United States laws but dominated by foreign capital.

I am, gentlemen, your obedient servant.

For the Secretary of State:

ALVEY A. ADEE.

AGRICULTURAL APPROPRIATIONS—CONFERENCE REPORT.

Mr. STERLING. I move that the Senate proceed to the further consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill S. 1699, the civil-service retirement bill.

Mr. GRONNA. Mr. President, I was about to ask unanimous consent to take up the conference report on the Agricultural appropriation bill. I do not think it will take more than a few minutes to dispose of it.

Mr. STERLING. The conference report on the retirement bill is the unfinished business; it has been pending for some time, and I do not think it will take very long to dispose of it.

Mr. GRONNA. I can assure the Senator that if it requires more than five minutes to dispose of the conference report on the Agricultural appropriation bill I shall ask that it be laid aside.

Mr. STERLING. I yield.

Mr. SMOOT. Mr. President, this is Monday morning, on which day, according to the rule, the consideration of the calendar is in order. On last Monday morning the calendar was not considered, and I was going to ask that we take up the calendar at Order of Business 493, where we discontinued its consideration two weeks ago, and allow the calendar to be run through—there are not very many bills on it—before any other business is taken up this morning. Of course, the consideration of the calendar could only be postponed by unanimous consent under the rule, and I do not wish to be forced to object to the consideration of any bill or conference report.

Mr. STERLING. I hope the Senator from Utah will forego his request for the present. I believe there will be time enough to take up the calendar after the conference report has been disposed of.

Mr. SMOOT. If the Senator from South Dakota will assure me that there will be no debate upon the conference report, I shall not object.

Mr. STERLING. I can not absolutely assure the Senator from Utah of that, but my impression is—and it is a very strong impression—from the information I have in regard to it, that there will be no debate.

Mr. GRONNA. Mr. President, I can assure the Senator from Utah there will be no extended debate on the conference report on the Agricultural appropriation bill, and I should like to have it disposed of.

Mr. SMOOT. I understand the conference report on the Agricultural appropriation bill is not a complete report.

Mr. GRONNA. No; it is not a complete report.

Mr. SMOOT. It leaves three items still in disagreement, and the Senator desires, if the Senate agrees to the report as presented, to ask for a further conference on the items still in disagreement.

Mr. GRONNA. That is exactly right.

Mr. SMOOT. Of course, I have no objection at all to that.

Mr. GRONNA. Then I ask unanimous consent that the Senate proceed to the consideration of the conference report on House bill 12272, being the Agricultural appropriation bill.

The VICE PRESIDENT. The Chair lays before the Senate the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921. Is there objection to proceeding to the consideration of the conference report? The Chair hears none. The question is on agreeing to the conference report.

Mr. HARRISON. Mr. President, is the Senator from North Dakota going to discuss the conference report?

Mr. GRONNA. No; I stated that if there was any discussion I would ask to have it laid aside. There are three items which are still in disagreement. One is the item relative to the congressional seed distribution, being amendment No. 93; amendment No. 116 relates to a resurvey of the value of grazing privileges on forest lands; and the third item in disagreement is the so-called Comer cotton amendment.

Mr. HARRISON. I am familiar with the provisions of the conference report and with the amendments still in disagreement, as well as those which have been agreed to, but I desire to address myself to the report when it is considered, and I may address myself to it at some length. I was not in the Chamber when the Senator from North Dakota stated that if there was any discussion he would not ask for the consideration of the report; I came in as the report was being laid before the Senate.

Mr. GRONNA. Of course, the Senator has a right to discuss the conference report.

Mr. HARRISON. I have no objection to taking it up now, but there will be some discussion.

Mr. GRONNA. I desire to make my word good to the Senator from South Dakota and to the Senate. I stated that if the conference report took to exceed five minutes I would be willing to lay it aside.

The VICE PRESIDENT. The Chair, however, finds that the conference report was submitted by the Senator from North Dakota [Mr. GRONNA] on the 11th instant and has been lying on the table. Nothing can be done about it except by unanimous consent. Is there any objection?

Mr. HARRISON. Reserving the right to object, I may not have made myself understood. I am willing that the report be taken up now or at any other time, but I do want to submit some remarks before the report is adopted; and if the Senator does not want to proceed with its consideration if there is going to be any discussion, perhaps he had better allow it to go over for a while.

Mr. KING. Mr. President——

Mr. GRONNA. The Senator is a member of the committee, and, of course, he ought to have the privilege of making whatever remarks he wishes. I am only asking for a further conference.

Mr. SMOOT. Mr. President, I desire to ask the Senator from Mississippi if he intends to discuss this conference report if unanimous consent is given for its consideration at this time?

Mr. HARRISON. Yes; I am going to discuss it.

Mr. SMOOT. Then I object to the consideration of the report.

The VICE PRESIDENT. Objection is made. Is there any further morning business?

Mr. DIAL. Mr. President, referring to the conference report on the Agricultural appropriation bill, I desire to say that I regret very much that the conferees did not agree on what is known as the Comer amendment.

To show the importance of that, Mr. President, I will state that on the 6th day of May good middling cotton was bringing in Columbia, S. C., 42 cents, strict middling 41½ cents, and middling 40½ cents. On that day July cotton futures in New York opened at 38.45 and closed at 38.24—some 2 cents a pound under the actual cotton. The object of the Comer amendment is to get around this condition.

Here is a cotton letter from New Orleans, dated on that day, which says:

> Cotton ruled higher for new crops on more unfavorable rains, while July was soft on liquidation, presumably due to the idea that deliveries of low and strict low middling will be sufficient to prevent a squeeze in that month.

That is where they use this low-grade cotton. They will have a great quantity of low middling and strict low middling, and use it so as to depress the price. There is no reason in the world why there should be a difference of 2 cents a pound between the actual cotton and the future market. By reason of the fact that under the law the seller has the right to tender any of the 10 grades, it keeps down the price, so that the operation is simply a millstone around the neck of cotton.

While it may not be possible to get this legislation now, I hope the day will come, and I believe it will shortly come, when the people even in the South, the Members of Congress from the South, will better understand the theory of this amendment and some such law will be enacted. It ought to be so that the future market and the spot market shall go along together, and then the only difference there ought to be from one month to another would be the additional carrying charges. We lose millions annually by unfair dealings.

CIVIL-SERVICE RETIREMENT—CONFERENCE REPORT.

The VICE PRESIDENT. The morning business is closed.

Mr. STERLING. I renew my motion that the Senate proceed to the further consideration of the conference report on the civil-service retirement bill.

Mr. SMOOT. Mr. President, if the Senator will ask unanimous consent to take it up, with the understanding that it is not going to lead to any debate, I have not any objection.

The VICE PRESIDENT. The Chair thinks that on Monday morning this report, being the unfinished business, can be taken up only by unanimous consent.

Mr. SMOOT. Yes; that is as I understand.

The VICE PRESIDENT. Is there any objection?

Mr. SMOOT. I shall not object unless it leads to discussion. If it does, then I want to reserve the right to object to the further consideration of the report.

The VICE PRESIDENT. The Chair lays the conference report before the Senate. It has been read.

Mr. POMERENE. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Beckham	Harris	McNary	Simmons
Borah	Harrison	Moses	Smith, Ariz.
Brandegee	Henderson	Myers	Smith, Md.
Chamberlain	Jones, N. Mex.	Nelson	Smith, S. C.
Colt	Jones, Wash.	New	Smoot
Comer	Kellogg	Norris	Spencer
Culberson	Kendrick	Nugent	Sterling
Curtis	Kenyon	Overman	Swanson
Dial	Keyes	Phelan	Thomas
Edge	King	Phipps	Trammell
Elkins	Knox	Pittman	Underwood
Fernald	Lenroot	Poindexter	Wadsworth
Gerry	Lodge	Pomerene	Walsh, Mass.
Glass	McCumber	Ransdell	Warren
Gronna	McKellar	Reed	
Hale	McLean	Sheppard	

Mr. GERRY. The Senator from Arizona [Mr. ASHURST], the Senator from Louisiana [Mr. GAY], the Senator from Nebraska [Mr. HITCHCOCK], and the Senator from Arkansas [Mr. ROBINSON] are absent on official business.

Mr. GRONNA. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent due to illness. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Sixty-two Senators have answered to the roll call. There is a quorum present. The question is on agreeing to the conference report.

The report was agreed to.

THE CALENDAR.

Mr. SMOOT. Mr. President, I ask unanimous consent that we begin the consideration of the calendar with Order of Business 493, a bill authorizing the Ponca Tribe of Indians, residing in the States of Oklahoma and Nebraska, to submit claims to the Court of Claims. That is the bill that we reached two weeks ago when the calendar was being considered under Rule VIII.

The VICE PRESIDENT. Is there any objection? The Chair hears none.

The bill (S. 804) authorizing the Ponca Tribe of Indians, residing in the States of Oklahoma and Nebraska, to submit claims to the Court of Claims was announced as first in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

CLAIMS OF INDIANS IN MONTANA.

The bill (S. 1023) for the relief of certain nations or tribes of Indians in Montana was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with amendments, on page 2, line 4, after the word "begun," to insert the words "within five years after the passage of this act"; on line 8, after the word "Interior," to insert the words "in accordance with sections 2103–2106 of the United States Revised Statutes"; and on line 16, after the word "Indians," to insert a comma and the words "such compensation in no event to exceed the sum of $25,000," so as to make the bill read:

> *Be it enacted, etc.*, That jurisdiction is hereby conferred upon the Court of Claims, with right of appeal to the Supreme Court of the United States, to consider and determine all legal and equitable claims,

if any, of the Blackfeet, Blood, Piegan, Gros Ventre, River Crow, and Assiniboine Nations or Tribes of Indians against the United States, and also any legal or equitable defenses, set-offs, or counterclaims which the United States may have against the said nations or tribes, and to enter judgment thereon, all claims and defenses to be considered without regard to lapse of time; and the final judgment and satisfaction thereof shall be a full settlement of all claims whatsoever of said Indians against the United States.

SEC. 2. That suits under this act shall be begun within five years after the passage of this act by the filing of a petition to be verified by an attorney or attorneys selected by the claimant Indians with the approval of the Secretary of the Interior in accordance with sections 2103–2106 of the United States Revised Statutes. The claimant Indians shall be parties plaintiff and the United States party defendant, and such suits shall on motion of either party be advanced on the docket of the Court of Claims and of the Supreme Court of the United States. The compensation to be paid the attorney for the claimant Indians shall be determined by the Court of Claims and shall be paid out of any sum or sums found and adjudged to be due said Indians, such compensation in no event to exceed the sum of $25,000. The balance of any such judgment shall be placed in the Treasury of the United States to the credit of the Indians entitled thereto and draw interest at the rate of 4 per cent per annum, which interest shall, in the discretion of the Secretary of the Interior, be paid to said Indians or expended for their benefit.

The amendments were agreed to.

Mr. KING. I should like to have the attention of the chairman of the Committee on Indian Affairs. I have been advised that a number of the bills which were passed the other day—and I understand this is analogous to them—impose obligations upon the Government of the United States. Can the Senator give assurance that that is not the case?

Mr. CURTIS. This is a claim against the United States under the old treaties. These Indians claim that there is a certain amount of money due them because of the violation of certain treaty obligations. The bill permits the tribe to go to the court and set up that claim. The Government will be allowed to set up any counterclaim it may have and to set up as a counterclaim any gratuity given to these Indians at any time. In other words, it is designed to settle all the affairs between the tribe and the Government. Agreements have been made with these Indians, allotments of their lands have been made, and the object of this legislation is to finally settle up their affairs.

Mr. KING. May I inquire of the Senator whether the alleged claims are based upon contractual relations?

Mr. CURTIS. They are based upon old treaties. There may be something in them, and there may be nothing in them. In many of the cases there is nothing in them at all. In many of them they recover damages against the Government because the Government failed to keep its treaty agreements with the Indians.

Mr. KING. Is there anything in this bill or in any of this proposed legislation which would enlarge the obligations of the Government or increase its obligations above those which are provided in the treaties?

Mr. CURTIS. Not at all.

Mr. KING. Was there a unanimous report by the committee?

Mr. CURTIS. There was. I may add that the bill was recommended by the Interior Department. All these bills were referred to the Interior Department and recommended by the department.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FLATHEAD NATION OF INDIANS.

The bill (S. 2298) for the relief of the Flathead Nation of Indians was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with amendments, on page 1, line 10, after the words "final judgment thereon," to add the following proviso: "*Provided*, That the court shall also consider and determine any legal or equitable defenses, set-offs, or counterclaims which the United States may have against the said tribe of Indians"; on page 2, line 9, before the words "by the Flathead Nation," to insert the words "within five years from the approval of this act"; on line 13, after the words "Flathead Nation of Indians," to insert the words "by contract approved by the Secretary of the Interior and the Commissioner of Indian Affairs in accordance with existing law"; on line 19, to strike out the numerals "15" and insert the numerals "10"; and on line 20, after the word "recovery," to insert the words "and in no event to exceed the sum of $25,000," so as to make the bill read:

Be it enacted, etc., That all claims, of whatsoever nature, both legal and equitable, which the Flathead Nation of Indians, residing in the State of Montana, may have against the United States shall be submitted to the Court of Claims, with the right of appeal by either party to the Supreme Court of the United States, for determination; and jurisdiction is hereby conferred upon the Court of Claims to hear and determine any and all such claims and to render final judgment thereon: *Provided*, That the court shall also consider and determine any legal or equitable defenses, set-offs, or counterclaims which the United States may have against the said tribe of Indians.

The Court of Claims shall advance the cause upon its docket for hearing and shall have authority to determine and adjudge the rights, both legal and equitable, of the said Flathead Nation of Indians and the United States in the premises, notwithstanding lapse of time or statutes of limitation. The suit or suits instituted hereunder shall be begun within five years from the approval of this act by the Flathead Nation of Indians as parties plaintiff and the United States as party defendant. The petition or petitions may be verified by the attorney or attorneys employed by the Flathead Nation of Indians by contract approved by the Secretary of the Interior and the Commissioner of Indian Affairs in accordance with existing law, upon information and belief, as to the facts therein alleged, and no other verification shall be necessary: *Provided*, That upon final determination of such suit or suits the Court of Claims shall have jurisdiction to fix and determine a reasonable fee, not to exceed 10 per cent of the recovery and in no event to exceed the sum of $25,000, to be paid to the attorney or attorneys employed by the Flathead Nation of Indians, and the same shall be included in the decree and shall be paid out of any sum or sums found due the said nation of Indians.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIMS OF INDIANS IN OREGON.

The bill (S. 2800) authorizing the Coos Bay, Umpqua, and Siuslaw Tribes of Indians, in the State of Oregon, to submit claims to the Court of Claims, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with amendments, on page 1, line 11, after the words "judgment thereon," to insert the following proviso: "*Provided*, That the United States may plead set-offs, counterclaims, or any other equitable defense it may have against the Indians"; on page 2, line 11, after the words "party defendant," to add the words "within five years of approval of this act"; on line 14, after the word "Tribes," to insert the words "by contract to be approved by the Secretary of the Interior and the Commissioner of Indian Affairs, as provided by existing law," so as to make the bill read:

Be it enacted, etc., That all claims, of whatsoever nature, both legal and equitable, which the Coos Bay, Umpqua, and Siuslaw Tribes of Indians residing in the State of Oregon may have against the United States shall be submitted to the Court of Claims, with the right of appeal by either party to the Supreme Court of the United States for determination; and jurisdiction is hereby conferred upon the Court of Claims to hear and determine any and all such claims and to render final judgment thereon: *Provided*, That the United States may plead set-offs, counterclaims, or any other equitable defense it may have against the Indians.

The Court of Claims shall advance the cause upon its docket for hearing, and shall have authority to determine and adjudge the rights, both legal and equitable, of the said Coos Bay, Umpqua, and Siuslaw Tribes and of the United States in the premises, notwithstanding lapse of time or statutes of limitation. The suit or suits instituted hereunder shall be begun by the Coos Bay, Umpqua, and Siuslaw Tribes of Indians as parties plaintiff and the United States as the party defendant within five years of approval of this act. The petition or petitions may be verified by the attorney or attorneys employed by the Coos Bay, Umpqua, and Siuslaw Tribes by contract to be approved by the Secretary of the Interior and the Commissioner of Indian Affairs, as provided by existing law upon information and belief as to the facts therein alleged, and no other verification shall be necessary: *Provided*, That upon the final determination of such suit or suits the Court of Claims shall have jurisdiction to fix and determine a reasonable fee, not to exceed 10 per cent of the recovery, to be paid to the attorney or attorneys employed by said Coos Bay, Umpqua, and Siuslaw Tribes of Indians, and the same shall be included in the decree and shall be paid out of any sum or sums found due said tribes.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXPENSES UNDER TREATY OF WASHINGTON.

The bill (S. 1519) making appropriations for expenses incurred under the treaty of Washington was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

PRINTING COURT RECORDS.

The bill (S. 4273) to amend an act entitled "An act to amend section 1, chapter 209, of the United States Statutes at Large, volume 27, entitled 'An act providing when plaintiff may sue as a poor person and when counsel shall be assigned by the court,' and to provide for the prosecution of writs of error and appeals in forma pauperis, and for other purposes," approved June 25, 1910 (36 Stat. L., p. 866), was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the act entitled "An act to amend section 1, chapter 209, of the United States Statutes at Large, volume 27, entitled 'An act providing when plaintiff may sue as a poor person and

when counsel shall be assigned by the court,' and to provide for the prosecution of writs of error and appeals in forma pauperis, and for other purposes," approved June 25, 1910 (36 Stat., p. 866), be, and the same is hereby, amended so as to read as follows:

"That any citizen of the United States entitled to commence any suit or action, civil or criminal, in any court of the United States, may, upon the order of the court, commence and prosecute or defend to conclusion any suit or action, or a writ of error or an appeal to the circuit court of appeals, or to the Supreme Court in such suit or action, including all appellate proceedings, unless the trial court shall certify in writing that in the opinion of the court such appeal or writ of error is not taken in good faith, without being required to prepay fees or costs or for the printing of the record in the appellate court or give security therefor, before or after bringing suit or action, or upon suing out a writ of error or appealing, upon filing in said court a statement under oath in writing, that because of his poverty he is unable to pay the costs of said suit or action or of such writ of error or appeal, or to give security for the same, and that he believes that he is entitled to the redress he seeks in such suit or action or writ of error or appeal, and setting forth briefly the nature of his alleged cause of action, or appeal: *Provided*, That in any criminal case the court may, upon the filing in said court of the affidavit hereinbefore mentioned, direct that the expense of printing the record on appeal or writ of error be paid by the United States, and the same shall be paid when authorized by the Attorney General."

Mr. KING. I would like to ask the chairman of the Judiciary Committee whether he desires to have the bill passed at this time?

Mr. NELSON. The only change made by it in existing law is a proviso, which reads as follows:

Provided, That in any criminal case the court may, upon the filing in said court of the affidavit hereinbefore mentioned, direct that the expense of printing the record on appeal or writ of error be paid by the United States, and the same shall be paid when authorized by the Attorney General.

This is an amendment to the law authorizing a poor man who is not able to pay the costs to sue in United States courts in forma pauperis, as a pauper, without giving security or advancing the costs. That is the existing law. Under the law, or a rule of court, when a case is appealed to the Supreme Court the record on appeal has to be printed. The Comptroller of the Treasury held that under existing law there was no provision for the Government of the United States to pay the costs of printing the record, and this is simply to cover that point. It is the whole object of the bill to provide for payment in a case where a man sues as a pauper, that he is not obliged to pay the costs or to give security therefor. It is simply to provide for such a case, and it is subject to the control of the judge and the Attorney General. That is the whole purpose of the bill.

Mr. KING. I should like to ask the chairman of the committee whether the judge is compelled, upon the filing of the affidavit provided for in the bill, to make the order.

Mr. NELSON. No; it is left to the judge. Furthermore, the Senator will find that it must be approved by the Attorney General. I will read the provison again:

Provided, That in any criminal case the court may—

That leaves it discretionary.

upon the filing in said court of the affidavit hereinbefore mentioned—

That is, an affidavit that a man is a poor man and can not pay—

direct that the expense of printing the record on appeal or writ of error be paid by the United States, and the same shall be paid when authorized by the Attorney General.

In the first place, it is in the discretion of the court, and, in the next place, it must be approved by the Attorney General.

Mr. KING. There is some question as to whether that is discretionary, but I think I shall resolve the doubt in favor of the construction placed upon it by the Senator. If it was compulsory, I think it would be bad legislation, because the Senator knows that too often a defendant in a criminal case will make an affidavit for the costs to be paid by the Government when a full investigation would disclose that it was not a case in which the Government should incur the expense.

The VICE PRESIDENT. Why not amend it by inserting the words "in his discretion"?

Mr. KING. Would the Senator object to the addition of the words "in his discretion"?

Mr. NELSON. It is practically left in the discretion of the court. It says "may." The court may do it, and the judge has the same discretion that he has with reference to the other costs in the case. Under existing law the judge now determines it upon the affidavits filed.

Mr. KING. The Senator knows that in many decisions the word "may" has been construed to mean "must," and I suggest to the Senator that if he is absolutely sure the word "may" does involve discretionary power——

Mr. NELSON. I think it does. It is left in the discretion of the court to pass upon it.

Mr. KING. If the Senator is so sure of that, suppose we add the words "in his discretion"?

Mr. NELSON. I do not think it is necessary and I do not think there is any use putting it in the law. It is not in the law in respect to the other costs, and why should we put it in specially in this case and make it different?

Mr. KING. Because I am not sure that the construction which the Senator places on the word "may" will always be followed by the court.

Mr. NELSON. I think it will.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

LONGEVITY PAY.

The bill (S. 3251) granting longevity pay from and including August 5, 1917, to certain officers and enlisted men was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

INDIAN CLAIMS.

The bill (H. R. 5163) authorizing certain tribes of Indians to submit claims to the Court of Claims, and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with an amendment, on page 3, after line 15, to strike out section 3, in the following words:

SEC. 3. That if it be determined by the Court of Claims in the said suit herein authorized that the United States Government has wrongfully appropriated any lands belonging to the said Indians, damages therefor shall be confined to the value of the said land at the time of said appropriation, together with interest at 3 per cent per annum, and the decree of the Court of Claims with reference thereto, when satisfied, shall annul and cancel all claim and title of the said Indians or any other tribe or band of Indians in and to said lands, as well as all damages for all wrongs and injuries, if any, committed by the Government of the United States with reference thereto.

Mr. CURTIS. I ask that that amendment be disagreed to. I want to offer an amendment later on to the section.

The amendment was rejected.

Mr. CURTIS. I move to amend the House text, on page 3, line 21, by striking out, after the word "appropriation," the words: "together with interest at 3 per cent per annum," so as to make the section read:

SEC. 3. That if it be determined by the Court of Claims in the said suit herein authorized that the United States Government has wrongfully appropriated any lands belonging to the said Indians, damages therefor shall be confined to the value of the said land at the time of said appropriation, and the decree of the Court of Claims with reference thereto, when satisfied, shall annul and cancel all claim and title of the said Indians or any other tribe or band of Indians in and to said lands, as well as all damages for all wrongs and injuries, if any, committed by the Government of the United States with reference thereto.

Mr. SMOOT. I have not had time to examine it. Would that make a direct appropriation?

Mr. CURTIS. No; it simply prevents interest from being paid on whatever judgment may be obtained.

Mr. SMOOT. But if section 3 of the bill is finally agreed to, with those words stricken out, does the bill provide an appropriation to cover whatever judgment the court may render?

Mr. CURTIS. It does not provide an appropriation, but simply for a judgment, the payment of which Congress would have to appropriate for. It is in the same language as all the other bills which go to the court, except this provision for the collection of interest, and it has not been the policy of Congress to pay interest on judgments or on claims against the Government.

Mr. SMOOT. After reading the section, Mr. President, I see that it does not provide for a direct appropriation.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CLAIMS OF INDIANS OF CALIFORNIA.

The bill (S. 3998) authorizing any tribes or bands of Indians of California to submit claims to the Court of Claims was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That all claims of whatsoever nature which any tribes or bands of Indians of California may have against the United States may be submitted to the Court of Claims for determination of the amount, if any, due said tribes or bands from the United States for lands formerly occupied and claimed by them in the said State, which lands are alleged to have been taken from them without compensation; and jurisdiction is hereby conferred on the Court of Claims, with the right of either party to appeal to the Supreme Court of the United States, to hear and determine all legal and equitable claims, if any, of said tribes or bands against the United States and to enter judgment thereon.

SEC. 2. That, if any claim or claims be submitted to said court, they shall settle the rights therein, both legal and equitable, of each and all the parties thereto, notwithstanding lapse of time or statutes of limitation; and any payment which may have been made upon any claim so submitted shall not be pleaded as an estoppel, but may be pleaded as an offset in such suits or actions, and the United States shall be allowed credit for all sums heretofore paid or expended for the benefit of said tribes or any band thereof. The claim or claims of the said tribe, or any band thereof, may be presented separately or jointly by petition, subject, however, to amendment, suit to be filed within five years after the passage of this act; and such action shall make the petitioner or petitioners party plaintiff or plaintiffs and the United States shall be party defendant, and any band or bands of said tribes the court may deem necessary to a final determination of such suit or suits may be joined therein as the court may order. Such petition, which shall be verified by the attorney or attorneys employed by the aforesaid tribes or bands of Indians of California, shall set forth all the facts on which the claims for recovery are based, and said petition shall be signed by the attorney or attorneys employed, and no other verification shall be necessary; official letters, papers, documents, and public records, or certified copies thereof, may be used in evidence, and the departments of the Government shall give access to the attorney or attorneys of said tribes or bands thereof to such treaties, papers, correspondence, or records as may be needed by the attorney or attorneys for said tribes or bands of Indians.

SEC. 3. That upon the final determination of such suit, cause, or action the Court of Claims shall decree such fees as it shall find reasonable to be paid the attorney or attorneys employed therein by said tribes, subject to approval by the Secretary of the Interior and the Commissioner of Indian Affairs, and under contracts negotiated and approved as provided by existing law, and in no case shall the fees decreed by said court be more than 10 per cent of the amount of the judgment recovered by such cause, such fee to be paid from said judgment.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

WOMEN'S BUREAU OF DEPARTMENT OF LABOR.

Mr. KENYON. I was called out of the Chamber, Mr. President, and I want to inquire what became of No. 477 on the calendar, the bill (H. R. 13229) to establish in the Department of Labor a bureau to be known as the Women's Bureau.

Mr. SMOOT. We began with No. 493, where we left off two weeks ago.

The VICE PRESIDENT. We started at No. 493.

COST OF STREET IMPROVEMENTS FOR INDIANS.

The bill (H. R. 11024) to amend an act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 20, 1914," approved June 30, 1913, was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to pay out of any funds of the Creek, Cherokee, Choctaw, Chickasaw, and Seminole Nations on deposit in the Treasury of the United States, the proportionate cost of street paving, construction of sidewalks and sewers abutting on unsold lots belonging to any of said tribes and as may be properly chargeable against said town lots, said payments to be made upon submission of proof to said Secretary of the Interior showing the entire cost of the said street paving, sidewalk, and sewer construction and that said improvement was duly authorized and undertaken in accordance with law: *Provided*, That the Secretary of the Interior shall be satisfied that the charges made are reasonable and that the lots belonging to the above-mentioned tribes against which the charges were made have been enhanced in value by said improvements to not less than the amount of said charges.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

WILLIS B. CROSS.

The bill (S. 3318) for the relief of Willis B. Cross, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

BIG ROCK STONE & CONSTRUCTION CO.

The bill (H. R. 13274) to convey to the Big Rock Stone & Construction Co. a portion of the military reservation of Fort Logan H. Roots in the State of Arkansas, was considered as in Committee of the Whole and was read as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed, upon the payment by the Big Rock Stone & Construction Co., a corporation existing under the laws of the State of Arkansas, of such sum as he may determine to be the reasonable value of the premises (but not less than $150 per acre), to convey to the said company the following-described portion of the military reservation of Fort Logan H. Roots, near the city of Little Rock, State of Arkansas, to wit:

Beginning at the southeast corner of a 2-acre tract purchased from the United States by the Big Rock Stone & Construction Co., approved by act of Congress August 14, 1912; thence north 1 degree 18 minutes east 437 feet to the southeast corner of an 18.75-acre tract purchased from the United States by the Big Rock Stone & Construction Co., approved by act of Congress August 14, 1912; thence south 54 degrees 30 minutes west along boundary line 250 feet to the southwest corner of said 18.75-acre tract, this point being also the northeast corner of the 2-acre tract above mentioned; thence south 33 degrees 34 minutes east 350 feet along boundary of said 2-acre tract to point of beginning, same being a triangular parcel of ground located in the southwest quarter of section 28, township 2 north, range 12 west, containing 1 acre.

SEC. 2. That the Secretary of War be, and he is hereby, authorized and directed to enter into a revocable lease with the Big Rock Stone & Construction Co., a corporation as aforesaid, on the following-described portion of the military reservation of Fort Logan H. Roots, near the city of Little Rock, State of Arkansas, to wit:

From cut-stone monument in boundary line of military reservation of Fort Logan H. Roots, approximately 150 feet southeast of brick pumping station, run north 37 degrees 52 minutes west 624 feet from point of beginning; thence south 54 degrees 30 minutes west approximately 240 feet to bank of Arkansas River; thence in a northwesterly direction, following up the left bank of river, approximately 1,300 feet to boundary line of a 2-acre tract purchased from the United States by the Big Rock Stone & Construction Co., approved by act of Congress August 14, 1912; thence north 54 degrees 30 minutes east along boundary line of said 2-acre tract to the southeast corner of said tract; thence south 33 degrees 34 minutes east alongside of bluff 1,300 feet to point of beginning, same being a strip of ground lying along the east bank of Arkansas River in the southwest quarter of section 28, township 2 north, range 12 west, containing 7.20 acres, at a rental value to be determined by the War Department.

SEC. 3. That this act shall take effect and be in force from and after its passage and approval.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CHARLES K. BOND.

The bill (S. 515) to correct the military record of Charles K. Bond, alias Kimball W. Rollins, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

EXTENSION OF FARM LOAN ACT TO PORTO RICO.

The bill (H. R. 8038) to amend section 4 of the act approved July 17, 1916, known as the Federal farm loan act, extending its provisions to Porto Rico, was announced as next in order.

Mr. KING. I should like to ask the chairman of the Committe on Banking and Currency whether this bill meets with the approval of his committee unanimously.

Mr. McLEAN. It merely extends the provisions of the farm loan act to the island of Porto Rico. I am not anxious to have the bill acted on to-day, in view of the fact that the attack on the act in the courts has practically suspended the application of the farm loan system, and there is some question as to whether it would be worth while to enact this legislation at this time, although the bill has passed the House. In any event, I think it is well to pass it over for to-day.

The next bill on the calendar, House bill 13133, merely extends to private banks the privilege that is extended to member banks. The Senater from Utah will remember that an amendment to the Clayton Act gave the Federal reserve banks the power to keep a clerk in any member bank to act as a director of two other banks which were not competitive, but it did not apply to private banking institutions. We are organizing these institutions to help out in the foreign trade, and it is a great handicap on private banks. Many of them can not invest because before doing so they would like to have something to say about the management of the bank that is engaged in foreign business. The bill passed the House, and I can not conceive that there can be any objection to it.

Mr. KING. I do not have the bill before me, so I can not express any opinion upon it.

Mr. SMOOT. I ask that House bill 8038 may go over.

Mr. McLEAN. I am willing that it shall go over, but the next one on the calendar, House bill 13138, I think ought to be acted upon.

The VICE PRESIDENT. House bill 8038 will be passed over.

FEDERAL RESERVE BANKS.

The bill (H. R. 13138) to amend section 8 of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended May 15, 1916, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That section 8 of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended by the act of May 15, 1916, be further amended by inserting in the proviso at the end of the second clause of said section after the word "prohibit" the words "any private banker or," so that the proviso as amended shall read:

"*And provided further*, That nothing in this act shall prohibit any private banker or any officer, director, or employee of any member bank or class A director of a Federal reserve bank, who shall first procure the consent of the Federal Reserve Board, which board is hereby authorized, at its discretion, to grant, withhold, or revoke such consent, from being an officer, director, or employee of not more than two other banks, banking associations, or trust companies, whether organized under the laws of the United States or any State, if such other bank, banking association, or trust company is not in substantial competition with such banker or member bank.

"The consent of the Federal Reserve Board may be procured before the person applying therefor has been elected as a class A director of a Federal reserve bank or as a director of any member bank."

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

STEAMBOAT INSPECTORS.

The bill (S. 4076) to amend section 4404 of the Revised Statutes of the United States as amended by the act approved July 2, 1918, providing that the supervising inspectors of the Steamboat-Inspection Service be included under the classified civil service, was announced as next in order.

Mr. KING. I ask that the bill may go over.

Mr. JONES of Washington. I was very much in hopes that the measure might be acted upon favorably at this time. I simply wish to say that it places the supervising inspectors of the Steamboat-Inspection Service under the classified service. They are presidential appointees, it is true, but they have very technical work to do, and they ought to be men of training, men who have come up through the service.

The memorandum prepared by Gen. Uhler for the Secretary of Commerce states that they are practically all taken from the classified service. He urges that the bill be passed for several reasons. One is that if they are put in the classified service it would be an incentive to every man in the classified service to fit himself for this position that he could look forward to filling. I think that is very desirable.

Mr. KING. Will the Senator yield?

Mr. JONES of Washington. I yield.

Mr. KING. If I believed that the operation of the bill would effectuate the object which the Senator states, I would not object to it, but I have had a great deal to do with the operation of the Civil Service Commission; I have seen its operations, I have witnessed the methods employed in determining advancement, and I have reached the conclusion that the civil service as administered by our Government is a failure. It does not make for efficiency, it does not make for reform, it does not make for good administration. They have the most absurd, ridiculous, and inefficient method of determining whether men are efficient, and I do not think the Senator can appeal successfully to those who are familiar with the service in favor of the perpetuation of the system or its application to the matter under consideration here. I shall be glad to look into the measure a little further, but for the present I object.

Mr. JONES of Washington. I wish the Senator would do so. The committee were ruled of course by a desire to benefit the service. We felt from the statements made by the Secretary of Commerce through Gen. Uhler it would be a benefit to the service. As it is now, these men are appointed of course by the President and can be taken from anywhere. I am glad to say that I am informed that they have been taken from the classified service, but there is nothing which requires it and there may be a change in administration, and it did not strike the committee that a change would be good for the service. I hope the Senator will examine the matter further.

The VICE PRESIDENT. Does the Senator from Utah still object?

Mr. KING. I object.

The VICE PRESIDENT. The bill will go over.

ROBBING OF BANK A FELONY.

The bill (S. 2903) to provide that robbery of a Federal reserve bank or member bank shall constitute a felony, and for other purposes, was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will go over.

REGULATION OF COLD STORAGE.

The bill (H. R. 9521) to prevent hoarding and deterioration of and deception with respect to cold-storage foods, to regulate shipments of cold-storage foods in interstate commerce, and for other purposes, was announced as next in order.

Mr. SMOOT. I desired to ask the Senator from North Dakota [Mr. GRONNA] a question with reference to this bill. I thought I had my papers here respecting the measure. I think the way the bill is reported it is all right and I do not think I have any objection to it. I will not object to the consideration of the bill.

Mr. PHELAN. Mr. President, I am not familiar with the bill, and for that reason I must object, in the absence of the Senator from North Dakota.

Mr. SMOOT. Then may I ask that it go over only temporarily?

Mr. WADSWORTH. Only until the Senator from North Dakota returns to the Chamber.

Mr. SMOOT. Yes.

The VICE PRESIDENT. The Senator from North Dakota has just entered the Chamber.

Mr. GRONNA. Mr. President, I take it that it will require some time to pass this bill. If it does not, I shall be very glad to have it disposed of.

Mr. WADSWORTH. I think it might be disposed of quickly.

Mr. SMOOT. I asked that it should go over temporarily until the Senator returned to the Chamber. The Senator from California [Mr. PHELAN] objected because he wished to interrogate the Senator from North Dakota with reference to the bill. The Senator from California will now make his inquiries.

Mr. PHELAN. I have sent for a copy of the bill. My only objection is my lack of familiarity with it and that it involves matters affecting my State. I should like to read the bill before consenting to its consideration.

Mr. GRONNA. I take it that the Senator has had protests against the bill because it affects fresh fruits. The fact of the matter is that the Senate committee in framing the substitute bill struck out the provision affecting fresh fruits and fresh vegetables. So I can not see how the fruit packers of California can have any possible objection now, because it can not affect them.

Mr. PHELAN. In view of that fact, I withdraw my objection.

Mr. SMOOT. I should like to have the bill read, so that I can follow it.

The VICE PRESIDENT. The bill will be read.

The Assistant Secretary read the amendment reported by the Committee on Agriculture and Forestry, which was to strike out all after the enacting clause and to insert:

That this act may be cited as the "United States cold-storage act."

SEC. 2. That wherever used in this act (a) the term "person" means an individual, a partnership, a corporation, or two or more individuals having a joint or common interest;

(b) The term "commerce" means commerce among the several States or between any State, Territory, or the District of Columbia and any foreign nation, or between any Territory or the District of Columbia and any State, or between any Territory and any other, or between any Territory and the District of Columbia, or within any Territory or the District of Columbia, or between points in the same State but through any other State or any Territory or the District of Columbia or any foreign nation;

(c) The term "cold storage" means the storage or keeping of any article of food at or below the temperature of 45° above zero (Fahrenheit) in a cold-storage warehouse, but does not include chilling or precooling therein for not more than 30 days for manufacture, sale, or transportation;

(d) The term "cold-storage warehouse" means any place in which the temperature is artificially cooled to or artificially maintained at or below 45° above zero (Fahrenheit), but does not include a car, vessel, or other vehicle of transportation used as such, or a place used solely for chilling or precooling for manufacture, sale, or transportation, or a place used exclusively for storage of any article for the sole use of the occupant, owner, or maintainer thereof (1) for consumption by himself or his family or guests, or (2) in his business of serving meals, or (3) in connection with his retail business only, in which case this exception shall be limited to articles of food stored for not more than 30 days;

(e) The term "article of food" means fresh meat, including all fresh edible portions of food animals, fresh fish, fresh poultry drawn or undrawn, fresh game, eggs in shell or frozen, butter, oleomargarine, and butter substitutes, but does not include any such article not intended or designed for food purposes which is plainly and conspicuously marked in such manner as to show the fact in accordance with regulations under this act; and

(f) The term "mark" includes stamp, brand, tag, and label, and the term "marked" includes stamped, branded, tagged, and labeled. When construing or enforcing the provisions of this act or any regulation thereunder the act, omission, or failure of any person acting for or employed by any other person, within the scope of his employment or office, shall in every case be deemed the act, omission, or failure of such other person as well as of the person acting for or employed by him.

SEC. 3. That it shall be unlawful for any person to ship, deliver for shipment, or sell, in commerce, any article of food that is or has been in cold storage, or to hold in cold storage in commerce any article of food, or, having received in commerce, to sell in the original, unbroken package any article of food that is or has been in cold storage, unless such article of food or the container thereof shall be plainly and conspicuously marked, in accordance with this act and the regulations thereunder, in such manner as to show (a) "cold storage," except that these words may be removed or omitted as the case may be in the event that before the expiration of 30 days following the date when such article of food was first placed in cold storage it is sold or delivered to the consumer thereof, (b) all the dates when put in and when taken out of cold storage, except that if the Secretary of Agriculture shall find it to be commercially impracticable to mark any article of food or the container thereof with the exact date, the day, but not the month or year, may be omitted, in which case the date when the article of food was first placed in cold storage shall for the purposes of this act be deemed the first day of the month, and (c) the names and locations of all the cold-storage warehouses in which it was stored, or suitable distinguishing designations thereof approved by the Secretary of Agriculture for the purpose. If any such article of food be mingled with any other article of food of the same kind placed in cold storage on a different date so that the identity of each is not separately maintained, the dates for the purposes of subdivision (b) of this section shall be those of the article of food so mingled which was first placed in cold storage. No person shall divide, or place in a container, or transfer to a different container, any article of food in commerce which is or has been in cold storage unless the portions of such article of food, or such container in which it is placed or to which it is transferred, shall be marked in accordance with this act.

SEC. 4. That if the Secretary of Agriculture shall find that the proper and customary manner of handling any article of food is such that it is commercially impracticable to mark the same or the container thereof in accordance with this act, the person otherwise required under this act to have the same so marked shall furnish or display, as the Secretary of Agriculture may require, to the receiver of such article of food a written statement, or an invoice or bill of lading or other shipping document, which shall describe such article of food, shall

correctly state the facts otherwise required by this act to be marked, in the manner prescribed in the regulations under this act, and shall be preserved and be subject to examination by an officer, employee, or agent duly authorized under this act for such reasonable length of time as the Secretary of Agriculture shall deem necessary for the purposes of this act; except that, in the case, under this section, of a sale at retail to the consumer, the facts required by subdivisions (b) and (c) of section 3 may be omitted unless otherwise requested by such consumer.

SEC. 5. That, except as otherwise permitted by this act, it shall be unlawful for any person (a) to alter, mutilate, destroy, obscure, obliterate, or remove any mark required by this act to be placed on any article of food or the container thereof, while it is in commerce or, having been transported in commerce, remains unloaded, unsold, or in the original, unbroken package, or (b) to alter, mutilate, destroy, obscure, or obliterate any statement, invoice, or document or portion thereof, required to be furnished or displayed, during the time the same is required to be preserved, under section 4 of this act.

SEC. 6. That it shall be unlawful for any person to ship, deliver for shipment, or sell, in commerce, any article of food that is or has been in cold storage, or to hold in cold storage in commerce any article of food, or having received in commerce to sell in the original, unbroken package any article of food that is or has been in cold storage, after the expiration of 12 months following the date when such article of food was first placed in cold storage.

SEC. 7. That the provisions of sections 3, 4, 5, or 6 of this act shall not apply to any article of food shipped or sold or delivered for shipment to any foreign country, if in respect to the requirements of such section the article of food complies with the specifications and directions of the purchaser or consignee in such foreign country and be not in contravention of the laws of such country, but if said article of food be not actually exported this section shall not exempt such article of food from the operation of said sections.

SEC. 8. That in order to carry out the provisions of this act the Secretary of Agriculture or any officer, employee, or agent specifically authorized by him in writing for the purpose may, on any business day during the usual hours of business, enter any warehouse which receives, or from which is shipped or delivered, or any car, vessel, or other vehicle which transports, any article of food in commerce, and may inspect such warehouse or car, vessel, or other vehicle and the contents thereof, and any books, papers, letters, or documents relating thereto.

SEC. 9. That in order to carry out the provisions of this act and to provide information for the Congress, every warehouseman and every person transporting foodstuffs, as defined in section 2, subdivision (e), which is or shall have been in cold storage, in commerce in a car, vessel, or other vehicle shall keep such records and accounts and make such reports, in such manner or form, verified under oath or otherwise, and at such times, as the Secretary of Agriculture may require, as to the amounts, kinds, and ownership of any foodstuffs received, held, transported, or delivered by such warehouseman or other person, loans made by such warehouseman upon the security of such foodstuffs, charges made by such warehouseman for storage and other services rendered by him, and the size or capacity of his warehouse. Any information obtained by the Secretary of Agriculture under this act shall be available for the use of either House of Congress, and the Secretary of Agriculture shall cause such information as may be of public interest to be published from time to time. No person shall willfully (a) fail or refuse to make full and true entries or make any false entry in the accounts or records of his business required to be kept pursuant to this section, or (b) alter, mutilate, conceal, or destroy any such account or record, or (c) make any report required under this section which is false or fraudulent in any material particular, or (d) fail or refuse to make any report required under this section.

SEC. 10. That no person shall willfully hinder, obstruct, or resist the Secretary of Agriculture or any duly authorized officer, employee, or agent in the performance of his duties under this act.

SEC. 11. (a) That whenever in the case of any article of food being offered for importation the Secretary of Agriculture has reason to believe that any provision of this act is being violated with respect to such article of food, he shall give due notice and opportunity for hearing thereon to the owner or consignee, and certify such fact to the Secretary of the Treasury, who shall thereupon (1) refuse admission and delivery to the consignee of such article of food, or (2) deliver such article of food to the consignee pending examination, hearing, and decision in the matter on the execution of a penal bond to the amount of the full invoice value of such article of food, together with the duty thereon, if any, and to the effect that on refusal to return such article of food for any cause to the Secretary of the Treasury when demanded, for the purpose of excluding it from the country or for any other purpose, the consignee shall forfeit the full amount of the bond.

(b) If, after proceeding in accordance with subdivision (a) of this section, the Secretary of Agriculture is satisfied that any provision of this act is being violated with respect to such article of food, he shall certify the fact to the Secretary of the Treasury, who shall thereupon notify the owner or consignee and cause the sale or other disposition of such article of food refused admission and delivery or entered under bond, unless it is exported by the owner or consignee within three months from the date of such notice, under such regulations as the Secretary of the Treasury may prescribe. All charges for storage, cartage, or labor on any such article of food which is refused admission or delivery or is entered upon bond shall be paid by the owner or consignee.

"(c) That nothing in this act shall be construed to exempt from compliance with all of the provisions hereof products which have been in cold storage or in a refrigerated vehicle or in any vehicle in the course of transportation into the United States or in cold storage or in storage prior thereto; and any such period of cold storage or of ordinary storage or of refrigeration or of transportation in any refrigerated or other vessel shall be included in the period of storage set forth in the previous sections hereof; and any importer of such articles of food shall be required to certify to any such period of prior storage or refrigeration or shipment and to mark the articles of food or containers thereof accordingly as required by the previous sections hereof.

"(c) Any and all eggs offered for importation after transportation or through transportation of more than three weeks in a refrigerated vessel or more than two weeks in a nonrefrigerated vessel must be indelibly stamped, as to each individual egg, with the name of the original point and the date of shipment, and any eggs not so marked shall not be admitted into this country and shall not be delivered to the consignee thereof. And the proceedings in reference thereto shall be as prescribed in section 16 hereof."

SEC. 12. That the Secretary of Agriculture is authorized to designate in writing specifically officers, employees, and agents of the Department of Agriculture to administer oaths for the purpose of this act. All such officers, employees, and agents are authorized and empowered to administer to or take from any person an oath, affirmation, or affidavit for the purposes of this act, or for use in prosecutions or proceedings thereunder. Any such oath, affirmation, or affidavit, authenticated by the official seal of the Department of Agriculture, shall, when offered for use in any proceeding under this act or in any court of the United States, have like force and effect as if administered or taken by or before the clerk of such court, without further proof of the identity or authority of such officer, employee, or agent. No such officer, employee, or agent shall demand or accept any fee or compensation whatsoever for administering or taking any oath, affirmation, or affidavit under the authority conferred by this act.

SEC. 13. That any person who violates any provision of sections 3, 4, 5, 6, 9, 10, 11, or 12 of this act shall upon conviction thereof be punished by a fine not exceeding $1,000 or imprisonment not more than one year, or both. After judgment of any court with respect to any violation of this act the Secretary of Agriculture may give notice thereof by publication in such manner as he by regulation may prescribe. A person shall not be prosecuted for any violation of sections 3, 4, or 6, resulting from the act, omission, or failure of any person not acting for or employed by him, prior to the time when the article of food involved came into his possession or control, if he shall show that such violation was not knowingly committed by him and also shall establish a written guaranty signed by the person, who shall be a resident of the United States, from whom he obtained the possession or control of such article of food, to the effect that such article of food had not been in cold storage or that, if it had been in cold storage and if apparently marked or represented in accordance with sections 3 or 4 of this act, the marks or representation were true. Said guaranty shall contain the address of the person required to sign it and such person shall be amenable to the prosecution, fine, penalty, or imprisonment which would otherwise attach to the person to whom he delivered the possession or control of the article of food.

SEC. 14. That for the enforcement of this act the sum of $200,000 is hereby appropriated, to be available until expended, out of any moneys in the Treasury not otherwise appropriated, and the Secretary of Agriculture (a) is authorized to prescribe and promulgate such regulations as may be necessary; (b) may cooperate with any department or agency of the Government, any State, Territory, District, or possession, or department, agency, or political subdivision thereof, or any person; and (c) shall have the power to appoint, remove, and fix the compensation of such officers and employees, not in conflict with existing law, and make such expenditures for rent, printing, telegrams, telephones, law books, books of reference, periodicals, furniture, stationery, office equipment, travel, and other supplies and expenses as shall be necessary to the administration of this act in the District of Columbia and elsewhere.

SEC. 15. That no provision of this act shall be deemed to repeal or limit the operation of any provision of any other act of Congress, unless directly in conflict therewith.

SEC. 16. That if any provision of this act or the application of such provision to certain circumstances be held unconstitutional, the remainder of the act and the application of such provision to circumstances other than those as to which it is held unconstitutional shall not be affected thereby.

SEC. 17. That this act shall take effect and be in force from and after its passage; but no penalty, fine, forfeiture, or imprisonment shall be enforced for any violation occurring within 90 days after its passage.

Amend the title so as to read: "An act to prevent hoarding and deterioration of, and deception with respect to cold-storage foods; to regulate shipments of cold-storage foods in interstate and foreign commerce, and for other purposes."

Mr. KING. May I inquire of the Senator if the effect of section 4 would not be to place under the control of the Secretary of Agriculture practically all of the transportation business in food products of the United States and permit him to impose restrictions and limitations upon the vendor and upon those who prepare food products that might be so onerous and so burdensome as to practically destroy their business?

Mr. GRONNA. Mr. President, I can only say that I do not understand that there is any such drastic authority given to the Secretary of Agriculture by this proposed legislation. If there were, I myself should certainly be opposed to the bill. I will say to the Senator from Utah that this bill has been indorsed by all the great organizations of the country, the cold-storage houses, the dairy interests, and the poultry associations; in fact, I do not know of any business which is opposed to the provisions of the bill. It has been given very careful attention. We had hearings on the bill for many days, and there appeared before the committee a great number of witnesses who are deeply interested in the legislation. They are not only not opposed to the bill but they heartily approve it, I will say to the Senator, and they believe it is absolutely necessary that the bill shall be passed.

Mr. KING. Mr. President, I did not know that this bill was on the calendar; I have not had an opportunity to read it, and I do not know what its provisions are and how far it goes; but it seems to me that the placing under the direction of the Secretary of Agriculture practically the control of all the products that are shipped—at any rate, those which have been in cold storage—and authorizing him to determine how they should be marked, the character of containers, and so forth, is a very great power. That there should be some legislation dealing with articles held in cold storage, I think all will admit; but the States can deal with the subject in a comprehensive manner. Indeed, some States have passed laws for the protection of the public,

and all will do so as fast as their attention is challenged to the same. There is a field which possibly can not be reached by the States, which is within the zone of interstate commerce. If this bill merely provides for the control of matters clearly within the field of interstate commerce and provides reasonable and just regulations, then no one can be heard to object. Unfortunately, there are too many efforts now being made to control the States and the commerce activities of the States and the people within the States under the interstate commerce clause of the Constitution. Power is being asserted by the Federal Government under this clause that will, if unchecked, place practically all the business of the country and all the domestic affairs of the people under the control and jurisdiction of the United States.

Mr.GRONNA. If the Senator will permit me, I will enumerate the associations which have had their representatives before the committee and which have indorsed the bill. I read from pages 4 and 5 of the report of the committee, as follows:

It also meets with the approval of the American Association of Refrigeration; the joint committee representing cold-storage warehousemen and affiliated industries, and represented in that committee are the following organizations: The American Association of Refrigeration; the cold-storage subdivision of the American Warehousemen's Association; the New York State Cold Storage Association; the United States Fisheries Association; the National Poultry, Butter, and Egg Association; the International Apple Shippers' Association; the National League of Commission Merchants; the Western Fruit Jobbers' Association; and the New York Mercantile Exchange. It also meets with the approval of the Merchants' Rrefrigerating Co.

I can hardly conceive, Mr. President, that this bill can be objectionable, in view of its indorsement by all these associations that are vitally interested in this kind of legislation.

Mr. SIMMONS. Mr. President, I desire to ask the Senator from North Dakota if most of the duties proposed to be imposed upon the Secretary of Agriculture by the bill are not rather to enable him to mitigate the hardships of the drastic provisions of the bill with reference to cold storage?

Mr. GRONNA. I am very glad the Senator from North Carolina has made that observation. That is exactly my understanding, and I am sorry that I was not able to answer the question of the Senator from Utah so well as the Senator from North Carolina has done.

Mr. SMOOT. Mr. President, the junior Senator from Utah [Mr. KING] will note that in the past there has been great apprehension on the part of the agricultural interests of the country in reference to the passage of legislation which might injuriously affect that industry, but I understand that section 4 of the pending bill meets with their approval, and that there is nothing that they can see in the bill which is going to militate against the interest of any agriculturalist in the country.

Mr. GRONNA. I so understand the situation.

Mr. SMOOT. The strongest objection to such legislation in the past came from that source, but in reading the remainder of the bill I find that it conforms to every requirement of which I can think to protect the public and also not to interfere unduly with the free flow of the products of the farm that may become subject to the terms of the bill.

Mr. GRONNA. That is exactly the purpose which the committee had in mind. I think I shall ask that the report on the bill proposed by the committee be read. Considerable time has been given to the writing of the report. It gives an explanation of the bill and makes a comparison between the House bill and the Senate bill.

Mr. SMOOT. I have no objection to the reading of the report.

Mr. GRONNA. Very well.

Mr. THOMAS. Mr. President, I have twice read this bill. I shall not interpose any objection to its enactment, although I am not at all in accord with the idea that it is going to prove otherwise than burdensome upon the consumer.

This is one of the regulatory acts to which we are resorting through public pressure for the purpose of relieving the consumer. We are adding to the penal statutes of the United States by a system of very specific regulations with regard to food of a certain character. The branding and the labeling of the food, its inspection, and various other stages through which it passes before reaching the ultimate consumer will all be attended with an added expense, not the least of which will be another small army of Federal officials whose business it will be to enforce the provisions of the law.

The sum of $20,000 is appropriated as a starter for this new bureau, and, of course, that will be followed by constantly increasing appropriations, a constantly augmenting number of officials, and constantly increasing rules and regulations prepared by the department for the effective administration of the law.

I hope that it will prove beneficial, but my impression is that before any person will be able to get anything from cold storage, however much he may need it, he will be required to go through more performances and more services than were required for initiation into the old organization known as the "Thousand and One."

Mr. KING. Mr. President, there are doubtless evils in connection with cold-storage plants that should be dealt with. Individuals or corporations dealing in foodstuffs should be held to the highest standard of conduct. The health and, indeed, the lives of the people may be affected by their products and proper legislation should be enacted to fully protect the people.

But I am somewhat suspicious of Federal control and the constant efforts of Federal officials to interfere with the States and the local affairs of the communities therein. We are constantly appealed to for legislation to take over the control or suspension of the business of individuals and to authorize bureaus and Federal agencies to exercise authority which should be exercised by State officials. This bill, I perceive, provides pains and penalties and Federal machinery and a Federal appropriation. It creates new offices and will call for more Federal officials. It may be necessary and may serve some useful purpose.

We are enacting so many measures dealing with the police functions and duties of the States that we will soon drive the States out of the field which they should occupy and which they would be willing to occupy.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

Mr. WADSWORTH. Mr. President, I ask the attention of the Senator from South Dakota to page 17, line 5. I desire to suggest an amendment to the language which is to be found on lines 5 and 6. Let me say at the outset that I am in hearty sympathy with the proposed legislation; I regard the bill as being a most excellent one and in most excellent form; but on page 17, commencing in line 2, we find this language:

Except that these words—

That is, the words "cold storage"—

may be removed or omitted, as the case may be, in the event that before the expiration of 30 days following the date when such article of food was first placed in cold storage it is sold or delivered to the consumer thereof.

A question arises at that point. An article placed in cold storage is not deemed to fall under the provisions of this bill until it has been in cold storage for 30 days. If it is withdrawn from cold storage before the 30 days have expired and is delivered to the consumer within that time, as I read the bill, it need not be labeled "cold storage," and therefore such an act would not be in violation of the law.

The trouble with that situation is this: Cold-storage concerns are warehouse concerns; they do a warehouse business, a storage business; they do not own the foods which are placed in cold storage; other people own those articles. The owner of the food which is placed in cold storage may withdraw it from cold storage at any time. Under this provision if the owner withdraws food, we will say, after it has been in cold storage for 28 days and then does not sell it or deliver it to the consumer for 5, 6, or 7 days, the cold-storage man will be responsible for the breaking of the law, although he would have no control whatsoever of the food after it had passed out of his cold-storage warehouse.

An amendment to this phrase was suggested to the Committee on Agriculture. I was not present at the last meeting of the committee which reported the bill; and I desire now to suggest an amendment which will make the provision perfectly clear.

Mr. GRONNA. I recollect very distinctly that Mr. Horne, I think it was, of New York, suggested that the word "sale," as I recall, should be added.

Mr. WADSWORTH. The proposed amendment was to that effect. I move to amend the amendment of the committee by striking out the words "sold or delivered to the consumer thereof" and inserting the words "removed in order to be sold," so as to read: "When such article of food was first placed in cold storage it is removed in order to be sold." That would relieve the cold-storage concern of the responsibility for the delivery of the goods to the consumer after the goods shall have left his cold-storage warehouse.

Mr. GRONNA. I fully realize that the Senator's suggestion is worthy of consideration, and I have no objection to agreeing

to his amendment and letting it go to conference, where the matter may be further considered.

Mr. WADSWORTH. Very well; that will be perfectly satisfactory.

Mr. SMOOT. I will ask that the amendment be stated.

The ASSISTANT SECRETARY. In the committee amendment, on page 17, in line 5, it is proposed to strike out the words "sold or delivered to the consumer thereof," and insert in lieu thereof the words "removed in order to be sold," so as to read:

Before the expiration of 30 days following the date when such article of food was first placed in cold storage it is removed in order to be sold.

The amendment to the amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

Mr. FERNALD. Mr. President, I have not had an opportunity to read this measure. I am in entire sympathy with it. I have an amendment on my desk in my office that I wanted to offer to the bill before it went through finally, but I do not want to object to its passage at this time.

The VICE PRESIDENT. It has been passed.

Mr. SHERMAN. Mr. President, I object to the present consideration of the bill.

Mr. FERNALD. I was not expecting it to come up this morning.

The VICE PRESIDENT. The bill has been passed. A motion to reconsider the votes by which it was passed is in order.

Mr. GRONNA. Mr. President, I will ask unanimous consent——

Mr. SHERMAN. I withdraw the objection.

Mr. GRONNA. Has the Senator his amendment here?

Mr. FERNALD. I have not it with me, and I am not disposed to object.

Mr. GRONNA. It can be worked out in conference, I think. There are a great many changes from the original text of the bill, and I am very anxious that it shall go through to-day.

Mr. WADSWORTH. It is a complete substitution of the House bill. The whole matter is in conference.

Mr. FERNALD. I withdraw any objection.

The VICE PRESIDENT. Then the bill surely is passed.

The title was amended so as to read: "An act to prevent hoarding and deterioration of and deception with respect to cold-storage foods, to regulate shipments of cold-storage foods in interstate and foreign commerce, and for other purposes."

BILLS PASSED OVER.

The bill (S. 2903) to provide that robbery of a Federal reserve bank or member bank shall constitute a felony, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, I understand that the Senator from Colorado [Mr. THOMAS] desires to be heard upon this bill, and in his absence I object to its consideration.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 12266) to amend an act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, as amended by the act of July 11, 1919, was announced as next in order.

Mr. SMOOT. Mr. President, I understand that the Senator from Iowa [Mr. KENYON], who reported the bill, desires that it shall go over; and I also understand that the Senator from Wyoming [Mr. WARREN], if here, would object to its present consideration. I therefore ask that it go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes, was announced as next in order.

Mr. JONES of Washington. I ask that that go over.

The VICE PRESIDENT. The bill will be passed over.

PROPOSED GRECIAN TERRITORY.

The resolution (S. Res. 324) declaring it the sense of the Senate that northern Epirus, the 12 islands of the Ægean, and the western coast of Asia Minor should be awarded to Greece, etc., was considered by the Senate and agreed to, as follows:

Resolved, That it is the sense of the Senate that northern Epirus (including Corytza), the 12 islands of the Ægean, and the western coast of Asia Minor, where a strong Greek population predominates, should be awarded by the peace conference to Greece and become incorporated in the Kingdom of Greece.

JEFFERSON NATIONAL FOREST.

The bill (S. 3210) for the consolidation of lands within the Jefferson National Forest was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands with an amendment, on page 2, line 10, after the word "acres," to insert "of Government land or timber," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized to accept on behalf of the United States title to any lands within the exterior boundaries of the Jefferson National Forest if, in the opinion of the Secretary of Agriculture, the public interests will be benefited thereby and the lands are chiefly valuable for national forest purposes, and in exchange therefor may give not to exceed an equal value of such national forest land or timber within the national forests of the State of Montana as may be determined by the Secretary of Agriculture and acceptable to the owner as fair compensation, considering any reservations which either the grantor or the Government may make of timber, minerals, or easements. Timber given in such exchanges shall be cut and removed under the direction and supervision and in accordance with the requirements of the Secretary of Agriculture. Lands conveyed to the United States under this act shall, upon acceptance of title, become parts of the Jefferson National Forest.

SEC. 2. That not more than 10,000 acres of Government land or timber may be approved by the Secretary of Agriculture for exchange under the provisions of this act within the Jefferson National Forest during any one year, and the Secretary of the Interior shall report to Congress annually the quantities of such land exchanges consummated and the name of the parties thereto.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

R. L. CREDILLE, MAYOR, ETC.

The bill (S. 3244) to authorize the Secretary of the Interior to issue patent to R. L. Credille, mayor of the village of Bonita, La., in trust, for certain purposes, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That upon payment to the United States of $1.25 per acre, the Secretary of the Interior be, and is hereby, authorized to issue patent to R. L. Credille, mayor of the village of Bonita, La., for the south half of the southwest quarter, section 5, township 22 north, range 8 east, Louisiana meridian, situated in Morehouse Parish, La., in trust for the use and benefit of the persons, estates, firms, or corporations now claiming said lands or parts thereof under or by virtue of titles derived from or through the State of Louisiana or its grantee, L. S. Neighbours, of which said lands the present claimants and their grantors have had the actual possession as owners by virtue of titles derived from said State and its grantee for more than 30 years: *Provided*, That application for the purchase of the said described tract of land under this authorization shall be filed at the United States land office at Baton Rouge, La., within 60 days from the passage and approval of this act.

The true intent of this act is hereby declared to be to concede and abandon all right, title, and interest of the United States to those persons, estates, firms, or corporations who would be the true and lawful owners of said lands or parts thereof under the laws of Louisiana, including the laws of prescription, in the absence of said interest, title, and estate of the United States.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

LANDS IN IDAHO.

The bill (H. R. 12626) for the relief of certain persons to whom, or their predecessors, patents were issued to public lands along the Snake River in the State of Idaho under an erroneous survey made in 1883 was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands with an amendment, on page 1, line 6, before the numerals "$1.25," to strike out "not less than," so as to make the bill read:

Be it enacted, etc., That, subject to the supervisory authority of the Secretary of the Interior, the Commissioner of the General Land Office, in his discretion, is authorized to sell for cash, for $1.25 per acre, any unsurveyed public land which may, on resurvey, be found to exist in townships 9 south of range 14 east, 9 south of range 15 east, 9 south of range 16 east, and 9 south of range 17 east of the Boise meridian along Snake River, in the State of Idaho, to those persons who in good faith, by themselves and their predecessors in interest have heretofore acquired, occupied, and improved under the public land laws in accordance with a Government survey made in 1883, and said commissioner may, in like manner, on principles of equity, adjust, settle, and confirm by patent the title to any lands in said townships heretofore claimed, occupied, and improved under descriptions which on resurvey are found to be erroneous; the Secretary of the Interior is authorized to make any rules and regulations necessary to carry out and effect the purpose of this act, and any person claiming the benefits hereof shall make the required payments and perform such other acts as may be required within the time fixed in the regulations, otherwise any right or advantage claimed under this act shall be forfeited.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

FEDERAL BUILDING AND SITE, GASTONIA, N. C.

The bill (S. 4332) to exchange the present Federal building and site at Gastonia, N. C., for a new site and building was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and empowered to exchange and convey to the Citizens' National Bank, of Gastonia, N. C., by the usual quitclaim deed, the present Federal building and site at Gastonia, N. C., for the site at the northwest corner of South Street and West Franklin Street, in said city, offered by said bank, and in addition to said land said bank shall pay to the Secretary of the Treasury $175,000 to cover the cost of the erection of a stone-faced public building thereon adequate and suitable for the needs of the United States in such city. The present Federal building and site to remain in the custody and control of the United States until the completion of the proposed new building.

That upon the said new site, when acquired as aforesaid, the Secretary of the Treasury be, and he is hereby, authorized and directed to cause to be constructed a suitable and commodious building, with fireproof vaults, heating and ventilating apparatus, approaches, etc., for the accommodation of the post office and other governmental offices in said city, at a limit of cost, exclusive of the site, of not exceeding $175,000, which is hereby appropriated. Said amount being hereby authorized and made available from the moneys to be paid to the Secretary of the Treasury by said Citizens' National Bank, of Gastonia, N. C., as hereinbefore mentioned.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

FEDERAL BUILDINGS AT WATERTOWN, N. Y.

The bill (H. R. 13576) authorizing the Secretary of War to turn over to the Postmaster General without charge therefor a certain building or buildings now located at Watertown, N. Y., was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER.

The bill (H. R. 13416 making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1921, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

PUNISHMENT FOR CONVERSION OF MONEYS.

The bill (H. R. 10072) to provide for the punishment of officers of United States courts wrongfully converting moneys coming into their possession and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Commitee on the Judiciary, with amendments.

Mr. KING. Mr. President, I do not feel like objecting to the consideration of this bill. It comes from a committee of which I am a member, and all of the members of the committee except myself are in favor of it. I am, however, opposed to the bill, and shall vote against it, but I shall not object to its consideration.

The VICE PRESIDENT. The amendments of the committee will be stated.

The amendments were, on page 1, line 6, after the word "shall," to insert "after demand by the party entitled thereto"; and on line 8, before the word "convert," to insert the words "who shall," so as to make the bill read:

Be it enacted, etc., That any United States marshal, clerk, receiver, referee, trustee, or other officer of a United States court, or any deputy, assistant, or employee of any such marshal, clerk, receiver, referee, trustee, or other officer who shall, after demand by the party entitled thereto, unlawfully retain or who shall convert to his own use or to the use of another any moneys received for or on account of costs or advance deposits to cover fees, expenses, or costs, deposits for fees or expenses in bankruptcy cases, composition funds or money of bankrupt estates, fees in naturalization matters, or any other money whatever which has come into his hands by virtue of his official relation or by the facts of his official position or employment shall be deemed guilty of embezzlement and shall, where the offense is not otherwise punishable by some statute of the United States, be fined not more than double the value of the money thus retained or converted or imprisoned not more than 10 years, or both; and it shall not be a defense in such case that the accused person had an interest, contingent or otherwise, in some part of such moneys or of the fund from which they were retained or converted.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER.

The bill (S. 2279) to authorize the addition of certain lands to the Humboldt National Forest was announced as next in order.

Mr. NUGENT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

LANDS IN WYOMING.

The bill (H. R. 13157) authorizing the issuance of patent to Johnson County, Wyo., of lands for poor-farm purposes was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER.

The bill (S. 4373) to amend sections 207 and 210 of the transportation act, 1920, was announced as next in order.

Mr. KING. Let the report be read. I should like to ask some member of the committee the purpose of the bill.

The VICE PRESIDENT. There is no member of the committee here.

Mr. KING. Then I ask that the bill be temporarily laid aside.

The VICE PRESIDENT. The bill will be passed over for the present.

LANDS IN NEVADA.

The bill (S. 3372) authorizing the Secretary of the Interior to issue a patent to Jennie Dunphy Meyer for certain lands in the State of Nevada was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands with amendments, on page 1, line 6, after the words "of the," to strike out "southwest" and insert "northwest"; and on page 2, line 4, after the word "Nevada," to insert: "*Provided*, That proper application for the purchase of these lands be filed hereunder in the district land office within six months from the passage of this act, and that no adverse claim thereto be officially of record as pending when the application is allowed and the sale consummated," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to issue a patent to Jennie Dunphy Meyer for the following-described lands: The north half of the northeast quarter and the south half of the northwest quarter of section 10, township 33 north, range 47 east, Mount Diablo base and meridian, in the county of Lander, State of Nevada, upon the payment in advance therefor to the Secretary of the Interior for the Government of the United States of the full sum of $2.50 per acre for such lands, which patent shall confirm the conveyance of such lands to the said Jennie Dunphy Meyer by the State of Nevada: *Provided*, That proper application for the purchase of these lands be filed hereunder in the district land office within six months from the passage of this act, and that no adverse claim thereto be officially of record as pending when the application is allowed and the sale consummated.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The bill (S. 3992) authorizing the exchange of certain lands in the State of Nevada was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands with an amendment, on page 3, after line 7, to insert a new section, as follows:

SEC. 2. That as a consideration for the issue of said patent R. L. Douglass will construct a substantial fence around the tract of land conveyed to him under the provisions of this act.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to issue a patent to R. L. Douglass, of Fallon, Nev., for a certain tract of land now a part of the public domain, lying below the Carson Lake meander in the unsurveyed portion of section 19, township 17 north, range 29 east, Mount Diablo meridian, in the State of Nevada, more fully described as follows: Beginning at the meander corner south of section corner common to sections 12 and 13, township 17 north, range 28 east, and sections 18 and 19, township 17 north, range 29 east, Mount Diablo meridian; thence south 9.6 chains; thence north 89° 21′ east 21.9 chains; thence north 20.56 chains; thence north 73° 30′ west eighty-one one-hundredths chain along Carson Lake meander; thence south 61° 30′ west 24 chains to the point of beginning, containing 33.74 acres, more or less, on the express condition, however, that said R. L. Douglass shall first execute and deliver to the Secretary of the Interior a warranty deed satisfactory to such Secretary conveying to the Government of the United States, free of all encumbrance, a certain tract of land composed of portions of lots 2, 3, and 4 of section 19, township 17 north, range 29 east, Mount Diablo meridian, in the State of Nevada, more fully described as follows: Beginning at the meander corner of the section line common to sections 18 and 19, township 17 north, range 29 east, Mount Diablo meridian, running thence along the north boundary of section 19, south 89° 21′ west 53.82 chains; thence south 1.34 chains to a point in the meander line of Carson Lake; thence south 73° 30′ east 36.69 chains along Carson Lake meander; thence north 36° 30′ east 22.40 chains to the point of beginning, containing 33.74 acres, more or less, which shall thereupon become a part of the public domain.

SEC. 2. That as a consideration for the issue of said patent, R. L. Douglass will construct a substantial fence around the tract of land conveyed to him under the provisions of this act.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF THE PENAL LAWS.

Mr. KING. Mr. President, I should like the attention of the Senator from Nevada [Mr. GRONNA]. Some time ago I asked for the consideration of House bill 7629, and the Senator from North Dakota objected to its consideration. It merely adds to the existing statute in regard to transmission through the mails of certain articles the words "motion-picture film." The Senator later advised me that he had no objection. I ask that we may return to that bill.

Mr. GRONNA. Mr. President, I have made an investigation, and I have no objection to the consideration of the bill.

The VICE PRESIDENT. Is there any objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments, on page 2, at the end of line 1, to insert "to any other State, Territory, or District of the United States, or place noncontiguous to but subject to the jurisdiction thereof"; and on line 5, after the word "through," to strike out "any" and insert "a," so as to make the bill read:

Be it enacted, etc., That section 245 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909, is hereby amended to read as follows:

"SEC. 245. Whoever shall bring or cause to be brought into the United States, or any place subject to the jurisdiction thereof, from any foreign country, or shall therein knowingly deposit or cause to be deposited with any express company or other common carrier, for carriage from one State, Territory, or District of the United States or place noncontiguous to but subject to the jurisdiction thereof, to any other State, Territory, or District of the United States, or place noncontiguous to but subject to the jurisdiction thereof, or from any place in or subject to the jurisdiction of the United States, through a foreign country, to any place in or subject to the jurisdiction thereof, or from any place in or subject to the jurisdiction of the United States to a foreign country, any obscene, lewd, or lascivious, or any filthy book, pamphlet, picture, motion-picture film, paper, letter, writing, print, or other matter of indecent character, or any drug, medicine, article, or thing designed, adapted, or intended for preventing conception, or producing abortion, or for any indecent or immoral use; or any written or printed card, letter, circular, book, pamphlet, advertisement, or notice of any kind giving information, directly or indirectly, where, how, or of whom, or by what means any of the hereinbefore mentioned articles, matters, or things may be obtained or made; or whoever shall knowingly take or cause to be taken from such express company or other common carrier any matter or thing the depositing of which for carriage is herein made unlawful, shall be fined not more than $5,000 or imprisoned not more than five years, or both."

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

LANDS IN CALIFORNIA AND OREGON.

The bill (H. R. 8440) to restore to the public domain certain lands heretofore reserved for a bird reservation in Siskiyou and Modoc Counties, Calif., and Klamath County, Oreg., and for other purposes, was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LANDS AT MYRTLE POINT, OREG.

The bill (H. R. 10285) to authorize the purchase by the city of Myrtle Point, Oreg., of certain lands formerly embraced in the grant to the Oregon & California Railroad Co., and revested in the United States by the act approved June 9, 1916, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Interior shall be, and is hereby, authorized to issue a patent to the city of Myrtle Point, Oreg., for the following described lands, being a part of the lands revested in the United States by the act of Congress enacted June 9, 1916 (39 Stat., p. 218), to wit: The south half of the southeast quarter of section 11, and the northwest quarter of the northwest quarter of section 13, all in township 29 south, range 12 west, of the Willamette meridian, in the State of Oregon; on condition that the said city first shall pay to the United States, when said lands are subject to disposition under said act of revestment, the sum of $2.50 per acre for all of said lands and the appraised price of the timber on all such lands as may be classified as timberlands: *Provided*, That there shall be reserved to the United States all oil, coal, and other mineral deposits that may be found in the lands so granted and all necessary use of the lands for extracting the same.

SEC. 2. That the Secretary of the Interior shall prescribe all necessary regulations to carry into effect the foregoing provisions of this act.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

OREGON & CALIFORNIA RAILROAD LANDS.

The bill (H. R. 13389) to authorize the Secretary of the Interior to dispose of at public sale certain isolated and fractional tracts of lands formerly embraced in the grant to the Oregon & California Railroad Co., was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the provisions of section 2455, Revised Statutes, be, and the same are hereby, extended to class 3 of the lands formerly embraced by what are known as the Oregon & California Railroad grants, title to which was revested in the United States under the provisions of the act approved June 9, 1916 (39 Stat. L., p. 218): *Provided*, That no sales hereunder shall be made for less than $2.50 per acre, and the appraised value of the timber on the land, nor until such lands shall have been subject to homestead entry for a period of two years: *Provided further*, That the proceeds of such sales shall be applied in the manner prescribed in said act of June 9, 1916 (39 Stat. L., p. 218).

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

RAILROAD OPERATION.

Mr. SMITH of South Carolina. I notice that Senate bill 4373, to amend sections 207 and 210 of the transportation act, 1920, was passed over, I presume on account of the absence of the chairman of the Committee on Interstate Commerce.

Mr. KING. I may say to the Senator that I asked for some information respecting the measure.

Mr. SMITH of South Carolina. I do not know just why the chairman of the committee is not present. As to this particular piece of legislation, it proposes to extend the time of the loan of the present revolving fund of $300,000,000 which was provided for in the act returning the railroads to their private owners. The $300 000,000, which was to be used as a revolving fund to aid railroads, both to meet their maturing obligations and also to provide themselves a basis of credit for increasing their motive power and rolling stock, was to terminate in five years. The committee had a hearing on the subject, and they all agreed that under section 210, which provided the five-year limitation, the railroads could not function properly unless the paper, or whatever form the credit extension took, could be extended to 15 years, because the railroads could not get themselves rehabilitated and out of their earnings pay the maturing paper within five years.

Mr. KING. Mr. President, if the Senator will yield for an inquiry, as I understand, then, the bill merely changes the maturing of the obligation from 5 to 15 years?

Mr. SMITH of South Carolina. It not only does that, but it gives the Interstate Commerce Commission the discretionary power as to whether it shall use a certain percentage of this money to meet the obligations due the Government, setting aside so much to meet the claims, which are now being adjudicated; and also it provides that they shall use their discretion as to whether or not a per cent of it shall be set aside to meet the maturing obligations of the roads. The roads have certain outstanding obligations, and the credit of the roads depends upon whether their obligations are met promptly or not. The investors in railroad securities are very anxious that a certain amount of this money shall be used to meet the maturing obligations of the roads, while representatives of the roads were insisting that the necessary per cent of it should be used for new equipment in motive power and in rolling stock.

I think there is a shortage of something like 150,000 box cars, and something like three or four thousand engines are necessary to meet the absolutely normal requirements of the expanded business.

Mr. KING. Let me ask the Senator if, after a due hearing, this was a unanimous report?

Mr. SMITH of South Carolina. It was a unanimous report.

Mr. KING. I withdraw the objection.

Mr. SMOOT. I have sent for the Senator from Minnesota [Mr. KELLOGG]. I understand that this proposed legislation was left in his charge when the Senator from Iowa [Mr. CUMMINS] was called from the city.

Mr. SMITH of South Carolina. I do not know in whose charge the chairman left it, but I know the bill was discussed and hearings were had, and the committee reached the conclusion that the extension to 15 years would not involve any further expense on the part of the Government and might enable us to meet the existing conditions without making an added appropriation of some half billion dollars to meet the condition.

Mr. SMOOT. This morning the Senator from Minnesota [Mr. KELLOGG] discussed this bill with me somewhat, and on account of some ruling which has been made by the Department of Justice, as I understand it, the Senator from Minnesota has telegraphed to the Senator from Iowa [Mr. CUMMINS]. Of course, up to the present time I do not think he has had time to get an answer. No one would object to the extension to 15 years, but for the reason I have stated, and knowing that there is this question involved in the bill, I ask the Senator that it may go over until the Senator from Minnesota can explain it in detail and we can find out whether he wants the bill passed in its present form.

I am in full, hearty sympathy with the proposed legislation, and I simply call the Senator's attention to what took place this morning in relation to the bill.

Mr. SMITH of South Carolina. I should think it would be very well to let it go over, but for a moment I just want to call the attention of the Senate to the fact that the condition of our transportation is so affecting the commerce and the production of the country, plus the attempt to deflate the currency at this time, forcing people to hold their products at home, and then not giving them any credit for holding it, that we are being burned up at both ends, and the outlook is not very hopeful.

Mr. SMOOT. I hope that legislation of this character will pass at the very earliest date possible, but I am quite sure, from the ruling which has been made, that the bill will have to be amended in some particulars. That is the reason why I have asked that it may go over.

Mr. SMITH of South Carolina. It is true that the Treasury Department has made a ruling. There were some unfortunate words in the legislation we passed turning the railroads back. There was a construction which the Treasury Department placed upon certain language that made it impossible for the roads to function as those who passed the bill thought it was necessary for them to function.

The VICE PRESIDENT. The bill will be passed over.

CESSION BY CALIFORNIA OF LANDS FOR NATIONAL PARKS.

The bill (H. R. 12044) to accept the cession by the State of California of exclusive jurisdiction over the lands embraced within the Yosemite National Park, Sequoia National Park, and General Grant National Park, respectively, and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands with amendments.

The first amendment was, on page 4, line 25, after the word "therein," to strike out the word "from" and insert in lieu thereof the word "for," so as to make the clause read:

Or for the protection of the property therein for the preservation from injury or spoliation of timber, etc.

The amendment was agreed to.

The next amendment was, on page 10, line 17, after the word "process," to strike out the word "by" and insert in lieu thereof the word "of," so as to make the clause read:

Without process of any person taken in the act of violating the law, etc.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

RIGHTS OF WAY FOR PUBLIC ROADS.

Mr. JONES of Washington. Mr. President, I move that the Senate proceed to the consideration of the shipping bill.

Mr. MYERS. I will ask the Senator to withhold that motion. There are two bills which do not appear on the printed calendar, but which were unanimously reported from the Committee on Public Lands this morning.

Mr. JONES of Washington. I have no objection to considering them up to 2 o'clock.

The bill (H. R. 9825) authorizing certain railroad companies, or their successors in interest, to convey for public-road purposes certain parts of their rights of way was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That all railroad companies to which grants for rights of way through the public lands have been made by Congress, or their successors in interest or assigns, are hereby authorized to convey to any State, county, or municipality any portion of such right of way to be used as a public highway or street: *Provided*, That no such conveyance shall have the effect to diminish the right of way of such railroad company to a less width than 50 feet on each side of the center of the main track of the railroad as now established and maintained.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

HOMESTEAD ENTRIES.

The bill (S. 1695) validating certain homestead entries was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That all pending homestead entries made in good faith prior to January 1, 1916, under the provisions of the enlarged homestead laws, and all rights to enter land under said laws, based on settlement made thereon in good faith before said date, and while the land was unsurveyed, by persons who, before making such enlarged homestead entry, had acquired title to land under the homestead laws, and therefore were not qualified to make an enlarged homestead entry, or such settlement, be, and the same are hereby, validated, if in all other respects regular, in all cases where the original homestead entry was for less than 160 acres of land: *Provided*, That no settlement claim shall be validated hereby where adverse claim for the land has been initiated before the passage of this act.

SEC. 2. That no homestead entry heretofore made under the provisions of section 2 of the act of Congress entitled "An act for the relief of the Colorado Cooperative Colony, to permit homestead entries in certain cases, and for other purposes," approved June 5, 1900, shall be canceled for the reason that the former entry made by the entryman was commuted under the provisions of an act entitled "An act relating to the public lands of the United States," approved June 15, 1880 (21 Stat., p. 237). And all entries heretofore canceled on the ground that an entryman who commuted under the provisions of said act of June 15, 1880, is not entitled to the benefits of the act of June 5, 1900, shall be reinstated upon a showing by the entryman or his heirs, within one year from the approval of this act, that there were no valid grounds for the cancellation of such entries except that a former entry was perfected under the act of June 15, 1880, in all cases where valid adverse rights have not attached to the lands covered by such second entries since the date of their cancellation.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

THE MERCHANT MARINE.

Mr. JONES of Washington. I ask unanimous consent that the Senate proceed to the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

Mr. NUGENT. I object.

Mr. JONES of Washington. I move that the Senate proceed to the consideration of the bill.

Mr. KING. I suggest the absence of a quorum.

The VICE PRESIDENT. The roll will be called.

The roll was called, and the following Senators answered to their names:

Borah	Harding	Moses	Smith, Md.
Capper	Harris	Myers	Smith, S. C.
Chamberlain	Harrison	New	Smoot
Comer	Jones, N. Mex.	Nugent	Thomas
Curtis	Jones, Wash.	Owen	Townsend
Edge	Kenyon	Page	Trammell
Elkins	Keyes	Phipps	Underwood
Fernald	King	Poindexter	Walsh, Mont.
Gay	McCumber	Ransdell	
Gronna	McKellar	Sheppard	

Mr. McKELLAR. The Senator from Nevada [Mr. HENDERSON], the senior Senator from Virginia [Mr. SWANSON], the junior Senator from Virginia [Mr. GLASS], and the Senator from Rhode Island [Mr. GERRY] are absent on official business.

The VICE PRESIDENT. Thirty-eight Senators have answered to the roll call. There is not a quorum present. The roll of absentees will be called.

The names of the absent Senators were called and Mr. FRANCE, Mr. LODGE, Mr. McLEAN, Mr. McNARY, Mr. NELSON, Mr. NORRIS, Mr. OVERMAN, Mr. PHELAN, Mr. PITTMAN, Mr. SPENCER, Mr. SWANSON, and Mr. WADSWORTH answered to their names when called.

Mr. DIAL, Mr. COLT, Mr. STERLING, Mr. KELLOGG, Mr. KNOX, Mr. KENDRICK, Mr. HALE, Mr. McCORMICK, Mr. BECKHAM, Mr. CULBERSON, Mr. GLASS, Mr. POMERENE, Mr. REED, Mr. SHERMAN, Mr. SIMMONS, Mr. WARREN, and Mr. WATSON entered the Chamber and answered to their names.

The VICE PRESIDENT. Sixty-seven Senators have answered the roll call. There is a quorum present.

The Senator from Washington [Mr. JONES] has moved that the Senate proceed with the consideration of what is known as the shipping bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

PENSIONS AND INCREASE OF PENSIONS.

Mr. McCUMBER. Mr. President, I wish to give notice at this time that to-morrow morning, after the close of routine morning business, I shall move the Senate to take up Calendar No. 528, the bill (H. R. 12530) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War, and certain widows and dependent children of soldiers and sailors of said war. This is an omnibus pension bill and has taken out of all the previous omnibus pension bills just those names that were not taken care of by the Fuller pension bill. I hope to be able to dispose of it before 2 o'clock, and if not I shall desire to go on with the consideration of the bill until it is disposed of.

AGRICULTURAL APPROPRIATIONS—CONFERENCE REPORT.

Mr. GRONNA. Will the Senator from Washington kindly yield to me to call up the conference report on House bill 12272, the Agriculture appropriation bill? I understand there is no objection to it at all. The Senator from Mississippi [Mr. HARRISON] wishes to make a short statement, and after that there will be no discussion whatever, as I understand it, and the report will be disposed of. I should like to have it go back to conference as soon as possible, because I may have to go away

this week and I am anxious to have it disposed of as early as possible.

Mr. JONES of Washington. Of course I am very anxious to get along with the merchant marine bill, which is a very important measure and is likely to take considerable time in conference. So it ought to be put through as soon as possible. I desire to accommodate the Senator from North Dakota as much as I possibly can. I understand the Senator from Mississippi [Mr. HARRISON] desires to take some little time in the discussion of some matter connected with the conference report, and that he expects to take the time on the conference report or on the shipping bill. So it would make no difference as far as time is concerned. If that is the case, of course, I feel that I would not be losing any time by consenting to the shipping bill being temporarily laid aside.

Mr. GRONNA. Then I ask unanimous consent that the conference report on the Agricultural appropriation bill be laid before the Senate.

Mr. BORAH. May I ask a question of the Senator from North Dakota before unanimous consent is given? Is there some provision in the conference report on the Agricultural appropriation bill with reference to increasing rates which are charged upon the leasing lands of the West?

Mr. GRONNA. There is no provision increasing the rates, but there is a provision for an appropriation of $25,000 to make an investigation as to the reasonableness of the charges that are made.

Mr. BORAH. That is involved in this conference report?

Mr. GRONNA. Yes; it was disagreed to by the conferees of the two Houses, and I intend to ask that the Senate further insist on its amendment.

Mr. BORAH. Then there is nothing in the report affecting the leasing charges in the way of increasing them?

Mr. GRONNA. No; there is not. The only provision is, as I told the Senator, an appropriation to make an investigation. Of course the Senate expects that the House will recede; at least we hope that they will recede.

Mr. BORAH. There is a misunderstanding somewhere, but I think the Senator from North Dakota knows what is in the bill, and I take his word for it.

Mr. GRONNA. I will say to the Senator from Idaho that in the case of western men it might affect the grazing rate. The House put in a provision for an appropriation of $25,000, authorizing the Secretary of Agriculture to make an investigation of the rates. The Senate committee struck out that provision and we were unable to agree, and we reported the disagreement. All I intend to do is to insist that the Senate shall further insist upon its amendment.

Mr. BORAH. If the Senate should want to recede, then would be the time for Senators from the West to speak?

Mr. GRONNA. That is right.

Mr. BORAH. I shall speak when that time comes.

Mr. GRONNA. I ask unanimous consent that the conference report on the Agricultural appropriation bill be laid before the Senate, and that the shipping bill may be temporarily laid aside.

The VICE PRESIDENT. The Senator from North Dakota asks unanimous consent that the Senate proceed to the consideration of the conference report on the Agricultural appropriation bill. Is there objection?

There being no objection, the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921.

[Mr. HARRISON addressed the Senate. After having spoken, with interruptions, for nearly two hours he yielded the floor for the day.]

THE MERCHANT MARINE.

During the delivery of Mr. HARRISON's speech,

Mr. JONES of Washington. If I may interrupt the Senator from Mississippi just a moment, I will say to him that the Senator from New Jersey [Mr. EDGE] has to take a train at 4 o'clock. He has an amendment which he would like to propose to one section of the shipping bill, which I think will take probably but a minute or two. I thought if the Senator from Mississippi would yield for him to do that, then I would consent that the shipping bill be temporarily laid aside.

Mr. HARRISON. I am very glad to yield to the Senator from Washington for that purpose.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

Mr. JONES of Washington. Mr. President, the Senator from New Jersey has an amendment to section 17 of the shipping bill with relation to a dock proposition. I think the amendment is very fair and very meritorious and should be adopted.

Mr. EDGE. I offer an amendment to section 17 of the bill under consideration, which I send to the desk and ask the Secretary to state.

The PRESIDING OFFICER (Mr. KENDRICK in the chair). The Secretary will state the amendment.

The ASSISTANT SECRETARY. In the committee amendment, in section 17, page 19, line 11, after the numerals "1918," it is proposed to insert the following:

The board shall pay out of its revenues to the proper officer of the city of Hoboken, in the State of New Jersey, a sum equivalent to the amount which the board finds to have been levied and assessed but uncollected by such city on account of taxes for the calendar years 1918 and 1919 on the properties affected by this section. The board shall, for the calendar year 1920 and annually thereafter, pay out of its revenues to such officer a sum equivalent to the amount which in the opinion of the board would have been payable for such year to such city, on account of taxes on the properties affected by this section if they had remained under private ownership, but such amount shall not for 1920, or for any subsequent year, be less than the average annual amount of such taxes levied and assessed against such properties for the years 1916–1920, both inclusive.

Mr. EDGE. Mr. President, I desire to make a brief explanation of the amendment. It relates to the so-called Hoboken Docks, which were taken over by the Government, and which were formerly owned by the North German-Lloyd and Hamburg-American lines. Under the terms of the shipping bill, the jurisdiction of those docks will pass to the Shipping Board, the War Department now having jurisdiction. Under an arrangement proposed by the War Department they were to pay the average amount of taxes heretofore assessed by the city of Hoboken. When the jurisdiction over the docks is transferred to the Shipping Board it is desired that the bill contain a provision by which a like arrangement can be made with them.

I might say, in further explanation, that the docks referred to, of course, furnish quite a different proposition from that involved in the usual case of Government occupied property. Before the war they represented one-sixth of the entire tax income of the city of Hoboken. When the Government are administering the docks they are not occupying them as they ordinarily occupy property, without gain, but they are occupying them and leasing privileges and leasing the docks to various private interests and are receiving an income. Of course, there can be no question as to the city being entitled to its regular average annual income in lieu of taxation.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New Jersey to the amendment of the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now recurs on the committee amendment as amended.

Mr. JONES of Washington. I do not care to act on the entire committee amendment at this time. I do not now care to take the time to do that. I will ask that the bill may be laid aside, in order that the Senator from Mississippi [Mr. HARRISON] may proceed.

The PRESIDING OFFICER. Without objection, it is so ordered.

After the conclusion of Mr. HARRISON's speech for the day,

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the distribution, regulation, and use of property acquired thereunder, and for other purposes.

Mr. JONES of Washington. Mr. President, I have one or two amendments which I desire to offer at this time.

At the close of section 4, on page 7, I desire to present the following proviso that will make plain what we really did not intend to cover by that section.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. Insert at the end of section 4, page 7, the following proviso:

Provided, That all vessels in the military and naval service of the United States, including the vessels assigned to river and harbor work, inland waterways, or vessels for such needs in the course of construction or under contract by the War Department, shall be exempt from the provisions of this act.

The amendment was agreed to.

Mr. JONES of Washington. On page 19, section 17, I offer the following amendments to the committee amendment.

The VICE PRESIDENT. The amendments will be stated in their order.

The ASSISTANT SECRETARY. In section 17, page 19, line 2, after the word "over," insert the words "after the expiration of one year from the enactment of this act."

The amendment to the amendment was agreed to.

The ASSISTANT SECRETARY. In line 13, page 19, after the word "need," insert the words "permit or."

The amendment to the amendment was agreed to.

The ASSISTANT SECRETARY. Also, on page 19, line 15, after the word "department," insert "for their needs."

The amendment to the amendment was agreed to.

The ASSISTANT SECRETARY. On page 19, line 17, strike out the words "disposed of" and insert in lieu thereof the word "sold."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. JONES of Washington. I now yield to the Senator from Massachusetts.

DEATH OF HON. LEVI P. MORTON.

Mr. LODGE. Mr. President, I offer the following resolutions.

The VICE PRESIDENT. The resolutions will be read.

The Assistant Secretary read the resolutions (S. Res. 365) as follows:

Resolved, That the Senate has heard with profound regret of the death of Hon. Levi P. Morton, former Vice President of the United States and President of the Senate.

Resolved, That as a mark of respect to the memory of this distinguished man, whose long life was filled with useful service to the Nation, to his State, and to his fellow men, the Senate do now adjourn.

The resolutions were unanimously agreed to; and (at 4 o'clock and 10 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, May 18, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

MONDAY, *May 17, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We thank Thee, our Father in Heaven, for the spirit of patriotism which moved the Congress of the United States of America to provide ways and means for the construction of the amphitheater, the marble shrine, in beautiful Arlington, which was dedicated by imposing ceremonies under the auspices of the Grand Army of the Republic, on Saturday last, in memory of our sacred dead who met the supreme sacrifice defending the land they loved, a Government conceived in liberty and dedicated to the proposition that all men are created equal.

Grant, O God, that it may stand for ages as a faithful sentinel guarding the bivouac of the dead whose spirits now rest on fame's eternal camping ground. In His name. Amen.

The Journal of the proceedings of Saturday, May 15, and Sunday, May 16, 1920, was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed with amendments joint resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1699) for the retirement of employees in the classified civil service, and for other purposes.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that May 15 they had presented to the President of the United States, for his approval, the following bills:

H. R. 9944. An act authorizing the Secretary of the Treasury to accept on behalf of the United States the donation by Sedgwick Post, No. 10, Grand Army of the Republic, of its memorial hall property in Bedford, Taylor County, Iowa, for Federal building purposes; and

H. R. 11927. An act to increase the efficiency of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service.

ENROLLED BILL SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 13555. An act making appropriations for fortifications and other works of defense, for the armament thereof, and for the procurement of heavy ordnance for trial and service, for the fiscal year ending June 30, 1921, and for other purposes.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted, as follows:

To Mr. SMALL, for three weeks, on account of important business.

To Mr. BROWNE, indefinitely, on account of illness.

LEAVE TO ADDRESS THE HOUSE.

Mr. JOHNSON of Mississippi. Mr. Speaker, I ask unanimous consent to proceed for five minutes.

The SPEAKER. The gentleman from Mississippi asks unanimous consent to proceed for five minutes.

Mr. MONDELL. On what subject, Mr. Speaker?

Mr. JOHNSON of Mississippi. It is principally to insert in the RECORD a speech that was made by a Republican some three or four years ago.

Mr. MONDELL. That is rather indefinite, Mr. Speaker. I think that we would hardly be justified in acceding to the gentleman's request on such an indefinite description.

Mr. BLANTON. It was to insert a Republican speech.

Mr. CANNON. There is once in a while a fool Republican. [Laughter.]

Mr. BLANTON. I agree with the gentleman.

Mr. CANNON. But that is very rare. [Laughter.]

NO QUORUM—CALL OF THE HOUSE.

Mr. IRELAND. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Illinois makes the point of order that there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Andrews, Md.	Eagle	Kendall	Reed, N. Y.
Aswell	Edmonds	Kennedy, Iowa	Reed, W. Va.
Bacharach	Ellsworth	Kennedy, R. I.	Rhodes
Booher	Elston	Kettner	Riddick
Bowers	Ferris	Kiess	Riordan
Brinson	Fields	Kitchin	Rose
Britten	Fisher	Knutson	Rowan
Brooks, Ill.	Focht	Kreider	Rowe
Brooks, Pa.	Fulier, Mass.	Langley	Schall
Browne	Gallivan	Lankford	Scully
Burke	Ganly	Layton	Sears
Butler	Garland	Lesher	Shreve
Campbell, Pa.	Goldfogle	Lonergan	Small
Caraway	Good	McAndrews	Smith, N. Y.
Carter	Gould	McCulloch	Smithwick
Casey	Graham, Pa.	McFadden	Snyder
Christopherson	Griest	McGlennon	Steagall
Clark, Fla.	Hamill	McKinley	Steele
Cleary	Harrison	McLane	Steenerson
Cole	Hastings	McPherson	Stephens, Ohio
Costello	Hawley	MacGregor	Stevenson
Crago	Hayden	Maher	Strong, Pa.
Cramton	Hays	Mead	Sullivan
Crowther	Heflin	Merritt	Tague
Curry, Calif.	Hernandez	Milligan	Temple
Darrow	Hill	Montague	Tillman
Dempsey	Huddleston	Mooney	Treadway
Dent	Hudspeth	Morin	Vare
Dewalt	Hulings	Nicholls	Ward
Dickinson, Iowa	Husted	O'Connor	Watson
Dominick	Johnson, S. Dak.	Pell	Whaley
Donovan	Johnston, N. Y.	Ramsey	Wilson, Pa.
Drane	Kelley, Mich.	Ramseyer	Zihlman
Drewry	Kelly, Pa.	Reber	

The SPEAKER. On this vote 292 Members have answered present, a quorum.

Mr. MONDELL. Mr. Speaker, I move to suspend further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

DIPLOMATIC AND CONSULAR APPROPRIATION BILL.

Mr. PORTER. Mr. Speaker, I desire to call up the conference report on the bill (H. R. 11960) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921.

The SPEAKER. The gentleman from Pennsylvania calls up the conference report on the bill H. R. 11960, which the Clerk will report.

The Clerk read as follows:

Conference report on the bill (H. R. 11960) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921.

Mr. JOHNSON of Washington. Mr. Speaker, I would like to arrange with the chairman of the Committee on Foreign Affairs, if possible, for time in opposition to the conference report.

Mr. PORTER. How much time does the gentleman from Washington desire?

Mr. JOHNSON of Washington. This matter has not been before the House except for a few minutes on Saturday, and it is not well understood by the House, and as chairman of the Committee on Immigration and Naturalization I would like to have at least 10 minutes.

Mr. PORTER. I have no objection. First I yield 10 minutes to the gentleman from Texas [Mr. CONNALLY].

Mr. CONNALLY. Mr. Speaker and gentlemen of the House, my objection to the conference report is not identical with that of the gentleman from New York [Mr. SIEGEL]. The gentleman from New York is objecting because of the stringency of the passport regulations which are imposed in the case of foreigners coming to the United States. So far as I am concerned, I have no objection as to how strong you make those regulations in guaranteeing the exclusion of undesirables. [Applause.] My objection to this bill——

Mr. SIEGEL. Mr. Speaker, will the gentleman yield right there for a moment?

Mr. CONNALLY. Wait until I have finished this sentence. My chief objection to the report is because it imposes restrictions on American citizens.

Now I yield to the gentleman.

Mr. SIEGEL. When I spoke on Saturday on the floor of the House I called attention to the fact specifically that no one could get out of the country without a passport, contrary to what the country has had in all its history heretofore.

Mr. CONNALLY. I agree with the gentleman to that extent. Gentlemen of the House, section 5 of the amendment of the Senate No. 15 provides as follows:

SEC. 5. From and after the passage of this act every citizen or person, other than a seaman, owning allegiance to or entitled to the protection of the United States and departing from the United States or any of the possessions thereof for any foreign country, except the Dominion of Canada, Newfoundland, St. Pierre, and Miquelon, Panama, the Bermudas, the Bahamas, Mexico, and Cuba, or departing from the United States or any of the possessions thereof by way of any of said countries for any other country, shall be required to bear a valid passport.

Mr. Speaker and gentlemen of the House, I am opposed to adopting in peace times legislation which says to our citizens that they may not leave the boundaries of the United States to travel in a foreign land unless they possess passports.

Mr. BEGG. Will the gentleman yield?

Mr. CONNALLY. Yes.

Mr. BEGG. Are we not doing the citizens of the United States a favor because they are required to have a passport when they get to the foreign country?

Mr. CONNALLY. I will say to the gentleman that few foreign countries require in peace times the possession of a passport. If that were the case, there would be no reason for exempting Canada, Mexico, and Cuba, as the provision in this bill does exempt them.

The whole secret of the proposition is this: When this bill was before the House originally I offered an amendment on the floor providing for raising the passport fees from $1 to $5, but leaving the requirements of the law as they were before the war. I did that because I believed that the cost of administration in maintaining our foreign service, the expenses of maintaining the machinery for issuing passports, and their visés, justified the United States in charging $5, and that that amount of money would produce a million or a million and a half dollars revenue annually, but I was no more willing then than I am now to make it unlawful for a citizen to travel abroad without a passport.

Gentlemen of the committee, or the majority members of the committee, raised a point of order, and my amendment went out on the point of order. But, lo and behold, when this measure reached the Senate, in their zeal to raise revenue, in their anxiety to bring money into the Treasury, the Senate was induced by them to adopt an amendment fixing the passport fee not at $5, but at $10. I have no special objection to raising the fee to $10, but gentlemen of the committee, for fear that some citizens would not procure a passport and pay the $10, adopted a provision requiring the possession of a passport before the citizen leaves the shores of the United States.

It illustrates, Mr. Speaker and gentlemen, the difficulty which we meet in getting away from war-time restrictions. I was hopeful that this Republican Congress would put us back somewhat on a peace-time basis; that it would quit talking about a return to prewar conditions and do something to prove its professions; that instead of passing futile and unconstitutional "peace resolutions" it would do something really effective and legal to restore former conditions.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. CONNALLY. Yes.

Mr. MANN of Illinois. Would this provision requiring a passport do anybody any good except salaried officials who draw down money for passing upon these things?

Mr. CONNALLY. It would bring money into the Treasury of the United States—$9 a head.

Mr. MANN of Illinois. Is the purpose of it to raise revenue? Is it a revenue measure?

Mr. CONNALLY. Yes; its purpose is to bring in revenue to the Treasury. That is why the compulsory feature as to citizens was inserted.

Mr. MANN of Illinois. And the schoolmistress going abroad for a summer vacation will have to contribute to the revenue of the Government.

Mr. CONNALLY. I will say that under the provisions of section 5 they will not be permitted to leave the United States for certain countries unless they possess passports.

Among the countries excepted are Mexico and Canada, because gentlemen of the committee realized that for these countries it would be impracticable to require a passport each time a citizen stepped across the boundary line. But for many other countries American citizens, under the terms of this bill, will not have the right to travel unless they first secure a passport from the Department of State.

Mr. WALSH. Will the gentleman yield?

Mr. CONNALLY. I will.

Mr. WALSH. Can the gentleman state if before the war there was any requirement that an American citizen leaving this country should have a passport?

Mr. CONNALLY. There was absolutely no requirement. I will say, furthermore, to the gentleman from Massachusetts that not only did the United States not require a passport for its citizens leaving the country but no other country on the face of the globe except Russia, and perhaps Turkey, required its citizens to possess passports in order to journey in foreign lands. These are countries which I am unwilling to accept as models for the conduct of my country.

Mr. BLANTON. Will the gentleman yield?

Mr. CONNALLY. Yes.

Mr. BLANTON. Does not my colleague believe that the helpful benefits that one of our citizens will receive for having a passport to travel in foreign countries will be worth $10 to him?

Mr. CONNALLY. I will say to my colleague that I have not yet reached the point where I believe that I have the right to judge for another citizen as to what is right and helpful and beneficial to him and by law require him to accept my judgment when he may judge otherwise as to that question, and when the exercise of his judgment and will does not trespass upon the rights of another. Now, the vice of it is not so much the payment of $10—the vice of it is not so much that this will not prove helpful or beneficial to the citizen—but the vice of it is that the citizen before he may depart from the country must come on his hands and knees to the Department of State, and if the Department of State in its discretion, and it is bound to have discretion, otherwise there would be no strength or force in the law—if the Department of State in its discretion should say it is not wise for that citizen to go abroad; that conditions in some particular country are such that in the opinion of the Secretary of State traveling in that country should be denied, then the Department of State may refuse that passport, and when you do that you deny to a citizen to travel beyond the borders of the United States, a right that has never heretofore, except in time of war, been denied or abridged.

Now, gentlemen, this may seem to be a trivial matter. I grant you that, standing alone, this requirement for the possession of a passport may seem to amount to but little, but it is only one of the small things whose toleration make it easier for us to adopt greater restrictions under a pretext which this precedent will establish.

It has ever been a cherished boast that American citizenship was unique; that it possesses privileges that are possessed by the citizens of no other country; that our Government derives its powers from the people, and not that the citizen is dependent upon the will or whim of Government as to his coming or going, so long as he molests no other. I am unwilling to enact a solemn law that makes the coming or going of a citizen—a free man in a free country—from or to his own home land in time of peace contingent upon the consent of some bureau of Government.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. CONNALLY. I ask for three minutes more.

Mr. PORTER. The time has all been taken up.

Mr. CONNALLY. How much is there on this side?

Mr. PORTER. Thirty minutes.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. PORTER. Yes.

Mr. JOHNSON of Washington. I want to ask the gentleman if we can not make an agreement to extend the time 30 minutes? A great many matters in this report need discussion. I think the gentleman will save time to give us this extra time and thrash this out. It has not been discussed anywhere.

Mr. PORTER. We have been discussing it quite a length of time.

Mr. SABATH. Not on this floor.

Mr. PORTER. The time has been fixed, and I have given one-half to those who object to the report.

Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. SIEGEL].

Mr. SIEGEL. Mr. Speaker, this legislation which we are asked to enact to-day without any discussion on the floor of the House, or a vote ever having been had upon it in the House, contains features which must be denounced very emphatically and very strongly. In the first place, the attempt is made to take away from the Committee on Immigration and Naturalization whatever powers it possesses at the present time in bringing in legislation affecting immigration, as the American consul on the other side is given absolute power to determine who shall have a passport visèed when the applicant desires to come to the United States. True, there is a proviso that an appeal may be taken to the Secretary of State, but there is not a word in the amendment to show how that appeal is ever to reach the Secretary of State or requiring the consul to transmit it. Let us take an example. Some one in Ireland, we will say, desires to escape from Ireland to come to the United States on account of persecution. He is refused a passport from the authorities in Ireland. He desires to come here as a place of refuge, where he may live in freedom, and grow up to become an active American citizen, as so many who have come here from Ireland have done. Lo and behold, if he does not get his passport, he can not come to the United States, or, if he does get his passport, and the average American consul, who is very friendly with the local authorities, or who fears to incur their enmity, does not desire to aid this man, he will simply make up his mind that he will not visé the passport. That will prevent the applicant from either leaving Ireland or ever coming here.

While the war was on many of us submitted to the legislation, which in time of peace we would never tolerate for a day. The question now is as to whether we are going to pass more laws, not even discussed here in the House, created in secret conference; laws which are oppressive; laws which take away liberty and freedom of the American citizen in the United States and when he leaves it to go abroad. The proponents of this drastic amendment tell us that they are raising this money from visés and passports for the sake of revenue. I have always assumed that revenue measures originated under the Constitution in the House, in its Committee on Ways and Means. That committee has never passed upon this proposition. Mr. Speaker, hidden beyond the question of $10 is the proposition of trying to pass a law without deliberation or consideration here, and which is oppressive in the extreme. We have gotten along from 1798 up to this time, as a matter of fact, without any law prohibiting an individual from leaving the United States. If he wanted a passport, he obtained it by paying $3, and the history of passport legislation, with which I am familiar, shows that at the time of the Civil War we issued passports without exacting or receiving a single cent.

Mr. Speaker, I do not know what is causing many people in our country to see "red" when it does not exist. Let us not lose our poise. We are here to do our duty under the Constitution without fear or favor. Let us remember that under our oath we swore to weigh every piece of legislation fairly and squarely. Let us uphold the highest traditions of the Republic and demonstrate our fearlessness by voting down this conference report, showing that we have faith in our citizens that they will at all times be loyal to our flag, whether at home or abroad. [Applause.]

Mr. PORTER. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, no doubt it will be charged that I am responsible for the inauguration of the embodied legislation in this appropriation. I admit that when the committee, during the consideration of the Diplomatic and Consular appropriation bill, started to cut down the needed appropriations for the Consular Service, that I suggested to increase the passport fees from $1 to $5, which I considered then and consider now as fair and reasonable and at the same time sufficiently high to raise a large enough revenue to make that service self-sustaining and to assure it continuous efficiency and to provide for its needed growth and expansion.

Mr. Speaker, ever since the armistice was signed I have watched the strenuous efforts and activities of other nations to regain the commerce they have lost and we have gained during the war; the manifold commercial agencies they have established and the large sums of money they are expending to bring it about. It was for that reason that I objected to any effort on the part of the committee to cripple our wisely built-up foreign service, which has and is rendering such splendid aid to our manufacturers and to our export trade. It was for that purpose, and that alone, that I suggested increasing the passport fees and not for the purpose of imposing restrictions on American citizens or assessing additional burdens of $10 on the needful immigrants.

Mr. Speaker, I regret that I am forced, due to the action of the committee, to state that it is my opinion and firm belief that the Republican majority thinks more of political campaign material than of the country's material prosperity. In this I am borne out by the report of the committee, in which they lay great stress on the reductions they have made in their appropriations, failing to say, however, that it was at the expense of efficiency and service to which our trade and our country is entitled.

Mr. Speaker, since the war, under the wise and prudent policy of the Democratic Party, our exports have increased over four billion annually, our merchant marine has grown from two to nearly nine millions of gross tons, and from 1,100 indifferent sea-going vessels to 3,227 up-to-date ships. So that to-day these ships can be seen in every port and on every sea. This fast-growing merchant marine requires and is entitled to our protection and to the best possible service the country is capable of providing, which only can be done through our consular and foreign service; but all of this, it seems to me, is of no importance to the Republican committee or the Republican Party, which has for years been able to parade and mislead the American manufacturer and business man. And that was their aim in cutting down the needed appropriations, utilizing for campaign purposes the cry of Republican economy; but by this false economy, I am satisfied, the American people will not be misled. Now I desire to say a few words about sections 4 and 5 of the bill.

Mr. Speaker and gentlemen of the House, I am opposed to this conference report not only for the reasons I have given or those given by the gentleman from Texas [Mr. CONNALLY] and the gentleman from New York [Mr. SIEGEL], but for still other reasons. I consider the provisions written into this bill on the part of the conferees as most unreasonable, most drastic, un-American, and undemocratic. Not only will it, if enacted, preclude an American citizen from leaving the country at will, as has been the custom since the formation of the Government, but section 4 of the provision goes much further. It provides that no one can enter the United States unless he will first obtain a passport from the country of which he is a citizen. For nearly 150 years it has been the traditional policy of our Nation to extend to the advocates of free and liberal government fleeing from the wrath of autocratic governments a haven of refuge. The pages of history record the great services which have been rendered our country by them, and beyond doubt demonstrated that they have deserved the hospitality that has been accorded them by this great Nation. Due to wild and unfair charges and reports on the part of publicity and favor-seeking publicists, professional patriots, selfish politicians, and guilty-conscience and unscrupulous profiteers there has been created against the foreign born and even those of foreign parentage a prejudice that has even penetrated both Chambers of Congress, but every fair-minded man whose mind has not been poisoned will, if not to-day then in the near future, be forced to admit that these people have been more sinned against than sinned.

To the unprejudiced mind it must be clear that they have, when put to the test, demonstrated beyond any doubt their loyalty and patriotism. True there are exceptions and the Immigration Committee, having jurisdiction, is now proceeding in formulating legislation that, I am sure, will properly but sanely safeguard the interests of our country against the incoming of any dangerous or even undesirable alien without nullifying our traditional policy followed ever since the foundation of our Government.

Mr. Speaker and gentlemen, I stated on the floor of the House Saturday, that this section 4 has never been considered by the

committee or by the House, but has been inserted into this bill by the conferees and, I venture to say, that there are not over 10 per cent of the Members of the House that are familiar with it, and for that purpose I feel it my duty to read it:

SEC. 4. From and after the 1st day of June, 1920, it shall be unlawful for any alien, other than a seaman, to enter or attempt to enter the United States without a passport duly viséd by a person duly authorized by the Secretary of State to issue such visé: *Provided*, That this section shall not apply to nationals of Great Britain domiciled in the Dominion of Canada, Newfoundland, the Bermudas, or the Bahamas, or to nationals of France domiciled in St. Pierre and Miquelon, or to citizens of Cuba, Panama, or Mexico.

As you will observe, under the provisions of this section anyone who has not first obtained a passport from his own country can not, as long as this law would remain on our statute books, enter the United States. If this law had been in force during the Revolutionary War and the War of 1812, it would have been impossible for Lafayette, Rochambeau, Von Steuben, Pulaski, and Kosciusko and hundreds of other liberty-loving men to aid America's cause for independence. Men like Kossuth, Schurz; yes, men like Paderewski, the present President of the Czechoslovak Republic, Masaryk, and others never would have been allowed to enter upon American soil, nor could those Cuban patriots who for so many years sought to secure their freedom and independence from the oppressive Spanish rule been permitted to enter to seek our aid and assistance. But thanks to America's broadmindness, liberal spirit, great wisdom, and humane statesmanship our country has remained up to this hour the haven of refuge of the sincere liberty-loving men and women of every tyrannical Government, and as such I hope it will always remain.

Mr. Speaker, the mere fact the Republican Party is now in power does not justify this Congress to force down the throats of the American people this legislation. I am satisfied the passage of it to-day will not benefit you, as I have every confidence, knowing President Wilson as I do, that he will never approve this uncalled-for legislation.

I am justified in making this statement, because in his message to Congress of January 28, 1915, vetoing the immigration bill which contained the unwise literacy provision, he firmly laid down what he believed to be the traditional policy of our Government:

To the House of Representatives:

This bill embodies a radical departure from the traditional and long-established policy of this country, a policy in which our people have conceived the very character of their Government to be expressed, the very mission and spirit of the Nation in respect of its relations to the peoples of the world outside their borders. It seeks to all but close entirely the gates of asylum which have always been open to those who could find nowhere else the right and opportunity of constitutional agitation for what they conceived to be the natural and inalienable rights of men.

Restrictions like these, adopted earlier in our history as a Nation, would very materially have altered the course and cooled the humane ardors of our politics. The right of political asylum has brought to this country many a man of noble character and elevated purpose who was marked as an outlaw in his own less fortunate land, and who has yet become an ornament to our citizenship and to our public councils. The children and the compatriots of these illustrious Americans must stand amazed to see the representatives of their Nation now resolved, in the fullness of our national strength and at the maturity of our great institutions, to risk turning such men back from our shores.

I am confident that he will not deviate from it and am satisfied that, unlike the Republican conferees, he will not advocate for the purpose of political expediency anything which would be detrimental and against the best interests of our country and its people.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein a statement from the President on this question.

The SPEAKER. Is there objection?

There was no objection.

Mr. PORTER. Mr. Speaker, the Senate amendments to the House bill, H. R. 11960, making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921, increase the amount appropriated in the House bill by the sum of $818,500. One hundred and forty-three thousand five hundred dollars of this increase is for the following items, which were not included in the House bill:

For the purchase of a building and grounds at Santiago, Chile, for an embassy, $130,000.

For the payment to Mrs. Winifred T. Magelssen, being one year's salary of her deceased husband who died from illness incurred in the foreign service while returning to the United States from his post of duty, $4,500.

To meet the actual necessary expenses of delegates from the United States to the first Pan-Pacific Scientific Congress held in the city of Honolulu in August, 1920, $9,000.

The conference report reduces the increases by the Senate amendments on the items in the House bill to the sum of $267,000 and agrees to the new items, making a total increase in the conference report of $410,500 above the amount appropriated in the House bill.

In lieu of Senate amendment No. 15, increasing the passport and viséing fees and requiring a citizen of the United States to carry a valid passport, except to certain countries before departing therefrom for any foreign country, and also making it compulsory for an alien to have a passport viséed before entering the United States, your conferees agreed upon the following:

FEES FOR PASSPORTS AND VISÉS.

SECTION 1. From and after the 1st day of June, 1920, there shall be collected and paid into the Treasury of the United States quarterly a fee of $1 for executing each application for a passport and $9 for each passport issued to a citizen or person owing allegiance to or entitled to the protection of the United States: *Provided*, That nothing herein contained shall be construed to limit the right of the Secretary of State by regulation to authorize the retention by State officials of the fee of $1 for executing an application for a passport: *And provided further*, That no fee shall be collected for passports issued to officers or employees of the United States proceeding abroad in the discharge of their official duties, or to members of their immediate families accompanying them, or to seamen, or to widows, children, parents, brothers, and sisters of American soldiers, sailors, or marines, buried abroad whose journey is undertaken for the purpose and with the intent of visiting the graves of such soldiers, sailors, or marines, which facts shall be made a part of the application for the passport.

SEC. 2. From and after the 1st day of June, 1920, there shall be collected and paid into the Treasury of the United States quarterly a fee of $1 for executing each application of an alien for a visé and $9 for each visé of the passport of an alien: *Provided*, That no fee shall be collected from any officer of any foreign Government, its armed forces, or of any State, district, or municipality thereof, traveling to or through the United States, or of any soldiers coming within the terms of public resolution approved October 19, 1918 (40 Stat. L., pt. 1, p. 1014).

SEC. 3. The visé of a passport of an alien may, under regulations prescribed by the Secretary of State, be refused if the applicant would be dangerous to the public safety or obviously be liable to exclusion if allowed to present himself at a port of the United States for admission: *Provided*, That such applicant, if rejected by the officer of the United States to whom the application was originally made, may appeal to the Secretary of State: *And provided further*, That the issuance of a visé to an alien by a person duly authorized to issue such visé on behalf of the United States shall not relieve said alien or the steamship company transporting him from the operation of any provision of the laws of the United States.

SEC. 4. From and after the 1st day of June, 1920, it shall be unlawful for any alien, other than a seaman, to enter or attempt to enter the United States without a passport duly viséed by a person duly authorized by the Secretary of State to issue such visé: *Provided*, That this section shall not apply to nationals of Great Britain domiciled in the Dominion of Canada, Newfoundland, the Bermudas, or the Bahamas, or to nationals of France domiciled in St. Pierre and Miquelon, or to citizens of Cuba, Panama, or Mexico.

SEC. 5. From and after the passage of this act every citizen or person, other than a seaman, owing allegiance to or entitled to the protection of the United States and departing from the United States or any of the possessions thereof for any foreign country, except the Dominion of Canada, Newfoundland, St. Pierre, and Miquelon, Panama, the Bermudas, the Bahamas, Mexico, and Cuba, or departing from the United States or any of the possessions thereof by way of any of said countries for any other country shall be required to bear a valid passport.

SEC. 6. The validity of a passport or visé shall be limited to two years, unless the Secretary of State shall by regulation limit the validity of such passport or visé to a shorter period.

SEC. 7. Whenever the appropriate officer within the United States of any foreign country refuses to visé a passport issued by the United States, the Department of State is hereby authorized upon request in writing and the return of the unused passport within six months from the date of issue to refund to the person to whom the passport was issued the fees which have been paid to Federal officials, and the money for that purpose is hereby appropriated and directed to be paid upon the order of the Secretary of State.

SEC. 8. Section 1 of the act approved March 2, 1907, entitled "An act in reference to the expatriation of citizens and their protection abroad" (34 Stat. L., pt. 1, p. 1228), authorizing the Secretary of State to issue passports to certain persons not citizens of the United States is hereby repealed.

And the Senate agree to the same.

This amendment to the bill fixes a charge of $1 for executing each application for a passport and a fee of $9 for each passport, and a charge of $1 for executing each application of an alien for a visé and a fee of $9 for the viséing of such passport. It also requires the carrying of a valid passport by a person owing allegiance to or entitled to the protection of the United States in departing this country. The Dominion of Canada, Mexico, Cuba, the Bahamas, the Bermudas, Newfoundland, St. Pierre, and Miquelon are excepted from this provision for obvious reasons.

Prior to the enactment of the passport-control act of May 22, 1918, and the extension thereof by the act of October 16, 1919, a person owing allegiance to or entitled to the protection of the United States was not required to carry a passport before departing for foreign countries. The operation of this law has been highly satisfactory, as it gives to our citizens before leaving for foreign lands conclusive evidence of their American citizenship in case it is questioned or for any other reason they need the assistance of our representatives abroad. It also enables our representatives in foreign countries to deter-

mine without delay and with certainty and precision the identity of our citizens, and will save the Government large sums of money which have been heretofore expended on cablegrams and other forms of communication by our representatives abroad in their efforts to determine citizenship. It also relieves the citizen from annoying and vexatious delays in receiving such evidence from the United States.

The economic distress that exists in Europe and a part of Asia is without parallel in the world's history and is plainly reflected in the disturbed condition of the political and social life of these countries. Economic laws are as inexorable as the laws of nature, and prudent men believe that these conditions will continue for many years to come. It is therefore of the highest importance that an American citizen who enters these chaotic countries should have conclusive evidence of his citizenship and thus avoid involving our Republic in controversies and disputes.

The enormous burden of taxation which the war has cast upon the American people requires the strictest economy in the administration of the affairs of the Nation, and Congress should exhaust every effort to reduce taxation wherever it can be done without impairment of the public service. There are instances where the public service performed should be paid by the individual who alone benefits thereby and not be borne by general taxation. It is with the idea of correcting one of these injustices to the taxpayer that your conferees earnestly suggest the approval of the substitute for amendment No. 15 in the Senate bill. The principal function performed by our representatives in foreign countries in times of peace is the protection of the rights of American citizens while abroad, and there is no sound reason why all the expense of this service should be paid out of general taxation. They who alone benefit from it should be compelled to contribute at least a part of the cost of maintenance.

It is true that only a small percentage of our citizens while traveling abroad require assistance from our representatives, but this is immaterial, as everyone who goes abroad benefits by the moral effect of the maintenance of our foreign service. The fact that we have such representatives to whom American citizens may appeal for protection deters interference with their rights. The situation is almost identical with the one between a citizen of one of our great cities and its department of public safety. I doubt very much if one citizen out of 10,000 in Washington last year asked for assistance or protection from the police force of this city, and yet all have benefited by its moral effect on evildoers.

The fee of $1 provided by existing law appears to be based on the unsound principle of reimbursing the Government only for the clerical service necessary in the issuance of a passport. The fee should be based not only on the cost of issuing the passport to the departing citizen, but also the service which the holder of it will receive from the American representatives stationed abroad in protecting him in person and property. It is difficult to estimate the amount of revenue derived from this increase in the passport fees in normal times, but your committee feels justified in saying that it, together with the increase in the viséing fees, added to the fees already charged by the Consular Service, will largely pay the expenses of our entire foreign service and may, when immigration to this country and foreign travel become normal, make the service self-sustaining.

The following records of immigration from June 30, 1910, to June 30, 1919, and the number of United States citizens departed from June 30, 1910, to June 30, 1919, as shown on page 7 of the hearings on H. R. 12211, will be helpful in estimating the amount of revenue to be raised by this substitute:

Immigration, fiscal years ended June 30, 1910 to 1919.

1910	1,041,570
1911	878,587
1912	838,172
1913	1,197,892
1914	1,218,480
1915	326,700
1916	298,826
1917	295,403
1918	110,618
1919	141,132

Number of United States citizens departed, fiscal years ended June 30, 1910 to 1919.

1910	342,600
1911	349,472
1912	353,890
1913	347,702
1914	368,797
1915	172,371
1916	110,733
1917	126,011
1918	275,837
1919	218,929

It is true that our Republic owes to our citizens a duty of protection in their rights and properties wherever they may be, but, on the other hand, the citizen also owes duties to his country, one of which is to aid it wherever he can in the performance of its duty to him. It is not unreasonable or unjust either to require him to pay a reasonable fee for this special protection which he receives or that he carry a valid passport before departing the country, so that his identity can be fixed and determined and thus avoid the doubts and uncertainties which frequently arise and insure to him a more prompt and efficient service.

Mr. McKEOWN. Mr. Speaker, will the gentleman yield?

Mr. PORTER. Yes.

Mr. McKEOWN. How much more appropriation does the bill carry now than it did when it passed the House?

Mr. PORTER. Four hundred and ten thousand five hundred dollars.

Mr. McKEOWN. What is the total amount carried by the bill at this time?

Mr. PORTER. Nine million two hundred and fifty-three thousand five hundred and thirty-seven dollars and ninety-one cents.

Mr. McKEOWN. Why is it necessary to appropriate $130,000 to build an embassy building in Santiago Chile, with the present condition of the Treasury?

Mr. PORTER. It has been the policy of the committee and, I believe, of Congress for a number of years to purchase embassies from time to time, and we felt that we were entirely justified—or rather that the Senate was—in this amendment providing $130,000 for purchasing the embassy building in Santiago, Chile.

Mr. McKEOWN. Does not the gentleman think that ought to be postponed, in view of the fact that in our own country we are not carrying on any building program?

Mr. PORTER. I do not think it should be postponed.

Mr. CANNON. Mr. Speaker, will the gentleman yield?

Mr. PORTER. Yes.

Mr. CANNON. Suppose an English citizen or a citizen of some other foreign country should go to Canada or to Cuba, then he could come into the United States without a passport.

Mr. PORTER. That question was raised, and I think it is covered by the bill. At least we tried to cover it.

Mr. CANNON. If he does not pay the passport fee, then you will have all of the travel in foreign vessels in Canada or Cuba.

Mr. PORTER. Of course, an English citizen would not pay the passport fee. He would pay the visé fee, but he would probably do that before leaving Great Britain.

Mr. CANNON. They could not go out that way under the bill, so far as I have been able to determine, but they could come in that way.

Mr. PORTER. I think the bill is broad enough to take care of that situation.

Mr. JUUL. Will the gentleman yield?

Mr. PORTER. I will.

Mr. JUUL. I would like to ask the gentleman—the last clause the gentleman has here on page 2 of his report states:

And provided further, That the issuance of a visé to an alien by a person duly authorized to issue such visé on behalf of the United States shall not relieve said alien or the steamship company transporting him from the operation of any provision of the laws of the United States.

Now, does the gentleman think it is entirely proper that first a man appeals to his own Government for permission to travel, and he gets that permission, and then he goes to an official of the United States and pays a fee, and receives permission to come into this country, and after he has done all that it is entirely left to some other official whether he is going to let him land or not?

Mr. PORTER. The gentleman from Illinois has not correctly read the provision. It is limited in its application to aliens; it does not refer to American citizens.

Mr. JUUL. That is just what I am talking about. A man goes to a representative of his own Government and obtains a permit to travel, and that permission to travel to the United States is O. K'd by an official of this Government, and then, after he in good faith has accepted that permission from an official of this Government to come to the United States, when he comes to this country this Government may use its further judgment and deny him access to the country?

Mr. PORTER. Oh, no.

Mr. JUUL. It certainly will under this provision.

Mr. PORTER. If the gentleman will read the bill he will find that provision in regard to the steamship company is limited to aliens.

Mr. JUUL. I am speaking of aliens and on that very subject.

Mr. PORTER. I can not yield further; but if he would read the bill he would see his error.

Mr. JUUL. I think it ought to be made clear.

Mr. KING. Will the gentleman yield?

Mr. PORTER. I do.

Mr. KING. I want to ask the gentleman, in view of the fact that he states that Mexico was left out of the bill for obvious reasons, whether one of those reasons was it would be rather dangerous for a citizen to travel in Mexico to have an American passport on him on account of our lack of protection to American citizens?

Mr. PORTER. That was not the reason.

Mr. MASON. Mr. Speaker, I would like to ask the chairman of the committee a question. Section 4, which refers to a visé by the United States and requires a man——

The SPEAKER. The House will be in order.

Mr. MASON. Mr. Speaker, the gentleman has yielded to me for a question, and I would like to have him hear it and I would like to have my colleagues hear it.

Mr. BLANTON. Mr. Speaker, the House is not in order, and we can not hear the gentleman.

The SPEAKER. The House will be in order.

Mr. MASON. Mr. Speaker, I ask the chairman of the committee, of which I have the honor to be a member, whether section 4 is not an entirely new proposition from the amendment which we made? This is a proposition which requires a man coming from another country not only to have a passport from some authorized official of that country but a visé by the United States. That was not in the bill, as I remember it, that we reported to the House.

Mr. PORTER. That is correct.

Mr. MASON. I desire, if the chairman will give me time, or some one, to be heard upon section 4, which I regard as a very dangerous and obnoxious amendment to our law. I ask the chairman of the committee or some one opposed to give me a chance to be heard on it.

The SPEAKER. Does the gentleman from Pennsylvania yield? To whom does the gentleman yield?

Mr. PORTER. How much time remains?

The SPEAKER. Those opposed have used 20 minutes and those in favor 15 minutes. There are 25 minutes remaining.

Mr. PORTER. I yield 10 minutes to the gentleman from Washington [Mr. JOHNSON].

Mr. JOHNSON of Washington. Mr. Speaker, I ask the serious attention of Members to these proposals suddenly sprung upon us in a conference report. Mr. Speaker, I had the honor to introduce the bill extending that war-time passport control act in so far as it applied to aliens coming to the United States. Congress gave that extension with but one opposing vote, and made the extension for the lifetime of this Congress—that is, until March 4 next. When that extension bill was dropped in the basket I thought it should go to the Committee on Immigration and Naturalization. It went, however, to the Committee on Foreign Affairs, which had handled the original war legislation concerning passports for both aliens and citizens. I did not raise the question of jurisdiction. I was very anxious to see that extension. Mr. Lansing was before that committee, and said that while the extension might permit the State Department to override and nullify the provisions of the immigration law passed by Congress, he assured the members that every effort would be made not to do that. Then happened an extension of appropriations for consular agents attending to these visés, and now comes the effort perfected in conference and written into the bill, provisions that neither this House nor the other House has considered; new matter, which I think will make a great deal of trouble and confusion, and which if accepted to-day will not last as law for a year. Mind you, we still have the temporary extension.

Mr. MASON. May I just say to the gentleman I expect to make a point of order against section 4 as being new legislation?

Mr. JOHNSON of Washington. I understand the point was made Saturday and overruled.

Mr. SABATH. It was made on Saturday and overruled by the Speaker.

Mr. MASON. I did not know that.

Mr. JOHNSON of Washington. I could call attention to how this proposal will be misunderstood at a time when we who desire to expel dangerous and revolutionary aliens from the country, but I can not take the time. I desire to call attention to the fact that the fee proposed here is $10, although it is divided into $9 for viséing and $1 for registering. It is a $10 fee on all who come to the United States. We have an $8 head tax, and Congress in its wisdom thought that was sufficient.

I presume the House will look to its Immigration Committee to straighten that out. We have no provision for rebate of any part of the fee in case an alien with a passport is denied admission. Suppose some Member dropped a bill in the basket proposing such an amendment. Where is it going to go? To the Committee on Foreign Affairs or the Committee on Immigration?

Mr. Speaker, I have looked up this morning the fees that are charged by other countries and I find no European countries' charge is in excess of $4, and that the average is $2. Certain countries require separate passports for man, wife, and children; others accept one passport for the family.

Certain Latin-American countries charge high fees, and do it as a matter of revenue pure and simple, and so announce it. No country makes any such charges for visés of passports as we here propose.

Mr. RAKER. Will the gentleman yield for a question?

Mr. JOHNSON of Washington. For a brief question.

Mr. RAKER. The provisions of this bill would not in any way militate against the provisions of the immigration law, would they? Both would have to be complied with.

Mr. JOHNSON of Washington. Certain of the immigration laws would have to be complied with, of course. But the conferees provide here that the visé of a passport of an alien, under regulations prescribed by the Secretary of State, may be refused if the applicant should be dangerous to the public safety or obviously be liable to exclusion if he should present himself at a port of the United States. In the present law we have a provision that a man who is refused at the port of the United States has the right of appeal to the appeal board. Here we let a consular officer say that some man in Ireland or some other part of the world shall not even start to the United States for some reason that one agent thinks may not make him admissible. A consular officer might charge that he was a mendicant, or did not have enough money, or charge that he might in any one of a dozen ways transgress our immigration laws. I favor a great restriction of immigration. If it is the desire to put up the passport prices in order to restrict immigration, I am so much in favor of restriction that I would make the price $50 or even $100. But I think the whole proposal is in the wrong place, and considered in the wrong way.

Mr. BLANTON. Will the gentleman yield?

Mr. JOHNSON of Washington. I will.

Mr. BLANTON. Concerning the last point, only the other day I had a man from my home town wanting to go to Poland to bring his mother here, and both of the departments showed him where it would not be advisable for him to go because of typhus fever, and other things that should prevent his going there. Do you not think that is a discretion——

Mr. JOHNSON of Washington. I do not object to the United States requiring its own citizens to have passports in order to go abroad. I do think we are usurping parts of the immigration laws, and that it will make all kinds of difficulties, to require passports for aliens coming to the United States at any such fee. I had the case Saturday of a stowaway who had escaped from a prison in Germany, who came to the United States, and was ordered sent back by the State Department for the want of a passport. He gets no right of appeal. That happens under the law that we extended for about a year as a war necessity. That young fellow claims that he is a political refugee seeking asylum in the United States, but for the want of a passport, which he could not get, he must go back. That is just a sample of the trouble we are bound to get into. I do not think we will get anywhere with the passage of this legislation.

Mr. CLARK of Missouri. Will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. CLARK of Missouri. I would like to know if this law or any other gives one of our consuls in any other country the right to pass on the qualifications of a proposed immigrant into this country?

Mr. JOHNSON of Washington. That is exactly what it does, and I am calling the gentleman's attention to the very broad word that is used to give the authority.

Mr. SABATH. The word is "obviously."

Mr. JOHNSON of Washington. Yes; obviously. Here is what the paragraph says. Think of this, you gentlemen who have worked on immigration laws, and who have tried to make them fair. Think of what you are doing in a conference report, one that has never been debated in this House or in the other:

> The visé of a passport of an alien may, under regulations prescribed by the Secretary of State, be refused if the applicant would be dangerous to the public safety, or obviously be liable to exclusion if allowed to present himself at a port of the United States for admission.

It fixes here a plan of appeal to the Secretary of State. How would the appeal be made? Nine times out of ten it will be made through Members of Congress, as it is right now, under the war passport extension act. We have a passport-extension pro-

vision, and all of us who come from districts where there are foreign-born people are engaged every day with one or more of these passport disputes. I have presented a good many of them down there, and have been refused only in case of two.

Mr. CLARK of Missouri. The Secretary of State is to prescribe the rules and regulations under which these consuls are to act?

Mr. JOHNSON of Washington. Yes.

Mr. CLARK of Missouri. Suppose the consul is a bull-headed fellow and does not like anybody because he believes one thing or another?

Mr. JOHNSON of Washington. That is it exactly. As much as I favor the restriction of immigration, I think we are making a mistake here. The Committee on Immigration and Naturalization has under consideration a bill providing for visés and passports for those coming from other countries under the exemption clauses of the present immigration laws; that is, teachers, ministers, students, and the like, and a plan of probationary admission for others. Under the temporary extension of the war passport plan, we were given time to perfect such a measure. Now, we find a substitute for our work proposed here in 20 lines—20 poorly considered lines at that.

Mr. CONNALLY. I would like to ask the gentleman from Washington a question.

The SPEAKER. The time of the gentleman from Washington has expired.

Mr. JOHNSON of Washington. I am sorry I can not yield further. In conclusion, my opinion is that we are making a mistake if we adopt this report in its present shape.

Mr. JUUL. Mr. Speaker, I ask that the gentleman have a couple of minutes more.

Mr. JOHNSON of Washington. My time has expired.

Mr. MASON. Mr. Speaker, will the gentleman from Pennsylvania yield me five minutes?

Mr. PORTER. Mr. Speaker, I yield two minutes to the gentleman from Minnesota [Mr. NEWTON].

The SPEAKER. The gentleman from Minnesota is recognized for two minutes.

Mr. NEWTON of Minnesota. Mr. Speaker, opposition to this provision is difficult to understand.

The late war and our experience arising out of it demonstrated clearly the necessity for a real immigration policy. While we have from time to time passed some legislation pertaining to this question, taking it all in all we have paid altogether too little attention to a question which so vitally affects our country's welfare.

During the 10 years immediately preceding the outbreak of the Great War our immigration averaged about 1,000,000 annually. In late years, and especially after the disposition of the greater portion of our public lands, we have practically given the immigrant no consideration whatever after he has arrived in this country. We have permitted great industries and the men interested in the growth and development of those industries to not only encourage immigration but to import, so to speak, cheap labor. We then have permitted these workmen to be grossly exploited. We have permitted and encouraged the grouping and settlement of these immigrants so as to form their own special nationalistic units until we have in our own country large localities where the language of Washington and Lincoln is seldom spoken. We have done nothing to educate these people in our history, language, or ideals. The great majority of them came over here with the best of intentions and with a great vision of America, the land of freedom and equality. We then have permitted these great ideals to be destroyed. This has been due to our own neglect and also because we have permitted certain aliens who are more clever and able than the great majority of their fellow immigrants to sow the seeds of discontent and class consciousness in the field which we have made ready by our neglect.

No wonder some of them become converts to bolshevism, I. W. W.ism, and other forms of destructive radicalism.

We therefore need a comprehensive, constructive immigration program which will deal constructively with the immigrant within our country and prevent the undesirable immigrant from coming into our country.

We can best solve questions of deportation by not having any people to deport.

This provision which has been added to the Diplomatic and Consular appropriation bill is a step in this direction. Furthermore, it provides the necessary revenue to make the work practically self-supporting.

Under our present immigration act an alien proceeds to America and lands at one of our ports—for example, at Ellis Island. Under our law if he is an undesirable he can be excluded. It is here that our immigration authorities first meet him. Undoubtedly it is the first time that any of them have ever heard of him. He applies for admission to our country. As an apparent evidence of his good faith he has paid his passage over and has a small amount of money in his pocket. The burden necessarily rests upon the Government to prove him an undesirable. The immigration authorities are 3,000 miles away from the immigrant's home. How can they under these circumstances—except in rare cases—assume this burden and prove the alien's undesirability? They can not. It is an impossibility. The result is inevitable. Few are rejected. It has been demonstrated time and again that many undesirables slip by our immigration authorities and remain with us to plague us and attempt to destroy our institutions. Such a system is wrong and should be changed. Sections 3 and 4 accomplish this. In effect it places the burden upon the immigrant to show that he is a desirable, but it affords him the opportunity of doing that in his own county, where he is known and acquainted. It affords the Government the opportunity of checking up and verifying the prospective immigrant's statements in his own country.

Section 3 provides for the visé of the passport of an immigrant before he leaves his own country by our consular officers in that country under regulations to be prescribed by the Secretary of State. It further provides that this visé may "be refused if the applicant would be dangerous to the public safety, or obviously be liable to exclusion, if allowed to present himself at a port of the United States for admission." Certain gentlemen have objected to this provision. Should we permit our consular officers to grant a visé to those who "would be dangerous to public safety"? Should we permit them to grant a visé to those who are "obviously liable to exclusion" under our present immigration laws to come over and try it anyway? Our immigration laws already provide for the exclusion of this type of immigrant. Do gentlemen want them repealed? Do they want this type and class of immigrant to be increased?

It is claimed that our consuls may misjudge a man and deny him a visé, thereby doing him an injustice. To prevent the possibility of this very thing provision is made for an appeal from a refusal to the Secretary of State.

In this way, and this way only, can we properly and intelligently inquire into the question of desirability or undesirability of a prospective immigrant.

It has been claimed that if section 4 is enacted into law, which requires a passport and its visé by our consular officers, that this passport may be denied by the immigrant's Government, and that thereby some very worthy individual may be prevented from coming to our shores. This may be the case. We must remember, however, that it is our business to legislate for the general welfare of America. While continental Europe is in her present chaotic social and political condition we can not afford to take chances. If necessary this section can be amended to provide against an injustice to the man who is in all respects desirable, but can not obtain a passport from his Government, by providing for his filing of a petition and the approval of that petition by our consular officer under regulations to be prescribed by the State Department. Personally I would favor such a provision. The important thing is to provide for an approval by our own officials in the country of the immigrant's origin.

All of this will require time and labor. The additional expense is provided for by the increasing of the visé fee to $10. Is this sum unreasonable?

Sections 1 and 5 require a passport from American citizens who are about to travel in Europe and Asia, and prescribe a fee of $10. This is objected to as unnecessary and as an unwarranted expense to the traveler.

It will be noted that for travel on this continent and to Cuba, and so forth, no passport is required.

As to the question of the requirement, a considerable portion of continental Europe is in a state of political and social chaos.

As a result of this condition, American ministers and consuls will be called upon more than ever to give advice and afford protection to various travelers claiming to be American citizens. Practically all of continental Europe now requires a passport from a traveler. This will continue for several years, and certainly while this condition remains. In view of this fact, then, should we not as a Government require our own citizens to carry with them while traveling abroad the evidence of their American citizenship? To ask this question under these circumstances is to answer it.

Now, as to the expense: Is not this evidence of American citizenship and the right to the protection of our Government

worth the sum of $10? I maintain that the traveler as such should be called upon to pay a portion of the expense of the Government in maintaining legations and consulates. Heretofore he has only been called upon to pay for the clerical work involved in the writing out of the passport.

We have heard much of late of economy. Here is an opportunity to add to our revenue from those who peculiarly enjoy the benefits of the services and protection of our representatives abroad.

Mr. Speaker, I hope these provisions will be agreed to. [Applause.]

Mr. MASON. Mr. Speaker, will the gentleman yield for a question?

Mr. NEWTON of Minnesota. If I have the time.

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. JOHNSON of Washington. The Committee on Immigration and Naturalization at this very moment has an immigration bill pending, providing for the carrying of a proper viséed passport by every incoming alien. Here it is cut out by the roots in five lines in an appropriation bill.

Mr. NEWTON of Minnesota. I do know that there is a need for a change, and that this supplies the need.

Mr. PORTER. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has eight minutes remaining.

Mr. PORTER. I yield the balance of my time to the gentleman from Massachusetts [Mr. ROGERS].

NO QUORUM—CALL OF THE HOUSE.

Mr. IRELAND. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Illinois makes the point of order that there is no quorum present. It is clear that there is no quorum present.

Mr. ROGERS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Andrews, Md.	Edmonds	Kiess	Riordan
Aswell	Ellsworth	Kitchin	Rose
Bacharach	Elston	Knutson	Rowan
Bowers	Ferris	Kreider	Rowe
Brinson	Fields	Langley	Rucker
Britten	Focht	Lankford	Schall
Brooks, Ill.	Fordney	Layton	Scully
Brooks, Pa.	Fuller, Mass.	Lonergan	Sears
Browne	Gallivan	McAndrews	Shreve
Burke	Gandy	McClintic	Small
Butler	Garland	McCulloch	Smith, N. Y.
Campbell, Pa.	Goldfogle	McFadden	Smithwick
Candler	Graham, Pa.	McGlennon	Snyder
Caraway	Griest	McLane	Steagall
Carter	Hamill	McPherson	Steele
Casey	Harrison	MacGregor	Stephens, Miss.
Christopherson	Hastings	Madden	Stephens, Ohio
Clark, Fla.	Hawley	Maher	Strong, Pa.
Cleary	Hayden	Mead	Sullivan
Cole	Heflin	Merritt	Tague
Costello	Hernandez	Milligan	Taylor, Tenn.
Crago	Hill	Mooney	Temple
Crowther	Huddleston	Morin	Tillman
Curry, Calif.	Hulings	Nelson, Wis.	Tinkham
Darrow	Husted	Nicholls	Vare
Davey	Johnson, S. Dak.	Pell	Ward
Dempsey	Johnston, N. Y.	Platt	Watson
Dewalt	Kelley, Mich.	Ramsey	Weaver
Dominick	Kelly, Pa.	Ramseyer	Wilson, Ill.
Donovan	Kendall	Reber	Wilson, Pa.
Drane	Kennedy, Iowa	Reed, N. Y.	Winslow
Drewry	Kennedy, R. I.	Rhodes	Zihlman
Eagle	Kettner	Riddick,	

The SPEAKER. On this roll call 296 Members have answered to their names; a quorum is present.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. MANN of Illinois. Mr. Speaker, I ask unanimous consent that the time of the gentleman from Pennsylvania may be extended 30 minutes.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the time of the gentleman from Pennsylvania be extended 30 minutes. Is there objection?

Mr. JUUL. Mr. Speaker, I ask the gentleman from Illinois to make that one hour.

Mr. MANN of Illinois. I am sorry, but I can not do it; I am afraid some one will object to 30 minutes.

Mr. MASON. Reserving the right to object, I want five minutes. I am a member of the committee and I have not taken any time so far.

Mr. GARD. Mr. Speaker, how much more time is there remaining?

The SPEAKER. The gentleman from Pennsylvania has 8 minutes remaining. The gentleman from Illinois requests that he have 30 additional minutes. Is there objection?

There was no objection.

Mr. PORTER. Mr. Speaker, I yield three minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, I regret that in this instance I can not agree with my colleague [Mr. CONNALLY], whose judgment in ninety-nine cases out of one hundred is good. But a passport in the pocket of an American citizen is a credential of American citizenship, safeguarding him while traveling in foreign lands, and is worth to any American citizen the $10 it costs anywhere in the world that he may travel. The provision in this conference report raising the fees to $10 merely extends what we call the luxury-tax provision of our revenue law, the provision which prescribes that the man who is able to afford and to enjoy the luxuries of life shall pay for them.

Mr. MASON. Will the gentleman yield?

Mr. BLANTON. No; I regret that I can not. The distinguished gentleman from Illinois will have five minutes shortly, and I have only three. When the constituents of my distinguished colleague from New York [Mr. SIEGEL] go into a dry-goods store and buy a $15 silk shirt they must pay the luxury tax on it. His constituents, however, who buy $1.50 shirts do not have to pay that luxury tax. Is that not right, that the men who are able to travel in foreign lands should pay for the privilege that little, measly $10 tax? There is no tax provision on the relatives of our soldiers and sailors and marines who are buried in France. They have a right to go to the foreign country and visit the graves without any tax whatever.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. BLANTON had leave to extend his remarks.

Mr. PORTER. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Speaker, all of the propositions in this bill except section 4, as I remember it now, received the approval of our committee. I made no objection, but without any consultation with the committee so far as I know, and without any vote in the House or consideration in our committee, they have inserted section 4. The first time I had my attention called to it was within the last 10 minutes.

Mr. PORTER. Will the gentleman yield?

Mr. MASON. I have only five minutes.

Mr. PORTER. I will yield the gentleman sufficient time to answer the question.

Mr. MASON. Very well, I yield.

Mr. PORTER. I think the gentleman is confused in regard to the bill. The appropriation bill as it passed the House contained no provision for passport control. He is no doubt thinking of a bill which I introduced which was considered by the committee fixing the passport and visé fee. There was no legislation on this question at all in the appropriation bill as it left the House.

Mr. MASON. Of course, Mr. Speaker, the gentleman's memory would be better than mine, but the fact remains that our committee never to my knowledge considered the question of putting up the bars against any man who sought an asylum and the protection of the American law and the American flag.

Section 4 would have kept Lafayette out of this country; section 4 would have kept Kossuth from coming here and pleading the cause of Hungary years ago; section 4 would keep out every man who came to this country when Cuba was in the control of Spain and who sought to come here; section 4 would keep out every man who comes from India, from Ireland, and South Africa, unless they could have a passport from Great Britain, the very country they are seeking to get away from. Perhaps some of these men are stowaways. Suppose a man escapes to-day from Lenin and Trotski because he is not a Bolshevist. He can not get a passport because Russia is not recognized. He can not get a passport from that country, so how can he get it viséd? It would have made our ancestors say that no man could land on American soil without a passport from some nation.

The world is unsettled; England to-day is governing a large part of the people seeking their independence. Suppose a man came from India, and there are a lot here now from that country that is being governed by England by force. They seek to tell the truth of their slavery to Great Britain. Suppose

they come from South Africa, suppose they want to come for legitimate educational purposes, they must knock at the door of their masters and receive the approval of a passport from Great Britain, and then when they get that they must be viséd by some one representing the United States. The Pilgrim Fathers could not have landed under this law.

I say that you are going back a century, you are going a long, long way back to say that our fathers were wrong when they said this was to be an asylum of safety for political refugees wherever they came from. Do not close the door by the passage of this bill; do not say that no Irishman shall leave Ireland until he gets permission from the King of Great Britain. [Applause.]

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. PORTER. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. BEGG].

Mr. BEGG. Mr. Speaker and gentlemen of the House, it seems to me there is unnecessary excitement over this provision at this particular time. It seems to me there is unnecessary agitation from another committee because they did not happen to have jurisdiction or did not bring in this particular proposition.

Now, I do not believe that this House ought to exercise itself more about which committee has jurisdiction over a proposition than it does about the necessities and needs of the times. If we need this passport regulation for travel—and that is what I want to call to the attention of the committee, that this resolution, this conference report, does nothing more than to regulate travel, both of the people coming into this country and the people going into other countries.

I believe that the Government of the United States has the right to exercise control of the man, even though he be an American citizen, who wants to travel abroad, if in return the American citizen expects this Government to go to the ends of the earth and protect him, if he needs protection. It is not asking anything unfair. It is only asking that the Government say to him, "You shall meet certain requirements before you run promiscuously throughout all parts of the world."

I want to say to the distinguished gentleman from Illinois [Mr. MASON], who made an impassioned plea for the Irishman, that he is not any more a bona fide loyal lover of the honest Irish than I, and that his ancestors did not come from any closer to the old Emerald Isle than did mine, nor any more recently. I have all of the sympathy in the world for the honest foreigner, whether he be Irish, Scotch, or German. If he wants to come to America because conditions in his own country are not so good as he believes conditions are in this country, and to make his home here, and at the same time become an honest American, I think he should come. I do not believe that there is a single thing in this provision that will bar out the honest man. The honest citizen seeking to better his environment can still come into this country, and we welcome him, as the most of our ancestors did the same thing.

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman yield?

Mr. BEGG. I can not yield. I want to say in my humble judgment that it will do one thing, and that is bar out such people as Emma Goldman and Alexander Berkman and their kind who have come to this country. We are to-day spending hundreds of thousands of dollars, even millions of dollars, through the Departments of Justice and Commerce and Labor, trying to sort out the undesirable aliens and send them back to where they came from.

I submit to you that it would be better business policy and more humane if we could separate them on the other side rather than separate them after they come here and after they have done their most damnable and nefarious work in the congested foreign sections of our cities. I have all of the sympathy in the world with the foreigner, but we have imported them into this country by the hundreds of thousands for years and then have done nothing for them. We have not played fair with the foreigner. We have allowed him to come to this country and permitted him to form his little Ireland, his little Germany, his little Hungary, and his little Austria in our great cities. Those congested spots to-day are the breeding places of anarchy; they are the headquarters of socialism of the left wing; they are the hotbeds of the Bolsheviki, and if you will clean those out, those congested spots, I will say to you that you will not need to deport foreigners as undesirable citizens. [Applause.]

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore (Mr. MCARTHUR). Is there objection?

There was no objection.

Mr. CONNALLY. Mr. Speaker, I make the same request.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. PORTER. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN of Illinois. Mr. Speaker, before the war passports to leave the country were not required, and passports to enter the country were not required. During the war there was reason for the change which was made, giving to the State Department arbitrary power which was arbitrarily exercised, in many instances without apparent justice, for the purpose of preventing American citizens going abroad, either to Europe, South America, the Orient, or anywhere else. I had hoped that Congress in its wisdom would put an end to some of the war-time activities of the departments of the Government when the war ceased. Yet we are met on every hand by the men holding jobs who want to keep them who desire to have these war activities extended and kept in operation. It is inevitably true that when you grant temporary power to human kind, the officials who exercise that power almost invariably want the power extended in length and increased in amount. That is the case with all of the departments of the Government. It is not a matter of partisanship, it is a matter of human nature. They see the matter from their selfish viewpoint. An official is not worth much who does not exaggerate the importance of his job, but it is time for us to stop it. [Applause.] We ought to end most of these things. Think of what it means! Here is a proposition which would prevent an Irishman fleeing from Ireland, from entering the United States—which would prevent some man from Central America, persecuted by the Government there, from fleeing to the United States—which would prevent any man from the Balkans who might be persecuted by his revolutionary government, temporary in character, from fleeing to the United States! Have we reached the point where we propose to uphold the autocratic power of any temporary government in the world and forbid the people who seek to flee from them entering our borders? They can not obtain a passport, it is impossible for them to receive a passport, from their home country. Under this bill they will not be permitted to enter the United States without a passport. Nor have I reached the point yet where I believe an American citizen, possibly hastily, called abroad, shall be required to go to the State Department and wait in misery upon their stately procession in order to get a passport to go, perhaps, to his dying mother. I am not in favor of so increasing and extending the activities of the State Department that every American citizen has to ko-tow to the State Department, which can let him go or keep him home arbitrarily, without reason, just as it pleases. I think it is time to end some of the war-time activities and war-time legislation. [Applause.]

Mr. PORTER. Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. ROGERS].

Mr. ROGERS. Mr. Speaker, there are two principal points urged against the wisdom of this conference report, one of which relates to section 3 and the other of which relates to section 5. Section 3 deals with the visé of the passports of aliens who seek to come to the United States. Without any heat or excitement I ask the House to consider exactly what section 3 does. It provides that the visé may be refused by our consular representative abroad if the applicant for that visé would be dangerous to the public safety or obviously liable to exclusion if allowed to present himself at a port of the United States for admission, and then provides for an appeal to the Secretary of State of the United States in case the alien in question considers that he has been done an injustice in having his request for a visé denied.

Mr. JOHNSON of Washington rose.

Mr. ROGERS. I can not yield at present. It is quite possible, and I think we must in all candor admit, that in a very occasional instance an injustice may be done to a worthy refugee who seeks to flee from his own country. On the other hand, I think that in 10,000 cases to 1 this provision will save the United States from having an undesirable come to the United States as a stowaway or in some other surreptitious manner.

In other words, it seems to me that this is merely another illustration of the familiar rule of life and conduct that we can not get any great good in this world without an occasional individual injustice. For the protection of the United States as a whole this method will work out an exceedingly effective justice.

Mr. CONNALLY rose.

Mr. ROGERS. I can not yield now. Now, take it from the standpoint of the alien himself. That alien oftentimes comes many hundreds or thousands of miles from his own home abroad to the seaboard and thence sails to the United States. His journey may take 4,000, 5,000, or 6,000 miles and involve an expenditure

which he can by no means afford. We have consular officers, highly trained and skilled men, all over the world, most of them living within a comparatively few miles of any place from which an alien is likely to depart. We provide in this conference report that those consuls shall assist the intending immigrant to determine whether or not he is going to be excludable under our immigration laws when he reaches a port of the United States.

I honestly think, gentlemen, that this provision is in aid of the immigrant rather than an additional hardship or difficulty which the country seeks to impose upon him.

So much for the first of the two sections to which objection has been made. To my mind the protection of the country imperatively demands the adoption of some provision like section 3. I believe the administration of the section will be fair. I believe the enactment will be extremely salutary and to the best interests of the United States in these very difficult days, when the world is on fire and when all sorts of people seek to come to the United States whom we can not wisely permit to enter.

Then comes the other provision, the provision of section 5, which requires that every American citizen who seeks to leave the United States for trans-Atlantic or trans-Pacific countries shall be obliged to equip himself with a passport before he sails. I am frank to say that I think there is a good deal of force in the argument of the gentleman from Texas [Mr. CONNALLY] on that point. I am frank to say it seems to me a rather doubtful question whether, permanently at least, we want to embark upon a policy of requiring every American citizen to take out a passport before he leaves the country. But there are two or three reasons that, in my judgment, make it a wise policy for us to undertake at this moment. We can not treat this foreign-travel question as if it were a domestic matter. Inherently and necessarily it is an international matter. As the gentleman from Illinois [Mr. MANN] has said, before the war it was not the practice of the Nation, it was not the practice of the civilized world, to require passports for travelers to and from other countries. But during the war that practice has grown up. Whether we like it or not, it is here, and, gentlemen of the House, whether we like it or not, it is here to stay for a good many years. England, France, Italy, Germany, and the other countries, the lesser countries of Europe, are to-day requiring passports for incoming and outgoing travel.

Mr. SABATH. Will the gentleman yield?

Mr. ROGERS. I am sorry I can not yield just now. The then Secretary of State, Mr. Lansing, in the course of the rather elaborate hearings which we had upon this general question, said that in his judgment this same condition would continue for some years, and he gave that as his opinion as the result of what was said to him by the representatives of other countries with whom he had been associated at Paris. That being so, the question may present itself why we need legislate it in our statute books. In one sense we do not need to do so, but it is exceedingly important that every American shall know before he starts forth that he must have a passport. He might find some countries to which a passport was not necessary. He might start from the United States for a country without a passport, but instantly when he got there and when he attempted to pass to other countries he would find himself all snarled up without the essential thing for his safety and comfort. With the world in the situation in which it is and with other countries almost universally requiring passports and likely to continue that requirement for some years, from the standpoint of the American citizen himself it is infinitely better to carry in our law, for a while at least, a provision that every forthgoing American citizen must have a passport.

It is not because we want to annoy the traveler. We want to help the legitimate traveler in every way, but we want to protect him when he goes to Europe or to Asia, and incidentally we want to enable our diplomatic representative or our consular representative——

The SPEAKER. The time of the gentleman has expired.

Mr. PORTER. I extend the gentleman's time two minutes.

Mr. ROGERS. And incidentally we want to assist our diplomatic representative or consular representative abroad, to whom this very man may apply for assistance, in his determination of whether or not the individual is in fact one who is entitled to that assistance or whether he is a fraud who is trying to pass himself off as an American in order to get protection to which he is not entitled. As a matter of administration this compulsory requirement will be of enormous assistance. As a matter of safety to our American travelers it will be of exceeding advantage. I do not understand that there is very much objection made to the requirement that hereafter there shall be $10 charged for an American citizen leaving the country or for aliens coming to this country. As a matter of fact that suggestion has been made by several gentlemen who have been most earnest in opposing this conference report to-day. The question comes simply to this narrow issue, so far as I can determine—whether we shall make the taking out of the passport or visé compulsory in the respective cases. If we are going to raise the fees as a revenue matter, in order to make this service very much more nearly self-supporting, it is obvious that we shall need, as a matter of common sense, to have it compulsory that intending travelers shall take out passports or visés, because otherwise the increased charge will scare them off and they will refuse to take out the passport or the visé, as the case may be.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. ROGERS. I will yield.

Mr. CAMPBELL of Kansas. As a matter of fact, this is not a law that can not be amended hereafter?

Mr. ROGERS. Of course not.

Mr. CAMPBELL of Kansas. And if it is found unworkable after present conditions have passed, then the law can be amended so as to bring it back to the prewar condition if it is necessary to do so.

Mr. ROGERS. I thank the gentleman for the suggestion.

The SPEAKER. The time of the gentleman has expired.

Mr. PORTER. I yield one minute more to the gentleman.

Mr. ROGERS. We think in these very trying days, when American citizens going to other countries may often get into a predicament which will require the assistance of our consular and diplomatic representatives, it is exceedingly important for the country as a whole, and for the individuals as well, that their exact right should be determinable at a moment's notice. We have similarly thought in these trying days, when the whole world is seeking to come to the United States, when the unworthy and undesirable are seeking to come as well as the worthy and desirable, that in every possible way we shall control and restrict the tide of undesirable immigration from Europe. And in this bill we are simply providing two sieves through which the intending immigrant should pass instead of the one that he has now. We do not in any way limit the provisions of the immigration law. We are trying to make it more universal and more adequately operative and enforceable.

Mr. PORTER. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has 20 minutes remaining.

Mr. PORTER. I yield two minutes to the gentleman from California [Mr. RAKER].

Mr. RAKER. Mr. Speaker and gentlemen of the House, it is quite immaterial to my mind just the methods or committee through which this legislation comes. Primarily, it might be in the Committee on Immigration and Naturalization, but it is here before us now in a concrete form, whereby we can pass upon it, and it simply provides in addition to the laws that are now upon the statute books as to immigration another provision that is wholesome and beneficial. And I am satisfied that every Member that has been in favor of our immigration laws is in favor of this, although they make some slight objection that the Committee on Immigration and Naturalization did not have the opportunity to bring their bill in in place of the one that is here. The general provisions of the immigration law now in force and those that may hereafter be enacted will apply.

Mr. JOHNSON of Washington. Will the gentleman yield for a question?

Mr. RAKER. I will.

Mr. JOHNSON of Washington. What does the gentleman think of a law that provides for the collection of $10 from an alien for an American visé and brings him to the door of the United States and then turns him back and keeps the $10?

Mr. RAKER. I think it is all right if you work it right. It is an additional safeguard. Under this bill, if he passes the visé of the officer abroad, and it turns out when he lands that he is not admissible, he knows what the law is—and most of them know it—and he ought to be sent back at the expense of the steamship company that brought him here under the provision of the immigration law as it now exists. And then, too, he has had that much experience.

Mr. MASON. How can he have a visé unless he has a passport?

Mr. RAKER. His passport is applied for in the foreign country.

The SPEAKER. The time of the gentleman has expired.

Mr. RAKER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. PORTER. Mr. Speaker, I yield the balance of my time to the gentleman from Wyoming [Mr. MONDELL].

Mr. CLARK of Missouri. Mr. Speaker, I would like to ask the gentleman from Pennsylvania a question. Is not this passport for an American going out already on the statute books and to run until the 1st of July, 1921?

Mr. PORTER. Until the 4th of March, 1921.

Mr. CLARK of Missouri. It is to run until the 4th of March?

Mr. PORTER. Yes.

Mr. CLARK of Missouri. What do you want to get this made a permanent law now for?

Mr. MONDELL. Mr. Speaker, two objections have been made to the provisions of this conference report. One is aimed at the requirement that an American citizen leaving for foreign ports shall obtain a passport and pay $10 for it. I think that any American who under present circumstances wants to go abroad can well afford to pay $10 for the privilege of being officially vouched for. I think that any American desiring to go abroad in the condition of things abroad had best arm himself with a passport before he goes if he values his comfort. Otherwise he should stay at home. [Applause.] If he goes without a passport, he is only going into trouble.

Now, the other objection made is that we are requiring that those coming to our shores should obtain passports before they sail. I do not know that I would favor that as a permanent law. But the world is in turmoil. We are now spending millions of dollars of the good money of the American people trying to get rid of folks who are here and who ought never to have been allowed to come. [Applause.] Some gentlemen seem to be fearful that some of our friends from the ever-green isle will not be able to come if we impose the condition. Well, unless I misjudge the attitude of the English Government, they will be entirely willing to issue a passport just at this time to any Irishman who wants to go beyond seas.

Mr. CONNALLY. Will the gentleman yield?

Mr. MONDELL. In just a moment. In my opinion there is absolutely nothing to that objection. You can scarcely conceive a situation under which Great Britain would deny a passport to an Irishman or a Welshman or a Scotchman desiring to come to America.

Mr. MASON. They do it now.

Mr. MONDELL. I yield to the gentleman from Texas.

Mr. CONNALLY. The gentleman states he is in favor of it only temporarily.

Mr. MONDELL. We can amend it at any time.

Mr. CONNALLY. The gentleman will not let me ask the question. Is not the gentleman aware that we have already passed in this Congress a bill continuing until March 4, 1921, the war-time passport control? That meets the temporary situation.

Mr. MONDELL. I am talking about the matter now before us, and in my opinion, in the present condition of the world it is well for us to guard our ports, and in my opinion there is no honest, well-meaning person, no matter who he may be or where he may be, who desires to come to America for good reasons and who will make a good citizen when he comes but can obtain a passport and the opportunity to come. In these times, when we are fighting the red menace the country over, we should not quibble about matters of this kind. This provision will not, in my opinion, keep from our shores a single, solitary, honest, well-meaning person desiring to come, and no other class of persons should come. [Applause.]

Mr. PORTER. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. SABATH and Mr. MASON demanded a division.

Mr. ROGERS. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 97, nays 194, not voting 136, as follows:

YEAS—97.

Ackerman	Copley	Goodall	Larsen
Bankhead	Crisp	Hadley	Lee, Ga.
Barkley	Currie, Mich.	Harreld	Longworth
Begg	Dale	Hawley	Luce
Benham	Davis, Tenn.	Hersman	Lufkin
Black	Dickinson, Mo.	Hicks	McArthur
Blackmon	Dunbar	Holland	McDuffie
Bland, Va.	Dunn	Houghton	McLaughlin, Mich.
Blanton	Dupré	Howard	Mann, S. C.
Brand	Emerson	Hudspeth	Mapes
Byrnes, S. C.	Evans, Nev.	Ireland	Mays
Byrns, Tenn.	Fess	Jacoway	Michener
Campbell, Kans.	Flood	Johnson, Miss.	Miller
Cantrill	Fordney	Kincheloe	Mondell
Cooper	French	Lanham	Moores, Ind.
Newton, Minn.	Quin	Snell	Walters
Oldfield	Radcliffe	Stiness	Webster
Overstreet	Raker	Strong, Kans.	Welling
Paige	Rayburn	Swope	Whaley
Parker	Robsion, Ky.	Taylor, Ark.	Wilson, La.
Parrish	Rogers	Thomas	Wise
Peters	Sanders, Ind.	Tincher	Wright
Platt	Scott	Upshaw	
Porter	Sinnott	Venable	
Purnell	Smith, Idaho	Vinson	

NAYS—194.

Almon	Evans, Mont.	Lazaro	Robinson, N. C.
Anderson	Evans, Nebr.	Lea, Calif.	Rodenberg
Andrews, Nebr.	Fairfield	Lehlbach	Romjue
Ashbrook	Fisher	Linthicum	Rouse
Ayres	Foster	Little	Rubey
Babka	Frear	Luhring	Rucker
Baer	Freeman	McClintic	Sabath
Barbour	Fuller, Ill.	McKeown	Sanders, La.
Bee	Gallagher	McKiniry	Sanders, N. Y.
Bell	Gandy	McKinley	Sells
Benson	Ganly	McLaughlin, Nebr.	Sherwood
Bland, Ind.	Gard	MacCrate	Siegel
Bland, Mo.	Garner	Magee	Sims
Boies	Garrett	Major	Sinclair
Booher	Glynn	Mann, Ill.	Sisson
Box	Godwin, N. C.	Mansfield	Slemp
Briggs	Goldfogle	Martin	Smith, Ill.
Britten	Goodwin, Ark.	Mason	Smith, Mich.
Brooks, Ill.	Goodykoontz	Milligan	Stedman
Browne	Graham, Ill.	Minahan, N. J.	Stephens, Miss.
Buchanan	Green, Iowa	Monahan, Wis.	Stoll
Burdick	Greene, Mass.	Montague	Summers, Wash.
Burroughs	Griffin	Moon	Sumners, Tex.
Caldwell	Hardy, Colo.	Moore, Ohio	Sweet
Candler	Hardy, Tex.	Moore, Va.	Taylor, Colo.
Cannon	Hays	Morgan	Thompson
Carew	Hersey	Mott	Tilson
Carss	Hickey	Mudd	Timberlake
Chindblom	Hoch	Murphy	Tinkham
Clark, Mo.	Hoey	Neely	Towner
Classon	Hull, Tenn.	Nelson, Mo.	Vaile
Coady	Humphreys	Newton, Mo.	Vestal
Collier	Hutchinson	Nolan	Voigt
Connally	Igoe	O'Connell	Volstead
Cramton	James	O'Connor	Walsh
Crowther	Jefferis	Ogden	Wason
Cullen	Johnson, Ky.	Oliver	Watkins
Dallinger	Johnson, S. Dak.	Olney	Welty
Davey	Johnson, Wash.	Osborne	Wheeler
Davis, Minn.	Jones, Pa.	Padgett	White, Kans.
Denison	Jones, Tex.	Park	White, Me.
Dooling	Juul	Phelan	Williams
Doremus	Kahn	Pou	Wingo
Doughton	Keller	Rainey, Ala.	Wood, Ind.
Dowell	King	Rainey, J. W.	Young, N. Dak.
Dyer	Kinkaid	Randall, Calif.	Young, Tex.
Eagan	Kleczka	Randall, Wis.	Zihlman
Echols	Kraus	Reavis	
Elliott	Lampert	Ricketts	

NOT VOTING—136.

Andrews, Md.	Esch	Kitchin	Rose
Anthony	Ferris	Knutson	Rowan
Aswell	Fields	Kreider	Rowe
Bacharach	Focht	Langley	Sanford
Bowers	Fuller, Mass.	Lankford	Schall
Brinson	Gallivan	Layton	Scully
Brooks, Pa.	Garland	Lesher	Sears
Brumbaugh	Good	Lonergan	Shreve
Burke	Gould	McAndrews	Small
Butler	Graham, Pa.	McCulloch	Smith, N. Y.
Campbell, Pa.	Greene, Vt.	McFadden	Smithwick.
Caraway	Griest	McGlennon	Snyder
Carter	Hamill	McKenzie	Steagall
Casey	Hamilton	McLane	Steele
Christopherson	Harrison	McPherson	Steenerson
Clark, Fla.	Hastings	MacGregor	Stephens, Ohio
Cleary	Haugen	Madden	Stevenson
Cole	Hayden	Maher	Strong, Pa.
Costello	Heflin	Mead	Sullivan
Crago	Hernandez	Merritt	Tague
Curry, Calif.	Hill	Mooney	Taylor, Tenn.
Darrow	Huddleston	Morin	Temple
Dempsey	Hulings	Nelson, Wis.	Tillman
Dent	Hull, Iowa	Nicholls	Treadway
Dewalt	Husted	Pell	Vare
Dickinson, Iowa	Johnston, N. Y.	Rainey, H. T.	Ward
Dominick	Kearns	Ramsey	Watson
Donovan	Kelley, Mich.	Ramseyer	Weaver
Drane	Kelly, Pa.	Reber	Wilson, Ill.
Drewry	Kendall	Reed, N. Y.	Wilson, Pa.
Eagle	Kennedy, Iowa	Reed, W. Va.	Winslow
Edmonds	Kennedy, R. I.	Rhodes	Woods, Va.
Ellsworth	Kettner	Riddick	Woodyard
Elston	Kiess	Riordan	Yates

So the conference report was rejected.

The Clerk announced the following pairs:

Until further notice:

Mr. SNYDER with Mr. CARTER.

Mr. RHODES with Mr. TILLMAN.

Mr. ROWE with Mr. MCLANE.

Mr. ELSTON with Mr. DRANE.

Mr. HERNANDEZ with Mr. HASTINGS.

Mr. COLE with Mr. HAYDEN.

Mr. BUTLER with Mr. STEELE.

Mr. LANGLEY with Mr. CLARK of Florida.

Mr. KENNEDY of Rhode Island with Mr. TAGUE.

Mr. FOCHT with Mr. DEWALT.
Mr. GRAHAM of Pennsylvania with Mr. CAMPBELL of Kansas.
Mr. GOOD with Mr. WOODS of Virginia.
Mr. GARLAND with Mr. WILSON of Pennsylvania.
Mr. CURRY of California with Mr. DREWRY.
Mr. ESCH with Mr. HENRY T. RAINEY.
Mr. KNUTSON with Mr. LESHER.
Mr. YATES with Mr. BRINSON.
Mr. SHREVE with Mr. CASEY.
Mr. KIESS with Mr. FERRIS.
Mr. MCPHERSON with Mr. HEFLIN.
Mr. HILL with Mr. CARAWAY.
Mr. BROOKS of Pennsylvania with Mr. GALLIVAN.
Mr. LAYTON with Mr. KITCHIN.
Mr. ANTHONY with Mr. WEAVER.
Mr. WOODYARD with Mr. MOONEY.
Mr. KREIDER with Mr. RIORDAN.
Mr. REED of New York with Mr. MAHER.
Mr. WINSLOW with Mr. STEAGALL.
Mr. WATSON with Mr. DENT.
Mr. MCCULLOCH with Mr. SEARS.
Mr. DICKINSON of Iowa with Mr. KETTNER.
Mr. WARD with Mr. LANKFORD.
Mr. HUSTED with Mr. SMITH of New York.
Mr. BACHARACH with Mr. GOLDFOGLE.
Mr. TREADWAY with Mr. FIELDS.
Mr. STEPHENS of Ohio with Mr. PELL.
Mr. ROSE with Mr. HUDDLESTON.
Mr. EDMONDS with Mr. MCANDREWS.
Mr. TEMPLE with Mr. SMITHWICK.
Mr. KENDALL with Mr. HARRISON.
Mr. GRIEST with Mr. JOHNSTON of New York.
Mr. STRONG of Pennsylvania with Mr. ROWAN.
Mr. REBER with Mr. BRUMBAUGH.
Mr. BOWERS with Mr. STEVENSON.
Mr. DARROW with Mr. SMALL.
Mr. MCKENZIE with Mr. DOMINICK.
Mr. COSTELLO with Mr. LONERGAN.
Mr. SANFORD with Mr. HAMILL.
Mr. HULINGS with Mr. SULLIVAN.
Mr. RIDDICK with Mr. CLEARY.
Mr. NELSON of Wisconsin with Mr. EAGLE.
Mr. CRAGO with Mr. NICHOLLS.
Mr. HAUGEN with Mr. DONOVAN.
Mr. REED of West Virginia with Mr. ASWELL.
Mr. MADDEN with Mr. MEAD.
Mr. RAMSEY with Mr. SCULLY.
Mr. MERRITT with Mr. MCGLENNON.
Mr. MORIN with Mr. SUMNERS of Texas.

Mr. MCKENZIE. Mr. Speaker, I desire to vote "no."

The SPEAKER. Was the gentleman in the Hall, listening, when his name was called?

Mr. MCKENZIE. I was at the rear end of the Hall.

The SPEAKER. The Chair is obliged to submit the formula. The gentleman can answer. Was the gentleman present when his name was called?

Mr. MCKENZIE. I can not say. I did not hear it.

The SPEAKER. The gentleman must answer that affirmatively in order to qualify.

The result of the vote was announced as above recorded.

Mr. PORTER. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendments and ask for a further conference.

The SPEAKER. The gentleman from Pennsylvania moves that the House further insist on its disagreement to the Senate amendments and ask for a further conference. The question is on agreeing to that motion.

The motion was agreed to; and the Speaker announced as the conferees on the part of the House Mr. PORTER, Mr. ROGERS, and Mr. FLOOD.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

Mr. WOOD of Indiana. Mr. Speaker, I desire to submit a privileged report from the Committee on Appropriations.

The SPEAKER. The gentleman from Indiana submits a privileged report from the Committee on Appropriations. The Clerk will report it.

The Clerk read as follows:

A bill (H. R. 14100) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes.

The SPEAKER. The bill is referred to the Union Calendar and ordered printed.

Mr. WOOD of Indiana. Mr. Speaker, I ask unanimous consent for the immediate consideration of this measure; and, pending that request, I desire to see if we can not agree upon time for consideration. I ask unanimous consent for the present consideration of the legislative, executive, and judicial appropriation bill, and ask that one hour be had for debate, one half to be controlled by the gentleman from Tennessee [Mr. BYRNS] and the other half by myself on this side, and that at the conclusion of the debate the previous question shall be considered as ordered on the bill.

Mr. LONGWORTH. Reserving the right to object, Mr. Speaker, I want to ask the gentleman what disposition the committee has made of the matter in controversy in regard to printing?

Mr. WOOD of Indiana. We have stricken out section 8. I desire to modify my request, Mr. Speaker, by asking that the gentleman from Mississippi [Mr. SISSON] control the time on that side.

Mr. BYRNS of Tennessee. Reserving the right to object, Mr. Speaker, I understood the gentleman to suggest 1 hour and 30 minutes to a side?

Mr. WOOD of Indiana. Yes, sir.

Mr. BYRNS of Tennessee. I will state to the gentleman that so far as I know, whether the gentleman from Mississippi [Mr. SISSON] desires to discuss the matter or not, I wanted probably 10 minutes. I do not know that I shall take all of it.

Mr. SISSON. I shall be glad to give the gentleman 10 minutes if he desires it.

Mr. BYRNS of Tennessee. And the gentleman from North Carolina [Mr. POU] wanted about 35 minutes. I wanted to suggest that the gentleman increase the time so as to permit the gentleman from North Carolina to have the time he desires, and also permit me to have 10 minutes.

Mr. POU. Reserving the right to object, I would like to say to my friend from Indiana [Mr. WOOD] that we reported out four rules from the Committee on Rules on Saturday, and I did not ask for any time on any one of those rules. In view of that fact I thought it might be agreeable to the gentleman to extend the time so that I could get 10 minutes.

Mr. CANNON. Does the gentleman want to speak on this bill?

Mr. SISSON. Of course I have no objection to extending the time 30 minutes, so as to accommodate these gentlemen, making it 45 minutes to a side. I do not know that I shall consume any time myself. I would be very glad to accommodate these gentlemen if I could.

Mr. WOOD of Indiana. I ask unanimous consent, so far as the time is concerned, that the gentlemen on that side may have 45 minutes and that we on this side have 30 minutes.

Mr. GARNER. The gentleman's unanimous-consent agreement includes the previous question. The gentleman from Tennessee [Mr. BYRNS] desires to offer an amendment to this bill in order to have legislation correcting what has been complained about.

Mr. MANN of Illinois. This would authorize him to offer an amendment.

Mr. GARNER. If the previous question is applied, how could he offer an amendment?

Mr. MANN of Illinois. He will have the floor; he can offer the amendment.

Mr. SISSON. This does not preclude the offering of amendments, as I understand, at any time within the 45 minutes.

Mr. MANN of Illinois. Mr. Speaker, I desire to propound a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MANN of Illinois. Under the request that was made for unanimous consent, would the bill be considered in the House or in Committee of the Whole House on the state of the Union? That is inquiry first. Would the bill be ready for amendment before the discussion commences? Would an amendment be in order during this discussion, or would amendments be in order at any time before the final vote?

The SPEAKER. The Chair ruled once recently—and the Chair thinks that it would apply to this request—that when a request is made for unanimous consent for the consideration of a bill on the Union Calendar that dispenses with the consideration in the Committee of the Whole, and therefore the Chair——

Mr. MANN of Illinois. That is on the Unanimous Consent Calendar. I do not think the Chair has ever ruled on a bill of this sort.

The SPEAKER. The Chair thinks——

Mr. MONDELL. Mr. Speaker, I think it would simplify the matter if the gentleman from Indiana [Mr. WOOD] were allowed again to make his request and make it, as I understand he desires to make it, so that we can take the bill up. It must be read, of course——

Mr. MANN of Illinois. Why should it be read?

Mr. MONDELL. And after we have had 45 minutes of debate on each side, at the expiration of which time the previous question shall be ordered on the bill and all amendments.

Mr. BLANTON. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. The President having vetoed this bill and sent it back, and it having been reconsidered by the committee——

Mr. MANN of Illinois. This is a new bill. It has not been vetoed by the President.

Mr. BLANTON. Then, if it is a new bill, I make the point of order, Mr. Speaker, that it occupies the same position as if it had never been passed, and therefore it would have to be read in Committee of the Whole.

The SPEAKER. That is the reason the gentleman asked unanimous consent to dispense with it; otherwise it is not required.

Mr. BLANTON. Can that be waived by unanimous consent?

The SPEAKER. It can.

Mr. WOOD of Indiana. Mr. Speaker, I wish to modify my request. I wish to state first that the bill as presented by the committee is exactly the bill that was agreed to, except section 8, which has been eliminated.

Mr. GARNER. Will the gentleman yield for a question?

Mr. WOOD of Indiana. Yes.

Mr. GARNER. This matter could be very much simplified, and I think this side of the House, so far as I know, would be glad to go on and pass the bill, if you will give an opportunity to the gentleman from Tennessee to offer an amendment that is out of order.

Mr. MANN of Illinois. That we will not do. The gentleman, of course, can offer an amendment that is in order, or he can offer one that is out of order.

Mr. WOOD of Indiana. Mr. Speaker, I make the request that the legislative bill be taken up for immediate consideration; that it be considered in the House; that the time be divided, 45 minutes to be controlled by the gentleman from Mississippi and 30 minutes to be controlled by myself. And at the expiration of that time the previous question be considered as ordered upon the bill and all amendments thereto to final passage.

The SPEAKER. The gentleman from Indiana asks unanimous consent that the legislative bill be taken up for consideration in the House, that debate be limited to one hour and a quarter, 45 minutes of which shall be controlled by the gentleman from Mississippi [Mr. SISSON] and 30 minutes by the gentleman from Indiana, and that at the expiration of that time the previous question shall be considered as ordered.

Mr. GARNER. And it will not be necessary to read the bill.

Mr. MANN of Illinois. We will make that request later.

Mr. BYRNS of Tennessee. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. BYRNS of Tennessee. In the event that I should be accorded time by the gentleman from Mississippi under this agreement, will I be permitted in that time to offer an amendment and have it pending?

Mr. MANN of Illinois. Certainly the gentleman would have the right to offer the amendment for the consideration of the House.

Mr. GARRETT. During general debate?

Mr. MANN of Illinois. There is no general debate, the request is to consider the bill as though it was on the House Calendar in the House.

Mr. BANKHEAD. If the gentleman will yield, I suggest that he incorporate in that request that the reading of the bill be dispensed with.

Mr. BLANTON. Reserving the right to object, would the gentleman from Indiana object to the Clerk reading this bill scientifically, if it has to be read, for he knows how to read it in that way and it takes only a few minutes?

The SPEAKER. The bill will have to be read unless there is further agreement.

Mr. SISSON. As I understand, the gentleman from Tennessee will have the right to offer his amendment at any time.

Mr. MANN of Illinois. At any time when he has the floor.

Mr. SISSON. At any time during the 45 minutes on this side. The amendment, if in order, would be voted upon at the expiration of the time, and if it is not in order it would be ruled out of order.

The SPEAKER. That would be the effect. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MANN of Illinois. Mr. Speaker, I would like to ask the gentleman from Indiana if this bill as now reported is the identical bill that went to the President with section 8 which the President vetoed left out?

Mr. WOOD of Indiana. It is exactly.

Mr. MANN of Illinois. Mr. Speaker, I ask unanimous consent that the reading of the bill, under the circumstances, be dispensed with.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none. The gentleman from Indiana is recognized for 30 minutes and the gentleman from Mississippi for 45 minutes.

Mr. SISSON. Mr. Speaker, I yield 25 minutes to the gentleman from North Carolina [Mr. POU].

Mr. POU. Mr. Speaker, the independence of America was achieved under the leadership of George Washington. The Union of the States was made everlasting under the leadership of Abraham Lincoln. Woodrow Wilson led the Nation to victory through a crisis without any parallel in the history of the world. [Applause.] It would seem that any President called to the leadership of the American people during a time so tragic ought to have received the undivided support of all Americans until his task was finished. Unfortunately, as I believe, for the future of America this undivided support was denied to Mr. Wilson. It is true that while the war was on, Congress, Democratic by a small majority, passed such legislation as the President deemed necessary for the winning of the war, but we all remember the complaints which came from the Republican side of this Chamber, the unsuppressed criticism of the committee room, and the silence with which his great appeals were received on one side of this Chamber.

In the closing chapters of the great tragedy now being written, no man should complain if the whole truth is told.

It was agreed that the peace treaty should be written at Versailles. The representatives of the nations, who met at Versailles, constituted the most powerful assembly of men ever called together to shape the future of mankind. The task which confronted them, in one way or another, affected the destiny of all nations, of all peoples. It was at once announced that the premiers of the allied countries would probably be their representatives. The most powerful man of France is not the President but the premier. The most powerful man of Great Britain is not her King but her premier. The same is true of Italy. Thus it was understood that the highest, most powerful, and influential officials of these nations would sit in the council of Versailles to represent them.

But when the announcement came that President Wilson would represent America a storm of Republican criticism at once appeared in the public print. Of course, we all know that, under our Constitution, the President is invested with most of the powers exercised by the premiers of other great democracies. We have no premier in America, unless the President himself is the premier. Just why anyone should wish to criticize the President because he decided to attend the conference at Versailles as one of America's representatives is hard to understand; yet almost immediately after the announcement was made all manner of criticism appeared. Republican politicians declared that if the President attended, the world must know in advance that he had been repudiated in the November election by the American people. It was even charged that he had no moral right to attend as our representative, because a Republican Congress had been elected. Notwithstanding his great work during the war, the charge was made that he had already been repudiated by his own people.

Think of that, if you please, Mr. Speaker. Here was the President of the United States, a man twice elected to that high office, charged with a solemn duty under the Constitution, and yet when he proposes to discharge that duty his political opponents immediately inaugurate a campaign to discredit him in the esteem of all the other nations of the world. There may be a parallel for this, but I believe no parallel exists. Even before the President stepped aboard the ship in New York Harbor to start his momentous journey the charge was made by certain Republican politicians that he had no right to speak for the American people. The truth of this can not be denied. No man will attempt to deny it; and yet, even now, when one looks back and considers some of the things that were said about the President before he sailed for Europe one wonders how any man calling himself an American could have been willing to so attempt to discount and weaken the power and influence of our own President.

The task confronting the President was so onerous, so solemn, so oppressive, so fraught with results affecting the destiny of the human race that it would seem any President placed in the position of Mr. Wilson ought in justice to have received the undivided support of his people. It was no time to play poli-

tics, and any attempt to even weaken the influence of the President ought to have been frowned upon with contempt by every decent American; but this support, which ought to have been united, this support which ought to have been generously given, was denied to Mr. Wilson. It is absolutely true that he was shot in the back by some of his own people as he was leaving America on the greatest mission abroad ever undertaken by an American. [Applause.]

Mr. Speaker, men do not do desperate things without strong reason, and I charge here and now that these contemptible attacks upon President Wilson before and during the Versailles conference were made for one purpose only, to wit, to promote the prospect of Republican success in the coming elections.

Surely there are times, Mr. Speaker, when the official head of a nation is in fairness entitled to the sincere, generous support of all the people of such nation. There are times when good men are glad to discard all political differences. There are times when every decent Democrat is proud to follow a Republican President, when every decent Republican is proud to follow a Democratic President. During every hour President Wilson spent in Europe he was entitled to such unstinted support, but it seemed that certain Republican politicians, even during that critical period, thought more of party success than they did of the great struggle to make war between nations less probable. Let us not forget this: Mr. Wilson was not only President, he was also the Commander in Chief of the Army and Navy, and the war was still on. The attacks on him were just as unwarranted as the attack of a soldier on his commander during battle. [Applause.] I remember well the great message of the President to Congress in which he announced to the world the conditions upon which America would agree to end the war.

Suppose some Member of this body had then attempted to discredit the President by announcing that the President did not speak for America, that he did not in that message truly represent the sentiments of the American people; what do you suppose would have happened? How do you suppose such an announcement would have been received by this House and the American people? And yet Mr. Wilson was just as truly America's representative in Europe as he was on the day he delivered that message.

Let us go one step further, Mr. Speaker, in developing the plan to weaken the power and influence of this great man. What happened here? On June 9, 1919, the gentleman from Massachusetts [Mr. WALSH] introduced the following resolution:

Joint resolution (H. J. Res. 105) relating to the powers and duties of the office of President.

Resolved, etc., That any absence of the President from the limits of the United States for a period exceeding 24 hours is hereby declared to be inability to discharge the powers and duties of said office, and such inability shall terminate upon the actual return of the President to the seat of the government of the United States. During the period of said inability the Vice President shall act as President, with full power and authority to discharge the duties of said office.

And on July 9, 1919, I regret to say the gentleman from Kansas [Mr. CAMPBELL], the genial, kind-hearted chairman of the Committee on Rules, felt constrained to introduce the following bill:

A bill (H. R. 7114) amending chapter 28, United States Statutes at Large, being "An act for establishing the temporary and permanent seat of government of the United States," approved July 16, 1790.

Be it enacted, etc., That from and after the passage of this act it shall be unlawful for the President of the United States, during the term of his office, to absent himself from the territorial jurisdiction of the United States or to perform the duties of his office at any other place than at the seat of government established by the "Act for establishing the temporary and permanent seat of government of the United States," approved July 16, 1790, to which this act is an amendment.

Perhaps the most charitable comment to be made upon the foregoing documents is that both died very early in the legislative process—died for lack of support. Be it said to the credit of the gentlemen who introduced these measures, apparently they did not expect favorable action, and, be it said to the credit of this House, neither received a favorable report from any committee. No member of the British Parliament introduced any such bill or resolution reflecting upon Mr. Lloyd-George. No Frenchman sought in this way or any similar way to weaken the influence of Mr. Clemenceau. No Italian sought in this way to lessen the influence of the Italian premier. But here in this body such measures were introduced, and, whether prepared for such purpose or not, the effect was to make the task of Mr. Wilson more difficult.

Mr. Speaker, the course of America during this war, under the guiding hand of President Wilson, had won the admiration of the entire world. By his wise, prudent course, by his great appeals, which will live forever, it is positively true he brought the war to an end sooner than the most hopeful American thought possible. His messages to Congress were really messages to the whole world. The influence for good of those messages was felt and acknowledged by men of all nations. They filled the American soldier—who in truth won the war—with enthusiasm, but they did more than this: The words of this great man so influenced the German soldier that he refused to fight. Mr. Speaker, who will deny this?

Against this man, who had led America to heights never attained before, the bill and resolution I have read were directed. While he was still striving for a just, righteous treaty one Republican leader would by resolution declare the presidential office vacated, and another Republican leader would by act of Congress declare unlawful even the necessary absence of the President from the United States. The bill meant nothing if it did not mean to rebuke the President for going to France.

Can you think of anything more unfair? Do you think the people of America approve such treatment of the President? Do you think the great body of independent American voters, who love fair play even in politics, will tolerate such treatment of the President?

But this is not all. After the President returned to America another Republican leader actually introduced a resolution to investigate the tokens of appreciation given to the President while in Europe.

Now, Mr. Speaker, the efforts here and in other places to discredit the President may not have been a conspiracy wherein certain men agreed that one shall do one thing and another shall do another thing, with a common end in view, to wit, to weaken the influence of Mr. Wilson as the American President; but I charge here and now the whole scheme was in effect a conspiracy, because this is the only theory which will explain and square with the course pursued by certain Republican leaders through the long months during which the treaty was pending. The story is an oft-told tale of which every fair-minded American ought to be ashamed. I believe most of them are, whether they call themselves Republicans or Democrats. I make this charge also: The effort to foil and defeat and humiliate this great man had the support of every hyphenated, false American and every German sympathizer in this country to the last man.

And now, Mr. Speaker, I come to one phase of this conspiracy which I wish I could forget. All will agree, even his most bitter enemy, that the President made a noble fight for his ideals. Nor will any decent man deny that the ideals cherished by the President are the very highest. Suddenly the end came. The President was stricken down. He had declared that he was willing to die for those ideals, and his words were almost prophetic with truth. So far as the record shows, during the long months of his illness there was hardly a word of sympathy from the opposition. At first it was intimated that the President really was not sick, that he was simply shamming, that he had gotten cold feet, that he wanted to quit. The statement of his physicians was not accepted. And it is actually true that when one day in this House a Republican leader, summing up an attack upon the course of the President, used the words, "and that is when he got sick," to the everlasting shame of the Republican majority in this Chamber the RECORD shows the statement was applauded. There are men in this Chamber now who were present and know that the RECORD speaks the truth.

When it became certain that the President had been sorely stricken the conspirators changed tactics. The charge was made that the physicians of the President were concealing the truth. It was openly intimated that he did not have the capacity to attend to the public business. Then came the most brutal of all the many brutal acts leveled against this world leader. A representative of those who opposed the President must be sent to his bedside to ascertain just what the condition of the President was, with instructions to report within 48 hours. The doctors attending the President were posting a daily bulletin. They said his mind was clear as a bell. There was not even a suggestion in any bulletin that he was not competent to attend to the public business, but this did not satisfy.

The opposition demanded the right to send one of their number, of their own selection, into the sick room of the President with peremptory instructions to report within 48 hours. I pause here and now to say I do not believe there is any Member in this Chamber willing to stand up and approve such action. I believe it is safe to say that in all the history of American politics, during the hour of the highest passion, no President of the United States has ever been treated in so brutal a manner. It never seemed to have occurred to any Republican how decent it would have been to introduce and pass a resolution of sympathy, coupled with a declaration of intention, to support the President as far as consistent, disavowing any purpose to embarrass. Such a resolution would have been worthy of a generous opposition scorning any tactics which are not fair.

President Garfield was shot in the Pennsylvania Railroad Station. During the weeks he lingered no man can recall anything but consideration and sympathy from the opposition in Congress. The great, kind-hearted, noble McKinley was shot in Buffalo. When the news was flashed over the wires a Nation broke down in tears. I remember well how the news was received in the village where I live. The courthouse bell was rung, in a short while the court-room chamber was filled. Almost every person present politically differed from Mr. McKinley, but I can truthfully say I never, on any occasion, heard more sincere expressions of sympathy and regret. A telegram was sent to Mrs. McKinley immediately, and that telegram carried a prayer to God that the President would be permitted to live.

How different the treatment accorded to President Wilson, all for political reasons. No man will deny the high purpose of the President. Every act of his presidential career has been intended for the betterment of mankind, but when he led the Democratic Party to power he committed an unpardonable sin against certain Republican politicians who had come to believe that they, and they alone, were invested with a sort of divine right to shape the destiny of America. So when nothing else would accomplish the purpose, when every effort to break the influence of the President had failed, fearing another victory under his leadership a combination launched a campaign to ruin this great man in the White House. God forgive them, Mr. Speaker, they know not what they do. [Applause.]

Mr. WOOD of Indiana. Mr. Speaker, I yield one minute to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Speaker, the gentleman from North Carolina [Mr. POU] made a statement that the resolution introduced by the gentleman from Kansas [Mr. CAMPBELL] bore date of July 9, 1919, while the President was in France. The President addressed the Senate on the treaty July 10, so that he must have made a very rapid trip home.

Mr. TINCHER. If the gentleman will allow me, President Wilson arrived at the Union Station in Washington July 8 at 7.45 p. m., before the resolution of my colleague from Kansas was introduced.

Mr. WOOD of Indiana. Mr. Speaker, I yield 10 minutes to the gentleman from Wyoming.

Mr. MONDELL. Mr. Speaker, on Saturday last the esteemed Washington Post contained an editorial under the caption of "The failure to retrench," in which the Post proceeded to take Congress to task on the ground that it had not properly retrenched governmental expenditures. The Post insisted that the Congress had yielded to the importunities of departmental officials and retained unnecessary clerks in the departments.

Really the world do move. There is some hope when a Washington newspaper admits that there are unnecessary clerks in the departments in Washington. [Applause.] There is some hope when Washington newspapers begin to take us to task for not sufficiently reducing the unnecessarily large clerical force here. But we did a pretty fair job in that direction. We provided for the dismissal of some 20,000 clerks in connection with the passage of the legislative bill. We would have done better if the departments had allowed us to do so, for it is a fact that Congress does and must, to some extent at least, follow the recommendations of the heads of departments. We know, as the Post says, they have "no concern for economy." We have heard and believe that, as the Post says, "in certain offices the clerks are made to work fictitious correspondence in order to convince Congress that a public need is met"; but even in the face of as damaging an indictment of the responsible heads of government under this administration as that from a newspaper generally friendly to the administration the Congress can not wholly ignore the demands of the departments for clerks, backed by the strongest kind of statement that they are all needed. We have trimmed and cut the estimates as they never were cut before, nearly a billion in the first session, nearly a billion and a half in this—almost two and a half billions below the estimates so far in this Congress, and yet the Post is not happy. Well, I am not complaining, for I want the Post to help us economize right now.

Mr. Chairman, I am glad that the Post is on the side of economy, because I want to give this great newspaper right now an opportunity to help retrench. So far every appropriation for the ordinary civil establishments of the Government and the ordinary peace operations of the Government has been cut to the bone, except that as the Post insists we may not have reduced clerical forces here in Washington as much as we should. We are, however, retrenching in every direction in those things that appertain to peace and peaceful development. If we have failed to fully realize a reduction, where have we failed? As the Army and Navy and fortifications bills passed this House they carried $819,000,000, and in another body those three bills were increased by more than $80,000,000, and that is the situation at this time. I call upon the Washington Post and all other agencies having to do with public opinion in the Capital and elsewhere to help us save this $80,000,000. The Post is disturbed because we have not reduced the number of clerks in Washington sufficiently. We have reduced them until the departments complain bitterly, but have not reduced them as much as we could have done without injury to the public service, in my opinion; but if we were to take every clerk out of every department in Washington that anybody has suggested is unnecessary, and then cut out every civil employee elsewhere that the Post or anyone else deems superfluous, we would not save more than four or five or six or, at the outside, ten million dollars. The very utmost that could be done in that direction, were every civil bureau and employment that may reasonably be questioned dispensed with, would effect a saving of less than $10,000,000; and were we to dispense only with those the Post probably has in mind the saving would be not over three or four million dollars. Here are expenditures I have referred to for war purposes, war services, running well toward a billion dollars, and the Senate increases the bills by nearly $100,000,000 more. Will the Post and will these other great newspapers use their mighty influence to help the House pare down those increases and prevent their being adopted?

For the first time in many years we have a Congress without a pork-barrel bill of any sort or kind. [Applause.] There is no public-building bill. The river and harbor bill was trimmed to the very bone, with no pork-barrel items.

The sums carried were sufficient as the bill passed the House to take care of all of the rivers and harbors that have commerce and water. It provided not a cent for the shallow runs or the dusty watercourses anywhere. That bill was doubled elsewhere. Will the Post and will these other great newspaper agencies help us to keep the river and harbor bill clean, porkless, down to a point where the interests of the country are cared for and yet without waste and extravagance?

Mr. LAZARO. Mr. Speaker, will the gentleman yield?

The SPEAKER pro tempore (Mr. DALLINGER). Does the gentleman yield?

Mr. MONDELL. In a moment. Here is a great opportunity to save $80,000,000 in the two war bills. The naval bill was $25,000,000 larger than it ought to have been when it passed the House. It was increased by over $40,000,000 in the Senate. We want public opinion back of us to save this extravagant waste of public money. The Army bill has just been reported with over $40,000,000 of increase. We want the white light of publicity, and we want the benefit of public opinion to help us head off that extravagance. We want to provide liberally for both of these services, but we think we have done so when we appropriate nearly three times as much as before the war.

Mr. LAZARO. Mr. Speaker, will the gentleman yield?

Mr. MONDELL. I call on the Post and all others who have influence in molding public opinion to help us save right here and now $100,000,000 on the Army bill, on the naval bill, and on the river and harbor bill. I yield to the gentleman from Louisiana.

Mr. LAZARO. Does the gentleman mean to say that when he is blocking the passage of a river and harbor bill he is not interfering with transportation which is so much needed in this country at this time?

Mr. MONDELL. The gentleman knows perfectly well that nobody is blocking the passage of the river and harbor bill, and when the gentleman interrupts me to make that statement, he does so to make a statement that is not warranted or justified.

Nobody is blocking the passage of the river and harbor bill. The chairman of the Committee on Rivers and Harbors has been ill, very ill, at his home in Iowa; he is either on his way here or he will have started for Washington within the next two or three days. The river and harbor bill will be in conference as soon as he gets here. I will say to the gentleman frankly that while I want a river and harbor bill to pass, and I am anxious to have it pass and hope and expect that it will be passed, I would rather not have any river and harbor bill at all than to have one carrying $24,000,000. If anyone has been getting in the way of the passage of a river and harbor bill, it is those who want to increase it out of all reason. [Applause on the Republican side.] I am invoking the aid of all those people who believe honestly in economy to help us economize.

Mr. LAZARO. Does the gentleman believe it is sound economy not to pay the Navy personnel more than they are being paid, when he knows we are losing our best men to-day, and that it is impossible to man the ships that we have already built?

Mr. MONDELL. If the gentleman wants an answer to a question of that sort, he better ask it of the President. Has the gentleman failed to realize that the House and the Senate have both passed bills increasing the pay of the Navy and the Army personnel and that the bill is now before the President for his signature?

Mr. LAZARO. I admit that.

Mr. MONDELL. I can not yield further if the gentleman has no better information with regard to the business before the House than is indicated by that question. I can not yield to him any further.

Mr. LAZARO. But what was the gentleman's position upon that bill? I am aware of the status of the bill, but what was the gentleman's position on that bill? I heard the gentleman speak on that bill.

Mr. MONDELL. The gentleman now speaking made it possible to have that bill considered here. It was considered, and it passed both House and Senate, and it added in addition to these sums that I have mentioned about $50,000,000 per annum to the war-service burden of the Nation. In other words, our total war-purpose expenditure if the proposed increases are adopted will be approximately $1,000,000,000, a sum equal to the entire expense of the Government for all purposes annually prior to the European war, and this sum, great as it is, is over half a billion below the estimates for these services. We want the minority to join the majority in helping us keep down these expenditures. We appeal to the newspapers of the country to help. [Applause on the Republican side.]

Let no one who is honestly for economy excuse these proposed increases on the ground that we must in any event and at any cost have a good Army and a strong Navy. I freely admit all that, but people do not realize how these expenditures are growing. We proposed for the defense services as the bill passed the House sums that took care of every need of the services and almost three times our prewar expense; surely that ought to be enough. As for the river and harbor bill we should have a decent, porkless bill or none at all.

Mr. MOORE of Virginia. Mr. Speaker, on behalf of the gentleman from Mississippi [Mr. SISSON], I yield 10 minutes to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS of Tennessee. Mr. Speaker, my distinguished friend from Wyoming [Mr. MONDELL], with his usual force and eloquence, has taken the Washington Post to task on account of an editorial which appeared in that newspaper on Saturday last criticizing the Congress for its failure to retrench expenditures, as the public generally expected. I am not much surprised at the resentment shown by the gentleman from Wyoming, especially since this criticism comes from a newspaper which everyone knows ordinarily has been very partial to the majority side of the House. The trouble is that the gentleman from Wyoming and other distinguished gentlemen upon that side of the Chamber lost no opportunity during the extra session of Congress and also during this session of Congress, both in season and out of season, to proclaim to the public just what they were going to do toward reducing and retrenching the expenditures of the Government.

But I fancy, as time rolls on and as the public, which has been taught by those gentlemen to expect so much, ascertains that there has not been that great reduction, in comparison with the expenditures of the Government before the war, which they were led to believe would be made, that the gentleman will have a good many more editorials, and, possibly, many more from papers of his own political persuasion, to answer before the next election.

Mr. Speaker, I have asked for this time to discuss for a few moments an amendment which I propose to offer to the pending legislative, executive, and judicial appropriation bill, which is before the House for the second time this session. It is well that we should stop and inquire just what the situation is going to be if this bill passes the Congress and becomes a law as it is presented. In March, 1919, a provision was adopted upon the legislative, executive, and judicial appropriation bill for the coming fiscal year which provided that no journals, periodicals, magazines, or other publications which were not authorized specifically by the Congress should be continued, except that during the time between the date of the passage of that law and the adjournment of the next regular session of the Congress the Joint Committee on Printing should, in its discretion, have the right to authorize the issuance of any publication not authorized by law. Now, it is perfectly clear from the terms of that provision that the Congress which adopted it expected that the Congress, before the adjournment of the next regular session of the Congress, which is the present session, would take up the matter and pass some legislation on the subject prescribing what publications should be issued. We have had an extra session of Congress since that time, beginning on May the 19th, 1919. We have now been in regular session of Congress for something like six months. We are now approaching, so some say, the close of this regular session; and if no legislation is enacted between now and the close of this session, if this bill becomes a law as it is written, the Government will be in the situation at the adjournment of this session of the Congress of not being able to issue any of the Government publications, periodicals, and documents which it has been issuing for some time past.

That includes a number of very valuable, important, and useful publications in the Agricultural Department, such as the Crop Reporter, such as the Experimental Station Reporter, such as the weather reports, and other publications to which I could refer. It includes a number of important publications of the Interior Department relating to the Geological Survey and Reclamation Service and other activities of that department. It includes a number of bulletins and publications issued by the Department of Labor, the Department of Commerce, the Department of the Treasury, in fact, all the departments of this Government, because it so happens that there were being published under the authority of appropriations made by Congress, but not specifically authorized by law, a great number of Government documents. Now, certainly, it seems to me, we do not want to put ourselves in the position of failing to legislate on this matter so that bulletins and publications, such as I have referred to, will cease at the adjournment of this Congress. No one, I am sure, wants to stop the issuance of the Weather Bulletin, and I am sure there is no one who wishes to stop the issuance of the Crop Reporter and those valuable agricultural bulletins that are issued from the Department of Agriculture, and yet if this bill becomes a law as it is presented here that will be the result, unless additional legislation is passed later on. Some one has said if that be the case, the President is responsible, because he saw fit to veto the legislative, executive, and judicial appropriation bill the other day. You will recall the reasons he gave for his veto. That bill undertook to amend the law to which I referred and to give to the Joint Committee on Printing the absolute and permanent authority to censor and to veto the right of any executive department to issue any form of publication, even though Congress has made an appropriation for it, unless it was specifically authorized by law. Now, it seems to me that if we fail to adopt an amendment to this bill, if this Congress adjourns without adopting some legislation authorizing the publication of these important documents, that Congress can not escape the responsibility. It does not lie at the door of the administration, but it lies at the door of this Congress, because we have been in session since May 19, 1919, and failed to function on the matter. We are in session now and we can easily pass legislation upon this bill, or, failing in that, a bill can be brought in which will remedy this matter and take care of what ought to be taken care of. Now, I want to say this: No member of the executive branch of this Government questions the right of the Congress for one moment to limit the executive departments in the publication of bulletins or denies that it has the clear right to limit them. We have the clear right to say what bulletins shall be issued. That we can do either expressly by law or we can do so by withholding appropriations for that purpose, and no member of the administration will raise any question as to the right of the Congress to do that, but I seriously question the right of Congress to make an appropriation for publications and then delegate to a joint committee, if you please, the right to say whether or not the appropriation shall be used in the publication of documents, bulletins, magazines, and periodicals which the executive heads think are important and of interest to the country.

Now, the amendment which I propose to offer to this bill some say is subject to a point of order; but if it is I hope that no one will make it. I think I can absolutely guarantee that no one will make the point of order upon this side of the Chamber, and I hope no one upon that side of the Chamber will make a point of order against it, but that the House will be allowed to pass upon it and say whether or not we should include it in this bill. It provides simply for a commission on printing, to be composed of the Secretary of the Treasury, who is at the head of our fiscal affairs, the Postmaster General, and the Attorney General——

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. Give me three minutes more.

Mr. SISSON. I will yield the gentleman three additional minutes.

Mr. BYRNS of Tennessee. That commission is given authority, and it is made its duty, to devise measures to prevent

duplication and to prevent delay in the issuance of Government publications. In addition to that, the commission is given the authority and the power when a publication is not authorized specifically by the Congress to prohibit any executive head or any administrative branch of this Government from the issuing of such document, periodical, or magazine if in their judgment it should not be done.

Now, some say that that will not cut out all of this waste and extravagance of which we hear so much; but certainly, gentlemen, it goes further than we have gone in the past, and I believe that it will result in cutting out a great deal of duplication and will result in the prevention of the publication of a great many unnecessary documents. In other words, the commission on printing under the amendment I offer will be given exactly the same authority that the amendment which was proposed in the Senate sought to confer on the Committee on Printing; and I submit that if we pass this amendment we can not be held open to the charge, which I think was justly laid at the door of Congress, that it is seeking to encroach upon the executive function and the constitutional rights of the executive branch of our Government.

And, Mr. Speaker, in my time I wish to have this amendment read, and that it may be considered as pending.

Mr. MANN of Illinois. You will have to offer it before the discussion is over, because then the previous question will be ordered.

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. BYRNS] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amend by adding a new section, as follows: "That section 11 of the act entitled 'An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1920, and for other purposes,' is hereby amended so as to read as follows:

"'SEC. 11. That there is hereby created a commission on printing composed of the Secretary of the Treasury, the Postmaster General, and the Attorney General, who shall have power to adopt and employ such measures as in their discretion may be deemed necessary to remedy any neglect, delay, duplication, or waste in the public printing and binding and in the distribution of Government publications: *Provided*, That hereafter no journal, magazine, periodical, or other similar publication not specifically authorized by law, shall be printed and issued by any branch or officer of the Government service unless the same shall be authorized by the commission on printing: *Provided further*, That on and after July 1, 1919, all printing, binding, and blank-book work for Congress, the Executive office, the judiciary, and every executive department, independent office, and establishment of the Government, shall be done at the Government Printing Office, except such classes of work as shall be deemed by the said commission on printing to be urgent or necessary to have done elsewhere than in the District of Columbia for the exclusive use of any field service of the executive branch of the Government outside of said district.'"

The SPEAKER pro tempore. The time of the gentleman from Tennessee has expired.

Mr. WASON. Mr. Speaker, I reserve all points of order on the amendment.

Mr. WOOD of Indiana. Mr. Speaker, I yield half a minute to the gentleman from Ohio [Mr. EMERSON].

Mr. EMERSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing four short letters concerning my record in Congress.

The SPEAKER pro tempore. The gentleman from Ohio asks unanimous consent to extend his remarks by printing four letters. Is there objection? [After a pause.] The Chair hears none.

Mr. EMERSON. Mr. Speaker, the votes of Congressmen are oftentimes misrepresented, and I desire to extend my remarks in the RECORD by inserting four letters written upon my record as a Member of Congress, as follows:

CUYAHOGA COUNTY DEMOCRATIC
EXECUTIVE COMMITTEE,
Cleveland, Ohio, September 12, 1918.

MY DEAR SIR: The Democratic organization of Cuyahoga County in this campaign proposes to do its utmost in support of the President and his war program. It is a great deal more important that the hands of the Government be upheld than that anyone should be elected to office because he happens to be a member of any political party. At the same time it is only fair to assume that the President can count more strongly upon help of the kind he needs from members of his own party than any other.

* * * We did not present a candidate against Congressman EMERSON, Republican, in the twenty-second district, because his record has been one of loyalty.

* * * * * * *

Yours, sincerely,

THE DEMOCRATIC EXECUTIVE COMMITTEE,
W. A. GREENLUND, *Acting Chairman.*

—

NATIONAL AMERICAN WOMAN SUFFRAGE ASSOCIATION,
May 22, 1919.

Hon. HENRY I. EMERSON,
House of Representatives, Washington, D. C.

DEAR MR. EMERSON: On behalf of the National American Woman Suffrage Association, with branches in every State of the American Union, we are writing to express, in a measure, the deep gratitude which all members of our organization feel toward you for standing loyally by the cause of political equality and the principles of true democracy in giving your support to the Federal amendment for woman suffrage when it was voted upon in the House of Representatives on the 21st day of May.

Very truly, yours,

CARRIE CHAPMAN CATT,
President.
ANNA HOWARD SHAW,
Honorary President.
HELEN H. GARDENER,
Fifth Vice President.
MAUD WOOD PARK,
Chairman Congressional Committee.

—

OHIO ANTI-SALOON LEAGUE,
July 30, 1919.

Hon. HENRY I. EMERSON,
Washington, D. C.

DEAR SIR: I note from the CONGRESSIONAL RECORD your vote recorded against recommitting H. R. 6810, the prohibition-enforcement bill, and your vote favorable to its passage.

In behalf of the people of your district and of the State of Ohio, I desire to thank you for your stand on this question. Your district recorded a dry majority at the election in Ohio last year, as also did the State, by 25,759. Notwithstanding this fact, some Members from Ohio voted against the enforcement code and, in my opinion, wholly disregarded the mandate of the people of the State.

I would personally appreciate it if you would bring influence to bear on the Senators from this State to promptly act in the matter.

Thanking you for your assistance and your vote, I am,

Respectfully,

J. A. WHITE, *Superintendent.*

—

OHIO ANTI-SALOON LEAGUE,
December 20, 1917.

Hon. HENRY I. EMERSON,
Washington, D. C.

DEAR MR. EMERSON: I sat in the gallery of the National House of Representatives on last Monday and listened to the debate and heard the recording of the votes of the Members to submit the national amendment. I was very much pleased to hear your name recorded in favor of submitting the amendment, thereby giving the people an opportunity to amend their Constitution, if they so desire.

On behalf of the organization that I represent in this State, I thank you for voting affirmatively on the resolution. Your vote is an expression that you are willing to trust the people on this proposition. As you know, the Senate has concurred in the House amendments, and the resolution will now be submitted in the respective legislatures of the States.

Thanking you for responding to this enlightened public sentiment, I am,

Very respectfully, J. A. WHITE, *Superintendent.*

Mr. SISSON. Mr. Speaker, I yield half a minute to the gentleman from North Carolina [Mr. POU].

Mr. POU. Mr. Speaker, of course, I accept the correction of the gentleman from Kansas that at the time the resolution of the gentleman from Kansas was introduced the President was here in this city, but the unfair effect there is nevertheless the same, because the work on the treaty had not been completed. And I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. The gentleman from North Carolina asks unanimous consent to extend his remarks.

Mr. SISSON. Mr. Speaker, I yield four minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, the time has come when we ought to quit camouflaging on the question of surplus and unnecessary idle clerks in the Government. Not a single clerk has gone home from Washington yet, unless they were tired of the work and voluntarily quit. There have been some separations from some departments, but immediately they have been transferred to some other department and are still on the pay roll.

The distinguished leader of the Republican Party [Mr. MONDELL] said a moment ago, in congratulating the Sixty-sixth Congress and the Republican majority, that about 20,000 clerks were separated from the roll by this bill, which has not yet passed and not yet become a law. This bill nowhere, not by a single line or word in it, separates a single clerk from the pay roll. It is true it has reduced some appropriations, but the departments find a way to keep the clerks and then come in and ask deficiency appropriation measures later, which always pass without question by this Congress. If you want to separate these 40,000 useless, idle, unnecessary parasites from the pay roll, you have got to pass some kind of directive legislation to the departments of this Government, compelling them to send these idle clerks home, and you must quit camouflaging, because I am not going to let you mislead the people.

Here are great big sheets issued by the Civil Service Commission reciting job after job that they are holding examinations for in the next month, jobs with salaries up to $2,500 a year and $240 bonus additional.

Mr. McKEOWN. Will the gentleman yield?

Mr. BLANTON. Not yet. I regret that I can not, just now. Here is one issued under the date of May, 1920, and you can read the headline, "Wanted," almost half a block away, advertising for people to take the civil-service examination and come

into the service. Here is another one advertising examinations for May 7 and June 14, 1920. Here is another one advertising examinations as late as June 9, 1920. Here is another one advertising examinations for May 5, 6, 7, and June 9, 10, and 11, 1920, for jobs up to $2,500, with $240 bonus. Here is another one advertising examinations for May 19, 1920. That is the date you Republicans came into power in this House. You ought to celebrate that date by stopping these examinations advertised by the Civil Service Commission, and direct these departments to send these 40,000 idle, unnecessary, useless clerks to their homes and put them back into useful production of the country, instead of being parasites here in the Nation's Capital.

Here is another one advertising examinations for June 23 and August 18 and October 20, 1920.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BLANTON. I have some others here, but I did not get to them, all issued by the Civil Service Commission of this Government.

Mr. WOOD of Indiana. Mr. Speaker, I believe there is but one more speech on this side.

Mr. SISSON. I do not believe I have anyone else who wishes to speak. How much time have I?

The SPEAKER pro tempore. The gentleman has five and one-half minutes remaining.

Mr. SISSON. I yield two additional minutes to the gentleman from Texas [Mr. BLANTON] if he desires it. The gentleman from Oklahoma [Mr. MCKEOWN] desires to ask him a question.

Mr. McKEOWN. I wanted to say to the gentleman that I am in sympathy with his proposition to reduce the number of clerks here in Washington; but the gentleman should remember that these examinations are held in order that other States may supply their quota. The quota of my State, Oklahoma, for instance, is very much less than that of any other State in the Union, and if the examinations that the gentleman refers to are not permitted to continue we will not be able to fill our quota.

Mr. BLANTON. I am going to take the balance of my time, two minutes, and tell you Republican colleagues why you will not separate these idle clerks from the Government pay roll. It is because officials of the American Federation of Labor come here day after day and sit up there in the gallery and have us card indexed, and when you do not obey their commands they execute their threats by going into our districts and putting out of Congress men voting against their demands. They will not let you separate these clerks from the Government pay roll. They have already threatened that if we do it they will separate us from our jobs, and it is your jobs and the love of your positions that prevent you from sending these idle people back to where they belong. How will you answer your people when you go home? [Applause.]

Mr. KING. Mr. Speaker, will the gentleman yield?

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. KING. I wanted to make a poll of the gallery up there to see if there are any Members of the American Federation of Labor sitting up there.

Mr. BLANTON. There are some of them up there. They are always there.

Mr. KING. No; those are Baptists. [Laughter.]

Mr. BLANTON. There are some Baptists up there, thank God, and I wish there were more of them. But they are different kind of people from these gallery watchers of the American Federation of Labor.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. WOOD of Indiana. Mr. Speaker, I wish to confine my remarks as nearly as I can to the matter immediately before us. I think it is important on the part of the Members of this House to know the present situation and the provision of the law that was in control and operation before the President vetoed this measure, and I want to point out, if I can briefly, what change was made by this proposed legislation, objection to which has been made by the President and upon which he based his veto.

The law existing in the past, if you please, approved in March, 1919, was presented by the legislative, executive, and judicial subcommittee of the Committee on Appropriations, and it was carried on the legislative, executive, and judicial appropriation bill, and, if I mistake not, it was presented to the House by the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS of Tennessee. It came by way of a conference report as a Senate amendment.

Mr. WOOD of Indiana. But it was agreed to. The gentleman from Tennessee was on the conference, and he knew then what the law is, and what it has been ever since. The President of the United States knew then what it was, and certainly he should have been cognizant of it ever since.

The proposed amendment was just simply an extension made necessary, if you please, by the abuses practiced by the very men whom the gentleman now by his amendment would have appointed as a commission to take control and have charge of this matter. But the jurisdiction was given to the Joint Committee on Printing, composed of Members of this House and of the Senate, in order that they might have control over the publications asked for by these various bureaus. They eliminated 111 from the 266 that were being printed at the expense of the Government.

What happened? Immediately these gentlemen got a lot of multigraphing machines and manifolding machines, and they proceeded to get out on their machines the same stuff that they were prohibited from getting out by the action of this joint committee, and they got it out at an increased cost over what it had been before.

Now, Mr. Speaker, in order that this subterfuge should not be pursued further, we have put in the last proviso making it apply to these multigraphing and manifolding processes as to documents that are not official. It had nothing whatever to do with the things that were official. What happened? The President had for the first time called our attention to the fact that this was an encroachment upon his prerogatives as an Executive, and for the first time questioned the constitutionality of the provision. No one who is posted on the legislation of this country, no one who prides himself on his knowledge as to what is constitutional and what is unconstitutional legislation can for one moment contend that this was an infringement upon the President's prerogatives under the Constitution.

No one can question the constitutionality or the advisability of such a proceeding, because if it were unconstitutional this Congress would be powerless to put a limitation upon any appropriation that it makes. There is scarcely any appropriation bill that does not contain some limitation upon it. We have found it necessary to impose limitations in these days, especially since the beginning of the war, and to put on limitations on appropriations to the effect that salaries shall not be beyond a certain figure. With equal propriety the President of the United States could say to this Congress that it is our business, and our business solely, to appropriate money for the payment of these salaries, but that we have no right to say to the executive departments that they shall be limited in that expenditure. We have put limitations on the purchase of ground, to the effect that purchases shall not exceed a certain amount. Yet we put the purchasing power in the hands of some one of these executive departments. With the same propriety the executive department might say that, although we have the right to appropriate the money, we have no right to place a limitation upon the expenditure thereof. If there were no limitations placed on legislation by the Congress of the United States, we would be groaning under greater debts than we are groaning under to-day, and taxes consequently would be even more onerous than they are.

It was contended, if you please, and wisely so, by the gentlemen who have referred to this provision that it should be continuous, not that it should cease with the bill or with the law to which it was attached. It has this limiting clause in it, the words—

> But such publications as are now being printed without specific authority from Congress may, in the discretion of the Joint Committee on Printing, be continued until the close of the next regular session of Congress, when, if authority for their continuance is not granted by Congress, they shall not thereafter be printed.

In other words, these publications shall not thereafter be printed if authority for their continuance is not granted by Congress. They put that language in there because of the abuse that was being constantly practiced, which was a continually growing abuse.

Now, then, the gentleman from Tennessee [Mr. BYRNS] was wise in accepting this provision; and I want to congratulate the gentlemen who suggested it, by reason of their experience, on the fact that they found out that there were 111 of these useless publications that every Member of this Congress throws into the wastebasket every morning, and which the printing establishments all over this country receive and never even open, but chuck into the wastebasket. I say it was wise then, and it is wise now; and yet it can be, and will be, entirely subverted, if you please, if you should adopt the amendment proposed by the gentleman from Tennessee. Why? Because he suggests the creation of a commission composed of these very same executive heads who had been guilty of these abuses, every one of them. No; I hope, and I believe every man here

hopes, that the Joint Committee on Printing will never give up or relinquish to an executive department that which is theirs, that which belongs to the Congress of the United States, and in the application of which saves millions of dollars to the taxpayers each year.

The Congress of the United States first established this printing business and for a long time it was limited to the printing of Congress, but afterwards in the interest of economy the executive heads were authorized to have their printing done by the Congressional Printer. Before this they had been having it done here, there, and yonder, and it resulted in a great loss and added expenditure. But the Congress of the United States never surrendered any jurisdiction over printing when they consented to bureau printing. The Government Printing Office was created by the Congress, equipped with all the necessary machinery to do the printing of this country. But there was a limitation upon that. That was an executive function; there was no objection coming from the President of the United States at that time and there should be none now. I can not help but believe that the President of the United States was illy advised, if he was advised at all, about this thing. Some of those people who have only a selfish interest imposed upon him if they saw him with reference to this thing. If we can not be charitable and grant that as his excuse, then the only other reason that we can imagine for his extraordinary action is that he is obsessed with the idea that the only function of Congress is to pass appropriations, and that it is the right of the executive branch to expend without let or hindrance the appropriations that are made.

But I wish to say to the Congress of the United States, and I wish to say to the people of the United States, that if they would have their best interests guarded they will never consent to surrender the jurisdiction of the Congress not only over the publications pertaining to Congress but publications that pertain to all other printing bureaus. By reason of the action of the Joint Committee on Printing, by reason of their eliminating 111 publications, they have saved the taxpayers of the country $1,200,000 annually, and there is more that may be done in this direction. It was not the purpose, and is not now the purpose, of the Joint Committee on Printing to cripple any of these publications that are essential and that are useful. But they propose, knowing as they do the abuses that have been and are now being practiced, to put an end to those abuses if permitted to do so, and if the President persists in vetoing this purpose he must also assume the responsibility for the waste that will follow.

If I had my way about it, in order that the President might know the situation, in order that if he has been imposed upon he may have an opportunity to correct his mistake, that he has certainly made, I would send the bill back to him exactly as it was when he vetoed it.

Now, what is the situation? This measure will pass with section 8 eliminated, and unless some provision is made, unless there is some affirmative legislation passed between now and the 1st of July, all these publications, the good as well as the bad, will cease under the provision of the law passed by Congress and reported by the committee of which the gentleman from Tennessee was chairman. I hope and believe that in the wisdom of this body and those upon the other side some affirmative legislation will be had. It must be had in order that these good publications may be continued, and that provision will be made for the continuous supervision and jurisdiction of the Congress of the United States over their publication. It is this body that is saving the money that is being saved in this country. There is not a single bureau of this Government as it is administered to-day that is showing any inclination to save a dollar. As has been suggested by one who has observed legislation as a Member of this House [Mr. MANN of Illinois] for more than a quarter of a century, if you create one of these bureaus, you will find that they are constantly desiring to expand in numbers employed and in expenditures. All of these many emergency bureaus created during the war, and which were supposed to cease when the armistice was signed, come before us and are continuing to come and try to convince us of the absolute necessity of continuing them as peace-time bureaus. Some of them go so far as to ask increased appropriations for an increased force. I will say to the gentleman from Texas that if the committee that has this legislation in charge has its way about it, and if the law written in the bill is carried out whereby no other legislation can be had granting further appropriations for the employment of clerks, there will be more than 20,000 go away on the 1st of July.

Mr. BLANTON. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BLANTON. Suppose the departments just keep them on expecting a deficiency law, will the gentleman vote with me to send the direct mandatory to them to send them home?

Mr. WOOD of Indiana. I will vote against any deficiency that is designed to keep one clerk here more than is absolutely essential to prosecute the public business. There are now 21,000 employees in the clerical office in the War Department in this city. When this bill goes into effect after the 1st of July, unless by some subterfuge the purpose of the law is defeated, there can not be more than 3,750. Instead of there being 20,000 relieved from the pay roll there will be 40,000, and unless some amendments that are now attached to bills that are coming over from the other body at the other end of the Capitol are approved of by the House they will have to walk the plank and go into some useful occupations.

Mr. HOWARD. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. HOWARD. I remember when we passed the general printing bill, and I would like to ask the gentleman if there was any provision in that that any way touched the matter referred to in section 8.

Mr. WOOD of Indiana. I think not. So I wish this House to know that this is an endeavor on the part of this Congress to retrench and reform. If the amendment proposed by the gentleman from Tennessee becomes a part of the bill, instead of $1,200,000 now being saved by cutting off these useless publications they will all be reinstated and more added, because they have been demanding more. If there ever is a commission appointed, we should appoint a commission as far away from these bureaus and their influence as it is possible to have one.

You can not have a better commission than the Joint Committee on Printing, whose business it is to inquire into matters of this kind. That committee is charged with responsibility to the respective bodies of Congress and to the people. Its members are men who can be charged with responsibility. What responsibility has the head of one of these bureaus to the people of this country? Not a bit. They never stop to count the cost; they have their eyes solely on the building up of their bureaus. The Congress of the United States is immediately responsible to the people. The Congress knows what the people of the United States are now expecting—yes, demanding—that there be retrenchment of public expenditures. The Congress should and must respond to that demand of the people. Go out over this country and there is no mistaking the sense of the people. They are groaning under their taxation. They are cognizant of the fact that this war expenditure of necessity is going to keep the taxes high for years and years to come; but when they are advised of the fact that there are thousands and thousands of useless clerks here in Washington, not only here but all over the United States, connected with these bureaus that have sprung up like mushrooms over night, still being maintained, they become impatient and they demand that we see to it that these useless clerks are dispensed with and these bureaus discontinued. Will we obey the will of the people or will we yield to the demand of the bureau chiefs? This is the question.

The SPEAKER. The time of the gentleman from Indiana has expired.

The SPEAKER. Under the order previously adopted, the previous question is ordered. There is pending an amendment offered by the gentleman from Tennessee [Mr. BYRNS] relative to the appointment of a commission on printing, on which a point of order is reserved. Does the gentleman desire to argue the point of order?

Mr. WASON. Mr. Speaker, I make the point of order.

The SPEAKER. Does the gentleman from Tennessee desire to be heard on the point of order?

Mr. BYRNS of Tennessee. No, Mr. Speaker, except to say that the current law has a provision upon that subject. True, it came in by way of a Senate amendment. I think the amendment is subject to the point of order, though I had hoped that no one would see fit to make it.

The SPEAKER. The Chair sustains the point of order. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and, on a division (demanded by Mr. BLANTON) there were—ayes 53, noes 0.

So the bill was passed.

On motion of Mr. WOOD of Indiana, a motion to reconsider the vote by which the bill was passed was laid on the table.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. STEVENSON, for one week, on account of attendance on meeting of State Democratic executive committee and State convention.

CALL OF THE HOUSE.

Mr. BLANTON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count.

Mr. BLANTON (interrupting the count). Mr. Speaker, I withdraw the point.

Mr. GARD. Mr. Speaker, I renew the point of order that there is no quorum present.

The SPEAKER. The gentleman from Ohio renews the point. The Chair will count. [After counting.] Seventy-five Members present, not a quorum.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The doors were closed.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Edmonds	Kettner	Riddick
Andrews, Md.	Ellsworth	Kiess	Riordan
Anthony	Elston	Kitchin	Robinson, N. C.
Aswell	Ferris	Knutson	Rose
Bacharach	Fields	Kreider	Rowan
Boies	Focht	Langley	Rowe
Bowers	Frear	Lankford	Sanders, La.
Brinson	Fuller, Mass.	Layton	Sanders, N. Y.
Britten	Gallivan	Lesher	Schall
Brooks, Pa.	Garland	Lonergan	Scully
Brumbaugh	Garrett	McAndrews	Sears.
Burke	Good	McCulloch	Shreve
Butler	Goodykoontz	McFadden	Small
Campbell, Pa.	Gould	McGlennon	Smith, N. Y.
Caraway	Graham, Ill.	McLane	Smithwick
Carter	Graham, Pa.	McPherson	Snyder
Casey	Griest	MacGregor	Steagall
Christopherson	Hamill	Magee	Steele
Clark, Fla.	Harrison	Maher	Stephens, Ohio
Classon	Hastings	Mann, S. C.	Strong, Pa.
Cole	Hayden	Merritt	Sullivan
Copley	Heflin	Milligan	Tague
Costello	Hernandez	Mooney	Taylor, Ark.
Crago	Hill	Morin	Taylor, Tenn.
Curry, Calif.	Hoey	Nelson, Wis.	Temple
Darrow	Houghton	Nicholls	Tillman
Dempsey	Huddleston	Nolan	Vare
Dent	Hulings	Pell	Voigt
Dewalt	Husted	Platt	Ward
Dominick	Jefferis	Porter	Watson
Donovan	Johnston, N. Y.	Pou	Wilson, Pa.
Doremus	Kearns	Ramsey	Wingo
Drane	Kelley, Mich.	Ramseyer	Winslow
Drewry	Kelly, Pa.	Randall, Wis.	Woods, Va.
Dunn	Kendall	Reber	
Eagle	Kennedy, Iowa	Reed, N. Y.	
Echols	Kennedy, R. I.	Rhodes	

The SPEAKER. Two hundred and eighty-one Members have answered to their names, a quorum is present.

Mr. MONDELL. Mr. Speaker, I move to suspend with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors. The gentleman from Nebraska.

Mr. REAVIS. Mr. Speaker, I move to suspend the rules and pass the bill H. R. 13329.

The SPEAKER. The gentleman from Nebraska moves to suspend the rules and pass the bill, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13329) to authorize the Secretary of War to transfer certain surplus material, machinery, and equipment to the Department of Agriculture, and for other purposes.

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to transfer to the Department of Agriculture, under the provisions of section 7 of the act approved February 28, 1919, entitled "An act making appropriations for the service of the Post Office Department for the fiscal year 1920, and for other purposes," for use in the improvement of highways and roads as therein provided, the following war materials, machinery, and equipment pertaining to the Military Establishment as are or may hereafter be found to be surplus and not required for military purposes, to wit: Five hundred 10-ton caterpillar tractors complete with spare parts; 200 mobile machine-shop units complete with spare parts; shop machinery and machine tools and equipment suitable for repair and rebuilding shops for motor-propelled vehicles.

SEC. 2. That freight charges incurred in the transfer of the property provided for in this act shall not be defrayed by the War Department, and if the War Department shall load any of the said property for shipment the expense of said loading shall be reimbursed the War Department by the Department of Agriculture by an adjustment of the appropriations of the two departments: *Provided, however*, That any State receiving any of said property for use in connection with the improvement of public highways shall, as to the property it receives, pay to the Department of Agriculture the amount of 20 per cent of the estimated value of said property as fixed by the Secretary of Agriculture or under his direction, against which sum the said State may set off all freight charges paid by it on the shipment of said property, not to exceed, however, 20 per cent.

SEC. 3. That any State highway department to which is assigned such materials, machinery, and equipment transferred herein to the Department of Agriculture may, in its discretion, arrange for the use of such materials, machinery, and equipment for the purpose of constructing or maintaining public highways, with any State agency or municipal corporation at a fair rental, which shall not be less than the cost of maintenance and repair of said materials, machinery, and equipment. The title to said materials, machinery, and equipment shall be and remain vested in the State for use in the improvement of the public highways, and no such materials, machinery, and equipment in serviceable condition shall be sold or the title to same transferred to any individual, company, copartnership, or corporation.

SEC. 4. That the Department of Agriculture is hereby authorized and directed to procure or provide suitable and adequate storage facilities for the proper storage and care of all road-building materials, equipment, and supplies transferred to it by the War Department for use in the improvement of highways and roads under the provisions of section 7 of the act approved February 28, 1919, and that the cost of procuring or providing such storage facilities may be paid from any funds available from appropriations heretofore made for the Department of Agriculture.

The SPEAKER. Is a second demanded?

Mr. GARD. Mr. Speaker, I demand a second.

The SPEAKER. The gentleman from Ohio demands a second.

Mr. REAVIS. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. The gentleman from Nebraska asks unanimous consent that a second may be considered as ordered. Is there objection? [After a pause.] The Chair hears none.

Mr. WALSH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WALSH. Does the motion of the gentleman from Nebraska for the passage of the bill include the committee amendment on page 3? I did not know whether it included that or not?

Mr. REAVIS. That was intended, and I thought the motion comprehended the committee amendment.

The SPEAKER. The Clerk read the bill as amended. The gentleman from Nebraska is entitled to 20 minutes and the gentleman from Ohio to 20 minutes.

Mr. REAVIS. Mr. Speaker, I trust and believe that this bill will not require the attention of the House very long, and so far as I am concerned I shall attempt at least to explain its purpose in as few words as possible. Following the armistice the War Department found itself in possession of approximately 6,800 tractors of 5 and 10 ton capacity. Many of those tractors were in France, and the matter was taken up with the War Department by the Federal Highway Commission looking to a transfer of some of these tractors to the highway commissions which were active in the construction of good roads built in whole or in part by Federal aid. Those in control of the division of the War Department having charge of this equipment advised the highway commission by letter that there would be no difficulty with reference to the matter, that a very large number of those tractors were surplus, and they would be turned over to the highway commission to the extent of its necessity. The highway commission estimated at that time that they would require some 1,200 of the 10-ton tractors, and their requirements of the 10-ton tractors were based upon information given by the War Department that all of the 10-ton tractors would be declared surplus for the reason they were not serviceable to the department, the 5-ton tractors being more efficient in the artillery movement required. After informing the highway department that many of these tractors were in France and they would have them removed to America for the purpose of turning them over to the highway commission, they proceeded to bring all of them, or practically all of them, back to America. They were returned to this country shortly after hostilities ceased in November, 1918. Since their return they have been standing in the open, scattered widespread across the United States, without protection from that day to this.

Every effort to get them turned over to the highway commission has met with utter failure. There is a sort of an agreement—I am unable to tell you exactly its terms, because I have never seen it, though the matter has been brought to my attention several times by those who claim to know of its existence—whereby the Holt Manufacturing Co., which sold those tractors to the Government in the first instance, were to be protected in some way from the competition that the disposition and sale of the tractors would create against their product. For that reason, known to many men on both sides of the aisle, from New Orleans to the Canadian border, since November of 1918 these tractors have been in the open, unused, unserviceable to the department, with no reason existing why they should be further retained. We applied to the Committee on Military Affairs in an effort to get these tractors, or at least some of them, distributed to the highway commission, and this bill is the result of such application. The bill should have been enacted before this. There is hardly a State in the Union that does not require these tractors at this very moment, and the sooner we pass the legislation the better it will be for all parties concerned; first, because the good roads of the country will be constructed by them, and, next, a deterioration that has been

going on for more than two years will in large measure cease. My personal opinion is that more than 500 should be turned over, but Mr. McDonald, the chief of the highway commission, stated that they would be satisfied if that number was given to them without delay. A charge is put in the bill of 20 per cent of the appraised value of the machines. The reason for that is not with the idea that such charge will be compensatory, because it will not be, but in the distribution of the automobiles, or the few that were distributed, those States close to the camps got their motor trucks for nothing. They merely sent their employees to the camps and ran them out to their highways on their own power, but the States which were far removed from the camps where the vehicles were stored had to pay freight.

In some instances the freight charge was very large, and it resulted in a discrimination, for one State would get tractors and motor vehicles without expense while another State would pay heavy freight charges. Hence the provision was put in this bill that a 20 per cent charge should be made against the State highway commissions for all of these tractors, from which payment should be deducted the freight; so the State adjacent to the camps will pay 20 per cent and the State far removed will pay 20 per cent less the freight, thus putting all the States on the same basis. There are certain other things provided in this bill of a minor character. In section 4 there is a provision that the Agricultural Department shall be authorized to utilize out of the money already appropriated enough to provide storage for these machines.

The reason for that is that the Comptroller of the Treasury recently rendered an opinion that there was no authority on the part of the Agricultural Department to make any such expenditure. This will provide closed storage for the machines and will protect them from the elements.

Mr. SNELL. Will the gentleman yield for a question?

Mr. REAVIS. I yield.

Mr. SNELL. How many tractors will there be left after we have distributed the 500 which this bill provides for?

Mr. REAVIS. Approximately 6,300.

Mr. SNELL. Do they need them for any purpose whatever?

Mr. REAVIS. I can only give the gentleman my personal views about that. My judgment is that the War Department has no use for these machines at all. The only way I can justify and excuse the fact that they have not been used since November, 1918, is the fact that they have no use for them.

Mr. SNELL. Where are those tractors at the present time?

Mr. REAVIS. I was told by the gentleman from Louisiana [Mr. ASWELL] the other day that there are many hundreds in New Orleans, and I understand that they are scattered from one coast to the other.

Mr. SNELL. And all out of doors?

Mr. REAVIS. All exposed to the elements, without protection, and they have been in that condition since November, 1918.

Mr. HICKS. Will the gentleman yield?

Mr. REAVIS. I will.

Mr. HICKS. Do I understand from the gentleman that in the distribution of these tractors they can only be distributed and used on roads that receive in whole or in part Federal aid?

Mr. REAVIS. Yes, sir. The purpose of the legislation, and I have no doubt the purpose will be fully followed by the State Highway Commission, is to utilize these tractors that are very essential in the construction of good roads. They are all caterpillar tractors, and are very serviceable where they are constructing dirt roads.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. REAVIS. I will.

Mr. MOORE of Virginia. I fully agree with the gentleman that there ought to be legislation of this character. I would like to ask the gentleman if he has satisfied himself that only 500 of these machines can be used on the public highways now?

Mr. REAVIS. I will say to the gentleman from Virginia I am not, but the Highway Commission has been trying so long to get these tractors to be used on these roads that they became discouraged at the repeated failure. This long delay has resulted, notwithstanding there was legislation authorizing it in February of 1919, and there never has been an hour when the department lacked legislative authority to do this thing. This, however, is the first mandatory legislation. I am sorry this bill does not contain a provision that not only makes it mandatory for the War Department to turn these machines over when once declared surplus, but I regret it does not contain a provision making it mandatory that they shall declare them as surplus.

Mr. MOORE of Virginia. I suggest to my friend that this might be desirable, in view of the fact that we have several thousands of these machines that are not only not being used, but are becoming impaired in value: Give the Agricultural Department authority to call for as many as can properly be used on the highways.

Mr. REAVIS. The only question, I will say, about that is this: Of course, if these machines are, in fact, serviceable, if the War Department can use any of them, the War Department ought to be protected in that use. I think the War Department ought to be required by legislation not only as to tractors and automobiles, but with reference to all other supplies that they have which they can not use, to declare them surplus, and to dispose of them and cover the money into the Treasury.

Mr. MOORE of Virginia. This is legislation, so to speak, of a de minimis character. There ought to be some provision which will not injure any Government interest, but will be executed so as to give the States the use of any of these tractors that are not otherwise used by the Government.

Mr. REAVIS. Surely. If there were a provision offered that these machines for which the War Department had no use should be surplus, I would favor legislation requiring the transfer of all of them.

Mr. RAKER. Will the gentleman yield?

Mr. REAVIS. For a question.

Mr. RAKER. How many of the 5 and 10 ton caterpillar tractors are there?

Mr. REAVIS. Sixty-eight hundred.

Mr. RAKER. Have they any 5-ton tractors?

Mr. REAVIS. The highway department thought the 10-ton tractors would be more serviceable than the 5-ton. I am unable to tell the gentleman how many 10-ton tractors there are, but many more than are called for in this bill.

Mr. BANKHEAD. Will the gentleman yield?

Mr. REAVIS. I will, but I do not like to use so much time.

Mr. BANKHEAD. The gentleman from Nebraska referred to this as mandatory legislation. As I read it, it still leaves it in the discretion of the War Department to declare it surplus?

Mr. REAVIS. That is the point I had in mind, and I regret it was not possible to present to the House a bill requiring the War Department to declare a surplus.

Mr. STEENERSON. Is the gentleman aware that the manufacturers of these tractors claim to have a contract with the War Department which forbids the War Department from disposing of them?

Mr. REAVIS. I know they claim such a contract, but if such a contract is in existence it is against public policy. The manufacturers obtained their profit out of these when the Government first purchased them. They got their profit out of the Government of the United States; and contract or no contract, it does not lie in the mouths of these contractors who have received their profit to tell us what we can or can not do with our own property.

The SPEAKER. Does the gentleman from Ohio [Mr. GARD] desire to use some time?

Mr. GARD. I yield five minutes to the gentleman from California [Mr. RAKER].

Mr. RAKER. Mr. Speaker, in my time will the gentleman from Nebraska yield for a question? Will he explain to the House what sort of a contract the department has with the Holt Manufacturing Co. to the end that these machines can not be turned over to the Agricultural Department?

Mr. REAVIS. I stated at the beginning of my remarks that all I could tell was the statements that were made to me. I do not know of my own knowledge whether or not there is such a contract in existence. I have heard repeatedly from reliable sources that there is such a contract.

Mr. RAKER. Did the gentleman inquire of the War Department if they had such a contract?

Mr. REAVIS. I have not made any such inquiry, but I have been told by members of the Highway Commission that the reason given by the War Department for not turning these things over was the existence of such a contract.

Mr. RAKER. What was the nature of that contract, as they told you?

Mr. REAVIS. The contract reported to me was this, that if these things were sold or if there was any disposition on the part of the Government to dispose of these tractors the opportunity should be given to the Holt Manufacturing Co. to purchase them. Now, we can not give to the Holt Manufacturing Co. the option of purchasing these things for 20 per cent of their value. They are the property of the United States Government. We paid a high price for them. The companies made their profit out of them, and a contract that would restrict the Government in the use of its own property is, in my judgment, legally void.

Mr. RAKER. That being the case, when there are so many of these machines, and they are the best machine that is made to-day—the caterpillar-tractor engine, you know, can go any-

where and do any work, a thing that you can not do with some of the others.

Mr. REAVIS. Within the past few weeks—I can not be accurate as to the time, but certainly not longer than the last three months—the War Department has purchased $600,000 worth of these vehicles of a new type, because those of other types were unserviceable. Now, if these enumerated in this bill were not serviceable, why have they been leaving these unserviceable machines exposed to the elements, without declaring them to be surplus and getting rid of them and putting the money into the Treasury?

Mr. RAKER. Then why not put a provision into the bill turning these $600,000 worth of tractors over?

Mr. REAVIS. The only difficulty is that under the rule you can not amend this bill.

Mr. RAKER. You can by unanimous consent.

Mr. REAVIS. Then the gentleman has my best wishes to amend it along that line.

Mr. RAKER. Let us make it $600,000 worth.

Mr. REAVIS. I would be reluctant to do that until I knew of my own knowledge that they are surplus.

Mr. RAKER. The gentleman has made a very important statement, that they have purchased $600,000 worth of these caterpillar tractors. You can use this engine, but the War Department is not using them. Why not pick up these engines and turn them over to the Department of Agriculture and obtain some use from them?

Mr. REAVIS. I think 2,500 will fully answer all the purposes of the Highway Department.

Mr. RAKER. The gentleman will agree to do that?

Mr. REAVIS. Yes; I shall be glad to.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mr. GARD. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. CALDWELL].

The SPEAKER pro tempore. The gentleman from New York is recognized for five minutes.

Mr. CALDWELL. Mr. Speaker, when this bill was before the Committee on Military Affairs there were representatives of the Highway Commission and of the Department of Agriculture before it, and the gentleman from Nebraska [Mr. REAVIS] was there. There were present a number of other people who were conversant with the subject. The question was raised that if there was a surplus of this material, why not put it all in the bill in order that this material may be distributed among the highway commissions of the United States and thereby enable us to get all the good roads that America wants. I remember that it was distinctly stated there that they were sure only that this amount was surplus, and they were sure that this amount, if authorized for distribution, would take care of the present needs as outlined by the Highway Commission.

Under these circumstances the Committee on Military Affairs reported the bill with the amount so specified, and in view of the fact that there was every opportunity in the world afforded to people who wanted to criticize the War Department to bring in all the evidence in their possession before that committee or all that they wanted to, I for one would not consent to the amendment of this bill in the fashion indicated unless there is some showing that there was a greater quantity than was stated before the committee. The contracts criticized here were not spoken of, as I recall, and it seems to me to be pretty late to question them now.

Mr. GARD. Mr. Speaker, I demanded a second for the purpose of obtaining a fuller understanding of the bill and its contents, and therefore what I am about to say in my effort to secure further information I may necessarily trespass upon the time of gentlemen who have heretofore spoken. Under the rule we are working under, under the suspension of the rules, of course it is impossible to amend this bill, so that I can only call attention to the matters which seem to me to be pertinent for our consideration.

In the light of what I expect is the unanimous desire to not alone clear up these unnecessary accumulations in all the departments, but to do all that we can to afford proper transfers of property that we now have, and which it is not necessary to use in the department where it now is, to transfer it to the divisions of the Nation or States where they can be of public benefit. Therefore I am in very hearty accord with the purpose of the bill in providing the aid of unnecessary and unused governmental facilities in the building of public highways within the States, because I am one of those who believe that the construction of highways is among the very essential things of our modern life to-day and should be encouraged.

What I particularly desired to call attention to is that these 10-ton caterpillar tractors are transferred only in the discretion of the Secretary of War. Do I understand the gentleman from Nebraska [Mr. REAVIS] to claim that this is a directory transfer, or is there still a discretion vested in the Secretary of War to make the transfer of those things which are included in lines 3 to 7 of section 1?

Mr. REAVIS. It is a mandatory transfer, predicated upon the proposition that they shall be declared surplus. There is no mandatory provision here requiring the department to declare them surplus.

Mr. GARD. In other words, the Secretary of War must first determine that these things are surplus?

Mr. REAVIS. That they are not needed by the department.

Mr. GARD. That they are not needed by the department. Then it becomes mandatory that this transfer shall be made.

Mr. REAVIS. The gentleman is correct in that.

Mr. GARD. So that I assume from that that the authority of supervision over these tractors still rests in the Secretary of War.

Now, in addition to that there are 200 mobile machine-shop units, complete with spare parts, shop machinery, and machine tools and equipment suitable for repair and rebuilding shops or motor-propelled vehicles. I advert to this because the report from the Committee on Military Affairs has no recommendation, has no record even, as to whether the tractors and machine units and other property is unnecessary governmental property at this time. I have referred to section 4, where, it seems to me, there may be a possibility; I do not know whether it is intended in the minds of the gentlemen or not, and therefore I ask the gentleman from Nebraska again is it the purpose of section 4, which provides for suitable and adequate storage facilities for the storage and care of these things—is it the purpose to provide from existing appropriations storage facilities within the States?

Mr. REAVIS. That is the purpose.

Mr. GARD. In other words, not only do we afford the States the right to purchase the tractors and machine units from the Federal revenues, but there is an appropriation to provide storage facilities and sheds for their protection when transferred to the States.

Mr. REAVIS. If the gentleman will permit me, there are some States which by reason of lack of funds have been and are unable to provide storage for this property. So far as my own State is concerned, they will provide ample storage and will not ask the Government for any of these funds. I think the same is true of the gentleman's State. The provision calls for the utilization of appropriations not otherwise expended on the part of the Agricultural Department to provide storage for these machines.

Mr. GARD. It seems to me that when we pass the tractor resolution, inasmuch as this gives the States the right and privilege to purchase at a reduced price the tractors essential on road building, we are going pretty far in road building when we provide that eixsting funds appropriated may be used for the purpose of building shelters and sheds in Nebraska or Ohio or other States where the property is desired.

Mr. McKENZIE. Will the gentleman yield?

Mr. GARD. I will.

Mr. McKENZIE. I will say to the gentleman from Ohio that the provision of the bill refers more particularly to the forest reserves; that the construction of temporary buildings for the housing of the machinery in forest reserves does not apply to the construction of housing facilities in the States.

Mr. GARD. There is no reservation as to the use of the money under section 4, and the States of Illinois, Ohio, Nebraska, or elsewhere, if the property is taken under the provision of section 2, could, under section 4, build a shed or shelter for the tractors or machine shops and things at the public expense.

Mr. BLANTON. Will the gentleman yield?

Mr. GARD. I will.

Mr. BLANTON. Under the rules of the House the gentleman knows that we have either got to vote for this bill exactly as it is or vote against it.

Mr. GARD. Yes.

Mr. BLANTON. If the bill fails in giving any direction whatever to the War Department except in their discretion, which they have not seen fit to exercise heretofore, does not the gentleman believe that we ought to stop the proceedings right here on this bill, send it back to the committee, and have that committee properly draft a bill that will do some good?

Mr. GARD. As far as I am concerned, I prefer to have the bill brought in in a way that would be suitable for amendment.

Mr. BLANTON. Mr. Speaker, I make the point of order that no quorum is present.

The SPEAKER. The gentleman from Texas makes the point of order that no quorum is present, and the Chair will count. [After counting.] One hundred and twenty-seven Members are present, not a quorum.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

The question was taken, and the Speaker announced that the ayes had it and that the Doorkeeper would close the doors.

Mr. BLANTON. I ask for a division.

The SPEAKER. The Chair thinks the gentleman is too late. The Chair had announced the result and ordered the Doorkeeper to close the doors.

Mr. BLANTON. The Chair was very fast in announcing it. [Laughter.]

The Clerk called the roll, and the following Members failed to answer to their names:

Andrews, Md.	Drewry	Kearns	Reber
Anthony	Dunn	Kelley, Mich.	Reed, N. Y.
Aswell	Eagle	Kelly, Pa.	Reed, W. Va.
Ayres	Echols	Kendall	Rhodes
Bacharach	Edmonds	Kennedy, Iowa	Riddick
Baer	Ellsworth	Kennedy, R. I.	Riordan
Blackmon	Elston	Kittner	Rose, Pa.
Booher	Ferris	Kiess	Rowan
Bowers	Fields	Kitchin	Rowe
Brinson	Fisher	Knutson	Rucker
Britten	Flood	Kreider	Schall
Brooks, Pa.	Focht	Langley	Scully
Buchanan	Frear	Lankford	Sears
Burdick	Fuller, Mass.	Layton	Shreve
Burke	Gallivan	Lesher	Small
Butler	Garland	Lonergan	Smith, N. Y.
Campbell, Pa.	Godwin, N. C.	McAndrews	Smithwick
Caraway	Good	McCulloch	Snyder
Carter	Goodall	McFadden	Steagall
Casey	Goodykoontz	McGlennon	Steele
Christopherson	Gould	McLane	Stephens, Ohio
Clark, Fla.	Graham, Pa.	McPherson	Stiness
Classon	Griest	MacGregor	Strong, Pa.
Cole	Hamill	Maher	Sullivan
Copley	Harrison	Mann, S. C.	Tague
Costello	Hastings	Mead	Temple
Crago	Hayden	Merritt	Tillman
Curry, Calif.	Heflin	Milligan	Vare
Darrow	Hernandez	Mooney	Ward
Davey	Hill	Morin	Watson
Dempsey	Hoey	Nicholls	Welling
Dent	Huddleston	Olney	Wilson, Pa.
Dewalt	Hulings	Parker	Winslow
Dominick	Hull, Iowa	Pell	Woods, Va.
Donovan	Husted	Pou	Young, N. Dak.
Doremus	Johnston, N. Y.	Ramsey	
Drane	Kahn	Ramseyer	

The SPEAKER. Two hundred and eighty-one Members have answered to their names, a quorum.

Mr. REAVIS. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Mr. GARD. Mr. Speaker, under the provisions of section 4 it seems to me that the Department of Agriculture is being sent into the States to build storehouses for property which by this act is transferred to the States. On page 3 of the bill the title to this property is compelled to remain in the States. They can not do anything with it. It simply stands there and rots and rusts. I call attention to these matters because I do not believe that the consideration of this bill under suspension of the rules is the proper way for its consideration.

I yield two minutes to the gentleman from Michigan [Mr. McLAUGHLIN].

Mr. McLAUGHLIN of Michigan. Mr. Speaker, it is much to be regretted that this bill must be considered in this way—not open to amendment—because there are respects in which amendments should be made. The gentleman from Ohio [Mr. GARD] has spoken of the matter of which I wished to speak. Section 3 says the title to all this material is to vest in the States, but section 4 requires the Department of Agriculture to "procure and provide suitable and adequate storage facilities." The department has no money for that purpose. Section 4 would authorize the use of "available funds from appropriations heretofore made for the Department of Agriculture."

Mr. CALDWELL. Mr. Speaker, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. I can not yield in the very short time I have. What does this mean? Does it mean that any money which happens to be left over from any purpose for which it was appropriated for the department may be used for building "adequate storage facilities" for sheltering this property in the States or does it authorize the Department of Agriculture to use for this purpose money which was appropriated for other purposes? The bill is indefinite, and in my judgment it is improper. The purpose to be reached is good; we all approve of it and wish to vote for it, but it should be amended. I regret very much that it comes up in such a way that it must be passed as it is or defeated.

Mr. GARD. Mr. Speaker, I yield the remainder of my time to the gentleman from Virginia [Mr. MOORE].

Mr. MOORE of Virginia. Mr. Speaker, I think this bill is unfortunately framed. Taking the facts admitted, I think we ought to have legislation directing the War Department to turn over to the Agriculture Department all of the tractors and equipment that are found to be surplus and not used for military purposes or otherwise disposed of. I think it ought to be provided that the machinery so transferred shall be allotted by the Agricultural Department, on some fair basis, to the States for use on the public highways of the country. After delaying for months and months and knowing from the State highway commissions the need or the demand, we are now about to enact legislation that amounts to simply giving a stone where bread had been asked. The States should be allowed to become the owners of this property, which it is declared is in process of being wasted, and without the expense to which this bill would subject them.

The SPEAKER. The time of the gentleman from Virginia has expired. The question is on suspending the rules and passing the bill.

The question was taken; and in the opinion of the Chair, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

Mr. REAVIS. Mr. Speaker, a parliamentary inquiry. There is a committee amendment——

The SPEAKER. That was incorporated in the bill, and the Clerk read it as a part of the bill.

Mr. BLANTON. Mr. Speaker, I desire to submit what I consider a serious matter concerning the bill. No action whatever was taken upon the committee amendment.

The SPEAKER. The Chair stated when the bill was first read that the bill was read with the committee amendment.

Mr. BLANTON. And no action is necessary?

The SPEAKER. No separate action is necessary in respect to it.

EXTENSION OF REMARKS.

Mr. BEGG. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD upon the Diplomatic and Consular appropriation bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. NEWTON of Minnesota. Mr. Speaker, I make the same request.

Mr. MONDELL. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection to the requests of the gentleman from Minnesota and the gentleman from Wyoming?

There was no objection.

Mr. REAVIS. Mr. Speaker, I ask unanimous consent to extend my remarks on the bill just passed.

The SPEAKER. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn in honor of the memory of Levi P. Morton, one time a Member of this House, representative of his Government in France, governor of the State of New York, Vice President of the United States, scholar, statesman, and patriot, who passed to his reward yesterday, aged 96 years.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 35 minutes p. m.) the House adjourned until to-morrow, Tuesday, May 18, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting schedules of claims allowed by the several accounting officers of the Treasury Department under appropriations the balances of which have been exhausted or carried to the surplus fund (H. Doc. No. 766); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting supplemental and deficiency estimates of appropriations required for the District of Columbia for the fiscal year 1920 and for prior years (H. Doc. No. 767); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. PETERS, from the Committee on Naval Affairs, to which was referred the bill (H. R. 11417) for the relief of Capt. J. S. Carpenter, Pay Corps, United States Navy, reported the same without amendment, accompanied by a report (No. 991), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 13105) for the relief of Capt. D. H. Tribou, chaplain, United States Navy, reported the same without amendment, accompanied by a report (No. 992), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 10227) for the relief of Lieut. D. A. Neumann, Pay Corps, United States Naval Reserve Force, reported the same without amendment, accompanied by a report (No. 993), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 12310) to reimburse Capt. H. E. Lackey, United States Navy, for checkage against personal account, reported the same without amendment, accompanied by a report (No. 994), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 5579) to place Albert Hamilton on the retired list of the United States Navy, reported the same with an amendment, accompanied by a report (No. 995), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 12335) to correct and amend the service and military record of Herbert Langley, United States Marine Corps, reported the same without amendment, accompanied by a report (No. 996), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 7230) granting a pension to Emma Ervin, and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. DYER: A bill (H. R. 14097) to assure to persons within the jurisdiction of every State the equal protection of the laws and to punish the crime of lynching; to the Committee on the Judiciary.

By Mr. BAER: A bill (H. R. 14098) for the erection of a Federal building at Fargo, N. Dak.; to the Committee on Public Buildings and Grounds.

By Mr. FAIRFIELD: A bill (H. R. 14099) to provide for the protection of the monetary gold reserve, and for other purposes; to the Committee on Ways and Means.

By Mr. WOOD of Indiana: A bill (H. R. 14100) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. SINNOTT: A bill (H. R. 14101) providing for the extension of time for the reclamation of certain lands in the State of Oregon under the Carey Act; to the Committee on the Public Lands.

By Mr. KINKAID: A bill (H. R. 14102) securing rights of way and easements over public land in connection with Federal irrigation projects; to the Committee on Irrigation of Arid Lands.

By Mr. KAHN: A bill (H. R. 14103) to authorize the Secretary of War to maintain such commissioned personnel in addition to the officers of the permanent establishment and to retain in their temporary grades such officers of the Regular Army as in his judgment may be necessary for the proper performance of the functions of the Military Establishment; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 14104) granting a pension to Ann A. Hall; to the Committee on Invalid Pensions.

By Mr. DAVIS of Minnesota: A bill (H. R. 14105) granting an increase of pension to John H. Dorsey; to the Committee on Pensions.

By Mr. EMERSON: A bill (H. R. 14106) for the relief of the Pioneer Steamship Co.; to the Committee on Claims.

By Mr. HADLEY: A bill (H. R. 14107) for the relief of James Gloster; to the Committee on Military Affairs.

By Mr. HOWARD: A bill (H. R. 14108) granting an increase of pension to William W. Burke; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14109) for the relief of Claude C. Brogden; to the Committee on War Claims.

By Mr. HAYS: A bill (H. R. 14110) granting a pension to S. Eliza Faught; to the Committee on Invalid Pensions.

By Mr. KALANIANAOLE: A bill (H. R. 14111) for the relief of Fred R. Nugent; to the Committee on Military Affairs.

By Mr. KELLEY of Michigan: A bill (H. R. 14112) for the relief of John Burke; to the Committee on Military Affairs.

By Mr. LONGWORTH: A bill (H. R. 14113) granting an increase of pension to Christina Stenger; to the Committee on Pensions.

By Mr. RHODES: A bill (H. R. 14114) for the relief of Oscar Arenz; to the Committee on Military Affairs.

By Mr. SELLS: A bill (H. R. 14115) granting a pension to Taylor Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14116) granting a pension to Kit Smith; to the Committee on Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 14117) granting a pension to John Frund; to the Committee on Pensions.

By Mr. WEBSTER: A bill (H. R. 14118) granting an increase of pension to Wilhelmina Roehl; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3670. By Mr. CULLEN: Petition of Nassau County committee, Mineola, N. Y., American Legion, in connection with soldier benefit legislation; to the Committee on Ways and Means.

3671. Also, petition of Real Estate Board of New York, protesting against plan of taxation in bonus bill; to the Committee on Ways and Means.

3672. Also, petition of National Council Friends of Irish Freedom, in connection with Irish freedom; to the Committee on Foreign Affairs.

3673. Also, petition of Ladies' Garment Clerks' Union, Local 130, New York, favoring amnesty for political prisoners; to the Committee on the Judiciary.

3674. By Mr. DYER: Petitions of 34 companies, corporations, and individuals of St. Louis, Mo., protesting against the passage of the proposed tax on stock-exchange transactions included in the soldier-bonus bill; to the Committee on Ways and Means.

3675. Also, petition of H. F. McIntosh, of St. Louis, Mo., in connection with soldier-bonus and other legislation; to the Committee on Ways and Means.

3676. Also, petition of International Molders' Union, Local 59, of St. Louis, Mo., favoring amnesty for political prisoners; to the Committee on the Judiciary.

3677. By Mr. ESCH: Petition of I. C. Hoppe, of Wasau, Wis., favoring amnesty for political prisoners; to the Committee on the Judiciary.

3678. By Mr. FULLER of Illinois: Petition of Royal W. Bell, of Chicago, Ill., opposing proposed tax on stock transactions in connection with the bonus legislation; to the Committee on Ways and Means.

3679. By Mr. JOHNSTON of New York: Petition of Real Estate Board of New York in connection with soldier-bonus legislation taxation clauses; to the Committee on Ways and Means.

3680. Also, petition of Frank J. Monaghan, of New York, regarding the interdepartmental social hygiene board; to the Committee on Appropriations.

3681. Also, petition of Nassau County Committee, American Legion, Mineola, N. Y., in connection with soldier-benefit legislation; to the Committee on Ways and Means.

3682. By Mr. McKEOWN: Petition of Dobbs Frazier Post, American Legion, Duncan, Okla., condemning provisions of the Army reorganization bill; to the Committee on Military Affairs.

3683. By Mr. O'CONNELL: Petition of Ladies' Garment Clerks' Union of New York, favoring amnesty for political prisoners; to the Committee on the Judiciary.

3684. Also, petition of Hooker Electrochemical Co., of New York, opposing passage of Senate bill 3223; to the Committee on Patents.

3685. Also, petition of Real Estate Board of New York, regarding proposed tax clauses of the bonus bill; to the Committee on Ways and Means.

3686. Also, petition of George A. Lott, of Brooklyn, opposing passage of the bonus bill; to the Committee on Ways and Means.

3687. Also, petition of Railway Mail Association, Syracuse, N. Y., favoring increase pay for postal employees; to the Committee on the Post Office and Post Roads.

3688. By Mr. SINCLAIR: Petition of Civic Club of Grenora, N. Dak., indorsing the Smith-Towner educational bill; to the Committee on Education.

3689. Also, petition of Victor B. Wallin Post, No. 12, Washburn, N. Dak., favoring the fourfold compensation plan submitted by the American Legion; to the Committee on Ways and Means.

3690. By Mr. SMITH of Idaho: Petition of sundry citizens of the State of Idaho, favoring the passage of the McFadden bill; to the Committee on Ways and Means.

3691. By Mr. TAGUE: Petition of C. D. Irvin, of Boston, Mass., opposing passage of House bill 12466; to the Committee on the Public Lands.

3692. Also, petition of Massachusetts Woman Suffrage Association, favoring appropriation for the interdepartmental social-hygiene board; to the Committee on Appropriations.

3693. Also, petition of W. F. Schrafft Sons Corporation, opposing check collection charge by Federal reserve banks; to the Committee on Banking and Currency.

3694. Also, petition of C. W. Trainer, of Boston, Mass., opposing the passage of House bill 12466; to the Committee on the Public Lands.

3695. Also, petition of J. H. Sherburne, of Boston, Mass., opposing the Senate draft of the military bill; to the Committee on Military Affairs.

3696. Also, petitions of four organizations and individuals, favoring immediate report of the commission on increase of postal salaries; to the Committee on the Post Office and Post Roads.

3697. Also, petitions of three American Legion posts, favoring fourfold compensation plan; to the Committee on Ways and Means.

SENATE.

TUESDAY, *May 18, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, all praise is due to Thy name for the marvelous way in which Thou hast led us and established us and blessed us, for the resources Thou hast put at our command, and for the spirit Thou hast given to the leadership of this great Nation. We thank Thee that we are seeking to found the nations more firmly upon the changeless principles of Thy holy word, and that at the beginning of our daily session we are still lifting our hearts to Thee for Thy guidance and blessing. Endow us with Thy grace; lead us by Thy spirit; and conduct us into the realm of all truth, that essential truth which abides in Thyself, and give us success as Christian statesmen to carry forward the work of this Nation. We ask it for Christ's sake. Amen.

The Reading Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. JONES of Washington and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13555) making appropriations for fortifications and other works of defense, for the armament thereof, and for the procurement of heavy ordnance for trial and service, for the fiscal year ending June 30, 1921, and for other purposes.

The message also announced that the House disagrees to the report of the committee of conference on the disagreeing votes of the two Houses to the amendments of the Senate to the bill (H. R. 11960) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921; further insists upon its disagreement to the amendments of the Senate to the bill; asks a further conference with the Senate on the disagreeing votes of the two Houses thereon; and had appointed Mr. PORTER, Mr. ROGERS, and Mr. FLOOD managers at the further conference on the part of the House.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 13329. An act to authorize the Secretary of War to transfer certain surplus material, machinery, and equipment to the Department of Agriculture, and for other purposes; and

H. R. 14100. An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes.

The message also transmitted to the Senate resolutions on the life, character, and public services of Hon. WILLIAM J. BROWNING, late a Representative from the State of New Jersey, and of Hon. CARL C. VAN DYKE, late a Representative from the State of Minnesota.

The message further announced that the Speaker of the House had signed the enrolled bill (H. R. 13555) making appropriations for fortifications and other works of defense, for the armament thereof, and for the procurement of heavy ordnance for trial and service for the fiscal year ending June 30, 1921, and for other purposes, and it was thereupon signed by the Vice President.

FARM-LOAN BONDS.

Mr. GRONNA. From the Committee on Banking and Currency I report back favorably without amendment the joint resolution (S. J. Res. 196) extending the provisions of an act amending section 32 of the Federal farm-loan act approved July 17, 1916, to June 30, 1921, and I submit a report (No. 593) thereon. I give notice that I shall ask the Senate to take up the joint resolution to-morrow morning for consideration.

The VICE PRESIDENT. The joint resolution will be placed on the calendar.

REPORTS OF COMMITTEES.

Mr. ROBINSON, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 974. An act for the relief of W. T. Dingler (Rept. No. 594); and

H. R. 4184. An act for the relief of C. V. Hinkle (Rept. No. 595).

Mr. NORRIS, from the Committee on Patents, to which was referred the bill (H. R. 11984) to increase the force and salaries in the Patent Office, and for other purposes, reported it with amendments and submitted a report (No. 596) thereon.

Mr. SMOOT, from the Committee on Public Lands, to which was referred the bill (H. R. 406) amending an act entitled "An act authorizing and directing the Secretary of the Interior to sell to the city of Los Angeles, Calif., certain public lands in California; and granting rights in, over, and through the Sierra Forest Reserve, the Santa Barbara Forest Reserve, and the San Gabriel Timberland Reserve, Calif., to the city of Los Angeles, Calif.," approved June 30, 1906, reported it with amendments and submitted a report (No. 597) thereon.

Mr. SPENCER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 644. An act for the relief of Oscar Smith (Rept. No. 598);

H. R. 1789. An act for the relief of Thomas P. Darr (Rept. No. 599);

H. R. 1827. An act for the relief of Carolyn Wheeler Kobbe (Rept. No. 600);

H. R. 4927. An act for the relief of Nancy A. Parsons, C. M. Parsons, D. F. Staggs, Ollie Staggs, Roas Staggs, Lena Birchfield, Alice Birchfield, Bertie Gwin, Greely Gilbert, Linville Gilbert, and Nelson Gilbert (Rept. No. 601);

H. R. 5807. An act for the relief of John T. Adams (Rept. No. 602);

H. R. 9583. An act for the relief of Edward A. Purdy, postmaster of the city of Minneapolis, Minn., for postage stamps, postal savings stamps, war savings stamps, war-tax revenue stamps, and cash from money orders stolen from the branch post office at Minneapolis, Minn., commonly known and described as the traffic station, and located at Nos. 621 and 623 First Avenue north in said city (Rept. No. 603);

H. R. 10115. An act for the relief of Harvey R. Butcher (Rept. No. 604); and

H. R. 10317. An act for the relief of Blanche Utley (Rept. No. 605).

CLAIM OF WILLIAM CASEY.

Mr. SPENCER, from the Committee on Claims, reported the following resolution:

Senate resolution 367.

Resolved, That the claim of William Casey (S. 4384), now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance of

the provisions of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and report to the Senate in accordance therewith.

The VICE PRESIDENT. The resolution will be placed on the calendar.

PAWNEE INDIANS OF OKLAHOMA.

Mr. SPENCER, from the Committee on Claims, reported the following resolution:

Senate resolution 368.

Resolved, That the bill (S. 4375) entitled "A bill for the relief of the Pawnee Tribe of Indians of Oklahoma, now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance of the provisions of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and report to the Senate in accordance therewith.

The VICE PRESIDENT. The resolution will be placed on the calendar.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARRIS:

A bill (S. 4402) granting the consent of Congress to Troup County, Ga., and Chambers County, Ala., to construct a bridge across the Chattahoochee River on the boundary lines between the said States; to the Committee on Commerce.

By Mr. TOWNSEND:

A bill (S. 4403) authorizing the Secretary of Commerce to convey to Houghton and Keweenaw Counties, Mich., a portion of the Copper Harbor Range Lighthouse Reservation; to the Committee on Commerce.

By Mr. BORAH:

A bill (S. 4404) to provide for free tolls for American ships through the Panama Canal; to the Committee on Interoceanic Canals.

By Mr. SHERMAN:

A bill (S. 4405) to amend an act entitled "An act to create a juvenile court in and for the District of Columbia";

A bill (S. 4406) to amend an act entitled "An act to provide for the support and maintenance of bastards in the District of Columbia"; and

A bill (S. 4407) to amend an act entitled "An act making it a misdemeanor in the District of Columbia to abandon or willfully neglect to provide for the support and maintenance by any person of his wife or of his or her minor children in destitute or necessitous circumstances"; to the Committee on the District of Columbia.

A bill (S. 4408) granting a pension to Henry Hardy; and

A bill (S. 4409) granting a pension to William G. Phelps; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 4410) to amend an act entitled "An act to provide for the termination of Federal control of railroads and systems of transportation; to provide for the settlement of disputes between carriers and their employees; to further amend an act entitled 'An act to regulate commerce,' approved February 4, 1887, as amended; and for other purposes"; to the Committee on Interstate Commerce.

AMENDMENT TO SUNDRY CIVIL APPROPRIATION BILL.

Mr. HARRIS submitted an amendment relative to the salaries of clerks and stenographers at the Atlanta Penitentiary, Ga., from and including July 1, 1920, intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

HOUSE BILLS REFERRED.

H. R. 13329. An act to authorize the Secretary of War to transfer certain surplus material, machinery, and equipment to the Department of Agriculture, and for other purposes, was read twice by its title and referred to the Committee on Military Affairs.

H. R. 14100. An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes, was read wtice by its title and referred to the Committee on Appropriations.

DIPLOMATIC AND CONSULAR APPROPRIATIONS—CONFERENCE REPORT.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11960) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921; further insisting upon its disagreement to the amendments of the Senate and requesting a further conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. LODGE. Mr. President, I ask the indulgence of the Senate for a moment to make a statement in regard to the position of this bill and what is involved.

The Committee on Foreign Relations, with the approval and suggestion of the department, added an amendment to the bill continuing the present act which charges the State Department with the supervision of passports, and continuing the war legislation on that subject which was included in the act of May 22, 1918, an act which was subsequently continued and extended to 1921 on the 29th of October, 1919.

The amendment put on by the Senate was designed for the very simple purpose of securing revenue from the passports issued here and the visés placed on the passports of immigrants coming to this country, the passports being required under the war legislation as an obvious protection against the coming of unsuitable persons to the United States. We increased the fee for passports, thinking that for the service rendered by the State Department there ought to be a reasonable fee and that persons who were able to go abroad, either on business or pleasure, could fairly pay an additional tax and help in the suppport of the State Department which rendered them the service. We also increased the fee for the visé given by our consuls abroad and necessary to the passports of immigrants coming to this country.

We had no thought beyond the economic side of the question. It did not occur to me, though I have been interested in immigration for many years, that adding these fees to the visés of passports of immigrants would have any real effect on the restriction of immigration, but there has been a widespread fear in this country about the immigration that would pour into the country with the closing of the war, and there has been a great deal of feeling about the persons who have come in as immigrants and who have been conspicuous, as all the world knows, in strikes and agitations in this country, leading to the attempted deportation of some of them.

However, the object of restricting or interfering with immigration was not in the mind of the committee. We found that by a reasonable fee for passports and visés we shall be able to pay a large part of the expenses of the department which ran the service. In these days, when we are supposed to be pursuing economy, it seemed to the committee a wholly reasonable action. We brought the amendment before the Senate. It was agreed to without any objection. The Senate as a whole approved it. I do not remember the slightest opposition.

The bill, with the Senate amendments, then went to conference, and for one reason or another, absence from town, and so forth, the action of the conferees was long delayed. The report had to be taken up first by the House. When it was taken up by the House a point of order was made on another, a wholly different, item. That, of course, brought the bill back into conference. The Senate at once accepted the conference. We struck out the amendment against which the point of order had been made, and the report of the conference committee, which was a unanimous report signed by all the members of the conference, went back again to the House. The House has again taken up the report of the conference committee and voted down the amendment in regard to passports and visés.

I have not had time to read the debate with any thoroughness, but I gather that the vote against the amendment put on by the Senate and accepted by the House conferees went largely on the ground that we must not tax incoming immigrants and that we must do nothing, as I understand it, which would restrict or interfere with immigration.

The bill has come back, and the action of the House has just been laid before the Senate with that amendment disagreed to by the House. I wished to make this statement to the Senate because I think the question involved is of some importance, and I wished the Senate to know the reason why the bill has come back a second time.

I move that the Senate further insist upon its amendments and agree to the request of the House for a further conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. LODGE, Mr. BORAH, and Mr. POMERENE conferees at the further conference on the part of the Senate.

Mr. KING. I wish to state to the Senator from Massachusetts that one of the additional reasons for the action of the House arose out of the fact that the Committee on Immigration is considering the question as a sort of probationary law which will deal in part with immigrants; but I think the prospect of getting that law is very remote—at any rate it will not be enacted for some time yet—and I feel that the action of the

Senate was entirely proper, and that we should stand by the Senate conferees.

Mr. LODGE. Mr. President, let me say something which I omitted. The amendment of the Senate, which was asked for by the State Department, continues the law in regard to passports that was put on, and most properly put on, during the war. If this amendment is stricken out, there will be no passport restrictions on immigrants coming in or people going from America. In the action of the House that principle is involved, and that is to my mind a very serious question, indeed, and one that I think will require the attention of the Senate.

WATER-POWER DEVELOPMENT—CONFERENCE REPORT.

The VICE PRESIDENT. The morning business is closed.

Mr. JONES of Washington. Mr. President, from day to day I have refrained from calling up the conference report on House bill 3184, the water-power bill, because various Senators either had to be out of the city or were engaged in committee work, and asked me to do so. In consideration of those requests I have stated to Senators that I would not call it up until after Thursday of this week.

I wish to announce that I shall not, so far as I am concerned, consent to a further postponement of the consideration of the conference report after Thursday, but that I shall then call it up at the very first opportunity for disposition.

PENSIONS AND INCREASE OF PENSIONS.

Mr. McCUMBER. Mr. President, I gave notice yesterday that I would move this morning to take up House bill 12530, but I ascertained afterwards that the Senator from Massachusetts [Mr. WALSH] had previously given notice of his desire to speak this morning at the close of the morning business. I therefore defer calling up the pension bill until after the Senator from Massachusetts has completed his address, when I shall ask permission to make a motion to take up the bill.

CAUSES OF SPREAD OF RADICALISM AND SOME REMEDIES THEREFOR.

Mr. WALSH of Massachusetts. Mr. President, is there danger, as many allege, of the collapse of our political and parliamentary institutions and the substitution therefor of the industrial state? That there is to-day, for the first time in America, public agitaion in favor of this proposition can not be disputed. If there is danger, or even a remote possibility, of a serious movement in this direction, the time has come for us to find out what are the causes that are giving support and strength to this agitation, and what, if any, remedies can be applied to restore public confidence in our political institutions. We can not continue indifferent to this propaganda, or feel that we have performed our duty merely by prosecuting its leaders or denouncing their constantly increasing following as Bolshevists, socialists, and anarchists.

Personally, I do not believe there is any real danger of the majority of our people accepting such doctrines, but I do believe from evidence which is constantly appearing in the newspaper and periodical press of the country, from information which has come to me from my constituents in Massachusetts, and from evidence to which I have listened before a committee of the United States Senate, that the widespread discontent in this country, reflected in the constant clashes between capital and labor and the growth of socialism, is due to an increasing belief that our Government has failed to make any visible and appreciable progress in dealing with present grievous evils that have crept into the body politic. In a word, altogether too many are coming to believe that our political institutions do not meet the needs of the present situation.

There are some among our people who maintain and would have us believe that only a fundamental revision of the economic system—a system that has contributed largely to the high state of civilization we are enjoying to-day—will protect millions of our people from the criminal extortions of a comparatively few individuals and groups of individuals whose illegal practices go unchallenged and unchecked because of their ability to control the channels of public opinion and their power to prevent a frank exposure of real economic conditions. And what is more serious, large numbers who still have undiminished faith in our institutions are beginning for the first time to doubt whether or not our Government, as it is organically constituted to-day, has the means to grapple successfully with such a novel and abnormal contingency. This undercurrent of feeling, in my opinion, is the basis of the undefined unrest.

INADEQUACY OF OUR AMERICANIZATION PROGRAM.

We have talked very much of late about Americanism and the adoption of legislation providing for the education of our foreign population according to American ideals. We have noted with alarm that hundreds of thousands of recent arrivals in this country from foreign lands have become associated with radical movements, and seem to follow complacently and willingly the leadership of the most radical elements of our population. The ease with which this radical leadership gains such a loyal following among the new arrivals in this country is said by some to be a mere transitory state in the minds of the immigrants. These optimists say that as soon as the newcomers become better acquainted with our institutions and the life of the older sections of this country all bitter feeling and rancor will disappear. It is true that practically all of the new arrivals actually become as loyal as any element in the country, as their record in the recent war proves beyond doubt, and even if they retain their radical views, they do not consider them to be inconsistent with a true and loyal devotion to their new and adopted country. Some foolishly maintain that it will be enough to teach the yet unassimilated elements of our population the American language in order to make them thoroughly American; but even if this were true, a major part of the problem would still remain unsolved.

DISCONTENT NOT CONFINED TO FOREIGN ELEMENTS.

Only superficial observers believe that sympathy with radical doctrines is confined merely to foreign elements in America. Were this so, we might feel no special alarm over the security of our institutions and the future of our country. However, our daily experiences show clearly that the American people, native and foreign alike, are seething with discontent and dissatisfaction with the existing social order. This spirit of unrest, discontent, and dissatisfaction, this growing conviction of the alleged incompetency of our institutions to eradicate the notorious abuses that have grown up under the cover of the doctrine of equality of opportunity, exists in the ranks of all classes. He who has eyes sees and he who has ears hears to-day that the great middle class, the salaried employees in and out of the Government employ, the preachers in the pulpit, the teachers in the classroom, are inclining more and more to espouse the cause of radical ideas. The country press is feeling its touch. In a communication to one of the Members of this body a few days ago a publisher of a country newspaper said:

> Radicalism is creeping into the hearts of a great many newspaper publishers these days, for few men can sit calmly by and see their business destroyed without feeling a deep resentment that such a condition should be permitted to exist.

Even a retiring executive connected intimately with the affairs of government and possessing an unequaled perspective for analyzing its greatest requirements has come to realize, to quote the words of ex-Secretary Lane—

> that there are in Washington statesmen who are politicians, and politicians who are not statesmen. It is rich in brains and character—honest beyond commercial standards—but it is poorly organized for the task that belongs to it. Ability pressed to the point of paralysis because of an infinitude of details and an unwillingness on the part of the great body of public servants to take the responsibility. The self-protective sense develops abnormally; the creative sense atrophies. Trust, confidence, enthusiasm, three simple virtues of all great business, are the ones most lacking—our progress does not keep pace with the Nation's requirements.

PRESENT DISSATISFACTION UNDERMINING GENUINE AMERICANISM.

Some of the dissatisfaction of our day is not confined to mere verbal protest. It is beginning to assume in some quarters a form of active opposition to the Government and its agencies. This is a very alarming symptom, for our people have always been trained and have been accustomed to feel that imperfect or mistaken laws must be obeyed until they are changed through the means provided by our Constitution. We have always preached and taught in our schools and advised the laboring class, both native and foreign, that the American ideal is this: When America speaks through its constituted authorities in the regularly established form the citizens of America obey, even though they feel the bitter injustice and partiality of a law either as passed or as interpreted by the judicial authorities. Americans have been inclined to direct their protest and show their indignation against officials or an administration or a political party responsible for the alleged injustice, but never against the form of our Government, as such. This spirit may be said to be the quintessence of true and genuine Americanism. It always has been the bulwark and the mainstay of American institutions. We must preserve this spirit if the development of our institutions is to progress along orderly, evolutionary lines. The time, however, is here now when our people, unnerved, excited to the extreme, and pressed by economic conditions almost beyond endurance, are threatened with the loss of this spirit of loyal and unshakable faith in our institutions. Chaos and class war must inevitably pursue the disappearance of these sentiments—the foundations of our Republic. Immediate and effective action directed toward constructive improvements is imperative in order to safeguard and fully revive the faith of the American people in the ability of their governmental agencies to act as neutral factors without prejudice or bias, with full power and determination to pro-

tect the interests of the whole people without the least favoritism toward the capitalist or the laborer or any other class but with equal justice for all.

The time has come for our Government to show to the people that this is true—that it has the power and the inclination to right their wrongs and that it possesses public servants courageous, intelligent, and patriotic enough to seek a remedy and find a solution. I repeat, the most dangerous condition in America to-day is that arising out of the thought and belief that our Government has broken down; that we have not the form of government or the instrumentalities within the Government to grapple speedily, definitely, and adequately with a great public abuse such as now confronts us.

THE DOCTRINES OF THE RADICALS.

What is the doctrine that the radicals are preaching to our people? They point out, again and again, tremendous and astonishing profiteering on the part of those whose function in the industrial life of the community is the providing of the necessaries of life. They assert that no definite, positive, successful steps have been taken by the Government to stop it. The allegation is made that the reason why it is not stopped and why, as they say, no attempt is made to stop it, is because our political institutions are incapable; that our public officials are indifferent, and, as it is altogether too frequently claimed, many of them are controlled by these same selfish forces. They argue that our Government has grown too cumbersome, that the new industrial order of large and powerful trusts and combinations of producers has resulted in overwhelming all governmental means of effectively stopping the profiteering abuse. In a word, they say that the institutions of our Government have broken down; that there is no remedy for present evils in our present political form of organization. They allege, however, that there is a remedy, and the culmination of their contention suggests that the only remedy lies not in political but industrial reorganization.

The number of their followers increases; their organizations multiply; their sympathizers, not yet openly associated with them, are found in nearly every walk of life; and while all this is going on in the body politic throughout the country we sit here either unconscious of the seriousness of it all or indifferent to the necessity of stopping its progress.

THE RADICALS' REMEDY UNSOUND.

There is an answer to this outcry, and there is a remedy, and our Government is not impotent. To give this answer is the best Americanism that can be preached; to apply the remedy is the best Americanism that can be practiced.

Our splendid form of government has been so organized that under it every wrong, every abuse, can ultimately be remedied, for even if there is not existing at present the means for any particular task, the people themselves, through the ballot, through the instrumentalities which party government and the political machinery of the country amply provide, can confer the powers, enact the laws, and secure the constitutional changes necessary to effect their purpose.

I protest, therefore, Mr. President, against the belief that the only salvation of the people lies in the overthrow of the present order, and I refuse to admit that there is not the means vested in the chosen forms of our Government to deal with and remove any evils or abuses which exist, however deeply rooted they may have become.

THE RADICALS' CHARGES NOT WHOLLY UNFOUNDED.

But is there any sound basis for these complaints? Or what are the reasons for the loud and wrathful assertions, coming from almost every class in America, that our Government has outlived the noble purposes for which it was founded? Is it now incapable, because of great confusion and disagreement among its organized parts, of functioning for the greatest good of the greatest number, and does it now operate to enhance the privileges and increase the fortunes of a selected few who are permitted to enrich themselves amid the economic distress and threatened upheaval in the Nation at large? Is it high and absolutely artificial prices, is it the excessive profit making and exploiting of the working people, that has brought about this state of discontent? Is this the responsible cause of the feeling spread abroad that we have ceased to serve the interests of our people?

Let us see what evidence on the case, if any, the history of the rise in price levels and the cost of living during the war will reveal. Let us see if some of the facts on which the radical bases his arguments for radical reforms are not absolutely true, even though we do not agree with his conclusions as to the Government's inability to remedy them.

THE CAUSES OF HIGH PRICES ANALYZED.

A brief and cursory review of the movement and of the causes of the present high prices, of the high cost of living, and of the unprecedented, scandalous continuation of profiteering will assist us in appreciating the Government's responsibilities for these baneful results and the insistent demand of the Nation for governmental assistance.

The greatest advance in prices in America has been caused by our own Government's policy during the World War—a policy to which I refer not for purposes of criticism but to uncover, so far as possible, the causes of the abnormal living conditions under which we are suffering.

The beginning of the tremendous upward trend in the costs of living was the natural consequence of the Government's policy of throwing open our markets to the enormous new demands by belligerent countries in the World War for munitions and other war materials, food supplies, and necessaries in general in unheard-of volume. Coming so suddenly, this tremendous drainage of our markets caused a rapid increase in prices which have since gone steadily upward and never backward, and started the era of Jumbo profit making that still is rampant. The entrance of our own country into the war intensified and made more serious this unhealthy condition, with the result that our home markets were depleted and drained of the very articles that constitute the prime needs of life. The Government became even a greater customer than the people themselves, and by its peremptory requirements caused a still further rise in prices. The business interests having tasted the honey that flowed from European war contracts now found a new and more lavish customer at home, and a new orgy of profiteering commenced, at the expense of both the Government and the people, which has continued unchecked to this hour.

I repeat this brief survey of the recent rise of prices, of the outrageous increase in the cost of living and the scandalous profit making, simply to bring out the fact that the Government itself, through its own choice among possible policies, is primarily responsible for the rise in living costs. All the greater is the duty, therefore, of the Government to lay bare the causes of excessive prices and restore profit making to normal proportions.

PUBLIC LOSING HOPE OF GOVERNMENT ACTION.

By far the most difficult question for the American people to answer to-day is: "Now that the war is over, why is the cost of living still increasing, and why is profiteering daily growing worse?" The public learns daily from the press of the distribution of huge dividends accumulated by business during the war and down through the year 1919, and sees that many of our great corporations are still accumulating even greater profits year by year. This conviction accounts for the natural resentment of a plundered Nation and of the classes who suffer the results of this vicious rise of prices, outstripping the advance of wages and causing them to bend under a load far beyond their strength and patience to bear. Those who suffer—and they are many, I am grieved to assert—have borne these burdens thus far, I repeat, out of loyalty to their country, out of faith in the traditions and purposes which gave it birth, knowing full well that they were victims of the wrongs of special interests, but relying with the devotion of patriots that their Government, recovering from war influences and war aftermaths, would prescribe remedies and help to restore normal living conditions.

But as the hopes which the promise of a world league, based on truth and trust and consecrated to all the goodness and idealism in mankind, raised in the hearts of peoples struggling for freedom the world over faded and died before the onslaughts of selfish nations greedy for gold and power, are we to believe that the hopes must die also of the American people who have placed their faith in their Congress as the instrument to interpret and enforce the justice of their Constitution?

Conditions have grown worse, and it seems that a band of robbers infest the land. Combines and trusts, by tacit if not by actual agreement, hold up their products for constantly increasing gain and ruthlessly exploit the buyers. As this atrocious materialism increases the Government, outside of a few weak and insignificant threats, has not even attempted a solution.

ACTUAL EXTENT OF PROFITEERING CONCEALED.

Let us briefly review some of the facts which are matters of common knowledge—if, indeed, they have not already been forgotten—about the four fundamental industries which supply us with food, fuel, clothing, and the iron and steel upon which all our industries so largely depend. It is to be noted and remembered that the disclosures of war-time profiteering to which I am about to refer, astounding and incredible as they seem,

are in all probability understatements rather than overstatements of the undeniable facts. The profiteering corporations have resorted to many successful devices to conceal from the public the true relation between their net earnings and the actual investment on which the percentage of profit should justly be computed.

The payment of excessive salaries, amounting in the case of one corporation dealing in metals to the astonishing aggregate of $1,198,600 to its president, two vice presidents, the chairman of its board of directors, and two office managers—six alleged executives paid on the average $200,000 apiece—is one favorite method of concealing real profits, a method grossly unfair, of course, to the minority shareholders as well as to the public, and practiced with impunity only because the officials receiving these preposterous amounts are, in fact, owners of a controlling interest in the corporation. Another favorite form of camouflage is the setting aside of greatly excessive depreciation funds, the greater part of which not being needed for their ostensible purpose go later to swell the corporation's surplus and justify untaxable stock dividends. And most common and important of all is the issue of watered stocks, representing at the outset nothing but the right to share in the unjust exactions of a monopolized industry, and later on representing the capitalization of excess profits that never should have been allowed to be made. Meanwhile all of these shady transactions are encouraged and screened from public reprobation by the un-American and unjustifiable veil of secrecy which we have allowed to be drawn around corporation income-tax returns to such an extent that, as Basil M. Manly, of the Federal Trade Commission, declares in an article in the April issue of the Searchlight on "War Profits of the Patriot-eers," that:

So far as the income and excess-profits taxes are concerned the Treasury Department is an impenetrable veil through which no citizen is permitted to see.

In spite of the partial shelter which this "impenetrable veil" affords to individual offenders, it has been possible for the investigators employed by the Brotherhoods of Railroad Employees to submit to the Railroad Labor Board certain general conclusions that are supported by so many bits of corroborative evidence from independent sources that I believe them to be true. Among them are the following:

That the combined corporations of the country earned in net profits approximately $4,800,000,000 more per year during the three war years, 1916, 1917, and 1918, than during the three years prewar period;

That in two industries alone, namely, iron and steel and coal, $2,000,000,000 of net profit in excess of the prewar average were exacted during the three war years, constituting virtually a levy of $20 upon every man, woman, and child in the United States;

That 2,030 corporations earned in net profits over 100 per cent per year on their capital stock during the three war years; that 5,724 showed net profits of more than 50 per cent and that 20,000 earned from 20 to 50 per cent;

That the average profits during the three war years of all the corporations in the United States with net incomes of $1,000,000 or more approximated 24 per cent per year on their capital stock; and

That since the cessation of the demand for war supplies, industries engaged in the production of clothing, food, household supplies, and other staple necessaries of life have exploited the public to an extent even greater than during the years 1916, 1917, and 1918, so that the added toll of profiteering in absolute necessities since the armistice, reckoned in terms of net profits over and above the extortionate profits exacted in the war years, has amounted to at least 20 per cent in those industries for which profit figures for 1919 are now available.

DANGEROUS INFLUENCE OF PARTIAL DISCLOSURES OF PROFITS.

Whether these conclusions are sound or not, their effect for good or ill will not be limited to their influence upon the wage decisions of the Railroad Labor Board. Published under the auspices and with the sanction of the American Federation of Labor, they will be read and believed by every member of the unions, and also, unless speedily confuted by an impartial investigation, such as I now propose, will be accepted as facts by millions of unorganized sufferers from the high cost of living throughout the United States. If these statements and the alleged disclosures of profiteering constantly appearing in the press are not true, the corporations themselves should demand the investigation in self-defense. If they are true, Congress can not afford to lose a moment in verifying them and devising a remedy.

FOOD PROFITEERS.

Turning from the general to the particular, we find such examples as these of conscienceless profiteering in food products.

According to the Federal Trade Commission the Armour Grain Co., a large factor in the cereal and breakfast-food business, reported in 1917 net earnings of 290 per cent on the capital stock, or 67 per cent on the net worth of the company, including capital, surplus, and undivided profits.

The "Big Five" meat packers, who within the memory of men of middle age, while enriching their controlling owners beyond the dreams of nineteenth century avarice, have swelled their invested capital to the half billion mark almost solely by the capitalization of excess profits, made, according to the Federal Trade Commission, a total profit of $95,639,000 in 1917, as compared with a total profit of $22,108,000 in 1914.

The Christian Science Monitor recently published a table of financial returns of corporations which corroborates this report by showing that, owing to the unexampled prosperity of industrial concerns in the United States during the last five years, three of the "Big Five" have been enabled to accumulate surpluses available for "melon slicing" as follows: Morris & Co., $52,823,864, or $1,760 per share of common stock; Swift & Co., $84,575,179, or $56 per share; and Wilson & Co., $19,789,232, or $98 per share.

Is there any plausible explanation why the price of sugar has jumped to six times its prewar price, long after the war is over and without any proportionate shortage in the world's supply?

Figures gathered by the National City Bank of New York conclude that the amount of sugar brought into the United States will exceed by 1,250,000,000 pounds the imports of any other year in our history. In view of these facts, is it hard to imagine why newspapers say that "sugar profiteers have a strangle hold on the American public"? A brokerage firm recently stated that there are some sugar concerns paying 100 per cent and over on their stock, and that even these present dividends are no criterion of actual profits since stockholders are sure to receive large cash or stock dividends in the near future.

CLOTHING PROFITEERS.

A conspicuous factor in bringing about the recent unprecedented high prices of clothing is the American Woolen Co. This combination, which for more than 20 years has controlled the market for all fabrics of which wool, new or reworked, forms a part, has derived its plant, its working capital, its accumulated surplus, and all other assets almost entirely from the capitalization of excessive profits.

At its organization it was capitalized at $70,000,000, of which the thirty millions of common was unquestionably water and the forty millions of 7 per cent preferred was represented by mill properties whose combined market value at the time probably did not exceed four or five millions. The company, while every year paying this nominally 7 per cent, but more probably 50 per cent, on the actual investment, remodeled its old mills and built new mills of much greater capacity entirely from the proceeds of short-time notes which were redeemed out of surplus earnings. A few years later ten millions of the common stock was "retired" at 31; in other words, $3,100,000 of surplus earnings were diverted into the pockets of certain shareholders whose identity was carefully concealed, leaving, however, little doubt that by this one transaction all the money actually ventured by those in control of the combine was replaced in full. This prewar record of profiteering was in the war period entirely cast in the shade. Its profits, as disclosed by the company's annual report for 1919, rose from $2,788,602 in 1914 to $15,513,414 in 1919, this after all taxes had been paid. Meanwhile the working capital of the company has been raised through its earnings from $21,843,636 in 1914 to $64,086,943 in 1919, and its "surplus reserves" from $8,024,435 to $39,004,426, while $13,193,549 has been written off for depreciation of plant and machinery which cost the company nothing, though its book value was originally $63,642,911.

The actual earnings for the common stock, as computed from the company's report by the Christian Science Monitor, were $41.87 a share in 1917, $93.86 in 1918, and $76.14 in 1919, or a total in three years of $211.87 per share of common stock, every dollar of which is undeniably water. The common stock, according to this showing, has now behind each share a value of $320 in quick assets alone, or not less than $520 per share when we estimate the company's plants at a fair replacement value. The financial editor of the Christian Science Monitor is clearly well within the mark in characterizing this 1919 report as "the most brilliant in the series of extraordinary statements issued by the company since 1916."

But the American Woolen Co., if the chief, is not the only clothing profiteer. The cotton mills have also exacted and are still exacting extraordinary profits. Eight of the leading textile companies taken together made net incomes in the war years 1916, 1917, and 1918 five times as large as in the prewar years 1912, 1913, and 1914.

If these figures and estimates are misleading, why, I ask, did the common stock of the American Woolen Co., quoted at $16 a share in 1915, sell for $169 a share last year? Why has the Amoskeag Mills, makers of ginghams, women's worsted goods, bed ticks, and other household goods, in addition to distributing its usual dividends on common and preferred stocks, recently announced its purpose to declare out of surplus earnings a stock

dividend of 100 per cent? Why, according to the textile manufacturers' organ, Fibre and Fabric, have the Fitchburg Yarn Co. and the Grant Yarn Co., after paying dividends of 12 and 24 per cent, respectively, just declared stock dividends of 100 per cent and 300 per cent? Why, according to the same manufacturers' publication, are Parker & Hargraves, of Fall River, in a position to declare a stock dividend of 100 per cent, and the Fall Yarn Mill, of Woonsocket, R. I., a stock dividend of 300 per cent?

FUEL PROFITEERS.

The income-tax data compiled for the Senate by the Treasury Department showed huge profits for the bituminous mine operators out of all proportion to the increased wages of miners. Of the 392 bituminous coal companies cited, 334 showed net profits, after every possible deduction, of over 25 per cent. More than half the companies—218 to be exact—showed earnings of over 50 per cent on capital stock. And 118, or nearly one-third of all, showed net profits of over 100 per cent. The financial manuals show that the net incomes of 17 of these companies increased from $13,000,000 in 1914 to $48,000,000 in 1917, and their average net profit per ton from 20 to 60 cents. If the average profit per ton of these companies was representative of the whole industry, then the bituminous mine operators of the United States, during the four years 1916, 1917, 1918, and 1919, gathered a total profit of more than $1,000,000,000, of which more than two-thirds was excess.

The anthracite coal operators show still larger percentages of net profits. The average annual prewar incomes of four of the larger companies were $7,000,000, which was 15 per cent on the capital stock. In 1917 this average had risen to $16,000,000, or over 34 per cent on the capital stock. The income-tax returns show that the net income of six smaller companies, which was already 57 per cent in 1916, increased to 94½ per cent in 1917.

The statistics presented to the Railroad Labor Board by the railroad brotherhoods tend to show how these huge profits were obtained.

In 1914 the average cost of anthracite coal at the mine was $2.28 per ton, of which $1.59 was paid for labor. Transportation to New York cost $1.80 per ton, and the retail price was $7.54, leaving margins totaling $3.46 for the operator, the sales corporation, and the retail dealer. In December, 1918, the cost at the mine was $4.22, of which $2.97 went to labor. Transportation had risen to $2.30, and the retail price to $11.82, leaving $4.80 for the distributor's margin. Thus the retail price increased three times as much as the increase in miners' wages.

NEWSPRINT PROFITEERS.

Another instance of the extent to which profiteering is being carried on is the evidence which has recently been presented before the Senate committee investigating the shortage of newsprint paper. This evidence tends to show that there are manufacturers producing newsprint paper at a reasonable profit for about 3 cents per pound, yet the lowest price that a large publisher can contract for newsprint paper to-day is approximately 6 cents per pound; and the smaller publishers of country papers, who can not make a contract because of their small requirements, have to deal through brokers and jobbers, who are charging anywhere from 15 cents to 20 cents per pound. This unmistakably proves that there is a profit divided between the manufacturer and the jobber, largely the latter, ranging from 400 to 800 per cent. Even the largest publishers, according to the evidence presented, are compelled to pay some manufacturers of newsprint paper about 200 per cent profit over and above all costs of production, including labor and overhead expenses.

One broker who handles newsprint and other kinds of paper appeared before this committee and testified that his company in the year 1919 paid dividends of 120 per cent. His company does not handle paper at all, but simply acts as a broker. And all these disclosures appear in spite of an agreement entered into by the Department of Justice of the United States Government and newsprint manufacturers, which is still in force, permitting the Federal Trade Commission to fix the price of newsprint paper, and the last price fixed by this commission was 3.75 cents per pound.

In the face of uncontradicted testimony that 50 per cent of the publishers of small daily and weekly newspapers will be driven out of business if present prices continue, how can we longer remain indifferent? The imminent success of the profiteers in destroying one of the safeguards of liberty—the means of enlightening and educating our masses—should arouse us to action.

It is fortunate, indeed, to be able to point out that during this mad rush for excessive profits there still exist businesses whose integrity and fair dealing can not be questioned. I refer to concerns of the type of the Great Northern Paper Co. This concern, as it was shown before the Senate committee, has fully maintained the traditional reputation of American business for fair dealing. I firmly believe—and we may congratulate ourselves upon the fact—that there still are many concerns of this kind in the country who would gladly cooperate with the Government in its efforts to cleanse business of the stigma of profiteering.

RISE IN STOCKS REVEALS PROFITEERING.

Why continue? It is a story, to use the language of a Government employee familiar with the real situation, dazzling and unbelievable. But if the figures from Government reports and the returns of the companies themselves are not convincing proof of profiteering, what is the explanation of the sudden rise of stock prices in such typical instances as these: Selling price of the stock of the Endicott-Johnson Co., shoe manufacturers, was $37.50 in April, 1919, and rose to $150 per share in December, 1919; selling price of the Corn Products Refining Co., the largest producers of corn products in the world, rose from $15 in 1916 to $105 in the early part of 1920; of the Central Leather Co., dealers in hides and leather, from $13 in 1914 to $116 in 1919; the American Hide & Leather Co., also dealers in hides and leather, from $20 in 1915 to $140 in 1919; Peunta-Alegra Sugar Co., from $50 in 1919 to $118 in 1920; Cuban-American Sugar Co., from $38 in 1915 to $150 in 1919 and to $480 in 1920.

PROFITEERING AND NOT WAGE INCREASES CAUSING DISCONTENT.

There are many writers and speakers, Mr. President, who are attempting to divert public attention from the manufacturing and commercial profiteers and place the responsibility for the high cost of living upon the inflation of currency and credit, upon the restricted production, and upon the advancing wages of labor.

I do not deny or minimize the fact that all these elements do enter into the problem and contribute to a greater or less extent to the high prices. What I do contend is that the very existence of these contributory causes, all of them more or less inevitable and necessary, instead of diverting our attention from profiteering ought to make it appear all the more inexcusable and base.

Inflation was unavoidable under the urgent needs of the World War. The stinted production of raw materials and of food was inevitable also. The demand of labor for a living wage can not be refused unless we disregard all considerations of justice and humanity and sacrifice the true welfare of the Nation now and for the generations to come. These factors in the rising cost of living are not the real cause of the popular discontent. The American people realize that in view of existing circumstances they must pay enough for the necessaries of life to make up for the shrunken value of the dollar and for increased costs of production due to the scarcity of materials and transportation facilities, until such time as these difficulties can be gradually overcome. They are willing also to award to labor a living wage and to capital a moderate and a reasonable profit. They are not willing, and they will not much longer endure, that the price of necessaries should be still further inflated beyond measure in order that corporations may pile up unprecedented surpluses and that enormous dividends may flow into the coffers of thousands of newly-made American millionaires.

I pause here to call attention to an advertisement appearing in the New York Times of this morning. The barbers of the city of New York have gone on strike. The Brotherhood of Employees of the Terminal Barber Shops have refused to go on strike because, as they say, it will only mean increased wages which means increase in the cost of living. They say in that remarkable advertisement that they sympathize with their brother barbers who think thus to meet the present cost of living that they are relying on the public and the Government to help improve the present situation, and that they will tolerate and continue to work for reduced wages until such time as the Government may act.

I wish to read the advertisement. It is so expressive of the thought that I have tried to express here that I read it:

TERMINAL BARBERS STAND BY THE PUBLIC.

The Brotherhood of Employees of the Terminal Barber Shops, having carefully considered the demands of the barbers for higher wages and higher prices and the strike now called to enforce them, hereby in full meeting assembled declares its position as follows:

We have observed with deep concern the constantly increasing cost of living. It is plain to us that, as wages have increased, prices have correspondingly raised, soon resulting in the necessity for forther increase of wages; that this process is continuous, so that no increase in wages is of substantial or permanent benefit, because quickly absorbed in the higher cost of living, with the result that the worker is no better off than before.

We are in hearty accord and sympathy with the public in its battle to reduce the cost of living.

Think of it, barbers refusing to go on strike to increase their wages because they are in sympathy with the public battle against the increased cost of living! I continue the reading:

We consider it vital to the whole Nation that prices shall not be further increased. The vicious circle of increasing wages and rising prices must be broken. A practical stand for the effective accomplishment of this purpose must be taken: Therefore be it

Resolved, That we are determined to do our share, at whatever present sacrifice, in the public's fight against high prices, and we believe it to be to the interest of all wage earners to do likewise.

We are, therefore, opposed to the demands for higher wages and higher prices. We shall not participate in or support the strike. We shall remain at our jobs, prepared to serve the public at our present wages and at present prices, believing that in this way we shall perform our public duty as well as serve our own best interests.

Our position, our wages, and the prices charged in barber shops may have no great public importance. But it is of vital importance, if the public's campaign against high costs is to be successful, that wage earners and employers alike should realize that in this world crisis relief will come only through moderation in demands for wages as well as for profits—and act accordingly.

If we are the first labor organization to take this position publicly, we are glad and proud to assume the leadership, in the hope that this may prove to be the beginning of an effective movement to advance a great public cause.

THE BROTHERHOOD OF EMPLOYEES OF TERMINAL BARBER SHOPS,
FRANK SHELDON, *President*.
FRANK H. CURTIN, *Vice President*.
ROBT. BIGRAVE, *Secretary*.

MAY 16, 1920.

INACTIVITY OF CONGRESS.

While the story of profiteering is being recited from pulpit and soap box prices continue to rise unhindered and unchecked and the whole Nation is seething with a growing resentment and alarm. The inactivity of Congress presents a spectacle of indifference that has seldom been surpassed since the courtiers of Louis XIV reveled while the French peasants were eating grass. Since last October, when we amended the Lever Act in order to bring clothing, fertilizer, and a few other articles within its provisions and under the extraordinary war-time powers of the administration, what have we done to reduce the cost of living or curb the extortions of the profiteers? One solitary measure—public act 167—I recall, which, in a sense, was intended and adapted to reduce the cost of subsistence of a certain class of consumers; but what consumers? The act authorizes the sale of 5,000,000 barrels of flour, a part, I believe, of the Army reserve stores which were made unnecessary by the cessation of hostilities, to European peoples. This was, no doubt, a serious interference with the plans and an interference with the unjust exactions of food profiteers across the water; but here in America, unfortunately—I would not be understood to intimate that this fact had anything to do with the bill's early passage—here in America the effect undoubtedly was to relieve our own food profiteers of a dreaded Government competition, to sustain the American flour market, and to prevent a reduction in the price of bread.

SPECIFIC EVIDENCE OF CONGRESSIONAL INACTIVITY.

It is not amiss to pause here and point to the positively wanton indifference and irresponsiveness of Congress to the proposals made thus far to alleviate the suffering of our people. Why have we not taken action on the various "blue-sky laws" that have come up before us; on the Kenyon-Kendrick and Gronna bills, which followed out the suggestions of Mr. Hoover and of the Federal Trade Commission in regard to independent abattoirs and a separation of packing houses and stockyards as a means of lowering meat prices? Why must we still answer, "Nothing done," on the punitive measures against profiteers urged by the public and the press; on the McNary bill, intended to make compulsory the stamping of costs of manufacture and distribution on articles en route from maker to consumer; and on the several other such bills and resolutions coming up before us? It remains the lamentable truth, Mr. President, that we have limited our efforts in behalf of our imposed-upon classes to a pitiful and totally cumbrous and unworkable extension of the Lever Act and the organization of a Sugar Board, which, so far as it appears, by the very action of the profiteers themselves has been rendered incapable of functioning.

On the 8th day of August, 1919, President Wilson, in his address to Congress on the high cost of living, made six separate recommendations for legislation to check profiteering. Two of these recommendations—the first for extending the life of the Food Control Commission and including fuel and clothing under its authority, and the second for providing a penalty for profiteering, have since been carried into effect. With the exception of the cold-storage bill which passed the Senate yesterday, having previously passed the House, no final action on the other four—as to regulating cold storage, marking stored articles with the date of their receipt, and stamping all articles in interstate commerce with the price realized by the producer, licensing corporations engaged in interstate commerce on conditions preventing exorbitant profits, and Federal control of security issues to prevent stock watering, and so forth, has been taken in the nine months that have elapsed since the recommendations were made.

Many months ago, Mr. President, the Committee on Education and Labor, of which I am a member, made by order of the Senate a careful and thorough investigation of the causes of the steel strike, and submitted to this body on the 8th of November a report stating, among other conclusions, that the laborers in the steel mills had just complaints in regard to the conditions of employment, and had also a right to be heard on those complaints by representatives of their own choice, which right had been denied to them. We found—and I quote from their report in substance—that a majority of the men were working in the mills 10 and 12 hours a day; that there was evidence that one day's rest in seven was not the uniform rule of the mills; that the conduct of public officials, and in some instances of the courts, had given color to the claim of the strikers that they had been denied the rights of peaceable assembly and free speech; that unoffending men and women had been arrested without reason, thrown into jail, and in some instances fined by magistrates without reason or justification; that, in short, "the action in many cases was such as to lead the employees to believe that the officers of the law were acting on the side of the Steel Corporation."

It was not the duty of this committee to recommend congressional action, but we did suggest the creation of a board somewhat similar to the War Labor Board with large powers of compulsory investigation, mediation, and conciliation, and we suggested also, in view of the deplorable housing conditions under which some of the employees were found to be living, and in view also of the real antidote for industrial unrest that comes with home ownership, that the Government should seriously consider extending Federal aid to home builders in some such way as the farmer has been aided under the Federal loan act, and that the Steel Corporation "should use some of its large profits in extending the work of home building."

Congress has not acted upon these suggestions, nor has Congress attempted to remove any of the causes of unrest which we pointed out. In the meantime a commission of inquiry organized by the interchurch world movement, after a long and patient investigation of the steel industry, with the aim of applying Christian principles to the settlement of the long-standing controversy between the steel company and large masses of its employees, not only fully indorsed the committee's findings, to which I have referred, but it went still further and reported that the cause of the controversy lay in grievances which gave the workers just cause for complaint and for action, and that these unredressed grievances still exist in the steel industry. This report was made within a week. To those who believe that labor has no grievances and who have been denouncing strikes in general and this strike in particular as unjustifiable, I make bold to suggest a perusal of the report prepared at great expense and sacrifice of time by a body of disinterested and public-spirited Christian gentlemen, who were actuated by no interest other than the welfare of humanity.

Who can read the report of the Senate committee and the nonpolitical report of the interchurch world movement committee and be able to explain to the working people in these industries and their fellow sympathizers throughout the country the neglect of Congress to deal with admitted labor abuses? What answer can be made to the radical agitator when he quotes these reports and asserts that the Government has not and will not act?

What satisfactory excuse can be made to the Government postal employees, the justice of whose claims to wage increases is everywhere agreed to, for the failure of a committee of this body to make a report on the investigation in progress for over a year on the matter of salary readjustment? What Senator here can tell these employees when this report will be made and when action will be taken? Let us hope it will be before the whole Postal System is crippled by wholesale resignations or before it will be time for another readjustment of wages.

What a shameful and disgraceful neglect of the obligations of our office and what a breach of our covenant with the American people!

Mr. DIAL. Mr. President——

Mr. WALSH of Massachusetts. I yield.

Mr. DIAL. I have no intention whatever of defending profiteering, but the Senator referred to the cotton-mill industry. I do not know that he mentioned any mill in my section of the country; but I desire to say to him that the industry down there is a new one, and possibly the Senator does not know that a great many mills there have been built up with a very small capital.

Mr. WALSH of Massachusetts. It so happens that I have not mentioned the cotton industry as conducted in the section of the country from which the Senator comes; I have confined myself to New England.

Mr. DIAL. But, in order that no misapprehension may arise, I desire to say that a great many of the mills in my section have operated from 1 to 10 years and have never declared a dividend.

Mr. WALSH of Massachusetts. I am not given to partisan charges or recriminations, but it is self-evident where the main burden of responsibility rests. The Republican majorities in this Chamber and in the lower branch have had the power, and it was their duty, to devise and enact effectual remedies. It is vain for the Republican steering committees to attempt to shift the blame upon the President and his Attorney General. If the administration has not accomplished all that was expected of it, whether because of the illness of the President or because, as I believe, the penal laws which Congress has enacted were totally insufficient of themselves to achieve the desired result, this very fact should have led Congress to intervene with promptness and vigor.

Mr. MOSES. Mr. President——

Mr. WALSH of Massachusetts. I yield.

Mr. MOSES. I wish to dissent, Mr. President, in one particular from the statement which the Senator from Massachusetts has just made as to the responsibility for certain conditions which he has outlined, particularly where he has singled out, with his well-known emphasis, the work of the Joint Postal Commission.

Mr. WALSH of Massachusetts. I only cited that as an illustration of the unrest rampant in the country, as indicated by the clamor of Government employees for action and the inability after a year's delay of the Government or any Senator to be able to tell when there will be a report or when action will be taken.

Mr. MOSES. Inasmuch as the Senator from Massachusetts has challenged any Senator to make an announcement, if he will permit me I will say that the Joint Postal Commission is at work daily and nightly upon material which is very voluminous, and that it expects to complete its report shortly, I hope within a week. Some members of the commission certainly will press the matter closely upon the attention of Congress.

In this connection, Mr. President, it is probably pertinent to point out that this particular commission, although provided for within a few weeks of the time when it was known that the Republican Party was about to take possession of both branches of Congress, was constituted with a Democratic majority, and there still exists a tie between Democrats and Republicans, and that that personnel has existed only for a few weeks; so that if the majority on the commission are to take the onus for any delay that has occurred, it must rest with the six Democratic members of the commission and not with the four Republican members who were the minority of the commission until a few weeks ago.

Mr. WALSH of Massachusetts. Mr. President, I am not attempting to defend the Democratic Party or any commission of the Democratic Congress appointed when the Congress was Democratic. I am pointing out facts, and I am pointing out who now is in control. The purpose of the reference to the Postal Commission was to show that unrest and discontent to-day exist in the belief among many people, which we must arrest; that we can not speedily and effectively bring about a remedy for well-known grievances. I do not think there is any branch of the service of the Government that has suffered more than the Postal Department. Every Senator here has received telegrams and letters on the subject day after day; postmasters have written to me; the postmaster at Boston informed me that the whole postal system there would be crippled if something were not done. I simply refer to this matter in the hope that we may realize the necessity of speedy action upon matters of this importance before the adjournment of this Congress.

Two years ago the Democratic Party, the party of the administration, was defeated at the polls. The control of both branches of Congress was wrested from the then majority party and Republican Senators and Representatives, coming with a fresh mandate from the people, were intrusted with the legislative control of the Nation's affairs. Theirs is the duty, theirs the responsibility, theirs the party that will reap the chief credit for achievements if Congress even now rouses to energetic action. Theirs, too, will be the just condemnation of the people if the present session ends, as it has so far continued, without any attempt to relieve the Nation's growing distress.

The Congress can not shift the responsibility for present evils to any other department in Washington. The welfare of the people is the first fundamental principle of government, and the public servants neglecting it or willfully refusing to recognize a violation of it cease to be worthy of the confidence of the citizens. Profiteering, merciless, relentless, indiscriminate of man or child, intrinsically in conflict with the spirit of humanity, constitutes the gravest living peril to our existence as a free nation. It is no respecter of ideals or of the enduring laws of God, but, resting upon a base of the most ignoble elements of man, is provocative of the worst instincts within him. He who crushes the poor and helpless defies the wrath of God as well as nations.

Mr. President, Congress has been culpably inactive. A national election is approaching and our people will soon begin to ask, How and where is the blame for our inactivity to be apportioned?

WILL THE PARTY CONVENTIONS MEET THE NATION'S DEMAND?

The eyes of the Nation, almost despairing of any governmental relief, are turning to the political party conventions soon to be held. There is a strong and vigorous demand by the people that the political parties and candidates shall definitely and unequivocally commit themselves to specific policy on this great issue. This insistent demand is echoed and reechoed by men and women of all shades of political opinion. It appears in the tentative platforms and appeals of all the minority political groups. Among the replies to the questionnaires of the Republican Party managers for platform suggestions the largest number deal with the cost of living, profiteering, and regulation of big business.

If there is no action necessary by Congress, why, I ask the Republican Members of this body, are the people asking for planks of this kind in your political platform? If no blame attaches to the dominant party in Congress for its failure to act, why has a conservative Republican like Murray Butler listed as two of his important policies the cost of living and the problem of big business?

It is not a time for one-man leadership. No single individual has the vision or the superintelligence to undertake this work alone. It is time for teamwork. It is time for a well-disposed, whole-hearted crew pulling and working together to keep the ship from foundering. The people are looking for the captain and the crew.

The political conventions have the opportunity to select the leader and organize the crew. Are the Democratic and Republican Parties to fail the voters? Shall they be forced to enroll in the Socialist Party, or to organize a third party which shall offer a candidate whose public record typifies opposition to profiteering and a platform which promises specific measures of relief? It is no time for honeyed words or mere generalities. Neither does the occasion call for noncommittal candidates who are accepting for campaign expenses a portion of the ill-gotten profits of the profiteers on an implied understanding that they will be "safe." I do not hesitate to say that, league or no league of nations issue, the party and candidate who honestly and courageously espouse this issue will sweep the country.

The party to which I have the honor to be a member is said to be divided. Its chances of success to-day are rated as doubtful. Democrats, with all our divergent views on the league, our party is not dead. It is not and will not be defeated if we have the courage to give the people a platform and a candidate clearly and courageously standing out against profiteering. The call from every station in life and every quarter of the United States is for a leader to unite the exploited people of America. Shall we answer it and obtain victory, or shall we turn away from the people, who with outstretched hands are pleading for protection, and go down to deserved and ignoble defeat?

REMEDIES.

I have attempted to show that unrest and radical thought are more prevalent in America to-day than ever before; that the high cost of living is the fundamental cause of the present disturbed condition of the public mind. I have spoken of the heavy burdens placed upon our people by the excessive cost of living, and I have denounced the unpatriotic conduct of the class of people in America who have been taking advantage of unusual and abnormal conditions to make grossly unfair and excessive profits from the helpless millions. I have sought to point out that there is a serious responsibility resting upon Congress to do something to protect the overwhelming majority of our people against the few strongly intrenched and powerful combinations that are responsible for the just outcry against profiteering.

Now, I come to the question which I think must be uppermost in your mind: What are the remedies?

Before making a direct answer to that question let us analyze, if possible, the public attitude of mind in America on this sub-

ject. One influential group, the beneficiaries of the present condition and their followers and sympathizers, assert that nothing can or should be done; that the high prices of which we complain are merely the natural result of the operations of the laws of supply and demand; and that only time and an increase in production will satisfactorily alleviate the present distress.

Another group, while admitting the prevalence of wholesale profiteering, takes the position that nothing can be done by the Government, because the only effective action that can be employed would be an interference with the individual's right to carry on and conduct his business independent of Government regulation or control.

Any such governmental interference in times of peace they bitterly oppose, because they regard it as the entering wedge of a general policy of State socialism. These two groups are doing more, in my opinion, to strengthen the grip of the radical element upon our body politic than they realize, because their attitude lends support to the claim of the agitator that our political institutions are powerless and that only a fundamental reorganization of our economic and industrial system will settle the problem.

Need I remind these groups that there is little distinction in moral culpability between the man who steals my purse and the man who, having undertaken to supply his fellow men with the necessities of life, takes advantage of their helplessness to extort unfair, unreasonable, and illegal profits out of the expenditures they must undergo in order to feed and clothe themselves and their children. Larceny, in the main, is a wrong only against the individual, yet it is one which society undertakes to prevent and to punish. Profiteering is an offense against the whole structure of society, and one which, if allowed to continue unchecked, will result in the demoralization of patriotic sentiment and good citizenship, by means of which the Government exercises its authority and on which its security depends. To extort unjustifiable, unreasonable profits is an offense in the sight of God, an infringement of that moral law which is intrenched in the consciences of all mankind. It is an offense which we can not condone or permit to go longer unpunished.

Aside from these groups, there is also the large general public, who, recognizing the gravity of this offense, demand that the criminal and civil codes deal with this evil. This gives proof that our people consider our political institutions to be broad and efficient enough to protect the people in each generation against new abuses that grow out of changes in economic and industrial order. The radical agitator's claim that only a revolution which will destroy the very basis upon which our Government is founded will meet the social, industrial, and economic needs of to-day is thus proved fallacious.

I have contended heretofore, and I again invite attention to the fact, that our institutions are of such a flexible and elastic character as to meet the needs of every emergency. There never will be any need of resorting to force to eliminate abuses or to secure the people in the enjoyment of the rights which are their birthrights as Americans.

PUBLICITY THE STRONGEST WEAPON.

My first suggestion is that a thorough examination of the income-tax returns be undertaken by a committee of this Senate, so that the real extent of profiteering may be disclosed and the chief offenders pointed out. Such an inquiry, even if it accomplishes nothing more, will give indisputable proof that our Government does not intend to keep a veil of secrecy over any facts pertaining to profiteering. This revolving searchlight of publicity will concentrate public denunciation upon the intrigues, political, financial, or industrial, that can not bear the light of day.

I am not alone, Mr. President, in demanding that the facts disclosed by the income-tax returns in regard to profiteering should be given to Congress and the public. The former Secretary of the Treasury, Mr. McAdoo, in his telegram of protest to Dr. Garfield against permitting the mine operators to increase further the price of coal to cover the proposed increase in miners' wages, urged that the income-tax returns of 1918 and 1919 be made public in order to ascertain whether the operators were still exacting the enormous profits, ranging, as he stated, from 100 per cent even as high as 2,000 per cent on the invested capital, which his knowledge of the income-tax returns of 1917 satisfied him had then been extorted from the public.

The New York World, commenting upon Mr. McAdoo's statement, inquired why, if income-tax returns may serve as a basis for the estimation of the exactions of the coal profiteers, can not the same income-tax test be applied wherever profiteering exists or is suspected? It also suggested that no better use could possibly be made of these returns than to make them public as an aid in protecting American consumers against profiteering in any of the necessaries of life. The suggestion that it is the duty of Congress to make use of these returns to expose and check profiteering has been generally approved by the press throughout the country.

I also recommend immediate action by this body on the long-pending antiprofiteering measures to which I have referred in the early part of my address and which are still pending before Congress.

I further recommend that Congress give proof to the country that it stands ready, that it is willing, and that it is determined promptly to inaugurate public trading on a large scale unless exorbitant profits are voluntarily and materially reduced at once. In a word, I recommend Government competition as an available remedy.

GOVERNMENT COMPETITION AS A REMEDY.

Big business must not think that the elimination of competition makes the public powerless to stop profiteering simply because public sentiment stands against interfering with the individual's right to do business. It must be remembered there still remains the right of the people to set up Government competition, and I believe that if the Government would only demonstrate—as it did in the armor-plate case—that it is willing to deal in public necessaries whenever the profits of concerns handling them become extortionate, we would soon discover a willingness on their part to be satisfied with fair profits. The war has ushered in a new way of thinking about the relation between those who toil and those who gain, and we are seeking a way to smooth out the difficulties of the parties at conflict. But so long as men shall be permitted by this Government to insist upon excessively large returns at the expense of the greater number, there never can be any stability in theory or substance to our social and industrial orders. It is for us to superimpose methods of altruism upon the injurious machinations of self-interest, and if we are unable to do so by mere regulative measures, then in the name of fair play we must take the matter in our own hands and substitute Government for private distribution of the necessary commodities of our people.

The armor-plate story will here bear repetition. In 1916 it was suspected by naval officials in the market for armor plate that the rates offered the Government were exorbitant. A Senate committee was organized to investigate the matter, and the facts it uncovered showed that American steel corporations were selling plate to Russia and Japan almost $200 cheaper per ton than the prices specified by the competitive bids for the same material submitted to the Navy Department by these companies.

The steel interests stood defiant for a period, during which a bill was reported in the Senate appropriating $11,000,000 for the establishment of a Government armor-plate manufactory.

It is a significant fact, however, that shortly afterwards the Government received new bids at a figure considerably below the first, as well as below the figure given foreign nations.

This incident is indicative of only one thing—that it still remains within the power of Congress to create means of supplying public or national necessities out of the resources of the Government when the private forces supplying these necessities have abused the privileges delegated to them by that Government by combining among themselves, either by limiting the quantity or agreeing upon the price, to extort unjustified returns from the sale of their products.

In conclusion, I again ask, How can this Congress expect the approval of the record made by it since March 4, 1919, in solving or attempting to solve the problem of profiteering, which is such an important factor in the high cost of living? Why has there been no successful attempt made to check the profiteer? To be sure, much of the statesmanship in Congress has been absorbed in the admittedly important task of adjusting our international problems. It is a pity, however, that Congress has not formulated a policy of reconstruction at home. We surely can not point with pride to the fact that of all the nations of the world America is the only country which up to the present time has adopted no policy of reconstruction since the cessation of hostilities in November, 1918.

It is not yet too late. We still have an opportunity in the few remaining months of the session to do some effective Americanization work, and I do not hesitate to say that the Americanization work most urgently needed to-day is the Americanization of the greedy and selfish profiteers.

Mr. President, I send to the desk a resolution which I offer, and which I ask to have printed and lie on the table until to-morrow.

The resolution (S. Res. 366) was read and ordered to lie on the table, as follows:

Resolved, That the President of the Senate is hereby authorized and directed to appoint a select committee of five Senators, three from the majority and two from the minority, to investigate and report to the

Senate the relation between high prices for necessaries and the concentration of wealth, and for this purpose the President is hereby requested to permit such committee to inspect the tax returns of any corporation, association, or partnership in accordance with section 257 of the revenue act of 1913.

Mr. SMOOT. Mr. President, perhaps it would be just as well at this time to call attention to the fact that a certain statement made by Mr. McAdoo, ex-Secretary of the Treasury, and just referred to by Senator WALSH, has a tendency to inflame the minds of the people, and if the whole story were told it might appear in altogether a different light. I paid little attention to the statement at the time it was made, but I see that it is being repeated over and over again upon the floor of the Senate and of the House of Representatives that a certain coal mining company had made over 2,000 per cent profits during the year 1917 as shown by income tax return.

Mr. President, I have before me Senate Document No. 259, and under the head of mining coal is found the report of profits of coal companies referred to by Secretary McAdoo. I find the following facts: The code number is given and not the name and no one outside of the Treasury Department can give the name. The capital stock of the company referred to was $10,000, while its invested capital was $427,173.

It is true, Mr. President, that upon the $10,000 of capital stock this concern made over 2,000 per cent, but on the amount it had invested in the business including capital stock and invested capital it made 34.79 per cent.

I know that 34.79 per cent is too large a profit to make; but why try to make the people of the United States believe that there was made upon the money invested in an institution producing coal in this country 2,000 per cent? It is not true.

I wonder why he did not refer to code numbered 162, for that company made on its capital stock 7,856 per cent, but it had an invested capital over and above its capital stock of $1,274,364, and the percentage made upon its invested capital and capital stock was 34.13 per cent, instead of 7,856 per cent. There is quite a difference between 34 per cent and 7,856 per cent, and whenever a question is presented to the American people it seems to me it ought to be presented covering all the facts. A half truth is worse than a falsehold many, many times.

I am not saying the company should have been allowed to make 34 per cent upon their capital invested. That is a question I am not discussing to-day. I will say, however, I do not believe they ought to have made that percentage. But why try to make the American people believe that this company made 7,856 per cent or the other company 2,000 per cent upon its investment when it is not true?

No doubt the company referred to organized with $10,000 capital stock, and perhaps all of their improvements, all of their extensions, and all of their future purchases made after the original organization were made from invested capital. That invested capital took just as many good dollars to make improvements as if paid for by capital stock, and there is not a law ever passed by Congress, or which ever will be passed—there is not a law anywhere in the world—which does not recognize the fact that if there is capital invested the returns upon that capital invested should be considered exactly the same as upon capital stock. The money in both cases is used for the same purpose, it is taxed in the same way, and has to be reported as a company liability, and in every report that is made to the Government showing the amount invested both are included. I thought at this time it was proper to call attention to the oft-repeated report, because of the fact that it is being heralded all over the United States, and in this Chamber, as a fact coming from the ex-Secretary of the Treasury, Mr. McAdoo.

Mr. OWEN. Does the Senator favor the tremendous profiteering dividends and so-called earnings which have been declared and distributed?

Mr. SMOOT. No. If the Senator had listened he would have known that I have already said I did not. But I want the people to understand that the facts do not justify the statement made by Mr. McAdoo in the case referred to when capital stock and invested capital are considered, as they are considered in all laws of Congress and in all income-tax returns.

Mr. OWEN. When the Senator so vigorously assails a lack of accuracy in one item, when the abundance of the evidence is so complete otherwise, I might have drawn an erroneous inference.

Mr. SMOOT. I do not understand what the Senator means.

Mr. OWEN. What I meant was that I would have drawn the inference that the Senator was defending these high profits.

Mr. SMOOT. I did not even defend the 34 per cent which these companies made, let alone the 2,000 per cent as reported. I simply called attention to the fact that the report that was made by Mr. McAdoo that there was a coal-producing company in this country which made over 2,000 per cent on the money invested was not true. From the books of the Treasury Department, as shown in the document referred to, any citizen of the United States can turn and learn the truth. I can not give the name of the company, but the code number is given, and it shows exactly what the capital stock for 1917 was, what the invested capital for that year was; the net income for that year; the tax for 1917, both income tax, excess-profits tax, and the total tax; it shows the percentage of total taxes to net income for 1917; it shows the net income after deducting taxes for 1917; it shows percentage of net income on capital stock for 1917; it shows the percentage of net income to invested capital for 1917; it shows percentage of net income, after deducting taxes, to capital stock for 1917, and the percentage of the net income, after deducting taxes, to invested capital for 1917; it shows the capital stock for 1916, the net income for 1916, and so forth.

Mr. KENYON. Mr. President——

Mr. SMOOT. I yield to the Senator.

Mr. KENYON. I would like to ask the Senator from Utah if Mr. McAdoo has ever explained to what company he referred?

Mr. SMOOT. He has not named the company, but named the per cent of profits of the company, and that will identify it in Public Document 259.

Mr. KENYON. As showing that company?

Mr. SMOOT. Showing that company, and the ones I have referred to are the ones in the report which show a profit of 2,000 per cent or more on capital stock, but not including invested capital. The company making 7,856 per cent has a capital stock of $10,000 and an invested capital of $1,274,364.

Mr. KENYON. What percentage did they make on the invested capital?

Mr. SMOOT. Thirty-four per cent, instead of 7,856 per cent.

Mr. KENYON. The profits were high enough at 34 per cent.

Mr. SMOOT. I have already so stated.

Mr. OWEN. Mr. President, I think the Senator from Massachusetts [Mr. WALSH] has rendered a public service of a high order in his description of the extraordinary extent to which profiteering has been going on in this country. I profoundly believe that unless the Democrats and the Republicans alike join in the control of the unrestrained private monopolies and profiteering going on in this country, we will have a reversal which will do away with both these old parties——

ORDER OF BUSINESS.

The PRESIDING OFFICER (Mr. NORRIS in the chair). The Senator from Oklahoma will please suspend for a moment. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, House bill 10378, which will be stated.

The ASSISTANT SECRETARY. A bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the distribution, regulation, and use of property acquired thereunder, and for other purposes.

Mr. HARRISON. Will the Senator yield for a moment?

Mr. OWEN. I yield.

Mr. HARRISON. On yesterday, when the Senate adjourned, the conference report on the Agricultural appropriation bill was before the Senate. The merchant marine bill is, I understand, the unfinished business. I was proceeding and had not finished my remarks on yesterday. I wish to address myself to the conference report when it is again taken up. What is the pleasure of the Senator from North Dakota [Mr. GRONNA] and the Senator from Washington [Mr. JONES] touching the conference report on the Agricultural appropriation bill?

The PRESIDING OFFICER. The Senator from Oklahoma [Mr. OWEN] has the floor. Does the Senator yield; and if so, to whom?

Mr. OWEN. I am pleased to yield to the Senator from Mississippi [Mr. HARRISON] to make an inquiry.

Mr. HARRISON. I understood that the Senator from Oklahoma had yielded. Does the Senator from North Dakota intend to call up the conference report?

Mr. GRONNA. I had hoped to be able to dispose of the conference report without very much further debate. Of course, I do not want to attempt to take the Senator from Mississippi off the floor.

Mr. HARRISON. The Senator from Oklahoma has the floor.

Mr. GRONNA. The Senator from Washington was very kind yesterday in the matter. How much more time does the Senator from Mississippi think he will require?

Mr. HARRISON. There are just a few more items in the conference report that I desire to discuss. I do not think it will

take over half an hour, although I do not know. When there are interruptions the Senator realizes how time flies.

Mr. GRONNA. When the Senator from Oklahoma has finished I shall be glad to have the conference report laid before the Senate and disposed of if it is agreeable to the Senator from Washington.

Mr. JONES of Washington. I feel that I should keep the unfinished business before the Senate. I do not like to interfere, of course, with the conference report on the Agricultural appropriation bill, and I yielded yesterday with the idea that it would not take so much time. I know how 15 or 20 minutes draw out to an hour or two hours, and how time is practically beyond the control of the Senator who is speaking. Interruptions are made, and when the Senator gets through some one desires to answer.

I feel this way about it. I know the Senator from Mississippi could talk on the conference report when the shipping bill is before the Senate, but I would not feel like consenting to having the unfinished business laid aside unless there could be some pretty definite assurance as to the time the conference report would take. At the present time I do not feel like consenting to lay the shipping bill aside.

Mr. GRONNA. May I ask the Senator from Washington if he would be willing to give us an hour?

Mr. JONES of Washington. I do not really like to do that. That is considerable time. The shipping bill is going to take considerable time in conference. It is a very important measure and, as I say, it will take considerable time in conference. So we ought to get it through the Senate as quickly as possible in order to get it into conference. The Senator's bill, I think, is already disposed of, except two or three items.

Mr. GRONNA. But it has been in conference more than two months. All I ask is that the Senate shall insist on three items and let it go again to conference, and I think we can agree and dispose of it very quickly.

Mr. JONES of Washington. That is what I think. When the Senator gets it into conference it will not take very long to dispose of it. So he can get it into conference very soon after we get the shipping bill through. At any rate, the Senator from Oklahoma has the floor and he can proceed.

Mr. OWEN addressed the Senate. After having spoken for a few minutes,

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Iowa?

Mr. OWEN. I yield.

Mr. KENYON. I think this question is of sufficient importance to have more Senators here. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Reading Clerk called the roll, and the following Senators answered to their names:

Beckham	Harris	Nelson	Simmons
Borah	Harrison	New	Smith, Ariz.
Calder	Jones, Wash.	Norris	Smoot
Capper	Kellogg	Nugent	Spencer
Chamberlain	Kendrick	Overman	Sterling
Colt	Kenyon	Owen	Thomas
Curtis	Keyes	Page	Underwood
Dial	King	Phelan	Warren
Fernald	Lodge	Ransdell	Williams
Gronna	McKellar	Sheppard	
Hale	McNary	Sherman	

Mr. GRONNA. Mr. President, I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent, due to illness. I ask that this announcement may stand for the day.

Mr. McKELLAR. The Senator from Rhode Island [Mr. GERRY], the Senator from Alabama [Mr. COMER], the Senator from Louisiana [Mr. GAY], the Senator from Nevada [Mr. HENDERSON], and the Senator from Montana [Mr. WALSH] are absent on public business.

Mr. KING. The Senator from Ohio [Mr. POMERENE], the senior Senator from Virginia [Mr. SWANSON], and the junior Senator from Virginia [Mr. GLASS] are absent on public business.

The PRESIDING OFFICER. Forty-two Senators have answered to their names. There is not a quorum present. Call the roll of absentees.

The names of absent Senators were called, and Mr. HARDING, Mr. LENROOT, Mr. TOWNSEND, and Mr. WALSH of Massachusetts answered to their names when called.

Mr. PHIPPS, Mr. JOHNSON of California, Mr. ASHURST, Mr. DILLINGHAM, Mr. BALL, Mr. McCUMBER, and Mr. McLEAN entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty-four Senators have answered to their names. There is a quorum present.

HOUR OF MEETING TO-MORROW.

Mr. LODGE. Mr. President, will the Senator from Oklahoma yield to me for just a moment?

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Massachusetts?

Mr. OWEN. I yield to the Senator.

Mr. LODGE. I move that when the Senate adjourns to-day it be to meet to-morrow at 11 o'clock a. m.

The motion was agreed to.

FINANCIAL POLICY.

Mr. OWEN resumed and concluded his speech, which is entire, as follows:

Mr. President, I was just saying that the Senator from Massachusetts [Mr. WALSH] in my judgment has rendered an important service in calling the attention of the Senate and of the country to the duty of the Congress to deal resolutely with the question of profiteering and of private monopoly. The violation of the tenth commandment, forbidding men "to covet their neighbors' goods," has become a universal sin. I urged a Senate resolution at the beginning of this Congress to organize a committee on reconstruction, but the conservative Republicans who control the Senate were unwilling to take any real action.

A year ago last winter, in December, 1918, I spent some time in London gathering together there what they were doing in England with a view to reconstruction. They had over 80 great committees, consisting of the most learned business men in the Kingdom of Great Britain, merchants, practical manufacturers, men who were expert in transportation, men who were expert in different materials and substances required for the manufacturing industry of Great Britain. Those reports were printed by the British Government, and I sent them to the Department of Commerce of the United States in the hope that they might be of some service to this country, but no action has been taken by the Congress or by our Government.

It will be recalled that when this Congress met there were various resolutions introduced looking to some action by Congress along reconstruction lines, but all the time has been taken up apparently with ordinary routine and discussing the League of Nations, which has been before the Senate and kept under debate for month after month, to the practical exclusion of the problems affecting the high cost of living, such as increased production, and so forth.

In considering the question of the profiteer I have been rather appalled to see the attitude of the member banks and of the Federal reserve banks. I wish to call the attention of the Senate to the earnings of some of the banks of the country.

[At this point Mr. OWEN yielded to Mr. KENYON, who raised the question of a quorum, and the roll was called.]

Mr. OWEN. Mr. President, I have for some time been trying to call the attention of the Senate to the importance of the action taken by the Federal Reserve Board in raising the rates of interest. It looks as if the very high reserve-bank rates, together with the high rate being charged by the member banks of the country on commercial loans and by the banks on call loans on the New York Stock Exchange, will bring about the conviction that it is impossible to get the necessary credits in order to carry on the business of the country. I deny that there should be any insuperable difficulty in getting the credits which are necessary for manufacture and commerce for productive and distributive purposes.

I desire to call the attention of the Senate to the fact that the high interest rates proposed by the Federal Reserve Board are not necessary for the real interest or encouragement of the banks.

The Federal reserve banks, on a capital of $87,000,000 last year—and I believe that includes 90 per cent of the earnings which Congress permitted them to have out of the previous year's earnings—earned $102,000,000 in 1919, a net earning of $82,000,000, or approximately 100 per cent, on an average for all the reserve banks, while the New York Federal reserve bank earned 110 per cent. They are assuredly not in need of earning any more than that. They earned that on a 4 per cent basis. Now that the Reserve Board has raised the rate to 6 per cent it would mean a 50 per cent increase, and they, therefore, ought to earn on that basis 150 per cent if this rate is persisted in.

We talk about profiteering. If the Government's own instrumentalities are permitted to make such unfair earnings without objection, what right have we to complain of the ordinary citizen making 100 per cent? I have here the report of the 10 leading banks of New York City showing their earnings on

their capital. The National City Bank earned at the rate of 4 per cent, 33 per cent per annum at that rate of interest on the basis of its earnings for the first half of 1919; the Chase National Bank, 93 per cent; the First National Bank, 100 per cent; the Mechanics and Metals National Bank, 63 per cent; the American Exchange National Bank, 40 per cent; the National Park Bank, 60 per cent; the Irving National Bank, 60 per cent; the Chatham & Phoenix, 55 per cent; and the Hanover National Bank, 121 per cent.

Mr. SMOOT. Were those earnings on their capital stock and reserves?

Mr. OWEN. They were on their capital stock. I ask to put into the RECORD, without reading, a table showing their capital stock, net earnings, percentage of earnings to capital, and so forth.

The PRESIDING OFFICER. Without objection, permission to do so is granted.

The matter referred to is as follows:

New York City.	Net earnings 6 months ended June 30, 1919.	Capital June 30, 1919.	Percentage of net earnings to capital, 6 months.	Rate per cent per annum for 6 months ended June 30, 1919.	Net earnings, 6 months ended Dec. 31, 1919.	Total year ended Dec. 31, 1919.	Capital Dec. 31, 1919.	Percentage of net earnings on capital, 12 months.	Capital and surplus, Dec. 31, 1919.	Percentage net earnings to capital and surplus, year ended Dec. 31, 1919.
			Per cent.					*Per cent.*		*Per cent.*
National Bank of Commerce	$3,382,124	$25,000,000	13.528	27.056	$3,491,510	$6,873,634	$25,000,000	27.495	$50,000,000	13.747
National City Bank	4,151,249	25,000,000	16.605	33.210	3,167,615	7,318,864	25,000,000	29.275	60,000,000	12.198
Chase National Bank	4,689,166	10,000,000	46.892	93.784	2,466,638	7,155,804	10,000,000	71.558	20,000,000	35.779
First National Bank	5,005,411	10,000,000	50.054	100.108	298,333	5,303,744	10,000,000	53.037	30,000,000	17.679
Mechanics & Metals National Bank	1,917,171	6,000,000	31.953	63.906	1,003,335	2,920,506	6,000,000	48.675	12,000,000	24.337
American Exchange National Bank	1,019,413	5,000,000	20.388	40.776	679,532	1,698,945	5,000,000	33.979	10,000,000	16.989
National Park Bank	1,508,925	5,000,000	30.179	60.358	580,500	2,089,425	5,000,000	41.789	20,000,000	10.447
Irving National Bank	1,365,925	4,500,000	30.354	60.708	1,519,628	2,885,553	6,000,000	48.093	12,000,000	24.046
Chatham & Phoenix National Bank	976,628	3,500,000	27.904	55.808	1,033,001	2,009,629	7,000,000	28.709	12,000,000	16.747
Hanover National Bank	1,822,631	3,000,000	60.754	121.508	683,007	2,505,638	3,000,000	83.521	17,000,000	14.739

Mr. OWEN. I will only pause to make the comment that when they earn such enormous sums and in a very short time create such surplus the earnings might as well be counted as against capital, for the earnings are against deposits and exchange and not really on their capital, which is merely a marginal security against their liabilities to depositors.

Mr. President, the Federal Reserve Board is taking its advice from those who think there ought to be a deflation of credit in this country. Certainly I am not in favor of inflation; I am not in favor of speculation; but I want to say to the Senate that if this policy is pursued of broadly deflating the credits of this country there can be only one result, that of depression and ruin to many.

There are two ways open for lowering prices. The best way is to increase commodities by stimulating both production and saving and letting credits for such purposes. That is the best way; that is the true way—to work and to save and to give men credit who need to have credit for the purpose of working, for the purpose of creating value. If credit is broadly denied them, as in the case of the State of the Senator from North Carolina, where they have a 6 per cent fixed rate and the Federal reserve charge is 6 per cent on money, how can the banks get any accommodation from Government reserve banks? They are limited to 6 per cent; they would have no margin; and it is necessary to allow some margin to member banks in order to enable them to function properly.

The worst way to lower prices is to raise interest rates, to deny credits, break up business, cause a panic, have an industrial depression, and have bankrupt sales, and cheap goods temporarily. This latter course may easily result if the banks all combine to raise rates and deny credits for productive and distributive purposes; but if that is done it is going to be done over my resolute protest, both in this Chamber and elsewhere. I have not hesitated to express myself about it in Detroit, in Cleveland, in Pittsburgh, in Baltimore and in other places, and I shall do so all over the country.

The Federal Reserve Board in raising rates broadly are striking manufacturers, wholesalers, merchants, retailers, stockmen, and farmers who are not speculating and who do not deserve to be punished as speculators. The reserve board is justified in encouraging a denial of credit for purely speculative purposes and is justified in urging the gradual liquidation of bank resources engaged in speculative enterprises or for mere investment purposes. I regard it as very hazardous to deny credit to the so-called nonessentials, among which my friend, the Senator from Illinois [Mr. MCCORMICK] classes "phonographs and silk stockings." Both of those commodities are more or less essential. Nothing is of greater educational value than the phonograph, and I do not think the phonograph business ought to be broken up. In time of war the pleasures of the people may be interfered with, but not in times of peace. We fought for liberty, and the liberty to ride in a pleasure automobile or to hear a phonograph, or even to wear or look at silk stockings, ought not to be denied by the Federal Reserve Board by driving such manufacturers out of business.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Utah?

Mr. OWEN. I yield.

Mr. SMOOT. Is it not about time that the people of the United States and the people of the world should realize that there is only one way that normal conditions can be brought about, and that is for the people of the world to produce what the world consumes? Unless they do that normal conditions never will return.

Mr. OWEN. Of course; that is what I said when I started out. The resolution of the Senator from Illinois, however, offers a hook and an invitation from the Senate to the Federal Reserve Board to declare a policy of "*deflation.*" It carries the suggestion of *deflation.* The policy of deflation set by the Wall Street stock exchange control, which broke the stock market by high-interest rates, meets the approval of the same class of financial experts domiciled in Chicago, who might naturally advise the Senator from Illinois; but I warn the Federal Reserve Board and I warn the country that if a panic in this country results from their policy they are liable to have a North Dakota reaction, where a State bank was established to furnish money at fair and stable rates, using the credit of the State and the taxing power of the people of the State for that purpose. You can go too far in the matter of taxing the people of this country by high-interest rates and the "deflation" of credit. If the Reserve Board leads the procession of banks in fixing high rates on the people; that is, on their own depositors, and a great industrial depression follows, why should they wonder if the people of this country should demand as a remedy that the reserve banks be made banks of deposit and discount? I warn the Federal Reserve Board that this country is not going to submit to any depression brought about by the banks of the country or under the policy of the board or under the advice of financiers domiciled either in New York or Chicago.

Mr. MCLEAN. Mr. President——

Mr. OWEN. I yield to the Senator from Connecticut.

Mr. MCLEAN. Inasmuch as the Senator seems to be addressing his remarks to this side of the Chamber, I simply wish to call his attention to the fact that the Federal Reserve Board is composed of seven members, all of whom are good, strong Democrats in regular standing. So I think the responsibility for the administration of the Federal Reserve System is more on his side of the Chamber than on this side.

Mr. OWEN. I will deal with that, Mr. President, at the proper time and in a few moments.

Mr. MCLEAN. The Senator will remember that when the act was framed the propriety of limiting party representation on the board was seriously discussed, but it was hardly believed that any President would fail sufficiently to recognize both the great parties, and for that reason no limitation was put in the law; but the present Chief Executive has constituted that board entirely of Democrats.

Mr. OWEN. I will deal with that, Mr. President, in due time, but I will tell the Senator that the difference between a Democrat and a Republican on the Federal Reserve Board should be considered in the light of whether a man is progressive in his views or whether he is a reactionary or a conservative. That is the difference between men when it comes to dealing with banking matters.

Mr. McLEAN. I quite agree to that and I am not criticizing any member of the board, but inasmuch as——

Mr. OWEN. I am criticizing the policy; I am not dealing with men, nor do I care about men.

Mr. McLEAN. But as the Senator is addressing his remarks to this side of the Chamber, I thought I would call his attention to the fact I have brought out.

Mr. OWEN. I am addressing my remarks to where the power of the Chamber lies.

Mr. McLEAN. The Senator should address the Federal Reserve Board.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Iowa?

Mr. OWEN. I yield to the Senator.

Mr. KENYON. I think the Senator from Oklahoma probably has more knowledge on this subject than any other man. He is the real father of the Federal Reserve System. Was it intended that these Federal reserve banks should be institutions for making money?

Mr. OWEN. It was not.

Mr. KENYON. Or, rather, was it intended that they should be institutions for the stabilization of conditions in the country?

Mr. OWEN. They were intended to stabilize credits and to give stability to credits and stability to business in the United States.

Mr. KENYON. But, notwithstanding that, whoever may be responsible, it seems from the Senator's statement to be the policy of the board now to have the Federal reserve banks making money, as in the one instance the Senator cites to the extent of over 100 per cent last year.

Mr. OWEN. They averaged nearly 100 per cent on their earnings, and the earnings included, as I understand, 90 per cent which we turned over to them. In other words, if you had not added in that 90 per vent, their earnings would have been nearly 200 per cent this year.

Mr. KENYON. Then the fundamental difficulty is that the officers or directors of the Federal Reserve System do not have the same comprehension of what was intended in the creation of that system as the Senator from Oklahoma?

Mr. OWEN. They do not have the same point of view, Mr. President. Of course, it was perfectly natural that the gentlemen in charge of these Federal reserve banks should regard them, as bankers always regard banks, as a means of making money for the stockholders. The banks of the country, who are the stockholders in those banks, thought at the beginning that the banks would not earn anything. They thought there would be no earnings on the stock, and the Federal reserve bank officers were naturally anxious to overcome that impression and to make money. When the war came on, the demand for accommodations became so great that these banks suddenly became great money-making banks. No objection was raised, as far as I was concerned, to their making money for the first year, until they could get a reserve on hand that enabled them to go forward; nor did I raise any objection so long as the rate was 4 per cent, or approximately 4 per cent; but when it began to go up to 4½ and 5 and 5½ and 6 and 7 per cent, I thought the Federal Reserve Board was taking the point of view that it was the chief business of the reserve banks to make money.

The board in raising the rates thought that they would by that means—raising the rates—discourage speculation. The trouble with the remedy is that it operates upon those who speculate and those who do not speculate; it does not restrain speculation; it has the effect of interfering with production. Now, these banks making 100 per cent on a 4 per cent rate ought not to be encouraged to make 50 per cent more than they made last year.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Tennessee?

Mr. OWEN. I yield to the Senator.

Mr. McKELLAR. What suggestion has the Senator to make from his knowledge and experience in these matters as to how the banks could prevent speculation without raising the rate?

Mr. OWEN. It is the simplest thing in the world. All that a bank has to do is to tell the man who comes to it and wants a loan for speculative purposes that he can not have the money for that purpose; that is all. There is no difficulty about it. If I do not want to let the Senator have money for speculation, I do not have to do it. There is no occult means by which he can abstract money from me for speculative purposes against my will.

Mr. KENYON. Mr. President——

Mr. OWEN. I yield to the Senator.

Mr. KENYON. If the Senator will permit me right in that connection, in a letter I have from Iowa yesterday, there is this statement with reference to this very matter:

> There are millions of dollars loaned on automobiles in warehouses, which is another practice that tends to inflate the currency, and could be easily stopped by proper action on the part of the Federal reserve bank in refusing to accept this paper, secured on automobiles in warehouses, as collateral security.

So it is up to the Reserve Board to stop these speculative practices.

Mr. OWEN. The Reserve Board can use its influence with the member banks to have them discontinue the practice of extending loans for mere speculative purposes, whether it be speculation in stocks or bonds, or speculation in real estate, or speculation in commodities for hoarding.

Mr. McKELLAR. Then, as I understand the Senator's suggestion, it is that if the Reserve Board would simply pass a rule or regulation providing that for at least a certain period money should not be loaned by member banks for speculative purposes, it would have the desired effect?

Mr. OWEN. The Federal Reserve Board say that they have used their good offices in that way, and that these admonitions have not been adequately observed; that they have been giving that advice since last summer.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Connecticut?

Mr. OWEN. I do.

Mr. McLEAN. The Senator knows that paper secured by stocks and bonds is not eligible for rediscount in the Federal reserve banks.

Mr. OWEN. Oh, certainly I know that, excepting Government bonds; but I also know that the same banks that use money for that purpose—covering speculative loans—have a large amount of Liberty bonds, and they walk in with the Liberty bonds and get this money to cover speculative purposes; and I take it the Senator knows that, too.

Mr. McLEAN. That is true.

Mr. OWEN. Yes; that is quite true. Therefore, the observation of the Senator is hardly in point.

Mr. McLEAN. But the Senator said that the stocks and bonds that he referred to, as I understood him, were general, commercial stocks and bonds. He knows that they are not eligible for rediscount.

Mr. OWEN. They are not eligible for rediscount, and I made no such suggestion.

Mr. McLEAN. And there is no law that would prevent a member bank, and the Federal Reserve Board has no power to prevent a member bank, from discounting any paper that it sees fit, or loaning money upon any rate that it sees fit to charge.

Mr. OWEN. It can exercise its good offices and say to member banks that come and ask accommodation from the reserve banks, when other banks desiring money for commercial purposes are being denied: "You are using the funds that you employ in an improper way, and you are not entitled to preferential treatment."

Mr. McLEAN. Yes, Mr. President. I am holding no brief for the Federal Reserve Board, but my impression is that they are trying now to limit the accommodations that have been extended for speculative purposes——

Mr. OWEN. They have my approval in that.

Mr. McLEAN. That is, by men who, for instance, have held large quantities of the basic commodities, such as lumber or grain, possibly, and have held these commodities for higher prices. They are admonishing the banks, and insisting that the banks insist on calling in percentages of that paper.

Mr. OWEN. I agree that they are right about that.

Mr. McLEAN. So that the people who are holding these large quantities of products will be compelled to dispose of some of them and shorten up their accounts.

Mr. OWEN. I think that is all right. I am not criticizing that. I approve that. What I am criticizing is a wholesale raising of the rates in this country, first on the stock exchange, where these rates are doing great damage to the credit of the country, where they are jumping from 8 per cent to 30 per cent, and the high commercial rates being charged by the banks, 8 and 10 per cent, with commissions on the side running them up to 12 and 13 and 14 per cent.

Mr. McLEAN. The Senator knows that the Federal reserve banks are not doing that.

Mr. OWEN. I am not talking about the Federal reserve banks alone. I am talking about the Federal Reserve System. I am talking about the member banks as well as the reserve banks and the reserve board. I am talking about all of them combined. There is no question about what I mean.

Mr. McLEAN. I think the difficulty is with the application of the Senator's remedy. It seems to me that the practical difficulties would be enormous.

Under the bill which was passed by the Senate recently they have the power to graduate the rate after the accommodation has reached a certain percentage of the borrowing capacity of the bank, and they asked for that power for the express purpose of discouraging speculative accounts.

Mr. OWEN. That was a judicious arrangement for other reasons, in my opinion.

Mr. McLEAN. And my opinion is that they are endeavoring to do it. The difficulties are tremendous, as the Senator must realize; and my information is that their only purpose is to discourage the banks that are carrying men who are holding large quantities of basic commodities for higher prices and to compel them to unload and shorten up their accounts.

Mr. OWEN. As I have already said a number of times on the floor, that meets my approval. What I am objecting to is a 6 or 7 per cent rate to the commercial and manufacturing interests of this country by the Federal Reserve Board. I say that that is not a reasonable rate, because it means a 7, 8, or 10 per cent rate by the member banks and general credit stringency.

Mr. McLEAN. Of course, credit should not be limited where it is needed to finance production and distribution. There is no doubt about that.

Mr. OWEN. Then the Senator agrees with my view.

Mr. McLEAN. It should be extended and conserved; but the Senator can readily see that unless these speculative accounts are shortened the reserves of the Federal reserve banks may become exhausted and legitimate accommodation may be refused. I should like to have the Senator state, if he can, some specific instance where the Federal Reserve Board has countenanced and encouraged the evil of which he complains.

Mr. OWEN. Mr. President, the evil of which I complain is a 6 and 7 per cent rate by the Federal Reserve Board, when on a 4 per cent rate the Federal reserve banks made 100 per cent. That is the first evil I complain of. That is specific enough.

Mr. McLEAN. If the Senator will pardon me, I do not care to continue this discussion. The Senator knows it is easy enough to call attention to the fact that interest rates are high—too high. So are the prices of corn and wheat and sugar and shoes. They are all too high, and the cause is the war. Now, the inflation of the currency is one of the effects of this condition, and not the cause.

Mr. OWEN. Inflation of credits, I think the Senator should say.

Mr. McLEAN. Well, inflation of credits and currency. The Senator knows that when the war came on the nations that were engaged in it were compelled to bid against each other for war supplies; and not only that, the manufacturers were compelled to bid against each other for materials and labor. Meanwhile the Governments were withdrawing millions of men from productive activities, and prices doubled overnight. Now, as values doubled, credits were necessarily increased. It takes more money to finance a crop of wheat at $2 a bushel than it does to finance a crop of wheat that is worth but $1 a bushel, and consequently the inflation of credits was the effect of the demand caused by the war.

It is the same effect, probably, that would result if we discovered a mountain of gold. The quantity theory of money is all right, other things being equal; but, as Prof. Taussig says, other things are never equal, and the cause of the present high prices is the abnormal demand which came with the war and the shortage in supply. Now, it would not be an easy matter for the Senator to devise a scheme that would arbitrarily bring down the price of potatoes and satisfy everybody, especially the potato raisers.

Mr. OWEN. What I am objecting to is a policy that will bring down prices by creating a depression instead of bringing down prices by creating a new volume of commodities. That is the objection.

Mr. McLEAN. It is as difficult to devise a means to bring down the price of credits as it is to devise a means to bring down the price of sugar or potatoes.

Mr. OWEN. I do not agree with the Senator on that proposition.

Mr. McLEAN. The normal way is to raise the discount rate.

Mr. OWEN. That is not the way to *put credits up* and not down, and in either case it is done by the dictation of some competent authority.

Mr. McLEAN. Well, then, if you put your rate at 4 per cent, who is to have the preference? Who is to get the money? It would not last 24 hours.

Mr. OWEN. Those who are engaged in productive enterprises are first entitled to credit at the member banks, and member banks are entitled in proportion to their right of accommodation at the Federal reserve banks, along the lines which were adopted recently in the amendment referred to by the Senator a moment ago.

Mr. McLEAN. Yes; but the Federal Reserve Board can not go out into the country——

Mr. OWEN. I have already answered the Senator completely.

Mr. McLEAN (continuing). And regulate the prices which State banks and member banks should charge for their accommodations and investigate their acts. It has many practical difficulties, I will say to the Senator.

Mr. OWEN. I understand the practical difficulties and they are not insuperable.

Mr. DIAL. Mr. President——

Mr. OWEN. I yield to the Senator from South Carolina.

Mr. DIAL. I would like to ask the Senator whether the object in increasing the rate was not to discourage the borrowing of money for speculative purposes, rather than to make money?

Mr. OWEN. Yes, it was; theoretically, at least.

Mr. DIAL. Is it not also true that the member banks are not compelled to go to the Federal reserve bank for money, but they can borrow from their correspondents?

Mr. OWEN. Yes; they can borrow from their correspondents.

Mr. DIAL. As I understand it, before we adopted the Federal Reserve System the law was that a bank could not borrow an amount more than its capital stock and surplus, and that if it borrowed that much that is all the United States law allowed?

Mr. OWEN. There is a limitation fixed by law.

Mr. DIAL. Under this system there is no limit, and is it not a fact that a great many banks have borrowed many times what they were allowed to borrow before?

Mr. OWEN. A number of them have borrowed several times in excess of their deposits with the reserve banks, that is true.

Mr. DIAL. Yes; and many times what they were ever allowed to borrow before. Is it not the object of the Federal reserve law to get them back on a normal basis, and how are you ever going to do that except by increasing the rates?

Mr. OWEN. The increasing of the rate does not keep people from speculating. It would not keep a bank from borrowing money if they could pass it on to somebody else at a higher rate. A bank would not mind paying 8 per cent for money if it could lend it out at 12. The plan as adopted by the Congress in the amendment referred to a moment ago was that these banks should be limited in proportion to their deposits with the reserve bank, and as the accommodation desired rose above a certain part of their reserve with the reserve bank, they should pay a higher and higher rate of interest, so as to prevent the very thing the Senator speaks of. That is a progressive charge for a progressive accommodation, which is asked by an aggressive bank at the expense of every other bank entitled to like accommodation.

Mr. DIAL. Would it not be better to do that than to cut off the loan altogether?

Mr. OWEN. I do not think the Federal reserve bank or the member banks have any desire to suddenly cut off their customers, but they are pursuing a policy—and I think it is a wise policy—of gradually liquidating these speculative loans, and I think it is right; I think that is the best policy for the banks of this country now. I am not talking against that policy; I am in favor of that policy. What I am talking against is the fixing an artificially high rate of interest by the reserve banks and a consequentially higher rate of interest by the member banks and the extortionate rates of interest which are charged on the New York Stock Exchange, which is bringing about a strong depression in the country. That is what I am discussing and objecting to.

Mr. COLT. Does not the Bank of England always regulate speculation and overcredits by raising the rate of discount? Is not that the practice?

Mr. OWEN. No; I do not think so. What they do is to raise the rates when they want to have gold moved to London from the Continent, and they only do this when other remedies fail.

Mr. COLT. The Senator referred to the New York Stock Exchange. Does not the raising of the rate of interest on the New York Stock Exchange tend to retard speculation?

Mr. OWEN. Yes; it does, of a bull kind, and it promotes a bear speculation.

Mr. COLT. Does not the raising of the rate of interest tend to check credit, whether done by the Federal reserve bank or otherwise?

Mr. OWEN. To be sure.

Mr. COLT. Is there not a practical difficulty in the Senator's proposition—and I would not undertake to say that I have any such knowledge as he has—in attempting to distinguish between a credit for speculative purposes and a credit for legitimate business purposes, when you seek to extend the proposition through the whole range of the Federal reserve banks and the member banks?

Mr. OWEN. When you extend it—the interest rate—broadly you punish the good and the bad alike.

Mr. COLT. Is not the fundamental remedy for overspeculation an extension of credit, the raising of the rate of discount? And is there any other remedy?

Mr. OWEN. I have no objection to raising the rate of interest on the speculator, but I object to raising the rate on a man who is not a speculator on the theory of protecting the country from the speculator, and there are other harmless remedies which I have pointed out many times.

Mr. COLT. And the Senator believes it is practical to carry out that distinction which he makes?

Mr. OWEN. Absolutely, because every single loan which comes to a bank comes with a man with his paper in his hand, and he offers it to the president of the bank or the cashier, and says, "I want to borrow so much money." There is no reason why the bank should not say, "What are you going to use it for? If you are going to use it for speculation, you can not have it. We are advised by the Federal Reserve Board not to extend any new credits for speculative purposes." Is not that easy enough? Why should the merchants and the manufacturers of New England, and why should the stock raisers of the West and the cotton raisers of the South, be subjected to a broad, sweeping penalty because somebody is demanding excess credits for speculating in stocks in New York?

Mr. COLT. I want to say that the Senator is discussing what I regard as one of the most important questions now before the country—a question which affects profiteering and the whole business situation—and whatever light he can throw upon it will certainly be deeply interesting and most instructive.

Mr. OWEN. I am trying to throw light on it, because I regard it as a matter of great importance. I am not doing it because I want to criticize the Federal Reserve Board. I am personally friendly with every man on the Reserve Board. I think they are doing the best they can. But I differ with them in policy. I disagree with their policy. I disagree with the advice they are getting. I do not know who is giving the advice, but, whoever it is, I do not agree with the advice. I do not agree with the policy, and I am protesting against this because I believe it is going to lead to an industrial depression.

The Senator from Connecticut [Mr. McLEAN] smiles at these suggestions and must either think it is an improbability, or perhaps he welcomes it——

Mr. McLEAN. No, Mr. President; I have not much use for prophets of evil and hope the industrial depression will not come. I do not think there is any need for it.

Mr. OWEN. It will not come with my consent.

Mr. McLEAN. But the reason for an industrial depression will not be the one which the Senator has assigned, in my opinion. The industrial depression will be due to the fact that the supply of the necessities of life will not equal the demand and that we will come to a period of underconsumption, which is an unhealthy and unfortunate way to bring a country back to normal conditions. It would be much better if we could adjust things by the process which the Senator is suggesting—by an increase in production.

But the trouble is, Mr. President, that the American people, and no other people, will sustain the same standard of effort in time of peace that they will in time of war. When the country's life was at stake we all did our bit. Those of us who were at home did everything we could to sustain the fighting strength of the men who were at the front, but the minute the war was over the American people drifted right back into the old, apathetic lives. I think class antagonisms were accentuated rather than otherwise by the war, wages have been high, and men in business have made enormous profits. The going has been good, and everybody has been trotting to beat his record. The victories of peace are won precisely as the victories of war are won, by every man doing his bit; but the trouble in this country is that every man has been doing his neighbor instead. We have been good-natured about it, because everybody has been in it who has had an opportunity of making easy money. Labor has been asking as high wages as they could get. You can not blame labor, because they know the producers have been profiteering.

Mr. OWEN. Does the Senator think that making it difficult to get the money with which to produce aids production?

Mr. McLEAN. The trouble is that we have a monetary system based upon gold, and we have to have a certain amount of gold back of our paper. The Senator knows that. We do not want to abandon the gold standard and print a lot of inconvertible paper money. The reserves of the Federal reserve banks have their limits. The Senator understands that.

Mr. OWEN. I understand it perfectly, and know there is a large margin available against the gold. The reserve against deposits is not actually needed, and the security is otherwise abundant.

Mr. McLEAN. As you have increased the prices of products, the necessity for credits has increased to meet increase in values. The demand for credits has increased tremendously because of the increase in prices. If you fixed your rate at 4 per cent, the reserves of the Federal reserve banks would soon be exhausted.

Mr. OWEN. Mr. President, if the Senator will permit me, I will say that the Senator's idea of opening the doors of the reserve banks and letting people come in and walk out with their reserves, without any consideration and without any discrimination, is not my idea; it is his own.

Mr. McLEAN. The trouble with the Senator's idea, as it seems to me, is that if you fix a 4 per cent rate——

Mr. OWEN. I would fix it at 3 per cent, I will say to the Senator.

Mr. McLEAN. If you fix a 3 per cent rate, who is to have the accommodation? Who is to be preferred? The Senator says the men who want this accommodation for financing legitimate production would be preferred. Very well and good.

Mr. OWEN. That was not all the Senator from Oklahoma said. He said that the loans should be extended in accordance with the relative deposits of the member banks with the reserve banks, imposing a penalty progressively as they made demands upon that reserve.

Mr. McLEAN. Very well. The Senator would find inside of 48 hours he would not have half enough money to go around unless the discount was raised.

Mr. OWEN. I do not agree with the Senator; the discount rate does not make the loan; that is done by the cashier and the discount board. The reserve bank directors have sufficient intelligence to administer the affairs of the banks and not to let out more resources than they have and to make their loans wisely.

Mr. McLEAN. The Senator knows that we have over three billions of currency out now.

Mr. OWEN. Yes; and I will say to the Senator that the reserve banks have nearly two billions of gold and $1,200,000,000 of loans and bonds in excess of deposits, covering every note by more than 100 per cent security. We have $3,160,000,000 of gold in the United States, nearly half the gold in the whole world, and the world owes the United States, from Europe, $10,000,000,000 now. That debt will take twice and more than twice the amount of the gold in the entire world, if we should require liquidation in terms of gold. We have, moreover, an income of four billions per annum from our excess commodity shipments that would absorb all the gold in the world annually if we chose to take it. We are in no danger of losing gold or needing gold, and this idea that we are to go into an industrial depression because we have no credits and can not get any credits because we have not a gold reserve supply sufficient, I say, has no foundation whatever. It is as utterly fallacious as that high interest rates are desirable when credits are urgently needed and when credits ought to be extended.

Mr. McLEAN. We have facts which must be considered when we are discussing this question. We have a little more than three billions of Federal reserve currency out now, and it is pretty close to the low limit of the reserves, not more than 2 per cent above the legal requirements. The railroads of the country want a billion and a half; they have security, and I think the Senator will agree with me that the transportation interests of the country are legitimate and ought to be sustained.

Mr. OWEN. I have urged that as one of the reasons——

Mr. McLEAN. If I am not mistaken, the production of food to-day depends more upon the transportation facilities of the country than it does upon any other one item. The railroads want at least a billion and a half. They can not get it.

Mr. OWEN. I should like to have them get it at a decent rate. But the Senator is wrong about the gold reserve being only 2 per cent above the legal requirement. The gold against reserve notes is $1,939,141,000 of gold against $3,083,234,000 of notes—about 60 per cent.

The reserve board has put the reserves against deposits and notes together, and thus confuses the matter. The reserve against deposits is inelastic, unnecessary, and confusing. It ought to be repealed, as it wastes the earning power of gold and has no adequate value economically.

Mr. McLEAN. I would like to know where the Senator expects to get not only the billion and a half but at least five or six billions of dollars which are needed to finance the legitimate credits of this country at this time. I repeat, if you put the rate at 4 per cent who is to be preferred?

Mr. OWEN. Mr. President, I will say that the annual earning power of the United States for 1919, measured by the best economists of the country, has shown a productive power of approximately $65,000,000,000 on one turnover, and that this country is abundantly able to absorb any reasonable amount of offerings of securities.

Mr. McLEAN. It seems to me that only aggravates the situation instead of helping it, because the more credits you need, of course the more the banks must furnish. The reserves of the Federal Reserve System are limited, and the only way I know of——

Mr. OWEN. The Senator observed yesterday that they were limited, but he did not make the statement that they are elastic and could be carried very much further than they have been carried thus far.

Mr. McLEAN. I think the Senator in his opening remarks took the position that our credits had been expanded and that our currency had been expanded; and it is the general belief to-day that the expansion ought to stop.

Mr. OWEN. The currency has not been greatly expanded, except $12 in gold and about $8 in paper, but credits have been expanded very greatly—in United States bonds and bank deposits.

Mr. McLEAN. I fail to see how they can be deflated unless the discount rate is so raised that certain lines of investments and accommodations can be discouraged.

Mr. OWEN. I will ask the Senator if he thinks we can deflate United States bonds outstanding now?

Mr. McLEAN. I do not know what he means by deflating United States bonds.

Mr. OWEN. There is only one way to deflate them, and that is to pay them.

Mr. McLEAN. Yes. I did not know but the Senator meant to repudiate them.

Mr. OWEN. Well, hardly. The Senator is facetious.

Mr. McLEAN. There is no way that United States bonds can be deflated except by raising taxes enough to liquidate them.

Mr. OWEN. That is quite right. The only other great inflation of credit has been bank deposits, and you can, of course, deflate bank deposits by actually compelling men who owe their notes, and whose notes are held in the portfolios of banks, to pay them, and, by compelling them to do that, to compel them to sell their property to others who have accounts at the bank, and in that way you can deflate to that extent the deposits in the bank. I am quite in accord with the idea that it is all right to impose gradual liquidation on those who are using their funds for speculative purposes, but I am opposed to imposing the rule of deflation upon those who are engaged in productive purposes, because that will prevent the creation of commodities and prevent bringing the dollar down in its purchasing power in the only proper way available.

If you increase commodities, you increase the exchange or purchasing power of dollars.

If you decrease commodities by depression, you decrease the purchasing power of dollars.

If you create panic, destroy credits, you destroy the value of commodities by forcing men to sell on a falling market and benefit the rich and rob the poor.

Mr. McLEAN. So I would like to see the supply equal the demand, but as the supply of credits is limited, precisely as the supply of other necessities is limited, it seems to me that the one way to regulate it is to raise the price and so curtail consumption.

Mr. OWEN. You can raise the price of sugar in the same way, by putting an artificial restriction on the price of sugar and charging 25 cents a pound; but I am objecting to undue profits by reserve banks, undue profits by member banks, setting a bad example to the country in the question of interest rates, and they have no more right to profiteer by raising rates artificially 50 per cent or 100 per cent than the sugar dealer, who gets a monopoly and profiteers by false prices.

Mr. McLEAN. I entirely agree with the Senator in regard to that. At the same time I think it would be unwise for the Government, say, to fix the price of wheat at 50 cents a bushel or the price of sugar at 2 cents a pound.

Mr. OWEN. It is, of course, unwise to do a foolish thing. I understand the Senator is opposed to a usury law.

Mr. McLEAN. The Senator says he thinks the Federal Reserve Board ought to fix a rate of 3 per cent. That is the same thing precisely in principle.

Mr. OWEN. The country has proceeded upon the theory of a usury law. In North Carolina, for example, they have a strict usury law at 6 per cent. The bankers of North Carolina probably pay 2 or 3 or 4 per cent for deposits, and the margin of profit which the banks of North Carolina probably have would be about 3 per cent, which is the normal rate of increase in the handling of the money of depositors when loaned out.

The rate of interest at 3 per cent has been the rate on Government bonds before the war, and 3 per cent United States bonds went above par. The rate of interest in Belgium for 50 years before the war was 3 per cent. The rate of interest in France for 50 years before the war was 3 per cent. The rate in Holland, Belgium, and Denmark was likewise 3 per cent.

I call attention to these precedents because that shows that human beings in normal conditions of life think that is a fair rate for money. In London 3½ per cent was the rate during the war for acceptances, while the British Government was paying 5 per cent.

But I object to any policy that will bring about depression. A violent depression by such means would serve the rich and ruin the poor. The debtor class of the country, relying on stability in business, will be unable to liquidate without great sacrifice and the creditor class will quietly and virtuously absorb the property of the debtor class at panic prices and cash in later when the usual reaction takes place. This is the history of all panics; the country understands it, and the country will not submit to an artificial panic, no matter how respectable the advice that brings it about.

When the Federal Reserve Board summons a council to determine a policy, that council should include merchants and manufacturers and not bankers alone. The wonderful Bank of England, the great servant of commerce, is controlled by great merchants. But the Federal Reserve Board summons on a great occasion like this bankers alone, who profit by high interest rates and who will be the beneficiaries, temporarily at least, of the medicine they prescribe for the suffering public.

They summon class A directors, who are bankers, and do not summon class B directors, who are representatives of the agricultural, industrial, and commercial interest. Why?

Now, Mr. President, the Senator from Connecticut talks about the officers of the Federal Reserve Board all being Democrats. I will say to the Senator that I did not regard Paul Warburg, of Kuhn, Loeb & Co., late deputy governor of the Federal Reserve Board, as a Democrat, and he was one of the leading lights of the Federal Reserve Board. I regard him as a typical conservative and reactionary. Does the Senator wish to make an observation on that?

Mr. McLEAN. The Senator knows he has not been a member of the Federal Reserve Board for some time.

Mr. OWEN. I know that, but he was deputy governor.

> You may break, you may shatter, the vase if you will,
> But the scent of the roses will hang round it still.

Mr. McLEAN. I am not responsible for Mr. Warburg.

Mr. OWEN. Oh, no; I know that. I am not charging the Senator with responsibility for Mr. Warburg, but when he went out Mr. Albert Straus, of Seligman & Seligman, went in, and he is another conservative and reactionary, and Fred Kent, vice president of the Bankers' Trust Co., who had charge of the foreign exchange during the war, was a conservative and reactionary, and Mr. Leffingwell, who was recently Assistant Secretary of the Treasury, was another conservative gentleman. I do not attribute that to them in any other sense than to say that that is their "point of view," that they think in terms of high interest and bankers' profits and in terms of the bankers' earnings. Eugene Meyer, another conservative gentleman, was appointed in the Treasury and was speculating and buying United States bonds with the funds of the War Finance Corporation at a profit and under par, and making money for the United States out of the poor bondholders compelled to sell at a discount. I do not regard that as progressive conduct in any way. That is the conservative view, as I understand it.

Mr. KENYON. The Senator says they are not Democrats? They are reactionaries?

Mr. OWEN. I do not think of them as Democrats or Republicans. They are business men of very conservative views in charge of the United States Treasury. Mr. Leffingwell, I understand, was a Republican. I assume Paul Warburg was a Repub-

lican. I assume Mr. Straus was a Republican; if he is not, he might as well be. I would rather have him classified as Republican than Democrat.

Mr. KENYON. The Senator does not draw a line between reactionaries and Democrats?

Mr. OWEN. I do not. I have seen reactionary Democrats.

Mr. McLEAN. I do not wish to be understood as criticizing any member of the Federal Reserve Board. I merely called attention to the fact that they were Democrats, because the Senator seemed to be addressing his complaint to this side of the Chamber.

Mr. OWEN. I am addressing my complaint to the circumambient atmosphere.

Mr. McLEAN. I will say to the Senator that, occupying the position which I have, I have felt that I ought to do everything possible to encourage the Federal Reserve Board, and that Congress ought to do everything possible to help the Federal Reserve Board carry the country through this emergency, and believing as I do, that they are conscientious and able men, regardless of their political affiliations——

Mr. OWEN. I agree that they are conscientious, able men, I am trying to give them some conscientious advice now.

Mr. McLEAN. I have advocated every measure which they suggested which commended itself to me as wise. I will say to the Senator now what I have felt like saying several times, that I believe it was a mistake to make the Secretary of the Treasury and the Comptroller of the Currency ex-officio members of that board.

Mr. OWEN. They never attended anyway, so they did not do any harm, at least the Secretary never did—perhaps semiannually.

Mr. McLEAN. I do not know what they have done.

Mr. OWEN. Occasionally, I suppose, the Comptroller of the Currency does attend.

Mr. McLEAN. The board is supposed to be the supreme court of finance, and I think that it would be in a much better position to administer the law without prejudice, and more wisely, if it was entirely free from the influence of political appointees, those belonging to any particular administration.

I also think the system would have been stronger if there had been fewer banks. I think one bank, or not more than five, would have conserved the resources of the banks and mobilized the reserves of the country much better.

Mr. OWEN. I assume the Senator approves the National Monetary Commission bill?

Mr. McLEAN. I think everything that has been done for the benefit of the country under the Federal Reserve System has arisen from the fundamental idea in the bill to which the Senator has referred.

Mr. OWEN. Does the Senator think that quick money against assets and under interest charge originated with that bill?

Mr. McLEAN. Oh, no; but it was in that bill.

Mr. OWEN. It was in that bill, adopted from a proposal made on the floor of the Senate in 1900 by the leading Democrat in the Senate.

Mr. McLEAN. That may be.

Mr. OWEN. I merely mention that to keep the Senator from giving credit to the Monetary Commission bill to which it is not entitled.

Mr. McLEAN. I do not think the partisan question was raised at all in the framing of that legislation. I think Republicans and Democrats were alike eager to frame a law that was good.

Mr. OWEN. It was proposed *conservative* legislation. It was legislation which made one central bank; it was legislation which put that one central bank in the hands of the bankers who, in that organization, would have controlled the credit system of the United States. It was mischievous in its conception in the highest degree by putting the powers of credit in this country in private hands instead of under public control.

It was *conservative*. That is what I mean by conservative. I do not mean it was necessarily dishonest. I do not mean it was dishonest in intent. I mean it was the conception that *it was better for the bankers* to have control of the credit system of the country, and that is why I spoke of Mr. Warburg, and why I spoke of Mr. Straus, and these other gentlemen *as conservative*.

Mr. Leffingwell I regarded as conservative, among other things, because Mr. Leffingwell, I remember, came over here to the Senate and tried to get a bill passed to relieve the national banks of taxation on their assets.

Mr. McLEAN. Do I understand the Senator to imply that the Federal Reserve Board is under private control?

Mr. OWEN. I do not see how the Senator could by any possibility arrive at any such suggestion.

Mr. McLEAN. The Senator was referring to the operation of the Aldrich-Vreeland bill when he said that it puts the banking system under private control.

Mr. OWEN. I was referring to the National Monetary Commission bill, to which I had just previously referred, when I said it put that system under the banks by giving the banks 40 out of 43 directors in general charge.

Mr. McLEAN. The banking idea in the Aldrich-Vreeland Act, it seems to me, is the successful idea in the Federal Reserve System, but I think it was wise to put the control of that system under the Federal Reserve Board.

Mr. OWEN. I am glad to know the Senator entertains that view. That was not entertained by those who favored the Monetary Commission bill. They were very much opposed to having Government control. When I speak of conservatives I mean those who look at this system *from the bankers' standpoint*, who think of it *in terms of profit*, who think of it *in terms of interest*, who want the reserve banks to make as much as possible.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER (Mr. GRONNA in the chair). Does the Senator from Oklahoma yield to the Senator from Colorado?

Mr. OWEN. Certainly.

Mr. THOMAS. The Senator made a statement a few moments ago that surprised me very much, if I correctly understood him. I think the Senator said that during his connection with the Federal Reserve Board Eugene Meyer was engaged in speculating in Government bonds.

Mr. OWEN. Perhaps I should not have used the word speculating. What he was doing was buying the bonds below par, with the funds of the War Finance Corporation, which I regard as speculating for the United States Government in buying them below par.

Mr. THOMAS. The inference was——

Mr. OWEN. I did not intend to reflect on Mr. Meyer at all.

Mr. THOMAS. I am very glad that is so, because it surprised me very much.

Mr. OWEN. No, indeed; but it was another conservative view entirely, thinking *in the terms of the banker* instead of thinking *in the terms of credit of the United States and credit of the whole people.*

Mr. THOMAS. I knew the Senator would not make a personal charge unless he had some basis for it, and the inference which I drew from his statement was that Mr. Meyer while a member of the board was engaged in private speculation.

Mr. OWEN. No; I did not mean that at all.

Mr. KENYON. Mr. President——

Mr. OWEN. I yield to the Senator from Iowa.

Mr. KENYON. The Senator made another statement rather startling, that Mr. Leffingwell had come to Congress and attempted to procure the passage of a bill to exempt national banks from taxation under certain circumstances.

Mr. OWEN. Yes.

Mr. KENYON. Is the Senator going to follow that up and explain it, or was that a casual statement?

Mr. OWEN. I was just referring to that as evidence of looking at this matter from the bankers' standpoint, because I did not think it would be at all fair to other taxpayers or to the country to relieve the banks of taxes. I do not think that is right, but that is the view Mr. Leffingwell had.

Mr. KENYON. He was Assistant Secretary of the Treasury at that time?

Mr. OWEN. Yes; he was.

Mr. KENYON. Who was the Secretary of the Treasury at that time?

Mr. OWEN. Mr. McAdoo.

Mr. KENYON. So I take it the action of Mr. Leffingwell must have been with the acquiescence of and in accord with the views of Mr. McAdoo?

Mr. OWEN. Yes; there was a bill sent over here to me by Secretary McAdoo, which I introduced. I thought when I introduced it that it was for the purpose of protecting the bonds of the United States from taxation.

On examining the bill—S. 4137, Sixty-fifth Congress, second session—I found that it was really a bill that would have exempted the national banks from being taxed on their assets, and I was not willing to agree to that. I had a report from the Secretary of the Treasury in favor of it on the ground that it would serve to protect the bonds of the United States, but I wrote him immediately, pointing out that it would not serve to

protect the United States bonds at all; that it would merely exempt the banks from being taxed. I objected to the bill, made an adverse report on it—Senate Report 355, Sixty-fifth Congress, second session—and moved its indefinite postponement, because I had made myself responsible for its introduction. It was indefinitely postponed by the Senate April 3, 1918. Hon. CARTER GLASS, at the Secretary's request, introduced the same bill—H. R. 8935—January 18, 1918, but his committee never reported it.

Mr. KENYON. The bill to which the Senator refers is the bill which was advocated by Mr. Leffingwell?

Mr. OWEN. No; it was not. It was a different bill.

Mr. KENYON. When the Senator speaks of the bill being sent here, I wish to inquire was it sent by the Secretary of the Treasury for introduction?

Mr. OWEN. Yes, sir; it was sent by the Secretary of the Treasury. The facts are these: Secretary McAdoo wrote me on March 26, urging the passage of S. 4137. I replied immediately. Without reading, I will have my reply and report inserted in the RECORD from my files.

THE SECRETARY OF THE TREASURY,
Washington, March 26, 1918.

MY DEAR SENATOR, I received your letter of March 20 with the inclosed Senate bill, No. 4137. I am glad indeed to know that you will at an early date bring this bill to the attention of the Committee on Banking and Currency.

The banks of the country have been called upon, and during the course of the war must be called upon again from time to time, to subscribe for Treasury certificates of indebtedness and Government bonds. The unwritten provision of the Constitution, as construed by the United States Supreme Court, and the express provisions of the statutes of the United States, prohibit State and local taxation of the bonds and certificates of indebtedness of the United States. The United States has sold its bonds and certificates of indebtedness with an express stipulation exempting them from State and local taxation. Naturally complaints come from all sides against the indirect taxation of United States Government securities through taxes on bank stocks levied by States and municipalities.

So far as the national banks are concerned such taxation can, as I understand it, only be levied with the consent of the United States, since national banks themselves are governmental instrumentalities. Such consent of the United States was given by what is now section 5219 of the national-bank act, which section was originally enacted in 1864 and amended in 1868. So far as such taxation relates to State banks and trust companies, the matter is, I believe, out of the control of the Federal Government. The proposed amendment will prevent this indirect taxation of Government bonds by the State so far as national banks are concerned. It will then be for the State legislatures to follow suit and relieve State institutions of such taxation. I hope that the States will do this because the ability of the United States to finance its war requirements is seriously impaired if United States bonds are taxed directly or indirectly by the States.

Under the Constitution and statutes of the United States its obligations can not, any more than its instrumentalities, be taxed by States or municipalities; but the consent given by the United States in section 5219, Revised Statutes, to taxation of national-bank shares has led the States to devise a system of taxing the banks through their shareholders which enables the States indirectly to tax United States bonds and certificates. Some States have gone so far as to exempt their own bonds from this indirect taxation while subjecting to it bonds and obligations of the United States.

The United States now makes its own bonds subject to its income and excess-profits taxes while exempting those of States and municipalities from all United States taxes. Surely this gives to the States and municipalities sufficient advantage. They should not longer be permitted to tax United States bonds and certificates of indebtedness by indirection. This they can not do except by virtue of the consent of the United States embodied in section 5219. The proposed amendment would withdraw that consent.

I consider the adoption of the proposed amendment, which will relieve the national banks of indirect taxation upon their holdings of Government bonds and Treasury certificates of indebtedness, a vital step in meeting the problems of war finances. I think it of the utmost importance that it should be enacted before the third Liberty loan is offered.

Cordially, yours, WM. G. MCADOO.

Hon. R. L. OWEN,
United States Senate.

MARCH 27, 1918.

Hon. WM. G. MCADOO,
The Secretary of the Treasury, Washington, D. C.

MY DEAR MR. SECRETARY: Answering your favor of March 26 relative to Senate bill 4137, the taxation on national banks relates only to their stock, the stock being measured by its book value, but the bonds of the United States held by a bank are not subject to taxation. If the banks were permitted to deduct from the assets of a bank the amount of bonds they hold, they could, during the short period of the tax return, buy these bonds to the amount of the face value of their stock and escape all taxes to the State, disposing of their bonds immediately afterwards. This would probably cost the State over $70,000,000 without corresponding benefit to the Government of the United States, which would not get such tax.

Many of these bank stocks pay 10 and 20 per cent and some earn even higher returns. The States do not in reality tax United States bonds by indirection when they tax the capital invested in national banks, for the invested capital comprises the insurance fund against the current demand of depositors, and this amount should be kept as a liquid reserve for the transaction of current business, the deposits often exceeding the capital stock tenfold.

The States give protection to the capital so invested, and it would seem to be only fair that the States should be compensated for this protection. Of course, the banks would be glad to escape this taxation, but their argument that they are entitled to escape this taxation on the ground that the States ought not to be permitted to tax United States bonds by indirection is not only unsound, in my judgment, and if granted would not benefit the United States substantially, but would give the banks $73,400,000 (based on 1½ per cent of the value of the capital stock of $4,893,000,000, composed of capital stock paid in, $2,274,000,000; surplus fund, $1,945,000,000; undivided profits, $674,000,000), which amount now goes to the States for the maintenance of public order.

Very respectfully, yours, R. L. OWEN.

[Senate Report No. 355, Sixty-fifth Congress, second session.]

"Mr. OWEN, from the Committee on Banking and Currency, submitted the following report (to accompany S. 4137):

"The Committee on Banking and Currency, to whom was referred the bill (S. 4137) to amend section 5219 of the Revised Statutes, respectfully report thereon with the recommendation that the bill be indefinitely postponed.

"The purpose of this bill is to amend section 5219 of the Revised Statutes authorizing the taxation of shares of national banks.

"The proposed amendment, suggested by the Secretary of the Treasury for the reasons set forth in his letter hereto attached, provides that—

in determining the value of the shares the net amount of any bonds or other interest-bearing obligations of the United States owned by the association shall be deducted from its assets.

"The national banks of the United States have in capital stock, surplus, and undivided profits approximately $2,123,000,000.

"This particular amendment, if adopted, would lead to the immediate demand by State banks and trust companies for a like exemption from taxation. Indeed, this has already occurred in the House of Representatives, where an amendment has been proposed to the bill authorizing the third issue of Liberty bonds, providing for a like exemption for State banks and trust companies.

"Under the proposal, if a national bank of $300,000 capital and surplus and $3,000,000 of deposits should invest $300,000 of its deposits in United States bonds it would entirely escape all State and local taxation, and, of course, transfer such burden of taxation upon other local citizens who have no bank stock.

"Your committee believes that this would be an unwise change of policy. Unwise because it would transfer from the owners of bank stock a just tax they pay to the State and cities in return for police protection, and, secondly, it would not benefit the United States substantially, because the banks do not pay tax on the bonds which they buy out of the funds provided by their deposits, and they would still buy bonds out of the twenty-odd billion dollars of deposits to the extent necessary for floating the bonds during the period required for the public digestion of such securities.

"The effect of the proposed amendment would be to transfer approximately $33,000,000 of State and local tax from those owning the capital of national banks to the shoulders of other citizens, and would undoubtedly lead to a like demand by the State banks for a similar exemption, without rendering any adequate return to the United States Government. The capital,

surplus, and undivided profits, which measure the cash value of bank shares, and the resources of our banking system was, for September, 1917, as follows:

	Capital, etc.	Total resources.
National banks	$2,213,391,000	$16,543,499,000
State and other banks	2,667,295,000	20,836,357,000
	4,880,686,000	37,379.856,000

"The possible diversion of State and local taxes on this capital at 1½ per cent would be about $74,000,000 per annum, and this State and local tax would have to be raised by other means and would disarrange the taxation systems of the States to this possible extent.

"The banks have over $32,000,000,000 of resources over and above their capital with which to buy bonds while in process of public distribution.

"The cash credits representing capital comprise only a moderate reserve against the demand of their depositors, and it is a questionable policy to invite the banks to crystallize these credits into bonds when it is not absolutely necessary.

"We therefore recommend the indefinite postponement of the bill.

"The letter of the Secretary of the Treasury is hereto appended and made a part of this report."

Mr. OWEN. On March 29, 1918, two days after I had explained my objections, Mr. KITCHIN, chairman of the Committee on Ways and Means, introduced House bill 11123 to authorize the third Liberty loan. In section 5 appeared the following:

"In determining the value of the shares of any national bank, State bank, trust company, or other banking institution, for the purpose of taxation by any State, or any of the possessions of the United States, or any local taxing authority, the par amount of any bonds or other interest-bearing obligations of the United States owned by such bank, trust company, or banking institution shall be deducted from its assets."

In the CONGRESSIONAL RECORD of April 2, 1918, appeared the same explanation by Secretary McAdoo to the House of Representatives that I had objected to on March 27, 1918. The bill amended came over to the Senate and was referred to the Committee on Finance.

Mr. Leffingwell appeared before the Finance Committee of the Senate at that time; and that is the reference that I made, because I met him in the Finance Committee advocating that very matter. I was opposed to it, and I appeared before the committee and expressed my dissent. Owing to my resolute opposition the committee omitted section 5. I thought it undemocratic because granting a special interest and favor to the banks against the public interest.

Mr. KENYON. Mr. President, I am interested in knowing, if it is not at all embarrassing to the Senator from Oklahoma, just what this bill which was advocated by the Secretary of the Treasury, Mr. McAdoo, would have done for the banks.

Mr. OWEN. It would have relieved them from taxation.

Mr. KENYON. In a very large sum, I take it?

Mr. OWEN. Well, whatever the tax would be upon the assets of the banks of the entire country, for it was proposed in the House bill that the legislation should apply to the State banks as well. It amounted to 1 or 2 per cent on something over $4,000,000,000, I think.

Mr. KENYON. Now, one matter further, so that I may look this question up a little. About what was the date of the report which the Senator from Oklahoma made under which this bill was indefinitely postponed?

Mr. OWEN. It was just before the third Liberty loan, along in the early part of 1918. It is one of the reports of the Senate—Senate Report No. 355, April 3, 1918. It has been on file here for two years; there is nothing new about it at all.

What I am objecting to is to having the law administered from the banker's standpoint, and merely in his interest and against the public interest. I want it administered from the standpoint of the manufacturer, the merchant, and the stock-raiser—from the people's standpoint as well as from the bankers' standpoint. I have received a number of telegrams here from the far West in reference to this matter to which I think it is worth while to call the attention of the Senate. I have a telegram from cattle raisers in Arizona who had their attention called to this subject.

They say they are being denied credit to enable them to raise cattle. That is all right for the Beef Trust, to force those people to sell their cattle because they can not get credit, but I am opposed to treating the people who raise stock in that way. I myself was once a stock raiser. I raised cattle for seven years—from 1887 to 1894. I had a section about 6 miles square—about 36 square miles—with the finest grass in the world, with running streams of water through it. I went down to Texas and got cattle and brought them up there in Indian Territory, and for seven years handled cattle on the range. I sent to the market between seventeen and eighteen thousand head of steers, and when I got through my seven years of labor I had not made a dollar above my bare expenses and the interest charges I had to pay on the enterprise. I discovered the reason why. It was because there was but one buyer of my product—the Beef Trust. No wonder they made money.

Armour & Co., who, starting as packers with a capital of $160,000, now have $173,000,000 of profits, which they have saved, besides their dividends running into the millions. Where did they get it? They got it from such men as I was, raising cattle on the range, unable to protect myself and unprotected by my Government. These men on the range are now to be denied credit; they are to be squeezed to death, and their fortunes are to be sacrificed to whom? To the Beef Trust. I will not stand for any such policy; I will not pretend to be content with it; I am not going to agree to it; and I am not going to stand for this high interest rate, which is bringing on a depression. [Manifestations of applause in the galleries.]

The PRESIDING OFFICER (Mr. GRONNA in the chair) rapped with his gavel.

Mr. KENYON. Mr. President——

Mr. OWEN. I yield to the Senator from Iowa.

Mr. KENYON. I will say to the Senator that exactly that complaint is coming from the farmers of the Middle West, for example, from my State, where, by virtue of some legerdemain, they are unable to get the money to carry on their business.

Mr. OWEN. The Senator from Kansas has said that the same thing is true with regard to Kansas, and the Senator from North Carolina has said the same thing is true with regard to North Carolina. I have here a telegram from Fort Worth, Tex., which I will read, as follows:

FORT WORTH, TEX., *May 17, 1920.*

Senator ROBERT L. OWEN,
Washington, D. C.:

Have read with deep interest your letter to Gov. Harding, of Federal Reserve Board, regarding depressed prices Liberty bonds, and heartily indorse your suggestion that interest rates on loans with Liberty-Victory bonds as collateral should be immediately lowered to prevent further sacrifice sales of bonds to meet maturing obligations of owners. Federal Reserve Board should exercise its powers and its limit of influence with Federal reserve and member banks to lower interest rates on such loans to the point where owners of bonds who bought by original subscription, as each issue was urged upon the public, upon whom all possible pressure was brought to bear to induce them to buy Government obligations in the days of our country's urgent necessities, should no longer be forced to sacrifice their bonds. We subscribed for $600,000 of various issues, and were allotted total of $480,000 of all issues, which we still own. High discount rates and tightness of money has rendered it necessary for us to pledge these bonds at unfavorable rates, adding grievously to our market value loss on our bonds, which we wish to retain until their maturities. We are engaged in heavy transactions in the exportation of southwestern grains from States of Texas, Oklahoma, and Kansas; and the attitude of some national banks and the highest interest rates required by the Federal Reserve Board renders it exceedingly difficult to operate in so necessary an operation as exporting wheat and other grains—our most liquid assets, our farm commodities so urgently required by European importing countries. Please continue your efforts with the Federal Reserve Board and secure immediate relief from present unnatural conditions.

THE FORT WORTH ELEVATORS CO.

Here is another telegram from Midland, Tex.:

MIDLAND, TEX., *May 17, 1920.*

Senator ROBERT L. OWEN,
United States Senate, Washington, D. C.:

We heartily congratulate you upon your recent speech just quoted by press, dealing with interest rates as now regulated by Federal reserve banks. Legitimate cattle business is almost stagnated by reason of lack of money account these rates. Can not something be speedily done whereby credit may be had freely by legitimate productive business?

B. C. GIRLEY.
THOS. B. JONES.
TOM T. GARRARD, Jr.
W. F. SCARBOROUGH.
J. L. HILL.
W. W. BRUNSON.
S. W. ESTES.
H. E. CUMMINGS.
R. M. CLAYTON, Jr.
RANKIN & SMITH.

Mr. CALDER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from New York?

Mr. OWEN. I yield.

Mr. CALDER. Does the Senator believe that the high rates of interest now being charged by the Federal Reserve Board tended to increase the interest rate charge on the recent railroad bonds which were sold?

Mr. OWEN. To be sure they had such an effect.

Mr. CALDER. The high rates of interest on railroad bonds have tended to attract capital from ordinary business, as the Senator knows. I was in New York yesterday, and the men who make it a business to loan money on real estate for the development of property and the building of homes told me that to-day there are no private funds and very little funds from the banks and insurance companies, which can loan money on such bonds, available for building development.

Does the Senator think that indirectly these high rates of interest imposed by the Federal Reserve Board tend to injure the money market?

Mr. OWEN. Absolutely.

Mr. CALDER. That situation is very desperate now, I will say to the Senator.

Mr. OWEN. Yes. In some instances people are getting tents to live in because they can not build houses; they can not get the credit necessary to build houses. New Zealand, I will say, has furnished to her citizens or her householders and fathers of families credit on 30 years' time and at low rates of interest with which to buy concrete to build concrete houses to shelter the families of New Zealand in houses that are permanent, which are good in winter and in summer. I am in favor of the Government protecting our people in like manner from the crushing monopolies that deny them housing on fair terms. In this country people are driven out of their houses by profiteering landlords.

Here is a telegram from Phoenix, Ariz.:

PHOENIX, ARIZ., *May 17, 1920.*

Hon. ROBERT L. OWEN,
United States Senate, Washington, D. C.:

Much interest has been evinced here on your address on financial conditions before the Senate last week. The prevailing financial stringency has resulted in stopping movement of our young steers from these breeding grounds to pastures where they are matured for beef. These cattle were contracted early by Texas, Colorado, and northern pasture men and advance payments made; now they are being forced to sacrifice advance payments owing to their inability to secure funds regardless of collateral rate of interest and amount of margin in steers, claiming the Federal Reserve Board having stopped loans on cattle security. This spring movement of young steers is not speculative but occurs every year, and heretofore has been financed without difficulty. To stop it will not only throw many in Arizona out of business but will certainly bring about eventually an upheaval in beef conditions generally. It is just as important to the Nation as the movement of any grain crop. Our breeding ranges are stocked to capacity, and the breeders can not finance this, but, on the contrary, need money badly for operating expenses. We have wired to Secretary Houston and Federal Reserve Board asking if some provision can not be made whereby member banks are permitted to accept enough well-secured cattle paper to permit this normal movement of steers to pastures, from whence they go to market in one or two years hence, and avoid this disaster. Would appreciate any assistance you may care to give.

ARIZONA CATTLE GROWERS' ASSOCIATION,
CHAS. P. MULLEN, *President.*

Mr. McLEAN. Mr. President——

Mr. OWEN. I yield to the Senator from Connecticut.

Mr. McLEAN. I should like to inquire of the Senator when that telegram was dated?

Mr. OWEN. It was dated on May 17.

Mr. McLEAN. I presume that no reply as yet has been received from the Secretary of the Treasury?

Mr. OWEN. I do not know whether a reply has been received or not. I think the department will wish to do what they can about it.

Mr. McLEAN. That is the only point that interests me in this discussion. If the Federal Reserve Board is restricting legitimate credits in any way, I say to the Senator, "Go to it, and strength to your arm."

Mr. OWEN. I am "going to it" all right, and I am not going to stop until it is corrected.

Mr. McLEAN. I am not defending anything of that sort, as the Senator well knows. My position is that it may be absolutely necessary to raise the discount rates in certain instances in order to discourage credits that are desired by speculators.

Mr. OWEN. I have no objection to raising rates on speculative loans where they are known to be speculative and where they otherwise show an indisposition to liquidate.

Mr. McLEAN. I should like very much to have the Senator note the Secretary's reply to that telegram, and, if possible, present it to the Senate.

Mr. OWEN. I have written some letters down there myself, but I do not seem to have obtained the results that I thought were desirable.

I also have the following telegram from Willcox, Ariz.:

WILLCOX, ARIZ., *May 17, 1920.*

Hon. R. L. OWEN,
United States Senate, Washington, D. C.:

Accept our congratulations on your timely speech of last Thursday relative to Federal Reserve Board. The efforts of the board to deflate credits immediately has resulted in stopping the movement of our young steers from breeding ground to northern pastures, where they are matured for beef. The northern buyers who contracted for these cattle early and made advance payments are now being forced to forfeit these advances, owing to the inability of anyone in cow business to secure funds, regardless of collateral, rate of interest, or amount of margin in steers. Unless relief is obtained the southwestern cowman will be against the wall. This association, in conjunction with Arizona Cattle Growers' Association and Panhandle and Southwestern Association, are wiring Arizona Senators; also Secretary Houston and Gov. Harding, of the board, requesting their assistance in relieving this serious situation.

COCHISE-GRAHAM CATTLE GROWERS' ASSOCIATION,
GEO. P. MORGAN, *President.*

I have here a letter from ex-governor of New Jersey, Hon. E. C. Stokes, of one of the large national banks of the country—Mechanics National Bank, of Trenton. I desire to say that my observations are not directed against the banks; they are in behalf of the banks, and for their real welfare. I do not want the banks of this country to be injured or harmed, but I do not want them to pursue a dangerous policy which will harm them and which incidentally is harming the country. This letter reads as follows:

THE MECHANICS' NATIONAL BANK OF TRENTON,
Trenton, N. J., May 15, 1920.

Hon. ROBERT L. OWEN,
United States Senate, Washington, D. C.

MY DEAR SENATOR OWEN: I am delighted to know that somebody in the United States Senate has the intelligence and the courage and the patriotism to resent the action of the Federal Reserve Board in raising rediscount rates—an example that causes or at least furnishes an excuse for artificially high rates throughout the country.

I was opposed to the Federal Reserve System when the bill for its inauguration was pending, just because I feared such action on the part of those in charge of the system as has now come to pass. You and Secretary Glass favored it because you thought it would prevent the present condition, namely, exorbitant rates for credit when the country is in what might be termed a credit famine. Your purpose was most commendable, but the Federal Reserve Board is functioning in a way that thwarts the good object you had in mind when you urged the legislation.

The Federal Reserve Board is proceeding upon an entirely wrong theory. High wages and the high cost of material make necessary more credit than in normal times if industry and business are to be carried on. The manufacturer can not to-day finance his pay rolls and his materials and carry his manufactured product—if he is compelled to because of poor transportation service—on the same line of credit that he did before the war.

If because wages are high and materials are high the Federal Reserve System can not aid the banks of the country in furnishing the necessary credit to carry on enterprise and promote prosperity, then the Federal Reserve System has failed and ought to be changed or modified. The present methods of the Federal Reserve Board are based on an entirely erroneous theory.

Increased credit *is not the cause of high prices.* Increased credit *is the result of high prices and is necessary because prices are high.* What the country needs *to-day is more credit,* not *less credit.* If the industries and business of the land could be assured of more and cheaper credit, production would be encouraged, and with an increase of production prices would fall. With assurance of the proper amount of credit at reasonable

rates, intensive production would follow and prices would be cheaper, even without a reduction in wages. This production, however, will never be undertaken by the manufacturer or even by the farmer if he thinks his loans are going to be called or curtailed and he himself forced into bankruptcy because of inability to carry his enterprises to completion.

The members of the Federal Reserve Board and some of the members of the Federal reserve bank utterly fail to grasp this economic law and the importance of its encouragement in this hour of strain.

Your diagnosis of the chief cause of the fall in the price of Liberty bonds *is absolutely accurate.* There are 22,000,000 of such bondholders in the country. These bonds were bought as matter of patriotism by many who could illy afford it, and when they are compelled to sell to pay a doctor's bill or provide for the proverbial rainy day the loss they suffer creates a feeling of bitterness against the Government and the holders feel they have been deceived. Indeed, good faith on the part of the Government demands that every legitimate Government agency should be employed to keep these bonds at par and save the patriotic holders from loss.

The action of the Federal Reserve Board in raising the discount rates on loans secured by bonds to 5½ per cent—more than the interest return on the bonds—not only caused a liquidation of the bonds on the bargain counter, but it created consternation and fear throughout the country and halted confidence and enterprise. The action, it seems to me, was most unjust and certainly not needed from a financial point of view, when some Federal reserve banks last year earned 110 per cent. They certainly have no right to cry "profiteer" against their fellow countrymen. Their action *gave the excuse for the raising of money rates all over the country.*

Quick and prompt transportation of food supplies and raw materials is absolutely necessary if prices are to be kept normal. Indeed, inadequate transportation, if it does not cause a panic in food does cause high prices. The same is true in the case of raw materials for the manufacturers.

The railroads need money to buy new equipment. To-day security issues of roads like the Pennsylvania and New York Central, well secured by bonds or equipment, are upon the market at from 7 to 7½ per cent. This means that the money costs them, when they have paid their bank and brokerage commissions, from 8 to 10 per cent. With an allowed earning capacity of 5½ per cent under the new railroad law, our transportation systems can not continue to pay such exorbitant interest rates to finance their equipments and improvements. It is bound to break down and the country suffer from the consequent trade paralysis.

Every increase of discount rates on the part of the Federal Reserve Board makes for dearer credit. The high interest rates for call money in New York is artificial and unjustifiable. There is no more reason why New York bankers should demand rates over 6 per cent than Philadelphia or Boston or Pittsburgh. Indeed, some of the bankers in that city refuse to accept over 6 per cent. Such rates are tantamount to conspiracy against values and prosperity. They tend to very materially reduce the market value of legitimate securities held by life and fire insurance companies, savings banks, trust companies and national banks, and by millions of patriotic and innocent investors throughout the land.

There is scarcely a family in America that is not directly or indirectly, through life insurance and through banks, interested in a higher value of securities. Those securities to-day are abnormally and artificially below their true worth. Every time there is a rise in the market money rates are put up and the appreciation of these securities, affecting the savings of millions of Americans, is checked and, indeed, reduced.

No man or set of men in this country has any more right to be permitted to engage in financial methods that cause a loss to the millions of securities holders than he has to burn down a barn. Both mean destruction of the earnings and savings wealth of the country. This is a question of simple, common honesty; and when common honesty is involved, no man has a right, even if the law does not prohibit it, to resort to economic measures that violate it.

More and cheaper credit in this hour would be a godsend to the American people. The Federal Reserve ought to set an example to this desirable end. Just one example by way of illustration:

In the cities of this land many people are practically homeless. Some of them have their goods in storage and are living with their relatives because they can not get homes. The Government has urged the banks to finance home building. The banks should do this. Indeed, they are willing to do it, and do it at a rate not over 6 per cent.

The other day Congress passed a law permitting the Federal Reserve Board—an additional and dangerous power—to raise the discount rates in proportion to the line of accomodation of the member banks of the Federal Reserve System. That means that they can make discount rates 7 or 8 or 9 or 10 per cent or any per cent they see fit. The usury law does not apply under this act to this philanthropic governmental institution. Individuals can not indulge in usury but the Government can—a beautiful example for the Government to set to its people.

Under this law, if the banks have loaned to the limit of their credit to home builders and are compelled to borrow of the Federal Reserve Banks, because they are straining their credit to build homes and do it at 6 per cent, the Federal Reserve Board or the Federal reserve banks, can make the rediscount rates against them 7 or 8 or 9 per cent, so that the banks are compelled, either to lose money on the transaction or in their fear of the application of this law, refuse to extend credit to home builders and thus check this much needed enterprise, the remedy of a serious condition.

I realize that the Federal Reserve Board has the power, but, Senator, you can not drive the American people into desperation without resentment. The man who wants to build a home in this hour and the man who wants to furnish employment and pay wages, is entitled to have credit if his resources warrant it, and the attempt of the Federal Reserve Board to curtail credit under these conditions strikes a blow at the prosperity and welfare of the land.

Last January, in one of the largest cities of this country, a business man was called in and congratulated upon his statement, and told that he would be very welcome to come in to borrow, and that they would give him a loan of $75,000. The other day he went and asked for $25,000, and was refused, not because he was not worth the money, but because the banker said there was a credit famine in the country. He reminded the banker of his promise and conversation, but the banker simply shook his head and said, "We are going through a panic."

My comment on that is that that banker does not understand his obligations to his fellow man. Unfortunately some bankers forget that business and industry ought to be *provided with credit when credit is needed,* and they seem to hold to the theory *that business and industry ought to borrow when credit is plentiful.* This view of the credit function, which I fear is taken by too many bankers, is not banking at all. It is simply high-class pawnbroking. When a man needs credit, legitimate credit should be forthcoming, and it is the duty of the banker to provide it for him.

In 1907, during the panic of that year, our little bank at Trenton—then a third of the size it is to-day—borrowed six hundred thousand, paid 6 per cent for it, and loaned it to our customers to save them from trouble. We did not make a man pay a dollar during that entire period of trial. It was an hour when our customers, merchants, manufacturers, and business men needed help, and the real banker will see that people get help when they need it.

Of course we made no money on the transaction. In fact, we lost because the cost of handling the operation and the transfer of funds was entirely at the bank's expense, but we were rewarded in the thought that we had helped the community and saved the borrowers from suffering liquidation and perhaps bankruptcy.

I have no patience with the maudlin cry that there is not credit enough in the country to finance its progress and development. If that were true, there would be no progress or development. Progress necessarily demands more credit, and there is always credit enough in any civilized nation to carry on its legitimate business enterprises of any character whatever, provided that *credit is made liquid and available.* It *is not* being made liquid and available by present methods of the Federal reserve bank in pushing up their discount rates and encouraging high money rates in New York and throughout the land.

A United States Senator who will get up in the Senate and in a vigorous patriotic speech explain this situation to the people of America and demand a change in the interest of common welfare will make himself deservedly a friend of the people.

More might be said, but this letter is long enough. I thank you for your courage and for your clear insight in this day of artificial financial difficulties. The country is all right; the rank and file of the people are all right. They are ready to go ahead if the financial system of our country will not stand in the way and block their efforts.

I take the liberty of inclosing you a recent article of mine.

Very sincerely, yours,

E. C. STOKES.

Mr. NELSON. Mr. President——

Mr. OWEN. I yield to the Senator from Minnesota.

Mr. NELSON. The Senator from Oklahoma is far better posted than I am on these matters, and I want to ask him for information this question:

Was it not the original design and plan of the Federal Reserve Act that it was to aid the commerce and trade of the country?

Mr. OWEN. Absolutely.

Mr. NELSON. And that credits should be granted simply on commercial paper?

Mr. OWEN. Yes; that is right.

Mr. NELSON. That policy was changed when the banks were permitted to borrow money on Liberty bonds as collateral.

Mr. OWEN. That is right.

Mr. NELSON. And has not that been one of the causes that has led to this great inflation of the currency?

Mr. OWEN. It has inflated the currency to some extent.

Mr. NELSON. In other words, if they had adhered to the original plan, and made no loans except on commercial paper covered with bills of lading and other sercurities, there would not have been the present inflation of the currency.

Mr. OWEN. Yes.

Mr. NELSON. But the practice of allowing them to borrow money on Government bonds has led to an immense inflation of the currency. Is not that true?

Mr. OWEN. Yes; some inflation of the currency, but very great inflation of credit. Of course, because of the war, in order to mobilize the resources of the country, we had to use and we did use the Federal reserve banks in discounting against these Liberty bonds as collateral security; and I think the time will have to come when we shall go back to the old system, where no bonds of any kind will be used, not even United States bonds, except in a very limited degree.

I do not believe they ought to be used at all, because we have an abundance of commercial paper now; but at present many of the banks of the country are carrying these bonds with the implied contract that they could use them as a means of getting credit, and I think it would not be advisable now to undertake to deflate the credit on those bonds. I think, however, that as soon as these bonds can be digested by the public the act ought to be changed so as not to leave bonds open as collateral security for the purpose of getting the resources of the reserve banks.

Mr. NELSON. Mr. President, I appreciate the great knowledge of these matters of the Senator from Oklahoma, with whom I served on the committee when this Federal reserve legislation was enacted.

Mr. OWEN. I remember with gratitude the service the Senator from Minnesota rendered. He was one of the most faithful and useful of our members.

Mr. NELSON. It was one of the claims—and I thought it was well founded—that our currency would become more elastic; that it would be governed by the ebb and flow of the commerce and trade of the country.

Mr. OWEN. That is the correct theory, too.

Mr. NELSON. That was the theory of the Federal reserve bill, and I thought it was a sensible theory; but by departing from it by allowing this great volume of Liberty bonds to be used in this way we have done violence to that theory, and we have got some other standard to measure the volume of currency outstanding. Is not that a fact?

Mr. OWEN. What the Senator says has great force in it and great value in it, because these Liberty bonds really, after all, are an investment, and are not the same kind of paper as bills based upon cattle, wheat, corn, and things of that kind, which measure the ebb and flow of commerce, as the Senator points out. It would be much better if we could get back to the old system, and I take it we will get back to it as soon as we get rid of the outstanding bonds which have not yet been digested by the public.

Mr. NELSON. But, Mr. President, will the Senator be kind enough to let me interrupt him a little further to say this: We can not well overlook the fact that these Government loans that were made, these so-called Liberty loans and the Victory loans, were of a unique character, and different from all the other loans ever made by the Government.

Mr. OWEN. Yes.

Mr. NELSON. In other words, the Government made a canvass all over the country, and induced everybody, high and low, rich and poor, no matter what their calling or business was, to take a share in these Government loans.

Mr. OWEN. Yes.

Mr. NELSON. Now, there was such a volume of them issued, such an immense amount of money was taken out of the banks and out of circulation to purchase these bonds, that it left a vacuum, and the bonds have gone down. Of course, some of these holders are big holders who can afford to hold their bonds; but there are many poor people who are face to face with the alternative either of selling their bonds at a big loss or of borrowing money to carry on their business, and the only security they can well give is these bonds. So that although our system of having Government bonds as collateral security for these loans of the Federal reserve banks is an innovation and a change, and has led to this great inflation of the currency, nevertheless it is one that grows out of the necessity of the case, and is unavoidable, I think.

Mr. OWEN. Yes; that is right. I have been anxious that the normal interest rate should come down instead of going up, because there are so many people, including many poor people, who bought these Liberty bonds as a patriotic duty; and if the interest rate goes skyrocketing up, it has the same effect upon Government bonds that it has upon any other kind of bonds. The effect is to make a comparison between a high rate of interest as a normal matter and a low rate of interest, 4¼ per cent, on these bonds. The consequence is, when people offer the bonds for sale, that men say, "Well, this security is good security, of course, but it is only earning 4¼ per cent, and I can get 8 per cent for my money. Why should I give par for these bonds?"

That is the kind of talk that goes on, and the action of the Federal Reserve Board in raising these rates to 6 and 7 per cent has the effect of depreciating the value of these Liberty bonds all over the country. There are nineteen or twenty million people who have these bonds, and who bought them for patriotic reasons. Of course, it can be said that if they hold them until the time of maturity, they will not lose anything; but they were told, when they bought them, that they were the best security in the world. They expected to be able to sell them at relative par whenever they wanted to. They thought they were as good as a savings-bank account which they could cash at will.

Another thing is that when you raise these rates in this manner, it has the effect of breaking down the value of the bonds and of the stocks held by the saving banks of New England. What does the Senator think of that? Is that advisable? Do you want to break down confidence in the savings banks of the country?

I tell you, Senators, there is a moral aspect to a charge of interest, and that moral aspect must be what will be a reasonable return on idle capital; and when you want to know what the reasonable return on idle capital is, you have a right to look to the precedents of the past.

In the United States, the banks pay 2, 3, and 4 per cent interest for deposits. The banks themselves say that 2 and 3 and 4 per cent are fair rates for money, because that is what they pay for money to their depositors. They have borrowed from their depositors billions of dollars at those rates, and then they let it out at 5, 6, and 7 per cent—an increase of 3 per cent above what they pay—showing again that that is a fair return for the handling of credits. As I pointed out a while ago, Belgium had a uniform, fixed rate of 3 per cent for 50 consecutive years, without a single break, before the war. France had the same rate, with a few changes. Germany had a rate under 4 per cent, around 4 per cent. England had a rate fluctuating between 3 and 4 per cent. It is a fair rate.

The United States bonds at 3 per cent were above par before the war. Two per cent bonds now, with the circulation privilege, are above par. I am not asking anything unreasonable in asking that a decent standard shall be set by the powers of this Government who are in control of the Federal reserve banks. I am not asking anything unreasonable when I point out that the Federal reserve banks, on a 4 per cent rate, made 100 per cent profit last year, and ask that they shall be content with 4 per cent. They ought to be content with 3. It is enough; it is a fair rate; and then they ought to discriminate as to whom they will make these loans to. But I say that if this thing goes on—this thing of these skyrocketing rates on the stock exchange, these skyrocketing rates on commercial and industrial paper—if the Federal Reserve Board raise the rate now, as they might do to-morrow—they are having a conference over it now—if they raise the rate, what then?

The Senator from Connecticut [Mr. MCLEAN] says he does not like to hear a prophet of evil. The prophets of evil have been talking a good deal. I am not afraid of any industrial depression.

There is no need for an industrial depression. We have plenty of credits, and I shall put in my remarks, without stopping to detail it now, the volume of credits that is available by the member banks and the reserve banks right now. These present rates are artificial and willful. They are selfish. They are unjustified. They are indefensible. If bad consequences ensue, it will be over my protest.

Job has well said that—

The thing I greatly feared is come upon me.

I do not fear it. I defy it, and I defy those who bring it about; and they will hear from the American people if it happens.

MEMORANDUM.

The resources of the Federal reserve banks May 14, 1920, were:

ASSETS.

Gold	$1,939,141,000
Loans	2,964,582,000
United States bonds and certificates	306,328,000

LIABILITIES.

Deposits	1,839,355,000
Capital and surplus	213,227,000
Federal reserve notes	3,083,234,000

Loans exceed deposits by over $1,100,000,000. The best loans in the world and deposits fixed by law are not subject to withdrawal. Entire system secured by assets of all member banks and by the United States. No cash reserve really required against deposits because deposits can not be withdrawn.

On a 33⅓ per cent reserve of gold the notes could be expanded if absolutely necessary to three times $1,939,141,000 or $5,817,000,000 or $2,817,000,000 in excess of present issue. No increase is probably necessary, because the speculative and investment loans being retired will furnish all credits likely to be needed without raising rates.

If any more gold were needed the United States could command it. No more gold is needed. We have more than enough, and the present ratio of gold against notes is over 60 per cent, while the Bank of England went below 15 per cent in gold reserve without disturbing the peace of Great Britain, because if actually needed, the Bank of England could issue legal-tender notes against loans.

England is economical in using gold, and the United States is uneconomical in the use of gold by keeping a percentage much higher than necessary. The surplus above actual need is so much noninterest-producing gold.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

Mr. JONES of Washington. Mr. President, I hope we may proceed now with the shipping bill.

The PRESIDING OFFICER (Mr. GRONNA in the chair). The Secretary will state the first amendment passed over.

The ASSISTANT SECRETARY. The first amendment passed over in the bill will be found on page 9, line 1, where it is proposed to insert, after the word "sold," the words:

and any other facts or conditions that would influence a prudent, solvent business man in the sale of similar vessels or property which he is not forced to sell: *Provided*, That no sale shall be made at a less price than the cost at the time of making such sale of constructing vessels of similar types in private yards in the United States, after deducting the depreciation charge against the vessels sold generally allowed in shipping operations.

Mr. JONES of Washington. The Senator from Wisconsin [Mr. LENROOT] is interested in that amendment, but he is perfectly willing that it should go to conference and be taken care of there, and I assure the Senate that it will be looked into very carefully. Probably some modification will be necessary.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. JONES of Washington. Also the other amendment on the same page.

The ASSISTANT SECRETARY. On page 9, later on in the page, another committee amendment was passed over. Beginning on line 18, after the word "vessels," the committee propose to insert:

having a dead-weight tonnage of not exceeding 6,000 tons, unless such vessels are over 10 years of age.

The amendment was agreed to.

The PRESIDING OFFICER. The Secretary will state the next amendment passed over.

The ASSISTANT SECRETARY. The next amendment passed over is, on page 21, to insert section 19, as follows:

SEC. 19. That the board, as soon as practicable after the enactment of this act and from time to time thereafter, is authorized and directed to determine what apprentices should be carried upon vessels documented under the laws of the United States and to prescribe the duties, compensation, and conditions of employment of such apprentices and to make rules and regulations requiring such apprentices to be carried on the vessels of the board, on vessels sold by it, and on vessels having contracts for the carrying of the mails, and the board is directed to submit to Congress from time to time its recommendations for additional legislation to make available a sufficient number of officers and able seamen who are citizens of the United States to officer and man the merchant marine of the United States to such an extent as it may deem desirable: *Provided*, That nothing in this act shall be construed to impair any existing power or authority of the board to organize or maintain its recruiting service.

Mr. JONES of Washington. Mr. President, that went over at the request of the Senator from Utah [Mr. KING], and I just spoke to him about it. It will be entirely satisfactory to him to change, in line 14, the word "determine" to "recommend." So I offer that amendment to the amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 21, line 14, strike out the word "determine" and insert in lieu thereof the word "recommend," so as to read:

That the board, as soon as practicable after the enactment of this act and from time to time thereafter, is authorized and directed to recommend what apprentices should be carried upon vessels documented under the laws of the United States, etc.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. JONES of Washington. The next amendment passed over is one in which two or three Senators, who are now engaged in a very important committee meeting, are very much interested. So, in the hope that the committee meeting may be completed without having to disturb them, and upon the assurance that it will take only about 20 minutes to dispose of the agricultural conference report, I am willing to lay aside the shipping bill temporarily for a few moments and allow that report to be taken up.

AGRICULTURAL APPROPRIATIONS—CONFERENCE REPORT.

Mr. GRONNA. I ask unanimous consent that the conference report on the Agricultural appropriation bill be laid before the Senate, and that the shipping bill may be temporarily laid aside.

There being no objection, the Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921.

Mr. THOMAS. I assume the Senator having charge of the report does not intend to concur in the amendments about which there is a difference unless the Senate requires him to do so.

Mr. GRONNA. I will say to the Senator that the Senate conferees brought these three items in disagreement to the Senate, and, of course, it is for the Senate to instruct the conferees. I will assure the Senator that the conferees will insist on the amendments made by the Senate if so instructed by the Senate.

Mr. THOMAS. That is an answer to my query. I am very much opposed to one of the House provisions which the Senate conferees refused to accept. Of course, if there is to be a dissent, I do not care to take up any time in discussing it.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. HARRISON resumed and concluded the speech begun by him yesterday. The entire speech is as follows:

Mr. President, may I ask the Senator from North Dakota a question? I understand the conferees have agreed on everything except three items.

Mr. GRONNA. Yes.

Mr. HARRISON. Does the Senator propose to ask that the conference report be adopted as to everything the conferees agreed upon, and as to the balance does he want it to go back to conference?

Mr. GRONNA. That is correct.

Mr. HARRISON. A parliamentary inquiry. Is it permissible to file a motion to send the conference report back to the conferees with instructions to insist on certain Senate amendments, or must the question first be taken on the adoption or rejection of the conference report as agreed upon, and then file a motion to instruct the conferees?

The VICE PRESIDENT. The Chair took occasion in 1914 to investigate the question and then expressed the opinion that anything could be done that had been done in accordance with decisions of preceding presiding officers, but it was the opinion of the Chair at that time that the way to reach it was to point out

what the objections were to the conference report, and if the objections met with the views of the Senate, and they wanted the conferees to stand by the Senate amendments, not to withdraw it, but reject the conference report and then instruct the conferees to insist on the amendments of the Senate and send the bill back to conference.

Mr. COMER. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Alabama?

Mr. HARRISON. I yield for a question.

Mr. COMER. I am not going to make a speech. I understand that they disagreed on my amendment and that it has been rejected. I wish to say, Mr. President, to the chairman of the committee that this was a rider on the Agricultural appropriation bill and the most important proposition that you have. I do not wish to embarrass the passage of the Agricultural appropriation bill, and as the maker of the amendment I will not urge it at all.

I wish to thank the Senate for the consideration that has been shown me in the matter and to state that I am going to offer a regular bill or a regular amendment to a bill to come through regularly instead of insisting on the amendment.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). Does the Senator from Mississippi yield to the Senator from North Dakota?

Mr. HARRISON. I yield.

Mr. GRONNA. As chairman of the Committee on Agriculture and Forestry, I wish to thank the Senator from Alabama [Mr. COMER] for the statement he has just made. I will say to the Senator that the conferees on the part of the Senate felt that it was a very important amendment and we did not feel that we could recede until it had been brought back to the Senate. I feel now that we have done our full duty, and it is left with the Senate to do whatever it sees fit with it.

Mr. COMER. While on the floor I wish to thank the chairman of the committee and the committee itself for the consideration shown the amendment. It is a most important matter and we trust that it will have consideration again.

Mr. JONES of Washington. Mr. President——

Mr. HARRISON. I yield to the Senator for a question.

Mr. JONES of Washington. I just wish to ask how long this is likely to take? I did not expect that we would have a cotton discussion.

Mr. HARRISON. This is merely the embroidery. We are coming to the real thing now.

Mr. JONES of Washington. We are going right at it now?

Mr. HARRISON. Yes. The action of the Senate on the conference report means very much to a certain class of our citizens. The appropriations that are carried in the Agricultural appropriation bill touch many phases of our national life.

I wish to state in the beginning just a few instances or a few things that are touched by the provisions of the bill. The meat that we eat is passed upon by the department's inspectors. Every egg that is kept in cold storage and placed in transit has been approved by this department. Every precaution is taken to see that there are no injurious ingredients in the food the people eat or in the medicine they buy. The department sees to it when maple sirup is sold that it is pure maple sirup and not some fraud practiced upon the people. Through the efforts of the department cotton, which enters into everything we wear, has been made more durable. Our clothing may be worn for a longer time because of the durability and strength either in the wool or in the cotton which is placed in it. Automobile tires have been made more durable because of the superior character of the ingredients which enter into their manufacture. The experts of the department study cotton and woolen fibers; their activities embrace the subject of shoes by reason of the development of methods of treating leather which prolong its life. The department teaches farmers how to conserve and how to save from waste their leather and how to tan it. It conserves and beautifies the forests and preserves the game of the country. It compels the proper labeling of medicine in order that one may not be defrauded in its purchase. It gives storm signals so that the farmer may be protected from unexpected and sudden storms or cyclones which may arise.

It controls the marketing of fruits and vegetables, aids in their transportation, and encourages economy in wiping out the commissions of the middleman. It has aided in the development of good roads. The experimental roads around the city of Washington are under the jurisdiction of this department. Experiments and tests are made in order that materials may be discovered which will be more durable, and which therefore will make the roads more lasting.

It is through the work of this department that farmers have been encouraged to economize in various ways; to raise more of particular products per year upon their acres. For instance, since 1880 there has been a gradual increase of 25 per cent in the average yield of wheat per acre, the Agricultural Department cooperating to a very great extent through its agents in making that increased yield possible. Largely through its activities the yield of corn has increased 10 per cent per acre; the yield of oats has increased 24 per cent per acre; the yield of potatoes has increased 33 per cent per acre; of hay, 20 per cent per acre; of cotton, 3½ per cent per acre; and the average yield per acre of other crops has increased 16 per cent. So this great department enters into the very life of the Nation.

Mr. President, upon agriculture depends the prosperity of the American people. The high cost of living to-day is due to the lack of production in the country; to the fact that the people are moving from the country into the cities and are becoming consumers instead of producers. So long as that condition continues high prices for agricultural labor are sure to prevail, and the high cost of living will not be reduced until more foodstuffs are produced to meet the demands of the consumers of the country. So this bill is of the utmost importance in order to meet conditions existing in America to-day.

Mr. SIMMONS. Mr. President, before the Senator from Mississippi proceeds, I should like to ask him a question.

Mr. HARRISON. I yield to the Senator from North Carolina.

Mr. SIMMONS. The figures which the Senator has quoted, showing the increases in the yields of various crops, are very interesting and illuminating. I assume, of course, the Senator means that those increases represent the average throughout the country?

Mr. HARRISON. They represent the average throughout the whole country.

Mr. SIMMONS. The Senator from Mississippi did not state—and that is what I desire to have him state, if he has the information—during what period these increases have occurred.

Mr. HARRISON. They have occurred since 1880. Some States have shown marvelously increased yields per acre, while others have not shown so great an increase. I know that in the State of Mississippi the yield of corn has almost doubled, due to the encouragement that the Department of Agriculture has given in the organization of boys' corn clubs, and the encouragement the producers have received from the Crop Estimate Bureau of that department.

There is a great deal of criticism that can be very justly made of this bill. The Republican Party in its last campaign told the people that we were paying too much attention to foreign affairs, to foreign entanglements, and to foreign embroilments, and were not paying enough attention to our domestic and internal affairs. They said that if they should be honored by being placed in control in the Senate and the House of Representatives they would see that the internal affairs of the country were properly taken care of; that adequate provision would be made by law for every emergency, so far as our domestic and internal affairs were concerned. We have seen their record; we have watched it; and their finger prints are in this bill.

We saw them also in their action when we had under consideration the river and harbor bill, involving legislation which affects the very life of the Nation and which should provide adequate funds to carry on our trade and commerce with foreign nations.

You had seen and we had seen that for four or five years previously every harbor in the United States had suffered because of inadequate funds having been provided for its maintenance. You had seen and we had seen ship after ship lying at anchor in the sea waiting to be towed into harbor when those ships should have placidly sailed in without any help from a towboat. That condition had arisen because the harbors had filled up, no money having been provided to maintain the dredges, in order that our commerce and our trade with the nations of the world might continue to grow. In the face of such conditions, the people of America saw a Republican House of Representatives pass a river and harbor bill to take care of that phase of the internal needs of the United States, and notwithstanding the fact that prior to the recent war year by year the Congress had passed and the President had seen fit to approve river and harbor bills that approximated twenty-five and forty and forty-five million dollars, a Republican House of Representatives provided a lump-sum appropriation of only $12,000,000 for rivers and harbors; and that in the face of the fact that the cost of everything that enters into dredge work and the maintenance of the rivers and harbors of the country has increased a hundredfold since the appropriations of 1913 and 1914 and 1915.

We remedied that situation somewhat when the bill came to the Senate, the Commerce Committee providing appropriations of $20,000,000, and through the votes of Democratic Sena-

tors, aided by one or two Republican Senators, combatting both the Republican majority in this body and the powerful steering committee of the Republican Party in the other body, we increased the amount to $24,000,000. That is an insufficient amount; that is inadequate to take care of the needs of our harbors and rivers in this country.

The Republican majority voted for appropriations to furnish a merchant marine worth $3,000,000,000, and we now have under consideration legislation upon that subject. The Senator from Washington [Mr. JONES], in charge of that measure, has just acceded to the request of the Senator from North Dakota, and by unanimous consent the Senate agreed that the consideration of the shipping bill might be deferred until the conference report on the Agricultural appropriation bill is concluded. Notwithstanding the fact, however, that we have provided a magnificent merchant marine costing $3,000,000,000, the Republican Party in the House and Senate have refused to provide sufficient funds to make our harbors and rivers deep enough to allow ships to go to and fro.

I might say in this connection that although we passed the river and harbor bill some three weeks ago, I believe, and the bill was sent to the House, it there lies on the Speaker's table, and the Republican steering committee refuses to allow any member of that party to make a motion for the appointment of conferees to send the bill to conference. That is the way the Republican Party has redeemed its promise to the people to provide for the internal affairs of this country.

Now, let us see about the Agricultural bill, which means more than river and harbor improvements, because it goes into every field, into every nook and corner of the United States and is vitally important to the prosperity of our country.

The Agricultural Department, through its experts, who know their business and who have the interest of the farmers at heart, submitted an estimate to this Congress, saying that it was the very smallest estimate that could be submitted for appropriations adequately to take care of the conditions and situation affecting and touching the farmers. That estimate covered a total of $37,672,000. Yet the Republican House of Representatives, having no great care for the farming interests of the country, refused to comply with the request of the Secretary of Agriculture, discarded his estimate of $37,000,000, and provided an appropriation of only $30,272,000. They lopped off of the appropriations to carry on the great agricultural industry of this country $7,000,000.

Was any such action as that taken by them when the Army appropriation bill was under consideration? Was there any such action taken when the naval appropriation bill was under consideration? No. The Republican majority did not act in a parsimonious manner in the case of those two appropriation bills. Although before the war our appropriations for the Army amounted to $101,000,000 and for the Navy at most to $160,000,000, and although no appropriations theretofore had been that large for the Army or Navy, we saw passed through this body and through the House, controlled by the Republican Party, a bill for the Army carrying appropriations of $350,000,000, and we saw passed through the House and through this body by Republican votes, steered by Republican leaders, a bill for the Navy carrying appropriations of practically $600,000,000. So the Republican Congress have seen fit to increase the Army appropriations by $250,000,000 over those of prewar days; they have seen fit to increase the Navy appropriations over those of prewar days by practically $500,000,000; and yet they try to deceive the American people by preaching economy, and, as an example of their economy, point to the saving of $7,000,000 in the great service that directly affects the farmers of the country.

The Senate did somewhat better than the House. We increased the Agricultural appropriations in the Senate until the bill carried a total of $32,740,000. It went to conference in that shape, with the increase made by the Senate from $30,272,000 to $32,740,000.

We had expected that the House would concede this small increase which was begged for by the Agricultural Department which the facts warranted, which no man could combat or give reason against; but we have seen the conferees on the part of the Senate come back with a report that reduces by $1,265,393 the amount carried by the bill as agreed to when the bill was under consideration in the Senate.

The amount carried in this appropriation bill for agriculture, if it should be adopted, is $2,400,000 less than was provided for the present year for agriculture, so it is difficult to understand, it will be very hard for you to explain, after your promises to the people two years ago that you would take care of the domestic affairs and the internal improvements of this country, when they see you reducing the appropriations for agriculture to a point $2,400,000 less than last year, and see you increasing the appropriations for the Army and Navy two and three and four fold.

I expect to point out to the Senator from Nebraska and to the Senator from North Dakota some of the items that I had hoped and that the Senate had hoped you would be able to hold in this bill, and I expect to point out how the decrease in these appropriations will affect those particular branches of the Agricultural Department that are affected by them.

For instance, take the first amendment—amendment numbered 19—of this bill. This is for the Office of Farm Management and Farm Economics. The Senate increased this item over the House $127,000. The increase requested in the estimates was $297,000. The conference report cuts the increase allowed by the Senate $77,000. Thus you are withholding from the Agricultural Department $77,000 that the judgment of the Senate warranted you in giving that department. You are giving them an amount much less than that asked by the Agricultural Department—very much less than they said they were able to get along on.

What are the reasons for the maintenance of the Office of Farm Management and Farm Economics? Let me summarize them:

The Farm Management Office was reorganized a year ago to make it more effective as the agency for looking to the improvement of rural life, land tenure, and so forth.

It is important to the farmer to provide for the study of the cost of producing farm crops. The department has already conducted successfully preliminary studies in the cost of producing cotton, wheat, and sugar beets. It permits working in cooperation with the Crop Estimate Bureau of the Agricultural Department to insure giving to every farmer in this country estimates as to what his neighbor did and how much it cost his neighbor to produce cotton or potatoes or corn or wheat, or anything else, encouraging him thereby, when he can see from the figures that the cost has been too much to him for that which he raised, to compete with his neighbor and to be economical in the production of these things. It goes into the study of horse and tractor utilization, so far as it affects the economic forces of the farm, the study of the relationship between landlord and tenant, land settlement, and land colonization, by which the landless may acquire its ownership. The Government should make it possible to encourage the farmer to stay on the farm, and should give to him all the information possible touching matters of social institutions, better schools, better churches, opportunities for social intercourse, and so forth. That is what we are trying to do by making these appropriations under the head of Farm Management and Farm Economics—making country life such that it will encourage people to stay upon the farm and discourage them from moving to the cities and becoming consumers in this land.

Amendment numbered 55 is the provision which touches that investigation of the disease of tuberculosis in animals—its control and eradication. You have cut the appropriation in that item for this year by $100,000. The department asked that you make immediately available $200,000. The Senate gave $100,000 for that work. The Senate conferees and the House conferees together have eliminated that $100,000 altogether, and that notwithstanding the fact that the department say that they have calls from all over the country now to send their agents there to help them to eradicate the tuberculosis in cattle.

This is a work of the Government that has saved millions of dollars to this country. I am quite sure that it was not the desire of the conferees upon the part of the Senate to have tuberculosis in cattle continue. I am quite sure that you wanted to restrain the hand of disease that is killing them by the thousands every year. Why, the facts are that the department estimates the loss from tuberculosis annually at $40,000,000. The condemnation on account of tuberculosis during the fiscal year 1919 was 37,600 cattle and 65,838 hogs, equivalent to 2,000 carloads of cattle and 1,000 carloads of hogs. So when you allow them to die from tuberculosis the feed that has been used, which amounts to thousands and hundreds of thousands of dollars up until the time of their death, is gone. It is a matter of waste. So if we are to encourage the raising of cattle and try to help in the reduction of the high cost of living and restraining the hands of the profiteers in the cities and the towns that are charging too much for meat and pork, we have got to make adequate appropriations to take care of such diseases as tuberculosis in our cattle.

Mr. SIMMONS. Mr. President, do I understand the Senator to say that the conferees eliminated the appropriation for that purpose?

Mr. HARRISON. They have eliminated the provision of $100,000 inserted by the Senate that was made immediately

available for this particular work. They have stricken it from the bill. I do not think the conferees disagree with me on that proposition, and if I misstate anything I am very glad to have it corrected.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER (Mr. KENDRICK in the chair). Does the Senator from Mississippi yield to the Senator from North Dakota?

Mr. HARRISON. I do.

Mr. GRONNA. The Senator does not misstate it, only the $100,000 was to be taken from the indemnity fund, which, of course, would mean an additional $100,000. That part of it was eliminated. Of course, we are very close to the end of the fiscal year, and it was thought unnecessary to make available a greater amount than that which we did make available. The only difference between the House provision and the Senate provision is that the Senate committee took $100,000 from the indemnity fund to be used in making these discoveries, which, of course, would mean an additional appropriation of $100,000. That has been eliminated, as the Senator from Mississippi states.

Mr. HARRISON. Yes; so the $100,000 that was provided for to be used immediately during this fiscal year to do this work has been eliminated, and the department is cut short, and they say in their report to the conferees and to the Congress that they are unable to take care of these numerous requests that are coming from all over the country.

Mr. SIMMONS. That $100,000 was in the nature of a deficiency appropriation?

Mr. HARRISON. Yes; they needed that.

Mr. SIMMONS. Now, I should like to ask the Senator whether the fund for this fiscal year is practically exhausted?

Mr. HARRISON. It is practically exhausted; yes.

Mr. SIMMONS. So that the Agricultural Department has available for this work during the intervening months between now and the end of this fiscal year practically nothing?

Mr. HARRISON. They needed $200,000, but the Senate gave them the $100,000, and now we are to see the whole thing go. It is a sad story to narrate. I dislike to have the country know it, but the facts must come out.

Mr. NUGENT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Idaho?

Mr. HARRISON. Yes.

Mr. NUGENT. I have been advised that there has been a decrease of the appropriation for the eradication of hog cholera to the extent of about $200,000. I desire to ask the Senator whether or not I have been correctly advised?

Mr. HARRISON. Yes; I was just coming to that.

Mr. NUGENT. It is the Senator's purpose to discuss that matter?

Mr. HARRISON. Yes; I was just coming to that. Let me give, prefacing my remarks on hog cholera, this little piece of history:

In 1903, it is said, three of these scientists of the Department of Agriculture discovered the cause of hog cholera. They worked out an effective method of preventing that disease. Since 1913 the losses from it have been reduced over 60 per cent. The death rate per thousand, which was as high as 144 out of 1,000 in 1894 and 118 out of 1,000 in 1914, has been reduced to 41 in 1,000 in 1919. In other words, it means a reduction from 144 out of 1,000 in 1897 to 41 out of 1,000 to-day—just a little matter of over $41,000,000 saved by the discovery of how to treat and prevent hog cholera. The House provision carried $410,000 for hog cholera. We increased that amount $231,045. Certainly we expected the conferees upon the part of the Senate to stand for that important item, and yet the Senate conferees receded on that $231,000 for hog cholera!

I wish it were in my power, but I know under the ruling of the Chair and the practice here it is not in order to make a motion to instruct the conferees to insist in particular upon that one item, and I can not do it. We have to vote down the report first and then move to instruct. But certainly the action of the Senate conferees in receding on that one item is indefensible. It will mean thousands and thousands of dollars to the people of this country.

Amendment No. 77 relates to the investigation of fruit diseases. The Senate has allowed a reduction of $10,000 in that very important item.

The services rendered by the department under this item consists in the application of plant pathological methods, in the study of pathologist's methods; in the study of the cause and prevention of the decay and spoilage of fruits in transit and arrival in the market. It includes the identification and study of the fungi and bacteria which cause decay—includes the study of temperature and other conditions that affect the organism. This service works with the Bureau of Markets. It will greatly affect fruit shippers and resources as well as transportation companies.

A mere pittance of $10,000 is withheld from the department, doing such a great work as that, which might mean the saving of millions of dollars.

Amendment No. 79——

Mr. NUGENT. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Idaho?

Mr. HARRISON. I yield.

Mr. NUGENT. Before passing from that particular item, I desire to say that the appropriation for the eradication of hog cholera is, in my judgment, one of the most important provisions in the Agricultural appropriation bill.

A few years ago, when hog cholera was prevalent throughout the West, it occasioned the loss of thousands and thousands of head of hogs; in fact, whole herds were wiped out. But since the Government established a system of cooperation, and hog cholera serum was discovered and has been liberally used in Idaho, there have been, comparatively speaking, but small losses from this disease, and I have not the least hesitancy in saying that without this appropriation, and without a continuance of Federal cooperation in that way, in all human probability we will return sooner or later to the conditions which prevailed at the time the Government entered upon this cooperation, and it is vitally necessary, in my judgment, that the entire amount of the appropriation made by the Senate for that particular purpose should be retained in this bill.

It not only is of vital importance to the people of my State, but it is of vital importance to people throughout the country, because hog cholera destroys tens of thousands of hogs. As the Senator from Mississippi very properly stated, the food they consume up to the time of their death is gone, and carload after carload and trainload after trainload of hog meat, in the shape of fresh pork, bacon, ham, is lost to the people of the country, and more particularly is that loss a serious matter now, when every effort is being put forth to increase production of foodstuffs.

Mr. HARRISON. When we fail to provide sufficient funds to carry on this work, it just leaves it in such shape that the disease is going to take root again, and we will lose what we have gained by the prevention or elimination of the hog cholera or tuberculosis, as the case may be. In other words, we will be where we started. All we expended would then be wasted.

Let me call attention to the fact, too, that they have eliminated a million dollars in this bill for the foot-and-mouth disease, which has been carried for several years, at least a half dozen years, merely as an insurance against the foot-and-mouth disease.

Year by year they have appropriated at least a million dollars as an insurance feature, so that if the foot-and-mouth disease should break out they could go right to work to eliminate it. But under this Republican spell of trying to fool somebody and pretending as if they were really economizing, they have stricken out that million dollars, and there is no insurance fund provided in this bill to take care of that emergency, if it should arise.

Mr. SIMMONS. Mr. President, in my section I think hog cholera is even more disastrous than is indicated by the Senator from Idaho [Mr. NUGENT] with reference to his State. The disease in the South, at least in my section of the South, became so general and was so fatal that farmers had despaired, and they were stopping any effort to raise hogs. Hog raising was becoming a rare thing, even on the farms. The losses were so great the farmers thought they could not afford to take the risk.

When this remedy for the trouble was discovered, and when it had been demonstrated that it was usually effective in stopping the spread of the disease in my part of the country they began to raise hogs again, and I think that now, instead of buying practically all our meat from the West the farmers in my State are beginning to raise not all they require, but the interest in hog growing has so greatly increased and has so rapidly expanded that I feel safe in saying that in a few years we will be independent of the West for our meat products. I do not think there is anything the Government has done which has been more helpful to agriculture than the discovery of remedies for fatal diseases to essential food animals.

Mr. HARRISON. Amendment 79 is a provision which provides for the acclimatization and adaptation investigations of cotton, corn, and other crops introduced from tropical regions, and for the improvement of cotton and other fiber plants by cultural methods, breeding, and selection, and for determining

the feasibility of increasing the production of hard fibers outside of the continental United States.

Mr. JONES of New Mexico. Mr. President, I should like to get a little additional information with respect to the foot-and-mouth disease. Does the Senator from Mississippi understand that there is now a provision to take care of such diseases?

Mr. HARRISON. There is $550,000 provided in this bill, but that is the same amount which is carried from year to year and has been carried, together with the million dollars more that was provided for. The department asked and desired that the million dollars over the $550,000 provided should be incorporated. That sum has been carried in previous years merely as an insurance feature, as I have stated before.

Mr. GRONNA. I know the Senator wants to be fair. A million dollars is just simply the insurance fund—the indemnity fund.

Mr. HARRISON. Yes; it is a million dollars.

Mr. GRONNA. There was only about $200,000 of that amount used during the last fiscal year. So there is no necessity, of course, for the appropriation of that large amount.

Mr. HARRISON. I know; but Congress for the past six years has deemed it wise to provide that insurance fund, has it not?

Mr. GRONNA. It has been carried.

Mr. HARRISON. It has been carried.

Mr. GRONNA. It was anticipated that it might be needed in paying the farmers for loss of stock, but it turned out that only a small portion of it was used.

Mr. HARRISON. Yes; year by year it has gone back to the Treasury.

Mr. JONES of New Mexico. I understand that would be the effect of it—that if it were not used it would remain in the Treasury and never get out of the Treasury?

Mr. HARRISON. Yes.

Mr. JONES of New Mexico. And the only effect of leaving it out of the bill is simply to reduce the aggregate figures of the appropriation for some effect.

Mr. HARRISON. That is the only reason which can be assigned in the world—that the Republican Party, trying to fool the people by preaching economy, knocks out a million dollars which every year for the past 8 or 10 years has gone back into the Treasury of the United States. If the emergency should arise—if the foot-and-mouth disease should break out, and Congress be adjourned, there would be no reckoning of the damage that might be done.

Mr. WILLIAMS. As I understand it, the appropriation of $1,000,000 has not been spent for several years?

Mr. HARRISON. It has not.

Mr. WILLIAMS. And it was apprehended that it probably would not have to be spent the next fiscal year?

Mr. HARRISON. Yes.

Mr. WILLIAMS. But it was intended to take care of the disease if it broke out?

Mr. HARRISON. Absolutely.

Mr. WILLIAMS. And now, under the pretense of saving $1,000,000 to the Treasury, they save an item in the appropriation bill?

Mr. HARRISON. Yes; they cut the appropriation that much. Under amendment 79, which I have just read, the Senate increased the item $25,000 over the bill as passed by the House, but the report reduces the Senate amendment $10,000. The important work of improving cotton by breeding, and so forth, would be seriously impaired. If no appropriations had been provided for this work, it would probably have prevented the bringing into this country of the Egyptian cotton, which is now worth $20,000,000 to the Arizona and lower California section.

One of the tire companies has invested over $10,000,000 in land and other facilities of production in the Salt River Valley in order to develop this Egyptian cotton, the fibers of which are so strong and cause tires to last longer.

Cooperative work with the Philippine bureau of agriculture and other insular bureaus furnishes supplies of henequen and sisal to meet the American demand for twine fiber.

In cooperative exploration and experimental work the department has stimulated the cultivation of sisal in the Philippines and henequen in Porto Rico and the Republic of Santo Domingo.

In Santo Domingo recently, from the examination made by our agents, has been disclosed an area of approximately 500,000 acres used for the growth of henequen. This is very promising for the production of this fiber.

Mr. GRONNA. Mr. President, I hope the Senator will not contend that we ought to take any more money to extend the raising of henequen in Cuba or in Porto Rico. The Senator knows that we have held extended hearings, as the Senator from Louisiana [Mr. RANSDELL] knows, which showed that the International Harvester Co. and the Plymouth Cordage Co. have expended millions of dollars on that very thing, and that it has been proven an absolute failure. They have not the right sort of soil. I am not finding any fault with the Senator for criticizing the conferees for yielding. There are many of the items which the Senate committee very reluctantly yielded, but I must dissent from the Senator's statement that we ought to appropriate money for these very things which we know are not practicable, which we know absolutely result in a waste of money.

Mr. HARRISON. The Senator is speaking for himself. He says "we" know. All of us do not know that. The Agricultural Department does not know that.

Mr. GRONNA. Oh, yes; the Agricultural Department will not insist that this money should be used.

Mr. HARRISON. The Agricultural Department did insist that the $10,000 which the Senate conferees agreed to strike out should be provided.

Mr. GRONNA. The Senator from Louisiana [Mr. RANSDELL], who was chairman of the subcommittee, and who is present, will bear me out in the statement that it was an absolute failure, with all the millions that these corporations expended.

Mr. HARRISON. The Senator is talking about henequen and sisal?

Mr. GRONNA. Yes.

Mr. HARRISON. I only stated that as illustrative of the point. I further offered the Egyptian cotton proposition. We have brought that into this country, and to-day there are $20,000,000 invested, in Lower California and Arizona, in raising that cotton. This appropriation was not confined to henequen. That was only one of the little things they did.

Mr. GRONNA. Is not the Senator a little uncharitable in criticizing the committee, when we increased the House appropriation by more than $500,000 for the raising of cotton?

Mr. HARRISON. I am going to get to that presently. Did I understand the Senator to ask me if I was not quite uncharitable in criticizing the committee?

Mr. GRONNA. Yes.

Mr. HARRISON. I think I am very charitable in not saying more against the committee.

Mr. GRONNA. The Senator ought to give us credit for what we did do. We had several meetings, and took up those items, which give consideration to the cotton States of the South; and it is just as important for the North as it is for the South, because cotton is a national crop. It does not belong to the South only. We all have to wear clothing; we are compelled by law to wear clothing. We can go hungry if we want to, but we can not go without clothing.

The Senate conferees very earnestly insisted on this great increase of $300,000 in one item and $200,000 in another. The Senator ought to give us credit for that.

Mr. HARRISON. The Senator has gone a long ways in this matter, but he should have gone the full way, and I say this to the Senator and to the Senator from Nebraska [Mr. NORRIS] and to the other conferees. Of course, there was not any Democrat in the conference on the part of the Senate during the last five or six weeks.

Mr. GRONNA. I wish to say for the benefit of the Democrats that nearly all the items were disposed of before the Democratic members of the conference committee left the scene.

Mr. HARRISON. I say that the Senate only had two conferees present.

Mr. GRONNA. I hold no brief for the Democratic conferees, but I simply want the facts known.

Mr. HARRISON. I am quite sure that if the Senator could have had it in his power, and the Senator from Nebraska likewise, that they would have carried in the bill every increase provided for by the Senate, but they could not do it. The Republican Party, through its leaders here and in the House, have given out a statement and have made it their slogan to fool the people, to deceive them in this country, to have the people believe that we are economizing in the expenditure of money, and it was the force of the leadership in the House and in the Senate that has caused this bill to be so small.

I do not doubt a bit in the world that if the Senator from North Dakota could have had his way there would have been a larger appropriation for the agricultural interests of the country, and I say the same thing for the Senator from Nebraska. But the Republican Party is bent on trying to show a saving in expenditures in the Agricultural Department. The

word has gone down the line—we heard it in the Agricultural Committee—that we must keep the bill cut to the bone, and that is why the bill is so small. I know the Senator is not to blame wholly for the matter at all.

Mr. GRONNA. Mr. President, I wish to dissent upon the Senator's statement that it was the Republican leadership which caused a reduction in the bill. I should be glad to have any Senator on the minority side of the Chamber attend, and if the Senator from Mississippi will kindly meet with us when we go back to conference, he will find that the House conferees are fully able to declare themselves without any leadership from the Republican Party or any other party. I can assure the Senator from Mississippi that he would find that there would have to be a great number of meetings before he would have a bill as large as this agreed to. There were some three hundred amendments to be harmonized.

So far as the conferees on the part of the Senate were concerned, speaking for myself and my colleague on the committee, the Senator from Nebraska [Mr. NORRIS]—and he can speak for himself better than I could—the Republican leadership had absolutely nothing to do with the items in the bill.

Mr. HARRISON. I know the Republican Members of the House on the conference committee, and I know them to be splendid fellows. I served with both of them for eight years. It is unparliamentary, perhaps, to refer to the rules and present practice of the House. They have changed over there lately, and there is a steering committee now that tells them what to do, and when they send the word down the line for a committee to reduce an appropriation to a certain amount, down it comes. That is the reason why they went through with the river and harbor bill like they did, and that, no doubt, is why the Republican conferees on the Agricultural appropriation bill are doing it.

I accept the explanation absolutely that those two Republicans are able to take care of themselves, but they are under the spell of the steering committee of the House over there. The Senator knows it, and the Senator from Nebraska [Mr. NORRIS] knows it. The Senator from Nebraska smiles in acquiescence of that statement.

Mr. NORRIS. I am smiling that the Senator from Mississippi should go on with what is, to my mind, entirely out of place, trying to make a partisan matter of something that has not any partisanship in it; but I do not want him to make any statement about me that is not true.

Mr. HARRISON. The Senator's smile was so winning that I could not restrain myself.

Mr. NORRIS. If the Senator thinks I am smiling in acquiescence of his statement, he is absolutely mistaken and has misstated the fact. I am smiling because it seemed to me too foolish that the Senator should mean it.

Mr. WILLIAMS. I understand the Senator admits the smile, but denies the meaning?

Mr. NORRIS. Yes.

Mr. HARRISON. I always thought heretofore that the Senator from Nebraska smiled in behalf of the farmers of the country.

Mr. NORRIS. I wish to say to the Senator from Mississippi, and probably when he gets through I will have something to say in my own time, referring to his intimation that the members of the Agricultural appropriation conference committee—and he has referred particularly to two of us—have been moved by a partisan consideration, have been controlled by party leaders, that when he says that he does not know what he is talking about.

Mr. HARRISON. I thought I had been defending the Senator.

Mr. NORRIS. The Senator either has no information on the subject or he has been entirely misinformed. There is nothing to it. There is no foundation whatever for it.

Mr. HARRISON. I had hoped, when the Senator voted to reduce these appropriations for hog cholera, for the foot-and-mouth disease, for preventing tuberculosis, and various other things, that he was not at all times following his wish and his own judgment. I think it would have been better if he had been acting under the spell, the party direction, of the Republican majority in the Senate.

Mr. NORRIS. So we get this conclusion from the Senator's statement. So partisan, so narrow-minded in his advocacy of this proposition is he that he first condemns a man because, the Senator says, he is acting under the spell of a party committee, and when that is denied he says the man is a good deal worse than though he was so acting. So we are going to be "damned if we do and damned if we don't." It does not make any difference so far as the Senator from Mississippi is concerned. He is going to condemn us anyway. If we had stood for all the big appropriations that he is advocating now, then he would have been talking about our extravagance instead of kicking because we were not extravagant.

Mr. HARRISON. The Senator says I would be condemning him if he had stood for the appropriations I am contending for now. Did not the Senator vote for some of the things I am contending for now?

Mr. NORRIS. I do not know what the Senator is contending for.

Mr. HARRISON. The Senator has not been listening to me, then.

Mr. NORRIS. The Senator's main contention is that we have had hog cholera because there is Republican control in the Senate. That is the way it seems to me.

Mr. HARRISON. Oh, we had hog cholera before the Republicans got control, and while your party is guilty of so many outrages and indefensible abuses since getting control of Congress, I do not charge you with that. I do say, though, that we are going to have more hog cholera if you stay in control and fail to make adequate appropriation for its prevention.

Mr. NORRIS. I have no doubt the Senator is honest in his belief.

Mr. HARRISON. I thank the Senator.

Mr. NORRIS. But, of course, I think he is mistaken. I do not believe the control of one party or the other is going to affect hog cholera or tuberculosis in Kansas.

Mr. LENROOT rose.

Mr. HARRISON. May I make a suggestion to the Senator from Nebraska? He said if he were standing for the things I am contending for now that I would be condemning him. The Senator stood for everything I am speaking for. What I am opposed to is reducing the appropriations from what the Senate agreed to and what the Senator agreed to and voted for in the Committee on Agriculture and Forestry.

Did the Senator from Wisconsin desire to ask me something?

Mr. LENROOT. I wish to ask the Senator whether he thinks the Senate conferees should insist on having the bill their way and having their way on every item?

Mr. HARRISON. It may be we could not get a bill through, but I can tell you how they can do. The Senator has a powerful influence in the House of Representatives. I served with him. He was one of the leaders there, and I know of no man there who had more real influence in the House than he had. If he had stayed there, he would probably have been Speaker of the House. If the Republicans will assist the Democrats in voting down this conference report, and then vote for a motion to instruct the conferees to insist upon these items that the Senate approved, and if he will then take his influence back to the steering committee of the House and bring it to bear upon them to agree to it, then we will get a bill that will help the farmers of the country. Will the Senator do that?

Mr. LENROOT. The Senator does me altogether too much honor and ascribes to me altogether too much influence, for I have not any such influence. The Senator must not think that the steering committee of the House, as at present constituted, exercises the same great influence that the steering committee of the House used to exercise when he was a Member of it and he and his party were in the majority.

Mr. HARRISON. It was much more powerful, and when it exercised its power it exercised it for the benefit of the people of the country; but to-day they exercise for special interest and against the people.

I want to come now to amendment No. 81. That is the provision for investigation, testing, and improvement of plants yielding drugs, spices, poisons, oils, and related products and by-products, and for general physiological and fermentation investigations. The House appropriated $59,820 for that work. The Senate reduced it $20,000, and in the report the House recedes. That is one victory that the Senate conferees won. When the Senate reduces the amount, under the House bill, the Senate wins a great victory by not yielding on that particular proposition. The only time in conference when the Senate conferees won was when they gave up something.

Mr. NORRIS. What was that item?

Mr. HARRISON. Did the Senator forget there was such an item in the bill?

Mr. NORRIS. I wanted the Senator to read it again, if he will.

Mr. HARRISON. It is amendment No. 81.

Mr. NORRIS. I do not have before me the numbered amendments.

Mr. HARRISON. It is for investigation, testing, and improvement of plants yielding drugs, spices, poisons, and so forth.

Mr. NORRIS. Let me ask the Senator a question. Does he think that item ought to be reduced $20,000?

Mr. HARRISON. I certainly do not.

Mr. NORRIS. The Senator is opposed to that, then?

Mr. HARRISON. I am. I was opposed to the action of the Senate when they agreed to the reduction.

Mr. NORRIS. Usually the Senator has been condemning the conferees for receding, and here is a condemnation where the House conferees receded.

Mr. HARRISON. But the amount is that much less.

Mr. NORRIS. The difference is that the Senator objects every time there is a reduction in the appropriation.

Mr. HARRISON. Oh, no. It would take me a week if I undertook to point out all the objections I have; but I am now talking about this item.

Mr. NORRIS. Take this particular one. Was that an amendment where the Senate reduced it?

Mr. HARRISON. That was an amendment where the Senate reduced it $20,000.

Mr. NORRIS. That is the way it passed the Senate.

Mr. HARRISON. And the House receded.

Mr. NORRIS. Let us take that. Does the Senator claim, now, two things: First, that that was very important and the Senate did wrong in reducing it?

Mr. HARRISON. I certainly think so.

Mr. NORRIS. And, secondly, that it was reduced because there is a Republican Senate? He blames that on the Republican Senate?

Mr. HARRISON. I know I voted against its reduction.

Mr. NORRIS. Does the Senator know how many Democrats voted with him?

Mr. HARRISON. I do not remember that particular item, but the Democrats as a rule voted for adequate appropriations.

Mr. NORRIS. Does not the Senator know that on every one of these appropriation items there was not a party line drawn either in the Senate or in the committee?

Mr. HARRISON. Of course there was not.

Mr. NORRIS. Can the Senator look around and see any of his Democratic colleagues on the floor who were in favor of a reduction and voted for it?

Mr. HARRISON. I know the majority of the Committee on Agriculture and Forestry of the Senate voted to reduce it. I was against reducing the item. The House conferees receded on that reduction. I am criticizing that reduction, and here are my reasons for it.

Mr. NORRIS. I have no objection to the Senator's criticism.

Mr. HARRISON. I am glad the Senator has no objection to it.

Mr. NORRIS. The Senator may be right. I am not contending even that; but the thing I do object to is that the Senator is trying to give the impression now that the Republican Party is to blame for it, when the Republican Party has not anything more to do with it than the Democratic Party or than the flowers that bloom in the springtime, so far as party considerations are concerned.

Mr. HARRISON. Of course, the Senator thinks that way.

Mr. NORRIS. Nobody ever considered it in that light.

Mr. HARRISON. Of course not. In these conferences for the past five weeks there has been one lone Democrat and there have been four Republicans. You can not escape the result of your action; you must assume the responsibility when you have the majority control in the Senate and in the House.

Mr. NORRIS. I am not trying to escape the responsibility.

Mr. HARRISON. I am glad to hear that.

Mr. NORRIS. I have never tried to escape responsibility. I was in favor of many original reductions made by the committee. I believed we ought to reduce in a good many respects more than we did reduce, not only in this bill, but almost every other bill that came before the Senate. I believe there was a time when we were confronted with the proposition that we ought even to reduce in cases often where we were dealing with almost a necessity, because of the condition of the country in regard to revenue and taxation. But there never has been a time before on this bill as far as I know, and I am glad to say it, when any man ever tried to make a partisan issue out of any item in it.

There never has previously been a time in the consideration of the bill, so far as I know—and I am glad to say it—when any man ever brought forth a partisan issue as to any item it contained. If we had wanted to pursue a partisan attitude in regard to the matter there would have been many an item now in the bill which would not have been in it affecting particularly the section of the country whence the Senator from Mississippi comes.

Mr. HARRISON. Does the Senator from Nebraska think I am dealing in politics in the consideration of this bill?

Mr. NORRIS. I do. No one can listen to what the Senator says and get any other idea than that. He is dealing entirely with politics.

Mr. HARRISON. The Senator has not been listening to me.

Mr. NORRIS. I have been listening to the Senator's entire speech.

Mr. HARRISON. I have been trying to analyze the Senator's work as a conferee on this bill.

Mr. WILLIAMS. Mr. President——

Mr. HARRISON. I yield to my colleague.

Mr. WILLIAMS. If I understood my colleague, he discovered the politics; he did not invent it.

Mr. HARRISON. The Senator is correct.

Now, as to the amendment about which the Senator was speaking, touching drug plants, here are the reasons why I think the appropriation for that purpose should not have been reduced. It will necessitate the abandonment of poisonous plant surveys on the western ranges and in the national forests. The appropriation provides for cooperative work in the development of drugs of every kind, and for vegetable-oil investigations. It made it possible to begin the production of camphor in Florida. They are raising camphor plants now in Florida which produce camphor to an amount which is valued at $2,000,000. Largely as a result of the department's investigation and its introduction of drug-plant crops, the demand for importations of drugs from abroad during the war was promptly met by increased production of such important drug crops as belladonna, digitalis, and cannabis, which are indispensable in the treatment of serious disease conditions. All this should be encouraged.

Fundamental investigations in planting would have to be abandoned as would other investigations of the physiological changes produced in crop plants by parasites and other disease-producing agents.

So the Senator will agree with me that that is a most important provision and involves a most important work.

Mr. President, amendment numbered 82 was stricken from the bill by the Senate. It provided:

> For biophysical investigations in connection with the various lines of work herein authorized, $32,500.

The House receded, and consequently that item goes out of the bill. The item provided for fundamental, technical research work on the general problem of definite determination of the physical conditions of plant growth, including irrigation, relation to temperature, soil, and moisture, which are essential factors in the solution of many agricultural problems. It covers such questions as the exact determination of the relation of plant growth to moisture content, temperature, humus content, and so forth. It is especially important in connection with dry farming. This item is most material to the farmers of the West, for the result of the investigations will show to them what may be raised on the dry lands.

Amendment numbered 90 provides "for horticultural investigations, including the study of producing and harvesting truck and related crops, including potatoes, and, in cooperation with the Bureau of Markets, studies of the behavior of vegetables while in the process of marketing and in commercial storage," and so forth.

It is estimated that the results of the investigations carried on in Wisconsin alone under this provision during the past year on Irish potatoes, where the seed used was the same as that used in the test, showed that the increase due to use of this character of seed would have been more than the total yield of the State, notwithstanding the supposedly high character of the seed now used in the State.

It is under that provision that the department is assisting in the production of sweet corn throughout the United States, and aiding in canning sweet corn and other products, constituting a most important work; and yet the Senate conferees have accepted a decrease in that appropriation of $15,000.

The next amendment is amendment numbered 114, touching the forests of the country. I desire in particular to call the attention of the western Senators to this item, the appropriation for which is decreased from the amount carried in the law for the current year by $28,000. The provision reads:

> For silvicultural, dendrological, and other experiments and investigations independently or in cooperation with other branches of the Federal Government, with States and with individuals, to determine the best methods for the conservative management of forest and forest lands.

It would seem that there is hardly anything more important for the Congress to do, if it can be done, than to assist in conserving the forests of this country. I became a Member of the

other House from a district which had more timber perhaps than any other district in the whole Southland, consisting of magnificent pine forests and other varieties of wood. People came in, bought the lands at a small price, and to-day they are worth from $100 to $150 an acre.

I have seen those forests cut, as it were, overnight and they are rapidly disappearing. The price of lumber, of course, is going up and timber is gradually getting away from us. It seems to me that the National Government should do something to assist in conserving the forests of the country because it is only a question of time when they will all be gone, and when that time arrives then the material entering into the construction of homes will be much higher, increasing the burden on the home builders of the country.

This item carried with it a provision for the investigation of the paper industry to ascertain if we can not develop some plan under which more paper and cheaper paper may be furnished, so that the people may read and the newspapers of the country may be furnished with more wood pulp; but the Senate has agreed to strike out that item entirely, and the good work of the Senate has now gone astray by the action of the Senate conferees together with the action of the House conferees.

Amendment No. 118 affects 155,000,000 acres of land in the national forest and affects the protection of the forests from fire. Day after day I have seen the Senator from Idaho [Mr. NUGENT] pleading for the protection from fire of the forests of his State and of the West generally. I have seen him try to provide for aeroplanes to safeguard the forests so that watch might be kept on the fires and aid might be furnished in conserving the forests and the national parks.

I see, however, that the Senate conferees strike down the effort and decrease the appropriation intended to protect the national forests from fire. So that now perhaps the department will not have enough employees living in the national parks and in the national forests to give warning in case of fire; they will not have sufficient force to provide for telephone wires, so that word may be carried rapidly from one place to another that a fire is raging. Failing to provide adequate protection and management, the result is to strike down the conservation spirit and the tendency of the time to protect our forests.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER (Mr. GERRY in the chair). Does the Senator from Mississippi yield to the Senator from North Dakota?

Mr. HARRISON. I yield.

Mr. GRONNA. The Senator wants to be correct in his statements, I am sure.

Mr. HARRISON. Yes.

Mr. GRONNA. The $60,000 which the Senate added to the bill authorizing the War Department to cooperate with the foresters in locating and extinguishing fires was not to be used for the purpose the Senator has stated of erecting telephone wires, and so forth. If the Senator will read the language, he will find that he is mistaken as to the appropriation being designed for that purpose. The Senator knows that telephone wires and telegraph poles can not be used in connection with aeroplanes; there would be no use for them; it would be necessary to have wireless, and that is, of course, what was intended. It was designed to have field stations, and then secure aeroplanes from the War Department; but we had to reduce the amount as the Senator has stated from $60,000 to $50,000.

Mr. HARRISON. I was speaking of amendment No. 118. I think the Senator got the number wrong. Here is the provision of which I was speaking:

> For the construction and maintenance of roads, trails, bridges, fire lanes, telephone lines, cabins, fences, and other improvements necessary for the proper and economical administration, protection, and development of the national forests.

There was $400,000 provided by the House. We raised it to $450,000. The Senate receded on that proposition, thus reducing the amount $50,000.

Mr. GRONNA. The Senator is correct about that. That fund could be used and would be used in establishing new telephone lines. I thought the Senator was speaking of the amendment which was offered by the Senator from Oregon [Mr. MCNARY] providing for an air patrol.

Mr. HARRISON. No; I was speaking of this amendment.

Now, I come to amendment No. 122, if the Senate will bear with me. That is for investigating the handling, grading, packing, canning, freezing, storing, and transportation of poultry, eggs, fish, shrimp, oysters, and other shell fish, and so forth.

The House provided $52,880 for that purpose. The Senate raised it to $62,880. The Senate recedes, thus reducing the item $10,000, the amount that we increased it. I need not discuss the importance of that item. Many thousands of dollars have been saved to the consumers and the people of the country in the shipment of eggs, in instructing them how to pack them and how to transport them from one place to the other, and hundreds of thousands of dollars have been saved in handling and packing poultry, fish, shrimp, and oysters.

Mr. GRONNA. But the Senator must remember that we are appropriating $200,000 in the bill which we have just passed, the cold-storage bill, which can be used and will be used for that purpose; and, as the Senator knows, we are entering upon an entirely new plan, so far as the fish industry and the dairy industry are concerned. If the bill which we passed in the Senate to-day becomes a law, the Senator will find that there will be ample funds to take care not only of the fish industry but of all of these other food products.

Mr. HARRISON. The Senator has given the best explanation in regard to that item of any item that I have discussed yet. His excuse, as I understand it, for a reduction of that item, or for agreeing to the House provision, was because we were going to pass a law, and we have passed one to-day through the Senate, the cold-storage law, and that it carries with it $200,000, and that there will be enough money then to take care of this particular situation.

Mr. GRONNA. No; the Senator misunderstood me. Perhaps I did not make myself clear. I should have said to the Senator that the House conferees contended that the amount allowed by the House was sufficient. As the Senator knows, they held extensive public hearings, and there are several volumes printed, and in nearly every instance they were able to show that the funds appropriated by the House would be sufficient without raising the salaries of the employees.

I am sorry that we had to recede from all those amendments proposed in the Senate allowing higher rates of salaries to these employees of the Agricultural Department. We had to recede because the bill has been in conference now for two months, and it seemed to be impossible to reach an agreement upon any other basis. So, while we did increase the salaries of all employees receiving less than $1,200—we raised many of them from $900 to $1,100 and $1,200, and we raised many of them from $750 to $1,000, or to $1,100—we did the best we could with reference to that. That is the reason for the decrease in the total to some extent; not altogether, of course, but to some extent.

Mr. HARRISON. I know; but on this item, amendment No. 122, the question of salaries is not involved at all, because that is an appropriation for handling——

Mr. GRONNA. Yes; it is involved. Salaries are involved in all those items. The appropriation is to pay these men to instruct and to take care of these matters. Salaries are involved in every one of them.

Mr. NORRIS. Mr. President, it is almost all salaries. Nearly the whole thing is salaries.

Mr. HARRISON. The salaries that are paid to these different parties are on the statutory roll, and are provided in other parts of this bill; and when the assistant to the Secretary came before the committee, asking us to increase certain salaries and to decrease the number in certain instances, he said it was for the purpose of giving him a better organization, a more efficient force; and, if I recall correctly, taking into consideration the increased salaries with the lopping off of certain employees, the total increase did not amount to $4,000. That is my recollection about it.

Mr. GRONNA. The Senator is correct about that. We dropped 192 employees altogether, and the appropriation was reduced only sixty-five hundred and some odd dollars, so the Senator is correct about that. Later on, however, the department asked for additional clerks, so that when the bill finally passed the number was increased to some extent, and the amount of the increase was, I think, about $24,000—a very small amount.

Mr. HARRISON. Yes; but this particular item is a lump sum for investigating the handling, grading, packing, canning, freezing, storing, and transportation of poultry, eggs, and so forth, and for the utilization of waste products and the development of new sources of food. Of course, it takes employees to do that work; but the employees are on the statutory roll and provided in other parts of the bill. Here is what strikes me, though, as exceedingly strange, that in this day of high cost for everything, when the laboring man is calling for increased wages in order to meet this abnormal situation—a condition that has never confronted us before—in practically every provision here the aim of which is to make things cheaper, to re-

duce the high cost of living, there is a decrease, or the Senate conferees finally receded.

Take that item, for instance, merely $62,000 provided to study this great question of investigating the handling, grading, packing, canning, freezing, storing, and transportation of poultry, eggs, fish, shrimp, oyster, and other shellfish—something that goes upon the table; something that aids in reducing the high cost of living. The more fish that are caught, the more oysters that are gathered, the more poultry and eggs that enter into transportation and into the markets, the greater the influence on the breakfast table, causing a reduction in the high cost of living.

This item, however, goes further than that. It says:

For the utilization of waste products—

Things that have just been thrown away before. We say to the Agricultural Department, "Take this amount of money and study and see if these waste products can not be utilized, so that we can fight the soaring high cost of living."

But it goes further than that, and it says:

And the development of new sources of food.

If there is a single provision in this bill that ought to affect the high cost of living and to combat the profiteer who has gone wild, it is this provision appropriating money for the development of new sources of food; and yet we find ourselves reducing that amount by $10,000.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Nebraska?

Mr. HARRISON. Yes; I yield.

Mr. NORRIS. The bill, as reported by the committee, carried $52,880 for the purpose named.

Mr. HARRISON. Yes.

Mr. NORRIS. The bill, as it passed the Senate, carried just $10,000 more.

Mr. HARRISON. Yes.

Mr. NORRIS. Does the Senator think that the proper investigation can not be made with $52,880?

Mr. HARRISON. We appropriated the full amount, $62,880, last year. We are reducing the appropriation that they had this year.

Mr. NORRIS. How many years have they been investigating that subject? Does the Senator know?

Mr. HARRISON. Oh, they have been investigating it, probably, for several years, and I hope they will continue to investigate it. New conditions are constantly arising, and will continue to arise.

Mr. NORRIS. Does the Senator know how much money they have spent in that investigation?

Mr. HARRISON. I do not.

Mr. NORRIS. Does the Senator think that the cost of living would go down immediately if they had $10,000 more to spend for the purpose of investigating these things?

Mr. HARRISON. I do not know; but I know that the study of these waste products and the development of foods that have not been used before will have its influence upon the cost of living.

Mr. NORRIS. I did not suppose the Senator wanted to spend any money on the high cost of living. That is in the hands of Attorney General Palmer. He is reducing the high cost of living.

Mr. HARRISON. The Senator is very gracious. I can say this for Attorney General Palmer, that he has done his very best to try to reduce the high cost of living.

Mr. NORRIS. That is not saying very much.

Mr. HARRISON. He has given instructions throughout this country to his agents to go before the grand juries and present the facts, and in many cases they have indicted the profiteers. He has used every power of his great office to see that they should be brought to the bar of justice. The grand juries of the country, perhaps, have not done their duty in all instances. Maybe the petit juries of the country have not done their duty in some instances; but the Attorney General has done his duty in trying to prosecute and convict these profiteers in every instance.

Mr. NORRIS. The Senator recognizes, does he not, that the Attorney General has said that if certain laws were passed—which were passed—he would reduce the cost of living?

Mr. HARRISON. Yes; and he has done his very best.

Mr. NORRIS. All right. That is all we can ask of anybody.

Mr. HARRISON. Yes.

Mr. NORRIS. But the cost of living has not been reduced. That will probably be the way with the few clerks that this $10,000 would pay. I doubt very much whether the difference that the Senator is taking the time of the country in talking about, $10,000, if appropriated as he asks, would ever do anything that could be measured in that direction.

Mr. HARRISON. Why, we never know the result of these things until we try. We do not know what good any appropriation here is going to do, but we make it in the hope that it will do some good.

Mr. NORRIS. We appropriate here $52,880 for the purposes that the Senator has named.

Mr. HARRISON. Yes.

Mr. NORRIS. And the Senator condemns everybody because we have not appropriated $62,880.

Mr. HARRISON. I am not condemning everybody. I am not condemning anybody. I am pointing out the situation to the Senate in the hope that the Senate will do at least as much in the making of an appropriation as we did last year for this particular work. The Department of Agriculture have requested it. They say they need it to carry on that particular work. The Senator thought so when we had this matter up before the Senate Agricultural Committee.

Mr. NORRIS. Yes.

Mr. HARRISON. He thought so in the consideration of the matter before the Senate.

Mr. NORRIS. Why, Mr. President, if the Senator will yield again, I recognize that on items of this kind men's judgments may honestly differ. Honest men may disagree as to the number of dollars and cents that ought to be appropriated. Nobody can have his own way in every respect; and when conferees get around a table they would not be justified, in my judgment, in refusing to make some concessions, even though sometimes they thought they were going too far, in order to get an agreement; but it can always be said in cases like this particular item that they disagreed on the side of economy; that as they finally agreed to it, it cost the taxpayers less money.

Mr. HARRISON. And I am saying to the Senate that it looks very strange to me that a reduction takes place here in every provision that might help to reduce the high cost of living.

When I am discussing it and pointing out that particular phase of it the Senator brings in the name of Attorney General Palmer.

Mr. NORRIS. Exactly. I think that is very appropriate.

Mr. HARRISON. Let us discuss that a little bit.

Mr. NORRIS. The Attorney General has himself made his own proposition in regard to the high cost of living.

Mr. HARRISON. Does not the Senator think that the Attorney General has done practically everything within his power when he has instructed his district attorneys throughout the United States and his agents to investigate profiteering going on in this country, trying to indict those people, and trying to convict them? They have convicted many of them.

Mr. NORRIS. If the Senator asks me that question in regard to the Attorney General, I will say that I think the Attorney General has been the most successful Attorney General we ever had in trying his cases in the headlines of the newspapers. We have never had his equal.

Mr. HARRISON. The Senator does not agree, then, that the Attorney General has done everything he can to bring these people to the bar of justice for profiteering?

Mr. NORRIS. No; I would not say that; but the Attorney General, of course, has not made good in any of his promises or any of his pledges. He probably promised a lot of things he could not make good in.

Mr. HARRISON. I never heard of the Attorney General promising anything he has not made good on. He came to Congress. He asked Congress to amend the Lever food-control act by giving him the power to indict and prosecute fellows who charge unreasonable profits on certain necessaries, and so forth, and to provide a penalty. After weeks and months and months of waiting upon the part of the Senate and upon the part of the House and after much insistence upon the part of the Attorney General we finally made that amendment. The Senator from Nebraska voted for it. He was one of the men, if I recall, who helped us to get it out of the committee.

Mr. NORRIS. Now, Mr. President, again I want to call the Senator's attention to the fact that I did not help. The Senator will be able to condemn me, probably, because I did not. I made a speech on the floor of the Senate in which I said, in substance, that I thought the Attorney General had a law already on the statute books which would accomplish all the things he said he was going to accomplish, although I would not put any straw in the way of passing the law if that would help any; that I would be glad to do it. I did not expect any results from it, and no results have come from it, and the cost of living is climbing yet.

Mr. HARRISON. Then I can not expect the Senator to agree with me.

Mr. NORRIS. Of course not.

Mr. HARRISON. If he was against the law which was necessary to be passed to arm the Attorney General so that he might prosecute these fellows under it, he would still stand out that his position was right, that we should never have amended the law, and consequently he can not see any good in the efforts of Attorney General Palmer. But the Senate took a different view. I thought, because the Senator is generally on the side of the plain people, who want to see these profiteers convicted—and I have admired his course, in many instances—I felt sure that the Senator was with us in the passage of that law. But I stand corrected. He is not the friend of the people I thought he was.

Mr. NORRIS. Yes; the Senator stands corrected. There is a difference between a shadow and a reality. I did not have any faith in the Attorney General's promises, and the Senator did.

Mr. HARRISON. Yes; I did.

Mr. NORRIS. I said, "I will not stand in the way; give him everything he wants; give him enough rope and then if the high cost of living does not come down we will at least be able to say that we were mistaken." We could not go any further.

Mr. HARRISON. I had a great deal of faith in his promises, and that is why I voted for that legislation, because I think the way the profiteers have bled the people has been outrageous and that they should be put in jail. Their course has been a long saturnalia of inexcusable and indefensible practices, and I was willing to curb them in every possible way. I feel that way now.

Mr. NORRIS. I agree with the Senator in that.

Mr. HARRISON. But the Senator is not willing to go with me in passing legislation to get after them.

Mr. NORRIS. Yes; we gave him everything he asked for.

Mr. HARRISON. You say "we" did. You can not say that "we" did. You should say "you" did.

Mr. NORRIS. I did not fight the proposals. I said I did not believe it would amount to anything, because he had a law already and had not done anything under it.

Mr. HARRISON. He did not have a law already, because there was no penalty in it.

Mr. NORRIS. Oh, yes; there was a penalty in it. There was penalty enough to send every profiteer to jail for his life.

Mr. HARRISON. There was no penalty in the law and no provision in the law for those who made unreasonable and exorbitant charges or profits on necessaries; and that is why we amended the law and clothed him with that authority. He instituted suits all over this country. He gave the word out to his agents and his district attorneys, and they have done their duty. There have been hundreds of cases of convictions. There have been some acquittals, and where they were acquitted possibly some of them should not have been acquitted.

Mr. NORRIS. I doubt very much whether there is anybody in jail on account of the Attorney General's prosecutions for profiteering. There may be some little fellow, some insignificant fellow somewhere, who has been prosecuted and found guilty. I know from the Attorney General's own testimony that when it came to great, big packers, where he admitted himself that the evidence showed they were criminally liable, he not only did not prosecute them but he entered into an agreement, having failed to get an injunction, that would be good in the future.

Mr. HARRISON. That statement shows how prejudiced the Senator is against the Attorney General.

Mr. NORRIS. It may be that it does.

Mr. HARRISON. There is no man who has ever occupied the place which the present Attorney General now occupies who can hand down such a magnificent record as he will be able to hand down. It is the record he has made which has made him prominent in this country to-day as a candidate for the Democratic nomination for President, and will make him one of the leading men, I might say, at the San Francisco convention.

Mr. NORRIS. Mr. President——

Mr. HARRISON. If the Senator will permit me to get through——

Mr. NORRIS. I did not know he was to be one of the leading men before the convention.

Mr. HARRISON. There is much the Senator does not know. The Senator awhile ago ascribed to me partisanship in the discussion of this matter. He has injected, not little partisanship, but big politics, the presidential race, exhibiting his spleen—I will not use such a word, but at least showing his opposition to the Attorney General.

Mr. NORRIS. Mr. President——

Mr. HARRISON. Let me finish, and then I will yield.

Mr. NORRIS. I want to correct the Senator.

Mr. HARRISON. In what I said?

Mr. NORRIS. Yes. I have not injected big politics. I have not talked about candidates for President. I did not know the Attorney General was one.

Mr. HARRISON. The Senator did not know he was a candidate for President? He will know it, and should he be nominated the Senator will feel it in November.

Mr. NORRIS. No. If the Senator will look at the primaries where he has been running, he will reach the conclusion, too, that he is not a candidate.

Mr. HARRISON. I am not defending him as a candidate for the Democratic nomination; but he has run well, I will say to the Senator from Nebraska.

Mr. NORRIS. Pretty well for him.

Mr. HARRISON. Yes; for him. I am glad the Senator at least gives him that much credit.

The Attorney General, on the record he made against profiteers, and on the record he made in dealing with the packers, entered into the primaries of Georgia, a State that probably he had never entered before that primary. He ran pretty well there. He ran ahead of one of the most distinguished Members of this body, a man who represents in part that great State in this body. He ran ahead in the number of votes in the convention of one who had lived in Georgia all his life, and who had a strong hold upon a certain part of the population of that State. This Attorney General whom the Senator derides and condemns and finds fault with, not willing to give him credit for anything he has done, will go into the convention in the State of Georgia with more votes than any other candidate, having won before the people of Georgia in that primary. He evidently made a good impression upon them.

The Senator referred to Palmer's dealing with the packers. The Attorney General did something with the packers which the Senator has been unable to do, even though he may have had a great desire to do it for a very, very long time. We have talked about legislation against the five big packers for 15 or 20 years. Bill after bill has been introduced in the Senate and the House to regulate the big packers. In the Senate we had very exhaustive hearings. We went into it fully, and we determined, at least I found from all I heard, that these packers did have a strangle hold on the beef products of this country, on the swine, the cheese, the butter, the poultry, and ten thousand other things which I might mention. That not only did they control the stockyards but the refrigerator cars and even banks.

We did find that they were unwilling to deal merely in the businesses for which they had been organized, buying and butchering beef and swine, but they had gone into the grocery business, competing with all the wholesale grocery houses of the country; that they had contracts with big hotels to supply them with foodstuffs; that they could fix a price to-day at Chicago for beef at a certain amount, reducing it to the producers of the country, and the price went all over the country. Their influence was so great that they raised it when they wanted greater profits, and increased the price to the consumers when they desired. I was as willing as was the Senator from Nebraska to see appropriate legislation passed to regulate and control the five big packers. But while we in the Senate and the House had been talking for years to regulate the packers and restrain their avaricious hands and stop their blood sucking from the people, the Attorney General, the first one in the history of the country, went quietly but assuredly to work and got an agreement which they signed, he not obligating himself to do anything upon his part, and made them agree to do certain things; and those things in the main were the remedies we had tried to apply by legislation for 20 years. What he accomplished in his compromise, if you want to call it that, in bringing the five big packers to taw is a thing that ought to go down the ages and reflect to his credit as a great Attorney General. The decree he procured from five big packers may not be all that is desired, but it went further than any court or legislative body had been able to go before.

Yet, with that wonderful accomplishment, the Senator from Nebraska derides his efforts and condemns the result of them.

I do not wonder that he finds fault with the Attorney General. He is just prejudiced against him; that is all. But I was certainly in hopes the Senator would help us here to appropriate the insignificant $10,000 which the department requested to help fight the high cost of living; but he refused.

Now, let us go to amendment No. 123. Amendment 123 is an appropriation for the enforcement of the pure food and drugs act. If there was ever a time when you need an adequate appropriation for this particular work, it is now. Medicine and drugs of all kinds are higher than ever before. They have reached a limit where the poor people of the country, when they get sick, are unable to get enough money to buy them. The man who would defraud is now running amuck in this country. If there was ever a time when a person who had medicine to sell, and desirous of defrauding some one by adulterating it, it would be now. So we need the appropriations to enforce the pure food and drugs act now, and notwithstanding the condition with which we are confronted, this bill, for this particular work, carries an appropriation of $30,000 less than was carried last year.

Mr. GRONNA. The Senator will remember that there will be $40,000 added to this from the Treasury Department, because heretofore and to-day the inspection of tea is made under the Treasury Department. This bill provides that that work shall be done under the Agricultural Department. Add the $40,000, and instead of being a decrease of $30,000 it will really be an increase of $10,000.

Mr. HARRISON. The Agricultural Department said nothing about that transfer, in the effort here to reduce the amount, and they stood fast on an estimate for the full amount of $629,361, and the House gave them only $579,361. They had requested the transfer of this particular work under the tea proposition, which is provided for somewhere else, and the appropriation is provided for somewhere else. That is on what page?

Mr. GRONNA. It is amendment 124.

Mr. HARRISON. You appropriate $40,000 for carrying on that work?

Mr. GRONNA. That has been appropriated in another bill.

Mr. HARRISON. How long ago, may I ask the Senator?

Mr. GRONNA. I forget which bill it is in. Perhaps the Senator from Massachusetts [Mr. LODGE] can help me out. It is in the deficiency bill or in the sundry civil bill, I forget which. It is in one of those two bills.

Mr. NORRIS. It is not in the sundry civil bill; it is in the deficiency bill.

Mr. LODGE. One of the deficiency bills.

Mr. GRONNA. I have the information on that, and I can say to the Senator that $40,000 will come from the Treasury Department.

Mr. HARRISON. Let us see what the department says about this item:

> This amendment increases the appropriation for the enforcement of the food and drugs act $50,000 over the House bill and $20,000 over the 1920 act. This sum is required for the effective enforcement of the food and drugs act.
>
> On account of the high price of all ingredients entering into the manufacture of food and drugs, the temptation to adulterate is greater at the present time than under normal conditions. New forms of adulteration are being devised and used and greater vigilance is necessary than ever before. The increase of $20,000 over the current appropriation will enable the department to meet this condition and continue the inspection service of those products which are in most need of inspection. For instance, it has recently been necessary to trace through the channels of commerce over almost the entire United States shipments of ripe olives—

We have read in the papers how ripe olives have killed people by the hundreds in some of the cities of the country—

> since 30 or 40 deaths have resulted from poisoning by botulinus found in ripe olives put up in glass containers.

Mr. NORRIS. The Senator certainly ought to be fair enough to admit that the people who have been killed by ripe olives were killed before the bill went into effect. So he can not charge their death to this bill.

Mr. HARRISON. I was not charging those deaths to this bill; but I say there are liable to be more deaths from such causes as that if the Senate and the House do not appropriate a sufficient amount of money to enable the department to investigate these things and to enforce the pure food and drugs act. I do not know whether that was the fault of the Agricultural Department or not. It may have been there would have been more people killed if they had not been as vigilant as they were. But certainly it is no excuse for the Senator from Nebraska, who was one of the conferees, to defend this by saying we should blame the Department of Agriculture for the death of these people from the eating of ripe olives.

Mr. NORRIS. No; the Senator must not take that view of it. I never made any such charge. No such idea ever occurred to me.

Mr. HARRISON. The Senator has made so many charges that I did not know. However, we can get together all right on ripe olives.

Mr. NORRIS. The Senator was mentioning the fact that a great many people died from eating olives that were not properly inspected. I am not charging that anybody was derelict in his duty. It may be that they were, but I do not know anything about it. I merely called attention to the fact that while the Senator was commenting on the death of these people, this reduction has not yet taken effect, so he can not, at least, charge that to the bill.

Mr. HARRISON. No; the Senator did not follow me. I was only stating what the provision of the bill was in that respect and what the work of the department was in that connection. I only offered it as an illustration of some of their work. The Senator was not following me or he would not have found fault with my words.

Amendment No. 149 is for investigations, identification, and systematic classification of miscellaneous insects, including the study of insects affecting the health of man and domestic animals, household insects, and the importation and exchange of useful insects. The House appropriated $52,130 for this, and the Senate increased it $10,000. The Senate has receded. Thus the $10,000 provided by the Senate under agreement of the conferees is reduced.

What does that do? This would affect the study, identification, and classification of insects upon which the agents are conducting field investigation. It would completely disorganize the office force in this work. Many men now in this work will be thrown out and the work that they have done thus far will be retarded to that extent.

The next amendment to which I wish to call attention of the Senate is No. 147. This is for investigations of insects affecting southern field crops, including insects affecting cotton, tobacco, rice, sugar cane, and so forth, and the cigarette beetle and Argentine ant.

On that the House gave $125,000 and the Senate provided for $170,000. The Senate has receded, and thus the amount has been reduced approximately $45,000.

Here is what that work does: It provides for the investigation of insects affecting southern field crops, and includes insects infecting cotton, tobacco, rice, sugar, and so forth. The experts have been studying the cotton boll weevil more than 20 years and have finally hit upon a method of poisoning with arsenic, which has been successfully carried on in a large portion of Louisiana and Mississippi. I believe they have established two stations, one at Tollula, La., and one in the Delta of the Mississippi. The department has been very anxious to apply this test to some region where the climatic conditions were different from those in Louisiana and those in Mississippi, and if this test is successful in the dry regions up in Georgia or South Carolina or Alabama or in the hills of Mississippi or in Texas, as it has been successful in Louisiana and in the State of Mississippi where it has been in operation, we will save thousands of dollars in fighting the boll weevil through this arsenic test. But with the reduction of $45,000 as carried in the bill for that particular work, you have greatly retarded the progress of the Department of Agriculture in this particular in reference to the bill. It would seem to me that the amount as passed by the Senate should have been retained.

Mr. JONES of Washington. Mr. President, will the Senator yield to me for a moment?

Mr. HARRISON. Certainly.

Mr. JONES of Washington. I was wondering how long it might take the Senator to conclude. I understand there is a desire to adjourn a little early to-day on account of the death of former Vice President Morton.

Mr. HARRISON. I can close any time the Senate is ready. I wanted to discuss a few more amendments.

Mr. JONES of Washington. I think probably it might take the Senator some little time, and probably the matter might better go over until to-morrow.

Mr. HARRISON. Very well. I am in no hurry.

Tuesday, May 18, 1920.

Mr. HARRISON. Mr. President, on yesterday, when the conference report was being considered by the Senate, it was laid aside at the adjournment, and I have not yet concluded my remarks analyzing certain decreases of appropriations in the report. I shall not take up the time of the Senate very much longer. There are a few amendments, however, which I desire to discuss and analyze which carry decreases from the Senate bill.

The next amendment to which I desire to call the attention of the Senate is amendment No. 148, which relates to the following provision in the appropriation bill:

> For investigations of insects affecting truck crops, including insects affecting the potato, sugar beet, cabbage, onion, tomato, beans, peas, and so forth, and insects affecting stored products.

The House appropriated $110,000 for this work and the Senate increased that amount to $131,760.

In the conference the Senate conferees receded, and there is a decrease, therefore, of $41,760.

It seems to me that if that amount is stricken from the appropriation it will very greatly hamper the department in carrying on the work heretofore performed in making these investigations of insects affecting truck crops. The man who raises truck is confronted with many difficulties; he combats the seasons and fights innumerable obstacles.

Not only that, but these insects of various kinds ofttimes eat upon and destroy his crops. It would seem to me that on account of incalculable benefits resulting from this appropriation we ought to continue it and refuse to agree to the reduction.

Aside from that, under this item is carried the work of eliminating the sweet-potato weevil, an insect that has greatly affected the sweet-potato crop in many States. Here is what the department says about that work:

> Of the total appropriation for truck-crop and stored-product insect investigation, $65,000 has been allotted for work during the current year for the investigation and control of the sweet-potato weevil, the most serious menace to the production of this important food crop throughout the South. The reduction made by the House bill in the appropriation under this item, if allowed to stand, will mean that the sum available for 1921 for the sweet-potato weevil eradication will be little more than half the total that has been expended during the past three years. If this sum can not be replaced, great havoc must result to the project.
>
> The value of the sweep-potato crop for 1919 is estimated at $138,000,000.

And with this strong presentation upon the part of the Agricultural Department we are unwilling to appropriate $20,000 to eliminate the sweet-potato weevil, when it is calculated to destroy a crop that is valued at $138,000,000. In my own State we have eradicated the sweet-potato weevil through State cooperation with the Federal Government. They have done the same thing in some of the other Southern States. It has almost been eradicated in Louisiana, but there are now two other States in which it has not been completely eradicated.

If we withhold this appropriation and stop the work of combating the sweet-potato weevil, it will take a new start, and all the work we have done heretofore under this appropriation will have been in vain, and we must start all over.

I proceed to a discussion of amendment No. 195, which is the provision that carries the appropriation for crop estimates. That is cut $53,000. I need not discuss the great importance of crop estimates, a service that has brought untold benefit to the farmers of the country, informing them how much cotton it is estimated will be grown during each month and each week of the year, estimating what the corn crop and the wheat crop will be, so that they can either withhold their crops, if desired, or plant more if they should want to. I can not believe the Senate can approve of this reduction.

The next amendment is one affecting the Bureau of Markets, amendment No. 243. I am sure the Senate will agree with me that it was highly necessary to create the Bureau of Markets. It carries the whole subject of marketing, transportation, and sale of products. No branch of the Government service has a greater opportunity of usefulness. Yet we find that this amendment cuts the present appropriation $41,540.

I pass from that to amendment No. 271. I desire to say that in these decreases which were made by the conference committee they have not cut in items affecting one section more than another. They have cut appropriations which affect the West, they have cut appropriations which affect the New England section, and the North and the South, but there is no cut or decrease which affects the section from which I come more than the appropriation to eradicate and fight the pink bollworm.

The pink bollworm is more dreaded than the boll weevil, that destructive insect that costs the farmers of the South millions on millions of dollars, affecting the cotton crop in some States as much as 50 per cent and in others causing a complete loss.

The pink bollworm came into the United States some three years ago, I believe, from Mexico. They were able to practically eradicate it in Texas, as they thought, but it has been recently discovered in Louisiana. Texas and Louisiana and all the States affected by the pink bollworm, or which might be affected, are making appropriations to cooperate with the department in preventing a spread of the insect. Experts came to the committee and said that because of the discovery of the pink bollworm in Louisiana, it having been scattered in cotton seed through many parishes of that State, it would be necessary for the Congress to appropriate $588,560, with which it might be controlled. Delegations came to Washington only a few weeks ago from Texas, Louisiana, Mississippi, South Carolina, Georgia, and from all over the South, urging upon the Horticultural Board the inauguration and promulgation of regulations, some of them advocating a complete quarantine against infected States, so fearful were they that the pink bollworm might find its way into the other sections of the country. With the great loss threatened to the cotton industry of the South, and the need of absolute and immediate aid, the committee has reduced this appropriation $100,000.

The other amendment, and the last amendment to which I shall call the Senate's attention, is the reduction of $100,000 to fight the European corn borer, which is found in the States of Massachusetts, Connecticut, New Jersey, and that section of the country. I recall the Senator from Connecticut came before the committee, and members of the horticultural boards of those States, I think, came before the committee, or sent their views to the committee, and urged us to make an adequate appropriation to fight the European corn borer. The agricultural authorities urged it. Yet we find that the item is reduced $100,000 in this bill.

Mr. President, I have pointed out these various decreases in the agricultural appropriation bill, and I have given my reasons why I thought the Senate should not reduce them. I know the conferees upon the part of the Senate have had a very hard time in fighting the conferees upon the part of the House.

Mr. GRONNA. Mr. President——

Mr. HARRISON. I yield to the Senator from North Dakota.

Mr. GRONNA. I dislike to interrupt the Senator, but I am sure he will agree with me that the Senate conferees did their duty with respect to this item. The House did not allow anything, and this is $400,000 more than the House allowed.

Mr. HARRISON. The Senator is talking about the European corn borer?

Mr. GRONNA. Yes.

Mr. HARRISON. I think the Senate conferees no doubt did their best to maintain these items in the bill, but, as I said yesterday, I attribute the decreases in the bill to the word that has gone forth, and it can not be denied, that the Republican leadership in the Senate and in the House have said that we must economize in this bill, and that this bill is cut for no other purpose than that the impression can go to the country that a Republican Congress is saving money for the people.

It is false economy to try to save money when the departmental experts in the Department of Agriculture say that they need it to fight the insects and the pests that are destroying the food products and things that we should raise in order that we might reduce the high cost of living.

It does seem to me that we ought to be fair with the farming interests of the country, and if there be one bill where increased appropriations should be reflected over the appropriations that were carried in the corresponding bill last year, it is the bill appropriating for the agricultural activities of the United States. It is indefensible for the Congress, the Senate and the House, to go to the people with the record that they have made of increasing the Army bill $250,000,000 over the appropriation for the Army in 1914 and with an increase in appropriation for the Navy of $450,000,000 over 1914, and at the same time with a decreased appropriation of $2,400,000 for the agricultural interests of the country.

The result of the labor and the work of the Republican Party in the Senate and the House, as reflected in these appropriation bills, shows hand prints that you will not be able to get away from and that you will be compelled to explain to the people in the coming election. I am sorry that you have done it. I regret it ever so much that you have seen fit to cut down these appropriations for the farming interests of the country. We ought to encourage people to stay upon the farms. We ought to make every adequate and reasonable appropriation that will make life happy and pleasant for the man who lives in the rural sections of the country, that this great influx to the cities from the country will be stopped.

It is for these reasons that I have expressed myself on the Agricultural appropriation bill, because I am not in sympathy with what the conferees upon the part of the Senate have done. I should like to see them stay there until doomsday and force the Republican steering committee and the men in the other House who are on the conference committee to yield, that these appropriations that are requested and urgently demanded by the Department of Agriculture might be incorporated into the law, instead of reducing the bill by $7,000,000 from the estimates of the Agricultural Department.

I recall that when the new Secretary of Agriculture, a man in whom we have great confidence, a man who has shown his interest in the farmers of the country, came before the Agricultural Committee just before that committee made its final report to the Senate he pleaded with us to make a lump-sum

appropriation over and above what was provided specifically in the bill, so that any emergencies might be taken care of and the farmers' interests protected. We denied it—that is, a majority of the committee denied it and would not comply with his request. But you have gone further in this report and reduced the amount practically $1,500,000 below the action of the Senate. This appropriation is a mockery and a sham, a reflection on the Congress, an admission of its impotency to take care of the internal demands of the country, an insult to the great patriotic class of American farmers who played such a glorious part in the winning of the war, and upon whose efforts the very life of the Nation now depends. If you believe this kind of false economy practiced upon this class of our citizens will be rewarded in the coming November election, then you misjudge the temper of the times and a great awakening is awaiting you. Let me appeal to the Senators on that side in charge of this report to withdraw it, let it go back to conference, and there insist upon the reincorporation of those appropriations that the judgment of the Senate has heretofore made possible.

The PRESIDING OFFICER (Mr. NUGENT in the chair.) The question is on agreeing to the conference report.

The report was agreed to.

Mr. GRONNA. I move that the Senate further insist upon its amendments and agree to the further conference asked for by the House, and that conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. GRONNA, Mr. NORRIS, and Mr. GORE conferees at the further conference on the part of the Senate.

Mr. KING. Mr. President, may I ask the Senator from North Dakota [Mr. GRONNA] what action was taken with respect to the plan of the House to impose an additional amount upon lessees of forest-reserve lands?

Mr. GRONNA. The bill as it passed the House carried a provision appropriating $25,000 to be used by the Secretary of Agriculture in making an investigation of the rates charged for grazing lands. The Senate committee struck out that provision, and that action was approved by the Senate. The conferees were unable to agree. So it was brought back to the Senate, and, of course, it goes back to conference now under instructions that the Senate conferees shall further insist upon this and two other amendments.

Mr. KING. I am very glad to learn from the chairman of the committee the position that will be taken by the conferees on the part of the Senate. I wish to state to the Senate that the charges now imposed upon lessees of the lands in forest reserves for cattle and sheep are very, very high. Indeed, in my opinion they are too high in many instances to make it at all profitable for men to engage in the live-stock business. It would be a positive disaster if those rates and charges should be increased. I sincerely hope the Senate conferees will insist upon adhering to the position taken by the Senate, because if they should yield to the House in that respect I am sure that their plan, which is not founded in reason, might be carried into effect, and the result would be very serious to the live-stock industry in the Western States.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the distribution, regulation, and use of property acquired thereunder, and for other purposes.

Mr. JONES of Washington. I ask the Senator from Utah [Mr. KING] if he would like at this point to offer the amendment to the last section in the bill that he had printed the other day? I have sent for the Senator from Wisconsin [Mr. LENROOT] with reference to an amendment in which he is interested, and in the meantime I think we might dispose of the amendment which the Senator from Utah desires to offer. The Senator's amendment has been submitted to me, and it is entirely satisfactory.

Mr. KING. May I inquire of the Senator whether the Senator from New Jersey [Mr. EDGE] is advised of the fact that consideration of the shipping bill has been resumed?

Mr. JONES of Washington. The Senator from New Jersey is out of town, but he understood that it would come up during his absence.

Mr. KING. The Senator does not expect to conclude consideration of the bill to-day, in the absence of the Senator from New Jersey?

Mr. JONES of Washington. I expect to conclude it to-morrow. The Senator from New Jersey understands the situation, and talked it over with me before he left, and said I should go on with the bill.

Mr. KING. But the Senator will not press it to a final vote to-day?

Mr. JONES of Washington. No; I do not think there is any chance of a final vote to-day, but I should like to dispose of the amendment, because I think there will be no objection to it.

Mr. KING. Very well. I offer the amendment, which I send to the desk, to the amendment of the committee.

The PRESIDING OFFICER. The Secretary will report the amendment to the amendment.

The READING CLERK. The Senator from Utah proposes to amend the committee amendment inserting section 41 by adding to it the following additional proviso:

And provided further, That in the event that any share of the capital stock of a corporation, or of a partnership, or of an association, or any interest in or any part of the property of a citizen of the United States in any such ship or in any such corporation, partnership, or association, shall, upon the decease of the holder and legal owner thereof, pass by intestate or involuntary succession to a person not a citizen of the United States, said shares, while the same are held by an alien, shall not be voted at any stockholders' meeting of such corporation, nor shall any alien by reason of intestate or involuntary succession to any interest in any such partnership or association or in any such ship have any voice or control with respect to the operation and management of the same, excepting only that this proviso shall not apply in case of corporations, partnerships, or associations engaged in foreign trade, unless the shares or interest taken by an alien by intestate or involuntary succession shall reduce the quantity of stock and securities held by citizens of the United States to less than 75 per cent of the total stock and securities of such corporation, partnership, or association.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. KING. Mr. President, I desire to direct the attention of the Senator from Washington to the amendment offered by the Senator from Missouri [Mr. REED] the other day, which seems to me to be a very unwise one, but if the Senator will give assurance that in conference it will be fully considered I shall not ask for reconsideration.

Under the proposed amendment it was provided that stock could not be hypothecated or any disposition made of it except that there should be an actual transfer upon the books of the company, the result of which would be that a man could not take the stock of which he was the bona fide owner to a bank and use it as collateral; he would have to take it to the corporation—the corporation might be located a considerable distance away—and have it transferred upon the books of the corporation to the name of the bank or individual from whom he was to borrow the money. I suggested then and I suggest now that that would interfere with legitimate business and be an impediment to the transaction of business between the banks and individuals who may need money for purposes of carrying on the very object for which the bill in part has been devised.

Mr. JONES of Washington. I will say to the Senator that I agree with him as to the importance of that proposition. It was put in on the floor of the Senate without especial consideration, and I think under those circumstances and with that understanding which the Senate had the committee on conference will be fully justified in giving it their careful consideration, with a view to such modification as may be deemed necessary to accomplish the purpose of the section, which was to prevent the transfer of such stock to alien ownership. The provision is not intended to prevent the transfer among American citizens of properties that they own. All that we desire to do is to prevent the transfer of such property and such stock to foreign ownership. I assure the Senator that the committee will look into that matter very carefully.

Mr. KING. I suggest to the Senator from Washington it would be very unwise to inhibit legitimate transactions between citizens of the United States.

Mr. JONES of Washington. Now, Mr. President, I desire to recur to section 25. As to sections 22 and 23, the Senator from Minnesota had to leave the Chamber, and I told him that I would not call those sections up while he was absent. The Senator from Wisconsin [Mr. LENROOT] is now here, and I desire to call up section 25. I think the amendment covering that section has been read. I desire to offer an amendment or two to the section, in order to perfect it and really to carry out its intention. For that purpose I now send an amendment to the desk, which I desire may be stated.

The PRESIDING OFFICER (Mr. THOMAS in the chair). The amendment proposed by the Senator from Washington to the amendment reported by the committee will be stated.

The READING CLERK. On page 26, line 16, after the word "vessel," it is proposed to insert the following:

documented under the laws of the United States and.

Mr. KING. I should like to inquire of the Senator from Washington the object of that amendment.

Mr. JONES of Washington. I will state the object of the amendment to the amendment. The text of the section now reads:

That during the period of 10 years from the enactment of this act any person a citizen of the United States who may sell a vessel built prior to January 1, 1914—

That might include a foreign-built vessel or something of that sort. The purpose of the amendment is to obviate that objection. I desire to confine the provision to American vessels. So after the word "vessel" I have proposed to insert the words "documented under the laws of the United States and." Is that explanation satisfactory to the Senator from Utah?

Mr. KING. Yes.

The amendment to the amendment was agreed to.

Mr. JONES of Washington. Now, on the same page, in line 18, after the word "sale," I propose to insert the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Washington to the amendment reported by the committee will be stated.

The READING CLERK. On page 26, line 18, after the word "sale," it is proposed to insert "under Title I, Title II, and Title III of the revenue act of 1918."

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Mr. SIMMONS. I did not catch the purport of that amendment.

Mr. JONES of Washington. On page 26, in line 17, we used the words "income taxes," but in consulting with the Treasury Department we were informed that those words were hardly broad enough to cover what is really desired—that is, taxes under the income law; that we should specify the title of the act. That is the purpose of the amendment, to show clearly what we mean by the words "income taxes."

Mr. SIMMONS. This is the section of the bill which relieves from the payment of income taxes the owner of a vessel who sells it and reinvests the money in the construction of a new vessel?

Mr. JONES of Washington. That is the section with which we are now dealing. I desire to say just a word or two to call attention to what this amendment proposes to do. There are really three propositions embraced in this provision. The first proposition permits the owner of a vessel which is documented under the laws of the United States and operated in the foreign trade to be exempted from the payment of excess-profits taxes which would be assessed against him each year for 10 years upon the express condition that the money be expended in the construction of new ships of a type, character, size, and so forth, to be approved by the Shipping Board. That exemption applies for a period of 10 taxable years. The sole purpose and justification for that is the desire of the committee to secure, if possible, through private construction new and up-to-date ships.

This situation confronts us: We have quite a large tonnage of ships. That tonnage was built under the impetus and necessity of war. The question then was not as to the character of the ships or the special type of the ships or the adaptability of the ships to engage in certain special kinds of trade or in competition with certain classes of other ships, but the problem was to get ships to meet the needs and satisfy the demands of war. As a result, while we have a great many ships, we have not ships of a certain type; we have not ships really of the best type, the most modern, up-to-date ships; those that are highly essential if we are going to maintain the place in the carrying trade of the world which we ought to have.

The purpose of this amendment is to encourage and induce private parties to invest money in the building and construction of such ships. It does not exempt them in one sense from the payment of excess-profits taxes, for if they do not build new ships then the money is not exempted from taxation, unless in the discretion of the board it is applied upon mortgages upon ships purchased from the board. We hope that under this provision there will be at least some up-to-date ships constructed by private parties to engage in service on particular routes and in special trade. If they do not build ships, then they must pay the excess-profits tax just the same.

Mr. KING. Has the Senator concluded all that he desires to say upon that subject?

Mr. JONES of Washington. Yes; with reference to that particular phase of it.

Mr. KING. Did the committee consider the wisdom of establishing a policy of exemption from taxation in order to stimulate the development of some particular enterprise, and did the committee further consider the question of the effect that such a precedent would have in the future, whether or not it would encourage demands to be made upon the Government for like treatment with respect to other industries, perhaps not so important as the shipping industry; but, at least, very important to certain sections of the country? Personally it strikes me as very unwise to inaugurate any sort of a policy of discrimination in taxation, and this is a form of discrimination. I would prefer, if we have got to give bounties and subsidies for the development of our merchant marine, to make a direct appropriation out of the Treasury, rather than to exempt men from the payment of taxes. I think that the machinery employed in bringing about such exemptions and the instrumentalities that will be required in order to determine whether there should be an exemption, the amount of the exemption, and the amount that should be applied will result in complications, in controversies, in extravagance, in inefficiency, and in waste; and we will secure less beneficial results in dollars and cents and in ships built from the policy suggested by this bill than if there should be a direct appropriation. So, with my present information, I shall feel disposed to vote against this amendment and consider it so important that we ought to have a full Senate here to vote upon the item.

Mr. JONES of Washington. Mr. President, the committee did consider the questions raised by the Senator. Those are the first questions really that present themselves in the consideration of a proposition of this kind. After giving them full consideration, in view of the importance of the object to be attained and the necessity for our doing something to encourage the building up of the merchant marine, we concluded that this was a very wise and proper way to do it.

I do not believe that it will establish a precedent. There is not any other industry that is in the situation of the shipping industry. The merchant marine of the country is not—at least, I do not consider it—solely a private proposition. The Nation as a nation is interested in it; it is one of the essential arms of our national defense; it is just as much a national necessity in time of war as is a Navy or any other instrumentality of carrying on war. In that view we did not consider that it could be deemed a precedent or that there is any other industry that could be placed or would be placed upon a parity with that of shipping. We think that we can enact such a provision with reference to the merchant marine without making it a precedent in any particular.

Mr. RANSDELL. Mr. President——

Mr. JONES of Washington. I yield to the Senator from Louisiana.

Mr. RANSDELL. If the Senator will permit me, I should like to suggest to the Senator from Utah and other Senators one very important consideration. We have a very costly asset in the ships now owned by the Government. The bill proposes in its first section a national policy by which we are to put this great merchant fleet, which cost us well on toward three and one-half billion dollars, into private ownership. If we are to put it into private ownership, we must persuade citizens of the United States to buy the ships. We can not readily find $3,500,000,000 worth of capital ready to be invested in a new business; we have got to give some encouragement to that capital.

The merchant marine in a way is a war asset. We did not intend to spend so much money in building ships; the necessity confronted us as a result of the war. Now, as business men we must try to handle it as a prudent man would handle his own private property. It is a great asset. Our people must be taught to think along lines of shipping; they must have their minds turned to the sea; we must provide an inducement to make them put their capital into ships.

There are two considerations I should like Senators to bear in mind in connection with this matter. First, if I am asked as a citizen of this country to spend my money for ships, I am compelled to reply, "I have money and I should like as a patriotic man to buy some ships; but I do not understand the business. What inducements have you to give me?" "Well, we will sell you the ships very cheaply." "Very well, that is some inducement, but suppose I should make a success of the business, are you going to tax me as you tax everybody else? Are you going to tax me as you tax excess profits from a business in which I have been engaged, which I understand, and about which I know something? What offset are you going to make to the prospective losses I may have in that business? I may lose every dollar I put in it. It is new. It is unknown. I am going on an uncharted sea, literally and figuratively, in going into this business." Then you say: "All right, sir. In order to induce you to do that, I will exempt you from all excess-profits taxes on the amounts that you may earn out of that business, provided that the amount which you would pay in the way of taxes on excess profits, if you earned them, shall be used in building new ships. You put that into a new ship."

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Utah?

Mr. JONES of Washington. I yield.

Mr. KING. I should like to ask the Senator from Louisiana a question.

Suppose this situation should be developed: Two or three years after the passage of this bill, and after a number of individuals, relying upon the assurances that they will be exempted from excess-profits taxes, engage in the construction of ships, we repeal the excess-profits tax. Does not the Senator think that they would come on to the Government and say that there was a sort of an implied understanding that they were to receive a direct cash appropriation to the extent of a mitigation of their tax of $100,000 or $50,000, and therefore they would ask an appropriation from the Treasury to compensate them for what they had lost?

Mr. RANSDELL. The Senator's question, I think, carries its own answer. There would be no claim whatsoever—no fair claim—for compensation. In the case stated by him, the purchaser of the ship would be under obligation to put that money into additional ships—of course he would—and he ought to do it, because he buys the ships originally with that understanding; but he is not going to lose money. If he makes excess profits on which ordinarily he would have to pay taxes, that carries with it the idea that he is a money maker and not a money loser. There would be no money to put into ships unless he had made some excess profits.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from North Carolina?

Mr. JONES of Washington. Yes; I yield.

Mr. SIMMONS. This only relieves him of a present burden. If the Government later on repeals that tax, he is simply relieved of it in another way.

Mr. RANSDELL. He is relieved of it in another way. I thank the Senator for the suggestion. He is just relieved of it in two ways.

I want to repeat very briefly, and then I will yield the floor, that we are merely trying by this amendment to offer an inducement to American capital to build these ships and go into the business and do something which is so near to the heart of the Senator from Utah. He does not like Government ownership and operation of anything, and I sympathize very much with him in that respect. The object of this amendment is to try to get the private citizens of this country to relieve the Government of this great three and a half billion dollar burden that is now weighing on us.

Mr. NUGENT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Idaho?

Mr. JONES of Washington. I yield to the Senator from Idaho.

Mr. NUGENT. I gather from the Senator's statement that he is proceeding upon the assumption that the gentlemen who will buy these ships from the Government are those who are inexperienced in shipping matters, and for that reason it is necessary that the Government offer them some extraordinary inducement in order to induce them to engage in this business. I desire to call the Senator's attention to the fact, if I remember correctly, that during the time the Panama Canal tolls act was before the Senate one of the most distinguished Members that was ever in this body made a statement to the effect that 90 per cent of all the coastwise shipping on the Atlantic was under the control of two steamship organizations; and I ask the Senator if he thinks, as a matter of fact, that any man would go into this business without having had experience in it?

Mr. RANSDELL. In reply to the Senator, I will say that all of us know from the reports that only 9 per cent of the overseas shipping of this country was carried under the American flag when the war broke out, and we can not possibly find enough experienced people to go into the business. We must induce people who perhaps have had a very slight experience as operating agents for the Shipping Board, since the Shipping Board began to charter these vessels to private companies and others at the different ports of this country, to buy the ships, if we are to have them bought. There are not enough experienced companies in the business to buy them; and therefore I say again that we must offer an inducement to people to go into a business that they do not thoroughly understand.

Mr. NUGENT. Does not the Senator believe that the companies that are now engaged in that business will in all human probability take in new capital, and, as a matter of fact, purchase these ships; or, in other words, does not the Senator think, as a matter of fact, that practically all of the ships that will be disposed of by the Shipping Board under this bill will eventually pass into the hands of the companies that are now engaged in the shipping business?

Mr. RANSDELL. I sincerely hope not. I imagine that these shipping companies will buy, and I sincerely hope they will buy, quite a large percentage of the ships that we have to sell; but I repeat that there are nothing like enough of them. Does the Senator conceive what three and a half billion dollars' worth of property is? It is an immense amount of property. We must get a great many people in the business of ship operating to handle that many ships. Doubtless the old line companies will buy a number of them. I imagine that they will increase their capital, and I hope they will increase their capital; but we want to have a number of new ship lines from every port of this country that amounts to anything, and we must persuade the enterprising, patriotic people of all the ports in America to go into the business of operating ships if we are to do what the bill proposes—have the whole fleet owned and operated and controlled by American citizens, under the American flag.

Mr. NUGENT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington further yield to the Senator from Idaho?

Mr. JONES of Washington. Yes; I yield.

Mr. NUGENT. Then the Senator believes that in order to induce the gentlemen to whom he refers to purchase these ships it is necessary to relieve them of the provisions of the law with respect to excess and war profits that apply to all other of our citizens and to give them thereby an opportunity as a matter of fact to capitalize their profits, on which they pay absolutely no tax of the character referred to here. Now, I ask the Senator from Louisiana, as well as the chairman of the committee, why should that proposition be applied to shipowners only and not applied to the people of our country who are engaged in other lines of business? Suppose, for the sake of illustration, that a man goes out and purchases a farm, or sells a farm, and with the proceeds derived from the sale of that farm he purchases another farm. He is not exempt from the operation of the provisions of the statute with respect to excess profits or war profits, should the profits be declared to fall within either of those classes, and neither is any other class of our citizens.

Mr. RANSDELL. I think the Senator will admit that the exception proves the rule in all cases. I think the Senator will admit that when the war broke out we had no merchant marine worthy the name. We had a coastwise commerce and coastwise ships, but no overseas ships. Now, this being such a great asset, and it being the desire of all patriotic Americans to put this immense asset under the American flag, I again say that we have got to encourage the people to go into this business. It is an exceptional case.

I agree with the Senator that ordinarily we ought not to exempt anyone from excess-profits taxes, but we must do it here; and let me repeat that every dollar of exemption made in this way is to be used how? In building new ships in American shipyards, giving employment to American workmen, giving employment to innumerable people all over this land; for it takes an immense amount of manufactured materials of various kinds to build a ship. Every dollar of it is to be put back into a new ship, and when a new ship comes on it will pay its excess-profits taxes just as any other business enterprise would do.

I now yield the floor to the Senator from Washington.

Mr. JONES of Washington. Mr. President, I hope I may be allowed now to proceed for a few moments. I simply wanted to tell what this amendment in its three aspects proposes to do. Then I am perfectly willing to throw it open for a full discussion.

Mr. KING. Mr. President, may I trespass further upon the Senator? His proposition is rather novel to me, and therefore I must trespass again upon him.

Did the committee consider the question of the right of the Government to exempt this class of business from taxation? Did they examine the constitutional aspects of the case? It does seem to me that there is grave doubt as to the constitutionality of a provision which says to A and B, "Your business shall be exempted from taxation; no matter what profits you may have, we will exempt you; but X, Y, and Z must pay taxes. The reason for the exemption lies in the fact that we want to stimulate the business in which you are engaged."

Mr. JONES of Washington. Mr. President, the committee had no question as to the constitutionality of this proposed legislation.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. JONES of Washington. I yield.

Mr. LENROOT. I should like to suggest to the Senator, in response to the question of the Senator from Utah, that the courts have held repeatedly that the uniformity required by the Constitution is a geographical uniformity only.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from North Carolina?

Mr. JONES of Washington. I do.

Mr. SIMMONS. The Senator, in reading the amendment, said something about its making an exemption in the case of mortgages. I did not quite understand that.

Mr. JONES of Washington. No; the amendment contains this provision:

Provided, That such owner shall not be entitled to such deduction unless during such taxable year he invested, or set aside under rules and regulations to be made by the board in a trust fund for investment, in the building in shipyards in the United States of new vessels of a type and kind approved by the board, an amount, to be determined by the Secretary of the Treasury and certified by him to the board, equivalent to the war-profits and excess-profits taxes that would have been payable by such owner on account of the net earnings of such vessels but for the deduction allowed under the provisions of this section, or unless such owner, with the approval of the board (to be given only if because of the smallness of the amount involved the board deems it best for the interests of the United States), applies such amount on any mortgage indebtedness due to the United States for the purchase of ships.

That is, if the amount of the excess-profits taxes that would be earned would, in the opinion of the board, be such that it would be unwise to try to invest it in ships, the board may permit its credit upon mortgages for the purchase of ships. Otherwise it goes into the Treasury as excess-profits tax, and no exemption is allowed.

Mr. SIMMONS. I am not going to object to that, but that was not in the amendment as I originally understood it, and I think it extends the principle rather far.

Mr. JONES of Washington. If there should be objection to that, I should have no objection to its being stricken out; but that idea has been in the amendment from the beginning. Probably the Senator did not notice it. Of course, the main idea of it was the exemption for the construction of new ships, and this was put in because it was thought that probably the earnings might be so small in the case of the owner of a single ship or two ships that the board would deem it wiser to allow the amount to go on a mortgage.

Mr. CALDER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from New York?

Mr. JONES of Washington. I do.

Mr. CALDER. If the Senator from North Carolina will permit me, suppose the owner of one of these vessels that has the excess profits should have purchased that ship from the Shipping Board and there should be a very large mortgage on the ship held by the Shipping Board. These excess-profits taxes might be applied to pay off that mortgage rather than to build new ships. That was the theory of it, I imagine.

Mr. SIMMONS. Mr. President, I must confess that I do not like that feature of it. My understanding of the matter was that this was to encourage the construction of new ships where a ship was sold and all the money—not that part of it which would represent the excess profits, but the entire purchase money received for that ship—was reinvested in other ships.

Mr. JONES of Washington. I will say to the Senator that that is the next paragraph of the section. That is the paragraph which I was just going to start to explain. There are three propositions involved in the amendment.

Mr. SIMMONS. Very well.

Mr. JONES of Washington. Mr. President, I want to say to the Senator from Utah that personally I should have no objection to a direct appropriation, but I believe this is a better way to work it out. I am in favor of that only as a last resort toward building up an American merchant marine. I think this is a better way to do it than that. The second paragraph relates to the matter which the Senator from North Carolina has just mentioned, and, briefly, it covers this situation. According to many of the ship people of the country, there are quite a good many old ships. If those ships were sold under prevailing conditions they would bring in quite a large sum and a large profit; but the greater part of that profit is taken by the excess-profits tax or the income tax, and as a result the owners do not sell the ships. They either operate them or else they tie them up.

It was hoped that under this provision the owners could be induced to sell these ships and invest the proceeds in new, up-to-date ships, and this provision simply meets that situation by permitting the profits arising from such a sale, if they sell the ships, to be exempt from income taxes if all of the proceeds of the sale are invested in new ships. It is simply another incentive to get new ships built.

The next provision in this section is with reference to depreciation. As I understand it, the Treasury Department, under the income-tax laws, now allows only about 3 per cent depreciation. In other countries a larger percentage is allowed. This simply provides a way for a board which shall determine the amount of the depreciation to be allowed on these ships, so as to put our operators of ships upon a parity with their competitors. There is no real exemption there. There is no real subsidy in that proposition. It is simply a proposition to put them upon a parity with their competitors so far as depreciation allowed for ships is concerned.

Mr. President, those are the three paragraphs of the section. The committee has simply looked at the matter in this light: We have felt that we want an American merchant marine. We propose to do everything that we consider necessary to get an American merchant marine of up-to-date, modern ships. We did not have them before the war. Our capitalists would not go into the business. They would not build them, and our trade was carried under a foreign flag. If we do not do something to help them out there is no reason to assume that that condition of things will not occur again, because it is certain that our competitors on the sea are going to do everything in their power to keep us off the sea or drive our ships from the sea. We are willing to go to this length, at any rate. We believe it would do great good.

Mr. NUGENT. Mr. President, will the Senator yield?

Mr. JONES of Washington. I yield.

Mr. NUGENT. I notice that the last paragraph of the section under discussion limits the authority of the officers named to fix the amount of depreciation on vessels completed since November 11, 1918. I inquire of the Senator why that limitation?

Mr. JONES of Washington. I will state the purpose of that provision. Everybody knows that people who owned ships when the war broke out in many cases have been enabled to write off possibly the entire cost of the ship in profits coming from the great freight rates that they have been able to get. We did not believe anything of this kind was necessary in a case like that, and that is the reason why we did it. When the war started, in 1914, rates went up, and a man who owned a ship made enormous profits; sometimes one voyage paid for his ship. There is no reason in the world why he should be permitted any depreciation. But if a man comes in now with a little ship he must face the conditions which confront everybody at this time. So we made this apply to him. We cut it out from the other simply because we felt they have been enabled to write off a great deal of the cost.

Mr. NUGENT. I desire to inquire of the Senator from Washington whether he is willing to permit action on this amendment to go over until to-morrow morning?

Mr. JONES of Washington. The Senator from Wisconsin [Mr. LENROOT] desires to speak, and when he concludes it will go over until to-morrow, and we will have an executive session.

Mr. LENROOT. Mr. President, before discussing the merits of this section, I have consulted with the chairman of the committee, and he has no objection to the amendment being adopted which I now suggest. After the word "years," in line 16, page 25, I move to insert the words "while so operated."

Mr. JONES of Washington. That is entirely satisfactory.

The amendment to the amendment was agreed to.

Mr. LENROOT. Now I move to strike out the first paragraph of the section.

The PRESIDING OFFICER. The Senator from Wisconsin moves to strike out the first paragraph of section 25. The question is on agreeing to the amendment to the amendment.

Mr. LENROOT. Mr. President, the part of the section my motion covers is the exemption of these vessels engaged in the foreign trade from excess and war profits taxes.

In the first place, Mr. President, I want to call attention to the discrimination which will be imposed by this section upon our coastwise trade, which is, of course, a very important element in our trade. The entire capital cost of vessels engaged in foreign trade can be written off under this section, and then they can engage in our coastwise trade, without any capital investment, in competition with that coastwise trade. With this provision in the law I do not believe we would ever have a first-class vessel built in shipyards in this country for the purpose only of engaging in our coastwise trade. Our people could not afford to take the chances of investing that large amount of capital as against the competition which would follow from such an investment.

But upon the broader question of the merits of this proposition, Mr. President, I submit that this is not the way to en-

courage the upbuilding of an American merchant marine. It is vicious and unscientific. Many years ago the various States of the Union enacted laws to encourage industry within their borders through the means of exempting a particular industry from taxation. I think every State in the Union has abandoned that system, and it is not found upon a single statute book to-day.

Why is it vicious here? Under this provision, Mr. President, a man who needs no help is rewarded; the man who is making a very profitable return upon his investment is rewarded. It does nothing for the man who has bought a ship, or a fleet of ships, and is engaged in transportation where he is not making any return whatever upon his investment. If there was to be any scientific adjustment of this matter, it would not exempt the profitable shipowner, for he needs no exemption. It would take those taxes and put them into a fund, and that fund has to be used for the benefit of the shipowner who did not have a profitable investment.

But even then, Mr. President, this is not the way to reach the question of the encouragement of a merchant marine. If with the other provisions of the bill we can not build up an American merchant marine engaged in our foreign trade, it seems to me the path that the Congress should follow in building up that merchant marine is very clear, and that is through subsidy if need be; but only such sum as the discrimination between the wages paid upon foreign ships and the wages paid upon our ships, to ascertain in each case what the difference is, and pay only the difference in wages that exists. If the difference be in capital account, to ascertain what the difference is in a given case, and make good that difference, if they do not make good out of earnings.

There is no system about the plan which is here proposed. As I said a moment ago, it rewards the line which is making exorbitant profits, and permits it to keep them, while where there is need of establishing a line of transportation, where it does not and can not make a profit, there is no encouragement or help for such a line in the provisions of this bill.

So much for the first paragraph. The next paragraph, exempting from income taxes the profits upon a vessel built prior to January 1, 1914, if those profits are invested in a new ship, I am thoroughly in accord with. That is merely changing capital account from one form into another form, and I certainly agree that that paragraph should be adopted.

But when we come to the next paragraph, we find that it permits the Secretary of the Treasury, the Secretary of Commerce, and the chairman of the board to determine from time to time what shall be allowed for annual depreciation of vessels purchased from the United States, or vessels completed in the United States, since November 11, 1918, in order that the owners of such vessels shall, with respect to the capital cost thereof, be put as nearly as may be on a parity with the owners of ships under the flag of our foreign competitors in the world's carrying trade, and such allowances shall be embraced in the deductions allowed by law in determining the net income subject to income taxes and war-profits and excess-profits taxes.

This treats as depreciation something which the chairman will admit is not depreciation at all. It is not depreciation at which this section is aimed; it is subsidy. It has nothing to do with depreciation. The depreciation in a ship, whatever percentage is allowed, is the difference in value between that ship as at first constructed and as it depreciates in value from year to year. That depreciation will be allowed as a matter of course, but that is not what is meant by this paragraph. After all, the proper depreciation is allowed, and in addition the committee now calls something depreciation which is not depreciation at all.

The chairman referred a moment ago to the fact that prior to November 11, 1918, the ships in our foreign-carrying trade were able to write off their entire capital investment in the profits they had made. That is true. So we have foreign ships to-day coming into competition with the ships covered by this bill, where there is no capital investment at all, because it is written off. Yet here is a direction to allow as depreciation the difference between the capital cost of those foreign ships and the capital cost of our own, which would mean the entire cost of the ships covered by the bill. Of course, there would never be any tax under that proposition.

What becomes of that first paragraph, then, where you say there shall be an exemption of excess profits and war taxes, provided the amount of those war taxes and excess profits are invested in ships for the benefit of building up and encouraging the merchant marine, when you have in that very section itself a provision which exempts them in effect from all of those taxes and they can put the money in their pockets?

There is no requirement whatever for the building of ships or even paying off mortgages that may be owed to the Shipping Board. So it seems very clear to me that the first paragraph and the last paragraph of this section should be stricken out. It is discrimination against our coastwise merchant marine. It is a subsidy in its most vicious form, in a form that has been abandoned by all economists and by all the States of the Union that I know anything about. It gives a reward to those who do not need the reward, who ought not to have the reward, and withholds any encouragement from the shipowner who, if he is to have a subsidy at all, ought to receive it from the Government.

Mr. KING. May I ask the Senator a question before he takes his seat?

Mr. LENROOT. Certainly.

Mr. KING. Do I understand the Senator's contention to be that, under the first paragraph of the section which he has been discussing, the person who receives exemption and utilizes it in the construction of a ship for foreign trade might use that ship in domestic trade?

Mr. LENROOT. He would have a perfect right to do so.

Mr. KING. Does the Senator think that is improper and ought to be prohibited?

Mr. LENROOT. I say that while on the one hand we are in a way encouraging the building of ships for our foreign trade, we are discouraging the building of any new ships in the United States for our coastwise trade, because there is a discrimination. This provision is limited to ships engaged in our foreign trade. Ships engaged in our coastwise trade do not receive the benefits of this exemption. So at the end of 10 years, through this exemption, the capital cost of a ship may be entirely written off, and, of course, they can then enter into competition. No coastwise ship can compete with a ship where it has had its capital cost written off through exemption, where the coastwise ship has to pay its full excess-profits and war tax. That is what I mean.

Mr. JONES of Washington. I merely wish to suggest, with reference to the coastwise ships, that they have a monopoly now of their business.

Mr. LENROOT. Yes.

EXECUTIVE SESSION.

Mr. JONES of Washington. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were opened, and (at 5 o'clock and 10 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, May 19, 1920, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate May 18, 1920.

UNITED STATES ATTORNEY.

Robert R. Carman, of Baltimore, Md., to be United States attorney, district of Maryland, vice Samuel K. Dennis, resigned, effective May 31, 1920.

COAST GUARD.

Capt. James H. Brown to be a senior captain in the Coast Guard of the United States, to rank as such from May 11, 1920, in place of Senior Capt. John C. Cantwell, retired.

Capt. Harry G. Hamlet to have temporarily the rank of senior captain in the Coast Guard of the United States, to rank as such from May 11, 1920, in place of James H. Brown, promoted from the temporary grade of senior captain.

PROMOTIONS IN THE ARMY.

CORPS OF ENGINEERS.

To be colonel.

Lieut. Col. George P. Howell, Corps of Engineers, from May 11, 1920.

To be lieutenant colonel.

Maj. Francis A. Pope, Corps of Engineers, from May 11, 1920.

To be majors.

Capt. Oscar N. Solbert, Corps of Engineers, from May 11, 1920, subject to examination required by law.

Capt. Beverly C. Dunn, Corps of Engineers, from May 12, 1920.

CAVALRY ARM.

To be captains.

First Lieut. Harrie K. Dalbey, Cavalry, from October 8, 1919, subject to examination required by law.

First Lieut. John W. McDonald, Cavalry, from October 9, 1919.

First Lieut. David H. Blakelock, Cavalry, from October 9, 1919.

First Lieut. Rinaldo L. Coe, Cavalry, from October 9, 1919.
First Lieut. Harold J. Duffey, Cavalry, from October 12, 1919.
First Lieut. Jay K. Colwell, Cavalry, from November 15, 1919.
First Lieut. Otis Porter, Cavalry, from November 15, 1919.
First Lieut. Emory M. Mace, Cavalry, from November 24, 1919.
First Lieut. Harry H. Dunn, Cavalry, from November 24, 1919.
First Lieut. Renn Lawrence, Cavalry, from December 3, 1919.
First Lieut. John L. Rice, Cavalry, from January 5, 1920.
First Lieut. Nelson M. Imboden, Cavalry, from January 5, 1920.
First Lieut. Randolph Dickins, Cavalry, from January 5, 1920.
First Lieut. John N. Steele, Cavalry, from January 5, 1920.
First Lieut. Eugene M. Dwyer, Cavalry, from January 10, 1920.
First Lieut. Wharton G. Ingram, Cavalry, from January 13, 1920.
First Lieut. Adrian St. John, Cavalry, from January 23, 1920.
First Lieut. Robert M. Carswell, Cavalry, from January 26, 1920.
First Lieut. Walter C. Merkel, Cavalry (Signal Corps), from January 30, 1920.
First Lieut. Julian W. Cunningham, Cavalry, from January 30, 1920.
First Lieut. Sam G. Fuller, Cavalry, from January 30, 1920.
First Lieut. Clinton A. Pierce, Cavalry, from January 31, 1920.
First Lieut. Thomas M. Cockrill, Cavalry, from February 3, 1920.
First Lieut. Delmore S. Wood, Cavalry, from February 6, 1920.
First Lieut. Arthur Vollmer, Cavalry, from March 1, 1920.
First Lieut. Otto B. Trigg, Cavalry, from March 1, 1920.
First Lieut. George W. L. Prettyman, Cavalry, from March 1, 1920.
First Lieut. Horace L. Hudson, Cavalry, from March 2, 1920.
First Lieut. Lawrence C. Frizzell, Cavalry, from March 9, 1920.
First Lieut. Robert F. White, Cavalry, from March 15, 1920.
First Lieut. Henry D. Jay, Cavalry (Signal Corps), from March 15, 1920.
First Lieut. Ray L. Burnell, Cavalry, from March 15, 1920.
First Lieut. Ray Harrison, Cavalry, from March 20, 1920.
First Lieut. William F. Daugherty, Cavalry (Signal Corps), from March 27, 1920.
First Lieut. Stephen H. Sherrill, Cavalry (Signal Corps), from March 30, 1920.
First Lieut. Charles H. Gerhardt, Cavalry, from March 30, 1920.
First Lieut. Herbert C. Holdridge, Cavalry, from April 13, 1920.
First Lieut. Albert C. Smith, Cavalry, from April 13, 1920.
First Lieut. Nicholas W. Lisle, Cavalry, from April 19, 1920.
First Lieut. Percy G. Black, Cavalry, from April 19, 1920.
First Lieut. Albert C. Stanford, Cavalry (Signal Corps), from April 19, 1920.
First Lieut. Louis LeR. Martin, Cavalry, from April 19, 1920.
First Lieut. William K. Harrison, jr., Cavalry, from April 22, 1920.
First Lieut. Josiah F. Morford, Cavalry (Signal Corps), from April 26, 1920.
First Lieut. Ernest N. Harmon, Cavalry, from April 26, 1920.

To be first lieutenants.

Second Lieut. Clyde B. Bell, Cavalry, from October 8, 1919.
Second Lieut. John M. Bethel, Cavalry, from October 9, 1919.
Second Lieut. Francis P. Tompkins, Cavalry, from October 9, 1919.
Second Lieut. Cornelius C. Jadwin, 2d, Cavalry, from October 9, 1919.
Second Lieut. Donald Coray, Cavalry, from October 9, 1919.

INFANTRY.

To be majors.

Capt. Auswell E. Deitsch, Infantry (Division Train), from May 8, 1920.
Capt. Joseph C. Kay, Infantry (Quartermaster Corps), from May 8, 1920.
Capt. Walter C. Jones, Infantry (Quartermaster Corps), from May 8, 1920.
Capt. La Vergue L. Gregg, Infantry, from May 8, 1920.

To be captains.

First Lieut. Lewis Perrine, Infantry, from December 1, 1919.
First Lieut. Clarke K. Fales, Infantry, from December 2, 1919.
First Lieut. Madison Pearson, Infantry, from December 4, 1919.
First Lieut. John M. Boon, Infantry, from December 12, 1919.
First Lieut. Roger Hilsman, Infantry, from January 7, 1920.
First Lieut. Holmes E. Dager, Infantry, from January 9, 1920.
First Lieut. James E. Allison, Infantry, from January 9, 1920.
First Lieut. Harry E. Fischer, Infantry, from January 13, 1920.
First Lieut. Charles E. Rayens, Infantry, from January 13, 1920, subject to examination required by law.
First Lieut. Charles H. Jones, Infantry, from January 14, 1920.
First Lieut. Roger Williams, jr., Infantry, from January 20, 1920.
First Lieut. Harry B. Hildebrand, Infantry (Signal Corps), from January 20, 1920.
First Lieut. William Hones, Infantry, from January 24, 1920.
First Lieut. Albert C. Anderson, Infantry, from January 24, 1920.
First Lieut. William H. Joiner, Infantry, from January 24, 1920.

PROMOTIONS IN THE NAVY.

Capt. David F. Sellers to be a captain in the Navy from the 31st day of December, 1918, to correct the date from which he takes rank as previously nominated and confirmed.

Capt. Clark D. Stearns to be a captain in the Navy from the 30th day of June, 1919, to correct the date from which he takes rank as previously nominated and confirmed.

Capt. Powers Symington to be a captain in the Navy from the 1st day of July, 1919, to correct the date from which he takes rank as previously nominated and confirmed.

Lieut. Col. Dickinson P. Hall to be a colonel in the Marine Corps, for temporary service, from the 28th day of March, 1920.

Maj. Charles T. Westcott to be a lieutenant colonel in the Marine Corps, for temporary service, from the 28th day of March, 1920.

Capt. Frederick R. Hoyt to be a major in the Marine Corps, for temporary service, from the 28th day of March, 1920.

Second Lieut. David H. Owen to be a first lieutenant in the Marine Corps, for temporary service, from the 11th day of October, 1919.

First Lieut. (temporary) David H. Owen to be a captain in the Marine Corps, for temporary service, from the 12th of October, 1919.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 18, 1920.

REPRESENTATIVES OF THE GOVERNMENT OF THE UNITED STATES TO PARTICIPATE IN AN INTERNATIONAL CONFERENCE TO BE HELD IN WASHINGTON TO CONSIDER ALL INTERNATIONAL ASPECTS OF COMMUNICATION BY TELEGRAPH, TELEPHONE, CABLE, WIRELESS TELEPHONE, AND WIRELESS TELEGRAPHY, AND TO MAKE RECOMMENDATIONS WITH A VIEW TO PROVIDING THE ENTIRE WORLD WITH ADEQUATE FACILITIES FOR INTERNATIONAL COMMUNICATION ON A FAIR AND EQUITABLE BASIS.

Albert S. Burleson.
Rear Admiral William S. Benson.
Walter S. Rogers.

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY.

George W. P. Hunt to be envoy extraordinary and minister plenipotentiary to Siam.

CONSULAR SERVICE.

Homer Brett to be a consul of class 7.

WAR FINANCE CORPORATION.

George R. Cooksey to be a director of the War Finance Corporation.

COMMISSIONER OF IMMIGRATION.

Henry J. Skeffington to be commissioner of immigration at the port of Boston, Mass.

UNITED STATES ATTORNEY.

James H. Hughes, jr., to be United States attorney, district of Delaware.

REGISTERS OF LAND OFFICES.

John L. Heffernan, Marquette, Mich.
Joseph Oker, Helena, Mont.
Mack C. Warrington, Broken Bow, Nebr.
George A. C. Rochester, Seattle, Wash.
John L. Wiley, Spokane, Wash.
Henry Alexander Porter, Vancouver, Wash.
Richard Strobach, Yakima, Wash.

RECEIVERS OF PUBLIC MONEYS.

Perry H. Ross, Marquette, Mich.
Sydney S. Beggs, Waterville, Wash.
Kurt A. Beyreis, Wausau, Wis.

POSTMASTERS.

MAINE.

Ray C. Gary, Caribou.
Gustavus A. Young, Island Falls.
Wilbur L. Phoenix, National Soldiers' Home.
Lewis G. Tewksbury, Stonington.
Carleton E. Young, Winterport.

NEW YORK.

Henry W. Bowes, Bath.

OKLAHOMA.

Clarence D. Hull, Carnegie.
Louie Garland, Fort Gibson.
William H. Whiddon, Grandfield.
Minnie Davis, Hastings.
Willard P. Morris, Hooker.
Charley M. Foil, Jennings.
Byron I. Skinner, Kiefer.
David G. Woodworth, Kingfisher.
Roy J. Clark, Kusa.
Clifton J. Owens, Mill Creek.
Ira K. Turnham, Muldrow.
Henry C. De Munbrun, Oilton.
Samuel A. Walker, Rocky.
Fred Godard, Wellston.
John M. Dollarhide, Wright City (late Wright).

PENNSYLVANIA.

Margaret M. Little, Mars.

WASHINGTON.

Stanley A. Claflin, Elma.

HOUSE OF REPRESENTATIVES.

TUESDAY, *May 18, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Father in heaven, we approach Thee with gratitude welling up in our hearts for the God-like qualities inherent in the soul of man which in times of crises lifts him out of himself and makes him a hero in the sight of men and in Thine approbation.

It is a glorious thing to die on the field of battle, amid the roar of shot and shell for a great principle; but it is more glorious to live to a principle in the daily acts of life. Help us therefore to think right, to live right, in accordance with the right as it has been revealed to us; after the similitude of the world's Great Redeemer, who lived and died a hero. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS.

Mr. TOWNER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a short report of the Commissioner of Labor for Iowa regarding labor conditions in Iowa and in the Middle West. It is short, only occupying one page of typewritten matter.

The SPEAKER. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD as indicated. Is there objection?

Mr. GARD. Mr. Speaker, reserving the right to object, is this report from the commissioner of labor of the National Government or the State of Iowa?

Mr. TOWNER. No, sir; it is a report from the commissioner of labor for Iowa; he is also Federal Director of the United States Employment Service in Iowa.

Mr. GARD. On the question of farm labor in the Middle West?

Mr. TOWNER. Yes, sir.

Mr. BLANTON. Mr. Speaker, reserving the right to object, dealing with what phase of it, may I ask the gentleman?

Mr. TOWNER. The report was given out and was very extensively circulated in the United States that 150,000 farm laborers were required in Iowa.

Mr. BLANTON. More than lived there?

Mr. TOWNER. Yes; and this report goes to show that the statement is very much less, in fact about 1,500 instead of 150,000 according to the report given to him officially. It has quite an interesting bearing upon labor conditions in the Central West.

Mr. BLANTON. And yet it indicates, which it must do if it indicates real conditions, that there is to-day within the United States a job for every man who is willing to work.

Mr. TOWNER. Certainly, upon the farms of the Middle West, I will say to the gentleman.

The SPEAKER. Is there objection to the request? [After a pause.] The Chair hears none.

The matter referred to is as follows:

TRUE CONDITIONS OF FARM LABOR IN IOWA.

Reports are being circulated throughout the country indicating a great shortage of farm labor in Iowa. One of these reports is to the effect that the Iowa farmers are 150,000 men short of requirements; that as a result of this many acres of Iowa farm lands are taken out of tillage and put to pasture. These statements are said to have a serious influence with financial institutions, including banks, insurance and loan companies, in the loan of money to Iowa farmers.

These excessive figures are not true.

There has been a shortage of farm help, as indicated by the reports from county farm agents to the State Federal Employment Service. Every county in the State is thoroughly organized, there being one county farm agent for each county of the State, and Pottawattamie County, because of its size, has two agents, making 100 agents for the State. Each of these is thoroughly familiar with the conditions of his county.

In a questionnaire sent out to these agents under date of March 1 there was indicated an unsupplied shortage or demand for 619 married farm hands and 745 single hands, making a total shortage for the early part of March of 1,464 farm hands. Under date of April 1 a second questionnaire was mailed to the agents, and the early part of April indicated a shortage of 297 married farm hands and 1,152 single hands, making a total of 1,449. This represents the shortage, instead of 150,000, as indicated in press notices.

It is reported that Mr. J. N. Howard, president of the American Farm Bureau Federation, a resident of Iowa, should have reported the shortage of 150,000 farm workers. Mr. Howard has been using the figures of the State Federal Employment Service, and instead of 150,000 has given the figures as approximately 1,500 in all of the addresses that have come to our notice.

As to the great cut of acreage under tillage, 57 counties report a cut in acreage of approximately 10 per cent; 28 counties report a cut, but of so small proportion that the agents did not give the per cent; while 14 counties report no cut in acreage whatsoever. The reports from these also indicate the wages that are being paid and which are likewise stated in dispatches to be so excessive that it will be impossible for farmers to employ labor at the excessive rate.

The average from all reports received from county agents for the months of March and April was $73.25 for married men and $67.91 for single men. In some counties the rate being, of course, lower than this average, while in other counties because of conditions the rates are somewhat higher.

The lateness of the season has had some little effect in the acreage put under tillage, but Iowa is doing her full share and will continue to do her full share as a food-producing State; and while we can use some additional farm laborers, as indicated by the reports of the county agents, there is no such shortage as shown in these press dispatches, which are doing a great damage to the State of Iowa and to the Nation.

A. L. URICK,
Commissioner for Iowa, Federal Director United States Employment Service.

Attest:

GEO. B. ALBERT, *Chief Clerk.*

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 1023. An act for the relief of certain nations or tribes of Indians in Montana;

S. 2298. An act for the relief of the Flathead Nation of Indians;

S. 4273. An act to amend an act entitled "An act to amend section 1, chapter 209, of the United States Statutes at Large, volume 27, entitled 'An act providing when plaintiff may sue as a poor person and when counsel shall be assigned by the court,' and to provide for the prosecution of writs of error and appeals in forma pauperis, and for other purposes," approved June 25, 1910 (36 Stat. L., p. 866);

S. 3998. An act authorizing any tribes or bands of Indians of California to submit claims to the Court of Claims;

S. 3210. An act for the consolidation of lands within the Jefferson National Forest;

S. 3244. An act to authorize the Secretary of the Interior to issue patent to R. L. Credille, mayor of the village of Bonita, La., in trust, for certain purposes;

S. 4332. An act to exchange the present Federal building and site at Gastonia, N. C., for a new site and building;
S. 3372. An act authorizing the Secretary of the Interior to issue a patent to Jennie Dunphy Meyer for certain lands in the State of Nevada;
S. 3992. An act authorizing the exchange of certain lands in the State of Nevada; and
S. 2800. An act authorizing the Coos Bay, Umpqua, and Siuslaw Tribes of Indians in the State of Oregon to submit claims to the Court of Claims.

The message also announced that the Senate had passed with amendments bills of the following titles, in which the concurrence of the House of Representatives was requested:

H. R. 5163. An act authorizing certain tribes of Indians to submit claims to the Court of Claims, and for other purposes;
H. R. 9521. An act to prevent hoarding and deterioration of and deception with respect to cold-storage foods, to regulate shipments of cold-storage foods in interstate commerce, and for other purposes;
H. R. 12626. An act for the relief of certain persons to whom, or their predecessors, patents were issued to public lands along the Snake River in the State of Idaho under an erroneous survey made in 1883;
H. R. 10072. An act to provide for the punishment of officers of United States courts wrongfully converting moneys coming into their possession, and for other purposes;
H. R. 7629. An act to amend the penal laws of the United States; and
H. R. 12044. An act to accept the cession by the State of California of exclusive jurisdiction over the lands embraced within the Yosemite National Park, Sequoia National Park, and General Grant National Park, respectively, and for other purposes.

The message also announced that the Senate had passed without amendments bills of the following titles:

H. R. 11024. An act to amend an act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1914," approved June 30, 1913;
H. R. 13274. An act to convey to the Big Rock Stone & Construction Co. a portion of the military reservation of Fort Logan H. Roots, in the State of Arkansas;
H. R. 13576. An act authorizing the Secretary of War to turn over to the Postmaster General, without charge therefor, a certain building or buildings now located at Watertown, N. Y.;
H. R. 13157. An act authorizing the issuance of patent to Johnson County, Wyo., of lands for poor farm purposes;
H. R. 8440. An act to restore to the public domain certain lands heretofore reserved for a bird reservation in Siskiyou and Modoc Counties, Calif., and Klamath County, Oreg., and for other purposes;
H. R. 10285. An act to authorize the purchase by the city of Myrtle Point, Oreg., of certain lands formerly embraced in the grant to the Oregon & California Railroad Co., and revested in the United States by the act approved June 9, 1916;
H. R. 13389. An act to authorize the Secretary of the Interior to dispose of at public sale certain isolated and fractional tracts of lands formerly embraced in the grant to the Oregon & California Railroad Co.;
H. R. 9825. An act authorizing certain railroad companies or their successors in interest to convey for public-road purposes certain parts of their rights of way; and
H. R. 13138. An act to amend section 8 of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended May 15, 1916.

The message also announced that the Senate had further insisted upon its amendments to the bill (H. R. 11960) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921, disagreed to by the House of Representatives, had agreed to the further conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. LODGE, Mr. BORAH, and Mr. POMERENE as the conferees on the part of the Senate.

The message also announced that the Senate had agreed to the conference on the Agricultural bill (H. R. 12272), had further insisted upon its amendments, and agreed to the further conference asked by the House, and had appointed Mr. GRONNA, Mr. NORRIS, and Mr. GORE as the conferees on the part of the Senate.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 3210. An act for the consolidation of lands within the Jefferson National Forest; to the Committee on the Public Lands.
S. 3372. An act authorizing the Secretary of the Interior to issue a patent to Jennie Dunphy Meyer for certain lands in the State of Nevada; to the Committee on the Public Lands.
S. 3992. An act authorizing the exchange of certain lands in the State of Nevada; to the Committee on the Public Lands.
S. 4273. An act to amend an act entitled "An act to amend section 1, chapter 209, of the United States Statutes at Large, volume 27, entitled 'An act providing when plaintiff may sue as a poor person and when counsel shall be assigned by the court,' and to provide for the prosecution of writs of error and appeals in forma pauperis, and for other purposes," approved June 25, 1910 (36 Stats., p. 866); to the Commitee on the Judiciary.
S. 4332. An act to exchange the present Federal building and site at Gastonia, N. C., for a new site and building; to the Committee on Public Buildings and Grounds.
S. 1023. An act for the relief of certain nations or tribes of Indians in Montana; to the Committee on Indian Affairs.
S. 2298. An act for the relief of the Flathead Nation of Indians; to the Committee on Indian Affairs.
S. 2800. An act authorizing the Coos Bay, Umpqua, and Siuslaw Tribes of Indians in the State of Oregon to submit claims to the Court of Claims; to the Committee on Claims.

AMENDING PENAL LAWS OF THE UNITED STATES.

Mr. STEENERSON. Mr. Speaker, I ask to take from the Speaker's table the bill H. R. 9781, with Senate amendments. It does not require consideration in the Committee of the Whole House, and I move to concur in the Senate amendments.

The SPEAKER. The gentleman from Minnesota calls up the bill with Senate amendments, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 9781) to amend section 217 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909.

The Senate amendments were read.

Mr. STEENERSON. Mr. Speaker, I call up this bill under Rule XXIV as being a House bill with Senate amendments——

The SPEAKER. The gentleman is recognized.

Mr. STEENERSON. And neither the bill nor amendments are required to be considered in the Committee of the Whole House. It is simply a matter of legislation. The Senate amendments simply increase the penalties prescribed in the law. This is a bill that was passed by unanimous consent here on a report of the Post Office Committee, on the recommendation of the Post Office Department, and that department has recommended it for two or three successive times, but this is the first time that it has gone through both Houses.

Mr. ANTHONY. What does the bill do?

Mr. STEENERSON. It provides for permits to transmit poisons in the mail as prescribed by the Post Office Department from manufacturers and pharmacists to dealers, dentists, physicians, surgeons, and so forth. The necessity for it arises from the decision of the Federal court, which ruled that the former statutes did not authorize the department to limit the transmission of these poisons from manufacturers and dealers to physicians, and so forth, and the rules and regulations to that effect were held in conflict with the statute itself.

Mr. CLARK of Missouri. Will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. CLARK of Missouri. What is this the gentleman is doing, raising the penalty on something from $5,000 to $10,000?

Mr. STEENERSON. The Senate has amended the House bill, which prescribed a penalty of $5,000 and 10 years, the same as existing law, Penal Code, section 217, by raising the maximum to $10,000 or 20 years.

Mr. CLARK of Missouri. For what?

Mr. STEENERSON. For transmitting poisons in the mail with intent to kill or in anywise hurt, harm, or injure, or damage, deface, or otherwise injure the mails or other property.

Mr. CLARK of Missouri. Well, now, does the gentleman from Minnesota believe it does any good to raise the penalty to an exorbitant degree?

Mr. STEENERSON. The Senate, in their report, states that inasmuch as a violation of this statute transmitting poisons through the mail with such intent might result in death, they recommended that the penalty be increased to $10,000 and 20 years.

Mr. CLARK of Missouri. What I am asking the gentleman is, if he thinks that increasing the penalty improves the law?

Mr. STEENERSON. Well, I think it is justifiable to increase the penalty as recommended by the Senate.

Mr. CLARK of Missouri. I know, but you do not answer my question. That is, Do you believe that increasing the penalty for a crime to an exalted point, helps to enforce the law or does any good at all?

Mr. STEENERSON. I do, because this law practically leaves the maximum to the court, and they can put it as low as they desire in their discretion, and in the administration of law there might be cases where the court would be justified in imposing the high penalty proposed by the Senate.

Mr. GARD. Does the penalty fix a minimum or maximum?

Mr. STEENERSON. It simply fixes a maximum.

Mr. GARD. And no minimum punishment?

Mr. STEENERSON. No.

Mr. GARD. What is the maximum? Ten years in prison?

Mr. STEENERSON. Yes. Mr. Speaker, I move the previous question on the amendment?

Mr. MOON. Is this the Senate amendment to the bill that passed the House?

Mr. STEENERSON. Yes. It was reported by our committee unanimously and passed unanimously in the House about two months ago.

Mr. MOON. And it comes back with a Senate amendment?

Mr. STEENERSON. It comes back with a Senate amendment which increases the maximum penalty.

Mr. MOON. Why does it not go to the committee?

Mr. STEENERSON. Well, under the rules I move to concur.

Mr. MOON. I know you can do that, but I think the matter best go to the committee for consideration.

Mr. CANNON. What rule now is the gentleman proceeding under?

Mr. STEENERSON. Under Rule XXIV.

The SPEAKER. The question is on agreeing to the Senate amendment.

The amendment was agreed to.

On motion of Mr. STEENERSON, a motion to reconsider the vote by which the Senate amendment was agreed to was laid on the table.

CONTESTED ELECTION CASE—SALTS AGAINST MAJOR.

Mr. DALLINGER. Mr. Speaker, in accordance with the notice which I gave on Saturday, I wish at this time to call up the contested election case of James D. Salts against Samuel C. Major, of the seventh congressional district of Missouri, and I move the adoption of the resolutions contained in said report and now in the hands of the Clerk.

NAVAL APPROPRIATION BILL.

Mr. KELLEY of Michigan. Will the gentleman withhold that until I make a request to send the naval bill to conference?

Mr. DALLINGER. Yes.

Mr. KELLEY of Michigan. I ask unanimous consent that the bill H. R. 13108, the naval appropriation bill, be taken from the Speaker's table, all amendments disagreed to, and the conference asked for by the Senate agreed to.

The SPEAKER. The gentleman from Michigan asks unanimous consent to take from the Speaker's table the Naval appropriation bill, disagree to all the Senate amendments, and agree to the conference asked by the Senate. Is there objection? [After a pause.] The Chair hears none.

The SPEAKER appointed the following conferees: Mr. BUTLER, Mr. KELLEY of Michigan, Mr. BRITTEN, Mr. PADGETT, and Mr. RIORDAN.

CONTESTED-ELECTION CASE—SALTS AGAINST MAJOR.

Mr. DALLINGER. Mr. Speaker, I renew my motion for the adoption of the resolution.

The SPEAKER. The gentleman from Massachusetts moves the adoption of the resolutions, which the Clerk will report.

The Clerk read as follows:

CONCLUSION.

Your committee, therefore, for the reasons hereinbefore stated, respectfully recommends to the House of Representatives the adoption of the following resolutions:

"*Resolved*, That James D. Salts was not elected a Representative in this Congress from the seventh congressional district of the State of Missouri and is not entitled to a seat herein.

"*Resolved*, That Sam C. Major was duly elected a Representative in this Congress from the seventh congressional district of the State of Missouri and is entitled to retain a seat herein."

Mr. DALLINGER. Mr. Speaker, I intend to occupy the time and the attention of the Members of this House only a few moments on this matter. I do wish, however, to make a brief statement, because it has been the custom in some quarters to adversely criticize the Congress of the United States in regard to its conduct of contested-election cases. I find that in many parts of the country it is the common belief among the people that these cases are decided on partisan grounds and not upon their merits. This belief, whatever may have been the case in the past, has no longer any basis of fact, and no better proof of this can be found than the record of the Committee on Elections No. 1 for the last three Congresses.

Mr. BLANTON. Will the distinguished gentleman yield?

Mr. DALLINGER. Certainly.

Mr. BLANTON. Has the distinguished gentleman so soon forgotten the case of Weaver against Britt?

Mr. DALLINGER. Mr. Speaker, I was referring particularly to the Committee on Elections No. 1. I believe the case to which the honorable gentleman has referred was decided upon its merits, upon the law and the facts. But the Committee on Elections No. 1 during the last three Congresses has made a unanimous report in every case submitted to it.

Mr. GOLDFOGLE. Will the gentleman kindly yield?

Mr. DALLINGER. Yes.

Mr. GOLDFOGLE. The gentleman very well suggested that these cases ought to be decided on their merits, and I thoroughly agree with him. I want to call the attention of the gentleman, however, to the fact that when he speaks of the past, that the Committee on Elections No. 3, of which I was privileged to be the chairman for some years, decided not only every case on its merits, but I think the record would show that that committee over which I presided decided more cases—it was then a Democratic committee—in favor of Republicans by far than it decided in favor of the Democrats, because we had considered each case upon its merits, and cared nothing about the political affiliations of either contestee or contestant.

Mr. DALLINGER. I will say, Mr. Speaker, that that is exactly the way these contested-election cases ought to be decided.

Now, in the last Congress the Committee on Elections No. 1 consisted of six Democrats and three Republicans, and under the leadership of my distinguished friend and colleague, Judge WILSON of Louisiana, we had three cases to decide, and in every case the committee unanimously decided in favor of the Republican candidate for Congress. In this Congress this committee, of which I have the honor to be chairman, has had two cases of a partisan character—the case of Reeves against Bland and the present case of Salts against Major, both from the State of Missouri—and although the committee in this Congress consists of six Republicans and three Democrats, in both of those cases, after a careful consideration of the facts and the law, the committee has unanimously decided in favor of the Democrat.

In this present case your committee finds, after a thorough investigation of all the facts, that James D. Salts, the Republican contestant, was not elected, but that the sitting Member [SAMUEL C. MAJOR] was elected by a plurality of 56 votes over his Republican contestant. I therefore trust that these resolutions, unanimously reported by your committee, will be unanimously adopted by this House. [Applause.]

The SPEAKER. The question is on agreeing to the resolutions.

The resolutions were agreed to.

NITRATES AND NITRATE PLANTS.

Mr. GRAHAM of Illinois. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. The gentleman from Illinois [Mr. GRAHAM] asks unanimous consent to proceed for one minute. Is there objection? [After a pause.] The Chair hears none.

Mr. GRAHAM of Illinois. Mr. Speaker, the Select Committee on Expenditures in the War Department has a report which it is about to file in the matter of nitrates and nitrate plants. I had promised the gentleman from Tennessee [Mr. GARRETT] that when I filed the report in the basket I would so advise him, for some parliamentary steps which he desired to take at that time. I desire to state that I am now filing the report in the basket.

Mr. GARRETT. Mr. Speaker, I make the point of order on the report, and being uncertain as to whether this point of order, which has no political phase whatever, may not in some form reach the House for decision under the precedents, much as I regret to do so, feeling that the membership, perhaps, should hear the discussion on it, I am constrained to make the point of no quorum, reserving the point of order.

The SPEAKER. Before the gentleman does that, will he allow the Chair to submit this question to him?

Mr. GARRETT. Yes.

The SPEAKER. To the Chair it is a novel suggestion that the gentleman can make a point of order to a report as it goes into the basket.

Mr. GARRETT. I will state to the Chair what is in my mind very frankly. It is not my purpose to appeal from the decision of the Chair—I will put it that way, because I know it will be

a well-considered opinion—but I do not know but that the Chair himself might feel constrained under some of the precedents, with which, I think, the Chair is familiar, to submit it to the House without passing directly on the question.

The SPEAKER. The gentleman means the question as to whether a point of order can be made on the putting of the report in the basket?

Mr. GARRETT. No; as to the disposition of the point of order to the report itself. I think there is no question but that I am in time in making the point of order and am making it at the right time; but whether the Speaker will feel constrained to submit it to the House without passing upon it, I do not know.

Mr. MANN of Illinois. Mr. Speaker, I make the point of order that the gentleman can not make a point of order at this time on the report submitted through the basket. He can not make the point of order until the matter comes up for consideration.

Mr. GARRETT. The gentleman has presented the report from the floor of the House under an agreement.

Mr. MANN of Illinois. Oh, no; he has not presented the report from the floor of the House, but he has presented it through the basket. I have no objection, so far as I am concerned, to the gentleman presenting the report from the floor of the House.

Mr. GARRETT. It was my understanding that it was to be so presented, and I thought it was the understanding of the gentleman from Illinois [Mr. GRAHAM]. I think it ought to be disposed of before the majority can dispose of the resolution.

Mr. MANN of Illinois. I do not desire to lose any rights that I may wish to preserve. The gentleman himself is seeking to protect his rights, and I am likewise seeking to protect my rights.

Mr. GARRETT. We are both within our rights.

The SPEAKER. The point of order that the gentleman from Illinois suggests is the same point that the Chair wished to inquire of the gentleman from Tennessee about.

Mr. GRAHAM of Illinois. Mr. Speaker, I dislike very much to have any controversy with the gentleman about it. The relations between the members of this committee have always been pleasant. But I have done just exactly what I told the gentleman from Tennessee [Mr. GARRETT] I would do. I told him I would advise him when I dropped the report in the basket, so that he could make the point of order.

Mr. GARRETT. I do not dispute the gentleman's word. I simply got the wrong impression. The resolution under which this committee was created, Mr. Speaker, gave it the right to report at any time. The language is the same as that in the certain cases of the general rules of the House. I thought the report was to be made from the floor of the House, the same as in the case of a privileged matter. There is no dispute between the gentleman from Illinois and myself on that question. There can be no question of veracity raised between us.

Mr. MANN of Illinois. The gentleman from Tennessee might make the point of order that the report would have to be presented from the floor of the House. I do not think any of these reports have been made from the floor of the House heretofore.

Mr. GARRETT. I think not. I ask unanimous consent that the gentleman from Illinois [Mr. GRAHAM] may submit this report as from the floor of the House, if that is agreeable to him, so that we may dispose of this point of order without further trouble.

Mr. GRAHAM of Illinois. Mr. Speaker, reserving the right to object, I am not a parliamentarian. The gentleman from Tennessee [Mr. GARRETT] is a very skillful Member of the House and well versed in parliamentary law. I do not know the exact effect that this would have upon the procedure, and therefore I am constrained to object.

Mr. GARRETT. Then I shall have to make the point of order that the report should be presented from the floor of the House.

The SPEAKER. The Chair will be glad to hear the gentleman on that point.

Mr. GARRETT. The resolution under which this committee was created provided that it should have the right to report at any time. The language is the same as the language——

The SPEAKER. The Chair has just asked the parliamentary clerk to look that up. The Chair is not familiar with the language and does not recall what it was. Will the gentleman please read the language?

Mr. GARRETT. It is provided that "the select committee shall report to the House, in one or more reports, as may be deemed advisable, the results of its investigation."

Perhaps I am in error about the matter of its providing that they should have the right to report at any time, unless it is in the former part of the resolution. I was under the impression that the resolution provided that the committee should have the right to report at any time.

Mr. MANN of Illinois. The gentleman from Tennessee will recall, of course, that as to the former reports from this committee——

Mr. GARRETT. They have been made through the basket.

Mr. MANN of Illinois. They were not only made through the basket, but they were not called up as privileged reports, but came up under a rule, and it seems to me that the language of the resolution creating the committee clearly does not give the report a privileged status. I think the gentleman agrees to that since reading the language himself.

Mr. GARRETT. Well, the purpose of the special rules was to have discussion. That was the real reason for the bringing in of those rules.

Mr. MANN of Illinois. If it had been called up at any time there could have been discussion. It was of a privileged status.

Mr. GARRETT. I think the report could, but I do not think it was privileged for discussion under the general rules of the House.

Mr. MANN of Illinois. Perhaps not.

Mr. GARRETT. Well, Mr. Speaker, I suppose we shall have to have a ruling on the question as to whether or not, it being presented through the basket, a point of order lies.

Mr. MANN of Illinois. I have no objection, as far as I am concerned, to the gentleman proceeding with his argument and the point of order reserved.

Mr. GARRETT. Will the gentleman withdraw his point of order?

Mr. MANN of Illinois. No; I will reserve it.

Mr. GARRETT. That means two points of order pending at once.

Mr. MANN of Illinois. That frequently happens.

Mr. MONDELL. Mr. Speaker, as to the point of order made by the gentleman from Tennessee that reports from this committee must be made from the floor, I think the Chair has already ruled on that point.

Mr. GARRETT. I withdraw that point, I will say to the gentleman from Wyoming.

The SPEAKER. The Chair will suggest that it might save the time of the House if this matter went over for a day, unless there is some particular haste. There might be some agreement about it.

Mr. MANN of Illinois. I am willing to reserve my point of order.

Mr. GARRETT. I believe I am within my rights in making the point of order as soon as I have official notice that the report is made. I wish to explain the situation. If the point of order I make is good, this report ought not to appear as the report of the committee and ought not to be printed as such. If the point of order should be sustained, I think it is well understood between the chairman of the select committee and myself that it will be modified to meet the situation. I do not wish it printed as the report of this committee if in fact it is subject to the point of order. That is my whole purpose in making the point of order at this time. I am perfectly willing to argue it with the point of order of the gentleman from Illinois pending. Of course, I will have to take the decision of the Chair.

Mr. MONDELL. The question raised, Mr. Speaker, is rather important as to whether or not a point of order can be made against a report of this kind when dropped in the basket. If the Chair prefers to have the matter go over for a brief time, it seems to me that is the thing to do.

The SPEAKER. This is the first time the question has been raised as far as the Chair knows. This is the first time that the point has ever been made.

Mr. GARRETT. I have some decisions. However. I am perfectly willing that it shall go over with the understanding that it shall not be printed until the point is disposed of.

Mr. GRAHAM of Illinois. Mr. Speaker, if I may suggest, for the expedition of this matter, why can not the matter be taken up later to-day when the point of order of the gentleman from Illinois might be discussed. There are some authorities on that proposition, and I have no doubt the gentleman from Illinois is conversant with them. I have one or two myself.

Mr. GARRETT. I have a brief on the subject.

Mr. GRAHAM of Illinois. The necessity for haste in this matter is that we are going to adjourn shortly. This select committee has several reports yet to make and it all takes time, and we want to hurry it along as fast as we can.

The SPEAKER. If the gentlemen have investigated this question, the Chair would be glad to hear them. The Chair understood that the point as to whether a point of order could be made on a report dropped in the basket had never arisen, but the Chair would be glad to hear gentlemen on that point.

Mr. BANKHEAD. Mr. Speaker, I thought the gentleman from Tennessee made the point of order that there was no quorum.

Mr. GARRETT. I withdrew that.

Mr. MANN of Illinois. I do not know that I would insist on the point of order, but I would like to reserve it, and perhaps I will withdraw it.

Mr. GARRETT. I am perfectly willing that the discussion on the point of order made by myself shall proceed with the point of order by the gentleman from Illinois reserved, if it be so desired by the Speaker.

The SPEAKER. Does the gentleman from Tennessee desire to make the point that there is no quorum present?

Mr. GARRETT. I do not. Mr. Speaker, I have indicated that in a certain contingency it might be desirable for the Members generally to hear the arguments. I think I made it clear to the Speaker what that contingency is. I presume the Speaker will rule on the question one way or the other.

Now, Mr. Speaker, I make the point of order that the report of the Select Committee to Investigate Expenditures in the War Department is not in order. First, because parts of its findings exceed the authority of the committee under the terms of the resolution creating it; and, second, that it infringes upon the jurisdiction of another committee of the House of Representatives, and is therefore not in order under the rules of the House.

Historically, this may stated: During the progress of the war with Germany there were developed and constructed two practically completed plants for the fixation of atmospheric nitrogen, one being what may be properly characterized as the pressure process, which was a relatively small experimental plant. The other was a plant in which there was to be utilized what is known as the cyanamide process. That plant was built for a capacity of 110,000 tons of ammonium nitrate per year. It was completed and went into operation in some of its units within a few days after the signing of the armistice. The War Department, through the Secretary of War, has recommended to Congress—whether in an official recommendation or by inference I am unable to state—certain legislation touching the disposition for the future of plant No. 2. Bills, in accordance with the recommendations of the War Department, were drafted and introduced, one in the Senate and referred to the Committee on Agriculture of the Senate, and one in the House by the gentleman from California [Mr. KAHN], which was referred to the Committee on Military Affairs, it being introduced and so referred long after this Select Committee on Expenditures was created, and while it was functioning.

That bill provided in brief for the creation of a Government corporation, all the stock to be owned by the Government, and I believe the estimate is about $3,000,000, to add to this plant which is now an ammonium nitrate plant, certain mechanisms that will be required to turn a part of its units into the production of ammonium sulphate which is a fit form for fertilizer, and sell that product into commerce. The remainder of the fund suggested in the bill is to be operating capital.

That is the substance of what is contained in the bill now pending before the Committee on Military Affairs. Bearing that in mind, I direct the attention of the Chair to finding No. 30 of the report of the select committee now before us. Finding No. 30 of the majority report says:

> It would be unwise and contrary to the Government's best interests for the War Department or any agency of the Government acting under or through such department to build and operate a plant in conjunction with Nitrate Plant No. 2 at Muscle Shoals for the manufacture of ammonium sulphate and other nitrogenous compounds for commercial purposes.

In other words, Mr. Speaker, that is a direct, specific recommendation leveled at the very heart of a bill now pending, and which has been for some time pending, before the Committee on Military Affairs of the House, and upon which that committee has, I am informed, held hearings. Therefore, although it does not mention the bill by name, since it involves the legislative proposition, and the only legislative proposition that is pending anywhere before any committee of the House, it infringes upon the jurisdiction of the Committee on Military Affairs. I am familiar with the line of holdings, correct in themselves, that there is double jurisdiction. That frequently arises. There might have been some question as to this particular bill, as to whether it properly belongs to the Committee on Military Affairs or to the Committee on Agriculture of the House. If the Committee on Agriculture or any other committee of the House had obtained a public bill without objection and no effective effort had been made to take that jurisdiction away from it, covering the same subject matter, either of those committees might have come in and reported upon it, and the matter would not have been subject to the objection which I am now making, but the investigating committee never had the legislative subject referred to it. I submit that under the resolution appointing this select committee its jurisdiction may be tersely stated as follows. It has authority—

First. To investigate contracts and expenditures by the War Department.

Second. To exercise the power and authority granted the Committee on Expenditures in the War Department, to which I shall hereafter refer.

Third. To send for persons and papers.

Fourth. To administer oaths. It probably has that authority without express statements in the resolution.

Fifth. To take testimony.

Sixth. To sit during sessions of the House.

Seventh. To appoint subcommittees.

Eighth. To report in one or more reports with recommendations.

Those recommendations must, I take it, be within the scope of the committee's powers and jurisdiction.

Under the second item which I have mentioned the committee may exercise the power and authority of the Committee on Expenditures in the War Department. We must go to the general rules of the House to see what that authority is. I submit that the jurisdiction is limited under the general rules of the House so that the committee has authority merely to inquire into and report upon the justness, the correctness, and economy of expenditures and into the proper application of public moneys, and into the economy and accountability of public officials. I think by no possible stretch of the general rules of the House defining the jurisdiction of the standing Committee on Expenditures in the War Department can its powers go beyond those I have just enumerated.

The SPEAKER. The gentleman has not read it all, has he?

Mr. GARRETT. I think I have read a correct analysis of it. There are conceivably legislative propositions with which this committee might deal, and with which it would have the authority to deal, and that ought to be referred to it under the rules of the House. I do not deny all legislative authority to this committee under proper cases, under a bill that may properly be referred, coming within the scope of the rule itself; but this bill has never been referred to the committee. It was referred, as I stated once or twice before, long after this select committee was created, and properly referred to the Committee on Military Affairs. Therefore, so far as the subject matter of this bill is concerned, it is an infringement upon the jurisdiction of that committee to attempt to make a recommendation, to be followed by a resolution, in all probability, that would endeavor to commit this House upon that legislative act.

Mr. MANN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. MANN of Illinois. Does the gentleman contend that any jurisdiction which this special committee may have acquired at the time it was created could be affected or taken away from the committee by the introduction of a bill subsequent to the creation of the committee and a reference of that bill to some other committee?

Mr. GARRETT. I would not make that contention.

Mr. MANN of Illinois. I think that is just what the gentleman said.

Mr. GARRETT. I would not make that contention. I would say this, that if this committee chose to undertake to deal with that proposition it is its duty to proceed in the regular way to obtain jurisdiction of the bill.

Mr. MANN of Illinois. No; but here is the point, if the gentleman will pardon me. This committee, when it was created, was given certain jurisdiction. It either had or had not jurisdiction over the matters to which the gentleman had referred. How could the introduction of a bill subsequent to that have any effect upon the jurisdiction of this committee?

Mr. GARRETT. I do not think——

Mr. MANN of Illinois. Oh, the gentleman has constantly referred to the fact that a bill was pending before the Committee on Military Affairs which deprived this committee of certain jurisdiction when that bill was introduced long after this committee was created. If this committee had jurisdiction, the introduction of a bill had nothing to do with it, and if this committee had no jurisdiction the introduction of the bill had no effect upon it. What pertinence has the introduction and the reference of a bill to the Committee on Military Affairs upon the jurisdiction of this committee, created before the bill was introduced?

Mr. GARRETT. Of course, it would clearly indicate that, in the opinion of the Chair, this committee did not have jurisdiction of it when he referred the bill.

Mr. MANN of Illinois. But this committee is not a legislative committee, and no bill could be referred to it. It has no authority to report a bill.

Mr. GARRETT. That is precisely what I am arguing, except that I do not go quite the length of saying that it has no legislative jurisdiction.

Mr. MANN of Illinois. It has no legislative jurisdiction over a bill. It is an investigating committee. I do not think a bill could be referred to it.

Mr. GARRETT. I do not go quite that far. I think there are some legislative propositions it conceivably might have jurisdiction over. It does not have jurisdiction over this. Will not the gentleman from Illinois agree with me, that if we have no authority to report a bill we ought not to report upon the bill?

Mr. MANN of Illinois. But there has been no report upon the bill.

Mr. GARRETT. Not mentioning it by name, but the subject matter is there.

Mr. MANN of Illinois. But both the title and the number of a bill must be mentioned in a report upon it. Stating what ought to be done is a recommendation, which has nothing to do with that particular bill. That is outlining a policy recommended by the committee.

Mr. GARRETT. So much for the proposition of the infringement upon the jurisdiction of the other committee of the House.

Mr. JUUL. Mr. Speaker, I rise to make a parliamentary inquiry if in order.

The SPEAKER. It is in order if the gentleman from Tennessee will yield for that purpose.

Mr. JUUL. Will the gentleman from Tennessee yield to enable me to make a parliamentary inquiry?

Mr. GARRETT. I will.

Mr. JUUL. Mr. Speaker, the gentleman from Tennessee seeks, if I understand the point of order, to prevent the printing of a bill, or a report at least, that is part of the object. I want to ask the Speaker, as the gentleman possesses information which the Members of this House do not possess, how the Members of this House can vote intelligently upon this proposition? Suppose the matter would come up in the form of an appeal from the decision of the Chair and the gentleman possesses all the information beforehand and we possess none at all?

Mr. GARRETT. If the Chair will permit me to answer that——

The SPEAKER. The Chair will be glad for the gentleman to answer it.

Mr. GARRETT. I will say to the gentleman from Illinois that, so far as I am concerned, the ruling of the Chair is to be final on the proposition. It is not my intention to appeal if the Chair rules against me. What the intention of the gentlemen on the other side may be if the Chair should hold with me I do not know.

Mr. JUUL. I hope the gentleman from Tennessee understands I mean to be perfectly fair——

Mr. GARRETT. Surely I do.

Mr. JUUL. But here we are, a number of Members upon this side, and the gentleman apparently knows all about a document that has not yet been dropped in the basket——

Mr. GARRETT. It has been dropped in the basket.

Mr. JUUL. The gentleman speaks with all information concerning the contents of the document, and we are sitting here entirely in the dark and do not know whether or not we are in sympathy with the gentleman or oppose him.

Mr. GARRETT. I will tell the gentleman confidentially that he should sympathize with me. [Laughter.]

Mr. JUUL. I think so eminent a parliamentarian as the gentleman from Tennessee ought to permit the Members to find out what is in this mysterious document that he knows all about and that we know nothing about; and it would seem to me that the fair thing would be to permit the document to be printed and let all of the Members become as conversant with it overnight as the gentleman is now.

Mr. GARRETT. Mr. Speaker, I stated a while ago—I do not know whether the gentleman from Illinois heard me or not—if I am correct in my contention there are, I think, excellent reasons, not of a parliamentary but of a public character, why this ought not to go to the House and the country as the solemn report of a committee, and it is for that reason that I desire to have this parliamentary proposition disposed of at this time. Of course, if it is proper from a parliamentary standpoint, it will be printed; and if it is improper, it ought not to be, in my judgment.

I have read, I will say to my friend from Illinois, finding No. 30, which is the very heart of the proposition. All the other findings from 28 to 37 and finding 39 are directly argumentative in support of finding No. 30, as are various parts of the so-called brief attached to the findings.

Mr. JUUL. Will the gentleman permit me again?

Mr. GARRETT. I will.

Mr. JUUL. I do not know of any judgment of any gentleman on the other side that I would rather take than that of the gentleman from Tennessee.

Mr. GARRETT. I thank the gentleman.

Mr. JUUL. Here, if the gentleman's point of order prevails, we are sitting entirely in the dark and we do not know whether or not we ought to be with or against the gentleman, whether it is proper or improper. Here is the word of one gentleman who has read the bill with 400 other gentlemen who have to accept it without investigation, and I think the document ought to be printed and let us share with him the responsibility of passing on whether or not it is a good or bad document.

Mr. GARRETT. Of course, I have stated my reasons for not desiring it printed. It is a matter, I will freely and frankly state, I am willing to leave to the decision of the Chair.

Mr. SNELL. Will the gentleman yield for a question?

Mr. GARRETT. I will.

Mr. SNELL. I understand the gentleman is against the recommendation as to further procedure that is contained in section 30 of the report?

Mr. GARRETT. I prefer to state it this way, I will say to my friend from New York. In my opinion that is not only a recommendation, but a finding and an argument in support of the finding going beyond the jurisdiction of the committee. That is one of the phases of my point of order, and the other is with reference to its infringing upon the jurisdiction of another committee.

Mr. SNELL. I would like to call the attention of the gentleman to the further reading of section 712 which refers to Expenditures Committee. It reads:

The proper application of public moneys and also retrenchment.

It seems to be that under those two headings anything that is contained in section 30 would be entirely in order.

Mr. GARRETT. Then the gentleman's contention would be, of course, quite different from the contention of the gentleman from Illinois [Mr. MANN], if I understood both correctly, because the gentleman from Illinois holds that it has absolutely no legislative authority. I think, Mr. Speaker, that is substantially all that I care to say at this time, and I trust I have made clear that I rest the point of order upon two bases, namely, that the report undertakes to deal with a legislative proposition pending before another committee, and therefore infringes upon its jurisdiction, and that it exceeds the authority conferred upon the select committee under either the general rules of the House or under the powers given by resolution 78.

Mr. MANN of Illinois. Mr. Speaker, this committee was created, as I understand it, June 4, 1919. The power given to the committee is as follows: "Which said committee is hereby authorized to fully investigate all contracts and expenditures made by the War Department or under its direction during the present war," and in addition, and so forth, power is conferred by the rules of the House upon an expenditure committee, but the rules do not extend the power of the committee as to making investigation. The language in the bill gave them authority to investigate all contracts and expenditures made by the War Department. Then the rules further provides:

That said select committee shall report to the House, in one or more reports as it may deem advisable, the result of its investigations, with such recommendations as it may care to make.

Mr. GARRETT. Will the gentleman yield?

Mr. MANN of Illinois. I will yield.

Mr. GARRETT. I suppose the gentleman will agree with me that that would mean recommendations coming within the scope of their authority under the rules?

Mr. MANN of Illinois. I doubt whether they would have authority to recommend that the Constitution be amended as to the length of term of the President.

Mr. HUSTED. It would include recommendations also as to the future policy of the War Department.

Mr. MANN of Illinois. It would clearly include any recommendation which in any way related to the expenditures of the War Department, either as to the past or as to the future, relating to the matters for which expenditures had been made in the past. Now, that is as plain as the nose on a man's face. This committee had the power to investigate the expenditures and to report its recommendation as to whether those expenditures were made for a purpose which was wise, and whether additional expenditures ought to be made to complete a project

for which the past expenditures were made, or whether the Government ought to proceed to utilize the expenditures which were made, or whether the Government ought to dispose of the things that were created by the expenditures already made. The committee would have had that power, in my judgment, even if there had been no provision made giving them the power to make recommendation. But here is an express direction to the committee that it may not only report the results of its investigations, but they make recommendations based upon those investigations. If all the committee could do was to report upon the investigation which was made, what is the object in saying that it shall have the power to make recommendations? It is already given the power to make the report of its investigation.

Now, Mr. Speaker, the gentleman from Tennessee [Mr. GARRETT] has insisted that this committee does not have the right to make a report which will affect in some way a bill subsequently introduced in the House if its recommendation should be followed. Clearly the jurisdiction of this committee was fixed at the time it was created. No bill subsequently was introduced to take away any of that jurisdiction. The mere dropping of a bill in the basket by a Member does not affect the jurisdiction of a committee which has been created by the House. This committee has not undertaken to report upon the bill. I do not think they would have authority to report upon the bill, but they would have authority to expressly recommend that that particular bill be not passed. The President has no power to send a veto message to Congress in one sense and advise that certain other legislation not in the bill vetoed ought to be reconsidered. He has no constitutional power except the right to make recommendations to Congress, yet he did that the other day. No one took exception to that exercise of power by the President. He specifically recommended that other legislation was improper in addition to the legislation which he vetoed.

Now, Mr. Speaker, in justice to myself, I doubt whether I am in consonance with the recommendations of this committee as to the nitrate plant, but as to the power of the committee to recommend, I do not think there is a particle of question that, having investigated the expenditures for the nitrate plant, they could recommend that it be dismantled, abandoned, and torn down; that it be used by the Government; that it be leased by the Government; or that the Government exercise such power as it pleased in various directions. That is what the committee was for, namely, to recommend to Congress, after it made its investigation, the best course that might be pursued by Congress, making utilization of the immense sums of money which have been expended by the War Department.

Mr. GRAHAM of Illinois. Mr. Speaker, it would be futile for me to proceed further along the line of argument just concluded by the gentleman from Illinois [Mr. MANN], inasmuch as he has so clearly expounded the ideas that I have on that subject. However, there is one phase of this matter that I think it worth while to call to the attention of the Chair. The gentleman from Tennessee [Mr. GARRETT] makes his point of order alleging that a part of the report is beyond the jurisdiction of the committee, and that therefore the Speaker should inspect the report, and if, on examination, he finds a part of it to be beyond the jurisdiction of the committee, by his ruling it would be made necessary that that portion be expunged.

In order to do so, of course, the Speaker must become conversant with what is in the report. He must, to a degree, know what the report is based upon, and having knowledge of what is in the report, he must then make his ruling as to the jurisdiction. He could not take the word of the gentleman from Tennessee or my word as to what the report contains, a report that contains 70 pages.

Mr. Speaker, it was never intended that the Chair should pass upon questions such as these, and we are not without authority on that proposition. In Hinds' Precedents, volume 2, section 1338, a similar question arose:

On May 26, 1836, the House was considering the report of a select committee in relation to the disposition of petitions relating to the abolition of slavery in the District of Columbia, when Mr. Stephen C. Philips, of Massachusetts, submitted, in writing, the following point of order:

Can a committee, specially instructed to report two resolutions, the form of which was given by the House, report another resolution changing the rules and orders of the House in regard to the management of its business and depriving citizens of the privilege of obtaining the usual consideration for petitions upon subjects other than that referred to the committee?

The Speaker (James K. Polk, of Tennessee) stated that it was not within the competency of the Chair to draw within the vortex of order the question raised by the gentleman from Massachusetts.

Questions relating to the jurisdiction of the committees of the House or whether they had or had not exceeded that jurisdiction or transcended the authority conferred upon them by the House were for the House and not the Speaker to determine. If gentlemen were of opinion that committees in their reports had exceeded the authority given them by the House there were other modes of correcting what they had done; as, for example, the report might be recommitted with instructions, or the House, on that, as well as other grounds, might refuse to concur in their report.

The point now raised could not therefore be considered as a point of order to be decided by the Chair. It was in some respects analogous to the case of inconsistent amendments proposed, in which case it was well settled that "if an amendment be proposed inconsistent with one already agreed to it is a fit ground for its rejection by the House, but not within the competence of the Speaker to suppress as if it were against order, for were he permitted to draw questions of consistence within the vortex of order he might usurp a negative on important modifications and suppress instead of subserving the legislative will."

So in this case, if the House should be satisfied that the committee were not clothed with authority, by the order of the House under which they were appointed, to report this resolution, "it may be a fit ground for its rejection by the House, but not within the competence of the Speaker to suppress as if it were against order."

Now, that was followed on January 12, 1888, by a ruling by Mr. Speaker Carlisle, found in section 1339. A point of order was made to a report, and the Speaker said, after debate:

The Chair can only say what has been frequently said before upon similar points—that it is not within the province of the Chair to decide upon the sufficiency of a report made by a committee of the House. All that the rule requires is that a report shall be submitted in writing, without specifying the nature of the report, and if that provision of the rule is complied with the Chair must entertain the report.

Now, I have no doubt about the correctness of that position, Mr. Speaker. I would be entirely willing under ordinary circumstances to have the Chair decide upon the merits of this proposition. I have some well-defined ideas as to what the jurisdiction of these committees on expenditures is. I think, Mr. Speaker, that they have been allowed to fall into a disuse that is absolutely unjustified when we contemplate the original purpose for which they were formed. This committee, or the standing Committee on Expenditures in the War Department, was originally appointed in 1814 in order to supply a want felt at that time in Congress, when it was appreciated that Congress having appropriated the money, there should also be some committee of the Congress that could supervise the expenditure of it. I think that some of the duties of the committees on expenditures have been taken over by the major committees of the House, because the chairmen of these committees on expenditures have sat silent and inactive and permitted that to be done. In former days they were active legislative committees, and there was a broad field of activity for them.

For the Chair to rule now that this committee, which has had such excessive labors for a long period, must confine itself to a recital of what has been expended and where it has been expended is to take from the committee its principal function, which was to make recommendations, so that some good might come out of the activity of the committee in regard to the future expenditure of public funds. I feel it is our duty to make such recommendations as we can in regard to the future operations of these nitrate plants. I do not think I need say anything further than what I have said, together with what the gentleman from Illinois [Mr. MANN] has said, because that embraces practically all that I had in mind to say on the subject.

Mr. JUUL. Mr. Speaker, a moment ago I placed a question before the Chair. I trust the Chair will not treat the question lightly. I consider that in this controversy a Member would have the right to appeal after the Chair has made a decision. The question I put to the Chair was, if an appeal were made from the decision of the Chair, the Chair knowing the contents of a certain document before this House, and the membership not knowing, how is the membership of this House to vote intelligently? Suppose the right of any Member of this House should be used to appeal from the decision of the Chair? How are we to vote intelligently when we do not know the contents of the document?

The SPEAKER. The Chair will hear the gentleman from Tennessee.

Mr. GARRETT. Mr. Speaker, in reference to the case cited by the gentleman from Illinois [Mr. GRAHAM] I have observed that case in searching the precedents, and I felt sufficient interest in the matter to go to the Journal of the Twenty-fourth Congress itself and look that matter up to see just exactly what was involved. The principle is stated correctly, and the language of the Speaker, Mr. Speaker Polk, is quoted as given in the Journal; but it is a matter of some historical interest as well as having a direct bearing upon this question.

At that time there was great excitement throughout the country touching the matter of the receipt by Congress by petitions respecting the question of slavery. Mr. John Quincy Adams was making the great and historic fight which he kept up for so long a time with reference to the right of petition upon the question of slavery. Petitions were pouring in with

regard to the matter of the disposition of slavery in the District of Columbia. The "Old Man Eloquent" had brought down upon him the ire of all those from the slave-holding sections who sympathized with the institution of slavery in any way, and as a result a resolution passed the House of Representatives which directed the reference of all petitions to a select committee.

That was on May 8, 1824, and not only were those resolutions referred, but the language that the committee that was appointed was instructed to use in reporting back to the House was in part set out. They were instructed to report back all the petitions affecting the question of slavery referred to them with certain language.

What the committee did was to insert the language that they had been instructed to use and then to use some of their own. There was committed to them in that case the duty of putting up the argument, you may say, in behalf of slavery, or that phase of it, and that was the case that was presented.

The same question did not arise there that has arisen here—that is, as to exceeding the jurisdiction of the committee—and that clearly distinguishes the leading case, so far as I have been able to find, as set out in the precedents upon this matter.

As to the subsequent case to which the gentleman referred, the ruling of Mr. Speaker Carlisle, I have not looked that up in the Journal, but it turned upon the question not of exceeding authority but of the sufficiency of the report; that is, as to whether the committee had done enough, not as to whether it had done too much. I raise no question about the sufficiency of this report, even upon the matters that come within its jurisdiction. I shall undertake to maintain a few days later that on the face of it it is all-sufficient, self-sufficient, and inefficient. [Laughter.]

But I do not raise any parliamentary question about that. That Carlisle decision turned upon the question as to whether they said enough, not whether they went beyond their power and said too much. And so I think it may be said of all the cases that are in the book.

Mr. MANN of Illinois. Mr. Speaker, I reserved a point of order on the point of order made by the gentleman from Tennessee [Mr. GARRETT]. I think my point of order is perfectly good. I reserved it because I did not want to have go unchallenged or conceded the idea that any Member at any time might make a point of order against a report which had been filed through the basket, because that would be the cause of infinite delay if it were ruled in order. But having said this much, I withdraw the point of order. I have no objection to the point of order of the gentleman from Tennessee being passed upon.

Mr. ALMON rose.

The SPEAKER. Does the gentleman wish to be heard?

Mr. ALMON. Yes; just for a moment.

Mr. Speaker, it is very clear to my mind, although I do not pose as an expert parliamentarian, that this Committee on Investigation of War Expenditures under the resolution creating the committee is without jurisdiction to make recommendations as to the future of the Government nitrate plant No. 2 at Muscle Shoals, Ala. Now, Mr. Speaker, it is true that the resolution creating the committee authorized that committee to report its findings and recommendations. Of course, that is understood to mean to make findings in matters over which the committee has jurisdiction and make recommendations about matters over which the committee has jurisdiction. The very name of the committee and the very work for which the committee was assigned shows that the purpose of the appointment of the committee is to investigate and report upon expenditures of the War Department. And this particular subcommittee is reporting on investigations of the Ordnance Department, one branch of the War Department, as to the nitrogen program during the recent war. If the committee found that Government funds had been misappropriated it would be proper for the committee to recommend that proper legal proceedings be instituted to protect the interest of the Government. This would be such a recommendation as is contemplated by the resolution creating this committee.

Of course, it is proper for the committee to report the results of the hearings and its findings, and as to the money that was expended in connection with the fixation of the air-nitrogen plants. I submit, Mr. Speaker, that there is nothing in the resolution or the precedents which have been read to the Speaker which would authorize this committee to have jurisdiction of the future of these Government plants. I do not contend, and I do not wish my friend from Illinois [Mr. MANN] to understand, that I contend that the introduction in this House of a bill by the gentleman from California [Mr. KAHN], recommended by the War Department and referred to the Committee on Military Affairs, would take away from Mr. GRAHAM'S subcommittee jurisdiction of any matter that the committee had jurisdiction of.

But I submit, Mr. Speaker, that the bill now pending before the committee and the two Houses of Congress having jurisdiction of these matters pertain to the future use of plant No. 2, viz, the manufacture of fertilizer. As has been said by the gentleman from Tennessee [Mr. GARRETT], this bill is now pending before both Houses of Congress.

Committee hearings have been had by both committees, and the records of this Congress show that extensive hearings have been had before the Committee on Agriculture in the Senate, and probably both sides have been heard. The records show that farmer organizations of this country have appeared and had hearings and favor the passage of the bill.

Mr. MONDELL. Mr. Speaker, I do not want to interfere with the gentleman's argument, but time flies and the gentleman is not discussing the point of order.

Mr. ALMON. Very well, Mr. Speaker, I do not care to make any further reference to these hearings, but I was illustrating and making the point that this question of future use of this plant No. 2 is a question of policy. It is a legislative question. It is a question to be determined by Congress and should be determined by the Military Committee, a legislative committee having jurisdiction of the matter.

I do not contend that the introduction of a bill recommended by the Secretary of War and referring it to the Committee on Military Affairs took away from this committee investigating war expenditures any right or jurisdiction it may have had. But I referred to that as the gentleman from Tennessee did, to show that the future use and disposition of this Government nitrate plant is one not to be determined or recommended by the Committee on Expenditures of the War Department, but by the Military Committee, which has jurisdiction of the subject matter. That is a sufficient reason, Mr. Speaker, in my opinion, why the point of order of the gentleman from Tennessee [Mr. GARRETT] should be sustained. Let the legislative committee having jurisdiction of the question have full hearings as to what shall be done with this plant, and do not let it be determined by this committee which has not had hearings and which has no jurisdiction. [Applause.]

The SPEAKER. The Chair is ready to rule. The gentleman from Tennessee was so courteous as to notify the Chair in advance of this point of order, so the Chair has had some opportunity to study the report and the point of order. On that account the Chair is peculiarly desirous that the case which the gentleman from Tennessee presents shall have his impartial consideration. And, of course, the statement of the gentleman that he does not intend to appeal increases the desire of the Chair to give the gentleman every benefit of doubt.

But it seems to the Chair very clear that this point of order is not valid. The decisions cited by the gentleman from Illinois [Mr. GRAHAM] had impressed the Chair quite strongly that on that ground the Chair had no jurisdiction. What the gentleman from Tennessee read from the Journal, the Chair admits somewhat weakened the force of the decision as cited in Hinds'; although the language and reasoning of Speaker Carlisle, would, to the Chair's mind, confirm the point that this is not really a question that the Chair should hold raises a legitimate point of order.

But it seems to the Chair very clear that the rule which gives the Committee on Expenditures its authority does cover this case. It says that the committee shall report to the House the result of its investigations.

Now, there can be no question that this investigation of a nitrate plant was directly within the sphere intended by this rule. The rule also says that the committee shall make recommendations. Now, of course, recommendations apply to the future.

Mr. GARRETT. May I call the attention of the Chair to the fact that committees of this kind have in the past made recommendations of impeachment growing out of expenditures? I think the record shows that.

The SPEAKER. That does not seem to the Chair to contravene the statement which the Chair has already made. The resolution gave the committee authority to do certain things in addition to the authority which the ordinary Committee on Expenditures had, and among these is "the security of the Government against unjust and extravagant demands" and "retrenchment." So this committee has the power, among other things, of retrenchment. That is within the strict scope of their duty. It seems to the Chair that if the committee in investigating the subject entirely within its sphere finds as it did in this case that there is a certain course of action by the War Department which it thinks would bring about retrenchment,

that to recommend that course is a proper function of the committee.

It seems to the Chair very clear that they had a right to make a recommendation in the line of retrenchment as to the further prosecution of this project. The fact that another committee had control of a bill which would continue the operation of this plant which they are investigating in no way limits the scope of the authority of this committee. The report of this committee does not take away the jurisdiction of that committee. That committee can still consider the bill and report it to the House, which could if it desired adopt it.

So it seems to the Chair that this report is strictly within the scope of the committee's authority, and the Chair overrules the point of order.

Mr. GARRETT. Mr. Speaker, I do not know that I shall care to do so, and if I do not do so I trust that my failure will not be taken as any lack of respect for the ruling of the Chair, but if I should determine before this matter comes up for discussion to file minority views upon that phase of the question, which I have not done, giving my reasons in the minority report, I ask unanimous consent that I may have that privilege.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to file further minority views. Is there objection?

There was no objection.

AMENDMENT TO FEDERAL FARM LOAN ACT.

Mr. PLATT. Mr. Speaker, under the terms of House resolution 316, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House joint resolution 351, extending the provisions of an act amending section 32 of the Federal farm loan act approved July 17, 1916, to June 30, 1921.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of House joint resolution 351, with Mr. HUSTED in the chair.

The CHAIRMAN. The Clerk will report the resolution.

The Clerk read as follows:

Joint resolution (H. J. Res. 351) extending the provisions of an act amending section 32 of the Federal farm-loan act approved July 17, 1916, to June 30, 1921.

Whereas the Supreme Court of the United States has asked for a reargument of the case involving the constitutionality of the Federal farm-loan act; and

Whereas the reargument of the case will postpone a decision until next October at the earliest; and

Whereas the Federal land banks are now, and it is feared will be, unable under these circumtsances to sell bonds to meet outstanding commitments for loans to farmers pending a final decision: Therefore be it

Resolved, etc., That the provisions of the act of Congress approved January 8, 1918, entitled "An act to amend section 32 of the Federal farm loan act approved July 17, 1916," be, and the same hereby are, extended to the fiscal years ending June 30, 1920, and June 30, 1921, to the extent that the Secretary of the Treasury be, and he hereby is, authorized, as by the terms of said act, to purchase during the fiscal years ending June 30, 1920, and June 30, 1921, or either of them, any bonds which he might have purchased during the fiscal years ending June 30, 1918, and June 30, 1919, or either of them, under the provisions of the original act.

With the following committee amendments:

Page 2, line 1, strike out the figure "8" and insert the figures "18."
Page 2, line 10, after the word "act," insert: "*Provided*, That he shall purchase no bonds issued against loans approved after March 1, 1920."

Mr. PLATT. Mr. Chairman, I desire to inquire if the gentleman from Massachusetts [Mr. PHELAN] will not now use some of his time.

Mr. PHELAN. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. STEDMAN]. [Applause.]

Mr. CALDWELL. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from New York makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and seven Members present, a quorum.

Mr. STEDMAN. Mr. Chairman, the stenographic reporter for the House quotes the gentleman from Illinois [Mr. MADDEN], in propounding a question to the gentleman from Georgia [Mr. UPSHAW], on Saturday last, the 15th, as using these words:

Does the gentleman complain and protest because the loyal people of the United States refuse to pay tribute to the men who were traitors to the country in the time of its greatest distress?

The gentleman from Georgia, whilst addressing the House, alluded to what he deemed to be discourtesy and injustice to the memory of Gen. Robert E. Lee in connection with the management of the Arlington amphitheater.

The words of the gentleman from Illinois were intended to be applicable to Gen. Robert E. Lee and to the great leaders associated with him during the era of 1861 to 1865. I did not hear the words so used by the gentleman from Illinois at the time, nor are they reported in the proceedings of the House for Saturday, but the stenographic report was called to my attention and I can not do otherwise than notice the words so used.

During the entire unfortunate Civil War the courage and sincerity of the Confederate soldier was never questioned by his brave opponents. [Applause.] The ability and integrity of Lee, Jackson, and other great leaders of the South was never minimized. Their supreme sense of duty, their unselfish devotion to what they deemed to be the cause of right, have been recognized in every land where patriotic heroism has a home. [Applause.]

I regret that the gentleman from Illinois gave expression to the language as reported by the stenographer. He stands isolated and alone in a wilderness of his own creation, where he will find neither renown nor happiness.

In the ancient Ionian city of Ephesus was the Temple of Diana, which attracted the admiration and wonder of travelers from every land.

In the city of Ephesus lived one Herostratus, who longed for eternal fame, and if he could not win that, at least for eternal notoriety. To achieve that result he burned down the magnificent structure before whose walls thousands gathered daily and gazed upon its wondrous beauty with rapture and delight.

The craving of Herostratus for notoriety was gratified. He destroyed the Temple of Diana 356 B. C., and for more than 2,000 years his name has been recorded upon the pages of history as the synonym of degradation and moral depravity.

Whosoever characterizes Gen. Robert E. Lee as a traitor may well beware lest he inherit from Herostratus his crown of infamy. [Applause on the Democratic side.]

The memory of Gen. Robert E. Lee and Stonewall Jackson will live, transmitted from generation to generation, when the costliest tombs erected by the love of their countrymen shall have perished by decay and the walls of the Arlington amphitheater have crumbled into dust. [Applause on the Democratic side.]

Mr. MADDEN. Mr. Chairman, will the gentleman from New York yield me five minutes?

Mr. PLATT. Mr. Chairman, I yield five minutes to the gentleman from Illinois.

Mr. MADDEN. Mr. Chairman and gentlemen, I have no apology to make to any man for the words I uttered here on the floor a day or two ago. When the gentleman from Georgia [Mr. UPSHAW], standing in his place on this floor, protested because the names of Robert E. Lee and Gen. Gordon and others who had tried to destroy the Union were not placed on the memorial erected in commemoration of the Union soldiers who defended the flag, I simply asked the question, "Does the gentleman protest because the loyal American people refuse to pay tribute to men who were traitors to their country in its hour of need?" I repeat that question now. Does anyone deny that they were traitors? [Cries of "Yes!" on the Democratic side.]

Mr. Chairman, these men were educated in the Military Academy of the United States. They wore the uniform of the Nation as soldiers of the Union. They deserted the colors of their Nation and led the forces which sought to destroy the Union. Were they traitors?

SEVERAL MEMBERS (on the Democratic side). No!

Mr. MADDEN. I say, yes; they were traitors; and I object, Mr. Chairman and gentlemen of this House, to having their names placed beside the men's names who fought to defend the Union and to preserve its institutions. Ah, brave men; of course they were. No one denies that. But that they were trying to destroy the Union even the gentleman from North Carolina [Mr. STEDMAN] will not deny, and I have no apology to make to any man for any words I have uttered here and which I am willing to utter elsewhere.

Mr. UPSHAW. May God have mercy on your soul.

Mr. MADDEN. Let the gentleman utter that prayer for himself. I can take care of myself.

SEVERAL MEMBERS. Regular order!

Mr. MONDELL. Mr. Chairman, under the rule debate must be confined to the bill——

Mr. MADDEN. It was not.

Mr. MONDELL. And I shall insist on the rule——

Mr. WINGO. The gentleman from Wyoming happens to be mistaken. This is in general debate.

Mr. PLATT. I think the gentleman is right. It was intended to be in the rule.

Mr. WINGO. If the gentleman will refer to the rule as appearing in the RECORD and read from the Clerk's desk, he will see that it is general debate.

Mr. PLATT. Mr. Chairman, I yield seven minutes to the gentleman from Oklahoma [Mr. MORGAN].

Mr. MORGAN. Mr. Chairman, this is a very important resolution we have before us. I suppose the most of you are familiar with its provisions. If not, you ought to give attention to it at once. This is a resolution which extends the act of Congress approved January 18, 1918, authorizing the Secretary of the Treasury during the years 1918 and 1919 to purchase farm-loan bonds issued by Federal land banks not exceeding $100,000,000 each year. Now, if you are familiar with the fact that, owing to litigation now pending in the Supreme Court of the United States, the Federal land banks find that their bonds can not be sold, and hence the Federal land banks are at a standstill. Now, this resolution extends the act of January 18 and authorizes the Secretary of the Treasury to purchase Federal farm-loan bonds, but the committee amendment embodied in the last two lines—lines 11 and 12—limits the provisions of this act to the purchase of bonds to cover loans approved prior to March 1, 1920. I think that would amount to, as I say, maybe $25,000,000 or $30,000,000 worth of bonds; but still it leaves those banks unable to sell their bonds, at a standstill, unable to do business until perhaps next January, February, or March, because it is understood that case will not be reargued until next October, and we might assume that it will be some months after the reargument before the Supreme Court will render its decision. If the committee amendment is adopted, these land banks will be unable to do business probably until next March. I am in favor of the bill as it was introduced. I am opposed to the committee amendment. Of course, if the House shall adopt the committee amendment, I will vote for the bill as amended. A little relief will be better than no relief at all. It will not enable these land banks to function. They can not receive, they can not consider, they can not act upon applications from the 1st of last March, perhaps, until the 1st of next March.

Now, these banks are supposed to accomplish a good purpose. One object was to reduce the interest rate to the farmers, but above this was the idea that by giving the farmers better credit facilities they would increase food production, they would extend and help develop agriculture, and through that they would strengthen the very fabric of the Government, and to-day there is no more important question than the reduction of the high cost of living, and we all know that the cost of food can not be reduced unless the production of food is increased. So that this is not a question simply of helping the farmer to get a little lower rate of interest, but it is a question of helping the farmer, helping the fifty or sixty millions of men and women who live in our towns, in our great centers, in our great cities, so my proposition is to vote down the committee's amendment found in lines 11 and 12, which provide "that he"—the Secretary of the Treasury—"shall purchase no bonds issued against loans approved after March 1, 1920."

Mr. CLASSON. Will the gentleman yield?

Mr. MORGAN. I will.

Mr. CLASSON. Will the gentleman tell how that date of March 1, 1920, was selected?

Mr. MORGAN. Well, after March 1, 1920, the Federal land banks have approved no loans; they suspended business at that time.

Mr. CLASSON. Why does not that meet the situation?

Mr. MORGAN. Because there are millions of dollars of applications now pending unapproved. If these banks do business there would be millions of dollars of additional applications made between now and next March.

Mr. CLASSON. Then if they have any applications that have not been approved by the 1st of March they can not consider them?

Mr. MORGAN. They can not consider them. The committee amendment should be voted down.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PLATT. Mr. Chairman, I yield to the gentleman from Illinois [Mr. KING].

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. KING. Mr. Chairman, I am very much in favor of the passage of this bill and I hope it will receive the unanimous vote of the House, and in that connection and in connection with the situation relative to banking in this country I wish to call the attention of the House to the fact, with which the House is perhaps thoroughly familiar, that on the 28th day of February last I introduced House resolution No. 476, which is now before the Committee on Rules, and upon which a partial hearing has been had.

One of the main propositions involved in this matter and in this resolution is the proposed inquiry with reference to the inflation of the currency as being the cause of the high cost of living in this country. Since that time, since that resolution appeared, to use a figure of speech which is largely in vogue, in the shape of a cloud the size of a man's hand arising on the horizon, what promises to be a movement of cyclonic proportions is commencing, there has been formed an organization covering 26 States and of many thousands of State and national bankers into what is known as the National and State Bankers' Protective Association, consisting principally of banks in the South, West, and Northwest. Representatives of these banks have been here and spoken before the Rules Committee in favor of this resolution. To-day there are in this country—and bear this in mind—nearly $4,000,000,000 worth of Federal reserve notes floating in the air like confetti at a street fair. The issuance of this currency is based ultimately upon the hoarding of at least 75 per cent of foodstuffs and necessities of life. To this view has recently come President Fisher, of Yale University; Dr. FESS, a great economist himself, and a Representative in this House; and ex-Representative Charles N. Fowler, of New Jersey, a former chairman of the Committee on Banking and Currency in this House, and a Member of it for over 11 years. No man in the United States is better informed on the situation than is Mr. Fowler. The situation has even gotten to that stage where the Federal Reserve Board itself, although it pooh-poohed this idea recently and denied there was any inflation of the currency, and if any it had no effect whatever on the high cost of living, has called, perhaps by reason of this agitation, maybe not, a conference of the Federal Reserve Board and the advisory council in this city. They are in session to-day.

The press announces that the deflation of the currency will be discussed. I dare say there will be nothing of remedial nature proceed from that conference. The matter has gotten away from them like a runaway horse. It is impossible for them under the present conditions of the law to deflate the currency except by curtailing credit and requiring borrowers who are hoarders to liquidate and thus bring down the prices of necessities.

Mr. McKEOWN. What remedy does the gentleman suggest or what legislation has he to offer?

Mr. KING. If the bankers themselves will not cause the hoarders of necessities to gradually liquidate, a law preventing the renewing of the commercial notes of holders of necessities will accomplish the desired result.

Mr. McKEOWN. Has the gentleman introduced that bill?

Mr. KING. I can not yield longer, for I want to get something in that I got up here for the purpose of getting in.

This matter is going to be an issue in the campaign. It can not be smothered and it can not be done away with. It will be just as important an issue as it has been in prior campaigns. It is forging to the front to-day. What are you asked when you go home? You are asked, "What have you done to reduce the high cost of living?" It will not do to say, "Oh, well, we have not done anything about that, because the matter of supply and demand covers that, and, furthermore, these conditions confront us always after a great war and therefore we are absolutely helpless."

This agitation has gone so far that already there has been suggested to me and to a number of others that there should be a plank inserted in the Republican platform at the convention in Chicago which I will insert at a future point.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KING. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. WINGO. Reserving the right to object, does the gentleman intend to insert in the RECORD information as to whether or not Mr. Hays has approved of that proposed plank in the Republican platform?

Mr. KING. I am very sorry to say that I do not know whether it has been submitted to Mr. Hays or not.

Mr. WINGO. Submitted to his committee of one hundred.

Mr. KING. I have received the following letter from Mr. Fowler:

ELIZABETH, N. J., *May 15, 1920.*

Hon. EDWARD J. KING,
House of Representatives, Washington, D. C.

MY DEAR MR. KING: The most important, the most vital, the real issue of 1920 is the relation of the Federal reserve act and the management of the Federal reserve banks to high prices. The impending peril and the way out—that is the real issue.

Evidently alarmed and pleading their utter helplessness and hopelessness, the Federal Reserve Board disclosed in their last bulletin what they themselves declared was an astounding state of facts. They said:

"In the 19 months when we were at war the expansion of national-bank loans was 16 per cent. In the same 19 months commodity prices, Bureau of Labor index, increased 20 per cent.

"From the call for reports of banks March 5 last year to February 28 this year, national-bank loans expanded by $2,303,000,000, or 24 per cent. This was two and one-half times the rate of growth during our participation in the war, with all the tremendous Government loan

issues and nearly four times the average yearly rate of the last 30 years, including the four war years. As the national-bank loans are about 45 per cent of the total loans of all banks, this means an expansion for the entire country of about $5,200,000,000, a sum that might well have been considered incredible if it had been predicted a year ago."

This confession confirms the now well-settled opinion that through the operations of the Federal reserve banks since the armistice was signed November, 1918, our currency has constantly depreciated until we now have a 40-cent dollar, and unless this mad inflation is arrested we are going over Niagara Falls to the complete destruction of our credit fabric.

In 1836 one of our most bitter presidential contests occurred over the usurpation of power and political interference on the part of the Second United States Bank. But whatever charges were then made against the Second United States Bank, they were of slight consequence; indeed, they were trivial, compared with the charges against the management of the Federal reserve bank now being made before the Rules Committee of the House by the National and State Bankers' Protective Association, representing, it is said, at least 25,000 banks, coming from every State in the Union. The facts established before the committee by indubitable evidence are unthinkable and could have occurred nowhere except under the Czar of Russia or the autocracy of the Wilson administration.

In 1868 the Republican Party declared against repudiation and in favor of national honor. The first act of Congress signed by President Grant pledged the faith of the Government "to make provisions at the earliest practicable period for the redemption of the United States notes in coin."

National honor won.

In 1876 the Republican Party declared against "fiat money," "greenbackism," and for the resumption of specie payment.

The resumption of specie payment won.

In 1896 the Republican Party declared against a 50-cent silver dollar—Bryanism—and for the gold standard.

The gold standard won.

I assert that the Federal reserve act and its management involve all that was at stake in the four presidential elections of 1836, 1868, 1876, and 1896.

Will the Republican Party now show the same intelligence, patriotism, and courage it displayed in 1868, 1876, and 1896, or will it, through ignorance or cowardice, or both, permit the country to drift helplessly and hopelessly into the maelstrom of overwhelming commercial disaster? That is the question.

Let the American people note and remember that while Mr. Bryan failed to force upon us a 50-cent silver dollar in 1896, he has succeeded in giving us a 40-cent paper dollar in 1920, for Mr. Bryan, while Secretary of State, prescribed what the Federal reserve notes must be—United States notes or greenbacks—before they were delivered to the Federal reserve banks. In other words, we are up against Bryanism in 1920 precisely as we were in 1896. The question is, Will we meet the issue of Bryanism now as we did in 1896?

Very sincerely, yours,

CHARLES N. FOWLER.

STATEMENT OF CHARLES N. FOWLER, FORMER REPRESENTATIVE FROM NEW JERSEY AND CHAIRMAN OF THE HOUSE COMMITTEE ON BANKING AND CURRENCY, PRESENTED TO THE HOUSE AND PUBLISHED IN THE CONGRESSIONAL RECORD.

The proposal is for the inclusion of a sound money plank in the Republican platform to be adopted at Chicago in June.

Currency inflation, due to the practice of the Federal Reserve System in making Federal-reserve notes, issued upon commercial paper available to banks as reserves, upon which further credit expansion is authorized, thus producing more commercial paper to support the issues of more Federal-reserve notes, has brought about a situation which compels the Republican Party again to champion the cause of sound money as it did in 1868, when it declared against repudiation; in 1876, when it declared against greenbackism; and in 1896, when it declared against free silver or Bryanism.

When the Federal reserve act was passed in 1913 the currency amounted to only $34 per capita. To-day it is more than $56 per capita. There has been constant expansion. There has never been contraction. Our currency has, in consequence of this inflation, steadily depreciated until to-day we have a 40-cent dollar, and unless this course of mad expansion is arrested we are going over Niagara Falls to the complete destruction of our credit fabric.

The advisory council of the Federal Reserve Board, I understand, is meeting to-day with those Federal reserve directors chosen from the active banking business world to consider ways and means of checking credit expansion. The only effective way to accomplish that is to end the system which employs an evidence of credit as a bank reserve to support another larger credit extension. While this vicious cycle of currency built upon credit and credit built upon such unsound currency continues, the present financial ills of the country can not be cured, prices can not be brought down and only overwhelming disaster can result.

When the Federal reserve act was placed upon the statute books the country was told that it would provide an elastic currency, responsive to the commercial needs of the Nation. Experience has shown the capacity of the Federal-reserve currency for expansion and its utter lack of power for contraction. In its last bulletin the Federal Reserve Board stated that from March 5, 1919, to February 28, 1920, the banks of the country had expanded their credits about $5,200,000,000, or two and one-half times the rate of expansion during the war and our bond-selling period. The Federal Reserve System can not control such expansion, but its currency issue system actually encourages it.

A nonmember bank to-day makes a loan, for example, of $100,000. It takes the commercial paper representing that loan to the Federal reserve bank or a member bank, rather, and receives for it $100,000 in Federal-reserve notes, on which it pays interest at the rate of 6 per cent. The bank is authorized to employ those $100,000 of Federal-reserve notes, which represent a loan and not gold, which is the only sound basis of currency, as a reserve fund, and the reserve being thus increased by $100,000 of Federal-reserve notes, the bank proceeds to increase its loans from six to ten times that reserve. It is easily seen and understood how this system builds currency upon credit and credit upon currency without end. The 6 per cent interest the bank pays for the Federal-reserve curency is inconsequential in comparison with the profits it can make by extending credits by using those notes as reserve.

While member banks can not employ Federal reserve notes as reserve, their gold reserves, which are all held by the Federal reserve banks, are to-day not one-half of the reserves required before the passage of the Federal reserve act. This cutting away of the reserves, it will be noted, has doubled their extension of credit.

It is interesting to ask where the national bank notes are, where the United States notes are, where the gold certificates or yellow backs are with which we were so familiar in times past. This currency has been driven out of circulation by the Federal reserve notes. It is an economic law, as immutable as the law of gravitation, and now long recognized, that the poorer or cheaper money always drives the better or sounder money out of circulation. Let any man look at the bills he has in his purse or pockets now. Save for an occasional one-dollar bill, he will rarely, if ever, find anything except Federal reserve notes. Yet there are to-day about $750,000,000 of national bank notes and $346,000,000 of United States notes outstanding.

Last year $430,000,000 gold—100-cent dollars—left the country and $560,000,000 of Federal reserve notes—40-cent dollars—were added to this sodden mass of I O U's, making our present situation dangerously unsound.

William J. Bryan, while Secretary of State, refused to allow his following in Congress to support the Federal reserve act until the notes were made Government paper or "greenbacks" before they were delivered to the Federal reserve banks. In other words, we are up against Bryanism to-day precisely as we were in 1896. Then it was a 50-cent silver dollar, now it is a 40-cent paper dollar.

There is only one way out, and that is for the Republican Party once more to champion the cause of sound money, as it did in 1868, 1876, and 1896, and go before the country with this most important, this greatest of all issues and conduct an educational campaign, as it did on those three former occasions, end this system of fiat money, contract the currency, place it upon a sound basis, get credits back to a normal condition, and prices within the reach of the consumers of the land.

The warning against this peril is coming in increasing volume from the bankers of the country. Thousands of State and country bankers have organized and are now in the field challenging the usurpation of power and the tyranny of the Federal Reserve System; but, because that system represents the greatest concentrated money power this country has ever seen, the larger banks which are now dependent upon it and the financiers of the great industrial centers can not afford to risk the enmity of the administration or of the Federal Reserve Board, which can penalize and punish them in one hundred ways. For this reason, therefore, you may expect them all to remain silent, for the present at least, out of business prudence.

As I have said, the one and only way out of it is for the Republican Party to again champion the cause of sound money and a sound financial system. To this end I propose the following plank for the Republican national platform to be adopted at Chicago:

PLANK FOR THE REPUBLICAN NATIONAL PLATFORM.

"To the end that the business interests of this country shall cease to be the prey and football of whatever political party may happen to be in power, and that we may free ourselves from the present high prices, due to a greatly depreciated currency, and that we may escape the impending perils and threatening dangers due to the defects of the Federal reserve act, we declare:

"First. That our central banking system should be organized solely for the purpose of aiding and serving the commerce of the country, and therefore should be entirely free from the dictation or influence, even, of the executive department of the Government precisely as our Supreme Court now is, which was organized to aid and serve the ends of justice free, unafraid, and uninfluenced by the executive department of the Government.

"Second. That our central banking system should not itself be the source of overexpansion and lead the way to wild inflation, but should be a conserving, regulating power, checking the tendencies to excess beyond the safe boundaries of the demand and supply of credit, and to this end assert that the gold reserves held by our banks should be adequate and so distributed as to guarantee the soundness of all commercial credits passing through them and all currency credits created by them.

"Third. That the currency of our country outside of our gold coin (and its substitute, the gold certificates), and all our subsidiary currency, which includes all denominations below $5, should not by every conceivable legislative device be made to partake of the nature of essential money (or gold, which is the only true money we have), and the American people be thereby deceived and led to believe that because a debt—a demand for gold (such as our Federal reserve notes are)—is redeemable in gold it is therefore itself gold, or as good as gold, or may be used instead of gold, and consequently is fit to be held as a reserve in our banks.

"Fourth. That our currency outside of our gold coin (and its substitute, the gold certificates), and all our subsidiary currency, which includes all denominations below $5, should partake of the nature of bank credit precisely as the Scotch, Irish, Australian, Canadian, and French bank notes now do, and as the notes of the two United States banks, the notes of the banks of Louisiana, certain banks of Kentucky, Missouri, and Virginia, the State Bank of Indiana, and the State Bank of Iowa, and the Suffolk System of the six New England States did prior to the Civil War.

"We are in favor of such a currency because it is the inherent right of every bank depositor to have it upon his request, and because it is the most economical and yet the soundest currency in the world, its equality with gold being proved every day by its redemption in gold through the clearing houses, precisely as checks and drafts are, and because it always will meet the demands of trade everywhere throughout the United States, but will not exceed the demands of trade."

On March 29, 1910, Hon. Charles N. Fowler, who was for 16 years a Member of Congress from New Jersey, for 14 years a member of the Banking and Currency Committee, and for 8 years its chairman, made a speech upon the first draft of the Federal reserve act, which he had drawn.

In the interest of historical truth I read from the title page as follows:

A complete financial and banking system for the United States.

(H. R. 23707.)

The complete organization consists of 28 commercial zones.

The organization of each zone consists of a bankers' council and a board of control.

The 28 commercial zones are individually as strong as all combined, but are absolutely independent of each other commercially, and yet, economically and organically, they are all united and bound together in the Federal reserve bank.

SPEECH OF HON. CHARLES N. FOWLER, OF NEW JERSEY, IN THE HOUSE OF REPRESENTATIVES, MARCH 29, 1910.

A careful reading of this first draft made by him and the act as passed discloses certain fundamental differences which were set forth by Mr. Fowler in some observations he took occasion to make shortly after the passage of the act and were in these words:

If the Federal reserve bank act is to be judged by the principles of banking economics and by those approved bank practices which have been wrought out by experience, and also in the light of those demonstrated perils to both government and commercial credit wherever they have been bound up together, it is fundamentally and structurally unsound and wrong.

First. It is the most gigantic, complete, and potential political machine ever constructed. A legislative enactment that makes it possible for the President to subject, dominate, or even influence the commercial interests of the country by removing every member of the Federal Reserve Board, at any time, without cause, and by empowering the Federal Reserve Board, in turn, to remove at any time without cause all the directors of the 12 Federal reserve banks, should not be tolerated.

Second. The creation of 12 separate, distinct reserve institutions is in utter defiance of all experience, and is at variance with sound principles; and this anomalous structure is sure to break down just at the critical time whenever it may come.

Third. It can not be said that the Federal reserve act bears any natural relation whatever to our experience or conditions, but was purely a foreign device, which was already at the very point of collapse in Germany, when transferred here and superimposed upon our conglomerate situation, making our problem more complex, difficult, and ultimately far more dangerous than before.

Fourth. The Federal reserve act is the most stupendous economic blunder ever committed in the life of this Nation because, while it lays the groundwork for practically unlimited expansion of credit, it also sets in motion those forces which will ultimately drive gold out of the country by the gradual substitution of paper credit, in the form of the United States Federal reserve note, for gold coin. No better device could possibly have been contrived and constructed to put Gresham's law into operation.

Fifth. Not content with the ultimate and unerring effect of the law in gradually displacing gold coin with Government bank debts, the authors of the act to pacify the bitter opponents of the measure, in their ignorance and desperation, greatly reduced the required reserves, although the total cash bank reserves of the country were, at that time, approximately 5 per cent below the average required by the law of safety long established by experience.

Sixth. Though all experience demanded the complete separation of the functions of the United States Treasury from the banking business of the country, after cutting away the foundations of credit and imperiling the whole superstructure of our commerce, and after devising a method for still further weakening the all too slender support of our vast business interests, they tied the Government around the neck of the banks, with the necessary result that both must be made to suffer the consequence of an alliance that all history has shown to be disastrous.

In the light of experience these observations made six years ago have now turned out to be a prophecy.

On the 6th day of February, 1920, delegates representing 8 of the 12 Federal reserve districts, composed mostly, if not entirely, of southern Democrats, met at New Orleans and issued the following protest and banking bill of rights:

Resolutions adopted by assembly of National and State Bankers at New Orleans, La., February 6, 1920.

Be it resolved by this assembly of delegates representing the expressed sentiment of banks of 8 of 12 Federal reserve districts of the United States assembled at New Orleans, La., this 6th day of February, 1920—

First. That we are in favor and heartily approve the purposes of the Federal reserve act. We disagree with certain constructions of said law and propose such changes as experience has shown are desirable and will clarify the meaning of the act.

Second. *Be is resolved*, That we repel and refute all inferences and allegations that we are in opposition to the Federal Reserve System.

Third. That we do deplore and disapprove most emphatically of what we charge to be serious abuses of the enormous powers granted in the Federal reserve act and in the administration thereof.

Fourth. *Be it further resolved*, That we deplore and protest most vigorously against the policy of attempted domination by the Federal Reserve Board and banks over nonmember State banks to enforce universal par clearance of checks by methods described by a Federal bank itself as embarrassing, annoying, and expensive to the nonmember banks is cited as an example of such methods, and we denounce the same as both illegal and wrong.

Fifth. *Be it further resolved*, That in the opinion of the banks here represented the proper administration and necessary amendment of the Federal reserve act are questions for nonpartisan statesmanship, and that whatever political aspects they may assume, if any, will be forced upon the banks by acts of the Federal Reserve Board.

Sixth. *Be it further resolved*, That in order that light may be thrown upon this important law and its administration, so that its defects may be ascertained and corrected and its inequalities and abuses eliminated, we most respectfully and earnestly urge upon our Congressmen and Senators in particular and upon all Senators and Congressmen without regard to party, to institute an official investigation of the administration of the Federal reserve act since its passage, in general, and with regard specifically to the following details:

(a) Coercive methods, if any there be, to force nonmember State banks to become members.

(b) Substantial competition by Federal reserve banks with their own member banks.

(c) Open market transactions.

(d) The enormous and unexpected earnings of the Federal reserve banks, amounting during the year 1919 to $98,000,000 on a paid-in capital of a little over $87,000,000, or 110 per cent for surplus alone.

(e) The relative salaries and bonuses paid by Federal reserve banks to their officers and employees as compared with positions of similar requirements in privately owned institutions.

(f) Oppressive policies toward member banks, under the guise of corrective measures, to a degree where many such members are afraid to take any position which might be construed by Federal reserve officials as being in opposition to their policies in dread of punitive measures and reprisals.

(g) Attempted destruction of the independence of the great State bank systems as such.

(h) Intimidation, if any there be, of directors of Federal reserve banks to such extent as to prevent many of them from performing the functions imposed upon them by law, and the practices employed in selecting the directors.

(i) Efforts, if any, to force the diversified business of the country, which varies largely in character and custom from section to section, to conform to rigid rules and standards determined upon and announced by the Federal Reserve Board—often contrary to the established customs and channels of trade.

(j) The extent to which inflation of currency by the Federal Reserve Board is responsible for the high cost of living, as charged by Dr. Wiley and other eminent authorities.

(k) The refusal, if any, of Federal reserve banks to rediscount for member banks paper which complied with the law in the most minute particulars, but did not fully comply with some arbitrary ruling of the Federal Reserve Board.

(l) The refusal, if any, of Federal reserve banks to make loans to member banks secured by Liberty bonds when requested to do so.

(m) The unwisdom and conspicuous profligacy of the announced policy of the Federal Reserve System and banks to spend any amount of money to collect checks on nonmember banks greatly in excess of a normal exchange charge, rather than to pay the banks for such service, and by what right the Federal reserve banks now propose to use the surplus, which at least in part belongs to the Government and consequently to the people thereof, for the coercion and oppression of certain citizens thereof.

(n) The method of handling clearance deposit accounts and the "float" connected therewith.

Seventh. Whereas for many years there was great agitation and grave concern manifested throughout the country over the alleged concentration of financial power in the hands of a few men in Wall Street—the so-called "Money Trust"; and

Whereas the Federal Reserve System was held out as the cure for this unhealthy concentration of power, by dividing such financial power and control into 12 widely separated banks in different sections, and in the hands of 12 responsible boards of directors, where such power would be readily responsive to the varying mutations of the public needs and opinion: Therefore be it

Resolved, That Congress be further called upon to investigate the concentration of power in the hands of the Federal Reserve Board to a greater degree and in the hands of fewer men than could ever have been the case under the old régime, and how and to what extent this power has been usurped and used.

Eighth. *And be it further resolved*, That adequate assurances be given witnesses testifying in this investigation that they will not be thereafter penalized by reason of such testimony, but will enjoy full immunity from prosecution or persecution, and that such investigating committee be given full power to summon witnesses and compel testimony.

Ninth. And whereas it now appears to be in the minds of certain officials of the Federal Reserve System that authority is granted by the Federal reserve act to the Federal Reserve Board to regulate the conduct of nonmember State banks and to force such banks into business relations with the Federal Reserve System, as is evidenced by their statements in connection with the announcements of the enforced universal par clearance policy.

Therefore be it further resolved, That Congress is hereby petitioned to make appropriate amendment to the Federal reserve act, clarifying the provisions thereof and making it plain that nothing therein contained shall be construed as giving the Federal Reserve System, or the Federal Reserve Board, or the Federal reserve banks any right of control over nonmember State banks, this having been clearly the original intention of the law.

Tenth. *And be it further resolved*, That Congress is hereby petitioned to pass an appropriate amendment to the Federal reserve law to the effect that Federal reserve banks shall be specifically prohibited from handling either from deposit or for collection checks drawn upon any bank which is not either a member of some Federal reserve bank, this being undoubtedly the purpose of the Congress in the law as enacted. Such prohibition, however, shall not apply to checks given in settlement of obligations due to the Government of the United States.

Eleventh. *Be it further resolved*, That Congress is requested to make such other and further amendments to said Federal reserve act, as the result of the investigation herein requested may develop to be necessary and desirable, in order that the said act may achieve its original purposes and be of greater benefit and usefulness than heretofore, and so that it may be no longer possible for an instrument of great good to be used as a weapon of oppression. To this end the sentiment of member banks should be ascertained as to eliminating the entire clearing functions of the Federal reserve banks.

Twelfth. *Be it further resolved*, That all banks in the United States be furnished with a copy of these resolutions and requested to express their opinion thereof. That copies be also sent to the entire membership of the Congress of the United States.

Thirteenth. *Be it further resolved*, That the American Bankers' Association and all State bankers' associations are hereby called upon to render all possible aid in this movement for an investigation and in securing the other relief herein suggested.

Fourteenth. *Be it further resolved*, That all State banking departments be requested to take this matter up officially.

National and State Bankers' Protective Association, president, Chas. de B. Claiborne, Whitney-Central National Bank, New Orleans, La. (largest bank in New Orleans); first vice president, Woods Cones, Cones State bank, Pierce, Nebr.; second vice president, Percy L. Lang, Waverly, N. Y.; third vice president, Martin T. Nelson, Citizens' State bank, Ordway, Colo.; fourth vice president, John Hirning, Pierre, S. Dak.; secretary and treasurer, L. R. Adams, Bankers' Trust Co., Atlanta, Ga.; first secretary, J. A. Ormond, Marianna, Fla.; second secretary, L. J. McGinity, Lebanon, S. Dak.; third secretary, J. P. Palmer, Omaha, Nebr.

There is to be an assistant secretary from each Federal reserve district.

Following the meeting of February 6 the organization was extended to cover the whole United States, and the National

and State Bankers' Protective Association met at Washington May 3, 4, 5, and 6, and reaffirmed and readopted the foregoing resolutions and have now entered upon a nation-wide campaign of protest and have gone before the Rules Committee of the House of Representatives demanding that Congress shall investigate the whole subject from the passage of the Federal reserve act down to date.

As we have seen, they have resolved that all Senators and Congressmen, without regard to party, institute an official investigation of the administration of the Federal reserve act since its passage in general and with regard specifically to the following details:

They have brought witnesses thousands of miles from various parts of the country and have established with the most indubitable evidence that a rule of absolute tyranny prevails in many parts of the country. The facts disclosed and revelations made are astounding, surpassing all possible belief that such things could exist anywhere outside of Russia under the Czar.

For the information of the public, I shall incorporate some of the testimony given before the Rules Committee.

In the case of the Cones State Bank, of Pierce, Nebr., for example, following the refusal of the officers of that institution to sign an agreement with the Omaha branch of the Federal reserve bank, agents of the Federal reserve bank made a practice of accumulating checks drawn upon the bank by its depositors until, in at least one instance, the amount of the checks was for $10,000 more than the total cash reserve the bank was required by law to maintain, and then of demanding that the bank, without prior notice, pay cash across the counter for the full amount of the checks presented.

The capital of this particular bank is but $50,000 and its total deposits $750,000. On this basis the bank is required by law to maintain a cash balance of $25,000. The Federal reserve bank agent presented at one time checks to the amount of $31,900 to this bank and demanded a full cash payment of that amount, threatening to protest the checks and to discredit the bank with its depositors if this were refused.

A draft upon an Omaha bank, where the Cones State Bank had a reserve deposit, was refused by the Federal reserve agents. They demanded cash and immediate payment. And the "hard-boiled" methods of the Federal reserve agents caused the chairman of the House Rules Committee hearing this testimony to compare their tactics to the banking manners of the late and notorious Jesse James, who flourished in that same region.

The Federal reserve bank agents came to the bank "in a high-powered automobile," according to the affidavits, "armed with revolvers," and displaying them after they entered the bank and demanded the $31,900. A large number of affidavits from the officers of this and other banks were submitted.

A depositor swore to an affidavit that, being a witness of the performance of these "Government men" in demanding this cash payment, he had been alarmed and stampeded into the thought that the Government was withdrawing its money from the bank and that there was a run upon the bank.

There are known to be hundreds of similar cases, probably there are thousands of them, but most of them are afraid to speak.

We have noted also that they have asked for an investigation of the extent to which inflation of the currency by the Federal Reserve Board is responsible for the high cost of living, as charged by Dr. Wiley and other eminent authorities.

It is now generally conceded that the Federal reserve note is only a 40-cent dollar; that at least 60 per cent of our present prices have resulted from the practically unlimited issue of Federal reserve notes, amounting now to $3,300,000,000, or upward of $30 per capita for every man, woman, and child in the United States, and the maladministration of the Federal reserve bank by the Federal Reserve Board. Of the astounding extent of the inflation since the armistice was signed there is no possible doubt, according to the statement of the Federal Reserve Board itself, for in their bulletin of May 1 they say:

A review of the first four months of 1920 indicates very little progress toward a reduction of either commodity prices or credit volume. The best that can be said is that the rate of increase in both has been slowed down. The usual credit liquidation of January and February did not occur this year, and while during February the steadily rising indices of commodity prices halted, or even showed signs of declining, they have resumed their upward course during March and April, accompanied by increasing bank loans, in spite of a decreasing volume both of the Government debt and of Government securities owned or carried by the banks.

In spite, then, of the substantial increase in rates for both short and long credit which followed the January increase in Federal reserve bank rates, no general improvement in either price or credit expansion has since been effected. When we realize that in another few weeks southern harvests will begin, and that in another four months we shall be in the autumn period, when trade and crop moving demand an increased volume of credit, it is important that both bankers and business men should carefully study the situation at once, calmly but frankly, to see what can and should be done to prepare for these demands and to effect, in the meantime, not only a prevention of further credit and price inflation but a measurable reduction of both.

In the 19 months when we were at war, the expansion of national-bank loans was 16 per cent. In the same 19 months commodity prices, Bureau of Labor index, increased 20 per cent.

From the call March 5, last year, to February 28 this year national-bank loans expanded by $2,303,000,000, or 24 per cent. This was two and one-half times the rate of growth during our participation in the war, with all the tremendous Government loan issues and nearly four times the average yearly rate of the last 30 years, including the four war years. As the national-bank loans are about 45 per cent of the total loans of all banks, this means an expansion for the entire country of about $5,200,000,000, a sum that might well have been considered incredible if it had been predicted a year ago.

Can any intelligent man read these words, to say nothing about writing them—if any member of the board did write them—without at least suspecting the cause of this mad inflation?

Let me call your attention to the fact that the amount of gold in the country April 1, 1919, was $3,092,000,000, and that on April 1, 1920, it amounted only to $2,662,000,000. In other words, our loss in gold during the year was $430,000,000.

The amount of Federal reserve notes in circulation April 18, 1919, was $2,698,000,000, while now outstanding April 16, 1920, was $3,260,000,000, or there had been an increase of $561,000,000 during the year just passed.

In other words, we exchanged $430,000,000 of 100-cent dollars for $561,000,000 of 40-cent dollars, and put the greater part of this $561,000,000 of 40-cent dollars, possibly all of them, into the reserves of our banks.

Here was the reserve basis; here was the direct cause of that astounding increase of loans amounting to over $5,000,000,000, "a sum" which the Federal Reserve Board said in their bulletin "might well have been considered incredible if it had been predicted a year ago."

And yet anyone who knew anything about the principles involved could have predicted this increase in bank credit with mathematical certainty. Indeed, under the circumstances it could not possibly have been otherwise.

But will it be objected that the member banks could not use those notes as reserves?

You will find upon investigation that these notes, in obedience to Gresham's law, are constantly crowding the gold out of the member banks, while States like New York and Pennsylvania, the leading financial and commercial States of the Union, have already passed laws providing that their State banks may hold Federal reserve notes as reserves. Of course, if all the State banks are using these notes as reserve, as they have a right to, even without the statutes, these notes, though they may not have been declared to be legal tender, are economically legal tender because used as reserves.

A studied attempt has been made by the Government to make the people believe that these notes are as good as gold and, therefore, are fit for reserves.

The Federal Reserve Board in its bulletin of July, 1916, recommended that these Federal reserve notes be made legal tender, because they urged that they have the power to make them lawful reserves of member banks.

Upon the appearance of that bulletin, Mr. Fowler expressed himself as follows. Now, remember that these words were uttered by him in a speech in 1916, now four years ago. What he than said has more than come true:

ADDRESS ON THE GOLD STANDARD ENDANGERED BY THE FEDERAL RESERVE BANK ACT, BY HON. CHARLES N. FOWLER, MEMBER OF CONGRESS FOR 16 YEARS AND CHAIRMAN OF THE BANKING AND CURRENCY COMMITTEE FOR 8 YEARS, JULY 21, 1916.

Though some of the ends sought by the framers of the Federal reserve bank act were desirable in themselves, the mistakes made and the economic laws violated in the undertaking compel the conclusion that it were a thousandfold better that the act had never been passed.

The framers of the Federal reserve act pretended to seek to give the country a currency that would automatically adjust itself to the ever-varying demands of trade, rising and falling with the tides of commerce, as the seasons came and went. But from the day that the act became operative to this hour there has been one constant, steady stream of circulation poured into the channels of trade, in season and out of season, until we now have $39 per capita of circulation, as against only $34.35 January 1, 1914, when the act actually became operative. The United States Federal reserve bank notes now outstanding aggregate $180,000,000.

There was only $34 per capita when the Federal reserve act was passed in 1913. It is now $56 per capita, or $22 more—almost double what it was when the act was passed. There is just $30 per capita of Federal reserve notes alone now outstanding, which is more than a fulfillment of the prophetic fears expressed in this speech.

If we had had such a bank currency as they have in Canada, the variation from maximum to minimum would range from $300,000,000 to $400,000,000 during the summer and fall as compared with the winter months, for the conditions prevailing here justify the conclusion that while in Canada the variation ranges from $4 to $5 per

capita throughout the year, our variation would range from $3 to $4 per capita. However, under the Federal reserve bank act there has been no contraction of our circulation whatever, but expansion, expansion, expansion!

He who can not see overwhelming disaster in the continuation of present conditions must be utterly blind to all the lessons of history.

Tragic as are the portents of this mad expansion to any sane mind acquainted with the monetary past, the Federal Reserve Board, not content with the use of the United States Federal reserve notes in 25,000 State banking institutions as reserves, recommended in their bulletin of July, 1916, that these United States Federal reserve bank notes be made legal tender, for they urged an amendment of the Federal reserve act in these words:

"Upon the affirmative vote of not less than five of its members the Federal Reserve Board shall have power from time to time by a general ruling covering all districts alike to permit member banks—

"1. To carry in the Federal reserve banks of their respective districts any portion of their reserves now required by section 19 of this act to be held in their own vaults.

"2. To count as part of their lawful reserve Federal reserve notes of their own district not exceeding in the aggregate an amount equal to 5 per cent of their net demand deposits."

That is, the member banks can make these debts, these demands for gold, a part of their legal reserve, they therefore of necessity become a part of the legal tender of the country.

The astounding thing about this proposal of the Federal Reserve Board is that it will cost the member banks just as much to carry this wind and water reserve, this false pretense of a reserve, as to carry gold itself.

Think of this just a moment. This legislation is urged in the face of the appalling fact that we now have in this country $1,100,000,000 of mere paper promises to pay, which are now being used as bank reserves, that is, there are $750,000,000 national bank notes which are being treated indiscriminately as reserves by all of our State banking institutions and $346,000,000 of United States notes or greenbacks, making a total of $1,100,000,000. In addition to these paper promises there are $500,000,000 of silver certificates, or a total of $1,600,000,000 outside of gold that can be used as reserves, not one single dollar of which is fit to be used as a reserve.

Pass the amendment now proposed by the Federal Reserve Board, and then certainly the caption of the Federal reserve act should be rewritten, and the title should be "An act to increase the United States notes or greenbacks without limit." For this step is the beginning of the end.

How true these words are in the light of the operations of the Federal reserve banks since the armistice was signed November 11, 1918.

UNITED STATES NOTES OR GREENBACKS.

The gold reserve now lodged behind the $346,000,000 United States notes or greenbacks is $150,000,000. This is a reserve of 43.35 per cent. The amount of gold reserve required behind the United States Federal reserve bank notes is only 40 per cent.

An economic lie is just like any other lie in always demanding a bigger and still bigger lie to cover each preceding lie until the whole fabric of lies breaks down.

The attack upon the gold standard through the Federal reserve act is not quite so bold, not quite so obvious; but it is the more dangerous because more subtle and more likely to deceive until it is too late, when we have paid the penalty for our folly in committing this economic crime. This is our peril. This is our certain danger, and overwhelming disaster waits only upon time.

Gresham's omnipotent and never varying law, by which the poorer always drives out the better money, working with the certainty of the law of gravitation, has already been put into operation, and when conditions change and the times are favorable, our gold will be driven out of the country by shiploads, and the balloon of credit now being created by forcing the Federal reserve bank notes into circulation will explode, leaving only a sad recollection of our fools' paradise.

Could a more perfect description be given of present conditions even now?

There are some who ignorantly, and therefore foolishly, say that we do not need all the gold we now have. Note these facts and decide the question for yourself. The amount of gold now being used through the world for monetary purposes is in excess of $8,000,000,000. Our bank liabilities are now approximately 45 per cent of all the bank liabilities of the whole world; therefore if we had our share of the monetary gold we should have more than $3,000,000,000 of gold. But we have only $2,500,000,000, or we are $500,000,000 short of our proper share.

The trouble is that we are in the habit of comparing the gold that we have with that of Great Britain, Germany, Russia, or France, when we should compare what we have with what all the rest of the world has precisely as we are now compelled to compare our bank liabilities with the bank liabilities of all the rest of the world.

SILVER, GREENBACKS, AND FEDERAL RESERVE NOTES ARE ECONOMICALLY IDENTICALLY THE SAME THING.

A 40-cent silver dollar, a United States note or greenback with 43.35 per cent of gold behind it, and a United States Federal reserve note with 40 per cent of gold behind it are economically the same thing, and no man, by any course of sophistical reasoning can point out the slightest difference between them economically. For let it be set down as an eternal truth, that an increase in any one of them will have the same effect economically in the end as a corresponding increase of either of the other two, and that from this deadly peril there can be no possible escape except by discontinuance, as we have already learned, both in the case of greenbacks in 1876 and in the case of free silver in 1893.

RETIREMENT OF GREENBACKS.

Instead of taking steps which must inevitably lead to unlimited issue of United States notes in the form of United States Federal reserve notes or Federal reserve bank notes which are to become a part of the bank reserves of the country as fast as issued, and which the Federal Reserve Board now urge as a part of our legal tender money, we should have taken immediate and positive steps for the retirement of all United States notes or greenbacks outstanding, not only because they are a menace in themselves but because their presence teaches an economic lie—that a debt, that a demand for money, that a demand for gold, can itself be money, can itself be gold, or can even serve the purpose of a gold reserve for which it is itself a demand.

Not only that, but we should have forever fixed by statute a limitation of bank reserve to gold and gold alone.

The Bank of England act of 1844 contained a provision by which the bank could count silver as a part of its reserve up to 25 per cent, but the bank has never recognized anything but gold as fit for a reserve, and the result has been that the Bank of England, following this important, the essential, principle, has demonstrated to the world beyond all possible cavil that if any country hopes ever to become the financial center of the world gold must always be had for the current price of its use, expressed in the rate of interest without interference of forces set in motion by a violation of this all-important law of banking economies—that is, the absence of Gresham's law is essential to the attainment of this ambition.

England learned her lesson from 1800 to 1844, through many most bitter and seemingly never-ending experiences and, finally, overwhelming disaster.

We learned our first lesson from 1791 to 1832, when the slight differential of about 1 per cent in favor of silver drove all of our gold out of the country. We learned our second lessen from 1861 to 1879, when the United States notes or greenbacks kept us off of the gold standard for 18 years. We learned our third lessen from 1879 to 1893, when, through the siren call of free silver, we went to the very precipice of national repudiation. Are the American people such consummate fools as to venture once more into this malestrom of destruction?

THE DEMANDS FOR RESERVES AND THE DEMANDS FOR CURRENCY COME FROM ENTIRELY DIFFERENT SOURCES.

The movement or increase and decrease of gold is related wholly—yes, exclusively—to international commerce. Of course, there is an exception with regard to increase where a country produces gold, but I am speaking now economically of gold as a commercial commodity.

The movement or increase and decrease of currency is related wholly—yes, exclusively—to the demands of domestic trade.

There may be such an export of gold as to bring about acute and rapid liquidation which in turn would call for a far much greater expansion of cash. This demand for cash should be met by a conversion of commercial credits into current credits—cash—an operation that should be left wholly—yes, exclusively—to the banks and should in no way be directly related to the institution that is organized to control the movement of gold.

An apt illustration of the principle here announced, but cumbersome and uselessly expensive, was the conversion of $385,000,000 of commercial credits into current credits—cash—at the outbreak of the European war under the Aldrich-Vreeland Act.

On the other hand, there may be a large import of gold which would enter immediately into the channels of trade and primarily, if not permanently, perform the function of the cash of the country, and therefore correspondingly displace or reduce the amount of currency put into circulation as a natural result of the demands of trade.

The reserves of a country and the currency of a country when strictly performing their respective functions are diametrically the opposite of each other—the one is the redeemer and the other is the redeemed, and nothing whatever should be done to change their relative natures, for by so doing you interfere with the perfect performance of their allotted functions.

NEW YORK FEDERAL RESERVE BANK AN ILLUSTRATION.

While I have not discussed the matter with any member of the board of directors of the New York Federal reserve bank, the appalling danger of identifying these two entirely different elements—reserves and currency—in banking economics, I am confident, has already impressed itself upon the management of the New York Federal reserve bank. For, on July 7, this institution held $31,223,000 in greenbacks and silver certificates, demonstrating to a mathematical certainty that the banks of the country were already discriminating between real money—gold—and pretended money—greenbacks and silver certificates.

If this discrimination has already shown itself in these flush times, when gold is constantly coming into the country and more is promised, what may be expected when hundreds of millions of gold will have to be shipped out of the country—that is the question?

As to the fact, I challenge the board of directors of the New York Federal reserve bank to deny the above allegation. And, if I have stated a fact, I assert that it is their duty in the interest of truth and in the interest of the general welfare of the whole country to come forward at once and make confession of their trouble in keeping the poorer money of the country—greenbacks and silver certificates—from flooding them to the exclusion of the better money—gold.

If I have stated in the foregoing a fact, how could any intelligent man—that is, a man who is informed upon the principles and history of this question—if he is still sane, urge that we add still further to the quantity of the substitutes for gold by making the debts of the Federal reserve banks, their I O U's, a part of the legal tender of the country; that is, make the notes of the Federal Reserve banks legal reserves for all member banks?

But it may be urged that the Federal reserve notes are something more than debts of the Federal reserve banks.

Yes; we well remember that William J. Bryan, then Secretary of State, refused to give his support—that is, the votes he controlled in Congress—to the act unless the notes were issued by the United States Government. That is, that the notes should be the obligations of the Government—greenbacks—before they were turned over to the banks.

Not satisfied with waterlogging the Federal reserve notes with this deadly handicap, in their ignorance Congress further limited their usefulness as currency by throwing around them all the conditions—fatal impediments—under which the notes of the Imperial Bank of Germany were issued, and finally gave them their death blow—as currency—by burying them under a body of rules, regulations, and restrictions that utterly destroyed them for the purpose for which the public supposed they were created, an elastic currency, which would reflect the ever-varying demands of trade, instead of a sodden mass of I O U's ever on the increase, but never decreasing.

AN IRREVOCABLE TRUTH.

Let it be remembered as an eternal economic truth that every act, every paragraph, every sentence, every word, every syllable, that is used to change or convert a true bank credit instrument into paper coin, or make it perform the function of coin, correspondingly and identically to the same degree, destroys its virtue and usefulness as a credit instrument and makes it to the same degree and directly in the same proportion, the deadly and destructive enemy of the very coin whose nature it is made by statute to approximate or assume.

This is the fateful feature of the Federal reserve notes or the Federal reserve bank notes. And the result will be inevitably identical with the consequences which followed this experiment in Great Britain from 1800 to 1844, or during a period of 44 years prior to the passage of the English bank act.

THE THREE GREATEST LESSONS OF FINANCIAL AND BANKING HISTORY.

The three most clearly demonstrated facts, the three established principles of fundamental importance in the financial and banking history of the world, are:

First. That there should be one single central reserve and that reserve should consist of gold, and gold alone, and that the function of creating currency out of credit should not be identified with or a part of the central reserve system.

Second. That the best and cheapest kind of currency in the world is "bank-credit currency," and that it should spring into being in the regular course of business, precisely as checks do, and be redeemed daily at the counter of the bank of issue and through the clearing houses precisely as checks are, for they are identical in principle—both are bank credit, both are I O U's—the one, the depositor's check, being order credit; the other, the bank notes, being current credit.

Third. That there should always be adequate facilities for the quickest possible redemption of all demand debts created in carrying on the trade and commerce of a country, such as the American clearing houses would constitute if located in every economic center and all perfectly coordinated.

These three demonstrated facts, these three great fundamental principles, recognized and followed to their logical conclusion, will unerringly lead us to adopt the "central gold" reserve system of England, the "bank-credit currency" system of Canada, and the clearing-house system of the United States. These three being combined, will give us the most natural, the simplest, soundest, the most economical, and the most efficient banking system in the world, and guarantee to us every natural advantage to become the financial center of the world.

CONVERSION OF COMMERCIAL CREDITS INTO CASH.

The framers of the Federal reserve act pretended to provide for the banks of the country additional credit resources by superimposing upon conditions which were the outgrowth of our own banking experiences a foreign scheme, an alien device wholly unsuited to our peculiar needs which could have been completely and perfectly met by the extension throughout the country of our clearing-house organizations, which are the most perfect banking instrumentalities ever yet developed.

Instead of this alien device, further involved and handicapped by 12 arbitrary locations, largely determined by political pull, where rediscounts might be obtained under the most impracticable set of rules and regulations conceivable, every bank in the United States should have been given the opportunity of obtaining at that credit center where it was in the habit of usually clearing its checks all such additional credit facilities as the exigencies of the seasons and times required, and in accordance with those banking practices which our own banking experience had approved. The business convenience of the banks of the country and the advantages of their customers demand this natural selection of credit centers, of which there are about 50 in the country, instead of the unnatural and arbitrary selection of 12 distinct points, largely determined by political pull.

Can anything more absurd be imagined than that the banks of Louisiana should be compelled to go to Atlanta or Dallas rather than to New Orleans for rediscount accommodations? But this is only a sample of this conglomerate of economic follies and absurd practices.

The framers of the act pretended that they wanted to take the control of the reserves from a few hands.

What they actually did do was to take the reserves held by 367 national banks located in 50 cities and acting as reserve agents for all other banks and place them in 12 banks located in 12 cities. Not only that, but the reserves now held by the 12 Federal reserve banks are controlled by the Federal Reserve Board of seven members, appointed by the President for a limited period of years and removable by the President at will without cause. Again, the Federal Reserve Board of seven members is empowered to remove all the directors of the 12 reserve banks upon cause stated.

Prof. Edward Sherwood Meade, of the University of Pennsylvania, said in 1916:

"The same party which Mr. Bryan led in 1896 against the money power has erected in the Federal Reserve Board a political money power, dominated by the President of the United States, which is far more potent than the imaginary combination of the past.

"The Federal Reserve Board can expand or contract the currency at will and without limit.

"They can fix the rate of interest the country over, raising or lowering it at pleasure.

"They can raise or lower the cash reserves of all the national banks.

"They can expand or contract the credit of every class of business man.

"They hold the power of life and death over every American business."

The London Statist of July 22, 1916, used this language:

"Every Government, the party in power, desires to maintain active trade conditions, not only because active trade helps to make it popular, but also because activity of trade is of benefit to the country, and with a presidential election coming on it is obvious that the present American Government will do all that it can do reasonably to maintain active conditions, and, if necessary, will set free the cash that is accumulating and is unused in the Federal reserve banks."

These certainly are nonpartisan and impartial judgments upon the political aspects of the Federal reserve bank act, and disclose the imminent danger always impending over the banking and business interests of the country so long as this act remains upon the statute books.

The words of the London Statist and Prof. Meade were largely prophetic, but the recent denunciation of the southern bankers at New Orleans was the result of observation and bitter experience and more than confirms the prophetic words of the Statist and professor.

The framers of the act planned and the Federal Reserve Board are doing everything in their power to take all the reserve from all the banks, leaving them nothing but Federal reserve bank notes in their stead, although during the past 25 years all the leading bankers of London, and all the English authorities in banking economics have been urging persistently, in season and out of season, that all banks should carry at least a 10 per cent cash reserve in gold in addition to what they held at the Bank of England. For many years Herr Havenstein, president of the Imperial Bank of Germany, as a result of his harrowing experience in trying to stem the tide of Gresham's law, has been urging identically the same thing upon all the banks of Germany. If this was a wise precaution in both Germany and Great Britain, it is a hundredfold more important in this country, considering our individual, independent banking system, composed as it is of about 30,000 separate units.

Since this was written an ignorant and subservient Congress has passed laws compelling all member banks to carry their reserves with the Federal reserve banks.

THE AMOUNT OF A CENTRAL RESERVE.

Under no circumstances should more than one-half to three-fifths of the required bank reserve, which should always be ample, be centralized, if we hope to maintain a solid foundation for our commercial credits which should be subjected to daily redemption, through our clearing houses in gold coin.

COST OF CURRENCY.

The framers of the Federal reserve act pretended that they would furnish the United States an economic currency, but an exhaustive investigation demonstrates the fact that it will cost the American people twice as much as that of Canada, where, all things considered, they have the best bank currency system in the world. The Federal reserve banking scheme, if made operative throughout the United States, would cost the American people more than $100,000,000 every year than a right banking system would.

UNIFIED SYSTEM CLAIMED.

The framers of the act claimed that they had provided a truly national banking system which all banks would enter immediately as a matter of choice. But just the reverse has happened. Antagonistic and competitive organizations have sprung up all over the country, and the number of banks organized under State laws were seven times greater than those organized under the Federal Reserve System down to January 1, 1916. Down to that date, or within the two years that the law had been in operation, 2,925 banks organized under State laws while only 505 organized with national charters and subjected themselves to the irksome rules of the Federal reserve act. Since January 1, 1916, 60 national banks have left the Federal Reserve System, while only 62 have taken national charters. But if the number of banks that have taken State charters since January 1 maintains the average of the two preceding years, 856 banks have taken State charters, or upon an average of more than 15 to 1 have become State banks. In other words, our banking, instead of becoming more unified and completely nationalized, is rapidly becoming denationalized and correspondingly decentralized and weakened. Moreover, thousands of national banks are now arranging to leave the system as soon as they can do so at the least possible cost and disadvantage to themselves. The hatred of this foreign, this alien, device is intense and well-nigh universal.

Through patriotism during the war, coercion, and fear of persecution many have joined since the war. See bankers' resolutions.

BANK REFORMS DEMANDED.

True bank reform demanded a perfectly coordinated and completely unified system, in which every bank should have become an economic unit of one harmonious whole.

The Federal reserve bank act has produced diametrically the opposite result; the relative number outside the system is gaining rapidly every day by national banks leaving at great loss to themselves and fewer joining each month.

True bank reform demanded that our banking and business interests should be removed from all political influence and control as far and as completely as possible.

The Federal reserve bank is the most pernicious, gigantic, and potential political machine ever constructed through the forms of law.

See bankers' protests and resolutions.

True bank reform demanded that we should have a currency that automatically adjusted itself to the every varying demands of trade, day in and day out, season in and season out, year in and year out, precisely as it does in Canada.

The Federal reserve bank is gradually adding to the quantity of our circulation and correspondingly inflating our credit, a fact that conclusively demonstrates that the Federal reserve notes bear no relation whatever to the currency demands of trade. This fact is rendered obvious since the rediscounts only amount to $20,000,000, while the outstanding Federal reserve notes amount to $180,000,000. (July, 1916.)

See excerpts from bulletin of the Federal Reserve Board, May, 1920.

True bank reform demanded that we should have an adequate single central gold reserve, which should become the economic heart of our financial and banking system, adequate to meet all the extraordinary demands of credit and efficiently and effectively aid in determining the international movements of gold.

The Federal reserve banks have already exhausted the legal margin of credit.

The Federal Reserve Board, confronted with an enigma and an impossible task, finally, in utter disregard of the terms of the act, created, in their desperation, by abstracting funds from the 12 banks, virtually another institution, to perform the major function of a central organism, which in the United States should consist of the entire central reserve, having $1,250,000,000 to $1,500,000,000 of gold, instead of the so-called settlement fund of $100,000,000 for which there is no authority in law.

True bank reform demanded that steps be taken to retire all the United States notes or greenbacks outstanding and forever fix gold alone as a fit reserve for the banks to hold.

The Federal reserve banks are adding to our permissible reserves every day, and promise to increase them without limit if the Federal Reserve Board succeeds in their present legislative purposes. But whether they do or not, all history teaches that the result must be the same in the end. There can be no escape from it, because it is inherent in the very nature of the structure and in the very character of the notes.

True bank reform demanded a banking system founded upon the eternal principles of banking economics and those bank practices which had been tested and approved by 125 years of American banking experience.

The Federal reserve banks were organized in utter defiance of the principles of banking economics and in complete disregard of the lessons taught us by our own experience, and, contrary to the processes of Anglo-Saxon civilization, is an attempt to superimpose upon conditions essentially peculiar to ourselves, a foreign scheme, an alien device wholly unadapted to our particular needs.

The Imperial bank-note system was adopted, although Germany had already these notes, legal tender, as a matter of necessity in 1911.

True bank reform demanded a simple, natural, and adequate central gold reserve, created precisely as it is created by the members of a clearing house and utilized with the same facility and effectiveness through a perfectly coordinated and completely unified national organization of all the clearing houses located at the natural credit centers of the country.

The Federal reserve bank organization is the most complicated, the most conglomerate, the most mixed mess, that ever found expression through the forms of law—a veritable economic monstrosity, the natural offspring of malevolence, exhibited in a legislative effort to destroy New York as our national economic center—

They put all New Jersey in the Philadelphia district and western Connecticut in the Boston district—

of partisanship, exhibited by the appointment of Wilson Democrats only on the reserve board—

Down to May, 1920, not a single person had been appointed upon the Federal Reserve Board who was not a Wilson Democrat—

of sectionalism by placing 5 of the 12 banks in a section of the country doing only one-fourth of the business—

Richmond, Atlanta, Dallas, Kansas City, and St. Louis—

of ignorance of economic law by issuing an unlimited amount of United States Government paper; and of utter disregard of the vital lessons taught us through our own experience in banking by breaking down and displacing a well-nigh perfect banking organism with a mechanism wholly at variance with our demonstrated needs.

True bank reform demanded that our banking system produce the most economical and the safest currency in the world—a currency as cheap as any other bank credit and always as good as gold because currently redeemed in gold through our clearing houses.

The Federal reserve bank issues are the most expensive and the most dangerous currency in the world. This currency costs approximately twice as much as the right kind of a banking currency would, and it is undermining the foundations of our commercial credits because it is being used as bank reserves, thereby driving gold out of the banks and consequently out of the country. History is only again repeating itself. Gresham's deadly law is again vindicating itself.

To-day the whole country is in actual terror because of a threatening commercial catastrophe brought on by an utter disregard of this law.

When all the questions involved are duly considered, it can not be said that there is one single right thing about the Federal reserve bank act; for, while the framers of the act sought to do some things that were right in themselves, through their evident ignorance of economic law and the lessons of history, they have produced a measure which must prove the most stupendous economic blunder ever committed in the commercial life of this Nation, unless its consequences are averted by tearing it from the statute books before it is too late.

To say that the Federal reserve bank act has for the first time in our history so mobilized bank reserves as to prevent future panics is utterly false, because one of the greatest difficulties ever encountered by American banking—the crisis resulting from the outbreak of the European war, August 1, 1914—was met, overcome, and successfully passed by the Aldrich-Vreeland law.

PRESIDENT WILSON CONTRADICTED BY FACTS.

Referring to this great crisis, President Wilson said, at Detroit, July 11, 1916, "It (the Federal reserve bank act) saved the country from a ruinous panic when the war came on."

But his son-in-law, Secretary of the Treasury McAdoo, in reviewing the situation growing out of the European war, used these words in his report to Congress, December 7, 1914:

"This has been accomplished notwithstanding the fact that the Federal Reserve System authorized by the act of December 23, 1913, was at that time only in process of formation, and was unable to render any service in the situation."

In these words Secretary McAdoo admits that the Aldrich-Vreeland law, unaided, carried us through the crisis of 1914.

Is it possible that the President did not know the truth about so important a matter? Is it possible that if he did know the truth, desiring to take advantage of an utterly false statement, he ventured to assume that the American people were such a lot of fools as not to know the facts in the case?

The economic effect of the Aldrich-Vreeland law which, unaided, carried us through the greatest crisis in our history, was to mobilize our bank reserve—the ability to convert commercial credit into cash—just as completely and effectively as the Federal reserve bank could possibly do. And, moreover, the Aldrich-Vreeland law could not have produced, if allowed to remain, any of the fatal results inherent in the Federal reserve act.

THE TWO NECESSARY RESULTS SOUGHT.

When the Democratic Party came into power the American people, through agitation, experience, and discussion, had already arrived at two very distinct and very concrete conclusions.

First, that there should be a general centralization of reserves—gold reserves, I mean.

Second, that there should be a greater adaptability of our bank credit to the ever-varying needs of trade.

But the method of securing these two important, these two essential, ends had not yet been subjected to any intelligent thinking whatever, simply because there had been no intense interest in the method of securing them. There had been no discussions of the subject by which errors would have been eliminated precisely as they were eliminated through the fiery furnace of debate to which the gold standard was subjected in 1896.

So general and universal was the agreement with regard to the centralization of reserves and the adaptation of bank credit to commercial needs that no one of standing who proposed remedial legislation failed to make these two purposes the central ideas of his plans.

Broadly considered from an economic point of view, the country would have been a thousandfold better off to-day to have continued as it was under the Aldrich-Vreeland law until the great reforms demanded could have been worked out through discussion, consideration, and due deliberation.

That necessary discussion, consideration, and deliberation by which the dross of error is eliminated should take place now, and the Republican Party will be untrue to its traditions if it does not join issue with the Democratic Party by attacking the Federal reserve bank act, which is only another form of "Greenbackism," "Free silverism," "Fiatism," "Bryanism."

Speaking of the Federal reserve act, after its passage, William J. Bryan said:

"The provision (in the Federal reserve act) in regard to the Government issue of the notes to be loaned to the banks is the first triumph of the people in connection with currency legislation in a generation. It is hard to overestimate the value of this feature of the bill. In the second place, the bill provides for Government control of this money (he does not know what money is); that is, controlled through a board composed of Government officials selected by the President with the approval of the Senate. This is another distinct triumph of the people, one without which the Government issue of the money (as if a debt could be money) would be largely barren."

No one but an economic idiot or a person who was totally ignorant of the history of banking economics could have uttered these words.

Correctly speaking, our gold coins are the only money we have, all other forms for circulation are nothing but currency which must be redeemed in gold to be kept as good as gold.

William J. Bryan was a "Greenbacker" before he was a "Free Silverite"; but he was always a "Fiatist." It is just as important to defeat William J. Bryan, "Greenbacker," the true author of the Federal reserve bank act in 1916, as it was to defeat William J. Bryan, the "Free Silverite" in 1896. And it is far more important to defeat him now, or his ideas embodied in the Federal reserve bank act, than it was to defeat him in 1900 and 1908 when the people repudiated him with overwhelming majorities.

The Federal reserve bank act is the same old bunco game by which the people are to be deceived and fooled into the belief that the Government can make money out of its debts. It is the very embodiment of the same old false pretense of the Democratic Party that the Government can make something out of nothing by its mere fiat.

The Federal reserve bank act is the very embodiment of that same old insane idea which has cursed the commercial world for centuries—that a debt which must be redeemed in reserve money to prove its goodness is itself good enough to be used as that selfsame reserve. Certainly, if one debt is good enough to be used for bank reserve, then all good debts are good enough to be used for bank reserves. This is the end; this is economic chaos.

If all the commercial nations of the world should enter into a conspiracy for the express purpose of devising some scheme by which they intended ultimately to take away our gold, they could not possibly conjure up anything that would so successfully accomplish their purpose as the Federal reserve act will, for in the end it will literally dynamite the gold out of the country.

Shall the Federal reserve bank act, which is the most subtle, the most deadly attack ever made upon the gold standard, go unchallenged until it culminates in our utter undoing—complete credit destruction, overwhelming commercial disaster? That is the question.

The following article by Mr. Fowler appeared September 17, 1919, in The Street:

HIGH PRICES AND THE FEDERAL RESERVE SYSTEM.

(By Hon. Charles N. Fowler, "the father of the Federal reserve act.")

EDITOR'S NOTE.—Hon. Charles N. Fowler retired from banking to enter Congress. He was a Member of the House of Representatives from New Jersey for 16 years; a member of the Committee on Banking and Currency for 14 years, and its chairman for 8 years.

In a speech in Congress on March 29, 1910, he proposed the establishment of the Federal reserve bank. His bill provided for (a) 28 individual and independent zones, which were all united in the Federal reserve bank; (b) departmental banking—that is, commercial business, savings business, and trust company business; (c) the issuance of notes according to the principle laid down by Alexander Hamilton in the charter of the First United States Bank; and (d) the centralization of 60 per cent of all our gold—just about what we have to-day.

The present article is a reply by Mr. Fowler to the recent statement made by the Hon. W. P. G. Harding, Governor of the Federal Reserve Board, to Senator McLEAN, chairman of the Banking and Currency Committee of the Senate, which declared that the operations of the Federal reserve banks had not resulted in increasing prices.

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Prices have been increased because of some one of the following six reasons or because of the combination of some of them, or, possibly, a combination of all of them:

First. A great demand and short supply.
Second. Increase of wages.
Third. Shorter hours.
Fourth. Reduction of production.
Fifth. Overexpansion of credit.
Sixth. Inflation of the currency.

Passing over the first five, I shall speak only of the sixth, the inflation of the currency.

Prices may be increased by an inflation of the currency such as they now have in Russia, where inflation has nearly wiped out all the value currency ever had and prices are practically without limit. A lump of sugar costs about $5 and a pound of bread about $60 in rubles.

Inflation of the currency has occurred to a greater or lesser extent in all countries affected by the war, even the victorious countries—England, France, Italy, and the United States.

What we are directly and more particularly interested in, however, is to what extent prices have been made by the inflation of our own currency, or so-called money.

WHAT IS MONEY?

It may be well before we proceed any further to fix clearly in our mind what money is. The only true, the only real, money in the United States is the three billions of gold we now have; for gold alone is its own redeemer.

When you have in your possession a $5 gold coin, the United States Government does not owe you anything. That gold piece, hammered into the form of a spike, is worth just as much as when it bore the Government stamp, which added absolutely nothing whatever to its value, as all it possibly could do was to certify to the weight and fineness of the metal, which, in the form of a spike, is worth just as much at the United States Treasury as the $5 gold coin was when it first fell, shining from the United States Mint, with the stamp of the Government upon it.

How different when you have in your possession a Federal reserve note. You then have a Government debt, guaranteed by the bank. You have only a debt, an I O U, a demand for gold which the banks or the Government owe you and must pay you on demand. Therefore, it must be obvious to every intelligent person that the Federal reserve note is not money in any essential sense. It is only currency—a currency medium of exchange—as all our other circulation is, which must be redeemed in gold to be kept as good as gold. With this great fundamental truth constantly before our minds, let us proceed.

OUR CIRCULATION HAS INCREASED $2,376,000,000 IN FIVE YEARS.

When we speak of circulation we mean the amount of currency of the different forms of curency, gold, silver, and paper currency, outside of the United States Treasury and in the hands of the banks and the people. The amount of currency of different kinds in the United States, including the United States Treasury, is always much larger than the amount of circulation, and this distinction should be kept in mind.

On July 1, 1914, our circulation amounted to only $3,402,000,000. Our per capita circulation was $34.35.

On July 1, 1917, our circulation amounted to $4,763,000,000. Our per capita circulation was $45.74. There had been an increase in our circulation of $1,361,000,000.

On August 1, 1918, our circulation amounted to $5,559,000,000, or an increase of $795,000,000. The per capita circulation was then $52.44.

On August 1, 1919, our circulation was $5,778,000,000, or an increase of $219,000,000 and the per capita circulation was $54.40. We had had an increase in our circulation over that of 1914 of $2,376,000,000, or a per capita increase of $20.05.

MR. HARDING'S NEW METHOD.

Mr. Harding, not satisfied with the method by which the Treasury Department arrived at the amount of currency in circulation, fixes a new rule for himself in these words:

"The reserve money held by or for the Federal reserve banks serves, of course, as a basis of credit, but it forms no part of the currency in circulation."

Applying this rule, he presents a tabulated statement showing that the per capita circulation August 1, 1919, was only $45.16, instead of $54.40, the amount fixed by the Treasury Department.

But if the reserves in the Federal banks are to be deducted from the amount of the circulation, then the reserves held by the National and State banks in 1914 should also be deducted from the amount of circulation given by the Government. And instead of $34.35 per capita we should have had only $17.80 per capita, for the reserves then held by the banks amounted to $1,639,000,000 and the circulation, including this amount, was only $3,402,000,000.

Does Mr. Harding think that reserves held by National and State banks should be included in our circulation, but when they have been transferred to the Federal reserve banks that they should be excluded?

The Federal reserve banks, through the operation of the amendment of the Federal reserve act of June 21, 1917, more particularly, have taken from the banks of the country about $1,500,000,000 of gold coin and gold certificates which otherwise would have been held by the banks as reserves. Does it make any difference who holds these reserves so far as the amount of circulation is concerned?

Let us see. If the National and State banks should hold this $1,500,000,000, the circulation outside of the banks—that is, in the hands of the people—would not increase a single dollar. But if the $1,500,000,000 is held by the Federal reserve banks the circulation in the hands of the people might increase to nearly $4,000,000,000 through the issuance of Federal reserve notes in strict accordance with law.

And yet, in the light of this simple truth, Mr. Harding, through a course of reasoning peculiar to himself, in making up his circulation statement for April 1, 1917, included $1,989,000,000 gold coin and gold certificates held by the National and State banks; but when he made up his circulation statement for August 1, 1919, he excluded $2,100,000,000 of gold coin and gold certificates held by the Federal reserve banks.

CASH RESERVES DWINDLING.

For the purpose of demonstrating (a) how slender our bank cash reserves now are, and (b) the exact amount of money in the hands of the people on July 1, 1914, and December 1, 1918, I submit the following statement:

Amount of deposits in and cash held by all banks.

July 1, 1914:	
Deposits	$17,066,000,000
Cash held	1,639,000,000
July 1, 1917:	
Deposits	24,891,000,000
Cash held	1,502,000,000
July 1, 1918:	
Deposits	27,808,000,000
Cash held	896,000,000

The reader should note the startling increase in deposits each year and the tragic decrease in cash held.

It will be observed, first, that the cash held on July 1, 1914, was about 10 per cent of deposits; second, that the cash held July 1, 1917, was about 6 per cent; and third, that the cash held July 1, 1918, was about 3 per cent. In the same ratio it will soon disappear altogether, excepting, of course, Federal reserve notes.

Of the $896,000,000 held in 1918, $129,000,000 was in Federal reserve notes. But I suppose that a cash reserve of only 3 per cent in "chips and wetstones" will not arouse the slightest interest in the minds of the manufacturers of paper currency.

CURRENCY IN THE HANDS OF THE PEOPLE.

The amount of circulation outside of the banks and in the hands of the people July 1, 1914, was only $17.80. The amount of circulation outside of the banks and in the hands of the people July 1, 1918, was $44 per capita, or two and one-half times as much as it was in 1914.

The total amount of our circulation August 1, 1918, was $5,559,000,000 and the amount held by all banks July 1, 1918, was $896,000,000, leaving $4,663,000,000 in the hands of the people, or $44 per capita.

EXPANSION OF FEDERAL RESERVE NOTES.

That the reader may appreciate the real situation let him note and remember that on April 1, 1917, there were only $357,000,000 of Federal reserve notes issued; that on August 1, 1918, $2,024,000,000 had been issued; that on August 1, 1919, $2,705,000,000 had been issued.

INCREASE IN TOTAL AMOUNT OF CURRENCY IN THE COUNTRY.

The total amount of currency in the country July 1, 1914, was only $3,738,000,000. July 1, 1917, there was $5,407,000,000. August 1, 1918, there was $6,896,000,000. August 1, 1919, there was $7,525,000,000. Or there had been an increase in the period of five years $3,787,000,000, of which about $1,100,000,000 was in gold and the balance, or $2,700,000,000, was in Federal reserve notes.

The total amount of currency of all kinds in the country in 1914 was $3,738,000,000. The increase has been $3,787,000,000, or more than 100 per cent in five years.

FACTORS INVOLVED IN CURRENCY INFLATION.

The amount of currency in any country at any given time is of little consequence when considered by itself.

The amount of currency in France prior to the war was upward of $50 per capita, about three times what it was in Great Britain, and yet, if anything, prices were generally a trifle lower in France than they were in Great Britain. The explanation was mainly due to the fact that the people in Great Britain paid practically all their bills by check, while the people of France paid their bills with bank notes.

When considering the question of currency and its influence upon prices we must take into account—

(a) How much currency there is in a country at a given time and of what it consists.

(b) What the increase has been within a given time and of what the increase consists.

(c) What the habits of the people are.

(d) What use is made of the different forms of credit currency as distinguished from the gold currency.

(e) Is gold alone being used for bank reserves; or, are debts, demands for gold (Federal reserve notes, etc.), being used as a basis for more debts, more demands for gold?

(f) To what extent is gold required for reserves?

(g) The banking system of the country.

CIVIL WAR INFLATION.

At the close of the Civil War the exact amount of inflation was determined daily by the sale of the Government credit for gold. At one time it took $2.35 of Government credit to buy $1 of gold. This difference gradually disappeared, and by January 1, 1879, we were again on the gold standard.

OUR INFLATION IS FROM 25 TO 50 PER CENT.

To-day, by agreements with foreign countries and through an arbitrary control of the movement of gold, we have prevented the sale of our circulation for gold; but we are nevertheless on a credit basis, and the inflation due to this fact ranges somewhere from 25 to 50 per cent, and this amount, whatever it is, has been added to the price of everything.

CAUSES OF THE INFLATION.

It may be said, with some truth, that this vast increase of our circulation and the consequent inflation has been due to the necessities of the World War. Even if that were true, it is no less important that we should deflate our currency and get back to the gold standard price as soon as practicable.

But I am one of those who believe that our inflation and the consequent increase of prices are due in a large measure to the following reasons:

(a) To the structure and use of the Federal Reserve Banking System.

(b) To the nature and use of the Federal reserve notes.

When the Federal reserve bank was established it was designed and declared to be a conservative force. It was to take the same place in the United States that the Bank of England occupies in Great Britain. As a matter of fact, its position in certain respects at least, has been just the reverse of that of the Bank of England.

Instead of conserving and controlling credit by the exercise of a constricting influence it has from the very start been booming and expanding credit, acting always as a power of inflation rather than a power of conservation and limitation.

The Bank of England rate of discount has always been, in normal times, higher than the commercial rate of discount, and therefore the bank has always been the guardian and jealous protector of commercial credit, because the bank was its last resort, and it ever stood as a protest to overexpansion.

The Federal reserve bank rate has always been distinctly lower than the commercial rate, and therefore a constant source of expansion and inflation of credit.

AN ECONOMIC LIE THAT MUST LEAD TO COMMERCIAL DISASTER.

But what is a still more serious matter for consideration is the nature and growing use of the Federal reserve notes. They are, primarily, United States notes, or greenbacks, issued by the Government, but, secondarily, guaranteed by the banks. Since the Government never has any considerable amount of liquid assets, and the banks should have little else than liquid assets, the guarantor is incomparably better equipped for liquidation purposes than the maker. The Government's ability to pay lies in the power of taxation, which works slowly. The bank's power to pay lies in collecting current accounts, a resource which responds quickly.

Largely because of the character of these Federal reserve notes, the people have, generally, speaking, come to believe an economic lie, and that is this: That these notes are as good as gold and therefore fit for bank reserves. This fatal fallacy has already found expression in the passage by some of the States of statutes making the Federal reserve notes lawful reserves for their banks. New York and Pennsylvania have both passed such statutes. The economic effect of such use of these notes is to make them legal tender, even though the Federal law has not yet declared them to be legal tender.

According to the report of the Comptroller of the Currency, on July 1, 1918, there were 7,705 national banks, with liabilities, outside of capital and surplus, of $10,038,000,000. There were 21,175 State banking institutions, with liabilities, outside of capital and surplus, of $17,750,000,000.

Certainly, these 21,175 State banks will need considerable reserves, and as time goes on and they become accustomed to holding the Federal reserve notes as reserves, and looking to the Federal reserve banks as the cure-all and save-all, they will hold nothing else, except subsidiary coins.

The act of June 21, 1917, by which the Federal reserve banks took over practically all the gold held by the member banks (as a war measure, as I then supposed), will continue to keep them stripped of all true reserves (gold) and drive them to holding as cash reserves only Federal reserve notes.

Few, if any, member banks will think any further than the profits of their institutions. So long as they can exchange their 6 per cent paper for notes and pay 4 per cent interest, thereby making 2 per cent, you will find banks working overtime and often in collusion with each other to keep out their notes.

I knew of several national banks years ago that arranged with trust companies to carry their national-bank notes as reserves, although the profit on the circulation was averaging only about 1 per cent. I remember one trust company that had $3,000,000 bank notes at the bottom of its reserve, and kept them there because of an arrangement with certain national banks.

Bank notes, which are held as reserves and upon which banks can make 2 per cent interest, differ in no way from cheaper or poorer money which can be bought at 98 and the proceeds used to liquidate debts. This constitutes the very essence of Gresham's law.

Let it be remembered that all business is founded upon selfishness, and that banking is the ultrarefinement of business.

In the light of these facts and all the experience of the banking world for hundreds of years, what becomes of such idle words of Mr. Harding when he says: "Reserve notes are not legal tender, nor do they count as reserve money for member banks"?

The member banks have been told and taught that they do not need any reserves, and what they had has been taken away from them by statute. In the light of this fact, what becomes of his words about reserve notes being held as reserves by member banks? Of course, the banks of the country must hold out cash resources for their daily needs. But they are told that it doesn't make any difference whether these cash reserves are gold or demands for gold.

BANK RESERVES ARE ESSENTIAL.

The unsound, the insane idea that banks need not carry any true reserves (gold) has been promulgated so long without a protest that a tragic number of bankers begin to think that it is true. And if this thought continues and prevails, we are now sowing to the wind and the country will reap the whirlwind.

The Commercial and Financial Chronicle had the following in its leading editorial July 19, 1919:

"With a gold reserve of only 35 per cent against deposit liabilities, the absolute minimum allowed by law (this means, be it remembered, that the reserve bank is holding the 13 per cent reserve of the member banks, has only 35 per cent of the 13 per cent in the shape of gold, cutting, therefore, the gold reserve of the member banks in the Federal reserve bank down to the low figure of 4.55 per cent), and a gold reserve of no more than 44 per cent against the Federal reserve notes in actual circulation—or only 4 per cent above the legal minimum—the New York Federal reserve bank is in no position to intervene either in aid of call-loan accommodation or of any other branch of the money market. It has reached the limit of its functioning in that regard. And the sooner that fact is recognized and everyone adjusts his affairs accordingly the better it will be all around."

By this authoritative statement we learn that the member banks of the New York Federal reserve bank are carrying a reserve of only 4.55 per cent, and this in New York, the now boasted financial center of the world.

It is delightful to live in a fool's paradise—as long as it lasts.

NOTES OF IMPERIAL BANK OF GERMANY.

In 1901 precisely the same use of the notes of the Imperial Bank of Germany that is now being made of the Federal reserve notes led me to prophesy that the German Government would be compelled, sooner or later, to make the notes of the Imperial Bank legal tender, and this was done by the German Government in 1911, just 10 years later. Identically the same fate awaits us unless we call a halt and get back to the gold standard by eliminating the wind now in our credit system and changing our opinion of and the consequent use of the Federal reserve notes. Allusion has here been made to the Imperial Bank of Germany because the note-issuing function of the Federal reserve bank is identical with that of the Imperial Bank of Germany and because we are following in her footsteps.

GRESHAM'S LAW.

Gresham's law, by which the poorer money always drives out the better, although temporarily held in suspense by the arbitrary control of gold, is already in force in this country, and when the time comes for it to act—when there is untrammeled commerce in gold—it will be as certain and powerful in its operation as the law of gravitation, and no human device, though it may retard, can avert its inevitable consequences.

But will it be said we need have no fear for the future because, forsooth, the world is our debtor in so great an amount? What would you say about a physician who, because his patient was in the prime of life and in perfect physical condition, told him to do whatever he pleased and if he desired break all the laws of health; or what would you think of a man who ordered a ship built to cross the ocean only on a smooth sea and with favoring winds, instead of one to cross on any kind of a sea and against any kind of wind?

GREAT BRITAIN'S POSITION.

Great Britain is studying day and night, indeed is working overtime, to find out how she can get back to the powerful and all-important position she occupied prior to the war, when she conducted and controlled the only free market for gold in the world.

This incomparable advantage in the world's commerce was maintained by the British bankers, although the Bank of England held only a small amount of gold, ranging from $200,000,000 to $250,000,000. This was comparatively an insignificant quantity of gold, considering the position of the Bank of England in the world's commerce, but this seeming miracle was achieved because they entertained no unsound views about the demands for gold, no insane idea about the nature of a debt. They repudiated the thought that a demand for gold could be treated and used as gold itself. They had learned by hard experience that a strong, unassailable financial position rested more upon sound economic opinion, and what was still more to the purpose, sound economic practices, than upon an unnecessarily huge quantity of gold.

WE CAN TAKE THE LEAD.

Owing to the present condition of the European countries and our own relatively strong position, it would be comparatively easy for us to get this dominant place in the commerce of the globe and make it practically impossible for England or any other country to take it away from us for a long, a very long time to come, or, indeed, ever, unless the world should change beyond the present limits of the imagination.

But this incomparable opportunity may be frittered away and utterly lost by believing this economic lie—that forsooth, because one thing is redeemed in another, therefore they are the same thing; in other words, that because the Federal reserve notes are redeemable in gold, therefore they are fit for bank reserves and that still more dismal, disastrous, fatal but certain end which is sure to follow in the wake of our present practices—fit for legal tender.

WAGE EARNERS ARE THE ONLY SUFFERERS FROM INFLATION.

Let us remember that it is the 90 or 95 per cent of the people who work and toil for wages in some form who are always the real and the greatest, if indeed not the only true sufferers from an inflated currency, for they have no way of protecting themselves, as the manufacturers, merchants, and bankers have. Indeed, the last three almost invariably make a good profit out of those who work for wages. That is just what is happening to-day.

But until the increase of prices due to the inflation of our currency is eliminated we can not, in justice, ask labor to take lower wages.

WHAT IS NECESSARY TO HOLD OUR FOREIGN TRADE?

The present industrial condition of most of all the rest of the world is so deplorable that we may confidently expect, for a short time at least, to furnish it with a vast quantity of manufactured goods, as well as raw material. But with an inflated currency and the consequent abnormally high wages, may we hope to compete in the years to come with the other commercial nations, who, as the result of their sad experiences and vast losses, will be compelled to fight for every dollar's worth of business they can possibly get to pay their taxes alone, to say nothing of lowering their mountains of debt?

Again, is it not true that if we succeed in keeping American labor employed we must export a large part of our manufactured product? Indeed, will it not be necessary for us to find outside consumers for at least one-third, possibly one-half in some lines, of our output? If this is approximately true, our continued prosperity may depend upon our success in foreign trade alone, but to succeed in the outside world our prices must be low enough to get the business. After making every allowance for the greater efficiency of the American workman, must we not also take advantage of those principles in financial and banking economics which Great Britain has long recognized as essential to her commercial success and progress and to her financial leadership throughout the world?

WHAT IS ESSENTIAL TO OUR PERMANENT PROSPERITY?

Without a doubt we are standing at the very threshold of the most prosperous and progressive period in the material life of this Nation. It is for that very reason that we should take steps now to so stengthen the foundations of our financial and banking structure that the commercial fabric which is being built upon it may endure unshaken; that it may not, without any warning whatever, in the hour of our highest hopes and fullest expectations, fall in utter ruin because of the disregard, the disobedience of some economic law that always exacts the fullest penalty when it has been persistently and flagrantly broken.

OUR PROSPERITY GIVEN PERMANENCE.

Our commercial arrangements with our allies and the present arbitrary control of all gold movements are an absolute guaranty at this time that such changes as are necessary can be made in our financial and banking system as will greatly aid, if indeed not insure, the continuance of our foreign trade and put our commercial fabric upon a permanent and unshakable foundation without in the slightest degree checking our present prosperity, but give it rather an increased, a double assurance because of the complete and unbounded confidence these very changes must inspire.

ESSENTIAL FUNDAMENTAL CHANGES.

First. We must place the Federal reserve bank in precisely the position it was originally intended to occupy, so that when business again assumes its natural course this central banking institution may become, indeed, the guardian of our commercial credit and be able truly to conserve the business interests of the country, and, if necessary, check any tendency to overexpansion by the natural process of regulating a rate of interest that should always be higher than the commercial rate, which, in turn, should, under all ordinary circumstances, be determined by the state of trade under the natural law of supply and demand.

Second. We must completely eradicate from the minds of the American people that utterly false conception with regard to the use of any debt, any demand for gold, as a bank reserve, even though that debt, that demand for gold is a United States Government note guaranteed by the banks—the Federal reserve note.

Though different in form, in nature and principle, the Federal reserve note and the private check are identical. Both are debts. Both are demands for gold. Both may be equally good as far as payment goes. Both are certainly equally bad in principle as far as using either of them as a bank reserve goes.

If we shall succeed in establishing clearly and forever in the minds of the American people the radical and irreconcilable difference between gold itself and what is diametrically the opposite—a demand for gold, in whatever form it presents itself, the private check or the Federal reserve note—we shall escape the ever constant perils and ultimate overwhelming disaster that is bound to overtake us in the end if, in fact, we have only a credit foundation upon which we have built a gigantic fabric upon the false assumption that that foundation was gold.

[From the Street, of New York, Apr. 19, 1920.]

THE FEDERAL RESERVE IN THEORY AND PRACTICE.

(By Dr. Arthur Selwyn-Brown, an eminent authority on finance.)

The American currency system is proving to-day to be one of the worst in the world. It is an expansive system without any apparent capacity for contraction. Every week it rises to further pinnacles of inflation, notwithstanding the fact that Congress is being constantly appealed to by the Federal Reserve Board for increased powers for remedying the inflation, which all bankers recognize hangs over the American business world like a dense thundercloud and constantly threatens to deluge the credit structure with destructive floods of debts.

The enormous expansion of Federal reserve bank notes is recognized by everyone to be a fundamental cause of all the high prices, business hardships, and social and industrial unrest throughout the United States. It is also a prime cause of the scarcity and high price of money and the lethargic state of the country's bond markets.

Its paralyzing effects upon American business were shown on March 8, 1920, when Congress was appealed to by American business men to inquire into the scarcity and high cost of capital. The Senate, on that date, passed the following resolution:

"*Resolved*, That the Federal Reserve Board be, and is hereby, directed to advise the Senate what is the cause and justification for the usurious rates of interest on collateral call loans in the financial centers, under what law authorized, and what steps, if any, are required to abate this condition."

These were plain questions, tersely and clearly put. They could have been just as tersely and clearly answered. But honest answers would have constituted a severe arraignment of the Federal Reserve System.

It is evident from the answer supplied by the Federal Reserve Board that the members were embarrassed by the inquiry made by Congress. The answer, practically, amounted to the board's acknowledgment that it could not make an adequate reply. Speaking through its governor, W. P. Harding, the board answered the Senate's inquiries regarding the present usurious rates for call money as follows: "As to the 'cause and justification' of the high rates of interest which it thus appears may legally be charged on collateral call loans in New York, and as to 'steps * * * required to abate this condition,' there is, as is well known, a wide difference of opinion among persons who have given thought and study to the question. Indeed, broad and fundamental questions of general economic and social policy are involved—in the last analysis, the whole question of the utility of speculative dealings in securities and commodities on organized exchanges is involved; and more immediately, the question of the methods and practices of the leading speculative markets of the country, margining, stock manipulation, and kindred matters also susceptible of abuse. As to these, the board has never had occasion officially to form an opinion; the Federal reserve act specifically precludes the purchase or discount by Federal reserve banks of 'notes, drafts, or bills covering merely investments or issued or drawn for the purpose of carrying or trading in stocks, bonds, or other investment securities, except bonds and notes of the Government of the United States.' The board could not undertake to form a judgment upon matters above referred to without study and investigation of such a comprehensive nature as would seriously interfere with the conduct of its regular work, and which, had the board the requisite authority, would require the services of experts and assistants. * * *."

This amusing fallacy of confusion made with such levity by the Federal Reserve Board probably indicates the measure of its fear when it is questioned regarding the condition of our new currency. When the currency of a great nation is permitted to get into such a dangerous state that those who are responsible for its management practice the adroit methods of answering inconvenient questions which the Federal Reserve Board has adopted in several of its replies to specific questions put to it by Congress, it appears to be established prima facie that there is something fundamentally wrong with the basis of the currency. In other words, the excuses that are being urged on behalf of our new currency but serve to condemn it. The fearful threat to investigate the stock markets and machinery of American finance implied in the board's evasive reply appears to have had some influence in Congress. No further questioning of the board has been pursued.

What are the fundamental principles of the Federal Reserve System and what does experience show is wrong with them? These are timely and important questions.

The Federal Reserve System is a bank of issue having 12 central banks in the United States and numerous agencies. Commercial banks are kept associated with each of these reserve banks through voluntary associations. The Federal reserve banks issue the United States currency, which consists of Federal reserve notes. These notes are accepted as money by the American people because they believe that they are backed by a gold cover. As a matter of fact, the notes are just evidences of debt. They are just common promissory notes issued by the bank against collateral, which may consist of: (1) Paper indorsed by member banks and drawn for commercial, industrial, or agricultural purposes or for the purpose of carrying or trading in securities of the United States Government; (2) bills of exchange indorsed by a member bank and bankers' acceptances bought by the Federal reserve bank in the open market; (3) gold and gold certificates.

A gold reserve of not less than 40 per cent must be kept by each Federal reserve bank against its outstanding notes. But means are provided for obviating this provision under certain circumstances.

A currency, or legal-tender money, based upon notes of this character will naturally have great expansibility. Our currency now shows that, as one of the politicians responsible for this phase of the Reserve System very properly explained, the Federal reserve notes can be "drawn for cotton while it is being harvested or while it is in transit for Europe or while it is being manufactured into yarn or while a merchant who purchased the finished article continues to owe the manufacturer thereof, or possibly even while the finished article is being shipped back to the same country from which the raw product originally came." If we change the numerous "ors" in that explanation of the basis of Federal reserve notes into "ands" it will still be correct. Notes may be freely issued against such indebtedness and renewed time and again. Such notes may also remain outstanding long after the values which caused their issuing have been consumed or destroyed.

Experience shows that Federal reserve notes may be issued against I O U's of a much more fragile character. It would be interesting to trace the number of notes issued against paper drawn by promoters of speculative pools in grain, foodstuffs, and industrial corporation stocks and bonds in recent market manipulations. The Federal reserve note does not represent an advance of credit or capital to merchants to enable them to carry on an exchange of goods or services. It is not simply evidence of the existence of any property of corresponding exchange value in terms of money. It is, however, an additional unit of the Nation's currency in its capacity of standard of value. That is one of the reasons why every Federal reserve note which is being issued is tending to force up the prices of commodities. It increases the number of notes in circulation, and every circulating note above the country's business needs cheapens the exchange value of the superfluous notes. As these notes consequently fall in value, prices of commodities rise. There are close reciprocal relations between the cheapening of paper money through superfluous note issuing and the rising of commodity prices. The correspondence between the increase of American commodity prices since 1916 and the issuing of Federal reserve circulation is most pronounced. The limit of commodity price limits appears to be simply the limit put upon the making of the cover paper.

A discerning critic has shown that this amazing state of affairs has arisen through a fallacy brought about by a failure to distinguish between an advance of capital or credit to merchants and an addition to and consequent depreciation of the mass of the country's legal-tender money in its office of regulator of value. In other words, the Nation's standard of value has been sacrificed in order to promote the making of discountable commercial paper.

The Federal Reserve Board is empowered to discount the negotiable instruments of corporations authorized in accordance with provisions of the Federal reserve act to do a foreign banking business, providing that the liabilities outstanding at any one time does not exceed ten times the capital stock and surplus.

This is a new type of American banking institution, which is not operating at present. But when corporations formed for this purpose commence business they will call for further large increases in currency.

The Federal Reserve System clearly is well provided to meet every possible requirement for increasing the currency circulation. What, then, are the provisions for curtailing it and making it sufficiently flexible to meet the simple needs of American business?

The reserve act specifies the following means for contracting circulation: "Any Federal reserve bank may at any time reduce its liability for outstanding Federal reserve notes by depositing with the Federal reserve agent its Federal reserve notes, gold, gold certificates, or lawful money of the United States. Federal reserve notes so deposited shall not be reissued except upon compliance with the conditions of an original issue.

"The Federal reserve agent shall hold such gold, gold certificates, or lawful money available exclusively for exchange for the outstanding Federal reserve notes when offered by the reserve bank of which he is a director. Upon the request of the Secretary of the Treasury the Federal Reserve Board shall require the Federal reserve agent to transmit to the Treasurer of the United States *so much of the gold held by him as collateral security* for Federal reserve notes as may be required for the exclusive purpose of the redemption of such Federal reserve notes * * *."

The writer has italicized the reference to gold with the purpose of drawing attention to the fact that there is nothing in the act calling for the redemption of the notes in gold. If the notes were in point of fact readily redeemable in gold they would be more valuable than they are under present conditions.

An elementary knowledge of the Federal Reserve System will indicate that while it provides for the easy issuing of an abundance of bank notes, its provisions for the contraction of the currency and redemption of the bank notes is perilously cumbersome, slow, and uncertain. There is little resiliency in the currency. It may truly be defined as a ballooning, one-way currency. It is expansive but practically inelastic. Elasticity connotes a giving and taking—a rising and subsidence. The Federal reserve currency only rises. It gives no evidence of contractility. Here we see one of its basic defects. It is incapable of responding to the rhythmic fluctuations of American business.

The references to the Secretary of the Treasury in the quotation referring to the note-redemption proviso indicate another basic defect. The Reserve System seems an integral part of the Government. It appears to be, through its constitution, a political more than a financial institution. The appointment of its officers is a political privilege and the Secretary of the Treasury and Comptroller of the Currency are two of the seven members. These important Government officers must exert important influences over the management of the system.

It appears, then, from a review of the constitution, organization, and practical operation of the Federal Reserve System that the principles upon which it is based are as follows: (1) A close corporation with a governing board of seven members appointed and controlled by the Government, two of the members being important Government officers; (2) a series of 12 reserve banks and banking centers with affiliated commercial bank members; (3) a currency consisting, beyond the national metallic money, of Federal reserve bank notes based chiefly upon commercial paper; (4) a slow, inelastic method of currency redemption.

When the panic of 1907 drew attention to the fact that we needed a new currency system, plans were developed for making a thorough survey of the principles of a sound currency. The world's leading currency authorities were consulted, and they advised as to the soundness of principles. When Congress decided to establish a new currency, it was provided with the means for giving the United States the best currency in the world. The principles of a sound currency, like all great principles, were shown to be extremely simple. And there was no novelty about them. They had been well tried out in certain sections of the United States, in Canada, and in many parts of the British Empire. They followed what has been proved a safe and well-beaten path.

Experience has positively shown that a resilient, flexible currency can only be obtained in one way—by basing it on credits originating in the production of commodities and services and extinguished by their consumption and use.

Every nation or business community requires a certain amount of money, credit, or currency for its needs. This amount fluctuates seasonably with trade, industrial, and agricultural conditions. That is the reason why a good currency must be quickly responsive to business demands. It must respond to business, not dominate it as the Federal reserve currency does.

Money has two functions. It provides the means for the legal discharge of debts and provides our standard of values. Credit and money are equally good as media of exchange. Credit may really be said to be the most efficient medium of exchange. Credit is belief that admitted claims to value represent value, are as good as value and are immediately exchangeable for value. It is represented by paper which may be issued in quantities proportional to legitimate commercial needs, and may be made in units of any convenient denominations. It can be made to accommodate itself automatically to every conceivable variety of conditions of exchanging, trading, or credit dealings. In other words, a purely banking credit currency system, like the old Scotch system, or the old New England Suffolk system which was based upon it, and like the British, Australian, and Canadian systems, is the ideal system for a modern highly developed commercial nation like the United States.

A bank credit currency like the Canadian currency was recommended by the world's leading experts as the best suited to the needs of the United States. It is the cheapest as well as the safest form of currency. It grows out of actual business transactions, just as bank checks do, and is redeemed every business day at the banks of issue and through the clearing houses. Indeed, a bank credit currency is simply a form of check currency. It is a current credit currency based on I O U's arising out of actual commercial transactions. A check is a credit order on a bank, whereas a bank credit note, like a Canadian bank note, is a current credit order of a bank. These instruments are merely different forms of bank credit designed to meet the conveniences of business men in different ways.

A bank credit currency calls for a small central gold reserve like those controlled by the Bank of England and the Bank of France.

The legal requirements for the issuing of bank-note currency in Canada are as follows:

(1) Every bank must redeem its notes at its head office and in such commercial centers as are designated by the treasury board whenever tendered for redemption. The redemption cities are the same for all banks. They are the clearing cities of Toronto, Montreal, Halifax, Winnipeg, Victoria, St. John, and Charlottetown.

(2) Each bank must keep on deposit with the minister of finance a sum of lawful money (gold or Dominion notes) equal to 5 per cent of its average circulation; the total so deposited is called the "circulation redemption fund." It is an insurance fund for use, if a case should arise, in redeeming a failed bank's notes.

(3) Bank notes possess first lien upon the assets of a bank.

(4) Bank stockholders are liable to an assessment equal to the par value of their stock.

(5) A bank must send a detailed statement of its assets and liabilities on the 15th day of each month, which covers its last business day of the preceding month. This monthly return must be signed by three of the bank's general officers.

(6) The Canadian Bankers Association, of which each bank is a member, is given the supervision of the issue and cancellation of notes and of the management of the affairs of a failed bank.

(7) The notes of a failed bank draw interest at 5 per cent from the date fixed for their redemption by the minister of finance, who may redeem them out of assets of the bank or out of the circulation redemption fund, or out of each.

Experience has plainly shown that the first requirement is the only necessary one. The simple, effective daily redemption principle is what constitutes the excellence of the Canadian banking and currency system.

Political expediency caused Congress to ignore the advice of currency experts respecting the adoption of a bank credit currency and the divorcing of banking from political control. We were given instead what now appears to be a perfectly unsound, unworkable, and perilous system. Even at the eleventh hour, when dangers are fully apparent, it might be changed. A few simple modifications of the Federal reserve principles could establish a bank credit currency.

Five years' experience with the Federal Reserve System plainly shows the pressing need of entirely taking it out of politics, and changing the unsound principles upon which the system is obviously based.

Mr. PLATT. Mr. Chairman, I yield five minutes to the gentleman from Kansas [Mr. STRONG].

Mr. PHELAN. And I yield five minutes to the gentleman also.

Mr. STRONG of Kansas. Mr. Chairman and gentlemen of the committee, this bill under consideration is in the interest of the farmer, and I hope it will pass without amendment. It will permit the Secretary of the Treasury to purchase the bonds of the Federal farm loan banks in such an amount as will enable these banks to care for and close all loans to farmers to which they are now committed, and is but an extension of one of the war emergency acts. It is necessary now because of the problem confronting the farm loan system by reason of the litigation pending before the Supreme Court of the United States attacking the right of the issuance of tax-free bonds. Amendments will, no doubt, be offered to extend the purchase of bonds to provide for loans applied for after March 1, 1920, and to which the banks are not committed; but our Banking and Currency Committee, after very careful consideration and consultation with the Treasury Department and Farm Loan Commission and Members of the House and Senate, have determined that it will not be possible to go further than we have provided in this bill, and we are positive that any attempt to extend its provisions will result in securing no legislation whatever at this session, and we have therefore committed ourselves to the bill as introduced, and are bound to oppose all amendments.

I wish to take this opportunity to correct an erroneous impression that seems to prevail throughout the East and the industrial sections of the country regarding the profits of agriculture. Members of the House from city and industrial districts often refer to the high cost of food products as enriching the farmer; and a few days ago, when Senator CAPPER, of Kansas, advised the country from the floor of the Senate of the profiteers who were making from 100 to 300 per cent, and asked why they were not prosecuted and punished, one of the Washington papers, in an editorial commenting on his astounding statements, referred to the fact that Senator CAPPER represented an agricultural State whose farmers were also making large profits from present conditions and had enjoyed great benefits during the war.

I would like, therefore, to have your attention while I give you the facts to show that the farmers of the Nation are not only not making a fair profit now but that they were treated unfairly and discriminated against all during the war.

The following report of the Kansas State Board of Agriculture, April 21, shows that Kansas farmers suffered a loss in their wheat operations in 1919. The average cost of producing an acre of wheat for the crop of 1919 and the average return per acre for wheat sold to December 1—66 per cent of the crop—as shown by reports to the board by 2,040 wheat growers, were as follows:

The State:	
Cost per acre	$25.20
Return	24.77
Loss	.43
Eastern division:	
Cost per acre	33.75
Return	33.60
Loss	.15
Central division:	
Cost per acre	24.60
Return	23.08
Loss	1.52
Western division:	
Cost per acre	18.60
Return	20.46
Gain	1.89

These figures do not show the full extent of the loss, because in calculating costs nothing has been charged for the depletion of the soil, nothing has been allowed the farmer in the nature of overtime pay for long working days, and no account has been taken of time lost through the seasonal character of his vocation. As wheat growing is carried on in Kansas these three factors add materially to the cost of production, but with the data available it is impracticable to express their effect in exact figures.

The report of the board is based upon detailed cost statements submitted by 2,040 farmers representing every county in the State, both landowners and tenants, and small as well as large producers. Their aggregate experience in wheat growing in Kansas is 31,792 years, averaging 15½ years. The area of their farms is 491,062 acres. The average cost and the average return per acre for the State were derived from statements prepared for the eastern, central, and western thirds of the State separately, allowance being made for the acreage and yield in each division.

Kansas raised 16 per cent of the Nation's wheat crop last year, and the figures given are the result of the first voluntary effort of any large class of producers, manufacturers, or distributors to show actual costs of service rendered.

When war was declared it was announced that those engaged in agriculture, like those engaged in other industries furnishing the needs of war, would be exempted from service; but this decision was not adhered to, and soon word was sent out to the county exemption boards to "comb the draft lists," and thousands of farmers' sons were taken.

Then the high wages paid by the Government for building the cantonments, for work in the shipyards and on the railroads took the hired men from the farms.

Then a price was set on wheat resulting in a loss of the wheat on hand of 60 to 70 cents a bushel and a loss during the war of $2 to $3 a bushel.

Next a price was set on hogs, and when the price was taken off hogs went up from $17 to $23 per 100 pounds.

No price was set on anything the farmer had to buy, and the cost of horses, harness, machinery, and clothing mounted sky-high.

We offered increased profits on all industry to increase production, except agriculture. Yet when, in spite of these unfair conditions, the farmers were appealed to for an increased production of wheat so our Army and the world could have bread, they loyally responded with an increase of 18 per cent.

Since the war cars have been taken from the agricultural district, which have prevented the farmers from marketing their products, and great quantities of wheat, which were piled on the ground because there was not sufficient storage for it, was damaged and lost.

To-day the Kansas railroads have only 80 per cent of the cars belonging to them, while some eastern roads have as high as 180 per cent.

The cattlemen, by the manipulation of the markets, restriction of credits, and car shortage, have lost from $10 to $30 per head on their cattle.

Do not get the idea that because we are paying from $6 to $8 for potatoes in Washington that the farmers are receiving such a price. He was paid $1 per bushel last fall when the potatoes were put in cold storage; and it was the same with the eggs, butter, and poultry.

Gentlemen, this can not last. Either the farmers must make a fair profit or they will quit farming and land will be idle in the West, as it is in the East. Go out 5 miles from this Capital and you find not over 20 per cent of the land producing anything. Why? Simply because it does not pay to farm it.

In Saline County, one of the best in Kansas, there were in the year 1916 2,341 farmers who were voters, while at the present time there are but 1,508. Yet in the city of Salina, in that county, the population increased from 9,688 in 1910 to

15,085 in 1920, showing that the farmers are moving to the towns.

The history of the world shows that a nation begins to decline when its agriculture wanes; a country must produce its own food.

Manufacture increases values, but what is taken from the soil or the mine creates and increases the supply. It is the "making of two blades of grass grow where but one grew before" that counts most.

The boys can not be kept on the farms by talking of improving environments; what farming needs is to be made profitable, and the boys will not forsake the land; prosperity will create the environment desired.

Gentlemen, I want to plead for legislation to help agriculture. If I remain in Congress I expect to ask you to pass laws to make farming more profitable. Remember that about one-third of our population is engaged in agricultural pursuits and that about one-fourth of all our national wealth is so invested. Let us be fair and just to those who produce the food that feeds the Nation. [Applause.]

Mr. PLATT. Mr. Chairman, does the gentleman from Massachusetts desire to use a little time now?

Mr. PHELAN. I will use all the time that I am going to use.

Mr. Chairman, in the framing of this rural-credit act I was always opposed to a proposition similar to what is proposed in the amendment offered here to-day. I opposed it from the beginning and was glad when the bill was reported without any such proposition in it. I think it is not the right kind of legislation under ordinary and normal conditions. I am in favor of the amendment offered here to-day, and I hope it will pass, because we are not facing normal conditions; we are facing a somewhat extraordinary situation. The farm loan act has given us a successful system of rural credits. The system has worked better and been more successful than its advocates hoped within this short time. There has been, however, within a year opposition in the courts, and the allegation has been made that the act is unconstitutional. The matter came up last July, and finally got into the Supreme Court last January. It was rather hoped that some decision would be rendered in February or shortly thereafter. The Supreme Court, however, recently has asked for a reargument, so that nothing can be done about a decision until next fall at the earliest.

Mr. EVANS of Nebraska. Will the gentleman yield?

Mr. PHELAN. I will in just one minute.

In January or thereabouts the Farm Loan Board, seeing what the situation might be, made provision, and finally sent announcement, I think, on the 4th of February, to the various farm banks not to make any more commitments for mortgages.

With some question pending as to the ultimate results of the litigation as to whether or not the act was constitutional, the board felt—and I think rightly felt—that there would be some trouble in disposing of the bonds. In other words, they felt that the public would not readily respond to the purchase of farm bonds while the question of the constitutionality of the act was unsettled. The Farm Loan Board for that reason gave orders that the banks should no longer make commitments to prospective borrowers. There had been, however, commitments made prior to that. Borrowers had come up and had been promised that loans would be made, and in some cases the mortgages had been taken and, as seems to be the custom in some of the States, the mortgage deeds had been actually recorded, although the money had not been paid over.

The purpose of this act is to enable the farm-loan banks to obtain funds wherewith to meet those obligations which they have to meet upon the commitments which they can not very well avoid to the men who have come to the system to borrow money. Because of the unusual and, as I said before, the extraordinary situation, I believe that this act ought to pass. If the money is not obtained in this way it seems that there is no way in which it can be obtained.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. PHELAN. In one minute. Not only on account of the necessity of giving a square deal to those to whom commitments have been made, but for the maintenance and progress of our agriculture, I think conditions warrant this kind of legislation to-day, and I hope that the House will promptly pass, and that subsequently the Senate will promptly pass, this resolution and take care of the situation until the Supreme Court has made a decision.

Mr. MADDEN. Mr. Chairman, will the gentleman yield now.

Mr. PHELAN. Yes.

Mr. MADDEN. There is one thing in connection with which I am in some doubt; a thing in connection with this legislation that I would like to have cleared up. I understand the investigation of the Committee on Banking and Currency disclosed the fact that the head of a farm-loan bank in Indiana had borrowed money on his own responsibility from the banks of the State to the extent of about $5,000,000. Is it the purpose of this legislation to furnish funds to this man who on his own responsibility created these obligations which he is now unable to meet out of any moneys that may be supplied as the result of this legislation?

Mr. PHELAN. I know of no such situation existing. If it does exist, I know nothing about it.

Mr. MADDEN. I think that such a situation does exist, and I understand the information upon which——

Mr. PHELAN. No. This exists——

Mr. MADDEN. Does the gentleman assert that no such situation as I have described exists?

Mr. PHELAN. Yes.

Mr. MADDEN. What is the situation?

Mr. PHELAN. It is mentioned in the letter of Judge Lobdell to the chairman of the committee. In some cases, in anticipation of a decision by the Supreme Court, to meet the situation existing, the banks did borrow money for a short period of time, giving mortgages as security, or using their mortgages as security. In other words, the land banks—I think with two exceptions—borrowed from commercial banks, the ordinary commercial loans.

Mr. MADDEN. That is what I mean.

Mr. PHELAN. But it is my understanding that that was done with the knowledge of the Federal Reserve Board; that it was done simply to meet a situation that could hardly be met otherwise, in their opinion.

Mr. MADDEN. Is the money to be supplied through the medium of this legislation to meet such cases?

Mr. PHELAN. That represents only a small amount.

Mr. MADDEN. What is it?

Mr. PHELAN. My recollection is that it is $8,000,000. No; it is $16,000,000.

Mr. MADDEN. Borrowed from commercial banks?

Mr. PHELAN. That is my recollection, that it is $16,000,000.

Mr. MADDEN. Now, the question that I wanted to know about was whether the money was to be supplied out of the Treasury of the United States after this legislation is enacted with which to enable the men who borrowed this money to pay back the loans which they had made from commercial banks?

Mr. PHELAN. It is hardly accurate to say "the men who borrowed the money." It was the banks that borrowed the money. What we anticipate is this: As the Government takes up the bonds and supplies the banks with funds, the banks will use those funds to make loans on commitments already made, and also to pay up the indebtedness incurred, which in some cases is due on the 1st of June, to the banks—commercial banks.

Mr. MADDEN. Does the gentleman from Massachusetts, who is generally very conservative and very wise in legislation of this sort, think that it is good business for the Government of the United States to be called upon to supply money to meet obligations thus created?

Mr. PHELAN. I think under present conditions that it is the wisest and most expedient thing to do. As I told the gentleman, and as the gentleman probably knows, there was nobody who was stronger in his opposition to this kind of a proposition in the rural credits bill than I was, and I think I had as much to do as anybody else in keeping it out of the bill as enacted. But we are in a situation to-day where I think it would work serious harm, if not disaster, not alone to the Federal loan system but to other things, if we did not take care of this situation.

Mr. MADDEN. Will the gentleman let me ask him another question?

Mr. PHELAN. Yes; I will be glad if the gentleman would, and I will try to answer.

Mr. MADDEN. Does not the gentleman think if the proper vision had been exercised on that Farm Loan Bank Board they would have been able to dispose of the $136,000,000 of bonds which they now have on hand and which they purchased in times gone by, and thus be able to meet the emergencies that now exist without further legislation?

Mr. PHELAN. I do not believe—I doubt—if the Farm Loan Board could have taken measures whereby it could get funds to loan the farmer. They might have stopped the loaning.

The CHAIRMAN. The gentleman has used 10 minutes.

Mr. PHELAN. How much time have I remaining, Mr. Chairman?

The CHAIRMAN. The gentleman has four minutes.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. PHELAN. Yes.

Mr. TINCHER. It is true, is it not, that the only court that has passed on the constitutionality of the Federal farm loan act has held that that act is constitutional?

Mr. PHELAN. That is my understanding.

Mr. TINCHER. And the question pending in the Supreme Court is not only as to the constitutionality of the Federal farm loan act but also as to the constitutionality of the farm-loan banks?

Mr. PHELAN. Yes.

Mr. TINCHER. The gentleman from Illinois [Mr. MADDEN] asked the question whether the Federal Farm Loan Board could not have disposed of the $136,000,000 of bonds now on hand. I suppose he referred to the $136,000,000 that the Treasury now has on hand? I suppose the gentleman refers to the $136,000,000 worth of bonds that are in the United States Treasury.

Mr. PHELAN. I did not go into that because I thought my time had expired. There is approximately $136,000,000 in bonds now in the United States Treasury under the farm-loan system, and the reason that they are there can hardly be charged up to the farm-loan system, and ought not to be. The situation is this: At the time the farm-loan banks desired to put out bonds constituting at least a part of the $136,000,000 the Secretary of the Treasury was interested in the floating of the Liberty loans and was very anxious that the farm-loan bonds should not be put on the market, because he wanted no competition with the Liberty bonds. Indeed, I think the Treasury Department was absolutely right. Therefore it held back on the farm-loan system from issuing bonds in the ordinary business way. The policy was pursued to help the Liberty-bond sales and not to help the farm-loan system. Inasmuch as that had been done for the welfare of the country, the temporary measure heretofore referred to was put on the statute books whereby the Secretary of the Treasury could buy a limited number of bonds for a year or two years and hold them up to a certain time.

Mr. FESS. Will the gentleman yield?

Mr. PHELAN. Yes.

Mr. FESS. The gentleman from North Carolina [Mr. POU], when before the Rules Committee asking for this rule, stated that he tried to buy some bonds of the Treasury Department and they explained that they would not sell them because they were not selling them in competition with the Liberty bonds. Has the gentleman found any conflict of law between the activities of the Farm Loan Board and the Federal Reserve Board?

Mr. PHELAN. The gentleman means in administration?

Mr. FESS. Yes.

Mr. PHELAN. None that I know of.

Mr. FESS. The Federal Reserve Board controls the whole banking situation.

Mr. PHELAN. No. The Federal Reserve Board has no jurisdiction over the farm-loan system. They are separate and independent.

Mr. FESS. What was the significance of the remark of the gentleman from Massachusetts a moment ago that it was done under permission of the Federal Reserve Board?

Mr. PHELAN. If I said the Federal Reserve Board it was a slip of the tongue. These bonds were held back at the request of the Secretary of the Treasury and subsequently Congress passed a law permitting the Secretary to buy these bonds in limited numbers.

Mr. FESS. Are we suffering any inconvenience by having two sources of authority, one the general banking business and the other the farm-loan banks?

Mr. PHELAN. No; it is better that we have the two.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. PLATT. Mr. Chairman, the report on this resolution includes a letter from Judge Lobdell, the farm loan commissioner, and also one from the Secretary of the Treasury, giving full information as to what the purpose of this joint resolution is. The Federal farm-loan system is not a Government system. That matter ought to be put into everybody's head. A great many people talk about it as if it were and say that they can not get loans from the Government banks. There are no Government banks. The Government, it is true, furnished most of the revolving fund or original capital for the Federal land banks, but they are not Government banks; they are privately owned, cooperatively owned. The original Government capital will be paid back in the course of a few years, if the Supreme Court does not decide the act unconstitutional. Judge Lobdell's letter gives a brief history of the litigation, showing that the court of original jurisdiction declared the act constitutional, from which appeal was taken. He also tells about the last issue of farm-loan bonds, which were sold out in 10 days in July, before the suit to test the constitutionality of the act was brought, and states that the bonds sold then produced enough money to last the system until about the 1st of February.

On the 4th of February the Federal Farm Loan Board directed the land banks not to approve any more loans except subject to the determination of the Supreme Court; but it was supposed then that the Supreme Court would decide in the course of a short time, and they had already approved several millions of loans and had actually taken over some $8,000,000 of mortgages. Week after week went along, and finally, on the 26th of April, the court, instead of deciding the case, asked for a reargument of the case, which made it practically impossible to sell any more bonds.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. PLATT. Yes.

Mr. MANN of Illinois. Does the gentleman have any doubt whatever as to the effect of the decision of the Supreme Court on the payment of the bonds?

Mr. PLATT. No.

Mr. MANN of Illinois. If the Supreme Court should declare the act unconstitutional, would that mean that the men who have borrowed money will not have to pay it or can not be sued for its return?

Mr. PLATT. Oh, no. I suppose if the act should be declared unconstitutional the Federal land banks will simply be corporations in liquidation.

Mr. MANN of Illinois. And if they sell bonds now they will be paid. Suppose some one wanted to buy some of these bonds, how can they do it?

Mr. PLATT. The bonds outstanding have just this difference: They are included in the revenue act as exempt from taxation, and their exemption from taxation does not depend on the farm-loan act.

Mr. MANN of Illinois. Bonds sold now would have the same status and legality as the bonds issued and sold heretofore. The mere fact that the matter is pending in the Supreme Court would not affect the validity of the bonds now issued any more than it would affect bonds issued heretofore. I would like to know how, if anyone wanted to buy these bonds, they could buy them? Sometimes I have had a dollar I would like to invest in these bonds, but I did not know how to get them.

Mr. PLATT. They are held pretty closely. The last issue was all sold out in 10 days.

Mr. MANN of Illinois. That sale was carried on by bond brokers, and not by the Government, and you could not buy except at a higher rate of interest than the Government was paying.

Mr. PLATT. The gentleman means a higher price.

Mr. MANN of Illinois. A higher price, because, of course, the nominal rate of interest would be the same.

Mr. PLATT. They can occasionally be purchased in the open market.

Mr. MANN of Illinois. Yes; by paying more than par for them.

Mr. PLATT. No; below par now, I think. I have seen quotations, I think, a little below par, but they hold up well under the circumstances.

Mr. MANN of Illinois. It would be interesting to know whether, if the Government buys these bonds, it is an entire contribution not to be returned or whether the Government can enforce the collection of the bonds; and that applies also to the bonds now in the hands of the public, if the Supreme Court should declare the act unconstitutional. If the committee has not given consideration to the subject, they have not given consideration to the most important question involved.

Mr. PLATT. As I have said to the gentleman, the Federal land banks would be considered corporations in liquidation, unquestionably, and the security is good.

Mr. MANN of Illinois. They would not be any more corporations as to bonds already issued than as to bonds that will be issued now or hereafter. There is no distinction in the law between one kind and the other. If they are good, they are good; if they are not good, they are not valid.

Mr. PLATT. The marketability of the bond is ruined by the decision or lack of decision.

Mr. MANN of Illinois. That is upon the theory that the bonds may never be paid; that they would not be able to collect the money which has been loaned to the farmer from the farmer. If you will dispel that theory, there will be no trouble in selling the bonds.

Mr. PLATT. Oh, I think that is not the theory at all. I think that the theory is that any bonds sold hereafter might be taxable, whereas those already sold are exempt from taxation.

Mr. MORGAN. Would not the revenue act apply to bonds issued from now on?

Mr. PLATT. I do not believe it would.

Mr. MANN of Illinois. The mere fact that the case is pending in the Supreme Court does not change the law. The law is the same with respect to the bonds already issued and the bonds now to be issued. There is no change in the law. An argument in the Supreme Court does not decide the matter.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. PLATT. Yes.

Mr. WINGO. But the fact that the Supreme Court of the United States some weeks ago ordered a reargument closed the market, so far as the investor is concerned, because he said that he will not buy the bonds until he finds out what their legal status is.

Mr. PLATT. That is the point.

Mr. WINGO. It is not a question of the law; it is a question of the mind of the man who is in the investment market.

Mr. MANN of Illinois. If you will satisfy his mind that these bonds will be eventually paid, he will be satisfied and he will buy the bonds. That applies to bonds already in existence and to bonds issued now. There is no difference in legal status.

Mr. WINGO. I have never heard of any lawyer or investor who declines to purchase them because he thinks he might not be able to collect on them. I have never heard of any lawyer who doubts at all but that the courts of equity would hold, if the Supreme Court should hold the act to be unconstitutional, other than they have always decided in similar cases, and permit the holders of the bonds to collect them.

Mr. MANN of Illinois. The Committee on Banking and Currency by reporting this resolution throws doubt on the whole thing. Instead of saying that these bonds are good and will be collected, you propose to say to the people who already have them, "Your bonds probably are not good, but the Government is going to buy these bonds and stand the loss, if there is any." This action casts a cloud upon them.

Mr. PLATT. I suppose the Federal land banks could sell bonds on a high enough rate of interest to take the risk into consideration.

Mr. MANN of Illinois. This does not change the rate of interest.

Mr. PLATT. The Supreme Court's action changes the rate of interest.

Mr. MANN of Illinois. Not at all.

Mr. PLATT. It changes public sentiment so that 4½ per cent bonds which you could sell at par you can not sell now.

Mr. MANN of Illinois. But this very action throws doubt upon the collection of the bond.

Mr. PLATT. It does not seem so to me. The matter in doubt is the tax exemption.

Mr. MANN of Illinois. These bonds now to be issued will be in the same position as to tax exemption as bonds already issued. Why not try to have that question met?

Mr. PLATT. But those already out have been purchased upon the assumption that they are exempt, and from now on nobody knows whether they will be.

Mr. Chairman, for the information of the House, and in connection with the question of the stability of the Federal land banks, I want to present a few figures. The banks had made mortgage loans up to April 30 of $336,240,586. That was an increase over the loans of March 31 of only $1,453,000, while the normal growth, or at least the growth shown last fall and up to about January 31 was about $16,000,000 each month. Amortization payments on April 30 had amounted to $3,876,732, and about $250,000 is coming back to the land banks each month in these payments on the mortgages. Delinquent amortization payments in all amounted to only $211,662. Outstanding bonds amount to about $296,000,000, and there are $19,355,100 of farm loan bonds carried in the April statement as unsold. It would appear as if a few had been sold to somebody in some way, for the March 31 statement shows $21,764,000 on hand and unsold, and if an issue of 5 per cent bonds were made I am not altogether sure that investors could not be found who would buy a considerable number of them. I hope that will be tried, for I do not personally think the Treasury of the United States should buy these bonds if it can possibly be avoided.

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired and the Clerk will read.

The Clerk read as follows:

Whereas the Supreme Court of the United States has asked for a reargument of the case involving the constitutionality of the Federal farm-loan act; and

Whereas the reargument of the case will postpone a decision until next October at the earliest; and

Whereas the Federal land banks are now and it is feared will be unable under these circumstances to sell bonds to meet outstanding commitments for loans to farmers pending a final decision: Therefore be it

Resolved, etc., That the provisions of the act of Congress approved January 8, 1918, entitled "An act to amend section 32 of the Federal farm loan act approved July 17, 1916," be, and the same hereby are, extended to the fiscal years ending June 30, 1920, and June 30, 1921, to the extent that the Secretary of the Treasury be, and he hereby is, authorized, as by the terms of said act, to purchase during the fiscal years ending June 30, 1920, and June 30, 1921, or either of them, any bonds which he might have purchased during the fiscal years ending June 30, 1918, and June 30, 1919, or either of them, under the provisions of the original act.

Mr. MADDEN. Mr. Chairman, I move to strike out the preamble.

Mr. MANN of Illinois. Mr. Chairman, I suggest that the question on the preamble will come after the consideration of the resolution.

Mr. WINGO. Is not the first question upon the committee amendments?

The CHAIRMAN. The Chair thinks that the motion of the gentleman from Illinois is not now in order.

Mr. MADDEN. Mr. Chairman, I withdraw my amendment.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 2, line 1, strike out the figure "8" and insert the figures "18."

Page 2, line 11, insert: "*Provided*, That he shall purchase no bonds issued against loans approved after March 1, 1920."

Mr. WINGO. Mr. Chairman, just a word. I fear that the remarks of the gentleman from Illinois [Mr. MANN] that the action of the committee throws some doubt on whether or not the bonds could ever be collected if the Supreme Court should decide adversely the case that is now pending will create a wrong impression, and I do not want that impression to go abroad. The committee does not do that. The committee in the preamble sets out that the board is unable to sell the bonds. An investor does not want to buy anything when he does not know exactly what is going to be the law covering the investment, when it is challenged and pending in the Supreme Court. Naturally he will say, "I will buy some other investment; I will not invest my money in this particular class of bonds." The last sale of bonds was about last July. The board then thought that that sale of bonds would take care of all of the business for one year, but we find that the business is such that the funds expired along in February or March. At that time we found that there were several classes of commitments. First, there were mortgages that had been given by farmers whose loans had been approved—the farmers had given a mortgage, which is of record—and yet the banks are without funds to give the farmer the money. Next, loans that have been finally approved, the farmers have relied upon them, the bank itself had approved the loan, and all that remains is to put the mortgage on record and pay the money.

Next, where the banks—and that is what the gentleman from Illinois [Mr. MADDEN] was referring to awhile ago—are controlled by hard-headed business men—and that is true of every one of these land banks; there is not a better class of men in America than the men the board selected as the head of the banks, some Republicans and some Democrats, no politics permitted to enter into it—these hard-headed business men, instead of asking the board to sell bonds in dribs, what did they do? They arranged a line of credit with commercial banks to take care of their current needs, and it is contemplated they would clean them up at the next bond issue. That is a practical thing that every hard-headed business man in this House will approve instead of condemning. Now, they ran out of funds in March. Here is the Supreme Court hanging fire upon this decision, and they found themselves without a market for the bonds. What did the board do? They immediately declined to take any further business, or, that is, ordered the banks not to take any new business. Now, the board comes before the committee and says, "Here we have stopped as soon as we found we could not sell the bonds on account of the uncertainty of the bond market by reason of this pending case, but we have made certain commitments which the banks are in honor bound to clean up." Now, it is a good, sound proposition, and they asked the committee to clean up the commitments. Now, the committee does not come and ask you to go into the proposition of the United States Treasury financing these Federal land banks. We simply authorize the Secretary of the Treasury, under the emergency war act which permitted him to purchase bonds and under the act we present here, while the total amount that the Secretary of the Treasury might buy would be $64,000,000, yet the total amount that he will buy under another limitation which says that he is not permitted to purchase a single bond that is issued against loans approved

after March 1, will limit it to between $32,000,000 and $40,000,000, so as to tide them over until the Supreme Court decides.

Suppose the Supreme Court should hold some parts of the act or the whole act to be invalid? I will not stop to discuss the legal proposition. Every lawyer on the floor of this House knows that you can collect these bonds. He knows there are decisions that are on all fours by which the taxpayers of a county have been compelled by a Federal court to meet the obligations under similar cincumstances, and it is not a question of whether the bonds will be finally paid. It is a question of tiding these banks over the hiatus after March 1, 1920, until the law is settled and they will have a market for their bonds. It is simply a businesslike proposition.

Mr. BARKLEY. Will the gentleman yield?

Mr. WINGO. I will yield.

Mr. BARKLEY. As I understand, the effect of this legislation will not be to permit these land banks to continue the ordinary course of their business in the future pending the decision of this case, but it will only permit the Treasury to buy certain bonds as were based upon loans made prior to March 1.

Mr. WINGO. That is all.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WINGO. I ask for two minutes more only.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. WINGO. Here is the proposition: The committee tried to reflect the sentiment of the House. I will be frank with you and say that personally I am willing to authorize the continuance of the business by the farm land banks and purchase of their bonds by the Treasury. The committee knew the sentiment of the House and they decided that the House had recognized the Treasury is in a straitened condition, and they said that all the House would support is a proposition to clean up the commitments of the banks where farmers had their mortgage already on record, where the commercial banks relied upon the credit of these banks for maturing paper, where they had made loans approved and given which were relied upon; in other words, clean up the commitments and not do any more new business. That is the view the committee took simply because we thought we reflected the sentiment of the House.

Mr. BARKLEY. But will not the effect of this postponement by the Supreme Court of this decision be practically to disband the organization of all these land banks scattered throughout the country which will remain idle——

Mr. WINGO. Yes; because they have already disbanded and they have already discharged some of their forces.

Mr. BROOKS of Illinois. Will the gentleman yield?

Mr. WINGO. I will.

Mr. BROOKS of Illinois. Why do some of these bonds draw 4½ and the others 5 per cent?

Mr. WINGO. The act covers the question of bond issues very clear, if the gentleman will get it. I do not recall just now why it was unless it was the market; but as I recall, it was the market that fixed it, and the provision of law required them to let the farmer have it at 1 per cent less than the last bond sale rate of interest.

Mr. MORGAN. My understanding is the Federal land bank bonds have been all issued at 4½ per cent, while the joint-stock bonds are issued at 5 per cent.

Mr. PLATT. There is one 5 per cent Federal land bank issue.

Mr. WINGO. My mind is not clear at the moment, but as I recollect we first issued, and the gentleman from New York can correct me, 4½ Federal land bank bonds. Then we had one other Federal loan issue——

Mr. PLATT. One was about a year ago, before the Victory loan, and that was at 5 per cent.

Mr. WINGO. Right before the Victory loan. The gentleman from Illinois is referring, I think, to the joint-stock land bank bonds.

Mr. OLIVER. Will the gentleman yield?

Mr. WINGO. I will.

Mr. OLIVER. This bill is not intended to authorize the purchase of bonds issued by the joint-stock banks?

Mr. WINGO. No; it does not include that.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. EVANS of Nebraska. I ask that the gentleman's time be extended two minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. EVANS of Nebraska. I would like to ask the gentleman if he will yield?

Mr. WINGO. I will yield.

Mr. EVANS of Nebraska. Is there any necessity for the issuance of any more bonds than have been suggested by the gentleman under the proviso limiting it to March 1, 1920?

Mr. WINGO. Well, it is owing to the gentleman's viewpoint. If you simply want to clean up the commitments, why of course the amendment of the committee will do that.

If you want to sustain these banks and permit them to continue their business in their individual capacity pending the decision, then you would throw it wide open and authorize the Secretary of the Treasury to go on and purchase bonds just as much as is necessary to meet the business.

Mr. EVANS of Nebraska. If the condition of the market is such as we think it is now with reference to these bonds, and if such a condition should continue, it would require the Secretary of the Treasury to carry all of the loans that should be made through these banks which were necessary to be financed by bonds. Is that correct?

Mr. WINGO. I do not anticipate that.

Mr. EVANS of Nebraska. Is this correct from the gentleman's standpoint?

Mr. WINGO. Possibly I do not grasp the gentleman's question.

Mr. EVANS of Nebraska. I will get back the other way. If this condition as to the decision should continue for an additional year, the gentleman states that still the bonds that should be sold if they become due in that time—which, of course, is impossible by their terms—could be collected in the ordinary course?

Mr. WINGO. I think the equity side of any Federal court in the United States would enforce the collection of these bonds against the farmers who gave their mortgages and against their stock in the banks, and if they attempted to raise the question of the validity of the act, having received the benefit of the act, they would have to pay their note for which they had received the cash and benefits.

The CHAIRMAN. The time of the gentleman has expired. The question is on agreeing to the first committee amendment.

The question was taken, and the amendment was agreed to.

Mr. MORGAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. MORGAN moves to amend the committee amendment on page 2, line 12, by striking out the period and inserting in lieu thereof a semicolon and inserting the following:

"*And provided further*, That the Secretary of the Treasury is hereby authorized and directed, at any time during the fiscal year ending June 30, 1922, to purchase at par and accrued interest, at the option and offer of the owner thereof, any farm loan bond or bonds issued by any Federal land bank during the fiscal year ending June 30, 1921, not exceeding in the aggregate $100,000,000, and issued against loans approved subsequent to March 1, 1920.

"Every Federal land bank, whose bonds have been purchased by the Secretary of the Treasury under the foregoing provision, shall, at the request of the Secretary of the Treasury, redeem the bonds so purchased by delivering to the Secretary of the Treasury in exchange for such bond or bonds other farm-loan bonds of equal amount par value, bearing such rate or rates of interest and payable at such time and on such terms and conditions as shall be prescribed by the Secretary of the Treasury, and the bonds so redeemed by any Federal land bank shall be canceled.

Mr. BLANTON. Mr. Chairman, I reserve a point of order on that.

Mr. PLATT. I make a point of order against that, Mr. Chairman.

The CHAIRMAN. Will the gentleman state the point of order?

Mr. PLATT. The amendment goes far beyond the purposes of the bill and is not germane. It undertakes to sustain the value of bonds, and provides for the purchase of bonds by the Treasury Department from any persons that own them. For instance, if I happen to have some farm-loan bonds and they go down in price, I am privileged to sell them to the Treasury.

Mr. MORGAN. I beg the gentleman's pardon. It only applies to bonds issued during the year 1921.

Mr. PLATT. Even the fiscal year 1920 has not ended yet.

Mr. MORGAN. This applies only to bonds issued during the fiscal year ending June 30, 1921. It does not apply to any other bonds at all.

Mr. PLATT. It applies to the purchase of bonds from private owners, just the same.

Mr. MORGAN. The gentleman is mistaken. It does not go that far. It just applies to bonds issued during the fiscal year 1921.

Mr. PLATT. It says "at the option and offer of the owner thereof." Who is the owner?

Mr. BLANTON. Mr. Chairman, I make the additional point of order that it introduces a new subject entirely that was not embraced in the provisions of the bill, and not germane either to the section of the bill to which it is offered as a part or to the bill itself.

The CHAIRMAN. That is practically the same point of order as made by the gentleman from New York [Mr. PLATT].

Mr. PLATT. This amendment provides for the issuance of bonds. The resolution itself does not provide for the issuance of any Federal land-bank bonds. It simply provides for the purchase by the Treasury of bonds already issued. The gentleman's amendment provides for the continuing of the issuance of bonds and keeping up their value. It goes way beyond anything contemplated in the joint resolution offered. Also the second paragraph of this amendment seems to authorize the issue of United States Government bonds—two series of United States Government bonds, if I understand it.

Mr. MORGAN. No; it does not.

Mr. PLATT. Where is the money to come from?

Mr. MORGAN. Where is the money to come from in your bill? It comes out of the Treasury of the United States.

Mr. PLATT. It speaks of redeeming bonds.

Mr. MORGAN. Of Federal land banks. The second paragraph only applies to Federal land banks issuing bonds. I know the gentleman wants to be fair. As to the second section, the assumption is this: We will suppose that during the year 1922, which is the second year, it turns out that the Secretary of the Treasury has to buy some of these bonds that have been sold under this provision, if presented. That bond which the Government buys may be a bond that may sell under par by reason of the interest rate. So the Federal land bank, on the request of the Secretary of the Treasury, under the second paragraph, would issue a new bond and exchange for the old bond that the Secretary already under the provision of your act——

Mr. PLATT. Who is going to issue those bonds?

Mr. MORGAN. The Federal land bank issues a new exchange for the Federal land bank bond which the Secretary buys under paragraph 1, and it is to be issued at the rate of interest provided for by the Secretary of the Treasury, and the Secretary of the Treasury will have authority to ask that those Federal land banks issue new bonds on such terms and conditions and at such rate of interest as will make the Government good and whole.

Mr. PLATT. It is perfectly evident, Mr. Chairman, that the purpose of this amendment is to issue new bonds and exchange bonds, and apparently to keep up the market price, as near as I can make out. It goes way beyond the purposes of the joint resolution, not only in extending it to 1922 and providing that new bonds may be purchased by the Treasury, but in authorizing the issues of bonds, something which, in order to do, you would have to amend an entirely different section of the Federal farm loan act.

The CHAIRMAN. Will the gentleman from New York [Mr. PLATT] state the section of the farm-loan act to which he refers, the one which it would be necessary to amend in order that this provision might be germane?

Mr. PLATT. I have not the Federal farm-loan act with me, not expecting any such question as that, and can not recall the numbers of the bond sections.

Mr. PHELAN. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. PHELAN. I think it is clear the amendment is not germane, and is entirely beyond the scope of the bill now pending before the committee. The resolution provides means whereby the Secretary of the Treasury may purchase bonds from the Federal land banks. He may purchase bonds from the Federal land banks. In contemplation these are bonds that are to be issued by the land banks. In the first paragraph of the gentleman's amendment provision is made whereby bonds are to be purchased from the owners of the bonds. That means, I presume, and certainly includes, everybody all over the United States who has a bond. It refers to bonds which have already been issued and not, as the original resolution pending before the House provides, the land banks, on bonds to be issued. The first distinction, therefore, is that in the case of the resolution pending before the House the bonds are to be bought from the land banks on bonds hereafter to be issued. In the gentleman's amendment they are to be bought from the owner of the bonds, and they are bonds which have already been issued.

Mr. GREEN of Iowa. And it is mandatory, too.

Mr. PHELAN. Yes. In addition to that, some light will be thrown on the subject if you examine the purposes of the resolution now pending before the House. The purpose of the resolution before the House is to enable the land banks to meet their obligations, or at any rate to meet their promises and commitments, whereas the purpose contained in the first paragraph of the amendment offered by the gentleman from Oklahoma is not to take care of any commitments, but to take care of owners of bonds who perhaps desire to dispose of them.

So much for the first paragraph. Now, the second paragraph introduces an entirely new proposition. In the act passed two or three years ago and extended by the resolution now before the House provision is made for the redemption of these bonds by the ordinary redemption process, namely, that the farm-land banks, after a certain period of time or at a certain point of time, shall buy back these bonds, and it is provided in the act what they shall pay. They are supposed to pay back money, or currency, or something that operates as money or currency, whereas in the amendment offered by the gentleman from Oklahoma, as I stated, an entirely new element appears. Payment may be made not by the use of cash or money or currency but by other bonds. I think, therefore, Mr. Chairman, it is clear that the gentleman's amendment is entirely out of order. And I make the additional point of order that this amendment has been offered, I think, as an amendment to an amendment already pending, and hence is not in order, for that reason, as an amendment to the pending resolution.

Mr. MORGAN. Mr. Chairman, I think my amendment to the committee amendment is clearly germane and in order, and it is in order because it is in harmony with the purpose of this act, as shown by the "whereases."

The gentleman's resolution is introduced by a number of "whereases," which indicate that at the present time, by reason of certain litigation, the Federal land banks are unable to sell their bonds.

Now, then, the object of paragraph 1 of my amendment is to enact a provision which will enable the Federal land banks to sell their bonds. Now, what does it do? It is an amendment to the committee amendment. The committee amendment limits the purchase of bonds to the bonds issued against loans approved March 1 last. My amendment is an amendment to that amendment and provides that under certain circumstances bonds may be issued. It provides that during the fiscal year of 1922 the owner of bonds issued and purchased during the fiscal year 1921 may, at his option, have the same redeemed or purchased at the Treasury at par value with accrued interest. A bond issued by Federal land banks with this privilege would sell at this time, without regard to the uncertainty of pending litigation. This would enable the land banks to function. Of course, that carries out the very purpose of this act, to bring Federal land-bank bonds to a position where the Federal land banks can sell them. There could be no demands on the Treasury until during the fiscal year of 1922.

Now, then, investors would buy those bonds if my amendment would become a law.

The CHAIRMAN. The Chair would like to ask the gentleman a question.

Mr. MORGAN. I shall be glad if the Chair will.

The CHAIRMAN. The question is if under the Federal farm loan act the Secretary of the Treasury had any jurisdiction to purchase from anybody except the farm loan banks themselves any of the bonds that he might have purchased during the fiscal year ending June 30, 1918, and during the fiscal year ending June 30, 1919? I think that the Federal land bank act and the act of January 18, 1918, apply only to authorize the Secretary to purchase bonds issued from the Federal land banks.

Mr. MORGAN. I think that is true.

The CHAIRMAN. Now, will the gentleman address himself to that particular point, and give to the Chair the reasons for his contention that the authorization of the purchase from owners generally is germane to a provision of law allowing purchases only from one source, namely, the Federal land banks?

Mr. MORGAN. Yes. Now, then, it seems to me there is nothing illogical in the claim that if you authorize the Secretary of the Treasury to buy bonds of one city, an amendment authorizing him to buy bonds of another city would be germane. If you authorize the Secretary of the Treasury to buy the bonds of England, it seems to me germane to authorize the Secretary of the Treasury to buy the bonds of France; and much more so if you authorize the Secretary to buy the bonds of the Federal land banks, a bond that has been issued by the Federal land bank, it would be germane to authorize the Secretary to buy the bond of the individual to whom the Federal land bank sold that bond.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. In a moment; and especially so, Mr. Chairman, when the object and purpose to be accomplished are in absolute harmony.

Now I yield.

Mr. WINGO. The gentleman is familiar with the long line of decisions by Speakers of the House to the effect that where a bill provides for one building in one city you can not offer an

amendment for a building in another city, but if it contains two or more an amendment would be in order; so that his contention is unsound in his claim that if it were in order to authorize an issue of English bonds it would also be in order to authorize an issue of French bonds. And, besides that, the gentleman overlooks the fact that the original act authorizes the purchase from the Federal land bank, whereas the gentleman's amendment authorizes the Secretary of the Treasury to purchase these bonds from the public.

Mr. MORGAN. I insist that that would be germane, because, if you pass an act or amendment authorizing the Secretary of the Treasury to purchase bonds of the Federal land banks, the object being to provide the means whereby these Federal land banks might function in the interest of the Government and in the interest of agriculture, then an amendment which would modify it so that it would add to it the power to purchase of individuals the same bonds issued by the Federal land bank is not only, it seems to me, germane according to the wording of the provision but absolutely and certainly in harmony with the spirit of the resolution and the object to be attained thereby.

Mr. WINGO. Mr. Chairman, will the Chair hear me for just a word on this?

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. WINGO. I think the gentleman from Oklahoma has overlooked the whole philosophy of the bill and his own amendment. The bill is what? It does not seek to amend existing law, because that law has expired. This bill is a peculiarly worded bill. It undertakes to say that the Secretary of the Treasury be, and he is hereby, authorized to do something in a manner provided by an act that has already expired.

It undertakes to say that the Secretary of the Treasury be, and he is hereby, authorized to do something with reference to an act that has already expired. So it can not be said that anything is in order if it seeks to amend a statute that has already expired. The pending bill does not seek to amend a statute.

Let us see what is the purpose, the letter, and spirit of the pending bill. It is to extend the Federal farm loan act to June 30, 1921; the preamble states that it is feared that the Federal land banks will be unable to sell bonds to meet the outstanding commitments for loans to the farmers pending the final decision of the Supreme Court. The bill authorizes the Secretary of the Treasury to buy bonds from the land banks to a certain extent to meet these payments under certain restrictions.

Now, in the first section of the gentleman's amendment, does it provide for the relief of farmers for the sale of bonds? No; it authorizes the purchase by the Secretary of the Treasury of bonds in the open market, and that might defeat the very purposes of the bill. A man owning $100,000,000 worth of bonds might go to the Secretary of the Treasury and say that this authorization is a mandate of Congress, and before the Federal land banks could offer their bonds he might compel the Secretary of the Treasury to buy his bonds.

Mr. MORGAN. The gentleman wants to be fair, I hope. The entire issue is limited to $100,000,000.

Mr. WINGO. I am fair. It is a logical conclusion of the language of the gentleman's amendment. He does not intend it, but the Chair can not take the intention of the gentleman from Oklahoma. He must take the language as it is. In the first section it provides for the purchase of bonds in the open market.

The second section provides what? That it authorizes the redemption of the bonds in cash to the original holder? No; it authorizes exchange of bonds. There is no such provision in the emergency law which has expired, and no such provision in the pending bill. So I say for these two reasons the amendment of the gentleman from Oklahoma is not germane either to the pending amendment or to the pending bill, and it fails on both points.

The CHAIRMAN. The Chair is ready to rule. The pending resolution, for certain reasons set forth in the preamble, seeks to extend the life of the Federal farm loan act and to authorize the Secretary of the Treasury to purchase certain farm loan bonds. The gentleman from Oklahoma offers an amendment to the amendment of the committee to authorize the Secretary of the Treasury to purchase certain farm loan bonds in the open market and not from the Federal farm loan bank, as provided by existing legislation and by the resolution now pending before the committee.

The point of order has been made that the amendment of the gentleman from Oklahoma is not germane. The amendment, of course, must be germane to the subject of the resolution itself, and it must also be germane to the section to which it is offered.

The preamble sets forth the purpose of the resolution in the following language:

> Whereas the Federal land banks are now and it is feared will be unable under these circumstances to sell bonds to meet outstanding commitments for loans to farmers pending the final decision: Therefore be it resolved—

And so forth.

So the preamble itself shows that the purpose of this resolution is to authorize the Secretary of the Treasury to purchase these bonds from the land banks in order to relieve the land banks, and the purpose as set forth in the preamble and the resolution is not apparently to relieve the owners. There is not any very close precedent which the Chair has been able to find on this proposition, but the Chair does think that the argument advanced by the gentleman from Oklahoma is not in accordance with the precedents that exist, namely, that where legislation authorizes the purchase of bonds of one city an amendment authorizing the purchase of bonds of another city would be germane, because that, in the Chair's view, is directly contrary to existing precedents. The Chair thinks that in this amendment the gentleman from Oklahoma seeks to go beyond the scope of the resolution and to introduce in it a new purpose not set forth in the preamble and not set forth in any part of the resolution, and that the provision to authorize the Secretary of the Treasury to buy bonds generally in the open market is not germane to the provision authorizing the Secretary of the Treasury to purchase from a particular source, and therefore the Chair sustains the point of order.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word.

Mr. BARKLEY. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. BARKLEY. I desire to offer an amendment to the committee amendment. If a point of order should be made that the time has expired on this particular amendment, would I be permitted to do that after the gentleman concludes?

The CHAIRMAN. The Chair thinks the gentleman would be in order in offering the amendment to the committee amendment.

Mr. McKEOWN. Mr. Chairman and gentlemen of the committee, I think this legislation ought to be passed, but I do not think the resolution goes far enough. This law relieves a situation that is very pressing and a situation that confronts the farmers who have applied for loans and put on record their mortgages and are unable to get the money or to have their mortgages released. But here is what it will do if you do not go further with the legislation: Those that are opposed to the farm-loan legislation are going to accomplish the thing they started out to do when they started this litigation. They do not hope to win this lawsuit, but they are doing what they started out to do. In the first place, some of these private loan agents go over the country telling the farmer when he mentions borrowing money from the farm-loan bank that he can never get his money, that there is so much red tape about it, and why does he want to make an application for money when the agent can give him his money in 30 days or 3 weeks or as soon as the papers are fixed up, while if he goes to the farm-loan bank he will not get his money for a year.

This legislation is good so far as it goes. You are going to take care of the loans that have been approved of up to March, 1920, but you are going to close down on loans from there on, and you are going to demoralize the organization of your farm-loan banks, and let the public then become the prey of the fellows who have been charging the excessively high rates of interest. This farm-loan legislation has reduced the interest rates. The mere fact that it is on the statute books has reduced the interest rates in Oklahoma from 10 per cent to 6 and 7 per cent. I think this legislation ought to go further. As the gentleman from Illinois [Mr. MANN] said, this statute has not been declared unconstitutional. The Government has won its suit so far. The Congress of the United States ought to back up its own legislation, and you ought not to permit these men, by bringing this litigation, to do the very thing that you want to avoid having done.

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. PLATT. The gentleman knows that the Treasury is borrowing money at 5½ per cent. Would the gentleman want the Treasury to borrow money at 5½ per cent and buy farm-loan bonds that yield only 4½ per cent?

Mr. McKEOWN. The gentleman can regulate that by legislation. If the Treasury of the United States has to pay 5½ per cent for its money, of course the private individual is going to have to pay more for his money. Interest rates are going to rise all over the country, and the man who could get money

for 6½ per cent from the farm-loan banks would have to pay the private individual 10 per cent, if they keep up their rates and commissions as they have in the past prior to the enactment of the farm-loan act.

Mr. PLATT. But the gentleman has not yet answered my question.

Mr. McKEOWN. Does not the gentleman think it is to the better interest of the Government to take care of this situation now, rather than let the entire business be demoralized, and pay out these large sums in salaries down here for these men with nothing for them to do?

Mr. PLATT. I do not think the Government can borrow money at a higher rate of interest and loan it to some private individual at a lower rate of interest.

Mr. McKEOWN. I do not think that that would be good business, but the gentleman knows that that could be corrected.

Mr. PLATT. How could it be corrected? Does the gentleman mean that we can make people loan money to the Government at a lower rate?

Mr. McKEOWN. We can raise our rate to the borrower, can we not?

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. McKEOWN. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FAIRFIELD. Mr. Chairman, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. FAIRFIELD. Has the gentleman any idea of the volume of applications that will not be taken care of?

Mr. McKEOWN. I do not know the volume of applications, but I say this, that the farm-loan banks and associations are just beginning to get into operation in my country, and in my district the farmers are just getting hold and organizing, and now they will be absolutely demoralized, and you will have to go in there and do all of this work over again. You give this farm-loan act the black eye and it will take years and years to recover from it. The farmer will lose absolute confidence in it.

Mr. FAIRFIELD. Would not the joint-stock land banks in any way help the situation?

Mr. McKEOWN. They do not seem to be able to help the situation. One thing that is the trouble now and that has been the trouble right along is the delay in getting the money. The farmers will come in and organize their associations and send off their papers and wait a long time to get a return on their loans. That is demoralizing, because there is no good business in that.

Mr. MORGAN. Mr. Chairman, as I understand it, the committee amendment is now pending.

The CHAIRMAN. The committee amendment and any germane amendment to the committee amendment would be in order.

Mr. MORGAN. I rise to oppose the committee amendment.

The CHAIRMAN. The gentleman is recognized for five minutes.

Mr. MORGAN. Mr. Chairman, if the committee will vote down this committee amendment, of course they will accomplish something really worth while for the Federal land banks and for the farmers who need these loans. The bill as introduced by the chairman of the committee is all right. It authorizes the Secretary of the Treasury, within the limit of $200,000,000 and at his discretion, to buy these bonds, issued by the Federal land banks, but the committee has amended the bill as introduced by placing a proviso, found in lines 11 and 12, to the effect that the Secretary of the Treasury shall purchase no bonds issued against loans approved after March 1, 1920. That only provides relief for a comparatively few men, who were fortunate enough to have their applications approved prior to March 1, but in principle, if you can authorize, and do authorize, the Secretary of the Treasury to purchase $30,000,000 worth of these bonds, where the applications came in before March 1—in principle you authorize the purchase of bonds necessary for these banks to do business through the next six or eight or nine months. If it is wrong to purchase bonds on applications issued after March 1, it is wrong to purchase them on applications received and acted upon before March 1.

If you will vote down this committee amendment, you will have passed a law through this House that is worth while to the farmers of the country, and you will have done something that will tend to increase the credit facilities sufficiently to in a measure add to the productive power of the farmers. More than that, unless you give these banks power to make loans, the private mortgage companies will raise their rates during the next nine months. Therefore, you ought to do this to protect our farmers from the increased rates which will have to be paid by those whose mortgages are expiring between now and the next nine months, and with the high rates of interest prevailing those mortgages will not be renewed at the old rates. If you want to help the farmer; if you really desire to expand agriculture; if it is your real purpose to increase food production and reduce the cost of food to people who live in the cities and towns, then vote down this committee amendment, which restricts the purchase of bonds issued against loans approved prior to March 1, 1920.

Mr. BARKLEY. Mr. Chairman, I offer an amendment to change the figures "1920," in line 12, page 2, to "1921."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 12, strike out the figures "1920" and insert in lieu thereof the figures "1921."

Mr. BARKLEY. Mr. Chairman, my reason for offering this amendment is based upon the difficulty which has just been alluded to by the gentleman from Oklahoma [Mr. MORGAN]. The Supreme Court of the United States has postponed until next October the reargument of this case involving the legality of the farm loan act. In all probability the court will have rendered its decision by the 1st of March, 1921; but if the amendment as offered by the committee shall be adopted it will be utterly impossible for these Federal farm loan banks or Federal land banks to function with respect to any new business whatever between now and the time the decision of the court shall be rendered.

Mr. PLATT. Will the gentleman yield?

Mr. BARKLEY. Just for a brief question.

Mr. PLATT. The gentleman knows that the Federal land banks have been instructed to take no business since the 4th of February pending the determination of the Supreme Court. They can not make any more loans.

Mr. BARKLEY. Those instructions can be withdrawn. They do not operate as unchangeably as the laws of the Medes and Persians. The authorities which give the instructions can withdraw the instructions. But so far as I personally am concerned, I can see no difference between the obligation of the Government to those who applied for loans of money prior to March 1, 1920, and to those who may seek to borrow money between March 1, 1920, and March 1, 1921.

Mr. PHELAN. If the gentleman will yield, does the gentleman see any difference between an obligation I owe to a man to whom I have made a promise and an obligation to a man to whom I have made no promise?

Mr. BARKLEY. Well, the obligation in these two instances is moral. There is no binding legal obligation on the land banks to loan money unless they have it, and what I want them to do is to loan money to those who have applied and to those who may apply from now on.

Now, unless this amendment shall be adopted, as I suggested in my question to the gentleman from Arkansas [Mr. WINGO], the result will be that these Federal land banks, scattered all over the United States, will cease to operate. A few days ago the president of the Federal land bank of Louisville, Ky., was in the city of Washington, and he said that unless some relief came to him the Federal land bank system would be compelled to discharge practically all of its force, all of its paid agents, all of its investigators, all the officers of the Federal land banks, pending the decision of the Supreme Court on the constitutionality of this law. Now, if that result shall come about, it will not only demoralize the present activities of the Federal land banks, but compel them to begin from the very bottom when the court does decide the case and start in again to do business of loaning money to the farmers of this country, and it will be extremely unfortunate, as I believe, for the Federal land banks to be compelled to go out of business from now until the date when the Supreme Court shall determine this case by reason of any failure on the part of Congress to give them any authority or the Treasury any authority to cover the period between now and the date of the decision.

Mr. PLATT. I want to say to the gentleman this proviso was put in here at the very urgent solicitation of the Secretary of the Treasury and of the Federal Farm Loan Board, and the Secretary of the Treasury is a member of the gentleman's own party——

Mr. BARKLEY. I have very great respect for those authorities, but it does not change my opinion as to this amendment.

Mr. PLATT. And wanted a more stringent one.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MORGAN. Will the gentleman yield? I ask that the gentleman have five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MORGAN. I did not quite get the amendment offered by the gentleman, and I wish he would repeat it.

Mr. BARKLEY. The amendment which I offered simply extends the period from March 1, 1920, which has already gone by, to March 1, 1921, basing that amendment upon the probability of the court deciding the case between now and the 1st of next March.

Mr. MORGAN. In other words, in line 12 the amendment is to strike out "1920" and to insert "1921"?

Mr. BARKLEY. Yes, sir.

Mr. MORGAN. Well, that is a very good amendment, and I hope it will be carried.

Mr. BARKLEY. In certain sections of the country, and particularly in that section of the country from which I come, the product of the farm is very largely exported. The money crop of large sections of Kentucky, Tennessee, Virginia, and some parts of Ohio and other States depends largely upon the foreign market in order that it may bring a price sufficient to enable the farmer to live. Now, on account of the fall in foreign exchange, the market has absolutely gone to pieces. The bottom has dropped out of the market, and there is no sale at the present time for farm products that found their market in the countries of Europe, and those farmers are compelled to borrow money in order that they may hold their crop until the prices go up, or until they can make a different crop out of which they can obtain the necessaries of life.

Mr. PLATT. Will the gentleman yield?

Mr. BARKLEY. Of course, if they are compelled to go to banks or private lenders of money and pay exorbitant rates of interest, they are put not only to a disadvantage on that account but at a double disadvantage on account of the cheapness of their product, and this amendment will enable these Federal farm land banks to extend assistance to those farmers who are thus situated between now and the 1st of next March; and I can not see, either legally or morally, where we are under any greater obligation to those who got in prior to March 1, 1920, than to those who come in hereafter. I want them all protected.

Mr. PLATT. The gentleman knows the Federal board here in Washington instructed the land banks to make no commitments after March 1, or a little before that, and that those who are in before that are in in good faith. If you allow them to get in now they may be doing a business which may be unconstitutional.

Mr. BARKLEY. It will not be any more unconstitutional than that which has been authorized. They will either go up together or down together.

Mr. PLATT. There is no authority here for the Treasury to buy bonds. If an outsider wants to do it and take the risk, it is all right.

Mr. BARKLEY. The very reason why this bill is brought in is because private investors will not buy those that have already been committed.

Mr. PLATT. There is no obligation on the Treasury in any legal way, then, to take care of those who went in in good faith before notice was given, but they should not go on and continue it indefinitely after the notice is given.

Mr. BARKLEY. I assume that anyone who comes in under the Federal farm loan act comes in in good faith.

Mr. PLATT. Those who come in now do not.

Mr. BARKLEY. If we extend the time until next March, they will not have notice, because the time will have been extended in which the Treasury will come to their assistance or purchase these bonds that will be issued between now and next March.

Mr. PLATT. If the court declares the law unconstitutional between now and next March, what then?

Mr. BARKLEY. Then the law and the amendments to it and everything done under them would go along together.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. TINCHER. Mr. Chairman, I desire to oppose the amendment.

I hope the committee will not vote on the amendments without giving them a moment's consideration as to their seriousness. This amendment offered by the gentleman from Kentucky, who is usually careful in offering amendments and careful in considering legislation, appeals to me as a departure from his usual rule. For instance, the amendment to section 32, that we are reenacting to-day, authorized the purchase on the part of the Government of $200,000,000 worth of bonds, $100,000,000 a year for two years. Now, under that act we have purchased over $136,000,000 worth of bonds. So we have something like $60,000,000 with which to purchase bonds. It is shown in the report on this bill, and it is a fact, that practically that amount of money will be required to make good our obligations up to the 1st of March of this year.

Now, what would be the idea in extending the provisions to the 1st of March, 1921? We would not have any money. The amendment carried here would not provide a dollar to carry out the provisions next year. The banks decided last January, the Federal farm loan banks, that they would not be hypocrites about this thing, and that they would not do business until the court decided as to whether they were within the Constitution or not. So they practically suspended. But there is an obligation outstanding. The appropriation was authorized by a former Congress, and this committee has simply brought in a bill here to authorize the closing up of that proposition. I say that to strike out the amendment itself or to amend it by extending it until March, 1921, would be the height of folly. That would not accomplish the operating of these banks. You can not operate them for a year on less than $10,000,000.

Mr. BARKLEY. Will the gentleman yield?

Mr. TINCHER. I will.

Mr. BARKLEY. Replying to the gentleman's first suggestion, it would not be germane to this committee amendment to offer an amendment to increase the amount available for this purpose, and therefore could not be offered in connection with my amendment, but if my amendment should be adopted it would be an authorization which could hereafter be taken care of by Congress.

Mr. TINCHER. If you go ahead and adopt that legislation, that would be for this Government to finance the Federal farm-loan banks for another year. I tell you what would happen: The Secretary of the Treasury, who is not overly friendly to even this, will not do a thing. He has practically said so in his letter which appears in the report on this bill. So we may as well be candid with the farmers, of whom we are friends, and say to them that this is all the help we can give them. The banks have been practically suspended since last January. The next amendment, according to your statement, would be to authorize the Secretary of the Treasury to buy $200,000,000 or more bonds so that they could operate until next March, and that legislation, according to the report here, would not only meet with the disapproval of the Secretary of the Treasury but would meet with a veto, and we would not do what we want to do for these farmers. As for the farmer, I do not believe in praying for him and then not giving him anything. This is all we can do for him under the present circumstances. If we follow the advice of the Federal Farm Loan Board and the Secretary of the Treasury, I think the organization will be maintained, and if the law is upheld we will still have those banks.

Mr. Chairman, I have worked hard for this bill. I have had conferences with Mr. Lobdell and Mr. Lever of the Farm Loan Board. I have gone to the different committees of the House; was before the Rules Committee to help get the rule. If this bill passes there will be $60,000,000 available. This will clean up the loans that the banks have made, and it will be a help. If the gentleman from Kentucky [Mr. BARKLEY] is really in favor of appropriating money and having the banks go ahead for the next year, I will vote for this measure, but to adopt his amendment to this bill would not help one bit, as we would not have the money, as he admits himself, to carry it out. The thing I am afraid of is that if we adopt his amendment we will displease the Secretary of the Treasury. His statement is here with the report, which is plain and concise. He briefly says he will use the balance of the $200,000,000 but no more. I believe in taking this $60,000,000, and then I will go as far as the gentleman from Kentucky [Mr. BARKLEY], or the gentleman from Oklahoma [Mr. MORGAN], or anyone else in trying to get an appropriation so that these banks can function while the case is pending; but the officers of the Federal farm-loan bank tell me, and the Secretary of the Treasury says in this report, that they do not consider that good policy.

Mr. Chairman, I know that the officers of the Federal farm-loan bank are friendly to it. I know when they ask us to do something for the bank that they are trying to preserve it. But when it comes to the amendments offered here on the floor by Members who are not in touch with the matter, I can not always tell whether they are friendly or unfriendly to the Federal farm-loan bank. However, anyone can see at a glance that this amendment changing the time without adding money is an unfriendly amendment, and could have no other effect than to complicate the matter, make grief for the bill in the other branch of Congress, and make grief for it with the Secretary of the Treasury, who will have to furnish the money to buy the bonds. And it seems to me that it is very plain that

the real friends of the Federal farm-loan bank that want to see it continue to succeed will not vote to make the bill impracticable when it is passed.

Mr. PLATT. Mr. Chairman, I ask unanimous consent that the debate on this amendment be now closed.

The CHAIRMAN. The gentleman from New York asks unanimous consent that debate on this amendment be now closed.

Mr. MORGAN. I object. I would like to have two minutes.

Mr. PLATT. I move that the debate on this amendment be now closed.

The CHAIRMAN. The gentleman from New York moves that the debate on this amendment be now closed.

Mr. PLATT. I will amend that by saying five minutes.

Mr. WINGO. By whom is it to be used? Certainly not by the gentleman from Oklahoma [Mr. MORGAN]. He has made three speeches.

Mr. MORGAN. I suppose you are getting tired of my speeches.

Mr. WINGO. I am not; but I think the House may get tired of them.

Mr. MORGAN. I would not be surprised, but this is a matter of very great importance to thousands of farmers.

The CHAIRMAN. The question is on the motion of the gentleman from New York [Mr. PLATT] that all debate on this amendment close in five minutes.

The motion was agreed to.

Mr. MORGAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MORGAN. The motion for closing the debate in five minutes applies to the amendment of the gentleman from Kentucky, does it not?

The CHAIRMAN. It applies only, the Chair thinks, to the pending amendment offered by the gentleman from Kentucky.

Mr. MORGAN. Well, then, Mr. Chairman, I do not want to detain the committee.

Mr. MONDELL. Let us vote.

The CHAIRMAN. The question is on the amendment of the gentleman from Kentucky.

Mr. MORGAN. Was not I recognized?

The CHAIRMAN. The gentleman was recognized, but the Chair understood the gentleman to say he did not care to use his time.

Mr. MORGAN. I said I did not like to detain the committee.

The CHAIRMAN. The Chair begs the gentleman's pardon. The gentleman from Oklahoma is recognized.

Mr. MORGAN. I know that I have occupied considerable time on this bill, but I feel like I am discharging my duty. A few minutes ago I spoke against the committee amendment. Since that time the gentleman from Kentucky [Mr. BARKLEY] has moved to amend it by striking out "1920" and inserting "1921." Of course, if the amendment of the gentleman from Kentucky can be carried, then I would have no objection to the committee amendment as amended. I think there is no danger of doing any great harm by carrying this amendment offered by the gentleman from Kentucky.

Mr. PHELAN. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. Yes.

Mr. PHELAN. There is one thing that I would like to have the gentleman explain to the House. The Government to-day, as I understand it, is obliged to pay 5½ per cent on what money it borrows.

Mr. MORGAN. That is on short-time certificates; yes.

Mr. PHELAN. The Government bonds are selling on the open market at——

Mr. MORGAN. That has been repeated several times. It has been repeated here that the Government is paying 5½ per cent interest, but that is on short-time bonds and short-time certificates. The Government is not paying 5½ per cent on any long-time bonds. But even if it were, that has nothing to do with this question.

Mr. PHELAN. Why not?

Mr. MORGAN. Simply because the object of this amendment, the whole object of the resolution brought in, is to help agriculture, and if you do not have that purpose in view you ought not to have brought it in here. If you can help agriculture a little you can help it more, and you can not make a sound argument in favor of the resolution that you have reported that does not apply to the amendment offered by the gentleman from Kentucky [Mr. BARKLEY]. You can not say you can help a little but what you can say you can help a little more, and especially that you can help in a substantial manner. This your resolution will not do. You are illogical and inconsistent and unfair in your argument.

Mr. PHELAN. Does the gentleman recall that in the Federal farm-loan act there was an absolute prohibition on the part of the system to issuing a bond carrying greater than 5 per cent interest, so that no bank can issue to the Government even a bond which will pay more than 5 per cent?

Mr. MORGAN. Well, I am not asking that. The amendment of the gentleman from Kentucky does not ask that.

Mr. PHELAN. I am asking you.

Mr. MORGAN. The objection I have to the resolution reported by the committee is that it does not go far enough. It covers only loans closed and approved prior to March 1, 1920. If it is right to take money out of the Treasury to help those whose loans were approved prior to March 1, 1920, it is not wrong to help those applying thereafter. I want, if possible, to make some arrangement to enable these banks to go on and transact business.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Kentucky [Mr. BARKLEY] to the committee amendment.

The question was taken, and the amendment to the amendment was rejected.

Mr. PLATT. Mr. Chairman, I move that all debate on the committee amendment be now closed.

The CHAIRMAN. The gentleman moves that all debate on the pending committee amendment do now close. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. The question now recurs on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. PLATT. Mr. Chairman, I move that the committee do now rise and report the resolution to the House with the amendments, with the recommendation that the amendments be agreed to and that the resolution as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HUSTED, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the joint resolution (H. J. Res. 351) extending the provisions of an act amending section 32 of the Federal farm loan act approved July 17, 1916, to June 30, 1921, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the resolution as amended do pass.

Mr. BARKLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BARKLEY. I desire to move to recommit with instructions to amend the provision which is known as the committee amendment. At what time will that motion be in order?

The SPEAKER. After the engrossment of the bill. The question is on agreeing to the amendments.

The amendments were agreed to.

Mr. PLATT. I ask unanimous consent, Mr. Speaker, that the preamble be stricken out.

The SPEAKER. The gentleman from New York asks unanimous consent that the preamble be stricken out. Is there objection?

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

Mr. BARKLEY. Mr. Speaker, I move to recommit this resolution to the Committee on Banking and Currency, with instructions to report it back to the House forthwith, with an amendment changing the figures from "1920" to "1921," in line 12 on page 2.

The SPEAKER. The gentleman from Kentucky offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. BARKLEY offers a motion to recommit the joint resolution to the Committee on Banking and Currency with instructions to report it back to the House forthwith, with the following amendment: On page 2, line 12, strike out the figures "1920" and insert the figures "1921."

Mr. PLATT. Mr. Speaker, that identical amendment was just voted down in committee. Is it in order to move that in a motion to recommit?

The SPEAKER. It is in the House.

Mr. BARKLEY. On that motion to recommit, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Kentucky to recommit the resolution.

The question was taken, and the Speaker announced that the noes seemed to have it.

Mr. BARKLEY. Mr. Speaker, I ask for a division.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 24, noes 57.

Mr. BARKLEY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Kentucky makes the point of order that there is no quorum present. The Chair will count. [After counting.] Obviously there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll. As many as are in favor of the motion to recommit will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 120, nays 151, answered "present" 1, not voting 155, as follows:

YEAS—120.

Almon	Evans, Mont.	McClintic	Romjue
Ashbrook	Evans, Nev.	McDuffie	Rouse
Ayres	Fairfield	McKeown	Rubey
Barbour	Fisher	Major	Rucker
Barkley	Foster	Mann, S. C.	Sanders, La.
Bee	Gandy	Mansfield	Sanford
Bell	Garner	Martin	Sherwood
Bland, Ind.	Garrett	Mays	Sims
Bland, Mo.	Goodwin, Ark.	Moon	Sinnott
Bland, Va.	Griffin	Morgan	Sisson
Blanton	Hardy, Tex.	Murphy	Smith, Ill.
Box	Harreld	Neely	Stedman
Briggs	Hawley	Nelson, Mo.	Steenerson
Buchanan	Hersman	Newton, Minn.	Stephens, Miss.
Byrns, Tenn.	Hoey	O'Connor	Stoll
Caldwell	Hudspeth	Oldfield	Sumners, Tex.
Candler	Hull, Tenn.	Oliver	Swope
Cantrill	Humphreys	Overstreet	Taylor, Ark.
Clark, Mo.	Igoe	Padgett	Thomas
Collier	Jacoway	Park	Thompson
Connally	Johnson, Ky.	Parrish	Upshaw
Cramton	Johnson, Miss.	Pou	Vinson
Crisp	Keller	Quin	Volstead
Davey	Kincheloe	Rainey, Ala.	Watkins
Davis, Minn.	Kinkaid	Rainey, H. T.	Weaver
Davis, Tenn.	Lanham	Raker	Welty
Dent	Larsen	Randall, Calif.	Whaley
Dickinson, Mo.	Lazaro	Rayburn	Wilson, La.
Doughton	Lee, Ga.	Ricketts	Wingo
Dupré	Lesher	Robsion, Ky.	Young, Tex.

NAYS—151.

Anderson	French	Lehlbach	Radcliffe
Andrews, Md.	Fuller, Ill.	Little	Rainey, J. W.
Andrews, Nebr.	Gallagher	Lonergan	Randall, Wis.
Anthony	Ganly	Luce	Reed, W. Va.
Babka	Gard	Luhring	Rodenberg
Baer	Glynn	McAndrews	Rogers
Begg	Goldfogle	McArthur	Rowe
Benham	Goodall	McGlennon	Sanders, Ind.
Black	Goodykoontz	McKenzie	Sanders, N. Y.
Boies	Graham, Ill.	McKinley	Scott
Brooks, Ill.	Green, Iowa	McKinley	Sells
Browne	Greene, Mass.	McLaughlin, Mich.	Siegel
Burdick	Greene, Vt.	McLaughlin, Nebr.	Sinclair
Burroughs	Hadley	MacCrate	Slemp
Campbell, Kans.	Hamilton	Madden	Smith, Mich.
Cannon	Hardy, Colo.	Magee	Snell
Carew	Haugen	Mapes	Stiness
Carss	Hays	Mason	Strong, Kans.
Chindblom	Hersey	Michener	Summers, Wash.
Classon	Hickey	Miller	Sweet
Cleary	Hicks	Minahan, N. J.	Tilson
Coady	Hoch	Monahan, Wis.	Timberlake
Copley	Holland	Mondell	Tincher
Crowther	Houghton	Montague	Tinkham
Cullen	Hull, Iowa	Moore, Ohio	Towner
Currie, Mich.	Husted	Mott	Vaile
Dale	Hutchinson	Mudd	Voigt
Dallinger	James	Newton, Mo.	Walsh
Denison	Johnson, Wash.	O'Connell	Wason
Dickinson, Iowa	Juul	Ogden	Webster
Dunbar	Kahn	Olney	Wheeler
Dunn	Kennedy, R. I.	Paige	White, Me.
Dyer	King	Parker	Williams
Echols	Kleczka	Pell	Wilson, Ill.
Elliott	Kraus	Peters	Winslow
Emerson	Lampert	Phelan	Wood, Ind.
Evans, Nebr.	Layton	Platt	Young, N. Dak.
Freeman	Lea, Calif.	Purnell	

ANSWERED "PRESENT"—1.

Johnson, S. Dak.

NOT VOTING—155.

Ackerman	Brumbaugh	Costello	Drewry
Aswell	Burke	Crago	Eagan
Bacharach	Butler	Curry, Calif.	Eagle
Bankhead	Byrnes, S. C.	Darrow	Edmonds
Benson	Campbell, Pa.	Dempsey	Ellsworth
Blackmon	Caraway	Dewalt	Elston
Booher	Carter	Dominick	Esch
Bowers	Casey	Donovan	Ferris
Brand	Christopherson	Dooling	Fess
Brinson	Clark, Fla.	Doremus	Fields
Britten	Cole	Dowell	Flood
Brooks, Pa.	Cooper	Drane	Focht
Fordney	Kelly, Pa.	Nelson, Wis.	Steele
Frear	Kendall	Nicholls	Stephens, Ohio
Fuller, Mass.	Kennedy, Iowa	Nolan	Stevenson
Gallivan	Kettner	Osborne	Strong, Pa.
Garland	Kiess	Porter	Sullivan
Godwin, N. C.	Kitchin	Ramsey	Tague
Good	Knutson	Ramseyer	Taylor, Colo.
Gould	Kreider	Reavis	Taylor, Tenn.
Graham, Pa.	Langley	Reber	Temple
Griest	Lankford	Reed, N. Y.	Tillman
Hamill	Linthicum	Rhodes	Treadway
Harrison	Longworth	Riddick	Vare
Hastings	Lufkin	Riordan	Venable
Hayden	McCulloch	Robinson, N. C.	Vestal
Heflin	McFadden	Rose	Walters
Hernandez	McLane	Rowan	Ward
Hill	McPherson	Sabath	Watson
Howard	MacGregor	Schall	Welling
Huddleston	Maher	Scully	White, Kans.
Hulings	Mann, Ill.	Sears	Wilson, Pa.
Ireland	Mead	Shreve	Wise
Jefferis	Merritt	Small	Woods, Va.
Johnston, N. Y.	Milligan	Smith, Idaho	Woodyard
Jones, Pa.	Mooney	Smith, N. Y.	Wright
Jones, Tex.	Moore, Va.	Smithwick	Yates
Kearns	Moores, Ind.	Snyder	Zihlman
Kelley, Mich.	Morin	Steagall	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. RHODES with Mr. TILLMAN.

Mr. SNYDER with Mr. CARTER.

Mr. COLE with Mr. HAYDEN.

Mr. HERNANDEZ with Mr. HASTINGS.

Mr. ELSTON with Mr. DRANE.

Mr. OSBORNE with Mr. MCLANE.

Mr. MORIN with Mr. BYRNES of South Carolina.

Mr. FOCHT with Mr. BANKHEAD.

Mr. SMITH of Idaho with Mr. DOMINICK.

Mr. JOHNSON of South Dakota with Mr. FLOOD.

Mr. LONGWORTH with Mr. KITCHIN.

Mr. LANGLEY with Mr. CLARK of Florida.

Mr. BUTLER with Mr. STEELE.

Mr. KIESS with Mr. CASEY.

Mr. GRAHAM of Pennsylvania with Mr. DEWALT.

Mr. JONES of Pennsylvania with Mr. CAMPBELL of Pennsylvania.

Mr. GRIEST with Mr. WILSON of Pennsylvania.

Mr. CURRY of California with Mr. BOOHER.

Mr. DOWELL with Mr. MAHER.

Mr. DARROW with Mr. MEAD.

Mr. KENDALL with Mr. HOWARD.

Mr. KNUTSON with Mr. LINTHICUM.

Mr. KENNEDY of Iowa with Mr. HUDDLESTON.

Mr. ACKERMAN with Mr. WISE.

Mr. REED of New York with Mr. ROWAN.

Mr. ZIHLMAN with Mr. NICHOLLS.

Mr. TREADWAY with Mr. MOORE of Virginia.

Mr. KELLY of Pennsylvania with Mr. SMITHWICK.

Mr. YATES with Mr. HEFLIN.

Mr. WATSON with Mr. DOOLING.

Mr. FREAR with Mr. MILLIGAN.

Mr. SCHALL with Mr. BLACKMON.

Mr. COSTELLO with Mr. ASWELL.

Mr. WALTERS with Mr. SCULLY.

Mr. RIDDICK with Mr. TAGUE.

Mr. MCFADDEN with Mr. MOONEY.

Mr. EDMONDS with Mr. BRAND.

Mr. LUFKIN with Mr. HARRISON.

Mr. NOLAN with Mr. EAGAN.

Mr. FESS with Mr. KETTNER.

Mr. RAMSEY with Mr. LANKFORD.

Mr. STEPHENS of Ohio with Mr. EAGLE.

Mr. ESCH with Mr. FERRIS.

Mr. NELSON of Wisconsin with Mr. SMALL.

Mr. STRONG of Pennsylvania with Mr. BRINSON.

Mr. COOPER with Mr. BRUMBAUGH.

Mr. MCPHERSON with Mr. WRIGHT.

Mr. DEMPSEY with Mr. JOHNSTON of New York.

Mr. SHREVE with Mr. RIORDAN.

Mr. TAYLOR of Tennessee with Mr. GODWIN of North Carolina.

Mr. KREIDER with Mr. WELLING.

Mr. ROSE with Mr. SULLIVAN.

Mr. VESTAL with Mr. CARAWAY.

Mr. BACHARACH with Mr. FIELDS.

Mr. GARLAND with Mr. STEAGALL.

Mr. REAVIS with Mr. VENABLE.

Mr. CRAGO with Mr. DONOVAN.

Mr. BROOKS of Pennsylvania with Mr. JONES of Texas.

Mr. GOOD with Mr. TAYLOR of Colorado.

Mr. VARE with Mr. DOREMUS.

Mr. BURKE with Mr. DREWRY.

Mr. HILL with Mr. BENSON.
Mr. CHRISTOPHERSON with Mr. SEARS.
Mr. MERRITT with Mr. SMITH of New York.
Mr. MANN of Illinois with Mr. GALLIVAN.
Mr. HULINGS with Mr. SABATH.
Mr. PORTER with Mr. STEVENSON.
Mr. REBER with Mr. ROBINSON of North Carolina.
Mr. FORDNEY with Mr. WOODS of Virginia.
Mr. BOWERS with Mr. HAMILL.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

The SPEAKER. The question is on passing the joint resolution.

The question was taken, and the joint resolution was passed.

On motion of Mr. PLATT, a motion to reconsider the vote whereby the joint resolution was passed was laid on the table.

COLD-STORAGE BILL.

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 9521, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Iowa asks unanimous consent to take from the Speaker's table and disagree to all the Senate amendments and ask for a conference on the bill of which the Clerk will report the title.

The Clerk read as follows:

A bill (H. R. 9521) to prevent hoarding and deterioration of and deception with respect to cold-storage foods, to regulate shipments of cold-storage foods in interstate commerce, and for other purposes.

The SPEAKER. Is there objection?

Mr. WALSH. Reserving the right to object, is this the bill where the Senate struck out all after the enacting clause?

Mr. HAUGEN. Yes.

Mr. WALSH. And there is but one amendment?

Mr. HAUGEN. Yes.

The SPEAKER. Is there objection?

Mr. JUUL. Reserving the right to object, I would like to ask the chairman of the committee whether or not a certain amendment in which I am vitally interested is still in the bill.

Mr. HAUGEN. No; because everything after the enacting clause is stricken out.

Mr. JUUL. Is the substance of the amendment in the bill?

Mr. HAUGEN. It will be in conference.

The SPEAKER. Is there objection?

There was no objection.

The Chair appointed as conferees on the part of the House Mr. HAUGEN, Mr. MCLAUGHLIN of Michigan, and Mr. YOUNG of Texas.

MUSCLE SHOALS NITRATE PLANT NO. 2.

Mr. ALMON. Mr. Speaker, I ask unanimous consent to address the House for one minute.

The SPEAKER. The gentleman from Alabama asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. ALMON. Gentlemen of the House, I have asked a minute to read a special invitation to the Members of the House of Representatives, as follows:

SPECIAL INVITATION TO MEMBERS OF THE HOUSE OF REPRESENTATIVES AND MEMBERS OF THEIR FAMILIES.

The American Farm Bureau Federation, the National Board of Farm Organizations, the National Grange, and the Farmers Educational and Cooperative Union of America, through their Washington representatives, cordially invite you to see a motion picture of the Muscle Shoals nitrate plant No. 2, showing the plant from the beginning of construction to the period of its operation in the production of cyanamide and ammonium nitrate for explosives.

This motion picture was taken and made available by the Bureau of Economics and approved by the officials of the War Department.

Col. Burns and Maj. Gaillard, of the Nitrate Division of the War Department, have kindly consented to be present each evening and explain the military side of nitrate plant No. 2, and answer any questions Members of the House may ask.

Washington representatives of the farmers' organizations will be present each evening to explain the agricultural and fertilizer side of the nitrate plant at Muscle Shoals.

There will also be shown an interesting motion picture of the Roosevelt Dam and growing crops in the Salt River Valley, Ariz., illustrating what this dam has done for arid lands in contrast with what nitrate plant No. 2 may do for lands requiring fertilizer.

These motion pictures will be displayed in the majority caucus room of the House Office Building at 8 p. m. on the evenings of May 17, 18, and 19.

EXTENSION OF REMARKS.

Mr. MORGAN and Mr. PLATT were granted leave to extend their remarks in the RECORD.

Mr. SMITH of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Agricultural bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The extension of remarks by Mr. SMITH of Michigan is as follows:

[Michigan Cooperative Crop Reporting Service. Michigan Department of State, Division of Agriculture. United States Department of Agriculture, Bureau of Crop Estimates. Offices: Rooms 201–207, Post Office Building.]

LANSING, MICH., *May 14, 1920.*

The number of men that have left the farms of Michigan during the past three years is three times as great as the number of Michigan men that died or were killed in the Civil War. It would require the present male population over 15 years of age of Lansing and Flint to replace them. There are enough vacant farmhouses in Michigan to conveniently house the population of Grand Rapids. The number of farmhouses vacated within the past 12 months could easily accommodate all of the people in the city of Jackson with homes.

Eight and seventy-four one hundredths per cent of the farms of the State are wholly idle this year, an area of approximately 1,668,000 acres, equal to about five ordinary counties. The total men and boys over 15 years of age on the farms of the State is 230,000, or 82.5 acres to be worked by each man or boy.

These figures are based upon a complete survey made during the past four weeks by the Michigan Crop Reporting Service, under the joint supervision of Mr. Coleman C. Vaughan, secretary of state, and Verne H. Church, field agent, United States Bureau of Crop Estimates, and aided by the office of the superintendent of public instruction. A blank was mailed to each rural school director asking for a report upon the farms of his school district. The compilation of these reports shows that 18,232 farms are idle this year, as compared with 11,831 last year. While the abandonment, which in many cases is temporary because of the lack of tenant farmers, is least in the best farming sections, it is found to be a community movement. Many districts show no abandonment, but where families began leaving the act seems to be contagious until, in some cases, one-third to one-half of the school district had migrated to the city. In the south-central district only 4.7 per cent of the farms are idle, and in some counties only 3 per cent. In the northwest district of the Lower Peninsula 19.4 per cent are idle, and occasional counties report 25 per cent or more.

This abandonment does not tell the whole story. A large percentage of men on farms are past 50 years of age and without help. The average size of farms is 91.5 acres, and there are but 11 men and boys to each 10 farms, or but one man or boy to each 82.5 acres, with many of these unable to do a full man's work. There are 30,300 vacant houses on farms, 10,000 of which have been vacated within the last year.

Of the 276,000 men on farms three years ago, 46,000 have since left; 20,000 of them during the past year. This unprecedented exodus from farms indicates that city and industrial life have become more profitable and satisfactory than farm life. A recent preliminary survey conducted by the State farm bureau shows similar and comparable results, and that there would be a decrease of 15.8 per cent in the acreage of cultivated crops this year as a result. Its report also shows that the number of dairy cattle has decreased 11.3 per cent during the past year.

As Michigan is only typical of the condition found in most of the other States, it is evident that the production of farm crops will decline as long as the present situation continues, and as long as the cost of producing these crops follows so closely the price the farmer receives. With a steadily decreasing supply and increasing demand, the price of food will continue to advance.

The only remedy is a reversal of present conditions through an increase in the number of food producers and a corresponding decrease in the number of nonproducers of food. This reversal will only come when the remuneration for growing food crops becomes as great in proportion, taking into account investment, risk, and labor, as that of other occupations, and when farm life takes on attractiveness equal to that of city life.

ARMY REORGANIZATION BILL—CONFERENCE REPORT.

Mr. KAHN. Mr. Speaker, I desire to report a disagreement on the Army reorganization bill.

The SPEAKER. The Clerk will read the conference report.

The Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12775) to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, having met, after full and free conference have been unable to reach an agreement thereon.

Mr. KAHN. Mr. Speaker, I move that the House recede from its disagreement to sections 59 to 68, inclusive, of the Senate amendments to the House bill and concur in the same with an amendment to read as follows:

SEC. —. Strength of the National Guard of the United States: The maximum strength of the National Guard of the United States, as established under the provisions of this act, and that may be organized in any State in time of peace shall be equal to 800 officers and enlisted men for each Senator and Representative in Congress and a number, to be determined by the President, for each Territory and the District of Columbia: *Provided*, That in States which have but one Representative in Congress the maximum strength of the National Guard of the United States therein organized shall be determined by the President: *Provided further*, That the word Territory, as used in this act relative to the National Guard of the United States, shall include and apply to Hawaii, Alaska, Porto Rico, and the Canal Zone. Except as otherwise specifically prescribed herein, the organization of the National Guard of the United States, including the composition of all units thereof, the location of such units, and the assignment of such units to the brigades, divisions, and corps of the Army of the United States, shall be as provided in sections — and — of this act.

SEC. —. Enlistment in the National Guard of the United States: Whenever any State or Territory shall have provided by law for enlistment in the troops of such State or Territory of all persons resident in such State or Territory who enlist in the National Guard of the

United States, and shall have otherwise complied with the conditions of this act for the keeping of State or Territorial troops, any person resident in such State or Territory, and liable for military service in time of war, except enlisted men of the Regular Army and the enlisted Reserve Corps, may, within the limits as to number provided by section — of this act, be voluntarily enlisted in the National Guard of the United States, and while serving therein shall be exempted from other military service: *Provided*, That such person shall at the same time and by the same enlistment contract enlist in the troops of the State or Territory of his residence: *Provided further*, That the period for which such person enlists in the troops of the State or Territory shall be such that his State or Territory enlistment will terminate concurrently with his Federal enlistment. Such enlistment in the National Guard of the United States shall be for a period of three years, except as specifically provided for in section — of this act, with the privilege of reenlisting for additional periods of not less than one nor more than three years. The qualifications for enlistment in the National Guard of the United States shall be the same as those prescribed for enlistment in the Regular Army, subject to such modifications as the President may direct. Enlisted men in the National Guard of the several States, Territories, and the District of Columbia shall, with their consent, be recognized as members of the National Guard of the United States under the provisions of this act for the unexpired portion of their present enlistment contracts. All persons enlisting for service in the National Guard of the United States shall sign an enlistment contract and take and subscribe to an oath in the following form:

"I do hereby acknowledge to have voluntarily enlisted this —— day of ———, 19—, as a soldier in the National Guard of the United States and in the troops of the (State) (Territory) of ——— for the period of three years under conditions prescribed by law, unless sooner discharged by proper authority, and I do solemnly swear that I will bear true faith and allegiance to the United States of America, and that I will serve them honestly and faithfully against all their enemies whomsoever, and that I will obey the orders of the President of the United States and of the officers appointed over me according to law and the rules and Articles of War. And I do solemnly swear to bear true faith and allegiance to the (State) (Territory) of ———, and to obey the orders of the governor thereof subject to the Constitution and laws of the United States."

An elisted man discharged from service in the National Guard of the United States shall receive a discharge in writing, in such form and with such classification as is, or shall be, prescribed for enlisted men of the Regular Army. In time of peace discharges may be given prior to the expiration of terms of enlistment under such regulations as the President may prescribe.

SEC. —. Officers of the National Guard of the United States: The Secretary of War may detail or assign officers of the Regular Army to duty with the National Guard of the United States according to the requirements of the service, and in time of peace shall assign officers of the reserve personnel, with their consent, to duty with organizations of the National Guard of the United States in each State or Territory upon the recommendation of the governor of the State or Territory concerned, and upon the grant to such officers of State or Territorial commission in their respective grades by the governor of such State or Territory, when such State or Territory shall by law have duly authorized such action upon the part of the governor thereof and shall have otherwise complied with the conditions of this act for the keeping of State or Territorial troops. In the District of Columbia such officers shall be assigned upon the recommendation of the commanding general of the National Guard of the United States in said District: *Provided*, That no officer of the Regular Army shall be assigned to the command of any organization of the National Guard of the United States, entirely comprised within the limits of any State except with the approval of the governor thereof. The commanding officers and staffs of organizations of the National Guard of the United States composed of troops from two or more States shall be assigned from the Regular Army or reserve personnel of the Army under regulations prepared as prescribed in section — of this act. Officers so detailed or assigned may accept such State or Territorial commissions, with the permission of the President and terminable in his discretion, without vacating their commissions in the Regular Army or Officers' Reserve Corps or being prejudiced in their relative or lineal standing therein. No person shall be commissioned as an officer of the National Guard of the United States unless such person holds a commission in the Regular Army or Officers' Reserve Corps. All persons hereafter to be commissioned as officers in the National Guard of the United States shall, upon being commissioned under the provisions of this act, take and subscribe to the following oath:

"I, ——— ———, having been appointed a ——— in the National Guard of the United States, do solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the United States of America; that I will obey the orders of the President of the United States; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office of ——— in the National Guard of the United States upon which I am about to enter. I do further solemnly swear to bear true faith and allegiance to the State of ——— and to obey the orders of the governor thereof, subject to the Constitution and laws of the United States, so help me God."

SEC. —. Discipline and training of the National Guard of the United States: The discipline and training of the National Guard of the United States shall conform to the system which is now or may hereafter be prescribed for the Regular Army. Each company, troop, battery, and detachment in the National Guard of the United States shall assemble for drill and instruction, including indoor target practice, not less than 48 times each year, and shall, in addition thereto, participate in encampments, maneuvers, or other exercises, including outdoor target practice, at least 15 days in training each year, including target practice, unless such company, troop, battery, or detachment shall have been excused from participation in any part thereof by the Secretary of War, or shall at the time prescribed therefor be under the orders of the governor of the State or Territory as provided for in section — of this act.

All offices and employees of the United States and of the District of Columbia who shall be members of the National Guard of the United States shall be entitled to leave of absence from their respective duties, without loss of pay, time, or efficiency rating, on all days during which they shall be engaged in field or coast-defense training ordered or authorized under the provisions of this act.

SEC. —. Liability of the National Guard of the United States for service: When Congress shall have authorized the use of the land forces of the United States for any purpose requiring the use of troops in excess of the Regular Army, the President may, under such regulations as he may prescribe, call into active service for the period of the emergency, unless sooner relieved, the whole or any part of the National Guard of the United States: *Provided*, That when necessary in order to execute the laws of the Union, to suppress insurrections, or to repel invasions, the President may, in his discretion and under the same conditions as permit the calling out of the National Guard of the several States or Territories, call into active service the whole or any part of the National Guard of the United States to serve solely within the United States, for such period as he may direct. Officers and enlisted men called into active service under the terms of this section shall have the same pay and allowances as officers and enlisted men of the Regular Army of the same grades and same prior service.

SEC. —. Maintenance of other troops by the States: The consent of Congress is hereby given to each of the States to maintain troops in time of peace: *Provided*, That the State concerned shall first make provision therefor by legislative enactment in no respect contrary to, and in all respects in harmony with, the provisions of this act: *Provided further*, That no troops shall be thus maintained except such as belong to the units of the National Guard of the United States comprised within the limits of such State: *Provided further*, That the States and Territories in time of peace, and subject to such regulations as to expense and property accountability as may be prescribed by the President, shall be entitled to use as State or Territorial troops under the direct orders of the governor of the State or Territory, and for such purpose as State or Territorial militia might legally be used, so much of the National Guard of the United States within their respective borders as has been enlisted in the troops of the State or Territory and commissioned by the governor thereof in accordance with the terms of this act and as is not at the time in active service under a call by the President: *Provided further*, That nothing contained in this act shall prevent the organization and maintenance by the States and Territories of State or Territorial militia, State police, or State constabulary.

SEC. —. Pay for the National Guard of the United States: Captains and lieutenants belonging to organizations of the National Guard of the United States shall receive compensation at the rate of one-thirtieth of the monthly base pay prescribed for officers of the Regular Army of their grades, for each regular drill or other period of instruction authorized by the Secretary of War, not exceeding five in any one calendar month at which they shall have been officially present for the required period, and at which not less than 50 per cent of the commissioned strength and at least 60 per cent of the enlisted strength attend and participate for at least one and one-half hours. Captains commanding organizations shall receive $240 per annum in addition to the drill pay herein prescribed. Officers above the grade of captain shall receive not more than $500 per annum, and officers below the grade of major, not belonging to organizations, shall receive not more than four-thirtieths of the monthly base pay of their grades, for satisfactory performance of their appropriate duties, under such regulations as the Secretary of War may prescribe.

Each enlisted man belonging to an organization of the National Guard of the United States shall receive compensation at the rate of one-thirtieth of the initial monthly pay of his grade in the Regular Army for each drill ordered for his organization at which he is officially present, and in which he participates for not less than one and one-half hours, not exceeding five in any one calendar month; but no enlisted man shall receive any pay under the provisions of this section for any month in which he shall have attended less than 60 per cent of the drills or other exercises prescribed for his organization. Periods of actual military duty equivalent to the drills herein prescribed may be accepted in lieu of such drills when so provided by the Secretary of War. Pay under the provisions of this section shall not accrue to any person during a period when he shall be lawfully entitled to the same pay as a member of the Regular Army of corresponding grade.

SEC. —. The National Guard of the United States subject to laws governing the Regular Army: The National Guard of the United States, except when on duty as State troops pursuant to orders from competent State authority, shall be subject to the laws and regulations governing the Regular Army, so far as such laws and regulations are applicable to officers and enlisted men whose permanent retention in active military service is not contemplated by existing law.

Mr. BLANTON. Mr. Speaker, may we have read sections 59 to 68, which are sought to be amended by this amendment?

Mr. KAHN. Mr. Speaker, while this verbiage seems to be rather long——

The SPEAKER. The gentleman from Texas asks that the sections 59 to 68 be reported.

Mr. BLANTON. We would like to have them read so that we can understand what we are voting on.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. KAHN. Reserving the right to object, of course the bill has been printed, and I imagine most of the Members of the House are familiar with those sections. The language of the proposed amendment is rather long, and yet the principle involved is very short, and the entire matter can be explained in five minutes.

Mr. BLANTON. Will the gentleman yield?

Mr. KAHN. Yes.

Mr. BLANTON. Does the gentleman think it is right and proper for the membership of this House to be called upon to vote upon matters of such extensive preparation as are embraced in these proposed amendments, especially when we have not had sections 59 to 68 read, and to know what we are voting upon?

Mr. KAHN. The bill has been printed for several weeks.

Mr. BLANTON. Yes; but we do not know at this time what those sections are without looking them up.

Mr. KAHN. If the gentleman will allow me, and if the House will bear with me for five minutes and let me explain the amendment, and after that if the House desires and still wants the sections read, I will have no objection.

Mr. BLANTON. It has taken 15 minutes to read the proposed amendment.

Mr. DENT. Will the gentleman yield?

Mr. KAHN. Yes.

Mr. DENT. I want to say that I think the substance can be explained in a very few minutes, but there are many Members who would like to study the proposition as it has been read here from the Clerk's desk. I do not think that we will save any time by proceeding here to-night. I am willing to expedite the matter, but I suggest to the gentleman that if he will ask to suspend with business in order on Calendar Wednesday, to-morrow, and take this matter up at an earlier hour even, it will suit me, and I think that we can dispose of it very quickly.

Mr. KAHN. Mr. Speaker, would this matter be in order the first thing to-morrow, after the reading of the Journal, if further consideration of it is dispensed with now? To-morrow is Calendar Wednesday and ordinarily that would intervene. The conferees have been in session for four weeks. If we can dispose of this matter this evening, we can probably get a complete agreement upon the bill so that the reorganization measure may be brought before the House and passed before the end of this week.

Mr. CRAMTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CRAMTON. Has unanimous consent been given for the consideration of this conference report without its being first printed?

The SPEAKER. The Chair supposed that it had been printed, but the Chair thinks that no consent has been given. Debate, however, has proceeded.

Mr. CRAMTON. The Chair has not given any opportunity for objection.

The SPEAKER. Anyone can raise the point at any moment.

Mr. CRAMTON. I make the point now.

The SPEAKER. The Chair is of opinion that it is too late now. The Chair thinks that debate has commenced.

Mr. CRAMTON. But there was no opportunity given by the Chair.

Mr. BLANTON. Mr. Speaker, a point of order——

The SPEAKER. The Chair will ask the gentleman from Texas to withhold his point of order for the moment.

Mr. CRAMTON. Mr. Speaker, I say that the Chair has not submitted the question at any time to the House.

The SPEAKER. The Chair supposed that the conference report had been printed. It has recently been called to his attention that it has not been printed. Of course, no point of order was raised against its being considered at this time.

Mr. BLANTON. Mr. Speaker, a point of order.

The SPEAKER. The Chair thinks that he should first hear the gentleman from Michigan.

Mr. BLANTON. I thought a point of order would take precedence over the parliamentary inquiry.

Mr. CRAMTON. Mr. Speaker, the matter can only be taken up by suspension of the rules. The Speaker has not asked unanimous consent for that purpose. Hence the proceedings up to this point have simply been out of order, to which objection could have been made at any time. I now make the point of order that the report not having been printed its consideration, without unanimous consent, is out of order. It is a matter of the very greatest importance.

The SPEAKER. The only question in the mind of the Chair is as to whether debate having proceeded, it is not now too late to make the point of order.

Mr. BLANTON. Mr. Speaker, a point of order.

The SPEAKER. Two points of order can not be pending at the same time.

Mr. BARKLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BARKLEY. Mr. Speaker, if it should develop that the House was under the misapprehension that the Speaker was under, that this conference report had been printed, would the point of order be barred against its consideration at this time merely because some men had asked questions about it?

The SPEAKER. The only question in the mind of the Chair is as to whether debate having proceeded, it is now subject to the point of order.

Mr. CLARK of Missouri. Mr. Speaker, I suggest to the Chair that the recollection of the Chair is faulty about whether debate has been begun. There has been some miscellaneous talk back and forth about something or other, but there never has been a word said about the matter pending in the House.

Mr. GARRETT. Mr. Speaker, the gentleman from California merely presented the report.

Mr. WALSH. Mr. Speaker, the gentleman from California presented a conference report which reports a disagreement. Ordinarily under the rule that report should have been ordered printed, but the gentleman from California was recognized to offer a motion to recede and concur with an amendment. Consideration of that motion has already been begun. It would seem that if the point was not raised prior to the consideration of some motion on a conference report that should properly have been printed under the rules, after consideration begins, it is then too late to raise the question that it has not been printed under the rule.

Mr. GARRETT. Mr. Speaker, will the gentleman yield.

Mr. WALSH. Yes.

Mr. GARRETT. Does the gentleman think it would be fair to the House? The House was under the same impression that the Speaker was, that this is a conference report called up in the regular way—that is, that it had been heretofore presented and printed under the rules. The Members of the House generally were of that opinion—certainly I was—and I submit that it is not fair to the House to have it considered in this way at this time. Without charging that there is any intention at all to do so, it amounts to the same thing as sharp practice to call this matter up against objection.

Mr. KAHN rose.

Mr. CRAMTON. Mr. Speaker, may I make this further statement——

The SPEAKER. The Chair will hear the gentleman from California.

Mr. KAHN. Mr. Speaker, of course in submitting the motion it is equivalent to a request for instruction. Such a request does not require to be printed before it can be taken up. As chairman of the Committee on Military Affairs I felt that this matter could be explained in a very short time. It is equivalent to a request for instruction.

Mr. GREENE of Vermont. Mr. Speaker, will the gentleman yield?

Mr. KAHN. Yes.

Mr. GREENE of Vermont. Is it not a fact that notwithstanding all the verbiage that has been read here as a part of this report a large part of it is existing law?

Mr. KAHN. Exactly.

Mr. GREENE of Vermont. And the change that is proposed is simply a small part, and the other part, the larger part, is given with it so as to make the places where the changes come understandable.

Mr. CRAMTON. Mr. Speaker——

Mr. MONDELL. Mr. Speaker, I ask for recognition in order to make a request for unanimous consent.

The SPEAKER. The Chair recognizes the gentleman.

Mr. MONDELL. Mr. Speaker, I am of opinion that the committee was within its rights in submitting the matter as it has presented it. I think there is very little question as to that; but evidently the gentlemen of the House do not understand the amendments, and I am of the opinion that the matter ought to go over. It is very important, however, that the conference report be agreed to as soon as possible, because the passage of the Army appropriation bill depends upon the agreement upon this bill. I therefore ask unanimous consent that the matter may be taken up in the morning immediately after the reading of the Journal.

Mr. MASON. Mr. Speaker, reserving the right to object——

Mr. RAYBURN. Mr. Speaker, reserving the right to object——

Mr. MASON. What objection could there be if we were to take it up in the morning after now having the chairman of the Committee on Military Affairs explain the amendment? I think it would be very useful.

Mr. MONDELL. Well, I think we would prefer to hear that explanation after we have had an opportunity to read the amendment.

The SPEAKER. Is there objection to the request?

Mr. RAYBURN. Mr. Speaker, reserving the right to object——

Mr. GREENE of Massachusetts. Mr. Speaker, I object.

Mr. RAYBURN. Calendar Wednesday has been set aside especially——

The SPEAKER. Objection is made.

Mr. BLANTON. Mr. Speaker, I think we ought to have a quorum.

Mr. CLARK of Missouri. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present.

Mr. MONDELL. Will the gentleman withhold it for just a moment——

Mr. BLANTON. I will withhold it.

Mr. MONDELL. Until I make a unanimous-consent request? Does the gentleman from Missouri withhold his motion?

Mr. CLARK of Missouri. Yes.

Mr. MONDELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MONDELL. If this matter were to go over at this time, would it be in order on Thursday?

The SPEAKER. The Chair sees no reason why it would not be in order at any moment on Thursday.

Mr. MONDELL. It would be the business on Thursday?

The SPEAKER. The Chair thinks so.

Mr. CLARK of Missouri. Mr. Speaker, I renew my motion to adjourn.

The SPEAKER. The gentleman from Missouri moves that the House do now adjourn.

The question was taken, and the Speaker announced the noes appeared to have it.

On a division (demanded by Mr. BLANTON) there were—ayes 65, noes 132.

Mr. CLARK of Missouri. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman from Missouri demands the yeas and nays. Evidently a sufficient number, and the yeas and nays are ordered.

The question was taken; and there were—yeas 114, nays 154, answered "present" 1, not voting 158, as follows:

YEAS—114.

Almon	Doughton	McClintic	Rainey, J. W.
Ashbrook	Dupré	McDuffie	Raker
Ayres	Evans, Mont.	McGlennon	Rayburn
Babka	Fisher	McKeown	Robinson, N. C.
Barkley	Gallagher	McKinley	Romjue
Bee	Gandy	Major	Rouse
Bell	Ganly	Mann, S. C.	Rubey
Bland, Mo.	Garner	Mansfield	Rucker
Bland, Va.	Garrett	Martin	Sanders, La.
Blanton	Goldfogle	Mays	Sherwood
Box	Goodwin, Ark.	Minahan, N. J.	Sisson
Brand	Greene, Mass.	Montague	Steele
Briggs	Griffin	Moon	Stephens, Miss.
Buchanan	Hardy, Tex.	Neely	Stoll
Byrns, Tenn.	Hersman	Nelson, Mo.	Sumners, Tex.
Caldwell	Hoey	O'Connell	Taylor, Colo.
Candler	Hudspeth	O'Connor	Thomas
Cantrill	Hull, Tenn.	Oldfield	Upshaw
Carew	Humphreys	Oliver	Vinson
Carss	Jacoway	Overstreet	Watkins
Clark, Mo.	Johnson, Ky.	Padgett	Weaver
Cleary	Kincheloe	Park	Welty
Connally	Lanham	Parrish	Whaley
Crisp	Larsen	Pell	Wilson, La.
Cullen	Lazaro	Phelan	Wingo
Davey	Lea, Calif.	Pou	Wise
Davis, Tenn.	Lee, Ga.	Quin	Young, Tex.
Dent	Lonergan	Rainey, Ala.	
Dickinson, Mo.	McAndrews	Rainey, H. T.	

NAYS—154.

Andrews, Md.	Glynn	McArthur	Sanders, Ind.
Andrews, Nebr.	Goodall	McKenzie	Sanders, N. Y.
Anthony	Graham, Ill.	McKinley	Sanford
Baer	Green, Iowa	McLaughlin, Mich.	Sells
Barbour	Greene, Vt.	McLaughlin, Nebr.	Siegel
Begg	Hadley	MacCrate	Sinclair
Benham	Hardy, Colo.	Madden	Sinnott
Bland, Ind.	Harreld	Magee	Slemp
Boies	Haugen	Mann, Ill.	Smith, Ill.
Brooks, Ill.	Hawley	Mapes	Smith, Mich.
Browne	Hays	Mason	Snell
Burdick	Hersey	Michener	Stiness
Burroughs	Hickey	Miller	Strong, Kans.
Campbell, Kans.	Hicks	Monahan, Wis.	Summers, Wash.
Cannon	Hill	Mondell	Sweet
Chindblom	Hoch	Moore, Ohio	Swope
Classon	Houghton	Morgan	Taylor, Tenn.
Coady	Hull, Iowa	Mott	Thompson
Cooper	Husted	Mudd	Tilson
Cramton	Hutchinson	Murphy	Timberlake
Crowther	Ireland	Newton, Minn.	Tincher
Currie, Mich.	James	Newton, Mo.	Tinkham
Dale	Johnson, Wash.	Nolan	Vaile
Dallinger	Juul	Ogden	Vestal
Denison	Kahn	Olney	Voigt
Dickinson, Iowa	Keller	Osborne	Volstead
Dowell	Kennedy, R. I.	Paige	Walsh
Dunbar	King	Parker	Wason
Dunn	Kinkaid	Peters	Webster
Dyer	Kleczka	Platt	Wheeler
Echols	Kraus	Purnell	White, Kans.
Elliott	Lampert	Radcliffe	White, Me.
Emerson	Layton	Randall, Wis.	Williams
Evans, Nebr.	Lehlbach	Reed, W. Va.	Winslow
Fairfield	Little	Ricketts	Wood, Ind.
Foster	Longworth	Robsion, Ky.	Yates
Freeman	Luce	Rodenberg	Young, N. Dak.
French	Lufkin	Rogers	
Fuller, Ill.	Luhring	Rowe	

ANSWERED "PRESENT"—1.

Johnson, S. Dak.

NOT VOTING—158.

Ackerman	Eagle	Kearns	Rowan
Anderson	Edmonds	Kelley, Mich.	Sabath
Aswell	Ellsworth	Kelly, Pa.	Schall
Bacharach	Elston	Kendall	Scott
Bankhead	Esch	Kennedy, Iowa	Scully
Benson	Evans, Nev.	Kettner	Sears
Black	Ferris	Kiess	Shreve
Blackmon	Fess	Kitchin	Sims
Booher	Fields	Knutson	Small
Bowers	Flood	Kreider	Smith, Idaho
Brinson	Focht	Langley	Smith, N. Y.
Britten	Fordney	Lankford	Smithwick
Brooks, Pa.	Frear	Lesher	Snyder
Brumbaugh	Fuller, Mass.	Linthicum	Steagall
Burke	Gallivan	McCulloch	Stedman
Butler	Gard	McFadden	Steenerson
Byrnes, S. C.	Garland	McLane	Stephens, Ohio
Campbell, Pa.	Godwin, N. C.	McPherson	Stevenson
Caraway	Good	MacGregor	Strong, Pa.
Carter	Goodykoontz	Maher	Sullivan
Casey	Gould	Mead	Tague
Christopherson	Graham, Pa.	Merritt	Taylor, Ark.
Clark, Fla.	Griest	Milligan	Temple
Cole	Hamill	Mooney	Tillman
Collier	Hamilton	Moore, Va.	Towner
Copley	Harrison	Moores, Ind.	Treadway
Costello	Hastings	Morin	Vare
Crago	Hayden	Nelson, Wis.	Venable
Curry, Calif.	Heflin	Nicholls	Walters
Darrow	Hernandez	Porter	Ward
Davis, Minn.	Holland	Ramsey	Watson
Dempsey	Howard	Ramseyer	Welling
Dewalt	Huddleston	Randall, Calif.	Wilson, Ill.
Dominick	Hulings	Reavis	Wilson, Pa.
Donovan	Igoe	Reber	Woods, Va.
Dooling	Jefferis	Reed, N. Y.	Woodyard
Doremus	Johnson, Miss.	Rhodes	Wright
Drane	Johnston, N. Y.	Riddick	Zihlman
Drewry	Jones, Pa.	Riordan	
Eagan	Jones, Tex.	Rose	

So the motion to adjourn was rejected.

The Clerk announced the following additional pairs:

Until further notice:

Mr. SCOTT with Mr. BENSON.

Mr. TEMPLE with Mr. GALLIVAN.

Mr. BUTLER with Mr. HARRISON.

Mr. TOWNER with Mr. KITCHIN.

Mr. REBER with Mr. LESHER.

Mr. WOODYARD with Mr. EVANS of Nevada.

Mr. ACKERMAN with Mr. CARAWAY.

Mr. GOOD with Mr. SIMS.

Mr. MOORES of Indiana with Mr. HOLLAND.

Mr. STEENERSON with Mr. BLACK.

Mr. ANDERSON with Mr. EAGAN.

Mr. GOULD with Mr. JOHNSON of Mississippi.

Mr. MCCULLOCH with Mr. IGOE.

Mr. KELLEY of Michigan with Mr. MAHER.

Mr. EDMONDS with Mr. GARD.

Mr. BRITTEN with Mr. GODWIN of North Carolina.

Mr. DAVIS of Minnesota with Mr. MCLANE.

Mr. HAMILTON with Mr. RANDALL of California.

Mr. FULLER of Massachusetts with Mr. HEFLIN.

Mr. COPLEY with Mr. BLACKMON.

Mr. ELLSWORTH with Mr. COLLIER.

Mr. GODDYKOONTZ with Mr. BRUMBAUGH.

Mr. WILSON of Illinois with Mr. STEDMAN.

Mr. JOHNSON of South Dakota. Mr. Speaker, how am I recorded?

The SPEAKER. In the negative.

Mr. JOHNSON of South Dakota. I have a pair with the gentleman from Virginia, Mr. FLOOD, and I withdraw my vote of "nay" and answer "present."

The result of the vote was announced as above recorded.

ORDER OF BUSINESS.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday may be transferred from Wednesday to Thursday.

The SPEAKER. The gentleman asks unanimous consent that business in order to-morrow, Calendar Wednesday, be transferred until Thursday. Is there objection?

Mr. MONDELL. And that Calendar Wednesday business be dispensed with for to-morrow.

Mr. GOLDFOGLE. Reserving the right to object, does the gentleman contemplate any other business than this conference report to-morrow in case he obtains unanimous consent?

Mr. MONDELL. There are some other matters that will come up. One is the purchase of a hospital site on Wisconsin Avenue, and, I think, following that another rule, providing for some Hawaiian land matters.

Mr. GOLDFOGLE. Is that practically all the gentleman thinks of?

Mr. MONDELL. That is all I have in mind now.

Mr. BLANTON. Mr. Speaker, reserving the right to object, was it not at one time held that you can not do away with Calendar Wednesday by unanimous consent?

Mr. MONDELL. Oh, no; we have done that frequently.

Mr. BLANTON. I understood that there was once such a ruling.

The SPEAKER. If it can be done away with by a two-thirds vote, the Chair thinks much more it can be done away with by unanimous consent. Is there objection? [After a pause.] The Chair hears none.

Mr. CLARK of Missouri. Mr. Speaker, I would like to ask the gentleman from Wyoming a question. Is this Army bill coming up to-morrow?

Mr. MONDELL. It is.

Mr. CLARK of Missouri. The first thing?

Mr. MONDELL. Yes, sir.

Mr. MORGAN. Mr. Speaker, my colleague from Oklahoma, Mr. HOWARD, informed me last night that he could not be here on account of important matters, and asked me to say that if he were here he would have voted for House joint resolution 371, authorizing the purchase of Federal land-bank bonds.

EXTENSION OF REMARKS.

Mr. ANTHONY. Mr. Speaker, I ask unanimous consent to print in the RECORD two memoranda, one prepared for the Senate in advocacy of the Senate clauses of the military measure and another memorandum prepared by an officer of the Army against the Senate provisions which are proposed here. It will set both sides of the proposition fairly before the House.

The SPEAKER. The gentleman from Kansas asks unanimous consent to extend his remarks in the RECORD for the purpose indicated. Is there objection?

Mr. CRAMTON. Reserving the right to object, I would like to ask whether either of the statements will set forth the point of view of the National Guard of the country?

Mr. ANTHONY. I think one of them will set it forth fully.

Mr. CRAMTON. Is it by a National Guard officer?

Mr. ANTHONY. They are both by Regular Army officers, but one of them is friendly to the organization of the National Guard under the militia clause of the Constitution.

Mr. CRAMTON. I object, Mr. Speaker.

The SPEAKER. The gentleman from Michigan objects.

Mr. CRAMTON. I withdraw the objection.

The SPEAKER. The gentleman withdraws the objection. Is there objection? [After a pause.] The Chair hears none.

Mr. ANTHONY. Mr. Speaker, I insert herewith the memoranda referred to:

MEMORANDUM OF THE SENATE AMENDMENT TO H. R. 12775, TO AMEND THE "NATIONAL DEFENSE ACT," RELATING TO THE NATIONAL GUARD AS A PART OF THE CITIZEN ARMY IN TIME OF PEACE.

The object of the National Guard provisions in the Senate bill is to make the National Guard a part of the Army of the United States, organized and trained in time of peace under uniform Federal authority, so that it can be mobilized as such immediately in the event of a national emergency without change of status, at the same time preserving its use by the States under the orders of the governor as State troops and not as militia.

A further object of the bill is to establish a national military policy which will enable the War Department in time of peace to organize all of those military units which will be required immediately upon mobilization in the event of a national emergency proclaimed by Congress. It is the conception of the bill, based upon our traditional military policy, that only a limited number of these units can be formed from the authorized personnel of the Regular Army, and that the bulk of them must be composed of citizen soldiers. Such of these citizen soldiers as may voluntarily assume an obligation to serve their respective States as well as the Federal Government (an obligation identical with that now assumed by all National Guard men) will be organized in the new National Guard, while the remainder of the units required for immediate mobilization will be formed in the Organized Reserves and will be composed of those citizen soldiers who obligate themselves to serve only in a serious national emergency.

The Army of the United States as a whole, including the Regular Army, the National Guard, and the Organized Reserves, will thus be organized in time of peace and officers and men of the Citizen Army will be definitely assigned to local units formed at or near their homes, either in the National Guard or the Organized Reserves, depending upon the character of their obligation.

In order to facilitate the initial organization of the Citizen Army veterans of the war may enroll voluntarily under liberal terms, as to length of service and discharge, either in the National Guard of the United States or in the Organized Reserves, and it is provided that the war-time divisions and other units of the National Guard and the National Army shall be preserved and perpetuated so far as practicable in the Citizen Army.

In order to solve the complicated problems of organization, readjustment, and distribution involved in the initial establishment of the Citizen Army the bill provides that selected veteran officers of the National Guard, the National Army, and the Officers' Reserve Corps shall participate with the General Staff in the solution of these problems. The effect of these measures will be to establish in time of peace a military organization sufficient for initial mobilization, territorially distributed, and provided even in the Organized Reserves with a corps of officers and noncommissioned officers assigned to their several local units and prepared to receive the man power of the Nation in the event of national emergency.

This constitutes a settled national military policy and a complete organization established in time of peace. But it can not be carried into effect so long as the National Guard retains its present status under the militia clauses of the Constitution. This is true for the following reasons:

1. In its present constitutional status the National Guard can be used only to execute the laws of the Union, to suppress insurrections, and to repel invasions. It can not be used for general military purposes, and therefore can not be included as such in general plans for the national defense. Its individual members were used in the Spanish-American War, the Philippine insurrection, and the recent World War, but only after a change of status involving a rupture of peace-time organization and the delay incidental to a complete reorganization and readjustment of personnel. It is fair to assume that in the future, as in the past, we will generally need citizen soldiers for purposes other than those authorized by the Constitution for the militia.

2. It can not be given the uniform training required in an efficient national military force because under the Constitution the authority to train it is expressly reserved to the several States.

3. It can not be provided with an officer corps trained under uniform standards and imbued with a uniform tactical doctrine, because the appointment and training of its officers is expressly reserved to the several States. Congress may prescribe standards as a qualification for armory pay, but until the Federal Government has the power to train, it can not ascertain whether these standards have actually been attained.

4. It can not be organized in higher tactical units such as the division except in a few very large States, because as a rule the components of the National Guard divisions must include contingents from several States. So long as these contingents remain militia there can be no authority, either Federal or State, for the appointment of a divisional commander or headquarters. The State of New York can perpetuate the Twenty-seventh Division and the State of Pennsylvania can perpetuate the Twenty-eighth Division, but under the militia status there can be no effective means of perpetuating the Twenty-sixth Division of New England, because none of the New England States is populous enough to maintain a complete division. Under the reconstitution of the National Guard, Illinois and Ohio and perhaps one or two other States may be able to maintain divisions, but the National Guard of most States, such as Delaware, Maryland, Virginia, the Carolinas, Kentucky, Tennessee, Louisiana, Colorado, Washington, and Oregon, can never be incorporated into effective divisional teams in time of peace so long as the National Guard remains under the militia status. This means not only that they can not perpetuate their relation to their war-time divisions, but also that they can not be effectively organized or trained for full military service in time of peace.

5. Its officers in their capacity as militia officers can not be called into active service in time of peace in order to perfect their military training through attendance at the special or general service schools. Under the Constitution they can be called into the service only in order to execute the laws of the Union, to suppress insurrection or to repel invasion. And it is only under such circumstances that they are subject to the President as Commander in Chief or to any of his military subordinates. They would not be bound to obey the orders of Army officers of superior rank and they would have no right to issue orders to Army officers of inferior rank or to enlisted men. They might receive instruction at such institutions under a sort of gentlemen's agreement, but they would not be subject to military discipline. Though bearing military commissions from their respective governors, they would not belong to the officer corps of the Army. They would be bound by no military obligations and entitled to no military rights, as would a reserve officer in the same circumstances.

It is competent for Congress to make qualification at appropriate military schools a requirement for the promotion of reserve officers of high rank. But it can impose no such condition upon militia officers, because the constitutional Commander in Chief has no power to require their attendance at such schools; and even if he had such a power with reference to a militia officer, its exercise would curtail the appointing power of the governor.

6. Notwithstanding the importance of giving National Guard officers a representation on the General Staff, if the National Guard is to be reorganized as an important element in the peace organization of our national defense system, their detail to the General Staff as such would have no constitutional sanction. The National Guard Militia is a part of the Army of the United States only when called into the Federal service for certain specified purposes, and none of its individuals can be called into the military service of the United States except for such purposes. National Guard Militia officers if attached to the General Staff could not be so attached as such. They would be civilian employees without any military status. Under the unlimited powers "to raise and support armies" and "to make rules for the government and regulation of the land forces" it would be quite competent for Congress, in its discretion, to attach representatives of the Boy Scouts or the Women's Christian Temperance Union or the Salvation Army to the General Staff or to place a representative of the Knights of Pythias at the head of a bureau of the War Department, but it is specifically denied the power under the Constitution to make any such disposition of militia officers, except when the militia is constitutionally in the service of the United States.

7. Even when the Militia National Guard is called out for the limited purposes specified in the Constitution, its passage into the Federal service involves a transfer from 50 separate jurisdictions to a single Federal jurisdiction. Though trained, organized, officered, governed, and disciplined under many different standards, it must now suddenly and without any preparation therefor come under the command of the President as Commander in Chief, a command which must be exercised through a military hierarchy entirely unaccustomed to deal with the practical difficulties that confront the citizen soldier.

8. Under the existing system the National Guard is trained and governed under 50 separate and independent jurisdictions. When called into Federal service on the outbreak of war it must not only change its constitutional status but its officers and men must come under a new and unaccustomed single standard of administration, discipline, and training. This is necessary in order to incorporate it as a component of an effective national army. This not only requires reorganization, but must always involve a serious hardship on officers who have had no opportunity to qualify for military command under uniform Federal standards in time of peace. If the National Guard were organized as a part of the Army in time of peace, its training would be standardized and its officers of all grades would be qualified under uniform Federal

requirements which would be recognized upon mobilization. Under such circumstances all officers would be recognized as qualified when commissioned in their respective grades and a progressive system of promotion based on tested qualification for each successive step would be developed. This would avoid the necessity of eliminating many officers, especially in the higher grades, who under the existing system can not be subjected to authoritative tests of efficiency until a sudden emergency brings them the full responsibility of high command in the Army of the United States in war.

In review of the above considerations it may be said that a citizen army formed under the militia clauses of the Constitution can not be prepared in peace for effective service in war. This is true for the following principal reasons:

(a) It can not be used for general military purposes as such, but must be reorganized in a new constitutional status before it can be employed as a war force.

(b) Its officers and men can not be trained in peace under uniform Federal standards.

(c) Its officers can not be recognized as a part of the Army in time of peace and therefore can not participate as such in determining their proper relation to the national military policy.

These defects in the national military organization can be corrected only by relieving the National Guard of its militia status and by reorganizing it as a citizen force under the power to raise and support armies. It remains to be seen whether this can be accomplished without depriving the States of the right to use the National Guard for State purposes.

Under the Senate bill the National Guard is to be organized and trained under the power to raise and support armies. It thus becomes a national force but Congress authorizes the States to use it precisely as they may now use it under the direct orders of the several governors, but as State troops and not as militia. The power of Congress to make such a disposition is implied in Article I, section 10, of the Constitution, which says: "No State shall, without the consent of Congress * * * keep troops, or ships of war in time of peace."

As the force thus becomes a Federal force, all details of its organization and training and all rules and regulations governing the appointment of its officers are under complete Federal control, except in so far as Congress may deem it wise to delegate any portion of this authority to the States. But recognizing that the National Guard within any State is to be under the orders of the governor as State troops, the bill very properly provides that no officer shall be assigned to any unit of the National Guard within the limits of any State except with the approval of the governor. The National Guard is to be a part of the citizen army and all of its officers must qualify as reserve officers of the Army of the United States. All officers of the National Guard are made eligible for appointment as reserve officers, as are all veterans of the war, and provisions are included for enabling all other qualified persons, whether members of the National Guard or not, to become reserve officers. This will create a large corps of reserve officers within each State. Any of these will be eligible for appointment in the National Guard, but none of them can be so appointed except with the approval of the governor. This assures a uniform standard of military efficiency, at the same time preserving the reasonable right of the governor to control the selection of these reserve officers who, under the terms of the bill, are to command State troops under his orders.

It has been suggested that the adoption of the Senate plan would bring the National Guard completely under the control of the War Department, and that this in practice would mean an antagonistic and unsympathetic control by officers of the Regular Army. Policies affecting the organization, training, and mobilization of the National Guard as an integral part of the Army of the United States must, indeed, be based upon recommendations of the General Staff, which is charged by law with the preparation of plans for the national defense. But under the Senate plan National Guard and other reserve officers will participate with the General Staff in the preparation of all policies and regulations affecting the organization, distribution, and training of the citizen army and all policies and regulations affecting the appointment, promotion, assignment, and discharge of reserve officers, including National Guard officers. This will assure the solution of the great problem of national defense by professional and citizen officers working together at the same table with full appreciation of every aspect of the problem.

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COMMENTS ON THE ARMY REORGANIZATION BILL, REFERRING TO MEMORANDUM ON THE SENATE AMENDMENT TO H. R. 12775, TO AMEND THE NATIONAL DEFENSE ACT, RELATING TO THE NATIONAL GUARD AS A PART OF THE CITIZEN ARMY IN TIME OF PEACE.

This memorandum has been read with considerable interest, and is a very clever misstatement of facts, evidently framed by some one ignorant of the provisions of the act of June 3, 1916, and with ideas prejudiced against the National Guard as it now exists. It is fair to assume that whoever framed this memorandum has been very much impressed with the part played by the National Guard as it now exists in the military forces of this Nation. It perhaps is the result of some Regular officer's observation, who has been able to grasp the wonderful development in the National Guard since 1898, as shown in the mobilization of 1916 and the great World War through which we have just passed. Without doubt he is convinced that the great part of our military forces will never be found in the Regular Army, but must come through our citizen soldiery. He, therefore, is striving to absorb into our Regular forces the National Guard which heretofore, previous to the present World War, has been held by Regular officers in disrepute; in other words, he is striving to steal their glory.

The first paragraph shows ignorance of present law, because the National Guard to-day is a constituent part of the military force of the United States, just as much as the Permanent Establishment, and he assumes to state therein that it is not. The change of status to which he refers results from the application of section 111 of the present act, which, under the Constitution, is by no means a necessity. Furthermore, the Kahn bill provides a change in this section of the law which will remove the objections raised in the memorandum. There is not a point raised throughout this entire memorandum which can not be met by a modification of the act of June 3, 1916, except the base upon which it is raised, namely, the present National Guard is maintained under the militia provisions of the Constitution, whereas the force which he is advocating would be maintained under the provisions to raise and support armies.

On page 2, in paragraph No. 1, the statements are erroneous, because the National Guard can be used by the governor, as the commander in chief, for all trouble within the State for which the governor is responsible or accountable to the citizens of the State. In framing this paragraph he has started upon an erroneous basis which, it is regretted, has prevailed for many years in this country, namely, the limitations upon the use of the National Guard or Organized Militia. The Constitution will allow the use of this force for any purpose for which the Regular Army can be used if the President so desires. There is not a word in the Constitution which would justify the sending of a Regular Army beyond the limits of the United States which would not apply with equal force to the National Guard, and if the Commander in Chief can send a Regular Army to foreign territory in the interests of our common defense, there is no doubt whatever that he has similar power with respect to the Organized Militia. The use of military forces as contemplated in our Constitution is for no other purpose than for our common defense. The best defense of a nation in case of war is to attack the enemy on his own territory.

In paragraph No. 2 he omits to state in this paragraph that the training which the States must carry out shall be according to the discipline prescribed by Congress. Therefore there are no 50 separate systems of training—there is one, and that one is the one prescribed by Congress. There are, of course, 50 separate States carrying out this training, but the entire control of training is in the hands of Congress and not in the hands of the States. There can be no more comprehensive term used for giving over to Congress the instruction of the National Guard than the terms that appear in the Constitution reserving to the States the training of the militia according to the discipline prescribed by Congress.

With respect to paragraph No. 3, the only thing which is exclusively reserved to the States is the appointment of the officer, yet the right of the Federal Government to prescribe the organization, arming, and equipment of the National Guard has been so interpreted in the act of June 3, 1916, without protest from the States, as to convey to the Federal Government the right to see that unfit officers shall not be members of the National Guard and only fit officers shall be members. Because the National Guard is not fully developed, or even approximately developed, under the act of June 3, 1916, is no reason for condemning the act of June 3, 1916, particularly by officers or citizens who are ignorant of the splendid provisions of that act.

Paragraph No. 4. This statement is erroneous because under the militia clause of the Constitution it is an established fact that tactical units of divisions have been formed from the National Guard, and they have been formed into the divisions required by the War Department, namely, 16 divisions, and they fought in France with great credit. Furthermore, the National Guard furnished more divisions than was originally contemplated by the War Department in that the Forty-second Division was formed, and also the nucleus for a colored division; yet the War Department originaly contemplated only 16 divisions from that force. The statement that divisions can not be formed from troops of more than one State is absolutely absurd and disproved by our experience of the recent war, and is being disproved at the present time by the reorganization of the National Guard under the act of June 3, 1916. Whenever a division is called together, formed from numerous States, there certainly are sufficient regular officers with war experience to control and command the division thus formed, and perhaps to much greater advantage than could occur if the division commander was an officer of the National Guard of any particular State. It is possible the commander might be more efficient.

On page 3, numbered paragraph 5, the President can call any portion of the Organized Militia which he desires into service, or all of it, and if he desires to call officers of the National Guard for duty this can be done. The attendance at schools at the present time is left optional with the student officer and perhaps properly so. The despotic power of seizing a citizen soldier from his usual vocation at any time which may be dictated by the policy of the General Staff is believed inadvisable during times of peace. Such a policy would render military training absolutely obnoxious and distasteful to the great mass of our American citizens, and certainly would not be an American institution. It would partake of Prussian methods. Under the present law any National Guard officer who desires to attend a service school and is fitted therefor and is able to spare the time from his usual vocation, can be sent for such instruction so far as the appropriations made by Congress will permit. This is the present law, and it is in direct accord with American principles. It has been strongly advocated by the people interested in the development of the National Guard that National Guard officers be appointed from officers of the Federal Reserve Corps, and the objections to this procedure has emanated from the permanent establishment rather than from the National Guard. It is the permanent establishment which raises the great cry of "incompatibility," yet in the next voice they are crying, "Let us have one Army." The barriers which are erected by the interpretations of the Judge Advocate General's Department are more or less artificial, and they are not in the interest of developing one Army. They are more properly intended to create obstacles in the federalization of our National Guard units and to guide our military forces in divergent channels. If this policy is changed there need be no change in our present law of any importance in this regard.

There have been furnished to members of the military committee provisions of law which would so amend the act of June 3, 1916, as to make it necessary for all officers of the National Guard to pass the examinations required for Federal Reserve officers. All it needs is passage by Congress to correct the conditions mentioned in this paragraph.

With respect to paragraph numbered 6, the President, if he sees fit, can call a National Guard officer for duty, and without doubt the patriotism in the National Guard officer would never let him hesitate in replying to a call for duty upon the General Staff. The contentions in this paragraph is a bugaboo which can be dismissed with almost a smile.

On page 4, paragraph 7, the points raised in this paragraph emanate from ignorance of the law and the handling of the National Guard at the present time. Under the act of June 3, 1916, as has been suggested in the Kahn bill, the transfer from 50 separate States or jurisdictions to a single Federal jurisdiction, is effected by the issuance of an order—not a very difficult method at the present time. Furthermore, as has been brought forth before in these comments, every one of these organizations, even though under 50 separate jurisdictions, must be trained according to one discipline. There was no trouble whatever in providing organizations at the beginning of the recent World War; there was no particular trouble in throwing them into divisions and brigades other than the troubles which were required by the General Staff, because the entire divisional organization was changed upon the eve of war. This was no fault of the National

Guard, but rather the fault of the wise men in the War Department who should have had a proper divisional organization devised during times of peace for the organization of the National Guard. The delay in organization of National Guard divisions was due almost entirely to the breaking up of the divisions originally planned and forming therefrom an entirely different divisional organization. This was the confusion; this was the delay, and the fault, if any, rests on the General Staff or War Department.

With respect to page 4, paragraph No. 8, the change into a single standard of administration was accomplished in a satisfactory manner at the beginning of the World War, and it will be very much easier done on future occasions. The writer here attempts to belittle the act of June 3, 1916, and he does not realize that the act was never applied. There was too limited a time intervening between the passage of that act and the draft for the War Department to perfect the act in its application. The ignorance of the author of this memorandum is shown by the following argument: "If the National Guard were organized as a part of the Army in time of peace its training would be standardized and its officers of all grades would be qualified under uniform Federal requirements which would be recognized upon mobilization." This is exactly what is contemplated and laid down in law by the act of June 3, 1916, and yet the author desires to change that law. The whole attention of the Militia Bureau is being concentrated upon the very subjects which he brings forth on page 4.

In connection with his following principal reasons, with respect to "(a)"—can any sane American agree to this statement when they consider the part played in the recent World War by the National Guard? It was reorganized, but on account of the unexpected demands by the War Department a new constitutional status under section 111 of the act of June 3, 1916, was assumed, which status was assumed by the issue of a proclamation on the muster of the troops and inspection of the equipment. The provisions already suggested to Congress to be inserted in a new section 111 will absolutely cut out the inspection of men and equipment. The change in the constitutional status will be simply by a proclamation of the President. With respect to reason "(b)," this is absurd, because it is being accomplished at the present time. The only reason that a defect can be claimed in this respect is due to the fact that Federal standards are not uniform; they are constantly changing, and the National Guard in many cases are trained as near Federal standards as any human intellect can devise. In reason "(c)" the man, citizen, or Regular officer who fails to recognize officers of the National Guard in time of peace as a part of our national military force needs education; he is groping away back in the times, perhaps of the Revolution, and needs to be informed as to the progress made in this force. Every one of the defects mentioned can be met squarely by the act of June 3, 1916, when modified as has been suggested to several members of the Military Committee.

Attention is again called to the fact that the National Guard and all our forces in the Senate bill become federalized, and, so far as our system of government is concerned, this is a dangerous procedure. It is a procedure which anyone who is thoroughly familiar with our form of government will protest against, because it is following closely along the lines of despotism, Prussianism, and autocracy, which are the deadly enemies of Americanism. The provision in the Senate bill for the governor of a State to issue orders to Federal troops is certainly unconstitutional, even though it be placed upon the statute books in the form of law.

On page 5 a discussion occurs. "This assures a uniform standard of military efficiency, at the same time preserving the reasonable right of the governor to control the selection of these reserve officers who, under the terms of the bill, are to command State troops under his orders." A uniform standard of military efficiency is already assured under the present law, and if the War Department would remove the artificial barriers maintained by decisions of the Judge Advocate General between the Regular Army and the National Guard, which is a constituent part of our national forces, the present bill can readily be modified to insure a uniform standard of military efficiency by limiting the appointment of officers by the governor to those officers who duly qualify under the examinations prescribed for the Federal Reserve Officers' Corps. This change is desired by those interested in the development of the National Guard and is frustrated by the attitude of the War Department.

With respect to the last paragraph in this memorandum, at the present time there can be no denying that there is a strong antagonism among the citizens toward the Regular Army. It is an open secret that certain influential members of the Regular Army believed that section 111 of the act of June 3, 1916, as interpreted, if put in force, would absolutely destroy the National Guard at the termination of the World War; perhaps they were animated by sympathy and affection; but if so, they had a very peculiar way of showing such feelings. The training of the National Guard is now based upon recommendations of the General Staff, but unfortunately such recommendations are not always in the best interests of our national force nor of the National Guard. It appears frequently that the recommendations are of such a nature as to render it almost impossible for the proper development of a National Guard in this country, and until the General Staff receives some education concerning the National Guard and information upon its present status and the laws which govern it and the problems which confront it, there will never be a sympathetic handling of the National Guard problem of this country by the General Staff. By the calling of officers of the National Guard into conference with the General Staff for certain periods of time when National Guard matters are to be considered, no doubt far better results can be obtained than have been obtained in the past, provided the members of the General Staff are in a receptive mood. This condition and mixture of National Guard officers and professional officers can be secured without a bit of trouble under the present laws, provided Congress makes the necessary appropriations.

ARMY REORGANIZATION BILL—CONFERENCE REPORT.

Mr. KAHN. Mr. Speaker, I ask that the report be withdrawn so that it may be printed under the rules.

The SPEAKER. The gentleman from California submits the report on H. R. 12775, to be printed under the rules.

The following is the conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12775) to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 30, 1916, having met, after full and free conference, have been unable to reach an agreement thereon.

JULIUS KAHN,
D. R. ANTHONY, Jr.,
JOHN C. MCKENZIE,
S. H. DENT, Jr.,
Managers on the part of the House.

J. W. WADSWORTH, Jr.,
GEO. E. CHAMBERLAIN,
C. S. THOMAS,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House of Representatives at a conference on the disagreeing votes of the two Houses on the amendment of the Senate to H. R. 12775, to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, submit the following statement:

The two Houses were unable to come to an agreement on the Senate amendment. The particular points of disagreement are the provisions regarding the reorganization of the National Guard. The National Guard provisions of the bill as it passed the House are those contained in the national defense act of June 3, 1916, amended at the suggestion of officers of the National Guard and the Militia Bureau to remedy certain defects which four years of operation under the said national defense act had developed. The Senate amendment to the House bill, H. R. 12775, relating to the National Guard provides for its organization under the Army clauses of the Constitution of the United States.

After a full and free discussion, the Senate conferees proposed to the House conferees that the former would accept practically the substance of the House provisions of H. R. 12775 relating to the National Guard, provided the House conferees would add to the bill the substance of the Senate provisions relating to the National Guard amended as hereinafter stated, so as to authorize each State to determine for itself whether its National Guard should remain as now organized under the national defense act or by an affirmative act of its legislature adopt the National Guard organized under the Army clauses as provided in the amendments hereinafter stated. In other words, the language of the proposed compromise would allow the legislature in each State to determine whether its National Guard should remain as now provided by law under the militia clause of the Constitution or whether it should be reorganized under the Army clauses as provided in the amendment hereinafter proposed, with the distinct understanding that no feature of the change should be carried into effect until the necessary enabling legislataion has been passed by the State.

The language of the proposed compromise is as follows, to wit:

"SEC. —. Strength of the National Guard of the United States: The maximum strength of the National Guard of the United States, as established under the provisions of this act, and that may be organized in any State in time of peace, shall be equal to 800 officers and enlisted men for each Senator and Representative in Congress, and a number to be determined by the President for each Territory and the District of Columbia: *Provided*, That in States which have but one Representative in Congress the maximum strength of the National Guard of the United States therein organized shall be determined by the President: *Provided further*, That the word Territory as used in this act relative to the National Guard of the United States shall include and apply to Hawaii, Alaska, Porto Rico, and the Canal Zone. Except as otherwise specifically prescribed herein, the organization of the National Guard of the United States, including the composition of all units thereof, the location of such units, and the assignment of such units to the brigades, divisions, and corps of the Army of the United States shall be as provided in sections — and — of this act.

"SEC. —. Enlistments in the National Guard of the United States: Whenever any State or Territory shall have provided by law for enlistment in the troops of such State or Territory, of all persons resident in such State or Territory who enlist in the National Guard of the United States, and shall have otherwise complied with the conditions of this act for the keeping of State or Territorial troops, any person, resident in such State or Territory, and liable for military service in time of war, except enlisted men of the Regular Army and the enlisted reserve corps, may, within the limits as to number provided by section — of this act, be voluntarily enlisted in the National Guard of the United States, and, while serving therein, shall be exempted from other military service: *Provided*, That

such person shall at the same time and by the same enlistment contract enlist in the troops of the State or Territory of his residence: *Provided further*, That the period for which such person enlists in the troops of the State or Territory shall be such that his State or Territory enlistment will terminate concurrently with his Federal enlistment. Such enlistment in the National Guard of the United States shall be for a period of three years, except as specifically provided for in section — of this act, with the privilege of reenlisting for additional periods of not less than one or more than three years. The qualifications for enlistment in the National Guard of the United States shall be the same as those prescribed for enlistment in the Regular Army subject to such modifications as the President may direct. Enlisted men in the National Guard of the several States, Territories, and the District of Columbia shall, with their consent, be recognized as members of the National Guard of the United States under the provisions of this act for the unexpired portion of their present enlistment contracts. All persons enlisting for service in the National Guard of the United States shall sign an enlistment contract and take and subscribe to an oath in the following form:

"'I do hereby acknowledge to have voluntarily enlisted this —— day of ———, 19—, as a soldier in the National Guard of the United States and in the troops of the (State) (Territory) of ——— for the period of three years under conditions prescribed by law, unless sooner discharged by proper authority; and I do solemnly swear that I will bear true faith and allegiance to the United States of America, and that I will serve them honestly and faithfully against all their enemies whomsoever, and that I will obey the orders of the President of the United States and of the officers appointed over me according to law and the rules and Articles of War; and I do solemnly swear to bear true faith and allegiance to the (State) (Territory) of ——— and to obey the orders of the governor thereof subject to the Constitution and laws of the United States.'

"An enlisted man discharged from service in the National Guard of the United States shall receive a discharge in writing, in such form and with such classification as is or shall be prescribed for enlisted men of the Regular Army. In time of peace discharges may be given prior to the expiration of terms of enlistment under such regulations as the President may prescribe.

"SEC. —. Officers of the National Guard of the United States: The Secretary of War may detail or assign officers of the Regular Army to duty with the National Guard of the United States according to the requirements of the service, and, in time of peace, shall assign officers of the reserve personnel, with their consent, to duty with organizations of the National Guard of the United States in each State or Territory upon the recommendation of the governor of the State or Territory concerned and upon the grant to such officers of State or Territorial commission in their respective grades by the governor of such State or Territory, when such State or Territory shall by law have duly authorized such action upon the part of the governor thereof and shall have otherwise complied with the conditions of this act for the keeping of State or Territorial troops. In the District of Columbia such officers shall be assigned upon the recommendation of the commanding general of the National Guard of the United States in said District: *Provided*, That no officer of the Regular Army shall be assigned to the command of any organization of the National Guard of the United States entirely comprised within the limits of any State except with the approval of the governor thereof. The commanding officers and staffs of organizations of the National Guard of the United States composed of troops from two or more States shall be assigned from the Regular Army or reserve personnel of the Army under regulations prepared as prescribed in section — of this act. Officers so detailed or assigned may accept such State or Territorial commissions, with the permission of the President and terminable in his discretion, without vacating their commissions in the Regular Army or Officers' Reserve Corps or being prejudiced in their relative or lineal standing therein. No person shall be commissioned as an officer of the National Guard of the United States unless such person holds a commission in the Regular Army or Officers' Reserve Corps. All persons hereafter to be commissioned as officers in the National Guard of the United States shall, upon being commissioned under the provisions of this act, take and subscribe to the following oath:

"'I, ——— ———, having been appointed a ——— in the National Guard of the United States, do solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the United States of America; that I will obey the orders of the President of the United States; that I take this obligation freely without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office of ——— in the National Guard of the United States upon which I am about to enter. I do further solemnly swear to bear true faith and allegiance to the State of ——— and to obey the orders of the governor thereof, subject to the Constitution and laws of the United States, so help me God.'

"SEC. —. Discipline and training of the National Guard of the United States: The discipline and training of the National Guard of the United States shall conform to the system which is now or may hereafter be prescribed for the Regular Army. Each company, troop, battery, and detachment in the National Guard of the United States shall assemble for drill and instruction, including indoor target practice, not less than forty-eight times each year, and shall, in addition thereto, participate in encampments, maneuvers, or other exercises, including outdoor target practice, at least fifteen days in training each year, including target practice, unless such company, troop, battery, or detachment shall have been excused from participation in any part thereof by the Secretary of War, or shall at the time prescribed therefor be under the orders of the governor of the State or Territory, as provided for in section — of this act.

"All officers and employees of the United States and of the District of Columbia who shall be members of the National Guard of the United States shall be entitled to leave of absence from their respective duties, without loss of pay, time, or efficiency rating, on all days during which they shall be engaged in field or coast-defense training ordered or authorized under the provisions of this act.

"SEC. —. Liability of the National Guard of the United States for service: When Congress shall have authorized the use of the land forces of the United States for any purpose requiring the use of troops in excess of the Regular Army, the President may, under such regulations as he may prescribe, call into active service for the period of the emergency, unless sooner relieved, the whole or any part of the National Guard of the United States: *Provided*, That when necessary in order to execute the laws of the Union, to suppress insurrections, or to repel invasions, the President may, in his discretion and under the same conditions as permit the calling out of the National Guard of the several States or Territories, call into active service the whole or any part of the National Guard of the United States to serve solely within the United States, for such period as he may direct. Officers and enlisted men called into active service under the terms of this section shall have the same pay and allowances as officers and enlisted men of the Regular Army of the same grades and same prior service.

"SEC. —. Maintenance of troops by the States: The consent of Congress is hereby given to each of the States to maintain troops in time of peace: *Provided*, That the State concerned shall first make provision therefor by legislative enactment in no respect contrary to, and in all respects in harmony with, the provisions of this act: *Provided further*, That no troops shall be thus maintained except such as belong to the units of the National Guard of the United States comprised within the limits of such State: *Provided further*, That the States and Territories in time of peace, and subject to such regulations as to expense and property accountability as may be prescribed by the President, shall be entitled to use as State or Territorial troops under the direct orders of the governor of the State or Territory, and for such purpose as State or Territorial militia might legally be used, so much of the National Guard of the United States within their respective borders as has been enlisted in the troops of the State or Territory and commissioned by the governor thereof in accordance with the terms of this act and as is not at the time in active service under a call by the President: *Provided further*, That nothing contained in this act shall prevent the organization and maintenance by the States and Territories of State or Territorial militia, State police, or State constabulary.

"SEC. —. Pay for the National Guard of the United States: Captains and lieutenants belonging to organizations of the National Guard of the United States shall receive compensation at the rate of one-thirtieth of the monthly base pay prescribed for officers of the Regular Army of their grades for each regular drill or other period of instruction authorized by the Secretary of War, not exceeding five in any one calendar month, at which they shall have been officially present for the required period, and at which not less than 50 per centum of the commissioned strength and at least 60 per centum of the enlisted strength attend and participate for at least one and one-half hours. Captains commanding organizations shall re-

ceive $240 per annum in addition to the drill pay herein prescribed. Officers above the grade of captain shall receive not more than $500 per annum, and officers below the grade of major not belonging to organizations shall receive not more than four-thirtieths of the monthly base pay of their grades for satisfactory performance of their appropriate duties, under such regulations as the Secretary of War may prescribe.

"Each enlisted man belonging to an organization of the National Guard of the United States shall receive compensation at the rate of one-thirtieth of the initial monthly pay of his grade in the Regular Army for each drill ordered for his organization at which he is officially present, and in which he participates for not less than one and one-half hours, not exceeding five in any one calendar month; but no enlisted man shall receive any pay under the provisions of this section for any month in which he shall have attended less than 60 per centum of the drills or other exercises prescribed for his organization. Periods of actual military duty equivalent to the drills herein prescribed may be accepted in lieu of such drills when so provided by the Secretary of War. Pay under the provisions of this section shall not accrue to any person during a period when he shall be lawfully entitled to the same pay as a member of the Regular Army of corresponding grade.

"SEC. —. The National Guard of the United States subject to laws governing the Regular Army: The National Guard of the United States, except when on duty as State troops pursuant to orders from competent State authority, shall be subject to the laws and regulations governing the Regular Army, so far as such laws and regulations are applicable to officers and enlisted men whose permanent retention in active military service is not contemplated by existing law."

JULIUS KAHN,
D. R. ANTHONY, Jr.,
JOHN C. MCKENZIE,
S. HUBERT DENT, Jr.,
Managers on the part of the House.

Mr. KAHN. Mr. Speaker, I withdraw my motion to recede and concur in the Senate amendment.

The SPEAKER. The gentleman from California withdraws his motion to recede and concur in the Senate amendment.

EXTENSION OF REMARKS.

Mr. TINCHER. Mr. Speaker, I ask leave to revise and extend the remarks which I made on the farm-loan bill this afternoon.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. JOHNSON of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on vocational training in the Marine Corps.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. CRAMTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CRAMTON. Do I understand that the motion submitted some time ago by the gentleman from California [Mr. KAHN] will appear in the RECORD, notwithstanding it has now been withdrawn by him?

The SPEAKER. Yes.

Mr. JUUL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. JUUL. Can a request for unanimous consent be repeated after it has been denied, within a reasonable time?

The SPEAKER. Certainly.

Mr. JUUL. Then I make a unanimous-consent request that the gentleman from Kansas [Mr. ANTHONY] be permitted to print the two documents he referred to.

The SPEAKER. That has already been granted.

Mr. JUUL. I beg the Chair's pardon; I did not know that.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 1699. An act for the retirement of employees in the classified civil service, and for other purposes.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 20 minutes p. m.) the House adjourned until Wednesday, May 19, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Civil Service Commission during the period May 16, 1920, to June 30, 1921, to maintain and keep current the records of the Joint Commission on Reclassification of Salaries (H. Doc. No. 768); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Secretary of War, submitting a supplemental estimate of appropriation required by the Ordnance Department of the Army for construction of permanent storage facilities on the Fort Wingate Military Reservation, N. Mex. (H. Doc. No. 769); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Treasury, transmitting a supplemental estimate of appropriation required by the Treasury Department for expenses of collecting the revenue from customs during the fiscal year 1920 (H. Doc. No. 770); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Secretary of the Treasury, transmitting a list of judgments rendered by the Court of Claims, which have been presented to this department and require an appropriation for their payment (H. Doc. No. 771); to the Committee on Appropriations and ordered to be printed.

5. A letter from the Secretary of Commerce, transmitting report in connection with useless papers to be sold for waste; to the Committee on Disposition of Useless Executive Papers.

6. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Waccamaw River, N. C. and S. C.; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. GRAHAM of Illinois, from the Select Committee on Expenditures in the War Department, submitted a report (No. 998) on war expenditures—ordnance, which said report was referred to the House Calendar.

Mr. SMITH of Michigan, from the Committee on Labor, to which was referred the bill (H. R. 544) to provide for the establishment of a national employment bureau in the Department of Labor, reported the same with amendments, accompanied by a report (No. 999), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 14079) granting a pension to Mrs. A. M. Hughes and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SUMMERS of Washington: A bill (H. R. 14119) fixing rates of postage on certain kinds of printed matter; to the Committee on the Post Office and Post Roads.

By Mr. KREIDER: A bill (H. R. 14120) authorizing the Secretary of War to donate to the city of Lykens, Pa., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 14121) authorizing the Secretary of War to donate to the town of Wiconisco, Pa., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. JAMES: A bill (H. R. 14122) to authorize the sale of a portion of the Copper Harbor Range Lighthouse Reservation, Mich., to Houghton and Keweenaw Counties, Mich.; to the Committee on Interstate and Foreign Commerce.

By Mr. HICKS: A bill (H. R. 14123) to create a bureau of aeronautics in the Department of the Navy; to the Committee on Naval Affairs.

By Mr. O'CONNELL: A bill (H. R. 14124) to amend the Judicial Code, being the act approved March 3, 1911, an act to modify, revise, and amend the laws relating to the judiciary, by inserting therein a new section, to be numbered 24-a, in relation to the original jurisdiction of district courts; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG: A bill (H. R. 14125) granting a pension to George Swager; to the Committee on Pensions.

By Mr. CALDWELL: A bill (H. R. 14126) for the relief of James J. Shea; to the Committee on Claims.

By Mr. CRAMTON: A bill (H. R. 14127) granting an increase of pension to Emma M. H. Haas; to the Committee on Pensions.

By Mr. HUSTED: A bill (H. R. 14128) granting a pension to Mary Margaret Horton; to the Committee on Invalid Pensions.

By Mr. KLECZKA: A bill (H. R. 14129) for the relief of Bill Vassel; to the Committee on Claims.

By Mr. LONERGAN: A bill (H. R. 14130) granting an increase of pension to Margaret Moorehead; to the Committee on Pensions.

By Mr. McARTHUR: A bill (H. R. 14131) granting an increase of pension to Harry L. Wilson; to the Committee on Pensions.

By Mr. RAINEY of Alabama: A bill (H. R. 14132) granting a pension to Wilburn Doyle; to the Committee on Pensions.

By Mr. ROMJUE: A bill (H. R. 14133) for the relief of Erasmus J. Booth; to the Committee on Military Affairs.

By Mr. TAYLOR of Tennessee: A bill (H. R. 14134) granting a pension to William H. Waggoner; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3698. By Mr. BABKA: Petition of Lodge No. 439, International Association of Machinists, of Cleveland, Ohio, favoring amnesty for political prisoners; to the Committee on the Judiciary.

3699. By Mr. COPLEY: Petition of Private Soldiers and Sailors' Legion, Washington, D. C., favoring bonus of $500 for ex-soldiers; to the Committee on Ways and Means.

3700. By Mr. CULLEN: Petition of Parents' Association of the Public Schools, Brooklyn, N. Y., favoring increased salaries for postal employees; to the Committee on the Post Office and Post Roads.

3701. By Mr. FULLER of Illinois: Petition of Jackson Bros. & Co., of Chicago, Ill., protesting against the proposed tax on sales of bonds and stocks; to the Committee on Ways and Means.

3702. Also, petition of the Malone Shoe Co., of La Salle, Ill., opposing the passage of the McNary bill, to stamp the price on the sole of each pair of shoes; to the Committee on Interstate and Foreign Commerce.

3703. Also, petition of Friends of Irish Freedom, of Rockford, Ill., favoring the passage of the Mason bill for the recognition of the Irish republic; to the Committee on Foreign Affairs.

3704. By Mr. HERSEY: Petition of George E. Cooper and 17 other residents of Bangor, Me., representing the Private Soldiers and Sailors' Legion of Maine, urging a cash bonus of $500 for ex-service men, to be paid according to terms of House bill 10373; to the Committee on Ways and Means.

3705. By Mr. JOHNSTON of New York: Three petitions of citizens of New York, favoring increased salaries for postal employees; to the Committee on Ways and Means.

3706. By Mr. LINTHICUM: Petition of Tidewater Portland Cement Co., R. E. L. Russell, and E. F. Kirwan, all of Baltimore, Md., re soldier bonus and proposed sales tax; to the Committee on Ways and Means.

3707. Also, petition of Arthur E. Poultney, of Baltimore, Md., re Senate bill 4089; to the Committee on Interstate and Foreign Commerce.

3708. Also, petition of residents of Baltimore, Md., favoring postal increase; to the Committee on the Post Office and Post Roads.

3709. Also, petition of residents of Baltimore, Md., favoring passage of Mason bill; to the Committee on Foreign Affairs.

3710. By Mr. MONAHAN of Wisconsin: Resolution of Woman's Club, Madison, Wis., favoring the Smith-Towner educational bill; to the Committee on Education.

3711. By Mr. O'CONNELL: Petition of International Wood Carvers' Association, favoring granting of bonus to relatives of soldiers who have died since discharge; to the Committee on Ways and Means.

3712. Also, petition of the Roessler & Hasslacher Chemical Co., of New York, in connection with postal zone rates for advertising matter; to the Committee on the Post Office and Post Roads.

3713. By Mr. RAKER: Petition of National Council of the Friends of Irish Freedom, favoring freedom of Ireland; to the Committee on Foreign Affairs.

3714. Also, petition of the Fishing Gazette, of New York, protesting against the cutting of the appropriation for the fisheries-industry work in the Bureau of Fisheries, and urging adequate appropriation for same; to the Committee on the Merchant Marine and Fisheries.

3715. Also, petition of sundry citizens of Houston, Tex., favoring the passage of House bill 1112; to the Committee on the Judiciary.

3716. By Mr. RANDALL of California: Petition of Private Soldiers and Sailors' Union, of Los Angeles, Calif., favoring the passage of House bill 10373, soldiers' benefit legislation; to the Committee on Ways and Means.

3717. By Mr. ROGERS: Petition of Littleton Post, No. 249, Department of Massachusetts, favoring immediate passage of veterans' beneficial legislation at this session of Congress; to the Committee on Ways and Means.

3718. By Mr. ROWAN: Resolution adopted by the Holy Name Parish of the city of New York favoring the recognition of the Irish Republic; to the Committee on Foreign Affairs.

3719. Also, resolutions adopted by the Central Republican Club of nineteenth assembly district of New York, urging Congress to increase the salaries of postal employees and that this action be taken before Congress recesses; to the Committee on the Post Office and Post Roads.

3720. Also, resolutions adopted by the Republican Club of the thirteenth assembly district of New York urging Congress to increase the salaries of postal employees and that this action be taken before Congress recesses; to the Committee on the Post Office and Post Roads.

3721. By Mr. TINKHAM: Petition of Irving W. Adams Post, No. 36, American Legion, Roslindale, Mass., favoring soldier-bonus legislation; to the Committee on Ways and Means.

3722. Also, petition of national council of Friends of Irish Freedom, of New York, favoring the freedom of Ireland; to the Committee on Foreign Affairs.

3723. Also, petition of Pilgrim Publicity Association of Massachusetts opposing the passage of House bill 12976, for a tax on advertising; to the Committee on Ways and Means.

SENATE.

WEDNESDAY, *May 19, 1920.*

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we come to face the new spiritual problems of to-day. While our thoughts will be engaged in the routine matters of our daily task there shall be within us, as in every day, the conflicts, the aspirations, and the decisions of great spiritual events in our spirits. We pray that Thy hand may guide us, that Thy truth may be our law, Thy honor our glory, that to-day we may follow the light of Thy truth as it shines upon our pathway. For Christ's sake. Amen.

NAMING A PRESIDING OFFICER.

The Secretary (George A. Sanderson) read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 19, 1920.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. THOMAS STERLING, a Senator from the State of South Dakota, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. STERLING thereupon took the chair as Presiding Officer for the legislative day.

The Reading Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. McCUMBER and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALLING THE ROLL.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Reading Clerk called the roll, and the following Senators answered to their names:

Ball	Jones, N. Mex.	New	Smith, Md.
Calder	Jones, Wash.	Overman	Smoot
Chamberlain	Kellogg	Page	Spencer
Comer	Kenyon	Phipps	Sterling
Dial	Keyes	Pittman	Underwood
Fernald	King	Ransdell	Wadsworth
Gay	Knox	Robinson	Walsh, Mass.
Hale	McCumber	Sheppard	Warren
Harris	McNary	Sherman	Watson
Harrison	Nelson	Simmons	Williams

Mr. McKELLAR. The senior Senator from Virginia [Mr. SWANSON] and the junior Senator from Virginia [Mr. GLASS] are necessarily detained from the Senate.

The Senator from Arizona [Mr. ASHURST], the Senator from Rhode Island [Mr. GERRY], the Senator from California [Mr. PHELAN], and the Senator from Florida [Mr. TRAMMELL] are absent on official business.

Mr. DIAL. I desire to announce that my colleague [Mr. SMITH of South Carolina] is absent on official business. I ask that this announcement may stand for the day.

The PRESIDING OFFICER (Mr. FERNALD in the chair). Forty Senators have answered to their names. There is not a quorum present. The Secretary will call the roll of absentees.

The Reading Clerk called the names of the absent Senators, and Mr. HENDERSON, Mr. KENDRICK, Mr. LODGE, Mr. McCORMICK, Mr. McKELLAR, and Mr. NUGENT answered to their names when called.

Mr. CULBERSON entered the Chamber and answered to him name.

Mr. ELKINS, Mr. DILLINGHAM, Mr. THOMAS, Mr. McLEAN, and Mr. HARDING entered the Chamber and answered to their names.

The PRESIDING OFFICER (Mr. STERLING in the chair). Fifty-two Senators have answered to their names. There is a quorum present.

COLLECTION OF REVENUE.

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of the Treasury, transmitting an alternative estimate of appropriations required by the Treasury Department for the expenses of collecting revenue from customs for the fiscal year 1921 in the sum of $11,800,000 in lieu of the original estimate for this purpose submitted in the Book of Estimates for the year 1921, $10,300,000, being a net increase of $1,500,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House agrees to the amendment of the Senate to the bill (H. R. 9781) to amend section 217 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H. R. 9521) to prevent hoarding and deterioration of, and deception with respect to, cold-storage foods, to regulate shipments of cold-storage foods in interstate commerce, and for other purposes, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. HAUGEN, Mr. McLAUGHLIN of Michigan, and Mr. YOUNG of Texas managers at the conference on the part of the House.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H. R. 13108) making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. BUTLER, Mr. KELLEY of Michigan, Mr. BRITTEN, Mr. PADGETT, and Mr. RIORDAN managers at the conference on the part of the House.

The message also announced that the House had passed a joint resolution (H. J. Res. 351) extending the provisions of an act amending section 32 of the Federal farm-loan act approved July 17, 1916, to June 30, 1921, in which it requested the concurrence of the Senate.

The message further announced that the Speaker of the House had signed the enrolled bill (S. 1699) for the retirement of employees of the classified civil service, and for other purposes, and it was thereupon signed by the Presiding Officer.

PETITIONS AND MEMORIALS.

Mr. PHIPPS. Mr. President, I am in receipt of a telegram from the Chamber of Commerce of Colorado Springs, reading as follows:

> This body has gone on record as opposing bonuses for soldiers and sailors, especially cash bonuses. It is felt that greater efforts should be made to provide for disabled men and their dependents and for the payment of bills for their care.

I move that the telegram be referred to the Committee on Finance.

The motion was agreed to.

Mr. SPENCER. I ask unanimous consent to have printed in the RECORD a telegram from former Gov. Hadley, of Missouri, in connection with a letter, which I received this morning.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

> BOULDER, COLO., *May 18, 1920.*
>
> Hon. SELDEN P. SPENCER,
> *Care of Senate Office Building, Washington, D. C.:*
>
> Know through personal observation that large and prosperous tungsten industries here are now out of operation, account competition of Chinese tungsten, and that they can exist only with benefit protective tariff as provided by House bill now pending before Senate. I feel this measure is in harmony with the traditions and policy of the Republican Party and necessary for preservation of industry most important to this State.
>
> HERBERT S. HADLEY.

Mr. COLT presented a memorial of the Albanian Society of Lonsdale, R. I., remonstrating against the awarding to Greece of the southern Albanian Provinces of Koritza and Argyrocastro, and praying that a hearing be granted to representatives of Albania, which was referred to the Committee on Foreign Relations.

Mr. KNOX presented petitions of sundry citizens of West Chester, Pittsburgh, and Reading, all in the State of Pennsylvania, praying for the enactment of legislation providing for the protection of maternity and infancy, which were referred to the Committee on Public Health and National Quarantine.

He also presented a petition of John W. Jackson Post, No. 27, Grand Army of the Republic, of Philadelphia, Pa., and a petition of Robert Bryan Post, No. 80, Grand Army of the Republic, of Philadelphia, Pa., praying for the adoption of the amendment to the Constitution granting the right of suffrage to the people of the District of Columbia, which were referred to the Committee on the Judiciary.

He also presented a memorial of the congregation of the Church of the Brethren of Woodbury, Pa., remonstrating against compulsory military training, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Pittsburgh, Pa., praying for the parole of Federal prisoners, which was referred to the Committee on the Judiciary.

He also presented a petition of Local Division No. 3, Ancient Order of Hibernians, of Patton, Pa., praying for the freedom of Ireland, which was referred to the Committee on Foreign Relations.

He also presented a petition of the Philadelphia Bourse, of Pennsylvania, praying for the enactment of legislation to enable persons who served in the World War and who are disabled or sick in consequence of their service, as well as the dependents of those who lost their lives, to build homes and obtain vocational training, and remonstrating against the granting of a general cash bonus without discrimination, which was referred to the Committee on Finance.

Mr. TOWNSEND presented a petition of the Board of Commerce of Detroit, Mich., and a petition of the Real Estate Exchange of Kalamazoo, Mich., praying for an increase in the salaries of postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented a petition of the Women's Club of East Lansing, Mich., praying for the enactment of legislation providing for vocational education, which was ordered to lie on the table.

He also (for Mr. NEWBERRY) presented a petition of the Board of Commerce of Detroit, Mich., praying for an increase in the salaries of postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also (for Mr. NEWBERRY) presented a petition of Ira D. MacLachlan Post, No. 3, American Legion, of Sault Ste. Marie, Mich., praying for the enactment of legislation granting a bonus to ex-service men, which was referred to the Committee on Finance.

He also (for Mr. NEWBERRY) presented a memorial of the Chamber of Commerce of Lansing, Mich., and a memorial of the Board of Commerce of Detroit, Mich., remonstrating against the enactment of legislation to compel shoe manufacturers to stamp the cost of the shoe on the sole thereof, which was ordered to lie on the table.

He also (for Mr. NEWBERRY) presented a petition of Victory Grange, No. 1099, Patrons of Husbandry, of Ludington, Mich., praying for the enactment of legislation granting to farmers the right of collective bargaining, which was referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES.

Mr. PAGE, from the Committee on Naval Affairs, to which was referred the bill (S. 3969) to authorize the Secretary of the Navy to waive the age limit for admission to the United States Naval Academy, reported it with an amendment and submitted a report (No. 608) thereon.

He also, from the same committee, to which was referred the bill (S. 4361) to provide for the relief of certain officers of the Naval Reserve Force, and for other purposes, reported it without amendment and submitted a report (No. 609) thereon.

Mr. HENDERSON, from the Committee on Claims, to which was referred the bill (H. R. 3212) for the relief of legal representative of George E. Payne, deceased, reported it without amendment and submitted a report (No. 610) thereon.

Mr. McLEAN, from the Committee on Forest Reservations and the Protection of Game, to which was referred the bill (H. R. 11398) for the creation of the Custer State Park Game Sanctuary, in the State of South Dakota, and for other purposes, reported it without amendment.

Mr. WADSWORTH, from the Committee on Claims, to which was referred the bill (S. 3743) for the relief of W. R. Grace & Co., reported it with an amendment and submitted a report (No. 611) thereon.

Mr. WARREN, from the Committee on Appropriations, to which was referred an amendment submitted by Mr. FRANCE on the 6th instant, relative to the use of any portion of the public highway fronting any hotel or apartment hotel, railroad terminal, restaurant, theater, or other place of public amusement in the District of Columbia, intended to be proposed to the sundry civil appropriation bill, asked to be discharged from its further consideration and that it be referred to the Committee on the District of Columbia, which was agreed to.

LEGISLATIVE, ETC., APPROPRIATIONS.

Mr. WARREN. From the Committee on Appropriations I report back favorably without amendment the bill (H. R. 14100) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921. The bill is in the exact form in which it passed the Senate before, except for the omission of section 8, the item to which the President objected, and in consequence of which he vetoed the bill. The bill has been passed by the House, carefully checked, and has also received the close checking of the Senate Committee on Appropriations. I ask unanimous consent that without having it read the bill may be placed upon its passage.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. SMOOT. Mr. President, just a word in relation to section 8, which was stricken from the former bill on account of it having been vetoed by the President of the United States.

I am going to offer an amendment to the sundry civil bill to take care of the printing of the 156 Government publications that the Joint Committee on Printing have authorized to be printed. I hope there will be no objection to it on the ground that it is general legislation, because without such an amendment no publications could be printed after June 30 of this year.

I again state that I think the President was misled in his veto of the legislative bill on account of section 8.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ARKANSAS RIVER BRIDGES.

Mr. CALDER. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 13665) granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River, between sections 16 and 21, township 15 north, range 19 east, in the State of Oklahoma, and I submit a report thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to Muskogee County, Okla., to construct, maintain, and operate a bridge and approaches thereto across the Arkansas River, at a point suitable to the interests of navigation between sections 16 and 21, township 15 north, range 19 east, near the town of Fort Gibson, in the county of Muskogee, in the State of Oklahoma, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. CALDER. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 13666) granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River, in section 18, township 12 north, range 21 east, in the State of Oklahoma, and I submit a report thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to Muskogee County, Okla., to construct, maintain, and operate a bridge and approaches thereto across the Arkansas River, at a point suitable to the interests of navigation, in section 18, township 12 north, range 21 east, near the town of Webbers Falls, in the county of Muskogee, in the State of Oklahoma, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LOAN OF TENTS.

Mr. NEW. Mr. President, the Grand Army of the Republic of the State of Indiana are to hold their annual encampment at Bloomington on the 25th of May. They desire the loan of tents and cots from the Quartermaster's Department of the Army. The War Department can not furnish them without the authorization of Congress. The House has already passed a joint resolution loaning them the cots, tents, and blankets. It has not been the custom of the Senate to extend the loan of blankets or bedding, and I have not the authority of the Military Affairs Committee to ask that blankets be included in this joint resolution. With the elimination of the words "and blankets," I report the joint resolution and ask immediate consideration, inasmuch as if it is not considered at this time it will be of no avail.

The PRESIDING OFFICER (Mr. MCNARY in the chair). The Senator from Indiana asks unanimous consent for the present consideration of the joint resolution just reported by him from the Committee on Military Affairs. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution. The amendments were, on page 1, line 7, after the word "tents," to strike out the comma and insert the word "and," and in line 8, after the word "cots," to strike out "and blankets," so as to make the joint resolution read:

Resolved, etc., That the Secretary of War be, and he is hereby, authorized to loan, in his discretion, to Paul E. Slocumb Post, No. 85, Grand Army of the Republic, Bloomington, in the State encampment to be held at Bloomington, Ind., May 25, 26, and 27, 1920, the necessary tents and cots, as may be agreed upon by said post and the War Department: *Provided*, That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered to the commander of said Paul E. Slocumb Post at such time as may be agreed upon by the Secretary of War and the commander of said post: *Provided further*, That the Secretary of War, before delivering said equipment, shall take from the commander of said post a good and sufficient security for the safe return of said property in good order and condition, and the whole to be without expense to the United States Government.

The amendments were agreed to.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The title was amended so as to read: "A joint resolution authorizing the Secretary of War to loan to Paul E. Slocumb Post, No. 85, Grand Army of the Republic, Bloomington, Ind., necessary tents and cots for use at the State encampment to be held at said city May 25, 26, and 27, 1920."

PUBLIC BUILDING AT GASTONIA, N. C.

Mr. OVERMAN. Mr. President, a few days ago, in my absence, the Senate passed the bill (S. 4332) to exchange the present Federal building and site at Gastonia, N. C., for a new site and building, and it was sent to the House of Representatives. I promised some of my constituents that I would not urge the consideration of the bill until they could be heard upon it. I therefore enter a motion to reconsider the votes by which the bill was ordered to a third reading and passed.

Mr. SMOOT. What is the bill?

Mr. OVERMAN. It relates to a public building at Gastonia, N. C. I move that the House of Representatives be requested to return the bill to the Senate.

The motion was agreed to.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McCUMBER:

A bill (S. 4411) granting the consent of Congress to the counties of Pembina, N. Dak., and Kittson, Minn., to construct a bridge across the Red River of the North at or near the city of Pembina, N. Dak.; to the Committee on Commerce.

By Mr. NEW:

A bill (S. 4412) granting an increase of pension to William Walker (with accompanying papers); and

A bill (S. 4413) granting an increase of pension to Otto N. Burge (with accompanying papers); to the Committee on Pensions.

By Mr. McCUMBER:

A joint resolution (S. J. Res. 199) providing for monthly payment of pensions; to the Committee on Pensions.

AMENDMENT TO SUNDRY CIVIL APPROPRIATION BILL.

Mr. KING submitted an amendment proposing to appropriate $50,000 for the survey of the Green River and its tributaries and the Price River, in Duchesne, Uintah, Carbon, Emery, and Grant Counties, Utah, etc., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

WITHDRAWAL OF PAPERS—WILLIAM J. JOHNSON.

On motion of Mr. SMOOT, it was

Ordered, That the papers accompanying the bill S. 3360, Sixty-sixth Congress, first session, granting an increase of pension to William J. Johnson, be withdrawn from the files of the Senate, no adverse report having been made thereon.

CLAIMS OF SIOUX INDIANS—CONFERENCE REPORT.

Mr. SPENCER. I present the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 400) authorizing the Sioux Tribe of Indians to submit claims to the Court of Claims. The House has been kind enough to accept the Senate bill with the single addition of allowing claims arising out of lands to be also presented to the Court of Claims. I ask for the immediate consideration of the conference report.

The PRESIDING OFFICER (Mr. STERLING). The conference report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 400) authorizing the Sioux Tribe of Indians to submit claims to the Court of Claims, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with amendments as follows: After the word "funds," in section 1, insert the words "or lands"; and before the comma, in the same line, insert the words "or band or bands thereof"; and the Senate agree to the same.

SELDEN P. SPENCER,
CHAS. L. MCNARY,
Managers on the part of the Senate.
FREDERICK W. DALLINGER,
HARRY L. GANDY,
Managers on the part of the House.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

TUNGSTEN ORES.

Mr. PHIPPS. Mr. President, as it will probably be impossible for me to be present at the time the Senate takes up for consideration the bill (H. R. 4437) to provide revenue for the Government and to promote the production of tungsten ores and manufactures thereof in the United States, I ask the indulgence of the Senate for a few moments this morning in order that I may express some views relating to that measure.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The Senator from Colorado will proceed.

Mr. PHIPPS. Mr. President, in considering the provisions of House bill 4437, which is intended to promote the production of tungsten ores and the manufactures thereof in the United States, it should be borne in mind that tungsten is an element having properties which are not possessed by any other metallic substance.

Tungsten has been chiefly useful as a toughening and hardening alloy in the manufacture of steel, and particularly in the production of so-called high-speed steel, which is used for the cutting of various steel products, including munitions of war, automobile parts, and machinery generally. This high-speed steel may be used at such speed and pressure as to render the tool itself red-hot without losing its temper or cutting edge. A tool of this material will perform at least five times the amount of work per hour as may be turned out with the ordinary tool which contains no tungsten. It has been estimated that a saving of $200 on each automobile may be made by the manufacturer through the use of high-speed tungsten steel tools.

It was found absolutely necessary to use this class of tool steel to turn out guns of all calibers and the various sizes of explosive shells used during the Great War, as without this particular material manufacturers would have found it impossible to produce these articles at anything like the rate demanded. Tungsten-alloy steels contain from 3 to 18 per cent of tungsten and about 95 per cent of the tungsten consumed in the United States is used in making standard high-speed steel, which contains 18 per cent of tungsten.

Tungsten is also used in permanent magnet steel, valve steel for aeroplane and automobile engines, wireless amplifiers, Roentgen-ray apparatus, spark-plug contact points, electric-light filaments, and in other articles, while tungstic acid and tungstate are used in the dye and chemical industries.

Although never personally interested financially in the tungsten business, I have been in position to note from time to time the development of the industry, particularly in the State of Colorado. The first discovery of tungsten in quantity in the United States was made in the year 1900 in Boulder County, Colo. During the 10 years which followed Colorado produced practically all the tungsten ore mined in this country. From 1910 to 1913, inclusive, she produced 70 per cent of the ores mined in the United States, averaging 929 tons per year for that four-year period. Since 1914 the output of California and Colorado has been about equal.

Under the stimulus of advanced prices and the foreign demand due to the war, the production for the year 1915 in the United States amounted to 2,332 tons. It increased in 1916 to 5,923 tons and in 1917 to 6,144 tons. This heavy increase in output was partly due to the inducement of high prices caused by war necessities and partly to the urgent request of our Government officials for increased production. The mining of tungsten was thus tremendously stimulated and the refining of the raw materials fully established. Without this domestic output our munition plants would have been compelled to slow down their operations to 20 per cent of normal at a most critical stage of the war, and our manufacture of automobiles and other war supplies would have been curtailed to a similar extent.

Mr. KNOX. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Pennsylvania?

Mr. PHIPPS. Certainly; I yield.

Mr. KNOX. Was the increased production in the last two years caused by the discovery of new fields, or is all the ore still produced in Colorado and California?

Mr. PHIPPS. Partly so, but largely to the development of the mines which had previously been discovered in Colorado and California. The new discoveries I will speak of a little later; they were largely in Nevada and Arizona.

The demand for tungsten led not only to the development of producing mines but also to further discoveries of the mineral in 13 States of the Union and in Alaska. This includes 76 known deposits in California and 42 in Nevada, many of which are not sufficiently opened up to be placed in the producing class. In Colorado, where tungsten was first mined commercially in the United States, there are thousands of acres of tungsten ground, some of which has only been worked on the surface and much of which has never been prospected. Many of these undeveloped properties and much of this unprospected territory would no doubt become productive if the industry is stabilized so as to warrant the investment of capital.

It should be noted that while the increasing demand for tungsten began at the outbreak of the war in 1914, we only increased our output of ore by about 800 tons during the following year; and it was not until the second year that our output showed a satisfactory increase. In the meantime the efforts of Colorado and California miners were supplemented chiefly by those of Nevada and Arizona, where new discoveries of the mineral had been made. The large contact metamorphic deposits of Nevada and Arizona were not developed in time to be of much service during the war. One of these finds, known as the Tungsten Reef Mines, promises to be one of the largest producing properties in this country, and it is probable that in the future both Nevada and Arizona will outrank California and Colorado as producing States.

The Nevada properties have been equipped with extensive mining and concentrating plants, but these were only in operation about two months before the slump in the late fall of 1918. The Arizona property had been provided with a large concentrating plant, which was delivered on the ground, but has not been erected on account of market conditions for the material.

Production in the United States during the year 1918 continued at a high level until the signing of the armistice in November of that year, when a decided reaction set in, caused by cessation of the demand and by heavy importations of foreign ores, chiefly ore from China, particularly that which did not have to be mined but could be picked up from the ground by cheap coolie labor.

Prior to the war Germany was in absolute control of the tungsten refining industries, as very little was being refined in the United States or England. American ores were shipped to Germany, reduced there, and returned to us in the forms of ferrotungsten and tungsten powder.

The heavy importations of foreign tungsten, commencing before the signing of the armistice, resulted in a complete cessation of mining in this country, and, although a year and a half has elapsed since the shutdown, every tungsten mine in the United States remains closed.

These mines, like others, must be kept free of water; and the owners of the properties have all been under the expense of keeping the water pumped out of their mines, waiting until changed conditions will enable them to reopen. In fact, many of them are now wondering whether or not they are justified in incurring this expense, as it is only through relief such as will be afforded by the proposed legislation that they may hope to operate their properties again.

If the industry falls into decay through failure to enact proper legislation and these mines are allowed to fill up with water, it is evident it would take at least two years to bring production up to a tonnage approximating our needs, and during such time we would be dependent upon a foreign supply which might be withheld, as it was in 1914.

The world production of tungsten reached 36,000 tons in 1918, of which over one-half was furnished by Asiatic countries and only about 5,000 tons by the United States.

The present normal need of the United States is variously estimated at from 5,000 to 7,500 tons, and we know that our production for the past year has been negligible.

The lesson of the war demonstrated that, under necessity and with all possible insistence, our output of tungsten ore increased to a point where we were practically self-supporting for our normal requirement, but we should not overlook the fact that discoveries of new deposits have been made to an extent that assures a production beyond that we have so far attained. There seems to be no question but that the mines in the United States can produce annually not only the tungsten needed at present for our own use but any increases which may be required. We can no longer secure an adequate supply of tungsten ore by picking it up from the surface of the ground, but must mine for it by sinking shafts and driving drifts, which entail a large investment for any efficient plant. To properly develop a tungsten mine an outlay of at least $150,000 is required, and to this must be added a concentrating plant which, for a 200-ton capacity mill, will cost about $200,000.

Therefore in order to operate a large mining property it is necessary to make a heavy initial investment for development of the mine and the concentration of the ore, as the ore can not be shipped in the state in which it is mined. This is, of course, particularly true in the cases of deposits carrying a very small metallic content. Owners of mining properties are not justified in investing the sums of money necessary to develop and operate their properties, nor can they finance same, unless there is some assurance that they will have a stable market for their output; and the experience of the past 18 months, with all of our available mines closed down and no new deposits being looked for, demonstrates the necessity for a moderate measure of protection to enable this comparatively new industry to develop.

The refining plants which receive the ore from the mines in its concentrated form and transform it into the products such as ferrotungsten for use by the manufacturers of steel are now being closed down, because tungsten is being shipped in by foreign producers in the refined forms, and our manufacturers of high-speed tool steel are also seriously feeling the pressure of foreign competition, as they find their market falling away from them on account of the low prices being quoted by their foreign competitors.

The distribution of Asiatic tungsten has always been controlled by England and Japan, and during the recent war England placed an embargo on all forms of tungsten, which action had the effect of cutting off our supply of the refined product.

Since that embargo was removed, in the latter part of 1918, large quantities of Asiatic and Chilean ores were brought into the United States, and the price of tungsten fell from $25 per unit to $7.50 per unit.

The Ways and Means Committee of the House and the Finance Committee of the Senate have had exhaustive hearings, taking testimony from representatives of all branches of the tungsten industry. These witnesses have presented certified or sworn statements, which have been made a part of the record of the hearings held and show the production costs in the United States and in China, and upon this evidence the Finance Committee has worked out the rates of duty which are considered necessary to reestablish and develop the tungsten industry in the United States. The bill as it passed the House provided for a duty of $10 per unit on tungsten ore and a corresponding compensatory duty on the manufactured products of tungsten.

The Finance Committee has amended the bill, reducing the rate of duty to $9 per unit, and has reduced the compensatory duties of the manufactured products in like proportion.

The testimony referred to all goes to show that the tungsten industry can not be maintained in the United States at any lower rates of duty than provided in the bill as amended, and that, with these rates of duty, we are starting on a competitive basis with Asiatic ores.

The Finance Committee has proposed an amendment under which these rates of duty would only apply for a period of three years from the passage of this act, and it is believed that during this trial period the industry will so develop as to enable the mines to produce at lower costs than would prevail at present.

It is very important to this country in time of peace as well as in war time that the tungsten industry be made to supply adequately our needs, so that we may not be dependent upon other countries for our supply.

The production of tungsten has never been a stabilized industry in the United States, owing to price fluctuations, and for that reason it has been difficult to secure the capital necessary for development. It was only during the war period, when prices became high and the needs of our Government for this important metal in our munitions program became imperative, that capital could be induced to develop the industry. The duty provided in this bill will permit the resumption of mining in this country, will stabilize prices for the product, encourage the investment of capital for the development of tungsten mines, and within a short period the United States will be, so far as its supply of tungsten is concerned, industrially independent.

RESTRICTION ON FUNERAL DONATIONS.

Mr. DIAL. Mr. President, in addition to the troubles we have during our lifetime, I have read in the newspapers recently an item which indicates that our executors, administrators, heirs, and assigns are likely to have some trouble with our bodies after we are dead. The item to which I refer reads as follows:

URGE UNION-MADE COFFINS—SAN JOSE CARPENTERS PROPOSE TO AMEND BROTHERHOOD CONSTITUTION.

A proposal that members of carpenters' unions must be buried only in caskets bearing the union label was received at labor headquarters here yesterday. The proposal comes from Local Union 262, at San Jose, Calif., and is in the form of an amendment to the constitution of the United Brotherhood of Carpenters and Joiners of America. It reads:

"No members, legal heirs, or wife's legal heirs will be entitled to funeral donation unless the deceased is buried in a coffin or casket bearing the label of the United Brotherhood of Carpenters and Joiners of America."

Mr. President, I call this fanaticism run mad. It does seem to me that people's bodies should be allowed to rest in peace.

REGULATION OF COLD STORAGE.

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate on the bill (H. R. 9521) to prevent hoarding and deterioration of, and deception with respect to, cold-storage foods, to regulate shipments of coal-storage foods in interstate commerce, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. GRONNA. I move that the Senate insist upon its amendments and agree to the conference asked for by the House, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. GRONNA, Mr. NORRIS, and Mr. SMITH of South Carolina conferees on the part of the Senate.

The PRESIDING OFFICER. The morning business is closed.

THE MERCHANT MARINE.

Mr. JONES of Washington. I ask unanimous consent that the Senate proceed with the consideration of House bill 10378, the shipping bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the bill is before the Senate as in Committee of the Whole.

PAY OF POSTAL EMPLOYEES.

Mr. CALDER. Mr. President, before the Senate begins the consideration of the shipping bill, I wish to make a few observations on another subject.

The other day the Postmaster General called my attention to the fact that during the past 10 months the postal business in the city of New York increased 37 per cent over the business of last year, and that in the city of Chicago it increased over

50 per cent. This statement, and the fact that perhaps, like other Senators, I am receiving numerous resolutions passed by business organizations throughout the State of New York, and letters by the mail bag full, prompt me to call the attention of the Senate to a very serious condition affecting the Postal Service of the country.

With as much emphasis as possible I wish to direct the attention of the Senate to the alarming condition now confronting the Postal Service. Something must be done and done quickly if a complete breakdown is to be averted, if, in fact, such a condition is not now hard upon us. From every part of the country comes practically the same depressing story of delayed mails, unreliable, infrequent, and abandoned service, congestion of mails for varying periods in terminal and city post offices, and insufficient and inefficient help to man the service. All kinds of expedients are resorted to in an effort to keep the mails moving, but the older and experienced employees are slowly losing heart, and that fine spirit of enthusiasm which formerly gave the people such an efficient mail service has almost entirely vanished.

Complaint is general and it burdens every mail. The business people of the country are aroused over conditions in the Postal Service and they are insistently protesting and petitioning to Congress for relief. They want service and they are not getting it. They know that the business of the country must wait on the mails. A penurious postal policy under existing conditions is the most dangerous economy conceivable, because for every dollar now withheld in failing to provide proper postal facilities means a loss amounting to thousands of other dollars in delayed and dislocated business processes. Generally speaking, we agree that increased production is the most pressing need of the hour, yet it is an idle fancy to expect production to increase or business to go full speed ahead with a broken Postal Service. This is the prospect now facing the people unless appropriate steps are at once taken to restore the Postal Service to something of its former efficiency.

What is the matter with the Postal Service? What is responsible for existing conditions? Answering my own question, I will state that it requires high-grade employees to specialize in postal work, and to-day, with the post office offering less wages than paid ordinary labor, there are precious few employees of any kind that can be induced to enroll in the Postal Service. From 40 to 60 cents an hour holds out little attraction for high-grade men when on every hand 75 cents an hour and more is being paid unskilled labor. Moreover, it takes years to train expert postal workers. This indispensable class of employees are resigning by wholesale, and postal officials are now compelled to accept whatever labor they can recruit, most of whom leave the service long before being qualified to perform their work efficiently. In consequence, the service suffers in exact proportion to its dearth of competent help.

Demoralization in the Postal Service is not confined to any particular part of the country. Practically the same conditions prevail everywhere. The Postal Service was at one time regarded as an attractive field of employment. Now, under present conditions, it is being shunned. As a case in point, two civil-service examinations in the Brooklyn post office held April 10 and 24, 1920, brought out a total of 6 applicants for the position of city letter carrier and 36 for post-office clerks. A few years ago a similar examination would have attracted hundreds of applicants. On May 1 the Senator from Wisconsin [Mr. LENROOT] read to the Senate a protest from the business men of Milwaukee, Wis., calling attention to disquieting service conditions in that city. On March 29, 1920, the Senator from Ohio [Mr. POMERENE] submitted a detailed statement to the Senate showing the distressing service conditions prevailing in a number of Ohio cities, which he explained were due to the great exodus of competent men from the service and the impossibility of securing others in their stead on the basis of present postal salaries. Postal conditions in the State of Michigan are even more aggravated, according to reports coming from that section, and the Chamber of Commerce of Detroit has repeatedly protested against the wretched service accorded the patrons of the Detroit post office.

An inquiry covering the entire country would only give further proof of how sadly the service has suffered, and this condition, bad as it is, continues daily to grow worse. It is a serious situation.

It is the duty of Congress to give this subject their immediate attention. The people are entitled to an efficient Postal Service. The postal employees are entitled to a living wage. We can not have one without granting the other. The postal employees are not responsible for the 40 to 50 per cent wage reduction that they have suffered in the past few years, on account of the advancing prices, but that they have suffered such a reduction none will deny. Now, with no prospect of relief in sight, they are being forced out of the service because of more inviting inducements in civil industry and because of their inability to live upon their present salaries. The workers are the chief sufferers now; but if present conditions in the post office are permitted to continue, it will be the people and the service that will be the greatest losers in the end.

A great deal has been said in Congress during the present session regarding the inability of the Government to successfully compete with private industry in the matter of wages. This is a serious admission, and whether true or not the Government, at least, can not expect to operate a great business like the Postal Service without paying its employees not only a living wage, but one that will somewhat approach the prevailing wage standards in ordinary civil occupations. If the Government can not so manage its affairs as to do this, we may as well resign ourselves to an appalling breakdown in the Postal Service.

It is a sad commentary on the Government to see it laying down principles of employment to be scrupulously followed by employers in private industry and yet signally failing to observe these same principles itself. Through proclamation of the President on April 8, 1918, governmental approval was given to the principle of "the living wage" in the following declaration:

1. The right of all workers, including common labor, to a living wage is hereby declared.
2. In fixing wages, minimum rates of pay shall be established which will insure the subsistence of the worker and his family in health and reasonable comfort.

Postal employees are skilled and specialized in their particular calling. They are trained workers. In the light of the proclamation of the President, they, nevertheless, not only fail to receive a living wage according to all accepted standards, but their compensation in many instances has actually fallen far below the danger line of subsistence. Remaining in the Postal Service is with them no longer a matter of choice, but they are literally driven from its ranks by the force of economic pressure. It is this state of affairs, the low wage rate in the Postal Service and all the consequent evil that follows in its wake, that is responsible for the present demoralized service conditions. This is a situation that is bad for business, worse for the people, and utterly unjust to the employees. There is but one remedy that will fit the needs of the occasion, and that is to increase the salaries of postal employees at once, and in such measure as will attract and hold sufficient competent employees to properly man the service, and restore to such employees some part of the heavy wage reduction they have already suffered. This is the policy that should be followed. An increase in postal salaries should be granted at once. It will be false economy to do otherwise.

Mr. President, in view of the fact that there is every prospect that the express service of the country is on the eve of breaking down and July 1 confronts us, unless something is done to bring about a more contented condition on the part of the men engaged in the service, my own judgment is that the Nation will be in sad distress in this important branch of our Government in the very near future.

Mr. PHIPPS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Colorado?

Mr. CALDER. I yield.

Mr. PHIPPS. I would like to call the Senator's attention to the remarks of the senior Senator from Michigan [Mr. TOWNSEND], the chairman of the Committee on Post Offices and Post Roads, which he will find in the RECORD of the proceedings of last Monday a week. In that statement the Senator from Michigan explained that the Postal Salaries Commission have concluded their hearings, which were most extended, held in various leading cities of the country; that they have had the assistance of an advisory committee in collecting the information and in making findings based upon the information; and that the commission are holding sessions daily, working on schedules which they propose to recommend as the new basis for salaries.

It is well known by the employees of the Postal Service that it would not be possible for any further increases which may be granted them in salaries to take effect earlier than July 1 next, and it is the disposition of the commission to recommend, in the event Congress is unable to decide before July 1 on what advances, if any, shall be granted, that when granted they will date from July 1.

The fact is apparent that there has been a widespread propaganda, evidently put forward by some people who are opposed to the operations of the postal department, and for other reasons,

stirring feeling among the communities, particularly in the large cities. One proof of this propaganda lies in the fact that the letters the members of the Postal Commission are receiving are almost identical in form, and that the publications given out by the various newspapers are along the same general lines, and in many cases are printed word for word in the different newspapers and periodicals of the United States. The fact remains that the commission have been exerting their best efforts to reach conclusions and make recommendations to Congress covering an increase of salaries, and that the recommendations to the Congress will be that July 1 shall be the date for such increases in salaries recommended by the commission.

Mr. CALDER. Mr. President, I want to thank the Senator from Colorado for the information contained in his statement. I know that the Postal Salaries Commission are working diligently, but I felt, representing as I do the great State of New York, in part, on this floor, that I ought to add my word to what has been said on the subject. In the city of New York and other great cities of that State the condition of the Postal Service, because of the lack of competent men, brought about by the fact that there have been a great number of resignations and the inability of the department to fill their places with other competent men, has made the situation very serious indeed.

The Senator from Colorado speaks of propaganda. Unquestionably there is propaganda. I am receiving an average of 500 letters a day on the subject. But, Mr. President, these letters do not come from men who are easily influenced by the request of some one interested. They are from the great business organizations of the State, including the Merchants' Association of New York, the board of trade of all the leading cities of my State, all joining in the request that these postal employees shall be properly compensated.

A business man must meet competition in his undertakings, and also in the employment of labor. Everyone knows that the farmer and the manufacturer must pay their men in accordance with the prevailing rate. That is not the case with the Government, and particularly with regard to the Postal Service.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Tennessee?

Mr. CALDER. I yield.

Mr. McKELLAR. In addition to what the Senator from Colorado [Mr. PHIPPS] has well said on the subject, I might add that the Postal Salaries Commission has virtually completed its work. It has tentatively agreed on a revision of the pay schedule of the Post Office Department. I see no reason why that report can not be gotten out and made to the Senate by the end of the week, and I believe that there will be no dissent upon the part of any Senator.

As the Senator knows, that commission is composed of five Republicans and five Democrats—five Members of the House and five Members of the Senate. Apparently there will be no material disagreement among them. I see no reason why its report can not be put immediately into effect. I believe the report will commend itself to the Senate and the House, and I see no reason why it can not be enacted into law at the present session, before recess or adjournment, and I think that ought to be done. I think it is one of those matters which ought to be disposed of now, and I want to say for the Democratic side of the Senate that we members of the commission and those who are not members of the commission will help in every way we can in enacting this legislation into law before the recess.

If the Senator from New York [Mr. CALDER], with his accustomed activity and his great interest in everything that pertains to the welfare of his State and the country, will get busy with those who are in charge of legislation on the other side of the Chamber I have no doubt that this very worthy measure as reported out by the commission will be enacted into law before we adjourn. There is no reason in the world why it can not be done. I think the report of the commission will meet the approval of the postal employees and of the country.

Mr. CALDER. Mr. President, I thank the Senator for his illumination of the subject. I know that the Senator from Tennessee and the Senator from Colorado have worked diligently on this subject; I know they realize how important it is; and I hope they are correct in their statement that the matter will be disposed of so that the increases may take effect the 1st of July. I shall join them and do everything in my power in that direction.

Mr. McLEAN. Mr. President, I merely want to inquire of the Senator from Tennessee [Mr. McKELLAR] or the Senator from Colorado [Mr. PHIPPS] if this commission expects to present a bill covering this subject?

Mr. PHIPPS. That is the intention of the commission. Perhaps I am a little more conservative than my colaborer on the commission, the Senator from Tennessee [Mr. McKELLAR], in his statement that it may be possible to report out a measure this week. I think he is perhaps a little optimistic, but it is the desire and the hope of the commission, and they are working to that end, that a bill may be reported so that it may receive consideration before a recess is taken.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

The PRESIDING OFFICER. The pending question is on the amendment of the Senator from Wisconsin [Mr. LENROOT] to the amendment of the committee. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. On page 25, where the committee proposes to insert a new section, section 25, the Senator from Wisconsin moves to strike out the first paragraph, with the exception of the numerals designating the section, in the following words:

That the owner of a vessel documented under the laws of the United States and operated in foreign trade shall, for each of the 10 taxable years while so operated, beginning with the first taxable year ending after the enactment of this act, be allowed as a deduction for the purpose of ascertaining his net income subject to the war-profits and excess-profits taxes imposed by Title III of the revenue act of 1918 an amount equivalent to the net earnings of such vessel during such taxable year, determined in accordance with rules and regulations to be made by the board: *Provided*, That such owner shall not be entitled to such deduction unless during such taxable year he invested, or set aside under rules and regulations to be made by the board in a trust fund for investment, in the building in shipyards in the United States of new vessels of a type and kind approved by the board, an amount, to be determined by the Secretary of the Treasury and certified by him to the board, equivalent to the war-profits and excess-profits taxes that would have been payable by such owner on account of the net earnings of such vessels but for the deduction allowed under the provisions of this section, or unless such owner, with the approval of the board (to be given only if because of the smallness of the amount involved the board deems it best for the interests of the United States), applies such amount on any mortgage indebtedness due to the United States for the purchase of ships.

Mr. JONES of Washington. Mr. President, I desire to notice just for a moment some of the suggestions made by the Senator from Wisconsin [Mr. LENROOT] with reference to the first paragraph of the section which is now under consideration.

The Senator from Wisconsin informed me yesterday afternoon that he had made all the address he desired to make on this particular amendment and that he would be to-day in a very important committee meeting. He will probably want to be here when we come to a vote, but he asked me to go on with the bill yesterday afternoon so that he could conclude his remarks upon it. So I do not think that it is necessary to send for him, because it would take him out of the committee meeting, and I think he would prefer not to have that done.

The Senator from Wisconsin suggested that this would work a discrimination against the coastwise shipping. As I suggested last evening, the coastwise shipping has a monopoly now. I do not think there could be any greater discrimination than they have against all other shipping. In fact, I do not think it would be any discrimination against them at all, because, as I said, they have a monopoly already.

Furthermore, this applies to the ships engaged in foreign trade. Those ships are not usually suitable for the coastwise trade. Of course, those in the coastwise trade between points like New York and New Orleans, or New York and Galveston, would be suitable for the ocean trade, but as a general rule what we ordinarily term coastwise ships are not suitable for that trade, and those engaged in the ocean trade are not suitable for the coastwise trade.

The Senator suggested that this provision is unscientific. I do not know but that we are prone to use too much science in the getting at matters of this kind. It may be unscientific, but I think it would be effective. However, one thing is certain. These shipowners would not be exempt from the excess-profits taxes unless they put those excess-profits taxes into new ships. It is the purpose of the section to get new ships built. If new ships are not built, then their excess-profits would go into the Treasury of the United States.

That, Mr. President, is a little bit different from the subsidy proposition that we have had presented for many years. One of the great objections I have had to those bills was that they were not so framed as to insure the building of new ships, even though we paid a subsidy. The subsidy might go to ships

already built, and it would be in such case a pure gift to the operator of the ships. What I have always insisted upon in matters of this kind, in trying to aid American shipping, is to do something that would give us new ships. That is what we want.

The Senator from Wisconsin made what was to me a very strange suggestion, and that was that we should take this money and put it into a fund to build ships for persons who did not get large excess-profits taxes. In other words, he seemed to desire a sort of penalization on business capacity, on business success, and business energy. I can not look at it in that way.

With reference to the provision regarding depreciation, the purpose is to place our ships, in the matter of operating capital, as nearly as possible upon a par with foreign competitors. I do not think we ought to look so much at what might be done under the power given the commission, as at what a commission, constituted as this commission would be composed, is likely to do. It is composed of the Secretary of the Treasury, the Secretary of Commerce, and the chairman of the Shipping Board, men not only of high personal standing and ability but men occupying high and responsible positions. In my judgment their sole purpose would be to do exactly what the provision of law indicates that we want done, and that is not to give our people an undue advantage, not to write off all the capital cost of the ship, but to so allow depreciation each year as to put them upon a parity with their competitors.

That is all that is desired, that is all that is sought, and that is all that is indicated in these paragraphs of the section; and, in my judgment, is all that the commission would do. The testimony shows that while our Treasury Department allows 3 per cent depreciation per annum, the general rule in allowing depreciation on ships is 5, 6, 7, 8, or 10 per cent per annum. The Shipping Board has adopted a rule with reference to the sale of Government ships allowing 10 per cent depreciation one year, 9 per cent the next year, then 8 per cent, and 7 per cent, and so on. This is left to the discretion of the board, so that they can meet the practices of other countries. If we were to fix a definite amount, say 10 per cent or 9 per cent a year, then all the other countries would have to do to put their ships above our ships or give them an advantage over our ships would be to allow a depreciation of 12 or 15 per cent.

It was suggested on yesterday that we ought not to offer this inducement to build ships; that it would be a precedent for similar legislation in other lines of industry and work. I think the Senator from Idaho [Mr. NUGENT] rather suggested an idea like that. In the way I look at it, I can not see very much difference from what we do with reference to agriculture every year. We have already this year passed a bill calling for some thirty-odd million dollars for agriculture—to do what? To aid agriculture; to aid the different activities in agricultural lines. I am heartily in favor of action along that line, and the Senator from Idaho is no doubt in favor of action along that line.

But what is this? Shipping, so far as we are concerned, is a new industry in this country. It is just in the beginning of its development. We have a great many ships built, of course, now, but they were built by the Government and with the money of the Government. What we are seeking to do is to maintain that shipping in a prosperous condition and, if possible, under the American flag, and to put such conditions about it as will lead to its further development and its maintenance. Everyone wants that. The sole purpose of this provision is to aid in that, just as we desire to aid agricultural pursuits and the agricultural industry. In my judgment, the people of the country are just as heartily in favor of legislation of that kind at this time as they are with reference to the encouragement of agriculture. The people of the country do want an American merchant marine. They want it to be composed of the very best kind of ships. They are willing to have us do now whatever is necessary to accomplish that purpose. The committee looked at it in that way, and there was practically no division of sentiment as to our desire and our purpose to do whatever might be necessary to build up an American merchant marine.

I will say that the proposition did not strike me favorably at first. I did not like the idea of exempting any particular line from the payment of excess-profits taxes, but the more I studied the proposition, the more I considered the situation that confronts us, the more I was impressed with the great objects that we want to accomplish, and the more I became favorably inclined toward this as one of the ways, as one of the means, as one of the aids to bring about the great thing that we all desire.

For these reasons in general I am in favor of this section. I am not going to take further time, but have simply stated these general propositions.

Mr. NUGENT. Mr. President, I desire to move an amendment to the amendment proposed by the Senator from Wisconsin [Mr. LENROOT]. I move that all of section 25, the committee amendment, be stricken out.

Mr. JONES of Washington. I doubt if an amendment of that kind would be in order. Of course, if the amendment of the Senator from Wisconsin should be agreed to, then the Senator from Idaho could move to strike out the remainder of the section.

Mr. NUGENT. I apprehend a vote can be taken on my motion, and if my motion fails, a vote can then be taken on the amendment of the Senator from Wisconsin.

The PRESIDING OFFICER. The Chair is of the opinion that the motion of the Senator from Idaho is not in order.

Mr. NUGENT. Then I desire to discuss the proposition briefly.

Mr. KING. A parliamentary inquiry. Is the ruling of the Chair based on the theory that the proposed amendment is in the third degree removed?

The PRESIDING OFFICER. That is one reason.

Mr. KING. The reason I suggest, and to which the Chair assents, is, it seems to me, scarcely tenable. We are considering the section as an amendment to the original bill. I do not, therefore, understand that the amendment offered by the Senator from Idaho is in the third degree removed.

Mr. THOMAS. The entire section as reported from the committee is an amendment, and, consequently, it is an amendment in the third degree.

The PRESIDING OFFICER. The Chair thinks the Senator from Wisconsin has a right to perfect the amendment, and the amendment offered by the Senator from Idaho would not be in order on that account. The Chair thinks, also, that on the other ground stated the amendment would not be in order.

Mr. NUGENT. Mr. President, I am in entire harmony with the views expressed by the Senator from Wisconsin [Mr. LENROOT] on yesterday in support of his amendment. The first paragraph of section 25 of the committee amendment provides that the owner of a vessel documented under the laws of the United States and operated in foreign trade shall be exempt from the operation of the laws imposing excess-profits and war-profits taxes.

I am utterly unable to understand why that discrimination should be made in favor of the owners of the vessels engaged in foreign trade and against the owners of vessels engaged in coastwise trade. It appears to me that the services performed by the men who are engaged in the foreign trade and in the coastwise trade are of equal value so far as the well-being of the country is concerned. It appears to me also that this is a gross discrimination in favor of the man engaged in foreign trade, and that the committee amendment so providing should not be agreed to.

I am opposed to the first paragraph of section 25 for another reason. It exempts the owners of ships engaged in foreign trade from the payment of excess and war profits taxes provided they invest the amount that they would be obliged to pay under the laws imposing the taxes mentioned in the construction of new ships. It appears to me that there is no reason for that discrimination, which is solely in favor of the shipowners. No such exemption is provided by law for men in this country who are engaged in any other business or occupation or calling.

I know of no reason why the shipowners should be the beneficiaries of this legislation as against all other classes of our citizens. Under this provision the profits of the shipowners are capitalized. That is about all there is to it. In other words, in very large measure this paragraph of section 25 provides for that which the people of the country generally are bitterly denouncing—that is, the stock-dividend proposition—and every man knows that the people of the country are bitterly resentful against the payment of these stock dividends, which relieve the men who are the recipients of them from the operation of the income-tax law.

It is contended in support of this amendment that it is a matter of vital necessity that new ships be constructed. I am in accord with that view, but there is no reason that I am aware of, no valid reason, why all men who construct new ships should be shown discrimination and relieved from the payment of taxes that all other people in the country are obliged to pay. I am utterly opposed to the adoption of the first paragraph of section 25 of the committee amendment for the reasons stated.

LEAGUE OF NATIONS.

Mr. McKELLAR. Mr. President, I desire to call the attention of the Senate and of the country to an article by Raymond B. Fosdick, published in the New York World of May 16, and reading as follows:

LEAGUE OF NATIONS BUSY UPON MATTERS VITAL TO WORLD PEACE PROGRESS—BACKED BY NEARLY EVERY STATE IN EUROPE, ASIA, AND AFRICA, ALL OF SOUTH AMERICA AND CANADA, IT HAS BEEN A GOING CONCERN FOUR MONTHS, ACTIVELY FUNCTIONING, ALTHOUGH IDEA SEEMS TO PREVAIL HERE THAT IT DOES NOT EXIST.

(By Raymond B. Fosdick, former undersecretary general of the League of Nations.)

Most people around the country seem to think that the League of Nations has not yet been born. These speak of it as a theory, an academic proposition, and seem to assume that until the United States adheres to the compact there is no league of nations. Color is given to this belief by the statement of such men as Senators JOHNSON and BORAH, who are stalking up and down the country arguing the advisability of "killing" the league.

Nothing could be further from the facts than this impression. The League of Nations has been born and is a going concern. It is no longer a fancy, a project, or a plan. At this moment it actually exists, is actively functioning and is supported by nearly every nation in the world.

It includes Asia and Africa as well as Europe—the Western Hemisphere as well as the Eastern Hemisphere. It has drawn to itself Canada to the north of us and all of South America on our southern boundary. Outside of Russia and the Central Empires of Europe, Roumania and Jugo-Slavia are the only important countries that have not yet come in, and their accession is now merely a matter of weeks. China's accession is included in the Austrian treaty, which will shortly be signed.

The League of Nations came officially into being on January 10, 1920. This date is vitally important, and it must always be borne in mind in any discussion of the league. Obviously it would not be reasonable to expect the league to begin to function immediately as a fully developed organization. A certain space of time must be allowed to secure personnel, make and approve plans and set the machinery in operation.

What, then, has the league done to date? It has now been in existence for four months. What has it to show in the way of positive results? Has it really done anything at all?

The following statement, based on the latest available information, is an attempt to answer these questions. It is prepared without flourish or adornment, in tabloid form, simply setting forth the facts as regards the present state of the league:

29 STATES ARE MEMBERS NOW; FOUR HAVE ASKED ADMISSION.

Membership as of March 20, 1920: The following 16 States are members as having signed and ratified the treaty of Versailles: Belgium, Bolivia, Brazil, British Empire—Canada, Australia, South Africa, New Zealand, India; Czechoslovakia, France Guatemala, Italy, Japan, Liberia, Panama, Peru, Poland, Siam, Uruguay, Greece.

All of the 13 States, neutral in the war, which were invited to join the league, had done so, namely: Argentina, Chile, Colombia, Denmark, Netherlands, Norway, Venezuela, Paraguay, Persia, Salvador, Spain, Sweden, Switzerland.

The following 10 States have signed, but not yet ratified the treaty of Versailles (Mar. 20): United States, Cuba, Ecuador, Haiti, Serbo-Croat-Slovene State, Hejaz, Honduras, Nicaragua, Portugal, Roumania.

I stop here long enough to say that in spite of all the statements of the opponents of the league for the past 15 or 18 months that the United States might be associated with Haiti and Hejaz, we find that three of the most prominent countries now outside of the league are the United States, Haiti, and Hejaz. I continue to read:

China abstained from signing the treaty of Versailles, but will join the league by ratifying the Austrian.

This is a remarkable statement in view of the fact that we have been asked not to ratify the league because it injured China. I continue to read——

Mr. McCORMICK. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Illinois?

Mr. McKELLAR. I will yield in a moment, as soon as I complete the reading of the article:

The following four States, not mentioned in the covenant, have asked to be admitted to the league: San Marino, Luxemburg, Iceland, and Georgia.

FOUR COUNCIL MEETINGS.

The council: A small executive body of nine men representing the five great and four small powers and serving as a readily available conference ground of the nations has held four important meetings. In every instance so far the unanimity which is essential before any recommendation can be made to the powers has been attained. The meetings were:

January 16, at Paris: Organized the council and appointed the Saar Basin frontier commission.

February 11, at London: Accepted Switzerland's accession to the league, adopted the rules of procedure of the council, appointed the Saar Basin governing commission and the high commissioner for Danzig, accepted the obligation offered in the Polish treaty for the protection of minorities, approved plans for the organization of the permanent court of international justice, for freedom of communication and transit, and for the international health office, and summoned the international financial conference.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Idaho?

Mr. McKELLAR. I shall be delighted to yield as soon as I have finished the reading of the article. I am nearly through.

March 13, at Paris: Approved plans for sending a league commission of inquiry into Russia and took the first steps for the prevention of typhus in Poland.

April 9, at Paris: Answered the request of the supreme council that the league take a mandate for Armenia with the statement that it would assume a general oversight, but did not have the necessary force to administer the territory directly.

NEXT MEETING'S BUSINESS.

The next meeting is scheduled for Rome on May 17, to approve plans already drawn for the accession of new States; the convening of the assembly; the permanent secretariat; the budget of the league, including its apportionment among the members, its audit, and the monetary unit in which it shall be collected; the constitution of the permanent armaments commission; the appointment of an international statistics commission; the report on freedom of communications and transit; the repatriation of ex-enemy prisoners in Siberia; reports on Central European relief and typhus in Poland; the Washington labor conference; and the registration and publication of all new treaties between league members.

The assembly: A meeting of three representatives of all members of the league, competent to discuss any matter affecting world peace, and the final repository of moral authority in international relations will be held some time in 1920, the date to be announced within a short time. Already the agenda is being made ready.

The secretariat: A permanent trained international staff chosen for special knowledge rather than for nationality and intrusted with gathering information, preparing plans, and carrying out recommendations has been organizing during the past year and now has a staff of about 100 men. It is located temporarily in London pending the establishment of the league at its permanent seat, and it is divided into sections corresponding with its work, as follows:

Legal, mandates, international health, transit, international bureaus, political, administrative commission, economic, public information, and financial.

LONG-SOUGHT HIGH COURTS.

The permanent court of international justice: In a sense the long striven for world supreme court for the peaceful settlement of international disputes was given its start, fittingly enough, as the first important business of the league, when at the council meeting of February 11 an organizing committee of 12 of the most famous jurists in the world was appointed, namely, Elihu Root, of the United States; Akidzuki, of Japan; Altamira, of Spain; Devilaqua, of Brazil; Descamps, of Belgium; Drago, of the Argentine; Fadda, of Italy; Fromageot, of France; Fram, of Norway; Loder, of Holland; Phillimore, of Great Britain; and Vesnitch, of Jugo-Slavia. Pending their convening, a special committee of experts has brought together all the pertinent data and prepared a general scheme, so that it is hoped the final plans may be ready within a few months to present to the assembly.

The International Labor Conference held its first session in Washington in October, 1919, and approved six draft conventions for the 8-hour day and the 48-hour week; the protection of women in industry by forbidding night work, and allowing mothers six weeks off with full aid both before and after childbirth; for the protection of children in industry by accepting 14 years as the minimum age of employment and forbidding night work for those under 18; and for the restriction of unemployment by dissemination of information and the establishment of unemployment offices and insurance. Besides this are six recommendations seeking to make industry less dangerous to health and employment less precarious. All these decisions are purely recommendations to the various nations, without any authority except their own moral justice and binding only when written into law by each nation's voluntary acceptance.

The international labor office is now pretty fully organized, with Albert Thomas, of France, as director general and a governing body of 24 representatives of Government, labor, and capital in the most important industrial States. It has held several meetings, begun assembly and publication of world labor data, and called another international conference to meet in Genoa in June on the subject of seamen's labor.

International health office, to bring together in common association the various national and semiofficial agencies seeking to improve health, prevent disease, and mitigate suffering throughout the world, is being organized now in London in conferences between representatives of the league, the Red Cross, the office internationale d'hygiene publique, and others.

Disarmament: The permanent commission called for in the covenant to draw up recommendations for the reduction of armaments, for the interchange of information on armaments, and for the removal of private profit in armament manufacture is to be constituted at the next council meeting. The small States especially are insistent on this subject.

FREEDOM OF TRANSIT.

Freedom of communications and transit: A permanent commission has been set up to carry out the special duties prescribed in the peace treaties to assure freedom of transit, especially for the new States, on certain most vital rivers which have been internationalized—namely, the Rhine, Danube, Elbe, Niemen, and Oder—and on certain railroads connecting different States. A world conference is soon to be called in order to work out plans for the greatest possible sharing in the great highways of nature and for the prevention of embittering discriminations between States.

Minorities: The league has definitely accepted the responsibility offered it in the special treaty with Poland to assure protection to racial, religious, and linguistic minorities in that country, and will shortly accept similar responsibilities in treaties with Czechoslovakia, Roumania, and Jugo-Slavia. Already certain infractions of these treaties are being threatened, with the result that data is being collected in case action is needed.

SAAR VALLEY AND DANZIG.

Mandates: With 13,000,000 natives of the former German colonies and possibly large blocks of the former Turkish Empire placed under the guaranty of the league, the special treaties defining the terms under which these territories are to be administered by more advanced nations have been drawn up and are ready for approval. Also the permanent mandates commission, which is to receive the annual reports of States accepting mandates, and see to it that the terms are carried out, is outlined ready for appointment.

The Saar Valley: A vitally important coal district with 650,000 people is now being administered directly by a governing commission appointed by the league. This commission was appointed by the council February 13, consisting of Rault, of France; Alfred von Boch, of

Sarrelouis; Maj. Lambert, of Belgium; Count de Moltke Hyitfeldt, of Denmark; and Waugh, of Canada. It assumed its duties February 26, with a proclamation to the people notifying them of their administration by the league, and will continue in office until the plebiscite 15 years hence decides the permanent fate of the district.

Danzig: A vitally important seaport, German in character, but essential to Poland as an outlet to the sea, has been created by the treaty of Versailles as a free city under the protection of the league. It is being administered by Sir Reginald Tower as high commissioner on behalf of the league. He has drawn up plans for a constituent assembly, called an election for this month, and laid plans for a permanent constitution.

The international financial conference called by the council meeting of February 11 will be held in Brussels in May. The invitations, together with a detailed questionnaire as to taxes, budgets, debts, export figures, and the like, went out some time ago to all Governments, and it is expected that information and recommendations of the most important character will result.

The commission of inquiry on Russia authorized at the February council meeting has been appointed, but there is some uncertainty as to its reception by the Soviet directors.

The official journal began publication in February with an issue containing the covenant, the minutes of the first council meeting, the documents of accession of five neutrals, a report on the international labor conference. A special edition is being arranged for treaty publication.

The budget of the league has been drawn up, providing $600,000 for the organization period through March 30, 1920, and about $2,500,000 for the first fiscal year, a negligible sum when divided among the nations of the world. Already over half the money called for has been paid in, so that the league has an excess of funds. Canada, for instance, has contributed $64,000 as her share. At the present rate of expenditure the league can run for five years on what it would cost to build a single modern battleship.

Mr. President, I have read this splendid article, giving an exact account of just what the League of Nations has done up to date, for the information of the people of this country. It does seem to me that there has been so much misinformation given about the matter that the facts ought to be stated, and they are very clearly and succinctly stated in this article; and that is the reason why I read it.

While I am on my feet I may say further that the pertinent, strong fact shown here is that all the other great nations of the earth are taking part in this League of Nations, and they are taking part in world affairs, while the United States is sitting back and losing its place, its first place, among the nations of the earth. We are being relegated to the rear, while the other nations move forward in this time of great upheaval in the world. What we ought to have done was to ratify this treaty and take our place at the head of the table, instead of sitting back with Hejaz and Haiti.

Mr. BORAH. Mr. President, I am entirely familiar with the articles which have been written by the gentleman from whom the Senator from Tennessee has been reading. He has been busy in that work ever since he retired as assistant secretary of the league. But I get some comfort out of the supposed discomfiture of his article by reading this morning that the State of Georgia differs from Mr. Fosdick. Nothing Mr. Fosdick can say will disturb me while such news as that from Georgia is coming in. The Senator from Tennessee should have read this article yesterday before the convention in the State of Georgia met and repudiated the league. Perhaps it might have had some effect in that part of the country.

Mr. McKELLAR. Mr. President, let the Senator not shout before he gets out of the woods. I will guarantee that Georgia next November will stand by the league, and the Senator knows it.

Mr. BORAH. It is perfectly safe to make a prophecy six months ahead; but I am discussing now a fact, a thing which is in existence this morning. It is probable that the State of Georgia will go Democratic, and in that way I presume the Senator will get comfort out of the fulfillment of his prophecy. But I venture to say the men who represent it will carry some definite and ample instructions. The South has been right on this matter from the beginning.

Mr. McKELLAR. Yes, sir; because, after all, it is the votes that count at the election.

Mr. BORAH. Yes; but I venture to say now that the San Francisco convention will not indorse the position of Mr. Fosdick.

Mr. McKELLAR. The Senator is talking about something in the future about which I can not say, but I believe it will. It is just a matter of opinion as to whether the Senator is a better judge of what the Democratic Party is going to declare for at San Francisco or whether I am. I do not claim to be a prophet; I do not know what it is going to declare for; but if I happen to be a member of that convention, I know exactly where I shall stand.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Colorado?

Mr. BORAH. I yield to the Senator from Colorado.

Mr. THOMAS. During the discussion of this important subject it was not only contended but iterated and reiterated that the United States was an indispensable member of the league; that they could not get along without the United States. From what the Senator has read from the facile pen of Mr. Fosdick, it would seem as though the league was functioning splendidly. Under the circumstances, I will ask the Senator whether it does not prove that the league can get along so well without us that there is no need of further considering our entry into it or our remaining out of it?

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. BORAH. I yield.

Mr. McKELLAR. All I can say in reply to that is that I think the league is getting along well, just as Mr. Fosdick says. I think it will get along better with a great nation like the United States taking part in it; and I know the United States will get along better, will be more prosperous, will have a better and a more permanent place in the world, by taking her proper place, which is at the head of this league.

Mr. THOMAS. Mr. President——

Mr. BORAH. I yield.

Mr. THOMAS. I have no doubt that the Treasury of the United States offers a great temptation to the rest of the world, which has been so anxious to organize this league; and I have no doubt that if the United States did identify itself with the league, the financial accession to the scheme would be so tremendous in its character and proportions as to make us the most welcome of all the guests sitting around the international table.

Mr. BORAH. Mr. President, as a matter of fact, this theoretical league about which Mr. Fosdick is writing has not exercised any influence at all upon the European situation. It has been supplanted, and its powers practically nullified, by another organization which has taken place, known as the supreme council, and which is the only organization in Europe that is functioning effectively.

There is before me an editorial which states this matter in as effective a way, I think, as it can be stated, and states it so briefly that I will read a paragraph from it.

On the same day that the council of the League of Nations was formally inaugurated at Paris another governing authority, having its seat in the same city, namely, the supreme council, took effective steps to render null and void article 11 and article 17 of the covenant and inferentially articles 12 to 16 as well by announcing a material modification of the partial blockade which has been maintained against soviet Russia.

Is Russia at war with anybody? If the answer is in the affirmative, as it must be, then, under article 11, the situation is a matter of concern to the whole league, calling for wise and effectual action to safeguard the peace of nations. Is Russia, which is not a member of the league, at war with Poland and Roumania, which are members? If the answer is in the affirmative, as again it must be, then, under articles 12 to 15, Russia should be summoned to the bar of the league for arbitral proceedings, and in the event of her refusal to accept such adjudication an automatic boycott should, under articles 16 and 17, be declared against her.

Instead of a boycott, automatic or other, or any intimation of one, we have the raising of the blockade.

By the council instead of the league.

Could anything be more contradictory or absurd? Evidently the council of the league is content to play second fiddle to the supreme council. The supplies which, owing to the policy devised, fertilized, and hatched out by Lloyd-George, will now go to Russia will strengthen its present rulers in their war against Poland and Roumania and enable them, if they are so minded, to undertake fresh aggressions elsewhere.

The whole proceedings show the powerlessness of the league to prevent threatened wars or to bring existing wars to an end. And this is the body, ideally conceived, which was to bring as if by magic peace to a war-worn world. This is the body to the Constitution of which the greatest and most independent Nation on earth was to give its adhesion without the dotting of an "i" or the crossing of a "t." A little more of such experience, and it will no longer be a question of accepting it, even with reservations. It will be a question of rejecting it in toto, of repudiating it, of refusing to have anything whatever to do with it.

It is better that enlightenment should come now than when it is too late.

Mr. McKELLAR. From what does the Senator read?

Mr. BORAH. I think that is from the New York Sun, but I have not the date and I am not sure of the paper.

I did not take the floor, however, to give any considerable attention to the article of Mr. Fosdick. I would much rather hear a speech from the Senator from Tennessee. I call attention, however, to the fact that there are a great many internal conditions in Europe about which the people of the United States ought to be informed in connection with this very subject matter which the Senator from Tennessee has been discussing.

The great moving power behind the league from the beginning has been international finance; and, as the Senator from Colorado has just stated, if it were not for the great material resources and the Treasury of the United States, all interest upon the part of Europe in having the United States join the league would cease. The entire campaign now is conducted not for the purpose of having the United States join the league with a

view of preventing war, because no one any longer believes that this League of Nations, based upon military force and organized for the purpose of holding in subjection hundreds of millions of people, is going to prevent war. It is a thoroughly war-organized machine, and the reason why they are interested in having us join the league at this time is not the ideal reason once promulgated, that it would prevent war, but because the Treasury of the United States and the taxpayers of the United States are essential to the prosecution of war in Europe and to the maintenance of the imperialistic schemes of European nations. That is the power which is now behind the League of Nations, and it is the only power left that has any virility or any capacity to secure results, and that power will be the same if we enter the league, whether we have reservations or whether we do not. There is not a reservation adopted nor has a reservation ever been proposed that has the slightest effect upon the power of international finance to control the league in the interests of their scheme in case we should once enter the league.

I read a few days ago in the New York Sun the following:

PARIS, *May 19.*

That French efforts still are as persistent as ever in trying to obtain American cooperation in any scheme to improve foreign-exchange conditions is shown by the wide attention being given by French newspapers to a plan proposed by Henry French Hollis, formerly United States Senator from New Hampshire, and Mr. Evian, an engineer of Chicago, who is now engaged in port reconstruction in Havre.

Paul Hossier, a member of the Chamber of Deputies, devotes half of the front page of his journal, the Premier Nouvelle, to a discussion of the Hollis scheme, which is put forward with the contention that it will certainly effect the desired results. As usual, an American consortium is essential to its success, and leading American industries and financiers are expected to provide the working capital of $4,000,000,000, or about 64,000,000,000 francs, according to the present rate of exchange.

Half, or perhaps three-fourths, of this capital is to be used to purchase raw materials and industrial and agricultural machinery, which is to be disposed of to French industrialists and farmers at an exchange rate of 8 francs to the dollar. The novelty of the scheme lies in the fact that the remaining capital is to be used for the purchase of francs in the open market for the benefit of the consortium, as Hollis believes that speculation on such a large scale would immediately throw the exchange rate down to 10 francs to a dollar.

WOULD NOT BUY OUTRIGHT.

Again, the French would not be expected to buy the machinery outright, merely paying a tax for its use, this to be applied toward the amortization of the initial outlays by the American groups.

Mr. President, I call attention now to an article over the signature of Robert Dell, formerly a correspondent of the Manchester Guardian, upon the nature of the situation not only in France but, as could be shown, in Europe generally that we are expected to deal with by entering into closer relations with those nations through the League of Nations.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. McKELLAR. The Senator speaks of the financial difficulties, especially with regard to exchange rates. Does not the Senator believe that if, by adjustment and arrangement, the rates of exchange could be bettered—if I may use that word—so that we could sell our goods to Europe more readily it would be advantageous to the people of America?

Mr. BORAH. Yes; but it is not necessary to sell the independence of the United States in order to get a lower exchange.

Mr. McKELLAR. No one believes that, I am sure. We do not want to sell the independence of the United States at all. No one is proposing to do it; it can not be done.

Mr. BORAH. Of course it can not be done; that is now quite evident.

Mr. McKELLAR. But that is no reason why we can not correct what is manifestly wrong now, and that is that the financial situation between the countries of Europe and this country is such that we can not sell our goods to European countries.

Mr. BORAH. Mr. President, I am thoroughly in favor of restoring the commercial and business relations between this country and every European nation. I am thoroughly in favor of invoking the ordinary economic rules and industrial conditions which produce beneficial effects. I am simply opposing what some require as a prerequisite to our doing that, that we surrender a portion of the independence and the sovereignty of this Government to the domination and control of a foreign tribunal.

Now I read. This is an article dealing with the financial and industrial conditions in France.

But it has been aggravated—

This condition has—

by the insane financial policy of every successive Government since the beginning of the war. On the one hand the national expenditure has risen steadily every year since August, 1914; on the other hand no effort has been made to increase the national revenue in the same or anything like the same proportion. The only method by which enormous sums of money can possibly be raised is the method that has been adopted in England, in America, and in Italy—that of imposing a heavy income tax, especially on large incomes. To this the wealthy classes in France have obstinately refused to consent, and, as no Government is more completely under the control of the capitalist classes than that of France, no Government has dared to defy them. There is now an income tax, but its rate is absurdly low; it is neither properly enforced nor properly collected, and it yielded last year only about 250,000,000 francs, whereas the income tax in Great Britain yielded £359,000,000. In the same way the excess-profits tax, which yielded in Great Britain last year £290,000,000, produced a trivial sum in France, because people were allowed to evade it as they evade the income tax. It has to be said that had a French Government called on the rich to pay during the war they would immediately have demanded peace at any price. It was possible to continue the war only by humoring every class of the population. Even indirect taxation was not greatly increased during the war.

Mr. President, there are more wealthy men and more men of vast wealth in France to-day than at any time in its history. We have suffered from profiteering in this country. We are now asked to take part in underwriting and bracing a situation in foreign countries which is being brought about and made serious by virtue of the profiteering which is going on in those countries. This exploitation of the people, this extortion which is planting the seeds of revolution everywhere, has no greater hold anywhere than in France. Yet we are asked to tax our own people in order that those in France who have escaped their just proportion of the burden may continue to escape.

I have no doubt the American people are perfectly willing to perform any duty which devolves upon them as members of the human family to ameliorate suffering anywhere, but the time has come, Mr. President, when the American people should let two things be known, that they do not propose to underwrite a situation in Europe which is based upon a profiteering system such as characterizes a portion of that Continent; and, secondly, that before the American people undertake to feed and clothe Europe, Europe must settle down and go to work. The people of Europe have shown no disposition to work, to save, to produce, and to stop their eternal contentions. Scarcely a day but some one enters a plea for some people in Europe, and yet Europe is showing little willingness to help herself.

The consequence was that only a very small proportion of the expenditure during the war was raised by taxation and all the rest was borrowed. The taxation barely met the normal expenditure of the country, and all the cost of the war remains to be paid. Even the interest on the loans was not paid out of taxation, nor any considerable fraction of it. And the greater part of the money borrowed was borrowed at short term; by far the greater part of the addition to the national debt caused by the war is floating debt. M. Klotz introduced the desperate expedient of resorting to a reckless issue of forced paper currency to meet expenditure; it has been continued ever since and still continues. From August 1, 1914, to the end of 1918 the national expenditure was 147,000,000,000 francs, of which only 15.5 per cent was raised by taxation. Of the remainder, 37.6 per cent was raised by loans at long term (consolidated debt), and 46.9 per cent by loans at short term, paper money, etc. In 1919 20.6 per cent of the expenditure was raised by taxation, but of the deficit only 11 per cent was added to the consolidated debt and 68.3 per cent to the floating debt. From the beginning of the war to the end of 1919 the proportion of the national expenditure raised by taxation was 16.6 per cent; 26.9 per cent is represented by consolidated debt, and 56.5 per cent by floating debt. During the same period England raised 35 per cent of her expenditure by taxation, and Italy—a far poorer country than France—30 per cent.

This year it is proposed to raise about 35 per cent of the expenditure by taxation; but, as was the case last year, nearly all the new taxation proposed is indirect. Indirect taxation in France is already carried to straining point. It is one of the causes of the appallingly high prices, which are making it difficult for persons with small incomes to live at all. According to a return published by the British food ministry, the increase of food prices in March over those of July, 1914, was 133 per cent in Great Britain, 190 per cent in Paris, and 201 per cent in other French towns. Twenty-five francs in Paris now go no further than 8 shillings in London in buying food. People that live at all well have to spend 25 francs a day per head on food alone. A family of four persons living very simply, never eating meat more than once a day, and generally exercising the most severe economy, must spend 250 francs a week on food. Salaries and wages have not risen in anything like the same proportion as prices; for instance, the wages of a railway porter in Paris district are 110 francs a week. One of the principal new taxes now proposed is a tax on the turnover of all wholesale and retail traders, except bakers, which is estimated to yield about 4,200 million francs. Like the "luxury tax," which it replaces, its yield will probably be disappointing; in any case it will seriously hamper trade and will fall on the wretched consumer in the form of still higher prices. Although the financial situation is desperate, and there is no longer any question of obtaining support for the continuance of the war, the Government still refuses to tap the only fruitful sources of revenue; it will do anything rather than tax the rentier—the owner of unearned income. And the rentier class, with the whole social order crumbling under its feet, still obstinately refuses to be taxed. Last January, when the present Government came into power, that typical organ of the grande bourgeoisie, the Temps, actually proposed the abolition of the income tax, small as it is. Avarice carried to such lengths becomes insanity.

It reminds one of the days of Louis XVI, when Turgot asked him to permit the levy of a tax upon incomes and upon the great estates, and he proposed that his minister of finance should do so; but the powerful influence behind the property interests of the country declined to be taxed, and the result was that the income tax was not laid on and the great estates

were not taxed, and the second result was that the King of France lost his head.

Mr. President, I am not one of those who stand in opposition to aiding the people of France or to aiding the people of Europe. I believe the American people are perfectly willing to share their loaf of bread with any person on earth who is hungry. I never want to see that disposition changed in the slightest. But it is utterly impossible for the American people to feed Europe under the system of finance and under the industrial system which Europe is now maintaining or under which she is operating. If we undertake to do it there will be only one result—instead of relieving Europe and instead of bringing about a condition of affairs such as we would like to see in Europe, the reflex action will visit us, and we will be in a condition no better than the European countries at the end of our effort. If those people want to commit suicide by keeping up their present system of taxation, of finance, of profiteering, of contention and strife, it is not within our power to prevent it. But if they will put their house in order, if they will settle down and go back to work, the American people as a people will help them.

There is another feature to this situation in France to which we may well give our attention. This article says, "But it is in military expenditure that the greatest reduction could and should be made. In the second year after the armistice France is spending on the army nearly three times as much as the whole national expenditure before the war." This is very interesting in view of Mr. Fosdick's article from which the Senator from Tennessee has been quoting. If the league is in existence and is operating all over Europe, it does not seem to have very much effect upon the question of armaments. It only proves, as I have often said, that this league means greater armaments than Europe ever saw before.

Further, the writer says, "This is the result of aggressive militarism and vainglorious imperialism, with the country on the verge of national bankruptcy, the general staff dreams of a French hegemony in Europe and Marshal Foch aspires to emulate Napoleon. Although the French colonial empire was larger before the war than France could conveniently manage and so badly administered that nearly all the colonies were run at a loss, it has now been increased. Syria is in revolt against French domination like Egypt against British, and if France wants to keep the country she will have to conquer it. It will be another Morocco." In other words, a part of our duty would be to help conquer Syria and to help conquer Egypt. Part of our duty would be to pay the expenses of this aggressive militarism and to hold those subject peoples in subjection.

In closing this article the writer says, "Nobody can help France so long as she has her present rulers and the present policy continues. A foreign loan would be poured into the bottomless pit of military expenditure or used to relieve the rich of the small amount of taxation they now pay." This article is fully supported by other facts gathered in other quarters, and the truth is that the rich are escaping taxation in France and expenditures for militarism is increasing every day. Can we be expected to enter into a copartnership with such a situation? These things would be none of our business as a Nation and we would not discuss them if it were not for the fact that it is seriously urged that we shall financially underwrite the situation and politically police the whole country of Europe.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Utah?

Mr. BORAH. I yield.

Mr. KING. Does not the Senator distinguish between loans to Governments and loans for the purpose of establishing credits in Europe under which and with which raw materials may be purchased in this country?

Mr. BORAH. Exactly; but the final effect, in my judgment, is just the same. If they are not going to adopt a system of revenue in that country which will fairly tax those who are able to pay, which will place the burden upon those who should bear it, it is utterly impossible for us to carry our program to a successful conclusion. It is difficult enough for us to carry our own burdens in this country under the profiteering system which we have. We certainly can not take on another system from other countries.

Mr. KING. I agree with what the Senator says, and particularly his criticism of the fiscal system which has been employed and is now being employed in France. But I had particularly in mind when I addressed my question to the Senator the situation in Serbia, in Czechoslovakia, in the Jugo-Slavic territory, and, indeed, in Poland. Those countries are very much in need of products of which we have a surplus, and they will be very glad to purchase them. I do not pretend to state the character of it now, but it is quite likely that they can purchase, if some governmental assistance were rendered, large quantities of our surplus products, to the advantage of those in this country who have those products and, of course, to the ultimate advantage and the immediate advantage of the people of those countries.

Mr. BORAH. We have a surplus in this country of natural or material wealth, but just now it is not "get-at-able," even in our own country, owing to our transportation system and other conditions.

Mr. McKELLAR. Mr. President——

Mr. BORAH. I will yield in a few moments. At the expense of repeating, I am not opposed to any humanitarian system which will take care of the situation, provided Europe puts herself in a position where we can help her successfully.

Mr. Davison, of Morgan & Co., advises the Congress of the United States to at once appropriate $500,000,000 to feed the people of Europe. An easy suggestion. But it is not so simple when it comes to performance. In the first place, I do not know where we get the authority to appropriate $500,000,000 and tax the people of the United States to raise money to use for that purpose.

If we can, through taxation, transfer money or property from a citizen of the United States to a citizen of some other country because that citizen is in need, then have we not the power to transfer, through taxation, the property of Morgan & Co. or other men of vast wealth to the hungry and unclothed of our own country? May we not lay on a tax which will take all incomes over a hundred thousand dollars and utilize it to feed and clothe the unfortunate, the hungry, and the naked? In this coming winter I fear that the poor will go hungry and ill clothed. Shall those who are so fortunate as to possess great wealth urge the Congress of the United States to appropriate $500,000,000 to feed those people and raise it by a system of taxation which would in effect be a mere transfer of one man's property to another? Many people reading Mr. Davison's suggestion to Congress may exclaim, "A Daniel come to judgment." There are other advocates of that system in this country besides Mr. Davison, although I believe Mr. Davison and those people have not been supposed to be in close touch.

What will $500,000,000 do in the way of regenerating and rehabilitating Europe if Europe continues to refuse to go to work and continues to operate under its present financial and economic system? It will have no more effect than the $100,000,000 which we appropriated a few months ago. It perhaps at the time saved a few people from immediate want, but it was purely transitory in its effect. It passed over in a few days. Europe, it is claimed, is in a worse condition than ever, although we were assured that $100,000,000 would start them on the way to permanent recovery. If we appropriate $500,000,000 or a billion dollars and take it to Europe under present conditions, in six months from now under the same policy the condition in Europe will be precisely what it is now or worse. Certainly we will be in worse condition.

What I am insisting upon is not that we shall not do our part, for we have always done it, we have never turned a deaf ear to those in want, we have never refused the call of humanity, and we never will do so. But it is worse than idle to talk about the taxpayers of the United States or the people of the United States feeding for all time to come those in Europe who refuse to produce or settle down and go to work. It is a task which would ruin us and would not save them. No one can save Europe except Europe; others can help if they help themselves, not otherwise.

I yield to the Senator from Tennessee.

Mr. McKELLAR. I agree entirely with what the Senator from Idaho says on this subject. I think it would be entirely idle. I agree with him about the taxing systems in European countries, or many of them. They are on the wrong basis. But how can we help them if we pursue a policy of isolation such as the Senator has said, in this body, that he has stood for?

Mr. BORAH. The Senator from Idaho has never stood for a policy of isolation, nor has any other man of real sanity in the United States. That is one thing which the advocates of the league seem to fear more than all others, that the United States will shirk some part of the responsibility and renounce the leadership which they say fate and circumstance have imposed upon her—retire, as suggested by the Senator from Tennessee, into her so-called isolation. Perhaps no word of mine can carry consolation to the Senator from Tennessee or any of the advocates of the league; but, after all, how groundless the fear, how utterly it misreads American history, and how utterly it misconstrues national aspirations.

Isolation? Selfishness? Seclusion is one thing, a thing which the American people as a people have never known, a

thing which Washington nor any other statesman ever taught. But the uncontracted volition, the untrammeled and unpawned freedom of the people to determine for themselves in every crisis and in the face of every confronting situation what it is their duty to do and what is in the interest of humanity and civilization to do, is another thing, a thing which, I venture to say, regardless of what the Senate may do, the American people will never surrender.

Mr. KNOX. Mr. President——

Mr. BORAH. I yield to the Senator from Pennsylvania.

Mr. KNOX. May I ask the Senator whether the suggestion of isolation is not pretty effectively disposed of when we look over the roster of 5,000,000 men and the accounts of $30,000,000,000 for the peace of the world?

Mr. BORAH. Indeed it is. But I wish to pursue a little further the idea that because we are opposed to surrendering the control of our affairs to a European tribunal, therefore we either have pursued or will pursue a policy of isolation. It is not isolation. It is simply retaining the power upon the part of this Republic to judge for itself in every emergency, as the facts are presented and as they arise, what it shall do.

Selfishness? When have we been selfish? When have we refused the call of humanity? When have we turned a deaf ear to those who are pleading for their independence, except at Versailles? What other nation ever gave of its treasure and its blood to purchase the freedom of oppressed and helpless people and then gave them the freedom thus purchased with our sacrifices, as in the case of Cuba? For nearly 150 years this Republic has exerted a world-wide influence for peace, for liberty, for justice, and for humanity, and it will continue to exert that influence, and if need be it will measure up to the sacrifice and the obligation when the hour comes.

Mr. BRANDEGEE. Mr. President——

Mr. BORAH. I yield.

Mr. BRANDEGEE. Will the Senator explain how we would be in any better position than we are at present to relieve the distress of Europe by contributions of money and credits if we had a delegate sitting in the council of the league?

Mr. BORAH. Of course we could not do anything more than we would do now, because I presume that even the most earnest advocate of the league, even the Senator from Tennessee and Mr. Fosdick, would not be in favor of giving the council power to appropriate money.

Mr. BRANDEGEE. For us?

Mr. BORAH. For us. So he would have to come back here. In that particular there would be no difference in the situation. But those who advocate that we must either surrender some of the vital powers of government or that we must be charged, and successfully charged, with selfishness, with narrowness, with isolation, with being a hermit Nation, overlook the entire history of the United States and overlook the fact that there is no safer tribunal to pass upon humanitarian movements or upon propositions which involve aid to the human race than the men and women in whose keeping has been intrusted this Republic.

No appeal has ever been made to them in vain, and, in my judgment, no appeal ever will be made to them in vain, and while they are doing their duty as a member of the family of nations, in my humble judgment, they will retain unto themselves, uncontrolled and unhampered, the power to decide it for themselves. Europe need have no fear, if Europe will put her house in order and do those things which Europe can do—settle down and go to work instead of continuing war over boundary lines and conditions which do not concern us at all—that undoubtedly the people of the United States will lend every assistance possible.

But, Mr. President, looking at the situation in Europe for a moment now, let me read a statement from a former distinguished Democrat. He may be a Democrat still, although he is no longer in the Cabinet. Speaking of trade relations, what possible reason is there why we should not resume trade relations with Russia? The thing from which the world is dying is economic evils, and we have no remedy for economic evils except political remedies. You can not always cure economic conditions or evils by the applying of merely political remedies, and it is an economic condition of affairs in Europe with which we have to deal, and to it we must apply like remedies.

The treatment which Russia has received at the hands of the Allies for the last two years has been contrary to all sound principles, so far as trade relations or economic conditions are concerned. I am not speaking now about the political situation in Russia. In the first place, we established a blockade and now we propose to refuse to establish trade relations with Russia in any form whatever. What is the result? I read a paragraph from Mr. Redfield:

> Not only is the Russian problem around our necks—it is on our feet also. Russia is one of the world's great sources of supply of calf skins. The want of this supply is reflected in the price of leather and of shoes. We have been and still are running the great leather and shoe industries with a large part of their raw material cut off because we can not get it from Russia.
>
> Thus seated, let us say, at our domestic board with our families around us and with the Russian problem adversely affecting our heads and our feet—literally touching us from head to foot—think you we have finished with the matter? Not so—there is more to follow. The price of the bread upon our tables, the cost of our food, is affected directly by the absence of the Russian food supply from the markets of the world.

Here is one great source of raw material in the world, a great source of supply for food and those things which are so essential now to bring living within the reach of every citizen, and it is cut off, it is isolated. We have refused to trade with them. Why? Because we do not like the political situation in Russia, because the political conditions there are offensive to the American people, or I presume to most of them. But if we are going to continue to apply political remedies to industrial and economic conditions in Europe, we may expect to see a continuance of economic conditions which now prevail in Europe. So far as I am concerned, I think it is no less than a blunder which, as Napoleon said, may amount to a crime for us to refuse to restore trade relations with Russia. Europe is suffering from conditions brought about by unwise policies, by policies based not upon sound finance or business rules, but policies born of political ambition, of fear, of imperialism, of hatred, and of vengeance.

Mr. THOMAS. Mr. President——

Mr. BORAH. I yield to the Senator from Colorado.

Mr. THOMAS. Would the Senator resume trade relations with Russia if to do so involved the necessity of the recognition of the Lenin government?

Mr. BORAH. I do not believe that is inevitably involved; I do not believe that is a necessity.

Mr. THOMAS. It was announced three or four days ago that Lenin had imposed that as a condition.

Mr. BORAH. I know that that has been announced, and the opposite has been announced also.

I have no desire to take any step which will establish or aid the things for which Mr. Lenin and Mr. Trotski stand, not even in Russia, and certainly not in this country, or anywhere else. Nevertheless, Mr. President, I recognize it to be the right of the Russian people, if they see fit to do so, to establish a soviet form of government; and I am perfectly satisfied that the manner in which we have been dealing with Russia has been a substantial aid to Lenin and Trotski. One of the purposes we had in appropriating $100,000,000 was to feed Bolshevism out of Europe. It was said that if we could feed those who were hungry, if we could clothe those who were naked, if we could dispose of the discontent in Europe by satisfying the hunger, that of itself would end Bolshevism. If that be true, then, certainly the best way to get rid of Bolshevism in Russia is to establish trade relations which will enable those people to take care of themselves, to build up a stable and sane democracy, and to dispose of the conditions which at this time prevail. On the other hand, if we can not end Bolshevism in that way, or if we can not end the soviet theory of government in that way, then it must be that the people of Russia are determined to have that kind of a government. If the people of Russia are determined to have that kind of a government, so far as I am concerned, whatever the responsibility of the declaration may be politically, I am willing for the people of Russia to have it.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Utah?

Mr. BORAH. I yield.

Mr. KING. Does not the Senator know that, notwithstanding the lifting of the blockade and the efforts made by many European countries to develop trade with Russia, it has been absolutely unavailing, first, because Russia had no products to dispose of; and, second, because Lenin and Trotski have insisted that before any trade should be carried on it should be under the direction of the soviet government, and that the soviet government should have the right in those countries with which it traded to carry on the propaganda for the disorganization and destruction of their governments?

Mr. BORAH. My information with regard to Russia leads me to believe that our trade relationship with Russia is not hurting Lenin and Trotski at all; and neither is the suffering, which now is almost universal in Russia, a condition which affects those who are particularly known as the Bolshevists or those in control of the Government. The people who are suffering and dying in Russia are the common people, the masses, men, women, and children, who are not responsible in any way

for the condition which has been imposed upon them by their leaders, if I am correctly informed. But what are we going to do? Are we going to refuse to establish trade relations with Russia until the soviet form of government fails or until Lenin and Trotski utterly fail? I see little indication of their failing. They have the largest and most effective army to-day, outside possibly of one nation, on the face of the earth. They could not sustain it at all if the people were not in sympathy with the things for which they are standing; and the argument which they are using upon the masses of the people to make them support them is the relationship which the other nations bear toward Russia. They are convinced that the other nations propose to bring Russia to a condition where the old Czar régime will be restored. That is almost a universal belief among the Russian people, that England and France and now the United States—although that formerly was not true; at least, they did not think it was true—that these countries propose, through one method or another, to restore the old régime in Russia. The Russian people, if I am correctly informed, do not propose to have that. They are willing to suffer anything before they will suffer that. I do not blame them, for as cruel and inhuman and indefensible as the Lenin and Trotski government is, compared with the suffering, the barbarity, the cruelty, and the indescribable wrongs of the last 150 to 200 years of the reign of the Czars, I do not blame the Russian people for at least wanting to try some other kind of a barbarous government. The Russian people are oppressed by their present rulers, no doubt, but they seem unwilling to take one step back to the old system, and I can well understand why they feel that way.

So I say, Mr. President, knowing full well that it will be said that I am in favor of the soviet form of government, that I am in favor of restoring trade relations with Russia. I am in favor of it upon humanitarian grounds and also upon business principles. I do not believe it would require recognition of the soviet government. But I repeat that the people of Russia have a right to establish their own form of government, and if they are going to have that form of government we have got to trade with them at some time.

Now, Mr. President, I know that the establishment of trade relations alone will not redeem Russia. I know there is vastly more to be done. I know her limited supply of gold and her condition generally will make it impossible for her to get more than a limited benefit from the establishment of trade relations. But it is the first step. It is the step of justice. It is the step of common sense and Christian decency, and therefore I am in favor of taking it. And let me say further and a little more explicitly, that if I had to advise the Russian people I would certainly advise them against their present rulers and against the kind of government for which their present rulers stand. In any event, we do not want it in this country, and I have no fear of our having it. Nevertheless I insist that we can not deny Russia the right to establish her own system of government. Mr. Pitt, prime minister of England, said he would not trade with France or recognize the French Government because it was an "armed system" which, if once recognized, would uproot and destroy all stable governments and all orderly and regulated liberty. Mr. Fox replied to him in a speech which has never been excelled in the English tongue. But Mr. Fox was not so conclusive against Mr. Pitt as the logic of events. The French people in their own way, through turmoil and strife, through bloodshed and suffering, and along the path of revolution and by the guillotine, established their system of government. It was worked out into a reasonable, sane, and stable republic. I have no doubt that the future form of government in Russia, which we all hope will be more stable, more sane, will nevertheless be worked out along the path of sovietism. What it will cost in suffering Heaven alone knows. But we do not help the situation by our present course.

To conclude, I repeat that I would establish trade relations with Russia. If this involves a recognition of the soviet government, to that extent I would recognize it. I would do it upon the theory and the hope that that would be one way by which to uproot and destroy Bolshevism in Russia, and, secondly, that the Russian people have a right to establish their own form of government, whatever it may be. I understand, of course, perfectly the criticism which I invite by this statement. But I believe it is the wise course and I believe time will prove it to be the just and humane course.

PROFITEERING AND THE HIGH COST OF LIVING.

Mr. KENYON. Mr. President, I should not take the time of the Senate away from the shipping bill if there seemed to be any immediate prospect of its passage. I understand that the steering committee has decided that the shipping bill, the Army appropriation bill, and the bill for a woman's bureau in the Department of Labor, and possibly one or two other bills, shall be passed, but that they deny any place in the legislative program to the bill for the regulation of the great packer monopoly, the only bill pending here that really affects the cost of living to the people of this country. That being the situation, and there being the remainder of the session for the consideration of the appropriation bills and the bill of the Senator from Washington, there seems to be no hurry in our deliberation; and I shall proceed very leisurely to discuss a subject which, I think, is of tremendous importance to the American people, and which was discussed yesterday by the distinguished Senator from Massachusetts [Mr. WALSH].

I wish, however, to say in passing that I do not subscribe to the program of the steering committee. I do not recognize the right of any small assembly of men on either side of the Chamber, after bills have been reported from committees to the Senate, following full discussion and consideration, to say that such bills shall not be considered by the Senate except as they may say; and I serve notice now in my humble way that I shall strive, as other Senators who are interested in the bill to which I refer shall, to bring it up at every opportune moment from now until the close of the session. We are not asking anyone to vote for the bill, we are merely asking that it have its day in court.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Massachusetts?

Mr. KENYON. I yield.

Mr. LODGE. I hope the Senator does not mean to misrepresent anything.

Mr. KENYON. I do not.

Mr. LODGE. No place was denied to any bill; no committee of which I have any knowledge has any right to deny anything of the kind; but it was the opinion of the steering committee, which was appointed in the usual way, that it was the duty of the Senate now, as a recess is certainly approaching and also the 1st of July, first to dispose of the great appropriation bills. Of course, if the Senate is going to vote with the Senator from Iowa to lay them aside, we will all accept that decision; but it was the feeling of the steering committee that the great appropriation bills ought to be disposed of and that the shipping bill now pending, which has been before the Senate for some days, should also be disposed of. The committee has no power to deal with anything except the order of the business; and that is what they recommend. All they can do is to make recommendations to the Senate. They deny no place to any bill. It is for the Senate to take up any measure it sees fit; and if the Senator wants to ask the Senate to take up his bill, he can ask that that be done, and we will have a vote.

Mr. KENYON. Mr. President, it is not my bill. It is a joint bill reported by the Senator from North Dakota [Mr. GRONNA].

Mr. LODGE. The bill of the public, or whatever the Senator chooses to call it.

Mr. KENYON. I understand perfectly well that the steering committee can not deny a place to bills, but I understand full well just how the matter is brought about and nobody is deceived by it at all.

Mr. JOHNSON of California. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from California?

Mr. KENYON. I do.

Mr. JOHNSON of California. I have been very much interested in what the Senator has said, and therefore I wish to direct an inquiry to him. There is a bill of some moment that has been pending for a long period of time and was pending during the last session. It is of moment, of course, only to employees of the Government who are in minor positions of employment, and perhaps for that reason there has not been the consideration given to the bill that might be given if they were not minor employees. I refer to the minimum wage bill. Do I understand from the Senator that that bill has been pocketed by the steering committee?

Mr. KENYON. Mr. President, I have talked to some members of the steering committee about that bill. We reported it from the Committee on Education and Labor. I doubted if it would ever see daylight in the Senate. It is the bill of the Senator from California and of Representative NOLAN. It deals with a humane question, namely, the question of a living wage for Government employees. That bill, like the packer bill, the Senator must understand, is not denied a position, but it is never reached by the steering committee. They do not deny a bill a place, but they never reach it. I hope the Senator will endeavor to bring that bill up; and if he does, he will have my support.

Mr. JOHNSON of California. If the Senator will yield for a moment, I simply give notice that I will endeavor to bring the bill up. I realize, as the Senator does, that the endeavor may be in vain, just as he says the effort may be in vain in respect to the particular bill in which he is interested and in which all the country is interested as well; but I will make the motion, and I will ascertain exactly whether or not a bill of the character to which I have referred can come up before the Senate or whether it is to be relegated to the obscurity to which it has been condemned by the steering committee.

Mr. LODGE. Mr. President, if the Senator from Iowa will allow me a moment, there has been no pocketing of any bills by the steering committee. The minimum-wage bill was not suggested by anyone, so far as I have heard; it was never mentioned in the committee.

Mr. KENYON. I will say to the Senator that I have talked to members of the committee about it, and I have been led to believe it would have a place on the legislative program.

Mr. LODGE. I shall be very glad to see it have a place.

Mr. JOHNSON of California. I will try to give the Senator the opportunity.

Mr. KENYON. We shall endeavor to see that it has a place.

Mr. LODGE. I was simply trying to say as a member of the committee—I am not its chairman—that we attempted to pocket no bill. We tried to arrange the necessary business of the Government so as to get the great supply bills out of the way, and then it is for the Senate to say what they will take up next.

Mr. KENYON. Let me say then——

Mr. LODGE. If the Senators do not want to do that, if they do not want to pass the supply bills before the 1st of July, all power is in their hands.

Mr. KENYON. The shipping bill was reported to the Senate from the committee on the 4th day of May, I think, and is now before the Senate. The bill in regard to the packers was reported on the 4th day of February, and never has had a chance to see daylight in the Senate. The minimum-wage bill, in which the Senator from California is interested, was reported to the Senate at least a month, if not two months, ago.

Mr. THOMAS. Mr. President——

Mr. JOHNSON of California. If the Senator——

The PRESIDING OFFICER. Does the Senator from Iowa yield; and if so, to whom?

Mr. KENYON. I yield first to the Senator from Colorado.

Mr. THOMAS. I merely wish to say that when the Democrats were in charge of congressional legislation they stayed here until September and October of every year and disposed of practically everything on the calendar. Speaking only for myself, I am willing to continue to do so.

Mr. KENYON. I now yield to the Senator from California.

Mr. JOHNSON of California. I merely wish to remark in response to what has been said by the Senator from Massachusetts, that if there is no disagreement in respect to the consideration of the legislation suggested there is then a very easy and a very ready mode by which the legislation may be brought before the Senate, and, accepting what the Senator from Massachusetts says, of course, we will all unite in bringing the particular bill in which I am interested before the Senate at a very early date.

Mr. LODGE. Mr. President——

Mr. KENYON. I yield to the Senator from Massachusetts.

Mr. LODGE. My opinion is that it is the duty of the Congress to dispose of the supply bills necessary to carry on the Government before the 1st of July. I shall vote to take those up in preference to everything else in order to get the business of the Government done—the necessary business to carry it on. The shipping bill, which has occupied the attention of one of our committees for a whole year, which is a House bill, and a bill of very great importance, I think ought to be disposed of now. After that it is open to any Senator to suggest any bill that is before the Senate, and let the Senate decide what they want to do. In fact, they can set aside the supply bills if they want to.

Mr. SHERMAN. Mr. President, if the Senator will refresh his memory, this measure has been before the Senate for three or four years in some form or other.

Mr. KENYON. Not that I know of. I think not.

Mr. SHERMAN. I can turn to the RECORD. It was not then embodied on paper; but the general principle, the disembodied spirit of it, was floating about this Chamber quite frequently.

Mr. KENYON. Oh, it has been here in speeches made by the Senator from Illinois and by myself and by others.

Mr. SHERMAN. Oh, certainly.

Mr. KENYON. It has been in Congress for 20 years.

Mr. SHERMAN. Both the Senator and myself knew precisely what we were alluding to, too. There was no misunderstanding, I am quite sure.

Mr. KENYON. Possibly not.

Mr. SHERMAN. No; and so there is now no particular discrimination that I can see by the steering committee against this bill. I have had measures here eight years, off and on, that I was desirous of reaching, but I have not got to them yet. A person must be possessed not only of patience but of a very sublimated quality of it; and I will say to the Senator that if he expects to get this bill up and pass it without discussion at some length, he will exceed my most sanguine expectations, if I retain my health.

Mr. KENYON. I knew when the Senator returned a few day ago that it would be impossible to pass the bill without extended discussion, and we welcome extended discussion by the Senator. The only thing we are asking is to have it come up. The Senator does not object to that, does he?

Mr. SHERMAN. Well, I do not know. I will see about that when I get to it.

Mr. KENYON. I wanted to hear the Senator discuss it.

Mr. SHERMAN. The Senator will probably be gratified if it comes up.

Mr. KENYON. I have no doubt we will.

Mr. President, perhaps now we have cleared the atmosphere a little on that subject. The opportunity will be presented to the Senator, I will say, to vote on taking it up many times between now and the Chicago convention. But I rose more particularly to make a few observations with relation to the speech of the Senator from Massachusetts [Mr. WALSH] on yesterday.

I am very much in accord with his suggestions, except that I think possibly the Senator from Massachusetts placed too much blame upon the Republicans instead of placing the blame where it might more properly be placed, upon the Democratic administration; but it was a courageous address, and will challenge the attention of the country to present conditions. I express my appreciation, as a humble American citizen, to the Senator from Massachusetts for striking out boldly as he has on these questions.

Mr. President, the Senator has touched the question above all others in which the American people are vitally interested at this time, and that is the high cost of living. They have the somewhat mistaken idea that Congress can do everything to help in righting it, and Congress is blamed because it does not act. The people do not seem to realize that there are certain fundamentals entering into the high cost of living which can be remedied only by the people themselves. The situation can be helped by the people wearing their old clothes and their old shoes, as many are doing; and no one need be ashamed of patches on clothes or shoes. They are badges of honor, and it is a time of essential sacrifice and already the failure of the people to buy is having some effect on prices. Prices are being reduced all over the country. A few weeks ago Wanamaker & Co., the leading merchants of the Nation, cut prices 20 per cent. That has been reflected throughout the country. I do not think the prices were cut so much because of any great moral purpose as because the people were stopping buying, and they could not carry on their business so successfully. But the need of more production is at the base of our trouble, and there is no apparent prospect of more production.

There will be less farm acreage this year than for many a year. Farmers can not secure labor, and the people may as well understand that farm products will continue to be very high. Some day, when those in the cities realize that they are entirely dependent upon what the soil produces, there may be a movement back to the farm; but the whole trend now is toward the cities. There are many organizations of city folks who never did a day's work on a farm in their lives, and whose organizations consist almost entirely of letterheads, advising the farmers how to farm. If many of these organizations would dissolve and go to work on the farm, it might help the situation. There can be no real solution of this problem of production unless the question of farm labor is solved, and there seems to be no solution of it. The most important question for every American person is not the League of Nations, but the question of three meals a day, or possibly two. If present conditions continue, we are facing a world famine in a few years, and we may as well realize it. Hungry stomachs will begin to drive people back to the farms, and that day is not far distant.

I do not want to spend much time, however, in a discussion of that proposition. It is so absolutely plain that all except those who will not see can understand it. Of course there are many other fundamentals in this question of the high cost of

living—the expansion of our credits, the extravagance of our people—and those things possibly may not find a remedy; but there is one phase of the high cost of living that can be remedied that was discussed by the Senator from Massachusetts [Mr. WALSH], and that is profiteering.

I know that people differ and economists differ as to the amount of the increase of the cost of living by profiteering. I read the views of one eminent economist the other day who stated that it was not over 5 per cent. Others have stated that it was 50 per cent; but certain it is that profiteering has entered into the high cost of living.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from North Dakota?

Mr. KENYON. I yield to the Senator from North Dakota.

Mr. GRONNA. I regret to say that I have been absent this morning because of a meeting held by the Grain Corporation. I want to emphasize what the Senator has just stated with reference to labor. There was present at this meeting a Mr. McDowell, from North Dakota. He stated that 75 per cent of the school children had been taken out of the schools—that is, 75 per cent of the boys, and some of the girls—in order to get the work done. In North Dakota we have a compulsory educational law, and parents who wish to keep their children out of school have to furnish affidavits to the principal of the school, so that it is an easy matter to keep account of it. The situation, so far as labor is concerned, is extremely serious; and, if the Senator will permit me, Mr. McDowell made another statement. He said that the cost of putting in 1 acre of wheat was $13, just for the seed and the labor, up to the present time. I simply want to say that to emphasize what the Senator has so well said.

Mr. KENYON. I am much obliged to the Senator; and that illustrates the theory, at least, of this agricultural proposition which the people of this country do not seem to realize.

As to the movement of city people going back to work on the farm, I do not know how successful that may be. Most city people know nothing about farm life. The majority of them would be an incubus rather than a help, and I doubt if that furnishes much of a solution. It will only come about when the time of hungry stomachs arrives, and people will be forced to go back and raise the necessary things.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from Iowa yield to the Senator from North Dakota?

Mr. KENYON. I do.

Mr. McCUMBER. Let me ask the Senator if he does not really think that it will come when you can make as much money in farming as you can make in the regular lines of city business, and that people will go where they can get the greatest remuneration for a given amount of expended energy? If they can make as much upon the farm as they can in the cities, and have the same opportunities, they will naturally go to the farm; and the very fact that all of our efforts are to increase wages all along the line in our cities, and allow greater earnings to such an extent that the farmer can not compete with them, is the real cause of driving the people to the cities from the farm.

Mr. KENYON. Yes; that is true as a theory, of course, but, notwithstanding that, suppose the day comes of a shortage of food—and, according to the Secretary of Agriculture, if he is correctly quoted, that shortage is near at hand. I saw a statement the other day that our production from the farms this year would be not over 72 per cent of what it had been before. Now, if it comes to the hunger point they are not going to wait for equal conditions on the farm. They will go where they can get something to eat. Of course, these ideas of making farm life more attractive are splendid—having community centers and taking the moving pictures and the lectures to the country. That is fine and that must come in the natural order of things, but I am afraid we shall have serious trouble before those problems can be worked out.

Mr. McCUMBER. I think the Senator will have to agree with me that it would be impossible for a person, because he was hungry in the city, to go out and buy a farm and take the time necessary to raise a crop on it before he had anything to eat.

Mr. KENYON. He could not buy the farm, but he would be willing to go there and work, would he not?

Mr. McCUMBER. So I do not think that rule would apply very well. We might possibly get some people there to work for a less amount of money, and that is the only way in which the Senator's argument would be applicable. The whole trouble to-day, and the trouble that has existed right along, it seems to me, has been that the remuneration in the cities is so much greater than upon the farm that it is driving all of our young men and young women from the farm to the cities.

Mr. KENYON. Yes; there is no doubt about it. When a boy getting $40 a month and his board on the farm can go to the city and get seven or eight dollars a day, and only work eight hours a day, you can not keep the boy on the farm.

Mr. SHERMAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Illinois?

Mr. KENYON. I do.

Mr. SHERMAN. The cause is basically deeper than equal compensation. If the compensation on the farm were precisely what it is in the cities a large portion of the population is of such a morbid instinct or habit of life that you could not take a dweller in the city out on the farm and make him stay. There are not enough cigar stores, not enough grafonolas, not enough confectionery establishments and ballet dancers to suit their habits of life and modes of thought.

Mr. KENYON. And pool halls.

Mr. SHERMAN. And pool rooms, I am sorry to say, which are worse than any of the others, not even excepting the last I named; and until that is changed and until their natures are bred differently we will not get them to leave the city and go on the farm. I have seen it tried.

I unwittingly insulted a friend of mine who was temporarily in search of remunerative compensation, to use the language of my friend from North Dakota, by suggesting that if he were out of work and money and wanted three meals a day I knew where I could get him a very remunerative place on a farm, and he flushed in the face and said he was no "rube." When I find a man of that sort, Mr. President, who has some conscientious scruples about being called a "rube" I would rather see him hungry a while; it would do him good.

Mr. KENYON. He will be willing to become a "rube" when he is hungry.

Mr. SHERMAN. Yes; rather than to be hungry.

Mr. KENYON. That is the trouble in the country; we have not enough "rubes," as the Senator speaks of them.

Mr. SHERMAN. Yes; we need a good many more of them. The basic difficulty with the dweller in the city begins there. Of course, compensation, as the Senator said, has something to do with it, but the other is a much deeper cause of the evil.

Mr. KENYON. Mr. President, I was diverted a little from my remarks, and am glad I was. I think we got down to a fundamental of the great trouble in agriculture—the difficulty and impossibility of securing labor on the farm.

But I want to go back to this profiteering question. I believe it is safe to say that approximately one-half of the increased cost of living is due to profiteering, and that can be demonstrated by figures. The people are tired of it. They are cursing the profiteer; they are damning Congress because it does not do something, although they are not clear just what Congress should do or could do; and there is a spirit of hate developing in this country, as the Senator from Massachusetts pictured yesterday, which is ominous. Is it any wonder there is discord, unrest, discontent among the people when they observe the shrinking purchasing power of their earnings, when they read of the tremendous profits that patrioteers have gathered to themselves during and since the war, and with what unction they wrap the flag about them and denounce everyone who questions their right to rob the American people as Bolshevists, pro-Germans, and creators of unrest?

I have heard the suggestion made since the speech of yesterday that that kind of a speech on the floor of the Senate creates unrest among the people. The way not to have unrest is to keep quiet and be plundered, according to the theory of some people.

These gentlemen who seem to think the right of plunder belongs to them and that the American people are the legitimate objects of their plunder had better wake up. They had better not sleep on while the ominous rumblings of the oncoming storm can be heard by all except themselves. To me it is amazing that men seem to believe they can continue to plunder and despoil the great American people and get by with it. They are the most shortsighted of all the citizens of the Republic. They are likewise the most harmful, and are producing more Bolsheviks in this country than all the Bolshevik propaganda could do. They are making people hate their Government, and to-day the profiteering of the patrioteer is the real menace of the Nation, the greatest national curse. Some of these profiteers and patrioteers are among our strongest talkers for Americanizing of this country. No one needs Americanizing as much as they do. They are just as much traitors to this country as was

Benedict Arnold, as they are undermining the very foundations of the Republic and they are destroying the hope and confidence of people in this Government.

Out of this war has come the demon of greed. This is evidenced by blue-sky promotions going on all over the country—stocks representing nothing but wind. In all the towns of the country can be found smooth gentlemen selling these stocks to the unsophisticated, and aided in so doing by some of the prominent citizens of the community. The people of my State, it has been estimated, have been robbed of at least two hundred millions in blue-sky promotions. I assume the same ratio holds in other States. Some of these robbers are leaders in the community, some of them leaders in churches, loaning their names to such schemes and helping in the wholesale robbery of the people. Compared to the patrioteer and the blue-sky plunger the highway robber is a Christian gentleman, and compared to men occupying high positions in churches and communities who pray with their mouths and profiteer with their hands the hold-up man is entitled to a high seat in the synagogue.

Greed is the curse of the American people. Nearly everyone seems to be trying to get while the getting is good. The jail is too good for the profiteer who is robbing his fellow man, but even jail sentences are novelties. There have been speeches made on this floor and otherwise on profiteering—and, of course, speeches can not solve the question—but they may help to arouse public conscience, and public conscience once aroused will brook no further trifling with this subject.

We have passed an amendment to the Lever Act under which some of the profiteers at least could be prosecuted. That act is limited to excessive profits in necessaries. And necessaries is construed in rather a limited way. However, shoes, clothing, and foodstuffs would be covered by the term "necessaries." And as to those things the Department of Justice had better marshal its energies.

Senator CAPPER on the floor of the Senate a week or so ago set forth some startling figures as to profiteering.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Washington?

Mr. KENYON. I yield.

Mr. JONES of Washington. Before the Senator leaves what he has just been referring to, permit me to say that I received a letter this morning from one of my constituents which portrays a situation that is very bad, and yet she presents her story in such a considerate sort of way that it appealed very strongly to me, and if the Senator will permit, I think I shall read an extract from the letter, and ask the Senator whether or not he can give me any suggestion, or whether there is any idea that he can suggest which I can convey to this lady which will give her any comfort. I know the Senator has given this matter a very great deal of thought and a great deal of study. This lady writes as follows:

> What change can a family with five small, hearty children, the father possessing only a moderate (in these days almost meager) income, hope to see in the sugar situation, so that in the coming months we may can the fresh fruits so necessary to the small child's diet? I think everyone was prepared for a certain condition of reconstruction and readjustment, and I am not inclined to be unjustly critical of anyone nor to anticipate trouble. My children's ages range between 1 and 9 years, and I am learning how carefully a mother has to watch the diet and how necessary certain of the simpler food elements are in the children's proper development into good, healthy, happy citizens. Sugar is one of these vital elements, and its use with the fresh fruits in the home canning one of the most necessary combinations. At the present prices of sugar we can not do this canning, and the expenses nowadays staggering to a small home will only be greater in working out substitutes for this expensive food.
>
> Is there any way in which plain, everyday citizens can make a protest effective? I understand that there is not really a shortage of sugar. I dare to hope that there may be some way in which the wrong condition may be made right soon, affecting as it does so seriously the homes and the welfare of children. I have no "political influence," but I have many earnest friends. Can you—will you suggest anything we can do?

Is there anything the Senator can suggest which we could do? Is there anything that Congress can do to meet a situation like that? Or have we done all we can do, and does the responsibility rest somewhere else?

Mr. KENYON. Mr. President, I think we have done all we can do. We enacted into law, as the Senator knows, a bill introduced by the Senator from Oregon [Mr. MCNARY], under which it was felt this situation might be remedied, that we might purchase a part or all of the Cuban sugar crop and handle it. It has not been done. Sugar is going on up, and there seems to be no prospect for any reduction in it. We have exported large amounts of sugar to Britain. It seemed to me we should have possibly placed an embargo on sugar at the time.

Mr. THOMAS and Mr. SHERMAN addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; and if so, to whom?

Mr. KENYON. I yield first to the Senator from Colorado.

Mr. THOMAS. I think yesterday or the day before the papers announced that the Attorney General had made the statement that the Cuban sugar crop had not been purchased under the offer which was made some time last fall, I think, because of lack of congressional authority. From what the Senator just said, I apprehend that a statute was enacted under which the purchase could have been made.

Mr. KENYON. I think there is no doubt but that it could have been made under the McNary bill. I yield to the Senator from Illinois.

Mr. SHERMAN. Does the Senator recall any instance in which the administration has availed itself of legislation by Congress to help the private consumer? I will admit that the Government has at times been able to buy, especially during the war, under these powers delegated to the Executive or the departments at more reasonable figures.

But has the private consumer been benefited in the purchase of what are denominated necessaries by the action of the Government under the powers conferred in the Lever Act? We know they have not in the case of sugar.

Mr. KENYON. I would not have eloquence enough to convince the consumer of sugar that we had, but it may be the Senator from Illinois, being more eloquent, could convince him.

Mr. SHERMAN. Or the consumer of canned goods or any of the necessaries? Under these powers has the Government relieved the private consumer in the matter of price, except at rare intervals, when they were selling surplus stocks not needed for the Army and Navy?

Mr. KENYON. I have not been able to discover it.

Mr. SHERMAN. Nor have I. I have vigilantly searched for it, too.

Mr. McCUMBER. May I ask the Senator from Iowa if he has discovered any action on the part of the confectionery manufacturers shutting down their factories when the private family could not get enough sugar for their coffee?

Mr. KENYON. I have never made an investigation of the confectionery factories. Possibly the Senator could enlighten us in that regard.

Mr. McCUMBER. I have never heard of any of them closing, and I think they are all still doing business, as they were doing business when the private individual could not buy half a pound of sugar to use in his family.

Mr. SHERMAN. May I interrupt the Senator again?

Mr. KENYON. I am very glad to yield. We are in no hurry. We have until adjournment time.

Mr. SHERMAN. Confectionery does not come under the head of necessaries. It is not included under the Lever Act.

Mr. KENYON. But sugar would come under the head of necessaries.

Mr. SHERMAN. But it is manufactured into something that is not indispensable to life. It is a mere luxury or convenience.

Mr. KENYON. It is said to be almost indispensable in dry communities.

Mr. SHERMAN. That is because of the autointoxication that might follow if a person's system were right.

Mr. KENYON. I was diverted again, Mr. President, and return to my subject.

These figures presented by the Senator from Kansas on two occasions in the Senate were rather startling.

The April issue of the Searchlight, a paper published in Washington, devoted to telling the truth, which entitles the Searchlight to a unique position in journalism, on April 1, 1920, contained an article by Basil Manly on the same subject, pointing out some of the enormous profiteering.

Recently Mr. W. Jett Lauck, before the United States Labor Board, has presented a most complete analysis of the situation as to profiteering. Mr. Lauck is one of the best students and clearest, conscientious thinkers on this subject to-day in the American Republic. His presentation is worthy the consideration of every thoughtful man and woman.

Senate Document No. 259, sixty-fifth Congress, second session, is a veritable mine on the subject of profiteering. This document is a letter from the Secretary of the Treasury in response to a Senate resolution of June 6, 1918, and has been printed and the matters therein made public since July 5, 1918.

On August 21, 1919, the Federal Trade Commission reported on the leather and shoe industry of the country. I might say that possibly the Federal Trade Commission is not entitled to consideration. A resolution was introduced in the Senate on the 20th day of October, I think it was, of last year for an investigation of the Federal Trade Commission, because it was full of socialists. We were told and the author of the resolution at the time suggested that so many other departments of the Government were filled with socialists that from

time to time resolutions would be introduced investigating that question in other departments. That was about the 20th of October. I would be glad if any Senator could rise and inform me what the committee has done under that resolution that passed the Senate in relation to the investigation of the Federal Trade Commission. It happened at a time when the Federal Trade Commission had made a report on the packers of the country or was suspiciously close to that time.

Seven months have passed. I have tried to find out what the committee or the subcommittee have done in the investigation of the socialistic tendencies of the Federal Trade Commission and the Bolshevism that we were told existed in that body. It is certainly dangerous to have that matter going on any further without some investigation. Nor have I been able to find any other resolution for any other department of the Government introduced by any Senator to investigate their socialistic proclivities and tendencies.

This report of the Federal Trade Commission——

Mr. WALSH of Montana. Mr. President——

Mr. KENYON. I yield to the Senator from Montana.

Mr. WALSH of Montana. I desire to state to the Senator that there is a bill pending here, introduced by the Senator from Wyoming [Mr. KENDRICK], with which the Senator from Iowa is familiar, that has not yet had consideration by the Senate. It may be that the investigation to which the Senator has referred is being deferred so that it may go on contemporaneously with the consideration of the Kendrick-Kenyon bill.

Mr. KENYON. The Senator was out of the Chamber when I commenced. That is what led to this whole discussion, but this bill for the regulation of the packers, that has been considered by the committee for almost a year and reported unanimously to the Senate on the 4th day of February, can not secure any hearing or any place from the steering committee of the Senate.

If the resolution of investigation is to fare the same way, it will be a long time, but I am under the impression that the parties behind the resolution of investigation might have more influence in securing its report to the Senate than those of us who favor the packers' bill.

This document has been public property since August 21, 1919, with all of this profiteering made public. I must dissent from the criticism of the Senator from Massachusetts of the Republicans for not doing something on this subject.

The Department of Justice has the law, they had all these public matters, and it was their duty to prosecute the profiteers. In the committee hearings investigating the two situations testimony was introduced by one of the assistant attorneys general that there had been three people sent to jail for profiteering, but they were none of the big profiteers. A few of the big profiteers landed in jail would have a restraining effect upon future robberies by these national pirates.

These prosecutions seem to have amounted to practically nothing. I think one of the reasons why a certain candidate for the Presidency, running in the primaries without organization or without money, has received such a tremendous vote is because of the feeling that he would do something as President to smash the profiteers; that he is the friend of the average, everyday folks.

It has seemed to me, and I do not want to be critical, that the Attorney General could have done vastly more by enforcing this law if he had not been so interested in running for the Presidency.

From these various documents made public I want to place in the RECORD a few observations and quotations.

SHOES.

The Federal Trade Commission in its report, after an analysis of the retail price of shoes, says:

> Taking into consideration all the circumstances, the high prices of shoes in 1917 and 1918 can not be justified. Leather manufacturers, shoe manufacturers, and retail shoe merchants all made unprecedented profits.

On this subject in Mr. Lauck's argument is found the following:

> Four of the large shoe manufacturing companies of the country publish their financial reports in Moody's Manuals. These reports show an increase in net profits from $4,800,000 for the years 1912–1914 to $10,000,000 for the years 1916–1918, an increase of over 100 per cent.
>
> The astounding thing about the shoe industry is the proportion of the price which goes into the various margins, especially when this is contrasted with labor's share of the price. In 1914 all the labor from the hide to the finished shoe absorbed less than one-sixth of the price paid by the consumer, while in 1917 this share of labor had decreased to one-ninth. On the other hand, the profit items in 1914 absorbed nearly one-half the price paid by the consumer, or nearly three times the total labor costs, while in 1917 the profit items amounted to approximately three-fifths of the total price, and to over five times the total labor costs. The question as to who is responsible for the increased cost of shoes can be quickly answered when we realize that of the $3.50 increase in the price of a pair of standard shoes labor received 15 cents, while the margins of the various manufacturers and merchants absorbed $2.75. Very obviously, if the various profiteers had been satisfied with the old margin, the price of shoes need not have advanced very seriously.

Mr. HARRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Georgia?

Mr. KENYON. I yield.

Mr. HARRIS. The Senator from Iowa is familiar with Senate joint resolution No. 146, directing the Secretary of the Treasury to furnish the Senate with the profits tax and income tax from the report for 1918. The Senator also knows that I tried for months here, and he aided me, to get that joint resolution before the Senate, but failed. It has been sleeping in the Committee on Finance. If the Senator will yield to me for a moment, I would like to make a motion to bring the joint resolution before the Senate, and show just what the profiteers are making and what have been their profits the last few years. If Congress will do nothing to reduce the high cost of living, we should at least let the people know the enormous profits of the profiteers. I do not believe there will be any discussion upon it if the Senator will allow me to make the motion.

Mr. KENYON. If there would be no discussion of the matter, it might be considered. The Senator from Washington has charge of the proceedings this afternoon, and I am speaking on his bill.

Mr. HARRIS. Would the Senator from Washington be kind enough to yield for that purpose? I think he favors the joint resolution.

Mr. JONES of Washington. I have no objection to the joint resolution to which the Senator from Georgia refers, but it is my recollection that there are some Senators who have opposed it, and if he were to call it up there would probably be a call for a quorum. I think the Senator can get it up to-morrow morning in the morning hour.

Mr. HARRIS. Then I will not press the request at this time.

Mr. KENYON. Has the Senator found any opposition to bringing up his resolution?

Mr. HARRIS. I have not found any opposition in the Committee on Finance to bringing it up. Several did object to its being considered without going first to the committee. It has been in the committee three months and a half.

Mr. KENYON. That is a short period of time for a resolution of that character.

On page 7 of Mr. Lauck's printed presentation he sets forth a table showing the increase in net income and percentage earned on capital stock of corporations in specified industries during the period 1916–1918, as compared to the years 1912–1914. This table shows an enormous increase in the present net income. For instance, certain basic-metal industries—57 in number, the subject of the study—that had an average net income in the first period, 1912–1914, of $172,729,194, had increased their net income for the period of 1916–1918 to $590,138,605. The average annual net income of 19 clothing companies, which in 1912–1914 was $19,033,503, had increased for the period of 1916–1918 to $55,172,311. In the fuel, light, and building industries, involving such commodities as coal and coke, petroleum products, and building material, the average annual net income had increased for the same period from $100,242,419 in 1912–1914 to $246,703,996 in 1916–1918. So that there was a grand total of the particular corporations, the subject of the study, from an average annual net income of $438,663,427 in 1912–1914 to $1,234,359,688 in 1916–1918.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Nevada?

Mr. KENYON. I do.

Mr. PITTMAN. What was the gross increase of capital in those various companies?

Mr. KENYON. Very slight, if any at all.

Mr. PITTMAN. I do not wish to interrupt the Senator, but I will say that I can conceive that the business increase might also bring a greater amount of net increase in profits.

Mr. KENYON. Yes; but these studies of Mr. Lauck show that on practically the same capital the net income had increased in the proportions that I have given.

Mr. PITTMAN. Is there any place where we could obtain, with regard to the various companies on which the Senator bases his computation, the amount of increase in their capital?

Mr. KENYON. I think so. I think the information might be obtained from Moody's Manual, possibly, but if the Senator from Nevada will secure from Mr. Lauck his report to the War Labor Board he will find it is all set out.

Mr. PITTMAN. I merely wanted to have the information for the purpose of computation.

Mr. KENYON. I understand. I am proceeding on the theory that the capital of these concerns has remained practically the same.

Mr. Lauck says concerning the table to which I have referred:

The outstanding fact in this table is simply stated. The corporations listed—including all with incomes of $1,000,000 or over in any one year in so far as they are listed in the financial mnauals—earned during the years 1916–1918 an average income of nearly $1,250,000,000 a year, or nearly 24 per cent on their capital stock. This appears to be nearly three times the average for the prewar years 1912–1914, and the figures for production, where these are available, show conclusively that these increased profits were not due to increased production.

Of course, that is an important element.

They were due in large measure to the fact that the corporations took a larger proportion of every dollar spent by a purchaser. This fact will be shown conclusively in another part of this study. Here it is sufficient to note that for the three years 1916–1918 the annual profits of these corporations averaged approximately $800,000,000 more per year than during the three-year period preceding the war, 1912–1914.

This is a startling fact. Basing our calculations upon the reported net corporation income as shown in the income-tax returns these corporations represent about one-sixth of the total corporate income of the United States. If these other corporations did as well as those of which record is available, and there is reason to believe they did, then the combined corporations of the country earned approximately $4,800,000,000 more per year during the three war years 1916–1918 than during the three prewar years 1912–1914.

A total of $800,000,000 means $40 per family of five throughout the Nation. A total of $4,800,000,000 means $240 per family of five throughout the Nation. Consider that each family of five paid as a toll, not to so-called legitimate profits, but to excess of war profits over prewar profits, $240 per year, and one gains an idea of the total burden which profiteering meant to the country. Yet it is a conservative estimate of what actually happened, and it must be remembered that this huge figure does not represent the whole profit, but only the part in excess of the prewar level.

These seem to be facts that can not be disputed and they are startling. It perhaps is not out of place to suggest that these figures do not tell the exact truth, because there has been every kind of device invented to conceal profits.

The Government in many instances has been cheated out of enormous sums, some of which have been paid back, but, as I understand, the gentlemen who have robbed the Government in some of these instances have not been tried in the courts. I wonder why. In due time we shall probably know.

The commodities that the average, everyday people have to buy—clothing, shoes, food, and other necessities that enter into their daily existence; building material, if they have homes; iron and steel, crockery for their kitchens, bedding for their beds, medicines—all have been the vehicle through which the robber profiteers have been adding more to their already swollen incomes.

I think Mr. Lauck does not go high enough in his figures, because I believe it can be demonstrated that the average American family of five has during the period from 1916 to 1918 been fleeced out of at least $800 per year because of corporate profiteering in the things that a family must have. Yet certain people in the country wonder that there is unrest and discontent!

Senate Document No. 259, to which I have referred, has furnished much evidence to the country of profiteering and is further evidence that income-tax returns should be made public. Why not? If men in communities in retail business are robbing their fellow men, as they are doing, they would hesitate if their fellow men knew the extent of their robberies. As the Senator from Massachusetts argued yesterday, by making public income-tax returns, which some of us have tried to bring about here many, many times, we could be advised of just the extent to which we are being robbed.

Mr. SHERMAN. Mr. President, will the Senator yield on that point just for a moment?

Mr. KENYON. Yes.

Mr. SHERMAN. We had last summer and through the late autumn an investigation as to prices in the District of Columbia. It was repeatedly demonstrated that retail dealers in various articles of family necessity made all the way from 50 to 200 per cent. That is known here in Washington. A man who had $800 invested in a meat market—he had no capital stock, but just kept his capital in a bank—as the uncontradicted proof shows, and as was admitted by him, made $8,000 in one year, with no risk whatever, except the amount invested in a cleaver, a meat block, and an ice box.

Mr. NELSON. Mr. President, was not all this done to beautify Washington and to make it the great Capital of the Nation, which everybody would be glad to visit?

Mr. SHERMAN. I presume so. As the Senator from Minnesota has suggested, it was done under various pleas, but that condition has been known for a long time. I have, however, heard no great outcry, no public indignation among nearly a half million people here. They are still going right along and paying the same prices for sausage and chicken as they did before.

Mr. KENYON. I should like to ask the Senator what the testimony before his committee showed as to the profits in shoes?

Mr. SHERMAN. We did not go into that especially; the primary purpose of the investigation was in regard to foodstuffs.

Mr. KENYON. I thought there was testimony of one of the shoe dealers here as to his profits.

Mr. SHERMAN. That was only incidental; that was not the main subject of the inquiry; but the meat-market man to whom I have referred made $8,000 in a single year.

Mr. KENYON. When the Senator says the people do not care, does he mean to say that he has not heard any complaint about conditions?

Mr. SHERMAN. Oh, in isolated cases, yes; but no great uprising.

Mr. KENYON. Oh, no; of course not.

Mr. SHERMAN. There have been no resolutions of denunciation. It seems like they have reached the passive stage of suffering.

Mr. KENYON. Yes. The poor people never have many uprisings; they submit and go on hoping to get through the day and the next day, and meanwhile watch the profiteer ride by in his fine automobile.

The analysis of the document to which I have referred, being Senate Document No. 259, is worth the while of anybody who is at all concerned about the state of affairs in this country. Here will be found the incomes of approximately 20,000 of the little over 30,000 corporations in the United States reporting incomes over 15 per cent of their capital stock. The chief value of that document is found in the part commencing with page 365. I will call attention to some of the figures.

In the chemical group—page 363—one concern with $18,000,000 capital stock had a net income in 1917 of $7,246,448; it paid in taxes a total of $906,170; its per cent of net income to capital stock in 1917 was 40.26. Another concern in the same group listed a per cent of income to capital stock of 139.38.

Another one of the same group, with a capital stock of $2,500,000, listed a per cent of net income to capital stock in 1917 of 105.93. Another one, with $30,000,000 capital, listed a per cent of net income to capital stock in 1917 of 29.14, and one of $1,000,000 capital stock listed a per cent of net income to capital stock in 1917 of 270.35.

I do not know that these are the particular industries which clamor for the dye bill, which has gone to an early death, and claim that they would be destroyed without a prohibitory tariff; but if so, it was well that Congress was not overpersuaded by their tears or by their threats.

THE MEAT PACKERS.

We have read in the newspapers from Portland, Me., to Portland, Oreg., the advertisements of the packers showing the very small profits made by them. Their statements hardly tally with the figures in Senate Document No. 259, heretofore referred to. On page 365 we find one packing house with a capital of $100,000,000 which in 1917 made a net income of $49,139,147. After the payment of its taxes it had remaining $43,810,948, or a per cent of net income to capital stock, after deducting taxes, of 43.81. Armour and Swift are the only companies that had in 1917 a capital stock of $100,000,000. So that the figures must relate to one of those companies. The names of the companies are not given, but numbers designate the different studies.

Mr. McCUMBER. Mr. President, merely for information, I should like to ask the Senator whether in computing the profits they are based on capital stock alone or on capital stock plus surplus? In other words, whether they are based on actual investment or whether they are based simply on the capital stock?

Mr. KENYON. On the capital, as I understand.

Mr. McCUMBER. Without reference to the amount invested?

Mr. KENYON. No. There are a large number of headings. If the Senator will take the document, he will observe, for instance, "Per cent of total tax to net income," "Per cent of net income to capital stock," "Per cent of net income to invested capital." It carries that figure, too, in parallel columns.

Mr. NELSON. Mr. President, will the Senator allow me to ask him a question?

Mr. KENYON. Certainly.

Mr. NELSON. I judge, from the report sent out by the packers—the printed report of one of the big companies, where they claim they have only made a small amount of profit—that

they base that not only on their own capital but also on the amount of money they borrowed in the business.

Mr. KENYON. I am not certain in regard to that, but I think the Senator is correct.

Mr. NELSON. Why, I know it is so. When they stated that they had only made, for example, 3 per cent profit they included in the basis of that 3 per cent profit their capital, their surplus, and all the money they had borrowed and used in their business.

Mr. KENYON. And then claimed that they had made a very small return.

As I stated, there were only two of these companies that had a capital stock of $100,000,000 in 1917, so it must be one of those companies; and that return is hardly in keeping with the advertisements that are put out by the lobbying institution at Washington known as the American Institute of Meat Packers.

The published reports of Armour and Swift for that year showed profits of Armour of $30,628,157 and Swift $34,650,000. There seems to be considerable discrepancy between the reports published for the public and the returns to the Treasury Department. If the income-tax returns could be made public, as they should be, it would enlighten the public as to the profits of these concerns and the truthfulness of their advertisements relative to the small profits received.

Mr. SHERMAN. Mr. President, on that subject—I know the Senator wishes to get the whole of the evidence that may bear on it—does the Senator know whether the surplus, or whatever should appear to remain after the payment of expenses for the year, is in cash or in inventoried property account?

Mr. KENYON. No.

Mr. SHERMAN. Let me ask the Senator, further, if he does not know that if a portion of it is in inventoried property account it depends upon the fluctuations of the market what that inventoried property at the end of a given period might show, whether a profit or a loss?

Mr. KENYON. Undoubtedly.

Mr. SHERMAN. Does not the Senator know—I am sure he does—that that is one of the points of difference between the Federal Trade Commission and the packers in the method of accounting? The Federal Trade Commission insists that the accounting on all inventoried property of the companies should be at cost, whereas the method adopted by the packers in accounting is the market value of the property at the time the inventory is taken. Very largely it consists of finished meat products, either entirely ready for the market or in various stages of preparation. If the latter be taken, the market value is subject to fluctuations on the market, as other pieces of property are. If the low valuation of cost be taken, then it shows, according to the Federal Trade Commission—or would if that basis were adopted—correspondingly large earnings on the invested capital, or what is called in some of the columns "Invested net worth." There would be a vast deal of difference between the cost of the inventoried property and the market value of the property at a given period. It might in ordinary war times—the last three years, that we know as war years, or nearly so—show a very high market value. If that were to be depressed following the close of the war, it would show a loss.

So, basically, when the Federal Trade Commission talks of profits on the invested net worth, or on capital, or on capital and surplus, it depends very largely upon the basis of the system of accounting, does it not, and it will change accordingly?

Let me inquire further if the Senator knows of any very large, successful business concerns that in inventorying take property other than cash at cost; or do they not pretty generally, or in most cases, take it at the market value of the inventoried property?

Mr. KENYON. I think they take it at the market value.

Mr. SHERMAN. I think that method is pursued oftener than any other.

Mr. KENYON. I think that is true. Of course, I realize that the packers have been able to grow rich, tremendously rich, and figure that they were making no profit. They pay men very high salaries to figure that out, and it is a difficult matter to understand; but since the Senator has suggested this, I am going to read in this same study what Mr. Lauck says on this subject.

He says, speaking of the packers:

> On the other hand, profits have actually increased between 300 and 400 per cent. Four of the big packing houses earned during the years 1915–1917 $140,000,000. Such profits were made despite the deduction of enormous amounts for excessive salaries, advertising, and overhead charges. Altogether in the period of 1912–1918 these concerns took one-quarter of a billion dollars in profits, or nearly double the prewar value of their stock. Three-fourths of the new stock issued to conceal these huge profits was stock dividend representing no real investment. In this profiteering enterprise the five big packers have been assisted by their control of affiliated and subsidiary companies, such as stockyards and rendering plants. These companies were acquired, with practically no real expenditure, through stock dividends, etc. They have paid large profits, especially since the war. It is such accumulating profits that cause the high cost of living.

The Federal Trade Commission in its report of June 24, 1919, stated that "the Big Five packers," together with their subsidiaries and affiliated companies, not only have a monopolistic control over the American meat industry but have secured control, similar in purpose if not yet in effect, over the principal substitutes for meat, such as eggs, cheese, and vegetable-oil products, and are rapidly extending their power to cover fish and nearly every kind of foodstuff.

Further, on page 32 of volume 1, report of the Federal Trade Commission, they say:

> The power of the Big Five in the United States has been and is being unfairly and illegally used to:
> Manipulate live-stock markets;
> Restrict interstate and international supplies of foods;
> Control the prices of dressed meats and other foods;
> Defraud both the producers of food and consumers;
> Crush effective competition;
> Secure special privileges from railroads, stockyard companies, and municipalities; and
> Profiteer.
> The packers' profits in 1917 were more than four times as great as in the average year before the European war, although their sales in dollars and cents at even the inflated prices of last year had barely doubled.

Notwithstanding all of this, Mr. President, and the practical conceding of the facts by the packers in submitting to a decree—which decree is probably like the Standard Oil and Tobacco Trust decrees, accomplishing nothing—it seems, as I have stated, impossible even to secure consideration of the bill now on the calendar to regulate this monopoly. That bill was unanimously reported from the Agricultural Committee on the 18th day of February, the calendar day of February 20, 1920. Bills that have been reported from committees since that time have been given a place on the legislative program by the steering committee. The shipping bill, now before the Senate, was not reported out until the 24th of May, and it has been under consideration here for many days and will shortly be passed. So, may I inquire, is it a public matter that a bill of this character can receive no assignment by the steering committee? Is the public interested in knowing whether or not a bill shall even have a chance to be considered? We are not insisting on its passage. We are not trying to limit anybody in arguing the bill. We are simply saying that this bill is entitled to its day here, and it is going to have it before this Congress adjourns if we are able to prevent an adjournment in that situation, and I think we will be.

Producers in this country who now find their stock going down while the prices of meats are going up to the consumers—a legerdemain explainable only by the high-priced experts of the packers—are getting anxious to know why this bill does not receive some consideration.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. STERLING). Does the Senator from Iowa yield to the Senator from Utah?

Mr. KENYON. Yes.

Mr. KING. I think the Senator will find some Senators upon this side of the aisle who will join hands with him in trying to secure needed legislation not only to deal with the important question to which he refers but to deal with the question of trusts and monopolies generally. There are trusts and monopolies and conspiracies in restraint of trade that are operating to-day, and if the present law is not sufficiently drastic to deal with them we ought to amend it; and I hope the Senator from Iowa will join with some Senators on this side of the Chamber for the purpose of securing the needed legislation to deal more effectually with trusts and monopolies and conspiracies in restraint of trade.

Mr. KENYON. I am glad to hear that from the Senator. I am very closely joined at least to one Senator on the other side of the Chamber in trying to get consideration of this bill, and that is the Senator from Wyoming [Mr. KENDRICK], one of the great meat producers of the country, who knows the subject from their standpoint better than any other man in this Chamber. He does not make a practice of taking large amounts of the time of the Senate, but he likewise is deeply interested in securing a hearing for this bill. Between the two of us we will do the best we can to get it up.

Mr. OWEN. I wish to ask the Senator from Iowa what explanation was made why the packer bill should not be given a place? What is the reason?

Mr. KENYON. I think the bill has never been reached for consideration by the steering committee. There have been so many other important matters that they could not reach it. I do not know any other reason assigned.

Mr. OWEN. The bill is of such an important character, dealing with the food supplies of the country, it seems to me, Mr. President, that if they can reach anything at all they ought to reach it.

Mr. KENYON. The Senator realizes, does he not, how the Senate is conducted? You can have a bill and consider it for a year, report it unanimously from a committee, as this has been reported, and then a steering committee can prevent it from coming up here.

Mr. OWEN. What becomes of the self-government of the Senate itself?

Mr. KENYON. I ought not to say that they can prevent it from coming up. They can not. They can make it difficult to bring it up by not giving it a place. Then, when the bill which is before the Senate is disposed of, the next bill which the steering committee had decided on gets the right of way. I hope the Senator will join with us in trying to bring this very bill up and see whether a few men can prevent a bill of this kind from coming before the Senate.

Mr. OWEN. Why can not a motion be made to bring it up, and bring it up to-day?

Mr. KENYON. It will be made as soon as the pending bill is disposed of.

Mr. OWEN. I will certainly give it my most cordial support in every way. I think it is a bill of the first importance. Here is a case where for over 30 years, to my certain knowledge, there has been effort after effort made to control this Beef Trust. I remember when George Graham Vest, I think 30 years ago——

Mr. KENYON. Did they have a steering committee in those days?

Mr. OWEN. They had a steering committee which steered it right. They steered it so that the people never could get what they were entitled to. You talk about having a Government where the people rule. If the people rule, why do not the people get what they want? They do not get what they want. They are being ruled by artful processes which divert them from their proper ends.

Mr. SHERMAN. Mr. President, in other words, when this criticism of the steering committee is boiled down, it comes to this: When it gives you what you want it is right, and when it refuses it is wrong.

Mr. KENYON. Not at all. The chairman of the subcommittee of the steering committee is the Senator from New York [Mr. WADSWORTH]. I have always said that the Senator from New York, whether he favored a bill or was opposed to it, was so fair and so square and so honorable that the bills he was against he would be willing to give the same kind of a chance as the bills he might be for, but it is not the province of the steering committee to say, "The bill is reported from the committee, but we are opposed to it. Consequently we veto it." That is all. Is the Senator from Illinois in favor of a steering committee which can kill legislation?

Mr. SHERMAN. As the Senator has asked the question, I will say that I have never been in favor of a steering committee acting that way, but I am in favor of a steering committee preparing a program for legislation, and then, if orderly processes are to be arrived at, I think that program should be adhered to. That seems to be the basis of the criticism here.

Mr. KENYON. What bills shall have preference?

Mr. SHERMAN. They shall be given preference in the order in which they shall come.

Mr. KENYON. This bill has been before the Senate since February 4. The bill of which the Senator from Washington [Mr. JONES] is in charge has been here since May 4. Is it just fair, no matter how the Senator feels about that particular bill; is that a fair proposition?

Mr. SHERMAN. Certainly it is, Mr. President. It is not priority of birth; it is the merits of the bill, or the order in which the committee finds it proper to advance legislation, giving to some priority, even if they be not reported out of the committee as early as others, or earlier, as the case may be. It is not the order in which the bills come out of the committee. If it is to be seniority of bills, then there is an end at once of action by an advisory committee, or anything else of the kind. It becomes then a struggle for the gateway.

Mr. KENYON. I would expect this bill to be killed by the Senator even before birth, if he could get hold of it. But it has been born, and it is not going to be killed right away.

The Senator from Massachusetts [Mr. WALSH] submitted a resolution yesterday, which I earnestly hope may pass, to get at some of these questions. He discussed bituminous coal, and I want to add a word to what he said.

Mr. President, if there is anybody who deserves a warm place in the next world it is the bituminous coal operator, for he has made it mighty difficult for people to keep warm in this one.

In this document referred to—Senate Document No. 259—it is shown that out of 392 bituminous coal companies given, 334 show net profits, after every possible deduction, of over 25 per cent; 218 showed earnings of over 50 per cent; 118 showed net profits of over a hundred per cent. As to this Mr. Lauck says:

> Turning to the financial manuals we find the net annual profit of 17 bituminous companies for 1917 nearly four times the prewar figure. This proportion appears not only in the absolute figures where the increase is from approximately $13,000,000 in 1914 to nearly $48,000,000 in 1917, but also in the percentage earned on capital stock, which increased from 7½ to over 27 per cent, as well as in the net profit per ton, which rose from 20 cents to 66 cents. As a matter of fact the operator's margin showed a larger proportional increase than any other item in the price of coal paid by the consumer. If the average profit per ton shown by these companies was representative of the industry, it indicates that the operators during the four years—1916–1919—gathered a clear profit totaling over $1,000,000,000. This means a tax on every man, woman, and child in the United States of $10 to pay the four-year profits of the bituminous coal operators. Had the operators been satisfied with normal profits the Nation might have been saved hundreds of millions of dollars in its coal bill.

The Senator from Massachusetts [Mr. WALSH] referred to the American Woolen Co., and I will not spend time on that, further than to say that it was capitalized at sixty millions, and the annual net income during the prewar years was $1,600,000. In 1916–1918 it was around $9,000,000, which represented an increase in the per cent on capital stock of from 2.7 per cent to 14.9 per cent. In 1917 its earnings were $13,883,155, a return of about 23 per cent on the capital stock.

The American Thread Co. had a profit in the prewar period averaging around $970,000. This went up in the war period to over $2,000,000. Its profits were twice as large in the war period as the prewar period, and these increased profits can not be attributed to increased production.

I will not refer to the anthracite coal situation. The double profiteering in production and in transportation has long been suffered by the people with apparently little hope of relief.

It is hard to speak with moderation of the coal profiteer. Poor, struggling people, with little children sick in unheated homes, are the product of the coal profiteer. If there is not a hell there ought to be one for these men. They are some of the gentlemen who are wondering why there is discontent in the country.

The profiteering in petroleum is almost beyond the wildest dream of the wildest imagination. The Standard Oil Co. of Indiana certainly managed to keep the wolf from the door.

I refer to them among the Standard Oil companies. Again quoting from Mr. Lauck:

> Thus the Standard Oil Co. of Indiana took from the country during the prewar years profits which averaged more than 1,000 per cent on the original capital stock, which represents the whole real investment. In those years the profits averaged over $10,000,000 per year. The percentage of profits to capital stock for the years 1916–1918 was more than two and a half times as great, the earnings being approximately $26,000,000. Of course, in the published reports it does not appear that this corporation earned so enormous a per cent on its capital stock, for in 1912 the capitalization was increased from $1,000,000 to $30,000,000 by a 2,900 per cent stock dividend. The return on investment then appears to have risen from approximately 33 per cent to approximately 85 per cent, an increase in profits which is significant enough, for it means that in 1916 the corporation took profits equal to the entire value of the capital stock, which has been increased to thirty times the value of the original investment.

Can you beat it?

> In other words, 1916 was a marvelous year to the original stockholders, for they received profits in a single year equal to thirty times what they had actually put into the business. Such facts suggest an explanation of the present prices of fuel oil.

Practically the same thing was enunciated by Mr. Manly in his article many months ago in the Searchlight. Mr. Manly has been denounced on this floor as a socialist in connection with the proceedings of the Federal Trade Commission. Anyone who disagrees with you nowadays is a socialist or a Bolshevik or a pro-German. Mr. Manly is a man who has in his heart some sympathy for the everyday toiling people of this country, and the investigation of Mr. Manly seems to have "died aborning." There has been no denial of these figures from any source. Undoubtedly the managers of this company, with a dividend of 2,900 per cent, are greatly concerned over the spirit of unrest in this country. They can not understand it. Do the owners of these great corporations imagine that the people of this Nation are going to quietly continue to submit to such plunder as is evidenced by these figures?

It is not only manufacturers who have engaged in the pleasant pastime of profiteering, but retailers have been equally busy. Statements before the District of Columbia Committee, investigating the cost of living in the District of Columbia, showed enormous profits made by certain shoe dealers and others. The District of Columbia harbors as choice a nest of robbers along this line as can be found anywhere in the United States. I do not care if any of them might happen to have wandered into the galleries. You will probably find that many of them are undoubted leaders of the best thought in the com-

munity, much in demand as after-dinner speakers and at various conventions and church meetings.

Mr. Manly in his article in the Searchlight before said:

It must not be imagined that manufacturers were the only ones who reaped enormous profits while the Nation was at war. The report of the Treasury Department shows 2,068 clothing and dry goods stores, one of which earned 9,826 per cent on its capital stock—

I can hardly believe that figure. I am giving this as something stated by him, and not as my own—

and nearly 10 per cent of the entire number earned more than 100 per cent on their capital stock. Out of 313 department stores, one earned 757 per cent on its capital stock, and 26 earned more than 100 per cent. There are 577 furniture stores reported, of which 78, or nearly 15 per cent, earned more than 100 per cent on capital stock, and one earned 781 per cent. We have heard a great deal about the high cost of building in the last few years. In nearly every case an attempt is made to attribute the high cost to the wages paid building labor, but this report shows that out of 809 contractors and construction companies, 154, or more than 15 per cent, earned profits of over 100 per cent on their capital stock, and one of them earned 1,390 per cent, or nearly fourteen times its total capital in a single year.

Senator CAPPER in one of his speeches before the Senate stated that during the war the American people had paid for the coal mines, the steel mills, the textile factories, and every other essential branch of industry. It did not seem possible that that could be true, and yet the facts bear out the statement.

One result of the war seems to be a large crop of millionaires. In 1917 we had 6,664 millionaires as compared with 2,348 in 1914. It is interesting to note the following from Mr. Lauck's address:

These individuals had an aggregate income of $1,709,365,988 or over one-eighth of the entire taxable income of the United States. Seventy per cent of this income, or over a billion and a quarter dollars of it, came from property. In fact, as we examine the data available we find that the higher the income the greater the proportion coming from property, and also that the higher incomes tended to increase more rapidly than the lower ones. Statistics of income for 1917 show that income from property constituted only 12½ per cent of incomes between $3,000 and $4,000, while it constituted 92 per cent of incomes over $2,000,000. When we pause to consider the fact that the very wealthy are the ones who receive the greatest share of the stock dividends and other capital distributions, it becomes apparent how large a sum is going annually to support these millionaires, not on the basis of real investment but on the basis of their strategic position.

In general the outstanding facts which are revealed in the statistics published by the Commissioner of Internal Revenue may be summarized as follows:

(1) As a result of the war the number of millionaires in the United States has practically trebled. This does not tell the whole story; it merely indicates a much more general increase in the wealth of the comparatively wealthy. The number of incomes over $100,000 stood at 2,348 in 1914. In 1917 they numbered 6,664. Incomes between $400,000 and $500,000 show the highest rate of increase, from 69 in 1914 to 245 in 1916. In 1917 there were reported 140 incomes of over $1,000,000 as contrasted with only 60 in 1914. In 1916 the figure for these incomes of over $1,000,000 stood at 206, nearly three and a half times as many as in 1914. All along the line the tendency is for the large incomes to increase more rapidly than the small.

(2) These new millionaires were products of the war. They developed most rapidly in the centers of war production and finance. Their ranks were recruited chiefly from the ranks of capitalists, investors, corporation officials, and manufacturers. Their development is closely paralleled by the mushroom growth of corporate income.

(3) This tendency of the rich to grow richer is found not only in the centers of wealth, but also in the communities where the general level of incomes is lower. In each community examined the tendency is for the relatively higher incomes to increase more rapidly than those in the lower ranges.

(4) This is to be explained by the fact that the higher the income the greater the proportion of it which is derived from property. In other words, it means that property "profiteered" out of war conditions.

The result can almost be stated as an equation in proportion—the rate of increase in income as a result of the war is directly proportional to the percentage of the income representing return on property. It might be suggested here that the higher the income the greater the probability that much of the stock from which it is derived was originally "water."

(5) The close relationship between this enormous increase in the number of large incomes and property becomes even more apparent when we see that it reflects growth of corporate income. The corporate net income of the country increased between 1914 and 1917 from approximately $4,000,000,000 to over $10,500,000,000. Accepting all deductions made by the corporations, and further deducting 10 per cent on new capital, together with all excess-profits taxes, it will be found that the remaining net profits of 1917 were $3,500,000,000 above those of prewar years.

(6) This first-hand evidence of profiteering is accentuated by the huge undivided profits which are about to flow out to the wealthy in stock dividends, following the recent Supreme Court decision. This means that the figures already examined are short of the mark. Profits were held in reserve for a favorable moment of distribution. The increase in large incomes will continue.

(7) This survey proves that in the division of national income between labor and property, property has received a much larger share than it did prior to the war. Labor, therefore, must have received a smaller share. This means that the strategic position of property has been strengthened, that of labor weakened.

(8) The real significance of this is that, as a result of the period 1914–1918, there are at least three times as many people living primarily off large blocks of the Nation's property. In other words, the production of the country must, as a result of the war fortunes, carry a heavier overhead than previously. This does not mean that there is to-day more property in the country for which rent must be paid. It means that the property which existed before the war has been given a higher money value. In other words, as a result of war profiteering a greater proportion of national income must go to those who have given their share of the Nation's property a higher paper value. It means to the worker that a smaller proportion of the total production of the country will come to him as wages.

Mr. President, I have referred to these stock dividends. Since the Supreme Court has declared that stock dividends were not the subject of excess-profits tax there has been a tremendous issue of stock dividends. I may be wrong in my conception of it, but it does seem to me almost disloyal at this time, when the Government is raking every field of industry for taxation, for these great corporations, which have made unprecedented profits, to try and escape just taxation by means of stock dividends. And yet this goes on, and people wonder that there is unrest in the country.

There is not a day but what we read in the papers of some concern issuing a great stock dividend. I have just clipped here to-day a number of them. Here is one of them:

LIBBY, M'NEILL & LIBBY ISSUE BIG STOCK DIVIDEND.

CHICAGO, *May* 7.

A 50 per cent stock dividend of 640,000 shares, with a par value of $6,400,000, has been authorized by the directors of Libby, McNeill & Libby, manufacturers of food products. Payment is to be made August 14 to stockholders of record June 5.

Here is one of the Royal Worcester Corset Co. declaring a stock dividend of 200 per cent from its surplus and voting to increase its capital stock from $800,000 to $2,400,000. I suppose that could hardly be considered a necessary.

Again, New York, May 8, clipped from a little paper out in Indiana. The people are reading these things. This says:

NEW YORK, *May* 8.

A flood of stock-dividend announcements came forth in the last few days, five companies making declarations of this character. These were the R. J. Reynolds Tobacco Co., which declared a 200 per cent stock dividend on both classes of common stock; a 400 per cent stock dividend by the Whitaker-Glessner Co.; 33⅓ per cent stock dividend by the Chandler Motor Car Corporation; 10 per cent by the Endicott Johnson Co.; and 33⅓ per cent by the Brown Shoe Co.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Colorado?

Mr. KENYON. I do.

Mr. THOMAS. I had something to do with the framing of the stock-dividend clause in the last revenue bill. I have not changed my opinion as to its taxable character under an income tax because the Supreme Court has decided otherwise. Of course, the Supreme Court decision is law. I felt satisfied that, apart from the merits of the proposition involved in that case, the economic consequences of a decision similar to that which the court rendered would be precisely what the Senator has called to the attention of the Senate.

But I think it fair to state in this connection that the income which is invested in stock dividends does not entirely escape taxation. The corporations pay the normal tax, which I think is 8 per cent at present, upon these earnings. The effect of the conversion of the remaining income into stock dividends is to deprive the Government of the benefit of the surtax which would otherwise be levied and collected.

Mr. KENYON. And it would be a very large sum.

Mr. THOMAS. Yes; a very large sum. So it is not entirely correct to say that the money invested in the stock dividends wholly escapes taxation. It is subject to the normal tax, but it escapes the surtax after distribution.

Mr. KENYON. It is fair to say that it escapes a portion of the taxation.

Mr. THOMAS. The larger portion.

Mr. KENYON. It escapes the larger portiton of the taxation.

Mr. NELSON. Will the Senator yield?

Mr. KENYON. Certainly.

Mr. NELSON. If I understand the decision of the Supreme Court correctly, it practically holds that we have no right to tax stock dividends for the reason that they are capital. The court takes the same position they did years ago under the old law—that rents derived from real estate or other property could not be taxed except by applying the rule of apportionment. So here in this decision of the Supreme Court, if you will examine it, you will see the vice is not in the law passed by Congress, but the court put it on the ground that the income is capital and that you can not tax it by such a tax without applying the rule of apportionment.

Mr. THOMAS. No, Mr. President; the law as it passed Congress and was approved by the President is all right.

Mr. NELSON. The law goes as far as it could; but the court takes the ground that such a stock dividend is a part of the capital, and that you can not levy that kind of a tax on stock dividends except by the application of the rule of apportionment.

Mr. THOMAS. The majority opinion of the Supreme Court also holds that the transformation of income into capital stock

relieves it from the burden of further taxation as income; in other words, that as soon as the transformation is complete, then the fund becomes capital and ceases to be income.

The opinion of the dissenting minority, which seems to be unanswerable, demonstrates, I will not say the fallacy, because I have too much respect for the Supreme Court to say that, but it demonstrates the unwisdom of such a decision, because if the money was the subject of a dividend to stockholders, coupled with the privilege of investing an additional amount of stock, and went from the treasury of the company to the stockholders and instantaneously passed from the stockholders back to the treasury in the purchase of stock, it would be taxable; but if the transformation is direct from the treasury to the stock, without passing through the hands of the stockholder, it becomes capital. That may be good logic, but it is too refined for my comprehension.

Mr. KENYON. Mr. President, many of the gentlemen who are disturbed by the unrest in the country, through their corporations, take advantage of what they believe would relieve them from a large portion of taxation, as it does in the surtax, and it is interesting to know that since the 8th day of March the amount of stock dividends that have been declared.

I refer to the paper known as the Commercial and Financial Chronicle, of New York, May 8, 1920. A list is given up to that time, but they do not include certain issuances that they have seen in the papers as having been issued, but just those that they know have been issued or voted.

Mr. President, in this list as given on page 1923 of the issue of May 8, 1920, which I am going to ask to place in the RECORD, are the percentages of the different stock dividends and their amount. For instance, here is one company with a 75 per cent stock dividend, and the amount of the stock dividend is $38,330,886. That is the American Tobacco Co. That bears heavily on my friend from Minnesota [Mr. NELSON]. [Laughter.] Here is one dividend of 1,900 per cent; many of them of 100 per cent; many of them of 200 per cent; some of them of 300 per cent; one of them of 400 per cent; and in that case the stock dividend was $19,348,500. Those stock dividends amount—and, mark you, that is since March 8, a little over two months ago—to $324,127,213.

In addition to that, there are large numbers of stock dividends issued, which are referred to, the amounts of which are not given; but here is one, the Youngstown Sheet & Tube Co., as to which reference is made to the press report from Youngstown—they do not vouch for the truth of the statement, but take the press reports and say:

> A press report from Youngstown says that the directors "have decided to issue a stock dividend of more than 400 per cent, or more than $80,000,000," thus increasing the capital stock to $100,000,000.

If you take the issuance of stock dividends the values of which this report does not show and take the $80,000,000 of the Youngstown company, the stock dividends issued by these corporations since the 8th day of March will equal $500,000,000.

Talk about the loyalty of great wealth! There ought to be some way of reaching those stock dividends. If the distinguished Senator from Colorado [Mr. THOMAS], one of the ablest lawyers in this body, and I would say one of the greatest Senators who ever sat in this body, can not devise some way in the Finance Committee—he was a member of that committee when the present law was framed—to cover this question, I should despair of its being covered; but it does seem as if there should be some way of reaching that question. Does it produce unrest in this country when people who have to struggle along to pay their little taxes and can not get out of it see profits to the extent of $500,000,000, that ought to be taxed to support this Government, put into stock dividends and escape a large portion of just taxation?

How shortsighted are the men who are doing these things! Are they living only for the day? Do they regard only their own pocketbooks? Can they not see what it means in creating unrest in this country?

Now, Mr. President, I ask that this table from this paper, which is a reliable financial paper, be published in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to is as follows:

STOCK DIVIDENDS SINCE THE UNITED STATES SUPREME COURT DECISION.

In view of the great interest attaching to the matter, we bring together in the following table all the declarations of stock dividends that have come to our notice since the decision of the United States Supreme Court on March 8 declaring that stock dividends are not taxable as income under Federal law.

We show (1) the amount of stock or shares outstanding at the time of the stock declaration; (2) the rate or percentage of the dividend; and (3) the amount in shares or stock by which the capital will be increased through the dividend.

Stock dividends voted or recommended by board.

On common stock—	Outstanding before dividends.	Per cent.	Amount of stock dividends.
Acadia Mills Corporation	$2,000,000	50	$1,000,000
American Glue Co	$1,500,000	[1] 150	$2,250,000
American Light & Traction Co	$25,057,219	[2] 2½	$626,430
American Multigraph Co	$1,000,000	[3] 20	$200,000
American Piano Co	$7,019,700	[2] 5	$350,985
American Steel Foundries	$17,184,000	6	$1,031,040
American Thermos Bottle Co	$1,150,000	30	$345,000
American Tobacco Co	$51,107,848	75	$38,330,886
American Trading Co. ....about..	$2,124,420	100	$2,124,420
Amoskeag Manufacturing Co. ....shares..	172,800	100	[4] 172,800
Arlington Mills	$8,000,000	50	$4,000,000
Art Metal Construction Co	$1,457,120	100	$1,457,120
Autocar Co	$3,000,000	40	$1,200,000
Brier Hill Steel Co.[5]	$12,500,000	20	$2,500,000
British-American Tobacco Co. (Inc.)	£12,811,412	[2] 25	£3,202,853
Brown Shoe Co. (Inc.)	$6,300,000	33⅓	$2,100,000
Brunswick-Balke-Collender Co	$6,000,000	200	[6] $12,000,000
Chandler Motor Car Co. ....shares..	210,000	33⅓	[4] 70,000
Chapman Valve Manufacturing Co	$500,000	100	$500,000
Cleveland-Akron Bag Co	$2,950,000	50	$1,475,000
Cleveland Automobile Co. ....shares..	14,000	1,900	[4] 266,000
Columbia Motors Co	$500,000	700	$3,500,000
Columbia Graphophone Mfg. Co. ....shares..	915,160	5	[4] 45,758
Continental Oil Co	$3,000,000	200	$6,000,000
Crowell & Thurlow Steamship Co	$1,000,000	[7] 200	$2,000,000
Crucible Steel Co	$25,000,000	50	$12,500,000
Detroit & Cleveland Navigation Co. ....about..	$5,000,000	25	$1,250,000
Endicott-Johnson Co	$14,900,000	10	$1,490,000
Federal Oil Co	$4,750,000	3	$142,500
Federal Motor Truck Co	$1,000,000	100	$1,000,000
Foundation Co., New York ....shares..	20,000	25	[4] 5,000
Frye (John A.) Shoe Co	$250,000	200	$500,000
General American Tank Car Co. ....shares..	60,000	300	[4] 180,000
General Chemical Co	$16,519,200	20	$3,303,840
General Fireproofing Co	$1,017,500	50	$508,750
General Motors Corporation	[8] $155,957,200	[2] 2½	$389,893
Grasselli Chemical Co	$16,121,000	20	$3,224,200
Greenfield Tap & Die Corporation ....shares..	[9] 80,000	50	40,000
Harbison-Walker Refractories Co	$18,000,000	50	$9,000,000
Hawaiian Pineapple Co	$1,600,000	25	$400,000
Haynes Automobile Co	$2,500,000	60	$1,500,000
Hood Rubber Co	$3,000,000	66⅔	$2,000,000
International Motor Truck Co. ....shares..	70,777	100	[4] 70,777
Katama Cotton Mills	$1,500,000	33⅓	$500,000
Kelly-Springfield Tire Co	$5,532,200	3	$165,966
Libby, McNeill & Libby	$12,800,000	50	$6,400,000
Manomet Mills	$3,000,000	66⅔	$2,000,000
May Department Stores Co	$15,000,000	33⅓	$5,000,000
Middle States Oil Co. ....about..	$2,916,670	20	[10] $583,330
Middle States Oil Co	$5,200,000	50	[11] $2,600,000
Minneapolis Steel & Machine Co	$1,500,000	100	$1,500,000
Monomac Spinning Co	$1,200,000	100	$1,200,000
Nashua Manufacturing Co	$2,500,000	100	$2,500,000
New England Investment Co	$3,000,000	100	$3,000,000
New Jersey Zinc Co	$35,000,000	[3] 20	$7,000,000
Nicholson File Co	$5,000,000	100	$5,000,000
Nonquitt Spinning Co	$2,400,000	100	$2,400,000
Northwestern Leather Co	$576,690	333	[12] $1,923,310
Owens Bottle Co	$9,642,275	5	$482,113
Paige-Detroit Motor Car Co	$1,500,000	33⅓	$500,000
Queen City Cotton Co	$750,000	100	$750,000
Reynolds (R. J.) Tobacco Co	$20,000,000	[3] 200	$40,000,000
St. Maurice Paper Co	$5,000,000	30	$1,500,000
Salmon Falls Manufacturing Co	$600,000	100	$600,000
Seaconnet Cotton Mills	$600,000	[3] 100	$600,000
Sears-Roebuck Co	$75,000,000	[3] 40	$30,000,000
Sinclair Consolidated Oil Corporation [13]			
Standard Sanitary Manufacturing Co	$6,000,000	100	$6,000,000
Stanley Works	$2,500,000	100	$2,500,000
Studebaker Corporation	$45,000,000	33⅓	$15,000,000
Stutz Motor Car Co. ....shares..	100,000	20	[4] 20,000
Do. ....do....	120,000	[14] 66⅔	[4] 80,000
Thompson (John R.) Co	$4,500,000	33⅓	$1,500,000
Trumbull Steel Co	$14,000,000	[15]	[15]
Truscom Steel Co	$1,444,650	20	$288,930

[1] The final steps in the matter of a stock dividend are yet pending and no announcement can be made at present.

[2] Quarterly.

[3] The directors have voted to pay a stock dividend (amount stated above), provided the shareholders, at a meeting called for the purpose, shall authorize the proposed increase.

[4] No par value.

[5] The stockholders will vote on June 1 on increasing the common stock and to declare an additional stock dividend (amount not fixed).

[6] The new stock distributed as a stock dividend will be designated as Class "B."

[7] As recommended by the board. The stockholders voted May 6 to increase the stock from $1,000,000 to $4,000,000, and the directors, it is said, will formally declare the 200 per cent dividend next week.

[8] General Motors Corporation 2½ per cent stock dividend is payable on the $155,957,200 common stock ($100 par value) or its equivalent in shares of no par value, 10 of which are being issued for each $100 share.

[9] Par value $25.

[10] Paid in March.

[11] Payable in July.

[12] About.

[13] The directors have declared four quarterly stock dividends of 2 per cent each, payable upon authorization of the stockholders, who will vote on same May 19. See V. 110, 1857, 1754, 1744.

[14] Includes $40,242,400 common stock now outstanding and $10,865,448 Class "B" common which will be outstanding after conversion of the $12,072,720 scrip.

[15] Not yet determined.

Stock dividends voted or recommended by board—Continued.

On common stock—	Outstanding before dividends.	Per cent.	Amount of stock dividends.
Turner (J. Spencer) Co.	$500,000	100	[1] $500,000
Union Bag & Paper Co.	[2] $10,000,000	50	$5,000,000
United Fuel Gas Co.	$10,000,000	200	$20,000,000
United States Worsted Co.	[3] $5,000,000	50	$2,500,000
Wagner Electric Manufacturing Co. of St. Louis	$4,000,000	8	([4])
Waldorf System (Inc.)	$1,700,000	5	$85,000
Whitaker-Glessner Co.	$3,869,700	400	$19,348,500
Woolworth (F. W.) Co.	$50,000,000	[5] 30	$15,000,000
Youngstown Sheet & Tube Co.	$18,500,000	([6])	([6])

[1] To be paid out of surplus when the $325,000 common stock offered at par is paid for; $175,000 outstanding Apr. 27.

[2] Includes 664 shares reserved for exchange for outstanding shares of preferred and common stock of the Union Bag & Paper Co. in accordance with consolidation plan; outstanding, 99,336 shares.

[3] Assuming that all of the holders of the second preferred stock exercise their option to exchange the same for common, prior to June 15 the stock dividend will be paid on a total of $5,000,000 common and will increase the outstanding issue thereof to $7,500,000.

[4] A stock dividend of 8 per cen has been declared (4 per cent payable in 1920, 4 per cent 1921).

[5] The directors have voted to pay a stock dividend (amount stated above), provided the shareholders, at a meeting called for the purpose, shall authorize the proposed increase.

[6] A press report from Youngstown says that the directors "have decided to issue a stock dividend of more than 400 per cent, or more than $80,000,000," thus increasing the capital stock to $100,000,000.

The following stock dividends have been reported by various newspapers, but have not yet been verified by us, and therefore are not included in the table above: Belton Mills, 100 per cent; Easley Cotton Mills, 300 per cent; Electric Welding Co., Boston, 50 per cent; Electric Welding Co., Baltimore, 25 per cent; Fafnir Bearing Co., 100 per cent; Honolulu Iron Works, Territory of Hawaii, 140 per cent; Riverside Manufacturing Co., 100 per cent; Royal Worcester Corset Co., 200 per cent; Traut & Hine Manufacturing Co., 100 per cent; Woodside Cotton Mills, 100 per cent.

Mr. KENYON. Mr. President, I think that perhaps I should not take very much more time, though I have no apologies to make for taking time, inasmuch as we have our program all laid out now and our cloth cut. I shall take more time day by day, I think, on these various subjects; but in view of the showing from the various articles and publications to which I have referred and the further fact that most of these matters have been before the American people for weeks and months, and, further, that there has been no denial of these facts, is it any wonder that the spirit of unrest in this country is growing?

This Nation, in the last analysis, must look to the great middle class to save it in its hour of stress. They will stand the plundering, but they will try to find some remedies for it. The great middle classes of this country—on the farms and in the shops and around the firesides—branded, if you please, as "rubes," as they have been referred to here to-day, although in not an uncomplimentary way, or branded as creators of unrest, will save this country. They are not American citizens simply for what they can get out of it. They believe in the ideals, the splendid purposes and opportunities of this country; but men who will rob their fellow men as the profiteers have been doing, as the Senator from Massachusetts showed yesterday and as I have tried to show to-day, are not safe rulers for this Nation. They would rob their Government; they would sell the great birthright of American citizenship for a pot of profits. Laws can curb them to some extent. I have tried to point out that laws can not do it all, and that there are great fundamentals involved in the question of the high cost of living, but a great awakened public sentiment in every community ought to sweep these men to social oblivion and scrap them on the junk heap of disrepute.

The profiteer is not new and a product of this age. Pharaoh was one of the first and wisest of all the profiteers. The humble Nazarene found profiteers in the temple at Jerusalem. He overthrew their tables, saying unto them, "It is written My house shall be called the house of prayer, but ye have made it a den of thieves." So this land of liberty, keeper of the hopes and prospects of humanity, guardian of the day of opportunity for the children who are to come, has been made a nation where thieves are plying their trade as they did in the temple of Jerusalem.

Congress supposed it had given enough law to the Attorney General to make effective a campaign against profiteering. If the law is not sufficient, there is no question that Congress will enact more law, but law is not sufficient to end, though it may curb, human greed. The public conscience and spirit of America must awaken, and it is awakening. Communities and individuals must assist in a general campaign against the profiteer. Why not organize antiprofiteering societies in the various communities of the United States and make public the doings of certain distinguished citizens who are robbing the community?

We had antihorse-thief societies in the early days in the West that tended to conserve the number of horses in a community; why not antiprofiteering societies? If the remedy calls for sacrifice, let us make the sacrifice. The American people are sacrificing now. If it calls for drastic action, let drastic action come. The condemnation of an awakened public sentiment, coupled with such help as can be given by law, will at least help to some extent in curbing the plundering of the American people by the criminal and conscienceless profiteers.

INCOME AND PROFITS TAX RETURNS.

Mr. HARRIS. Mr. President, I move that the Committee on Finance be discharged from the further consideration of the joint resolution (S. J. Res. 146) directing the Secretary of the Treasury to furnish the Senate certain detailed information secured from income and profits tax returns of taxable year 1918.

The PRESIDING OFFICER. The question is on that motion of the Senator from Georgia.

Mr. JONES of Washington. As I understand, under the rule, such a motion to be considered requires unanimous consent; otherwise it must go over for one day. I do not feel that I can consent to its consideration now. While I myself have no objection, yet I object to its consideration at this time.

Mr. HARRIS. Then, Mr. President, I give notice that to-morrow morning I shall ask the Senate to consider the motion.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the distribution, regulation, and use of property acquired thereunder, and for other purposes.

Mr. THOMAS obtained the floor.

Mr. McCUMBER rose.

Mr. THOMAS. Does the Senator from North Dakota desire to address the Senate?

Mr. McCUMBER. No; my desire was to call for a quorum. I think undoubtedly the Senator would like to have a quorum present.

Mr. THOMAS. No, Mr. President; not in the sense in which the Senator speaks. Of course, I should like to have a quorum present, but I know that a quorum is impossible. The Senate can secure an answer to a sufficient number of names to make a quorum, but when that ceremony shall have been ended there will be just about as many Senators in their seats as occupy them now.

Mr. McCUMBER. I hope, at least, the ceremony will be gone through with, and, therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from North Dakota suggests the absence of a quorum. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Harris	McCumber	Simmons
Borah	Harrison	McLean	Smoot
Calder	Henderson	McNary	Sterling
Capper	Jones, N. Mex.	Nelson	Thomas
Chamberlain	Jones, Wash.	New	Trammell
Comer	Kellogg	Nugent	Underwood
Curtis	Kendrick	Overman	Wadsworth
Dial	Kenyon	Page	Walsh, Mass.
Gronna	Keyes	Ransdell	Walsh, Mont.
Hale	King	Robinson	
Harding	Lodge	Sheppard	

Mr. GRONNA. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent, due to illness.

Mr. McKELLAR. The Senator from Oregon [Mr. CHAMBERLAIN], the Senator from Kentucky [Mr. BECKHAM], and the Senator from Nevada [Mr. PITTMAN] are absent on official business.

The PRESIDING OFFICER (Mr. McNARY in the chair). Forty-two Senators have answered to their names. There is not a quorum present. The Secretary will call the names of the absent Senators.

The Assistant Secretary called the names of the absent Senators, and Mr. POINDEXTER, Mr. SPENCER, Mr. WARREN, and Mr. WATSON answered to their names when called.

Mr. LENROOT, Mr. KNOX, Mr. WILLIAMS, Mr. PHIPPS, Mr. JOHNSON of California, Mr. BALL, Mr. McKELLAR, Mr. CULBERSON, and Mr. PHELAN entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty-five Senators have answered to their names. A quorum is present.

Mr. THOMAS. Mr. President, I hesitate somewhat to trespass further upon the time of the Senator from Washington [Mr. JONES] in a discussion of subjects which are not particularly germane to this bill; but in view of the very able presentation yesterday by the junior Senator from Massachusetts [Mr. WALSH] of what he conceives to be the causes of unrest in the country, and with which I take no issue, and of the addition to that discussion just furnished by the Senator from Iowa [Mr. KENYON], I feel constrained to submit a few observations relative to the general subject, designed not so much for the purpose of combating any facts which have been stated as to emphasize what I think are the real causes of the high cost of living and the need for understanding them before we can hope for that relief, the necessity of which is too urgent to admit of argument.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from North Dakota?

Mr. THOMAS. I yield.

Mr. GRONNA. There is a joint resolution on the calendar which was reported yesterday. A similar joint resolution came over from the House to-day. I am sure it will not take over five minutes to pass it. I dislike to interrupt the Senator from Colorado, but I should like to have the joint resolution put on its passage.

Mr. THOMAS. I yield to the Senator with pleasure, if it will not provoke any discussion.

FEDERAL FARM-LOAN BONDS.

Mr. GRONNA. I ask the Senate to proceed to the consideration of House joint resolution 351.

Mr. ROBINSON. May I inquire of the Senator from North Dakota to what the joint resolution relates?

The PRESIDING OFFICER. The joint resolution will be read by title.

The joint resolution (H. J. Res. 351) extending the provisions of an act amending section 32 of the Federal farm-loan act, approved July 17, 1916, to June 30, 1921, was read twice by its title.

Mr. JONES of Washington. There is a request for unanimous consent to consider the joint resolution?

Mr. GRONNA. If it leads to any discussion, I will not press it.

Mr. JONES of Washington. I know it is a very important measure, and I would like to see it passed. If it will lead to no discussion, I will make no objection to its consideration.

Mr. THOMAS. I may say to the Senator from Washington that I yielded with the understanding that it would not provoke discussion.

Mr. GRONNA. I will say to the Senator from Arkansas [Mr. ROBINSON] that the Senate joint resolution proposes to extend the law of 1918, permitting the Secretary of the Treasury to buy Federal farm-loan bonds up to $64,000,000. The House passed the joint resolution in exactly the same form, except that it added a provision limiting the purchase of bonds to loans before March 1, 1920, and it involves only $26,000,000. The Senator is familiar with the action of the Supreme Court. The Supreme Court asked for a reargument. A great many of these bonds are now held by little banks all over the country, and the object is simply to relieve the situation. We have requests from not only the little banks but from the big banks of the South and West and all through the country. I can tell the Senator how it would affect his own section. Where is the Federal land bank which would affect the Senator's State?

Mr. ROBINSON. At St. Louis; but I am not particularly interested in the operation of the act as to any one district. What I want to understand is the effect of the act as a whole. What is the basis of the act? What is it designed to do?

Mr. GRONNA. In 1918 there was a law enacted authorizing the Secretary of the Treasury to buy $100,000,000 worth of bonds. There was only about $40,000,000 of that authorization used.

Mr. ROBINSON. Farm land bonds?

Mr. GRONNA. Yes. So there remains still an authorization for $64,000,000.

Mr. ROBINSON. The Senator's joint resolution proposes to authorize the expenditure of that sum?

Mr. GRONNA. My joint resolution proposed to authorize that amount, but the House authorized the expenditure of $26,171,225.

Mr. ROBINSON. Is the amount carried by the House joint resolution adequate to meet the requirements of the situation in the opinion of the Senator from North Dakota?

Mr. GRONNA. A statement was sent to me by Judge Lobdell, the chairman of the Federal Farm Loan Board, in which he stated that practically all the mortgages that were taken up to March 1, 1920, would be taken care of.

Mr. ROBINSON. Does the Farm Loan Board regard the House measure as adequate to meet the requirements?

Mr. GRONNA. Yes; the Farm Loan Board believes so. Mr. Lever was here this morning, and both Judge Lobdell and Mr. Lever recommend its passage.

Mr. ROBINSON. I have no objection to the consideration of the joint resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered as in Committee of the Whole, and it was read, as follows:

Resolved, etc., That the provisions of the act of Congress approved January 18, 1918, entitled "An act to amend section 32 of the Federal farm loan act approved July 17, 1916," be, and the same hereby are, extended to the fiscal years ending June 30, 1920, and June 30, 1921, to the extent that the Secretary of the Treasury be, and he hereby is, authorized, as by the terms of said act, to purchase during the fiscal years ending June 30, 1920, and June 30, 1921, or either of them, any bonds which he might have purchased during the fiscal years ending June 30, 1918, and June 30, 1919, or either of them, under the provisions of the original act: *Provided*, That he shall purchase no bonds issued against loans approved after March 1, 1920.

Mr. HARRISON. The Senator from North Dakota has considered the proposition of the dates, March 1, 1920, being the limit as to the approval of those bonds?

Mr. GRONNA. Yes.

Mr. HARRISON. Does not the Senator think that is too early a date, and that it ought to be eliminated, or at least put up some time? I understand the Supreme Court does not meet until October, and all the applications that might be made for loans from the 1st of March to the 1st of October, if the joint resolution passes in that form, would not be considered.

Mr. GRONNA. I will state to the Senator the situation. To-day throughout the country, in the 12 Federal farm-land banks, there are about $26,000,000 worth of mortgages. The House joint resolution would take care of practically all the mortgages. It would take care of all the mortgages approved up to March 1, 1920, and it would give great relief to the agricultural sections of the country.

Mr. HARRISON. It renders a great service, I will say to the Senator, and I am in thorough accord with the legislation. I was in hopes, though, that the judgment of the Senator, the judgment of the Banking and Currency Committee, and of the Senate would be that we should eliminate the time, so that we might apply it more generally.

Mr. GRONNA. Personally I should favor that very much, but I think it is impossible.

Mr. HARRISON. The judgment of the Senator is that we had better accept it as it is?

Mr. GRONNA. Yes.

Mr. HARRISON. The Senator feels that it would be impossible to get any legislation at all unless this is accepted?

Mr. GRONNA. That is my understanding.

Mr. PHELAN. I understand that unless this legislation passes, the farmers to whom commitments have been made will be deprived of the money which they expect for the movement of their crops?

Mr. GRONNA. That is true.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. GRONNA. I move that the joint resolution (S. J. Res. 196) extending the provisions of an act amending section 32 of the Federal farm loan act approved July 17, 1916, to June 30, 1921, be indefinitely postponed.

The motion was agreed to.

Mr. GRONNA. I thank the Senator from Colorado.

Mr. THOMAS. The Senator is quite welcome.

Mr. HARRISON. Mr. President, will the Senator from Colorado yield that I may make a brief statement?

Mr. THOMAS. I yield to the Senator.

Mr. HARRISON. Mr. President, I did not want to delay the passage of this legislation, and I thank the Senator from Colorado for yielding for a brief statement. I was very much in favor of this legislation, and introduced a bill last week, which went before the Banking and Currency Committee, touching this same proposition. If that bill had been favorably reported it would have allowed applications which will be made for loans from now until the decision of the Supreme Court in the pending case.

This legislation, however, will take care of all the applications upon which loans have been approved up until the 1st of March, which I understand approximate something like $40,000,000 or $50,000,000. As to $8,000,000 of those loans, as I understand, mortgages for some have been placed upon record.

For that reason I did not offer the amendment which was voted on in the House yesterday and which was defeated by a majority in the House of Representatives, cutting out the time limit, so that this legislation could apply to applications which might be made this summer and until the Supreme Court settles the matter.

When we passed the legislation creating the farm land banks it was violently opposed by certain interests in this country, mainly the mortgage companies in the United States, and, personally, I have no doubt that they are behind this litigation that is now pending in the courts, and that they were the cause of the instigation of the lawsuit, and are very hopeful that the Supreme Court will not render a decision for a long time to come. In substantiation of that I want to read a bulletin that has been issued by the chairman of the membership committee representing the Farm Mortgage Bankers' Association of America.

This is a startling revelation of the work of the mortgage companies against the farm-land banks and against this legislation and the decision by the court. This bulletin says:

MAY 12, 1920.

GENTLEMAN: We inclose herein Special Bulletin No. 66, issued by the Farm Mortgage Bankers' Association of America. This is only one of a series of bulletins which are issued from time to time, sometimes three and four times a month, to the members of the association, and shows the way the wind is blowing each time.

You will note the remarks in regard to the Supreme Court in the matter of passing on the constitutionality of the tax-exemption feature of the land bank bonds.

The bulletin further says:

Most of us believe that the Supreme Court did not care to render their decision, which I interpret to be unfavorable to the land banks but favorable to us, until after the next election. At any rate, the Farm Mortgage Bankers' Association, I think, is directly responsible for the Federal land bank and the joint-stock land bank not being in operation to-day and not being able to operate until sometime next year.

Claiming credit for the delay of the Supreme Court in rendering a decision which will affect them either for good or bad, which will tie up these millions of loans to the farmers of the country by the Farm Loan Board, it says:

At any rate the Farm Mortgage Bankers' Association, I think, is directly responsible for the Federal land bank and the joint stock land bank not being in operation to-day and not being able to operate until some time next year.

They know that when the farm land banks lend money on long term, low rates of interest, it hurts their business, and, of course, they are hoping for delay in the decision and are against this legislation. The bulletin reads further:

I am wondering if this fact alone is not worth considerable more to you than the small fee which we charge for membership in the association. And, as a matter of fact, don't you think that the association is entitled to support, both financial and moral, in their work for the betterment of farm-mortgage dealers? If you agree with me, will you kindly fill out the inclosed application and send it to me with your check for $25, which will pay your fee until September 1? The check should be made payable to E. D. Chassell, secretary and treasurer, but send it to me.

Respectfully, yours,

W. M. HECKLER,
Chairman Membership Committee.

Mr. GRONNA. I want to say to the Senator that the Committee on Banking and Currency, of which I happen to be a member and of which the distinguished Senator from Connecticut [Mr. MCLEAN] is chairman, reported out a joint resolution which I introduced the next day, I believe, after it was submitted. I am sure that no complaint can be made against the Banking and Currency Committee of the Senate, because, as I said a moment ago, it would have taken care of some sixty-odd million dollars of farm mortgages. The Senate Committee on Banking and Currency, regardless of whether the members came from the New England States, where they are getting no benefit, I will say to the Senator, from this act, have been just as anxious to have legislation passed in order to relieve the situation as have the Senators from the West and the South.

Mr. HARRISON. I am quite sure of that, and I want to say to the Senator from North Dakota that I congratulate him and the Banking and Currency Committee of the Senate and the House on its speedy work in this matter. It is splendid of them to have brought it out so quickly and passed it through the Senate as they have done. But I incorporated this letter to show the work of the mortgage companies against this legislation and against the decision of the Supreme Court. Such a policy as is disclosed by this letter shows this association to be a set of selfish and unconscionable money leeches desirous of destroying their prey through the extraction of unreasonable and exorbitant interest charges.

Mr. CALDER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New York?

Mr. THOMAS. I yield to the Senator.

Mr. CALDER. Mr. President, I have listened attentively to the reading of the circular by the Senator from Mississippi [Mr. HARRISON]. I heartily approve of the joint resolution. As a member of the Committee on Banking and Currency, I voted to report it favorably, and I think it an excellent thing just at this time, when interest rates are so abnormally high, that we have this fund available for loaning money on bond mortgages on the farms of the country.

I want to say just a word regarding the condition in the cities of the country. At the beginning of this Congress I introduced a bill which would permit the utilization of the cooperative building and loan associations of the Nation to finance the building of city homes.

The income on farm-loan bonds being exempt from taxation and the interest on Federal, State, county, and municipal bonds being likewise exempt from Federal taxation, these securities very naturally form an attractive investment; and because of this fact and also that attractive railroad bonds are yielding 7 and 8 per cent to-day and the maximum rate of interest to be charged on real estate bonds is fixed by law, little or no money is now available for financing building operations; in other words, the present system discriminates against the home builder in the city.

It is true that cooperative savings banks and insurance companies furnish a market where some money can be obtained, but this nowhere nearly meets the demand, and there has been a complete let down during the past few months in building operations, and this can be attributed very largely to this system by which we exempt one class of securities from taxation and tax the other.

The home-loan bill which I have offered would be most helpful if enacted. It would permit building loan associations, through the home loan banks to be created by the bill in the several Federal reserve districts, to issue bonds the payment of which would be fully guaranteed and safeguarded through first mortgages on real estate. This would furnish at once, in my judgment, at least a billion dollars for this purpose, and it would do that without calling upon the Government to loan a dollar or pledge the security of any bond issued under this system.

This is one way to relieve the present difficult situation affecting the shortage of homes in the cities, and the Banking and Currency Committee, to which this bill has been referred, can help to solve the problem.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

Mr. THOMAS. Mr. President, there can be no question about the widespread evil of profiteering. There can be no question of the truth of the specific examples to which the attention of the Senate has been called wherein profits far beyond the dreams of avarice have been garnered by those dealing in the necessaries of life and in those articles of merchandise which are essential to the carrying on of commercial affairs. If this were a unique situation, either nationally or historically, the conclusion which has been so vigorously insisted upon here, that the profiteers are the cause of high prices, would be irresistible. No man would have the temerity to question it.

The recital of this list of profiteers, naturally arousing the resentment and the indignation of the public, makes the assertion that these are the causes of present industrial conditions in this country easily accepted. I believe thoroughly in the need for minimizing this situation. I am an advocate of any measure within the power of Congress to enact which, properly and vigorously applied, will eradicate the evil if that can be accomplished; hence I am not at all disposed to the postponement of any legislation upon the subject which addresses itself to my judgment, although I believe that statutory prohibitions will be found in their practical operation to prove as disappointing as those which have been resorted to in times past under similar conditions.

Mr. President, this situation, so eloquently depicted by the Senator from Massachusetts [Mr. WALSH] and the Senator from Iowa [Mr. KENYON], finds its duplication in every country on the face of the globe, civilized and uncivilized. It is confined to no nation and to no people, but flourishes everywhere, and because it has the same origin. I read the other day a little squib in one of the daily papers calling attention to the fact that the price of wives in Africa had risen 100 per cent. In the good old prewar days an African chief could get

a wife for 5 head of cattle, and now it costs him 10, and I suppose as a consequence he will either have to economize in the business of securing wives and get along with his old ones as best he may or go to profiteering.

The press accounts which reach us from France, from England, and from Germany, conquered and conqueror, all tell the same story. Even in Russia profiteering has merely been transposed from the class of people indulging in it ordinarily to the governing powers, and those controlling that unfortunate Empire are gorging themselves with the plunder of the people. If that is so, and I do not think it can be successfully controverted, then it must follow, as the night follows the day, that the high cost of living is not caused by profiteering, and therefore the evil can not be cured by abolishing the profiteer.

I recall very distinctly that the rise in the cost of living had become so marked in 1912 and before that time that the Democratic convention at Baltimore arraigned the Republican Party as the cause of this movement and pledged itself to the people that in the event the reins of Government should be intrusted to it the evil would be removed. My distinguished friend, the Senator from Iowa [Mr. KENYON], between 1913 and 1916 never lost an opportunity to remind this side of the Chamber of the making of that pledge and of the manner in which it was being performed. The evil, in other words, has its origin in deep-seated causes antedating the war, and received tremendous acceleration because of the war, which added new causes, new conditions, all of which tends to the same end.

I contended away back as early as 1910, not alone but in company with many of my fellow citizens, that the increased number of corporations and the constantly growing tendency to issue fictitious capital on the one hand, coupled with the enormous increase in the issue of time securities upon the other, found a reflection in the rise of prices in the necessaries of life. I believed then, and I believe now, that that had much to do with starting that industrial condition, at the end of which we have not yet arrived.

What occurred during the war, not only here, but in the other belligerent countries on both sides? We all know that war makes extraordinary demands. In modern war, time is more important than money and preparation must continue, where unpreparedness exists, with feverish haste and without regard to expenditures at the given moment. Of course, that means an enormous expansion of credit. In countries like ours it means an enormous expansion of taxation, and in all countries it means an enormous expansion of circulating medium.

If there is an axiomatic proposition of political economy, it is that the value of money depends upon its quantity measured in all other commodities of man. As the volume contracts the value increases and prices fall. As the volume expands the value decreases and prices rise.

You can no more escape from the operation of that law than from the law of gravitation. It began to manifest itself in increasing volume, just in proportion as these practices were enlarged.

The value of money, I say, depends upon its quantity, but the expansion of credit, of Government credit, is the equivalent, or almost the equivalent, of an enlarged circulating medium. In the first place, it is necessary to enlarge the medium directly to enable the people to buy the Government securities; and in the next place the securities themselves are convertible at any time at some figure into needed funds. Therefore the price of commodities respond to that condition; they are bound to respond to it; and all the legislation that the wit of man can devise can not prevent it.

Then comes a volume of taxes, necessarily seeking new avenues of wealth as well as new methods of assessment, resulting in the passing on of the tax, whatever its form, to the ultimate consumer. The man who can devise a system of taxation, fixed in its character and not transferable, will confer the greatest benefit upon humanity that any man who ever lived has conferred. It can not be done. The only taxes of which I am aware that are not passed on to the consumer are inheritance taxes and that part of the income tax which is levied upon fixed incomes, the latter to some degree being exempt from the operation of this law.

We have been taxing the people of the United States by thousands of millions of dollars ever since the good year 1916 by the imposition of income taxes, excess-profits taxes, war-profits taxes, stamp duties, excise taxes, taxes of every known description except taxes of a direct character. These taxes are added to the cost of living, just as increased wages and the increased price of raw material necessarily enter into the calculations of every business man as overhead charges and find their ultimate lodgment in the cost of production and are then revealed in the higher cost of material, whatever its character.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New Mexico?

Mr. THOMAS. I yield.

Mr. JONES of New Mexico. I have been much interested in the observations of the Senator and have speculated somewhat in my own mind regarding the proposition which he is discussing. Of late, however, I have had my mind dwell more particularly upon some features of statistics which I have seen. The Senator refers to the passing on to the consumer of the taxes levied upon corporations, referring, doubtless, particularly to the excess-profits taxes.

Mr. THOMAS. No; I referred to all of them.

Mr. JONES of New Mexico. I will modify my statement. The Senator did include all. Now, it seems to be the fact that during the last three years the net profits of the corporations of this country, after payment of all taxes, have been, on the average, just about three times their net profits prior to the recent war. That has rather indicated to my mind that corporations dealing in the necessities of life have been accustomed during that period to charge to the consumer all that the traffic would bear, and that that same charge would probably be made whether the corporations paid any taxes or not.

Of course, I can understand how the excess-profits tax and other taxes might be used as an excuse for the raising of prices; but when we are confronted with facts of this nature, so startling to me, when we realize that production has not been very much greater than it was prior to the war, and when we are told that after the payment of all taxes and after writing off for depreciation and depletion, still the net profits of these corporations are two or three times what they were before the war, is there not some cause for us to hesitate upon the proposition that all of these taxes are passed on to the consumer?

Mr. THOMAS. On the contrary, Mr. President, in my judgment it proves it beyond all controversy. The man who passes a tax on—and the individual does it just as much as the corporation does it—never fails to add something for good measure. One of the fundamental evils of indirect taxation is that when passed on it always carries an accretion with it, and I think that generally is what the traffic will bear, as the Senator from New Mexico suggests. Of course the tax is passed on. It may be that much of the taxation which is imposed by the Government is evaded. I do not undertake to say as to that, because I do not know whether the increased income of the corporations of the country, after the deduction of Government charges, is at present three times as great as it was before the war. That may or may not be the case. Of course it is not the case when you average all taxpayers. It is always a misfortune that the chief sinner stands out prominently and unconsciously becomes an example of the average. A bad man in a town sometimes gives the whole community a reputation that it does not deserve. One commercial sinner may bring upon the community where he resides the condemnation of the State or of the entire country. I know of a great many corporations—and I say again I am not defending these enormous profiteers—I know of a great many corporations and a great many individuals who have difficulty in making both ends meet, and I think they are the majority. They, together with the consumers of the country, are the victims of this unfortunate situation, which should not exist.

The Senator said something about production, and that brings me to a proposition that I have iterated and reiterated here until I am afraid that I have become a sort of nuisance to this body. It is that until production in everything that enters into our modern economic life shall have increased, and increased materially, until it shall have reached and passed the prewar standard on the one hand, accompanied by the practice of old-fashioned thrift and economy which our parents used to practice on the other, we may stand upon the floor of the Senate and upon the hustings and denounce the profiteer until judgment morning; we may enact repressive legislation and impose penalties upon the officers of justice who fail to carry it out according to our notions as to how it should be carried out, but conditions will continue as they are.

In his great lecture upon the Lost Arts, Wendell Phillips years ago said that every modern political and economic question that can be thought of had been discussed to tatters in Egypt before the days of the Pharaohs. The Senator from Iowa quoted scripture a few moments ago in proof of the existence of the profiteer away back before the beginning of the Christian era, and antiquarians have deciphered from the hieroglyphics of the ruins of ancient cities the same old story of human greed and human avarice. They come with opportunity, and until human nature shall have been transformed and spiritually purified it will persist through all the tides of

time. Hence, Mr. President, I contend that the great American public have the remedy in their own hands, and it is the only remedy that will prove ultimately effective.

Some time ago an overalls campaign was started and ran riot over the country. It was a good thing; it was a protest against the high cost of clothing. The New York newspapers are to-day full of telegrams from different parts of the country—in fact, from all parts of the country—announcing a widespread reduction in clothing. Was it brought about by legislation or by men wearing overalls? I have a suit of clothes on that I bought four years ago. They are pretty well patched on the inside. I have on a pair of shoes that I bought in January, 1916; but I do not propose to buy any more clothes until prices go down, even though I should subject myself to arrest on the streets of Washington because of a lack of sufficient clothing. I am no more virtuous or self-denying than my neighbor, but let every man and woman in the country practice such economy, and as a consequence I predict we will get our clothing for something near the ancient prices.

I am able to live on corned-beef hash; and if that becomes too high, upon hash made of rabbit meat; and if that gets out of the market, then upon no meat at all until the prices of the packers come within reason.

When we do that, Mr. President, we will have cheaper food; until we do that we are going to have the high cost of living, which, when we consider the vast number of men who disdain labor in these days, might properly be designated the "high cost of loafing."

Thrift and economy, Mr. President, necessarily mean saving; saving means an increase of capital in the banks, and when that kind of saving shall be again practiced the contraction of the currency will become comparatively easy. I listened very intently yesterday to the speech of my good friend from Oklahoma, Mr. OWEN, who is bitterly opposed to the raising of discount rates by the Federal reserve banks, because, he says, it prevents honest men from securing money needed to save their business. If that be the effect of it, I am with him.

The Senator says that the discount rate should be utilized only against the man who speculates. There, again, I am with him; but I am unable to perceive how the Federal reserve bank can distinguish between the Senator from Utah desiring money to tide him over in his business and myself desiring money with which to speculate. The man who speculates will not have conscientious scruples in misrepresenting the purpose for which he wants money. A great many good men have gone wrong because of the opportunities for speculation which seems so attractive and have been forced into a life of deception with discovery as the final consequence. You can not make that discrimination.

We must therefore contract our currency in some way—slowly, imperceptibly if you please, but contract it nevertheless—or prices will continue to rise, or at least remain at their present high standards.

Ever since the close of the war Germany and Austria have met increasing demands by increasing money issues, with the result that prices have risen with every increase, and they will continue to rise with every increase. Of course, the consequent suffering is terrible; but if, instead of pursuing such a course, the volume of currency had remained stationary, the financial, the economic, as well as the moral effect upon the people, would have been invaluable. I think the people are beginning to see that. They almost always do.

The first impulse is to legislate. Mr. MacMaster, in his "History of the People of the United States," informs us that immediately after the War of the Revolution was over the Massachusetts authorities, appalled at the price of living, met and resolved that they would legislate and thereby control the price of food and clothing. Fisher Ames informed them that such a subject was beyond the province of legislation and demonstrated it by historic examples. That sustains two things: First, that the conditions now everywhere prevalent were then prevalent in Massachusetts; second, that the impulse to cure them by a statute with an appropriate preamble yielded to the common sense and calm reasoning of one of Massachusetts's greatest lawyers.

Historians recall that not only were prices fixed in the time of the French Revolution by the constituent assembly but the penalty of death was imposed upon the man who, having goods, refused to sell them at those figures, and the result was that the people in the cities came very near starving to death before the law was repealed. You can lead a horse to the trough, but you can not make him drink; and economic law will assert itself in this poor human world in spite of all our efforts to the contrary.

I do not mean to say that profiteering should be permitted to proceed with impunity. On the contrary, let us punish it, and punish it vigorously; but let us not become bewildered by the notion that the profiteer is the cause of all of our economic ills, instead of being a result of conditions for which perhaps he, in common with the rest of us, is to blame.

A day or two ago Lord d'Abernon, one of the leading financiers of the British Empire, said that no large and permanent relief from high prices could be anticipated from any probable increase of production, desirable as this undoubtedly is, and that, taking prices as a whole, it is doubtful whether profiteering has added 5 per cent to their level, and it is doubtful whether control of prices makes as much as 5 per cent difference in the cost of living. Our own Bureau of Labor Statistics said a few weeks ago that if every profiteer were taken out and hung—or words to that effect—the amount of their profiteering would not sensibly affect the level of prices in America. I think that is true. It affects it in some degree, of course; and in individual cases, as I say, the extortion which is represented by profits is not only indefensible but it ought to be made and punished as a crime against the public.

I do not know how much the profiteer collectively may be said to reap from this situation; but let us suppose that it is five thousand millions or, perhaps, to be within bounds, let us say that it is three billions. Three billions distributed among a population of 110,000,000 would not sensibly add to the common income. There are said to be 15,000,000 laborers or workmen in the United States outside of the farms. A dollar a day increase would be five billions or $5,400,000,000 a year, very much more than the amount of the profiteering, collectively considered, unless my figures are entirely wrong.

Now, this addition goes into the cost of consumption, unquestionably. There is no doubt about the fact that the movement finds acceleration through these practices. There is no doubt about the fact that each adds its mite to the common result; but the way to get rid of the profiteer is to ostracize him socially and punish him legally. Both can be done. Both ought to be done. Some of them have placed themselves beyond the pale of decency or of respectability. Some of them have no conscience in their dealings with the people. Some of them are so carried away by the infernal desire to make money out of the present unsatisfactory conditions that they are perfectly willing to risk all the social consequences that may result from their conduct.

Mr. McCUMBER. Mr. President——

Mr. THOMAS. I yield to the Senator from North Dakota.

Mr. McCUMBER. Does not the Senator think there is a sufficient number of them so that they can form societies of their own and ostracize the other fellows?

Mr. THOMAS. No; I do not think so.

Mr. McCUMBER. I think they are doing it.

Mr. THOMAS. Well, perhaps. There are a great many of them; and there is another trouble, Mr. President. We denounce the big fellow. Why is our moral indignation aroused against him? Is it not rather our envy that in the field of profiteering he should become more successful than we have become? I do not know of a man—there may be such—who has failed to take advantage of existing conditions in the effort to better his own, and I do not blame him; but let us remember that profiteering is a relative term, and that the man who by profiteering makes $25 and unlawfully and wrongfully gets it from his neighbor's pocket, morally or legally, or both, is just as much of a profiteer as the man who makes a million.

Some of these methods, as I say, should put a man who practices them beyond the pale even of the law, and might justify a resort by the victim to that wild system of justice which, in the frenzy of the moment, is resorted to on, alas, too many occasions. As illustrative of this class of human ghouls, I read an editorial taken from the columns of the Washington Star of day before yesterday; and I commend this particularly to my friend the Senator having charge of the bill, in the hope that possibly a repetition of this conduct, or a continuation of it, may be prohibited by the enactment of the bill which he has in charge:

> With food prices soaring in the United States, the astounding fact appears that American foodstuffs are being shipped abroad, and then shipped back and sold here for higher prices than can be obtained in Europe. Not only that, but sometimes these cargoes make two round trips before they finally reach the American consumers.

That is an astounding statement if true, Mr. President. It comes from the columns of a perfectly respectable journal and is a comment of the editor upon what he assumes to be a fact, and I have no doubt justly so.

> What is to be done about it? Nothing, say the Government officials who have discovered the fact of this merry-go-round of trade. Nothing, simply because the law does not reach the men who deal in foods

in wholesale and buy and sell them in cargo quantities and are free to seek the highest market. These shiploads of butter, fruits, and other articles pass through several hands before they get actually to market. They are bought and sold in some cases without leaving the holds of the vessels.

This is a most vicious speculation. It keeps the foods out of use pending the deals and voyages. It adds to the ultimate price of all commodities. And, furthermore, it brings finally to market foodstuffs of lowered quality. For the cold-storage transportation back and forth across the ocean necessarily lessens the actual food value of the goods. And for this less valuable material, so urgently needed by the people, the highest prices are ultimately exacted.

And yet nothing can be done about it. Can there not be some method of marking goods once exported so that they can be identified when they have been reshipped? With such a distinctive and ineradicable mark they may not command as high a price in the market upon being returned. Usually surplus goods—and these are, in truth, of that nature—are regarded as "seconds."

The cold-storage system is believed to be the cause of much of the high price tendency in this country.

So believing, we enacted a law upon the subject—at least, the Senate passed a bill upon the subject—within the week, as I remember.

Added to that is now the Atlantic ocean storage method of keeping goods out of the market until they can get peak prices. The consumer wonders and hopes, and wonders still what the end will be.

Mr. President, I do not hesitate to say that the owner of the vessel who would load it with necessary foodstuffs and sail across the Atlantic, and continue his voyage until the prices of those stuffs in the home markets were so high as to justify a handsome profit over this added expense, should be taken from his vessel when it lands at the home port for the discharge of its cargo and hung to the yardarm of the vessel, if they have such things on modern steamers.

Mr. JONES of Washington and Mr. KENYON rose.

The PRESIDING OFFICER. Does the Senator yield; and if so, to whom?

Mr. THOMAS. I will yield to the Senator who is nearest me, and then I will yield to the Senator from Iowa.

Mr. JONES of Washington. I just wanted to ask the Senator if there is anything there to indicate the source of this information?

Mr. THOMAS. No.

Mr. JONES of Washington. I can not believe that a thing like that occurred. Of course, if it did, it ought to be prohibited, if there is any way by which it can possibly be done.

Mr. THOMAS. If I had encountered it in some journals of the country, I should have thrown it aside, but its appearance in the Star as an editorial convinced me that there must be some fact behind it.

Mr. JONES of Washington. What is the date?

Mr. THOMAS. Day before yesterday.

Mr. JONES of Washington. I shall make inquiry to find out where they got that information, and the name of the ship.

Mr. THOMAS. I am glad to know that the Senator will follow it up. I now yield to the Senator from Iowa.

Mr. KENYON. I would like to inquire if the Senator does not realize that such language as is used there tends to create unrest and disquiet in the country?

Mr. THOMAS. I think action upon my suggestion would tend to allay unrest. I think it would be regarded as an act of common justice, because there be profiteers and profiteers, but that sort of profiteering, if it exists—and I sincerely trust that the statement is incorrect—if there is no remedy, would justify resort to a remedy outside the law. That, to my mind, is a most extreme instance of wholly indefensible methods of securing high prices in any country that has been called to my attention, and if the vessels which we have constructed, and those which are to be constructed under this measure, are to be used in that sort of trade, then it would be more creditable to the reputation of the United States if they hoisted the black flag and resurrected the old practice of piracy upon the high seas.

So, Mr. President, while I shall cooperate with my friend the distinguished Senator from Iowa [Mr. KENYON] in every effort which he makes and is making for the elimination of the profiteer from our economic life which addresses itself to my sense of justice, I want to impress upon him the great truth that he will but have skimmed the surface of affairs; that he will have attacked a consequence and not a cause; and that he should join with me and others, as I am sure he will, in seeking at all times to impress upon the good people of the country that the remedy is an old-fashioned and a simple one, yet a severe one to practice, but through whose agency, and whose agency alone, will come a return to happy and prosperous conditions in America.

I have the same abiding faith in the great middle class of the United States that the Senator has. It is that section of our people, law-abiding and God-fearing, men and women who believe in Anglo-Saxon institutions and the principles of Anglo-Saxon liberty, who regard their Government as the agency for security to life and limb, and who appreciate the institutions which their forefathers won through the expenditure of so much blood and so much treasure, through centuries of strife, who will continue to be the sheet anchor of the Republic.

But, Mr. President, these are hard pressed between the upper and the nether millstones, the huge corporate interests, arrogant, wealthy, and powerful, and those great associations of men demanding the same legislative methods and insisting upon being clothed with the same authority.

The middle class, Mr. President, the hope of the country, must be aroused to these conditions, if, indeed, they have not been aroused, to the end that they may realize that all the crises which have marked the progress of their country in the past are not so great as the one with which we are immediately confronted.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Wisconsin [Mr. LENROOT] to the amendment of the committee.

Mr. JONES of Washington. I want to offer a perfecting amendment to the paragraph to which the motion to strike out is directed. On page 26, line 8, after the word "section," I move to insert a colon and strike out the remainder of that paragraph, down to line 13, and insert in lieu thereof the following:

Provided, That at least two-thirds of the cost of any vessel constructed under this paragraph shall be paid for out of the ordinary funds or capital of the person having such vessel constructed.

Mr. KING. Mr. President——

Mr. JONES of Washington. I will state to the Senator from Utah that that strikes out the feature with reference to applying a part of the excess proceeds on a mortgage, and provides that wherever the exempt taxes are applied in the construction of a ship, at least two-thirds of the cost of the ship must be advanced out of other funds or money of the person having the ship constructed. It makes the section rather more onerous upon the ship owner.

Mr. KING. Did the Senator intend to press for a vote on this amendment to-day?

Mr. JONES of Washington. Not on the amended provision to-night, because we would have to have a quorum to do that, and I doubt if we would be able to get it this evening. However, I would like to have this perfecting amendment agreed to.

Mr. KING. I have no objection to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. JONES of Washington. Mr. President, I would like to accomplish a little something further. I would like to pass over this amendment temporarily and return to section 23, the provision extending the coastwise laws to the island possessions of the United States, and offer a perfecting amendment to that, which I think will meet with no objection.

The PRESIDING OFFICER. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 24, add at the end of section 23, to come in after the word "therefor," in line 23, the following additional proviso:

Provided further, That until Congress shall have authorized the registry as vessels of the United States of vessels owned in the Philippine Islands, the Government of the Philippine Islands is hereby authorized to adopt, from time to time, and enforce regulations governing the transportation of merchandise and passengers between ports or places in the Philippine Archipelago.

Mr. JONES of Washington. The effect of that, I will say, is to relieve the interisland traffic from the coastwise laws.

Mr. THOMAS. I think that is a wise provision.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington.

The amendment was agreed to.

Mr. JONES of Washington. Now, Mr. President, of course I would like to go on with the bill, but I do not think we could do it without a quorum, unless there is some one who desires to speak on some provision. We could not get a vote.

Mr. MCCUMBER. I wish to move, to-morrow at least, to amend section 29 by striking out all the remainder of the section after the word "act" on line 16; but I do not think it proper to move it at this time. However, I should like to take it up in the morning.

Mr. JONES of Washington. Of course, the Senator will have an opportunity to do so then. As the Senator knows, we have an amendment pending, the motion of the Senator from Wisconsin [Mr. LENROOT], to strike out the first paragraph of section 25. I assume that that will come up first to-morrow. Then we will get on with the others as rapidly as possible. I am hoping that we shall be able to complete the consideration of the bill to-morrow.

Mr. McCUMBER. I shall present my amendment to section 29 when there is a quorum present, so that the reasons for moving the amendment may be stated when there are more Senators here.

RECESS.

Mr. JONES of Washington. I move that the Senate take a recess until 11 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate took a recess until to-morrow, Thursday, May 20, 1920, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *May 19, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O God, our help in ages past,
Our hope for years to come,
Be Thou our Guide while life shall last,
And our eternal home.

Let the sunlight of Thy love penetrate the dark and lowering clouds which hover above us in the terrible crisis through which we are passing and which troubles our souls, that the "Ship of State" may pass through the turbulent and tempestuous sea to a safe and peaceful harbor and the Constitution which we love with its holy institutions live on to bless future generations; and Thine be the praise in Jesus Christ our Lord and Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

AMENDMENT OF THE PENAL CODE.

Mr. WALSH. Mr. Speaker, I desire to call up the bill H. R. 7629 from the Speaker's table, and move to concur in the Senate amendment.

The SPEAKER. The gentleman from Massachusetts calls up from the Speaker's table the bill H. R. 7629, with a Senate amendment. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 7629) to amend the penal laws of the United States.

The SPEAKER. The Clerk will report the Senate amendment.

The Senate amendment was read.

Mr. WALSH. Mr. Speaker, this bill passed the House several weeks ago. It amends the penal code by simply including obscene motion-picture films among the articles that are not permitted to be transported in interstate commerce. In passing the bill the words which the Senate has inserted by way of amendment were inadvertently left out of the House bill.

Mr. GARNER. Mr. Speaker, will the gentleman yield?

Mr. WALSH. In a moment. They are now a part of the penal code, and the Senate simply reinserted them to make that conform to the penal code.

Now I yield to the gentleman.

Mr. GARNER. The bill was reported unanimously by the Committee on the Judiciary?

Mr. WALSH. Yes. There was no objection to it from the Committee on the Judiciary. Mr. Speaker, I move the previous question.

Mr. GARD. Mr. Speaker, will the gentleman yield for a moment?

Mr. WALSH. I yield to the gentleman from Ohio.

Mr. GARD. What I wanted was to have the gentleman more particularly explain just what change there is in the bill in my hand.

Mr. WALSH. If the gentleman would look at the Senate amendment he would see that that language was left out of the bill as it passed the House.

Mr. GARD. The only change that I see in the House bill is the insertion of the words "to any other place."

Mr. WALSH. The gentleman is not looking at the Senate amendment.

Mr. GARD. Yes, I am:

To any other State or Territory or District of the United States, or place noncontiguous to or subject to the jurisdiction thereof.

Mr. WALSH. That was inadvertently left out of the bill. It is now a part of the penal code, and when the bill got to the Senate it was discovered that that language was eliminated. It should be in there.

Mr. GARD. I note in the bill H. R. 7629, as it now appears on the Speaker's desk, an interlineation on page 2, line 1, and the interlineation is not correct.

Mr. WALSH. That is simply a pencil note, to indicate where the amendment comes in.

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

PUNISHMENT FOR WRONGFUL CONVERSION OF MONEYS.

Mr. VOLSTEAD. Mr. Speaker, I move to take from the Speaker's table the bill H. R. 10072 and agree to the Senate amendments to that bill.

The SPEAKER. The gentleman from Minnesota moves to take from the Speaker's table the bill H. R. 10072 and agree to the Senate amendments to that bill. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 10072) to provide for the punishment of officers of United States courts wrongfully converting moneys coming into their possession, and for other purposes.

The SPEAKER. The Clerk will report the Senate amendments.

The Senate amendments were read.

Mr. VOLSTEAD. Mr. Speaker, this amendment adds the requirement that a demand be made before a person can be charged with embezzlement under this bill, which is designed to punish various trustees, clerks, and others who may be intrusted with Government funds.

Mr. GARD. Mr. Speaker, will the gentleman yield for a moment?

Mr. VOLSTEAD. I do.

Mr. GARD. I notice from this amendment that it requires a demand. How does the gentleman interpret the law? If a marshal or clerk embezzles money, which this law provides for, then it is necessary to make a demand on him for the return of the money before he is guilty of embezzlement?

Mr. VOLSTEAD. My recollection is that under the common law you must make a demand, to show an illegal retention or show an actual conversion.

Mr. GARD. I do not believe it is the policy of the Government to pass a law which would protect in that way a man acting in a fiduciary capacity. Here is a law to protect the clerk who is guilty of embezzlement, who retains money belonging to a suitor or belonging to the Government, and he can not be deemed guilty unless the suitor or the Government makes a demand on him for the money he is supposed to retain.

Mr. VOLSTEAD. I want to say that this simply reenacts the common law.

Mr. GARD. I am not talking about the common law. I am talking about this law.

Mr. VOLSTEAD. Where a person obtains property legally, it is necessary to show a demand before he can be held for converting it, unless it can be shown that he has actually converted it.

Mr. GARD. I do not think we should limit the question of the responsibility of the clerk in that way.

Mr. VOLSTEAD. I do not think this does. I think it simply reenacts the common law as it exists in every State I have no objection to the amendment for that reason.

Mr. GARD. But I do have an objection to the amendment. I do not see why, if a man is guilty of embezzlement, you should have to call on him to restore the property before he is guilty of larceny.

Mr. VOLSTEAD. It must be shown that he is guilty of embezzlement.

Mr. GARD. If the record shows that he is keeping that money, then he is guilty of larceny.

Mr. VOLSTEAD. The law gives him the right to keep that money. Before you can hold him liable criminally you must either show an actual conversion or that he is withholding it illegally. You do not need to make a demand if proof of conversion can be made. Read the second amendment.

Mr. WINGO. Mr. Speaker, that is the State law in every State that I know of—that if an accounting officer comes in you must make a demand on him and demand an accounting. Unless you can show that there is an absolute conversion of the funds, you can not hold him as guilty of larceny.

Mr. GARD. This does not do that; the point I make is that it requires a demand under any circumstances. I believe the law ought to be such that if proof is extrinsic and can be made to show that he did embezzle the money there would be no necessity for making the demand.

Mr. VOLSTEAD. If the gentleman will read the rest of the amendment, he will see that if you can show actual conversion he is liable without a demand. But in cases where you can not show that there is a conversion you are required by the common law, and I think you ought to be under the statute, to make a demand.

Mr. GARD. I do not so read the amendment as having the alternative which the gentleman speaks of.

Mr. VOLSTEAD. I think by reading the whole sentence the gentleman can not escape the conclusion that if a conversion can be established a demand would not have to be made.

Mr. GARD. This is the amendment: Page 1, line 6, after the word "shall," insert "after demand by the party entitled thereto"——

Mr. VOLSTEAD. Or——

Mr. GARD (continuing). "Or who shall convert to his own use or to the use of another any moneys received or on hand," and so forth. Does the gentleman think that would control the case of a clerk who without demand having been made upon him, other evidence showing that he had embezzled money—does the gentleman think this law would cover it?

Mr. VOLSTEAD. There is no question in my mind but that would cover it.

The SPEAKER. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

On motion of Mr. SINNOTT, a motion to reconsider the vote agreeing to the Senate amendments was laid on the table.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that on May 18 they had presented to the President of the United States for his approval the following bill:

H. R. 13555. An act making appropriations for fortifications and other works of defense, for the armament thereof, and for the procurement of heavy ordnance for trial and service for the fiscal year ending June 30, 1921, and for other purposes.

THE KLAMATH TRIBE OF INDIANS.

Mr. SINNOTT. Mr. Speaker, I move to take from the Speaker's table H. R. 5163 and agree to the Senate amendment.

The SPEAKER. The Clerk will report the title of the bill.

The Clerk read as follows:

H. R. 5163. An act authorizing the Klamath Tribe of Indians to submit claims to the Court of Claims.

The Senate amendment was read.

Mr. SINNOTT. Mr. Speaker, the Senate eliminated the interest that the Indians would have been entitled to under the House bill—3 per cent per annum for any lands the court might find they had lost. The Senate eliminated that.

Mr. GARD. What is the tribe of Indians?

Mr. SINNOTT. The Oregon Klamath Tribe.

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

CESSION OF NATIONAL PARKS BY THE STATE OF CALIFORNIA.

Mr. SINNOTT. Mr. Speaker, I move to take from the Speaker's table the bill H. R. 12044, accepting the cession by the State of California of jurisdiction of certain national parks and agree to the Senate amendments.

The SPEAKER. The Clerk will report the title of the bill.

The Clerk read as follows:

A bill (H. R. 12044) to accept the cession by the State of California of exclusive jurisdiction of the lands embraced within the Yosemite National Park, Sequoia National Park, and General Grant National Park, respectively, and for other purposes.

The Senate amendments were read.

The Senate amendments were agreed to.

On motion of Mr. SINNOTT, a motion to reconsider the vote whereby the Senate amendments were agreed to was laid on the table.

ARMY REORGANIZATION—CONFERENCE REPORT.

Mr. KAHN. Mr. Speaker, I call up the conference report on the Army reorganization bill.

Mr. CRAMTON. Mr. Speaker, I make a point of order that no quorum is present.

The SPEAKER. The gentleman from Michigan makes the point of order that no quorum is present. Evidently there is no quorum here.

Mr. KAHN. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

Ackerman	Butler	Crago	Eagle
Baer	Byrnes, S. C.	Crowther	Ellsworth
Benson	Campbell, Pa.	Cullen	Elston
Blackmon	Candler	Curry, Calif.	Esch
Bland, Va.	Cantrill	Darrow	Ferris
Booher	Caraway	Dempsey	Fess
Brinson	Carter	Dominick	Fields
Britten	Casey	Donovan	Flood
Brumbaugh	Clark, Fla.	Drane	Focht
Burdick	Cole	Drewry	Fuller, Mass.
Burke	Costello	Eagan	Gallivan
Garland	Kelly, Pa.	Nicholls	Small
Godwin, N. C.	Kendall	Nolan	Smithwick
Good	Kennedy, Iowa	O'Connor	Snyder
Gould	Kettner	Porter	Steagall
Green, Iowa	Kiess	Ramsey	Steenerson
Greene, Mass.	Kitchin	Ramseyer	Stephens, Ohio
Griest	Kraus	Reavis	Stevenson
Hamill	Kreider	Reber	Strong, Pa.
Harrison	Lankford	Rhodes	Sullivan
Hastings	Lesher	Riddick	Summers, Wash.
Haugen	Linthicum	Riordan	Tillman
Hayden	Maher	Rose	Vare
Hays	Mays	Rowan	Ward
Heflin	Mead	Sabath	Welty
Hernandez	Merritt	Sanders, N. Y.	Wilson, Pa.
Holland	Michener	Schall	Winslow
Howard	Mooney	Scott	Wood, Ind.
Huddleston	Moore, Va.	Scully	Woods, Va.
Johnson, S. Dak.	Moores, Ind.	Sears	Yates
Johnston, N. Y.	Morgan	Shreve	
Jones, Pa.	Morin	Sinclair	
Kearns	Neely	Slemp	

The SPEAKER. Two hundred and ninety-eight Members have answered to their names, a quorum.

Mr. KAHN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

The SPEAKER. The gentleman from California withdrew the motion that he made last night.

Mr. KAHN. Mr. Speaker, I now call up the conference report upon the Army reorganization bill.

The SPEAKER. The gentleman from California calls up the conference report upon the bill H. R. 12775, the Army reorganization bill, which the Clerk will report.

The Clerk read the conference report.

[For conference report and statement see proceedings of May 18, 1920, pp. 7265–7267.]

Mr. KAHN. Mr. Speaker, I move that the House further disagree to the amendment of the Senate and ask for a further conference.

The motion was agreed to.

Mr. KAHN. Mr. Speaker, I desire now to ask for instructions to the House conferees in respect to the matter that is now pending between the Senate conferees and the House conferees. It involves the organization of our National Guard. The House conferees have insisted upon the provisions of the House bill as it passed the House; that is, the organization of the National Guard under the militia clause of the Constitution. The Senate is insisting upon the Senate provisions as carried in the amendment to the House bill, which provides for the organization of the National Guard under the Army clauses of the Constitution.

Mr. CRAMTON. Mr. Speaker, I rise to a point of order.

The SPEAKER. The gentleman will state it.

Mr. CRAMTON. The conference report having been disposed of, there is nothing at present before the House.

The SPEAKER. Technically there is not. The gentleman from California, the Chair takes it, proposes to move to instruct the conferees.

Mr. CRAMTON. If we had that motion before us, we would know more about where we are at.

The SPEAKER. The gentleman from Michigan raises the point of order that there is nothing before the House.

Mr. KAHN. Mr. Speaker, I move that the conferees of the House be instructed to recede from their disagreement to the National Guard sections of the Senate amendment and agree to the same with some amendments which are incorporated in the statement which was read last evening and which are printed in the RECORD this morning.

The SPEAKER. The gentleman from California submits a motion, which the Clerk will report.

Mr. CRAMTON. Mr. Speaker, I reserve the point of order.

The SPEAKER. The gentleman from Michigan reserves the point of order.

Mr. BANKHEAD. Mr. Speaker, would it not be better practice if the gentleman would refer to the sections by number instead of in the indefinite way in which the motion was put?

Mr. MANN of Illinois. There is no number, as the Senate amendment is one single amendment.

Mr. KAHN. The Senate amendment is one amendment. Of course, the gentleman can find those sections under the National Guard provision of the Senate amendment, which, I think, begins at section 60 of the Senate bill.

Mr. McKEOWN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. McKEOWN. Would it be in order to offer an amendment to the motion of the gentleman from California to instruct the conferees to not agree to section 69 of the Senate bill?

The SPEAKER. Is that one of these same sections?

Mr. McKEOWN. No; that is a section on another matter, respecting the liability for military service.

Mr. KAHN. Of course, that is not one of the sections that is in controversy between the conferees.

The SPEAKER. It would not be in order now, until this amendment has been reported. Then the Chair will decide the matter. The Clerk will report the motion of the gentleman from California.

The Clerk read as follows:

Mr. KAHN moves to instruct the conferees to recede from their disagreement to the National Guard section of the Senate amendment and concur with an amendment which has already been reported.

Mr. CRAMTON. Mr. Speaker, I rise to a point of order.

The SPEAKER. The gentleman will state it.

Mr. CRAMTON. I think that is a very vague proposition to put before the House. I have a point of order which I desire ultimately to make to the motion, but I think we should first have the motion made by the gentleman from California properly reported.

The SPEAKER. Of course, if anyone desires it—I take it, the gentleman means what was read last night—he can insist upon that being read again.

Mr. KAHN. Mr. Speaker, it is already printed in the RECORD this morning. I stated that at the time that I made the motion.

Mr. MANN of Illinois. I suggest to the gentleman from California, instead of having the motion made as read by the Clerk that the conferees recede, which they can not do to a particular part of the amendment, that he submit the motion that the managers on the part of the House be instructed to concur, in substance, to the following provisions.

Mr. CLARK of Missouri. Mr. Speaker, the motion that the gentleman from California makes is so indefinite that nobody has any idea of what he is trying to do.

Mr. TAYLOR of Colorado. Mr. Speaker, will the gentleman from California yield?

Mr. KAHN. Yes.

Mr. TAYLOR of Colorado. Why does not the gentleman state to the House what it is. No one knows.

Mr. KAHN. I intend to state very fully to the House what the purpose is, but I can not state it in the motion.

The SPEAKER. As the Chair understands it, the purpose of the gentleman is to move that the House conferees be instructed to agree to the substance of the amendment which he offered last evening, which was then reported, and which is printed in the RECORD this morning. Of course, if anyone desires it, he can insist upon that being read again this morning.

Mr. JOHNSON of Mississippi. Mr. Speaker, I ask that it be again read.

The SPEAKER. The gentleman from California offers a motion, which the Clerk will report.

Mr. DENT. Mr. Speaker, will the gentleman from California yield?

Mr. KAHN. Yes.

Mr. DENT. I make this suggestion to the gentleman from California: Would not this whole proposition be put fairly and squarely to the House if the gentleman from California will move that the managers on the part of the House be instructed to recede from the House provisions and accept the compromise measure by which the National Guard is to be organized under the Army clauses rather than the militia provision of the Constitution?

Mr. KAHN. That is practically the substance of the motion that I have made.

Mr. MANN of Illinois. Mr. Speaker, we can not instruct the conferees to recede and concur in the Senate amendment in part. We can instruct them that they shall concur to certain provisions in conference.

Mr. GREENE of Vermont. Mr. Speaker, the gentleman from Alabama has stated this proposition as if the compromise were to organize the National Guard under the Army clause of the Constitution. The compromise, as he will remember, is that the States shall have the option whether they shall organize under the Army clause or the militia clause.

Mr. DENT. I meant, of course, each State under the compromise plan.

Mr. KAHN. I think the Clerk has the motion.

The SPEAKER. The Clerk will report the motion of the gentleman from California.

The Clerk read as follows:

Mr. KAHN moves that the managers on the part of the House be instructed to agree in conference in substance to the following provisions as amendments to the Senate amendment, section 59 to 69 of the Senate amendment, inclusive, as follows:

"SEC. —. Strength of the National Guard of the United States: The maximum strength of the National Guard of the United States, as established under the provisions of this act, and that may be organized in any State in time of peace shall be equal to 800 officers and enlisted men for each Senator and Representative in Congress and a number, to be determined by the President, for each Territory and the District of Columbia: *Provided*, That in States which have but one Representative in Congress the maximum strength of the National Guard of the United States therein organized shall be determined by the President: *Provided further*, That the word Territory, as used in this act relative to the National Guard of the United States, shall include and apply to Hawaii, Alaska, Porto Rico, and the Canal Zone. Except as otherwise specifically prescribed herein, the organization of the National Guard of the United States, including the composition of all units thereof, the location of such units, and the assignment of such units to the brigades, divisions, and corps of the Army of the United States, shall be as provided in sections — and — of this act.

"SEC. —. Enlistment in the National Guard of the United States: Whenever any State or Territory shall have provided by law for enlistment in the troops of such State or Territory of all persons resident in such State or Territory who enlist in the National Guard of the United States, and shall have otherwise complied with the conditions of this act for the keeping of State or Territorial troops, any person resident in such State or Territory, and liable for military service in time of war, except enlisted men of the Regular Army and the enlisted Reserve Corps, may, within the limits as to number provided by section — of this act, be voluntarily enlisted in the National Guard of the United States, and while serving therein shall be exempted from other military service: *Provided*, That such person shall at the same time and by the same enlistment contract enlist in the troops of the State or Territory of his residence: *Provided further*, That the period for which such person enlists in the troops of the State or Territory shall be such that his State or Territory enlistment will terminate concurrently with his Federal enlistment. Such enlistment in the National Guard of the United States shall be for a period of three years, except as specifically provided for in section — of this act, with the privilege of reenlisting for additional periods of not less than one nor more than three years. The qualifications for enlistment in the National Guard of the United States shall be the same as those prescribed for enlistment in the Regular Army, subject to such modifications as the President may direct. Enlisted men in the National Guard of the several States, Territories, and the District of Columbia shall, with their consent, be recognized as members of the National Guard of the United States under the provisions of this act for the unexpired portion of their present enlistment contracts. All persons enlisting for service in the National Guard of the United States shall sign an enlistment contract and take and subscribe to an oath in the following form:

"'I do hereby acknowledge to have voluntarily enlisted this —— day of ———, 19—, as a soldier in the National Guard of the United States and in the troops of the (State) (Territory) of ——— for the period of three years under conditions prescribed by law, unless sooner discharged by proper authority, and I do solemnly swear that I will bear true faith and allegiance to the United States of America, and that I will serve them honestly and faithfully against all their enemies whomsoever, and that I will obey the orders of the President of the United States and of the officers appointed over me according to law and the rules and Articles of War. And I do solemnly swear to bear true faith and allegiance to the (State) (Territory) of ———, and to obey the orders of the governor thereof subject to the Constitution and laws of the United States.'

"An enlisted man discharged from service in the National Guard of the United States shall receive a discharge in writing, in such form and with such classification as is, or shall be, prescribed for enlisted men of the Regular Army. In time of peace discharges may be given prior to the expiration of terms of enlistment under such regulations as the President may prescribe.

"SEC. —. Officers of the National Guard of the United States: The Secretary of War may detail or assign officers of the Regular Army to duty with the National Guard of the United States according to the requirements of the service, and in time of peace shall assign officers of the reserve personnel, with their consent, to duty with organizations of the National Guard of the United States in each State or Territory upon the recommendation of the governor of the State or Territory concerned, and upon the grant to such officers of State or Territorial commission in their respective grades by the governor of such State or Territory, when such State or Territory shall by law have duly authorized such action upon the part of the governor thereof and shall have otherwise complied with the conditions of this act for the keeping of State or Territorial troops. In the District of Columbia such officers shall be assigned upon the recommendation of the commanding general of the National Guard of the United States in said District: *Provided*, That no officer of the Regular Army shall be assigned to the command of any organization of the National Guard of the United States, entirely comprised within the limits of any State except with the approval of the governor thereof. The commanding officers and staffs of organizations of the National Guard of the United States composed of troops from two or more States shall be assigned from the Regular Army or reserve personnel of the Army under regulations prepared as prescribed in section — of this act. Officers so detailed or assigned may accept such State or Territorial commissions, with the permission of the President and terminable in his discretion, without vacating their commissions in the Regular Army or Officers' Reserve Corps or being prejudiced in their relative or lineal standing therein. No person shall be commissioned as an officer of the National Guard of the United States unless such person holds a commission in the Regular Army or Officers' Reserve Corps. All persons hereafter to be commissioned as officers in the National Guard of the United States shall, upon being commissioned under the provisions of this act, take and subscribe to the following oath:

"'I, ——— ———, having been appointed a ——— in the National Guard of the United States, do solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the United States of America; that I will obey the orders of the President of the United States; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office of ——— in the National Guard of the United States upon which I am about to enter. I do further solemnly swear to bear true faith and allegiance to the State of ——— and to obey the orders of the governor thereof, subject to the Constitution and laws of the United States, so help me God.'

"SEC. —. Discipline and training of the National Guard of the United States: The discipline and training of the National Guard of the

United States shall conform to the system which is now or may hereafter be prescribed for the Regular Army. Each company, troop, battery, and detachment in the National Guard of the United States shall assemble for drill and instruction, including indoor target practice, not less than 48 times each year, and shall, in addition thereto, participate in encampments, maneuvers, or other exercises, including outdoor target practice, at least 15 days in training each year, including target practice, unless such company, troop, battery, or detachment shall have been excused from participation in any part thereof by the Secretary of War, or shall at the time prescribed therefor be under the orders of the governor of the State or Territory as provided for in section — of this act.

"All officers and employees of the United States and of the District of Columbia who shall be members of the National Guard of the United States shall be entitled to leave of absence from their respective duties, without loss of pay, time, or efficiency rating, on all days during which they shall be engaged in field or coast-defense training ordered or authorized under the provisions of this act.

"SEC. —. Liability of the National Guard of the United States for service: When Congress shall have authorized the use of the land forces of the United States for any purpose requiring the use of troops in excess of the Regular Army, the President may, under such regulations as he may prescribe, call into active service for the period of the emergency, unless sooner relieved, the whole or any part of the National Guard of the United States: *Provided*, That when necessary in order to execute the laws of the Union, to suppress insurrections, or to repel invasions, the President may, in his discretion and under the same conditions as permit the calling out of the National Guard of the several States or Territories, call into active service the whole or any part of the National Guard of the United States to serve solely within the United States, for such period as he may direct. Officers and enlisted men called into active service under the terms of this section shall have the same pay and allowances as officers and enlisted men of the Regular Army of the same grades and same prior service.

"SEC. —. Maintenance of other troops by the States: The consent of Congress is hereby given to each of the States to maintain troops in time of peace: *Provided*, That the State concerned shall first make provision therefor by legislative enactment in no respect contrary to, and in all respects in harmony with, the provisions of this act: *Provided further*, That no troops shall be thus maintained except such as belong to the units of the National Guard of the United States comprised within the limits of such State: *Provided further*, That the States and Territories in time of peace, and subject to such regulations as to expense and property accountability as may be prescribed by the President, shall be entitled to use as State or Territorial troops under the direct orders of the governor of the State or Territory, and for such purpose as State or Territorial militia might legally be used, so much of the National Guard of the United States within their respective borders as has been enlisted in the troops of the State or Territory and commissioned by the governor thereof in accordance with the terms of this act and as is not at the time in active service under a call by the President: *Provided further*, That nothing contained in this act shall prevent the organization and maintenance by the States and Territories of State or Territorial militia, State police, or State constabulary.

"SEC. —. Pay for the National Guard of the United States: Captains and lieutenants belonging to organizations of the National Guard of the United States shall receive compensation at the rate of one-thirtieth of the monthly base pay prescribed for officers of the Regular Army of their grades, for each regular drill or other period of instruction authorized by the Secretary of War, not exceeding five in any one calendar month at which they shall have been officially present for the required period, and at which not less than 50 per cent of the commissioned strength and at least 60 per cent of the enlisted strength attend and participate for at least one and one-half hours. Captains commanding organizations shall receive $240 per annum in addition to the drill pay herein prescribed. Officers above the grade of captain shall receive not more than $500 per annum, and officers below the grade of major, not belonging to organizations, shall receive not more than four-thirtieths of the monthly base pay of their grades, for satisfactory performance of their appropriate duties, under such regulations as the Secretary of War may prescribe.

"Each enlisted man belonging to an organization of the National Guard of the United States shall receive compensation at the rate of one-thirtieth of the initial monthly pay of his grade in the Regular Army for each drill ordered for his organization at which he is officially present, and in which he participates for not less than one and one-half hours, not exceeding five in any one calendar month; but no enlisted man shall receive any pay under the provisions of this section for any month in which he shall have attended less than 60 per cent of the drills or other exercises prescribed for his organization. Periods of actual military duty equivalent to the drills herein prescribed may be accepted in lieu of such drills when so provided by the Secretary of War. Pay under the provisions of this section shall not accrue to any person during a period when he shall be lawfully entitled to the same pay as a member of the Regular Army of corresponding grade.

"SEC. —. The National Guard of the United States subject to laws governing the Regular Army: The National Guard of the United States, except when on duty as State troops pursuant to orders from competent State authority, shall be subject to the laws and regulations governing the Regular Army, so far as such laws and regulations are applicable to officers and enlisted men whose permanent retention in active military service is not contemplated by existing law."

Mr. KAHN. Mr. Speaker——

Mr. CRAMTON. Mr. Speaker, a point of order upon the motion. First, due to the fact that the House has just adopted a motion disagreeing further to the Senate amendments, a motion now would not be in order directly contravening that action.

Mr. KAHN. Oh——

Mr. CRAMTON. If the gentleman will permit. The amendment of the Senate is only one amendment, having stricken out everything after the enacting clause and substituted a new bill. There is but one Senate amendment, hence the motion just adopted by the House, if it has any effect at all, is a motion instructing the conferees further to insist upon the House provisions and not to accept the Senate amendment. Furthermore, the motion which is before us now is a motion requesting the conferees to substitute for certain sections of the Senate amendment certain language which does not appear either in the Senate bill or in the House bill. The single Senate amendment to which we have just instructed them to disagree does not have this language. Now we have a motion before us instructing the conferees to take up certain language that is not in either bill and place it in the Senate bill, and after we have done that we are still in the dark then as to our further action upon the balance of the bill. If sections 59, 60, and so forth, were before the House in disagreement the motion might be in order, but inasmuch as the disagreement between the Houses goes to the entire substitute by the Senate, I submit that the present motion is not in order.

Mr. BLANTON. Mr. Speaker, I make the further point of order that the only opportunity further to instruct the conferees to be in order should come after the conference is asked for and granted and before the conferees are appointed, and this is in fact a motion to instruct the conferees at a time when it is not in order.

Mr. MANN of Illinois. Mr. Speaker——

The SPEAKER. Does the gentleman wish to favor or contest the point or order?

Mr. MANN of Illinois. I just want to call attention to the fact that the gentleman from Michigan makes the point of order on the ground that the House has disagreed to the Senate amendment, and the gentleman from Texas makes the point of order on the ground that the House has not disagreed to the Senate amendment.

The SPEAKER. The gentleman from Texas, of course, is mistaken as to the fact.

Mr. BLANTON. Will the gentleman from Illinois state if he agrees with either one of us?

Mr. MANN of Illinois. I do not.

The SPEAKER. The Chair is ready to rule. The gentleman from Texas is mistaken as to the fact. The House has already disagreed and asked for a conference. That is the proper stage at which a motion to instruct should be made, and the Chair had occasion——

Mr. BLANTON. I thought merely that the House had disagreed to the Senate amendment. I was not aware of the fact that the House had already agreed to the conference.

The SPEAKER. It has.

Mr. BLANTON. Then, of course, it is in order.

The SPEAKER. The Chair had occasion to rule on this question the other day, and ruled that at this stage it was proper to instruct the conferees. Now, as to the point that the gentleman from Michigan [Mr. CRAMTON] makes that the House can not instruct the conferees as to a portion of the Senate amendment because it would be inconsistent with its action of disagreement, it seems to the Chair that the House can instruct its conferees in any way it pleases, and inasmuch as the House has disagreed to the Senate amendment any instruction, except to insist upon that disagreement, would be in some measure inconsistent with its disagreement; but if the House can instruct—and the Chair believes there is no doubt about that—the Chair thinks the House can instruct as to part of the Senate amendment. That would leave the House and the Senate still in disagreement, and the conferees would still have jurisdiction to decide as they pleased about the rest. Of course, that ruling leaves full freedom to the House to instruct or not to instruct, and the Chair overrules the point of order.

Mr. KAHN. Mr. Speaker, I ask unanimous consent that debate on the motion be limited to two hours, one hour to be controlled by the gentleman from Alabama [Mr. DENT] and one hour to be utilized by myself.

Mr. ANTHONY. Mr. Speaker, reserving the right to object, I will say there are a number of gentlemen on this side of the House opposed to the motion made by the chairman of the committee who would like some time. I want to ask, Where will gentlemen on this side of the House who want time get that time who are opposed to the motion of the gentleman?

Mr. KAHN. I presume they will get it from the gentleman from Alabama.

Mr. DENT. Mr. Speaker, I am perfectly willing to divide whatever time I have over here with the gentleman from Kansas, who agrees with me on this proposition.

The SPEAKER. The gentleman from California asks unanimus consent that debate be limited to two hours, one-half to be controlled by himself and one-half by the gentleman from Alabama [Mr. DENT]. Is there objection?

Mr. KAHN. And the previous question to be considered as ordered at the end of that time.

The SPEAKER. And the previous question to be considered as ordered at the termination of the two hours. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, as this is a very important matter——

Mr. KAHN. There is only one matter——

Mr. BLANTON. But that one matter is of such importance that we find the distinguished gentlemen from Kansas [Mr. ANTHONY] disagreeing with him on it, and there are other authorities disagreeing on it. Should we not have three hours' debate on this matter? We can not finish anything else to-day and it will give us a little more time. Will not the gentleman give us three hours' debate on it? I think it is not out of proportion to the importance of the subject.

Mr. KAHN. The request for time that I have would indicate that we can finish after an hour's debate on this side, and I understood from the gentleman from Alabama [Mr. DENT] that he could probably finish in one hour.

Mr. BLANTON. My colleague over here could not give us any assurance now of any definite time. We are going to him and asking him for time, and he can not assure us of it.

Mr. DENT. I will state to the gentleman that I have had more requests for time than these two hours would allow. I think we ought to establish some limit.

Mr. BLANTON. I think the gentleman would save time by giving us three hours of debate.

Mr. CHINDBLOM. Will the gentleman from California yield?

Mr. KAHN. Yes.

Mr. CHINDBLOM. Will this debate be limited to this bill and the question involved in this motion?

Mr. KAHN. Exactly. Mr. Speaker, I will modify that request and make it an hour and 15 minutes on a side.

The SPEAKER. The gentleman from California asks unanimous consent that the time be limited to an hour and 15 minutes on a side, half to be controlled by himself and half by the gentleman from Alabama [Mr. DENT]. Is there objection?

Mr. BEE. Mr. Speaker, reserving the right to object, let me ask the gentleman from California if any opportunity will be afforded in the discussion of this matter for anyone to whom time has not been yielded by either the gentleman from California or the gentleman from Alabama?

Mr. KAHN. No.

Mr. BEE. It will have to come within the time agreed upon?

Mr. KAHN. Yes.

The SPEAKER. Is there objection?

Mr. McKEOWN. Mr. Speaker, reserving the right to object, I have a motion to instruct to offer. Will this motion on the previous question cut off my right to offer a motion to instruct?

Mr. KAHN. I think it would.

Mr. McKEOWN. I want an opportunity to offer a motion to instruct the conferees on another section, the one I mentioned to the Speaker a while ago.

Mr. KAHN. I do not see how the gentleman's proposition would be affected by the discussion under general debate.

Mr. McKEOWN. Your request incorporates the previous question on this.

Mr. KAHN. But that is another section. That is not involved in my motion, and if the gentleman will offer his motion after my motion is disposed of, I presume it can be settled.

Mr. McKEOWN. I have no objection to limiting the time if I have opportunity to offer my motion.

Mr. BLANTON. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. KAHN]?

Mr. McKEOWN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. McKEOWN. Will it be in order after the disposition of the motion of the gentleman from California to offer to instruct the conferees on another section of the bill?

The SPEAKER. The Chair is disposed to think if the previous question is ordered——

Mr. CLARK of Missouri. Mr. Speaker, if the gentleman from Oklahoma has the right to offer another motion to instruct after we beat this one, I do not see that the previous question being ordered on this would have anything to do with the motion of the gentleman from Oklahoma.

Mr. MANN of Illinois. Well, Mr. Speaker, I do not think more than one motion to instruct will be in order.

Mr. CLARK of Missouri. Why not?

Mr. MANN of Illinois. Because that is the end of it.

Mr. CLARK of Missouri. That is a prediction that might not be true.

Mr. MANN of Illinois. The gentleman can offer an amendment.

Mr. CLARK of Missouri. An amendment for what?

Mr. MANN of Illinois. An amendment to this motion.

Mr. CLARK of Missouri. I know; but the gentleman from California [Mr. KAHN] gave an ex cathedra opinion there a minute ago; if his motion for the previous question was agreed to he could not offer a motion to amend this thing.

Mr. MANN of Illinois. Of course he could not. If the previous question is ordered, you can not amend it.

Mr. McKEOWN. I directed that parliamentary inquiry to the Speaker, and he held it would not be in order to offer a motion to amend.

Mr. MONDELL. Mr. Speaker, I want to make a suggestion. If the gentleman from California [Mr. KAHN] modifies his unanimous-consent request by withdrawing the request for the ordering of the previous question at the end of the two hours' discussion, the gentleman can then offer his amendment.

Mr. GREENE of Vermont. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GREENE of Vermont. The managers on the part of the House have reported no disagreement on the section that the gentleman from Oklahoma [Mr. McKEOWN] proposes now to amend or to instruct about. How would that, then, be in order?

The SPEAKER. The Chair does not know what the gentleman's motion is.

Mr. BLANTON. Regular order, Mr. Speaker.

Mr. CRAMTON. As a matter of fact, the managers have reported a disagreement on the entire Senate amendment. Further, as to the nature of the amendment proposed by the gentleman from California, it has nothing to do with the disagreement as a whole. It only relates to certain specified sections, and, as the Speaker has just ruled, when that is disposed of it will be in order to provide further instructions as to the balance of the amendment if the House so desires.

The SPEAKER. The Chair would be disposed to think so.

Mr. BLANTON. Mr. Speaker, I ask for the regular order.

The SPEAKER. The question is, Is there objection to the request of the gentleman from California for an hour and a quarter on each side? [After a pause.] The Chair hears none. The gentleman from California [Mr. KAHN] is recognized for 1 hour and 15 minutes.

Mr. KAHN. Mr. Speaker, there is only one question involved in this matter. That question is, Shall the State organize its National Guard under the Army clauses of the Constitution, or shall the State organize its National Guard under the militia clauses? Every State under this compromise will have the absolute right to determine how it will organize its National Guard, and whether it organize that guard under the militia clauses or under the Army clauses, it will receive the same support from the Federal Government. As a matter of fact, in the 111 years of the existence of this Republic there has been a great deal of controversy about the organization of the National Guard. For upward of a hundred years we have organized under the militia clauses. There are National Guard men and National Guard officers who contend that the guard would be a much better organization if it could be organized under the Army clauses. In fact, the provision of the Senate bill on the National Guard was largely drawn by National Guard officers who commanded National Guard troops in the World War. Those officers were Col. Foreman, of the National Guard of Illinois, and Col. Galbraith, of Ohio, of the National Guard of that State. And they were supported by Gen. O'Ryan, who commanded the Twenty-seventh Division of New York troops, a National Guard organization, during the World War. These gentlemen urged that in the future the Army clauses of the Constitution be invoked for the organization of the National Guard. This matter was later taken up by the American Legion, composed of soldiers of the World War; the American Legion approved the proposition, and sent another committee to the Senate committee, composed, in part, of Col. Hough, of Illinois, who was a commander of a regiment in the Rainbow Division; Col. Donovan, of New York, who was also a commander of a regiment of the Rainbow Division; and Lieut. Col. Opie, of Virginia, who commanded a battalion in the Twenty-ninth Division, so that these National Guard officers, with actual experience as officers in the World War, recommended the proposition which the Senate adopted.

Now, the House conferees did not feel justified in following the Senate as far as the Senate wanted to go. Finally the Senate conferees agreed that they would accept a compromise, and leave it optional with every State in the Union to organize its National Guard either under the Army clauses of the Constitution or under the militia clauses of the Constitution. My motion simply proposes to allow such language to be written in the law as will give the individual State the right to organize its National Guard in the way in which it deems best.

Mr. BEE. Would it interrupt the gentleman if I were to ask him a question right in that connection?

Mr. KAHN. No.

Mr. BEE. I was thinking of this feature of it with reference to the man who enlisted: Suppose a man enlists in the National Guard and his State afterwards does not accept under the militia clause. That man would then be subject to the Regular Army duty under the war clause of the Constitution, would he not?

Mr. KAHN. If he enlisted under the militia clause——

Mr. BEE. When would his option be exercised by the enlisted man?

Mr. KAHN. The enlisted man would have no option in the matter, because his State legislature would determine for him under which clause the State National Guard would be organized.

Mr. BEE. After he had rendered himself liable to duty by enlistment. That is what I wanted to know.

Mr. KAHN. The States will still determine how they want to organize their guards.

Mr. BEE. Before the enlistment of the men takes place?

Mr. KAHN. Certainly. And then, if the State elect through its legislature to enlist or organize its National Guard under the Army clauses, it would be governed by the compromise language which is included in my motion. If, on the other hand, the State should elect to organize under the militia clauses, the guardsman would be enlisted under the terms of the House bill as passed by the House.

Mr. CLARK of Missouri. Mr. Speaker, will the gentleman yield?

Mr. KAHN. Yes.

Mr. CLARK of Missouri. If Congress should agree to this double plan, and one State were to organize under the Army clause and another under the militia clause, is it not absolutely certain that the War Department would be forever discriminating against the National Guard that was organized under the militia clause?

Mr. KAHN. I do not think so.

Mr. CLARK of Missouri. Does the gentleman say that in the World War, the last war, the National Guard was not manhandled?

Mr. KAHN. Let me tell the gentleman that a great deal of the difficulty arose because the National Guard was organized under the militia clauses. That was the very difficulty that we encountered in this war, because none of the officers——

Mr. CLARK of Missouri. What difficulty was there about that?

Mr. KAHN. I am going to explain.

Mr. CLARK of Missouri. All right.

Mr. KAHN. Because every National Guard officer had his commission from the governor of his State. When the National Guard was called out he had to be recommissioned by the President of the United States, and the men had to be sworn in under the Federal law.

Mr. CLARK of Missouri. The War Department and everybody connected with it are against the National Guard, are they not?

Mr. KAHN. Far from it.

Mr. CLARK of Missouri. Did they not manhandle them during the war?

Mr. KAHN. Some of them.

Mr. CLARK of Missouri. Most of them.

Mr. KAHN. Evidently these National Guard officers—Col. Foreman, who commanded a regiment of Illinois Infantry, was not manhandled, and——

Mr. CLARK of Missouri. Oh, they could not manhandle all of them.

Mr. KAHN. And Col. Galbraith, of the Ohio Infantry, was not manhandled.

Mr. CLARK of Missouri. Oh, the gentleman can only pick out two or three.

Mr. KAHN. No; I have mentioned them as types of the men who believe in the Army provisions in the Constitution. But the gentleman from Missouri proposes to support and continue the system under which, so he says, they were manhandled.

Mr. HUSTED. Mr. Speaker, will the gentleman yield?

Mr. KAHN. Yes.

Mr. HUSTED. I would like to ask the gentleman how the National Guards which were organized under the militia clause could be manhandled any more by the War Department simply because other National Guards saw fit to seek organization under the Army clause?

Mr. CLARK of Missouri. They can discriminate against them about the movements and commands and everything of the kind, just as they did in this last war.

Mr. KAHN. I feel that in any event the States ought to be given the right to try out either system they want.

Mr. CRAMTON. Mr. Speaker, will the gentleman yield for a question?

Mr. KAHN. Not just now. I want to make this statement: You are going to have a controversy as to the proper organization of the Army as long as this Government exists unless we settle these mooted questions and settle them right. These gentlemen who believe in the organization of the National Guard under the Army clauses of the Constitution feel that the State should have the right to organize, if it so desires, under the Army clauses. You will have this condition, in my opinion: You will have some States organizing under the Army clauses, you will have some of the States organizing under the militia clauses. There will be no difficulty about that, and in 6 or 8 years from now, or possibly 10 years, Congress itself will be able to judge which character of National Guard is the better for the defense of this country. I feel that there will be no difficulty ultimately in having the people of the entire country determine whether the Army clauses are best or whether the militia clauses are best.

Mr. LAYTON rose.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman yield; and if so, to whom?

Mr. KAHN. I yield to the gentleman from Delaware. He was on his feet.

Mr. LAYTON. Then the fact of the matter is this: No matter how they are organized, whether under the Army clause or under the militia clause in time of peace, they will all be subject to the national authority and the commissions of the President of the United States in time of war.

Mr. KAHN. Exactly, with this further suggestion, however, that in organizing under the Army clause, the officer will get his commission originally from the President of the United States, and a regiment so organized will not be "manhandled," as the gentleman from Missouri [Mr. CLARK] suggested, but will go immediately to the place it is ordered, without having a lot of officers going through additional examinations as to their health, their competency, and so on.

Mr. LAYTON. Mr. Speaker, will the gentleman yield?

Mr. KAHN. I yield to the gentleman further.

Mr. LAYTON. Then the gentleman logically admits that if this becomes a law for the purpose of escaping any manhandling it would be a very wise procedure to organize under the Army clauses?

Mr. KAHN. That is my view of the subject absolutely.

Mr. CRAMTON. Will the gentleman yield?

Mr. KAHN. I will.

Mr. CRAMTON. The option is given the State to organize the National Guard under the Army clause or the militia clause. If organized under the Army clause there is aid given to the State by Federal appropriation for officers and men. What provision is made for Federal aid in that same direction if organized under the militia clause?

Mr. KAHN. Identically the same.

Mr. CRAMTON. By what authority?

Mr. KAHN. By the same authority in the national-defense act.

Mr. CRAMTON. The Senate bill repeals practically all of the Hay bill. Does it leave in these provisions?

Mr. KAHN. It repeals most of the sections regarding the National Guard provisions of the national-defense act, but this compromise law will allow all of those provisions to stand in the law because they are contained in the House bill, and those provisions provide for paying the National Guard.

Mr. CRAMTON. The Federal aid would be the same in each case?

Mr. KAHN. Absolutely.

Mr. BLANTON. Will the gentleman yield?

Mr. KAHN. I yield to the gentleman from Texas.

Mr. BLANTON. The gentleman speaks of the National Guard officers receiving commissions from the governor and having to be resworn.

Mr. KAHN. In case they are called into the Federal service.

Mr. BLANTON. Why have you provided for two different kinds of oaths in the amendment which you have offered? In other words, the officers take an oath that they will defend the United States against all enemies, foreign and domestic. Then when you get to the enlisted man in taking the oath, he does not

swear that he will defend the Government against all enemies, foreign and domestic.

Mr. KAHN. If the gentleman will look at the national-defense act, that is exactly the way the National Guard is authorized now.

Mr. BLANTON. The same oath ought to be applicable to both.

Mr. KAHN. It is. The National Guard provision of the national-defense act provides for a dual oath for every enlisted man and every officer.

Mr. BLANTON. It is not in the gentleman's amendment; there are two kinds of oath in the gentleman's amendment.

Mr. KAHN. Because this amendment only provides for allowing the National Guard to be organized under the Army clauses. Where they are organized under the militia clauses is all found in the national-defense act, and it would apply to both kinds of organizations.

Mr. BEE. Will the gentleman yield?

Mr. KAHN. Certainly.

Mr. BEE. I want to ask the gentleman a question. I understood the gentleman to say that they would be commissioned by the President in case of war. That means that they will be appointed by the President?

Mr. KAHN. Upon recommendation of the governor.

Mr. BEE. Would it be absolutely incumbent on the President to follow the recommendation of the governor, or would it be optional with him?

Mr. KAHN. I presume that if the officer were considered unfit the President would refuse to appoint him; but the President could not appoint another officer who was not recommended by the governor.

Mr. BEE. Let me ask the gentleman a further question. There are National Guard organizations now in existence, and if this amendment be adopted and a compromise agreed to, what becomes of those organizations of the National Guard already in existence? Are they continued without further action of the State?

Mr. KAHN. No; they are now organized under the militia clauses of the Constitution.

Mr. BEE. And they will remain so until the States decide.

Mr. KAHN. If the State were to change the organization, the legislature would undoubtedly make provision for the absorption of the present organization into the new organization. But that is a matter entirely for the State.

Mr. KNUTSON. Will the gentleman yield?

Mr. KAHN. I will yield to the gentleman.

Mr. KNUTSON. If the State should turn over its militia organization to the Government, and after a period of time discovered that it had made a mistake, what provision is there for the State to regain control?

Mr. KAHN. There is no doubt that the State legislature has the option to determine that matter at any time.

Mr. KNUTSON. When they shall cease to have their National Guard under Federal control.

Mr. KAHN. Exactly so.

Mr. HULL of Iowa. Will the gentleman yield?

Mr. KAHN. I yield to my colleague.

Mr. HULL of Iowa. Who is to pay the expenses for the armories?

Mr. KAHN. That is one of the matters that will have to be thrashed out in conference. That is a very important matter. Many of the States have expended a great deal of money on their armories. Of course, the State is entitled to that armory; but that is not involved in the question as to whether you want to adopt the Army clauses for the organization of your National Guard or the militia clauses, because, after all, the State legislature determines that, and the matter of the armories is one that is outside of that altogether.

Mr. HULL of Iowa. Would it not be involved if you decided that the State would have to pay the armory expenses, as they do to-day? In a great many States it is unconstitutional to appropriate money for something that the State does not control.

Mr. KAHN. Of course, as I say to the gentleman, that is not involved in this motion. There is a great deal of money or property involved in the various States—New York, Pennsylvania, Iowa, and other States—that have expended large sums for armories. But that has no connection with the questions that we are now considering. The ownership of these armories will remain the same, and they will be used by the National Guard, no matter whether they are organized under the militia clauses or under the Army clauses.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. KAHN. Certainly.

Mr. JOHNSON of Mississippi. In my State the legislature, which was in session up to two months ago, appropriated a large sum of money for the National Guard. When this bill came up I immediately conferred with some people who are interested in my State, and they say that upon investigation, if this conference report is adopted, the money that was appropriated by my State may not be used for this purpose until the legislature convenes again. In that event my State will be without a National Guard.

Mr. KAHN. I do not think the gentleman understands the situation thoroughly, or somebody is trying to mislead him. As a matter of fact, the Federal Government now gives aid to the National Guard organizations of the different States.

Mr. JOHNSON of Mississippi. I appreciate and understand that.

Mr. KAHN. The State in turn meets that appropriation. Some States have given very liberally, as is evidenced by the statement of the gentleman from Mississippi. Other States have given smaller amounts.

Mr. JOHNSON of Mississippi. Who pays the National Guard under the Federal organization?

Mr. KAHN. The Government of the United States.

Mr. JOHNSON of Mississippi. Altogether?

Mr. KAHN. No; just in proportion as they have been paying heretofore. There will be no difference in the appropriation given by the Federal Government to the various States, no matter whether they organize under the Army clauses or under the militia clauses.

Mr. JOHNSON of Mississippi. I want to ask the gentleman a question for information, because I want to know the proper course to pursue. What benefit is there to be derived by taking the organization out from under the militia clause and putting it under the Army clause? I am asking the question for information.

Mr. KAHN. Let me cite the gentleman some of the conditions that now exist. New York State has a population that enables it to organize a division by itself. Pennsylvania could probably do the same, as well as Illinois and possibly Ohio. The other States will probably never, in our lifetime at least, be able to organize divisions. This war developed the fact beyond dispute that the proper military unit for defending or attacking is the division, which is composed of 27,000 fighting men. I call the attention of the gentleman to the situation in New England, for instance. There we have quite a number of States that are really very much in favor of National Guard organizations, but there is no one of the States that has enough national guardsmen to form a division. Under the Constitution and the militia clauses, as affecting the National Guard, you could not appoint a commander of a division who happened to live in Massachusetts over the troops in Rhode Island or Connecticut or New Hampshire or Vermont or Maine. He could only be the commander of the troops in his own State.

Mr. JOHNSON of Mississippi. Let me ask the gentleman a question on that.

Mr. KAHN. That is as far as he could go. It is essential that the National Guard of the Union be so organized in peace times that they can function as a full division if we are to get the effect from such a number of men as we desire to get in case the country is attacked.

Mr. JOHNSON of Mississippi. Could not two or three of the States group and have a division?

Mr. KAHN. No; not under the militia clauses of the Constitution. They absolutely could not.

Mr. JOHNSON of Mississippi. I am speaking now about the Army clauses.

Mr. KAHN. Yes; under the Army clauses they could.

Mr. JOHNSON of Mississippi. That is what I wanted to ask the gentleman. In my State, of course, we would not have enough national guardsmen to form a division. Then the troops from Mississippi would be placed under a man from another State, if several States grouped to form a division. That is true, is it not?

Mr. KAHN. Yes; but that man, under the proposed compromise, would have to be a reserve officer.

Mr. HUSTED. Mr. Speaker, will the gentleman yield?

Mr. KAHN. Yes.

Mr. HUSTED. The gentleman from Missouri [Mr. CLARK], the distinguished ex-Speaker, intimated in his questions that if this compromise plan was adopted the National Guards organized under the militia clauses of the Constitution would suffer a discrimination which could not be practiced against them if we remain under the present plan and all of the National Guards were organized under the National Guard clauses. Does the gentleman think there is any justification for such a belief?

Mr. KAHN. I do not.

Mr. HARRELD. Mr. Speaker, will the gentleman yield?

Mr. KAHN. Yes.

Mr. HARRELD. You provide here for dual enlistments. The bill specifically provides that the same dual enlistment shall be signed——

Mr. KAHN. That is existing law.

Mr. HARRELD. That does not apply to existing troops.

Mr. KAHN. It applies to everybody in the National Guard who enlisted under the national-defense act.

Mr. HARRELD. In several States, like my own, they have not signed this dual enlistment.

Mr. KAHN. Oh, yes, they have, if they were organized under the national-defense act.

Mr. HARRELD. They were not.

Mr. KAHN. Then they do not get any Federal aid.

Mr. CALDWELL. If they are not organized under the national-defense act, when they wear the uniform they are committing a crime. I think the gentleman must be mistaken.

Mr. REED of West Virginia. If the State organized under the national provision, does it in any way or under any circumstance forfeit its right to control its officers from that State?

Mr. KAHN. Absolutely not. The governor of that State calls out the National Guard, and the guard is exactly in the same position as it is now. The President commissions the officers in the guard if organized under the Army clauses, but solely on recommendation of the governor.

Mr. CRAMTON. Mr. Speaker, will the gentleman yield further, briefly, on the same point I was speaking about before?

Mr. KAHN. Yes.

Mr. CRAMTON. The Senate bill in section 84 repeals 113 out of 128 sections of the Hay national-defense act.

Mr. KAHN. If this compromise is adopted, of course all of that goes out of the Senate bill.

Mr. CRAMTON. Is there anything in the motion proposed now by the gentleman from California that deals in any way with the aid or regulations affecting the National Guard if raised under the militia section?

Mr. KAHN. Of course, the House provisions of the reorganization bill continue the sections of the national-defense act. They will become a part of the law in conjunction with this.

Mr. CRAMTON. If agreed to by the conferees.

Mr. KAHN. Yes.

Mr. CRAMTON. But there is nothing in the compromise proposition now made that covers that proposition at all, and we must follow the gentleman blindly on that. That is the situation.

Mr. KAHN. I want to say to the gentleman from Michigan that if the House adopts this matter, the gentleman has very able colleagues on the conference who will undoubtedly support him very strongly in seeing that those provisions of the Senate bill are stricken out.

Mr. CRAMTON. But if we accept this part of the compromise and yield on that, then we take our chances as to whether the Senate will yield on the other part. The compromise is only partial.

Mr. KAHN. I can say to the gentleman that I have the assurance of the Senate conferees that they will not insist on those sections of the Senate bill as it now stands respecting the National Guard, and they will recede.

Mr. McKENZIE. Mr. Speaker, will the gentleman yield?

Mr. KAHN. Yes.

Mr. McKENZIE. In connection with the matter suggested by the gentleman from Michigan [Mr. CRAMTON] I think it would be fair to state that the House bill was prepared as a series of amendments to the national-defense act, including those sections affecting the National Guard. The Senate bill was an original bill, drawn without any relation to the national-defense act whatsoever.

We have said to them that if we accept this compromise it shall be an amendment to the national-defense act attached to the section caring for the National Guard under the national-defense act, and that is the understanding, so the gentleman need have no fear.

Mr. CRAMTON. Of course, the understanding of the House is that the amendment before us is to be added to the Senate bill.

Mr. KAHN. Oh, no; it is to take the place of the Senate bill.

Mr. CRAMTON. I am very glad to get definite information.

Mr. JEFFERIS. Will the gentleman yield?

Mr. KAHN. I will.

Mr. JEFFERIS. This may have been asked, but I would like to inquire what would be the authority of the governor of a State over the State militia if the legislature had permitted it to be organized under the Army clause?

Mr. KAHN. He would have absolute authority under this legislation to call out the militia in case of insurrection or invasion, or to enforce the law, just as he has the authority under the militia clause.

Mr. YATES. Will the gentleman yield?

Mr. KAHN. I will.

Mr. YATES. Could that governor commission an officer?

Mr. KAHN. Under the militia clause he could.

Mr. YATES. Up to what grade?

Mr. KAHN. All of them. But in the Army clause the governor could only recommend for commission and the commission would come from the President of the United States. Mr. Speaker, I have consumed considerable time. I submit again that the only thing involved in this proposition is, Are you willing to let the State legislature determine how the National Guard of that State is to be organized or are you going to refuse the States the right to determine the question——

Mr. SISSON. Will the gentleman yield?

Mr. KAHN. I can not yield; I have not the time.

Mr. SISSON. The gentleman made a statement a moment ago that this bill left the governors of the States in the same attitude that the law now is in reference to domestic concerns?

Mr. KAHN. I does.

Mr. SISSON. Well, I want to ask the gentleman if he believes that this is true when I read from the bill:

No State shall maintain troops in time of peace other than those authorized in accordance with the provisions of this act——

Mr. KAHN. Yes.

Mr. SISSON. That is limitation No. 1.

Provided, That the States and Territories——

Mr. KAHN. That is a limitation of the Constitution.

Mr. SISSON (reading):

Provided, That the States and Territories, in time of peace, and subject to such regulations as to expense, property accountability, and other matters as may be prescribed by the President—

And so forth.

Therefore the governor is not left as he is now. That is a limitation upon the governor's right——

Mr. KAHN. There is no limitation upon it. The gentleman is evidently reading from the Senate amendment. That language is altered in the proposed compromise. The governor is authorized under the compromise to call out his troops in case of insurrection or invasion or to enforce the laws.

Mr. SISSON. One of two things is true: Either the language of this law means nothing or the gentleman himself has totally misconstrued it, because the language of this bill specifically provides that they can only be called out upon regulations made by the President of the United States.

Mr. KAHN. There is a provision in this proposed compromise which authorizes the governor to call out troops for the purposes I have indicated, and in the case of a national emergency the President calls them out.

Mr. SISSON. I do not think the gentleman intends to mislead the House, but that language is specific and positive that the President of the United States should have the right.

Mr. KAHN. Well, I have consumed too much time, but I will look up the exact language. I can not put my finger on it now, although I have read the matter a number of times. Mr. Speaker, I reserve the balance of my time.

Mr. OLNEY. Before the gentleman closes, the gentleman will recall the Pullman car strike in the late nineties?

Mr. KAHN. Yes.

Mr. OLNEY. If at that time the National Guard of Illinois had been organized under the Army clause would it not have been possible for the War Department to have ordered out the National Guard to quell the existing conditions?

Mr. KAHN. Yes.

Mr. OLNEY. In other words, the United States could only interfere when the mails were tampered with, and then Regular troops were called out?

Mr. KAHN. The gentleman is absolutely correct. Mr. Speaker, this is the language in the proposed compromise provision as to the authority of the governor over the National Guard when organized under the Army clause of the Constitution:

Provided further, That the States and Territories, in time of peace, and subject to such regulations as to expense and property accountability as may be prescribed by the President, shall be entitled to use as State or Territorial troops, under the direct orders of the governor of the State or Territory, and for such purpose as State or Territorial militia might legally be used, so much of the National Guard of the United States within their respective borders as has been enlisted in the troops of the State or Territory and commissioned by the governor

thereof in accordance with the terms of this act and as is not at the time in active service under a call by the President: *Provided further*, That nothing contained in this act shall prevent the organization and maintenance by the States and Territories of State or Territorial militia, State police, or State constabulary.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. The gentleman from Alabama is recognized for an hour and 15 minutes.

Mr. DENT. Mr. Speaker, I yield five minutes to the gentleman from Mississippi [Mr. SISSON].

Mr. SISSON. Mr. Speaker, of course you can not discuss this bill and conference report in five minutes. I want to make this statement that I think is borne out by the history of this bill from the time it was taken up to be prepared up to this good moment: First, every man who believes in universal military training will and should support this bill, because that is what it means in its last analysis. [Applause.] This is an entering wedge and a step to universal compulsory military training. [Applause.] That is proposition No. 1. Second, every man who believes in the destruction of the National Guard system will and should vote for this bill. Those of you who believe in the National Guard, do not fool yourselves. This bill has been drawn by officers of the Regular Army. This bill was not prepared either by the Senate or by the House committee. They may have changed a few syllables here and a few letters there, but it is a Regular Army bill, and do not fool yourselves and do not go back home in the November election with a camouflage about it. This bill is the forerunner of universal military training in America. It is the next to the last blow to do what the Regular Army officers have been wanting to do for some time. It is next to the last blow to destroy the State Militia. It is next to the last blow to destroy State rights of having an organization of their own State constabulary as provided under the Federal Constitution. There is a clause in this bill that provides that where the States shall organize a State militia not in accordance with this act they are guilty of a crime.

Mr. YATES. Will the gentleman yield?

Mr. SISSON. I will.

Mr. YATES. I would like to have the gentleman's authority for that statement. I do not mean to be disrespectful, but I would like to have his authority for the statement that this bill is not presented by the committee but by the Army.

Mr. SISSON. I make that statement that this bill in every single step of it has been prepared and dictated largely by the Army officers. [Applause.] Now, I have not time to yield further; I have only five minutes.

Mr. YATES. And I understand the Army opposes this bill?

Mr. SISSON. The Army; oh, yes——

Mr. YATES. This proposition.

Mr. SISSON. Oh, yes; they got up this compromise. That compromise was made, written, and prepared by Army officers, because they realized this House would not agree totally to destroy the National Guard at one blow, and they seek in this way to do it.

Do not fool yourselves, gentlemen. I want to say right now that every time a Democrat votes in favor of this proposition he is, whether he wills it or not, doing all in his power to destroy the National Guard. The Democrats have always believed in the National Guard under the Federal Constitution. They could not get rid of that proposition because it is in the Constitution, and therefore have got to kill it in this way.

Mr. KAHN. Will the gentleman yield?

Mr. SISSON. If I can get more time.

Mr. KAHN. I wanted to answer the question the gentleman propounded.

Mr. SISSON. The gentleman has ample time in which to answer. I have only five minutes.

Mr. KAHN. The gentleman wants to be fair.

Mr. SISSON. All right. I am going to be fair, and if the gentleman wants to be fair let him yield to me the time. I have only five minutes. I want to state that those of you who go before the country should be fair with them and say to them that this is the entering wedge to compulsory universal military training, because they provide here for universal voluntary military training. It will provide what the Regular Army intended to do at the beginning of the war. War was declared between the National Guard and the Regular Army officers when the bill passed for the organization of these soldiers during the war. They have almost destroyed the organization as it is. Everybody knows, if he has consulted these soldier boys, these units from the various neighborhoods were broken up and sent broadcast over the country. No one is betraying the secret of the General Staff of the Army when I tell you that they are opposed to the National Guard. The argument made by the gentleman who is chairman of this committee, when he said you could not get the National Guard to make a national unit of the Army, is the same argument that has been used by the Army officers. Do not fool yourselves, gentlemen. This means universal military training and the destruction of the National Guard. [Applause.]

Mr. DENT. Mr. Speaker, I yield 10 minutes to the gentleman from Kansas [Mr. ANTHONY]. [Applause.]

Mr. ANTHONY. Mr. Speaker, as one of the conferees on the part of the House, I am unable to support the legislation desired by the Senate, which will authorize the organization of the National Guard under the Army clause of the Constitution. Under the compromise language which is suggested, it will permit the States to exercise the option whether they will organize their troops as they have been organized ever since the foundation of the Government, under the militia clause or under the Army clause. I think that dual proposition will result in disorganization and confusion to the National Guard. [Applause.]

There is just one State that I know of that wants to impose this handicap upon the National Guard of the United States. The State of New York is asking for this right to organize under the Army clause. All the pressure and all the demand for the legislation comes from the National Guard of that State, and it is not unanimous there. I want to say to the House that it is the almost unanimous judgment of the National Guard officers of every State, practically, in the Union, and of all the adjutants general, that the Congress should not take this action, and that the organization of the National Guard should be permitted to stay where the law now provides.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. ANTHONY. I yield.

Mr. GREENE of Vermont. Will the gentleman be good enough in extending his remarks to give us the result of the activities he has made to get that very accurate information about the personnel of the National Guard?

Mr. ANTHONY. Does the gentleman refer to the State of Vermont?

Mr. GREENE of Vermont. I do not have to do so. She speaks for this through bigger men than I am.

Mr. ANTHONY. The State the gentleman represents is so small that I forgot to put Vermont in.

Mr. GREENE of Vermont. Put your census in the RECORD. You made the general statement that almost all the National Guard officers were for this thing.

Mr. ANTHONY. I did make that statement. I will read a telegram which was received by the gentleman from Alabama [Mr. DENT] from the president of the National Guard Association of the United States, Col. Bennett Clark, well known in this House. [Applause.] It says:

As president of the National Guard Association of the United States, I desire to thank you and Mr. ANTHONY for your splendid efforts to preserve the National Guard against the effort being made to kill it.

I want to say to the House that it is my candid judgment that this legislation is the culmination of three years' conspiracy on the part of some members of the General Staff and of an element of the Regular Army of the United States to swallow the National Guard. It is the reincarnation of the old proposition which was defeated in this House four or five years ago to create the so-called "continental" army. It is nothing else when reduced to its simple elements than the changing of the National Guard into an absolute Federal force, practically an integral part of the Regular Army.

The Regular Army officers who favor this, in my opinion, do it because they highly value the military capacity of the National Guard. They realize that in time of war in this country the great mass of the soldiers must come from the ranks of the people and not from the Regular Army.

Mr. HUSTED. Will the gentleman yield?

Mr. ANTHONY. In a moment—and the National Guard has demonstrated whenever it has been called upon that it furnishes more men than the Regular Army men who are trained for the service of the Government. Over one hundred thousand came to the call of the President on the border a few years ago. Three hundred and sixty-seven thousand National Guardsmen came to the call of the President at the beginning of the World War—as good troops as any which took part in that great struggle. I have seen regiments of the National Guard that have been organized and trained in the last four or five years from a dozen of different States of the Union, and I want to say that I have seen representative regiments of Germany, and France, and of England, and of the Regular Army of the United States, and these National Guard regiments, so far as the real soldier material in their enlisted men is concerned, compare favorably with any others that I have seen in any army. It would be a

mistake to permit the organization of the National Guard under the Army clause, for the very reason that the constitutions of half of the States, I am told, would have to be changed in order to permit them to comply with this law if they chose to exercise the option. Under their present constitutions many of them would be unable to vote a dollar for the maintenance of a Federal military force. That would lead to great confusion and an interminable length of time would elapse before the plan could possibly be worked out. Now, the national defense act provides, in my opinion, absolutely perfect provisions for the building up of the National Guard.

Mr. HUSTED. I would like to ask the gentleman from Kansas why he objects to allowing the State of New York to organize its National Guard under the Army clause of the Constitution if it wants to do so, as long as it does not interfere with the action of any other State?

Mr. ANTHONY. Let me say to the gentleman from New York that if you have any citizens who want to enlist in the Regular Army of the United States, let them do so. [Applause.] We are trying to create in the National Guard a force of citizen soldiery who will be trained under the supervision and discipline of the Army of the United States, so that they can be relied upon to defend the country when called upon in time of need. We are not trying to enlarge the Regular Army further than the limits we set forth in the Army reorganization bill, the 299,000 Regular soldiers therein provided, in my judgment, being ample.

Mr. HUSTED. I do not think the gentleman's answer was quite responsive to my question. I asked the gentleman why he objected to permitting the State of New York to organize its National Guard under the Army clause of the Constitution, not to enlist in the Regular Army but to organize the National Guard under the Army clause, if they thought that was the more efficient way to do it and if they wanted to do it.

Mr. ANTHONY. I do not think it would be wise to have two brands or breeds of National Guard in this country. [Applause.] If we permitted the National Guard to be organized in some States under the Army clause of the Constitution and to be organized in other States under the militia clause of the Constitution, we would have a set of "white sheep" and a set of "black sheep," and those that were organized under the Army clause would be invariably commended in every Regular Army report, and those organized under the militia clause would be invariably condemned and harassed in every report that was made by an inspector general from the Regular Establishment. [Applause.]

Mr. HUSTED. Is not that a very unfair assumption of an unfair attitude on the part of the officers of the Regular Army?

Mr. ANTHONY. No; not if we consider the previous unfair treatment accorded the National Guard. At the conclusion of the World War there was no question but that it was determined down in the War Department to do away with the National Guard at one fell swoop. They decided that they would muster out every returning National Guard organization that returned from Europe, and they did so and discharged every man, not only from the United States service but as well from the National Guard of the several States, and National Guard organizations almost ceased to exist.

Mr. CALDWELL. Mr. Speaker, will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. CALDWELL. Does not the gentleman agree that, under the terms of the Hay bill, it was specifically provided that when the National Guard was drafted into the service for the war when they were returned they were absolutely discharged back to civil life?

Mr. ANTHONY. No. They were to be discharged back to their previous status.

Mr. CALDWELL. Oh, no.

Mr. ANTHONY. Well, that is a difference of opinion. Let me tell you what the Militia Bureau in the War Department, administered by a Regular Army officer, has done. Since they attempted the wholesale discharge and destruction of the National Guard they imposed requirements in the organization of new National Guard companies which the Regular Army itself has found to be impossible to comply with. They demanded that before they would recognize a new company of the National Guard that it should consist of 105 men. And, gentlemen, there is hardly in the Regular Army to-day a company of Infantry of over 35 or 40 men. The Regular Army can not maintain its own organization up to the standard they are requiring of the National Guard.

I hope the House will vote down the motion of the gentleman from California and permit the conferees to represent what I believe are the views of the people of the country and the views of the Members of this House with respect to the continuance of the organization of the National Guard. [Applause.]

Mr. Speaker, I yield back the remainder of my time.

Mr. KAHN. Mr. Speaker, how much time have I?

The SPEAKER pro tempore. The gentleman has 37 minutes.

Mr. KAHN. How much time has the gentleman from Alabama [Mr. DENT]?

The SPEAKER pro tempore. Sixty minutes.

Mr. KAHN. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. CALDWELL].

Mr. DENT. The Chair does not mean to say that I have used 60 minutes?

Mr. KAHN. No.

The SPEAKER pro tempore. The gentleman has 60 minutes remaining.

Mr. KAHN. I yield 10 minutes to the gentleman from New York [Mr. CALDWELL].

The SPEAKER pro tempore. The gentleman from New York is recognized for 10 minutes.

Mr. CALDWELL. Mr. Speaker, in response to my question of the gentleman from Kansas [Mr. ANTHONY], whether it was not a fact that the national defense act provided that when the National Guard was drafted into the United States Army its members could not be discharged back into the National Guard, he differed with me on that subject. I call his attention to section 111 of the national defense act. I will read from that act now. It says:

All persons so drafted—

Meaning the drafting of the National Guard—

shall from the date of draft stand discharged from the militia, and from said date shall be subject to such laws and regulations for the government of the Army of the United States as may be applicable to the members of the Volunteer Army.

So that when the National Guard was drafted into the service of the United States under the national defense act it was necessary on the discharge of those men to send them back to a civil status; and one of the reasons why I am compelled to support this proposition offered by the gentleman from California [Mr. KAHN] is the fact that when we had the Regular Army reorganization bill before this House the gentleman from Illinois [Mr. MCKENZIE] offered an amendment changing that method of discharge of the National Guard, so that they would go back to the National Guard organization of which they were members, and you will remember that here on this floor I called attention to the fact that that would be unconstitutional and that we would destroy the National Guard.

You will have no National Guard if you undertake to carry out that provision in the law, because the Constitution of the United States provides that Congress shall only have authority in the matter of prescribing regulations for the organization, and that the several States shall have the appointment of the officers, and that the militia can only be used for limited purposes. When drafted they cease to be militia. When discharged they cease to be soldiers. Now, the Constitution of the United States has three provisions that affect the power of the Congress in the matter of organizing a Federal force and a State force. The first provision I cite is Article I, section 8, subdivision 16, which says that Congress shall have authority—

To provide for organizing, arming, and disciplining the militia, and for governing such part of them as may be employed in the service of the United States, reserving to the States, respectively, the appointment of the officers and the authority of training the militia according to the discipline prescribed by Congress.

Now, it was under that section of the Federal Constitution that the national defense act organized the National Guard of this country.

Mr. LANGLEY. Mr. Speaker, will the gentleman yield?

Mr. CALDWELL. Yes.

Mr. LANGLEY. In those States where the State constitution provides that the governor of the State shall be the commander in chief of the National Guard of that State, would it be necessary, if this proposition were enacted into law, to amend the constitution of those States?

Mr. CALDWELL. I will answer the gentleman if he will just follow me for a moment.

Mr. GREENE of Vermont. Mr. Speaker, will the gentleman yield right there?

Mr. CALDWELL. Yes.

Mr. GREENE of Vermont. There is no constitution of any State in the Union unless it is one of the more recently adopted constitutions that has anything to say about the National Guard, because there was no National Guard at the time when most of the State constitutions were framed; there was no National Guard then in existence. The old State constitutions speak

of the "militia," but the National Guard and the militia are two different things.

Mr. LANGLEY. The Kentucky constitution covers both.

Mr. CALDWELL. The next provision of the Constitution which I will cite as affecting the action of the Congress in the matter of organizing a Federal force or State force is Article I, section 8, subdivision 12 It provides that—

> The Congress of the United States shall have power to raise and support armies, but no appropriation of money to that use shall be for a longer term than two years.

It is under that provision of the Constitution of the United States that the Regular Army is organized and disciplined.

The third section which I call attention to is contained in Article I, section 10, of the Constitution of the United States, which reads:

> No State shall, without the consent of Congress * * * keep troops * * * in time of peace.

That is a section of the Constitution under which it is sought here to organize this Federal force. It will be a new force; we have never had a force of that kind. The distinction will be made between the militia and the troops that belong to the State as contemplated by the Constitution. Now then, if the State can not keep troops without the consent of Congress, it follows as night follows day that Congress can specify the terms under which the State can keep those troops.

In this bill we say to the States you may keep troops provided you will conform to the terms we lay down in this bill. That is all that there is to the constitutional question except the distinction between the word "troops" and the word "militia."

What is militia? The dictionary says, and the Supreme Court of the United States has said, that militia is all of the able-bodied men in the country between reasonable ages, who are citizens of the country, capable of bearing arms for its defense. And in some decisions they have gone on to say that members of the Regular Army and Navy are not militia because they are soldiers in the service of the United States. At no time have they undertaken to describe what would be troops under this provision of the Constitution, because since we have had a Government no State has had an armed force organized under that section of the law.

Now, we know that during the Revolutionary period, when we had Federal soldiers operating in conjunction with militia, that when the Commander in Chief of the Army sent the Federal force outside of the country and obtained a temporary victory, and called upon the militia to come and aid in maintaining that victory, the militia refused to go, on the ground that he had no authority to direct them to proceed outside of the State in which they were serving; that the operation was not to repel invasion, suppress insurrection, nor to enforce the law, which were the only things the militia could be used for by the National Government.

We know that these men were citizens of the United States and of the State, that they were in uniform and bore arms; and so, if we say that troops are citizens of the United States who are armed and trained for the defense of the country, we do not correctly describe what is meant by troops, because that description would have fitted the militia in the service of the country and was recognized as militia, notwithstanding it was a trained and equipped organization.

Then what are troops? We know what soldiers are; we know what an army is under the terms of the Constitution, for the Supreme Court has told us; we know what the militia is under the terms of the Constitution, for the same reason; but the courts have never told us what troops are, and one guess is as good as another until the Supreme Court of the United States makes the last guess as to what that section of the Constitution means.

There is no question but that every country has the inherent power to defend itself. The United States is being called upon to create an armed force under the control of the Constitution, and if the Congress says that the force here authorized are to be State troops, why would it not be justified in expecting the Supreme Court of the United States to take its judgment on that subject?

There is one other question I want to answer. It has been charged by the gentleman from Mississippi [Mr. SISSON] that this bill originated with the General Staff of the United States Army. It so happens that I hail from the great State of New York, and it also happens that in the great State of New York during the World War we had a great division, known as the Twenty-seventh Division, composed from National Guard organizations.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. KAHN. I yield the gentleman two minutes more.

Mr. CALDWELL. When that division went across the seas they acquitted themselves with honor and with credit to the great State they represented, and they were under Maj. Gen. John F. O'Ryan, of the National Guard of New York, and recommissioned as such in the United States Army for the purposes of the war upon the draft of the National Guard. When he returned he started this bill on the way through the Congress of the United States, and it was Maj. Gen. John F. O'Ryan who was here lobbying in behalf of this bill. I do not know of any member of the General Staff who has ever advocated it until Maj. Gen. O'Ryan had taken it up.

Mr. LANGLEY. Will the gentleman yield?

Mr. CALDWELL. Yes.

Mr. LANGLEY. I want to say that the gentleman from New York has not yet answered my question. Section 75 of the constitution of the Commonwealth of Kentucky reads as follows:

> He (the governor) shall be commander in chief of the Army and Navy of this Commonwealth and of the militia thereof, except when they shall be called into the service of the United States; but he shall not command personally in the field unless advised so to do by a resolution of the general assembly.

Mr. CALDWELL. As I understand it, there are to be State troops and your governor will be commander in chief of the State troops. But the constitution of Kentucky is not above the Federal Constitution of the United States, and when these troops are called into the service of the United States the President becomes Commander in Chief.

Mr. LANGLEY. Would it not be necessary to amend the constitution of the State of Kentucky if this proposition becomes a law, as it conflicts with the constitution of that State?

Mr. CALDWELL. No; I do not think so.

Mr. LANGLEY. As I construe the language, it is in conflict with our State constitution, and I prefer that our governor shall remain the commander in chief according to the language of the section I have read.

Mr. CALDWELL. Let me say, first, it is our duty to provide the best organization for the manhood of America in order that the country may be properly defended. If the national-defense act and this provision are allowed to operate side by side, that which is best will survive. The proponents of this proposition have no fear of the outcome; the opponents have. This I hold to be a confession of weakness. Second, the McKenzie provision and several other sections of the national-defense act as amended in this bill are clearly unconstitutional, so it becomes our duty to provide something other than the terms of the House bill; and, third, the nearer legislation for a Federal force we have the nearer to an Army we will have—when we need one.

The militia provisions were written when people held a different idea of what our Government was. We are now writing a law after the Civil War had settled the permanence of the Union. We must now look to the defense of the Union, not the States.

Mr. WOOD of Indiana. Mr. Speaker, this is another demonstration that a house divided against itself can not stand. The very purpose of this compromise resolution is to divide the National Guard against itself. More than three-quarters of the adjutants general of the United States are absolutely opposed not only to the bill as proposed by the Senate but likewise opposed to this compromise proposition, for it is to accomplish the same end, and it will accomplish the same end if adopted.

Suppose this compromise resolution is adopted and some of the States elect to organize under the Army clauses and others elect to organize under the militia clauses, what is going to be the result? The same result that obtained during the World War—the absolute destruction of the militia units. No wonder the gentleman from New York—and I think he is the only one advocating the adoption of this proposition—no wonder the gentleman from New York is satisfied, because his units were kept intact and went over. What happened to the units of Indiana? What happened to the units of Missouri and Illinois and every other State in the Union? We had three regiments down on the Mexican border serving there for nearly a year. They came back seasoned men at the outbreak of the World War. Did they send them over and keep the units intact? No. They shot them all to pieces, even dividing up the companies so that there were scarcely half a dozen of original units permitted to go on the other side together. If you adopt this compromise, those coming in under the Army clauses will be the pets of the Regular organization of the United States, and the others will receive but slight consideration. [Applause.]

Those who pride themselves in belonging to the militia of the State of Indiana or the State of Missouri will receive very poor support; in fact, they will be starved to death. That is the purpose, and, as stated by the gentleman from California [Mr. KAHN], within 10 years they will find that the only way

that they can maintain an organization at all is by getting in through the process they are now trying to inaugurate. No one should be fooled by this proposition. It is a mere cloud to blind us for the time being into thinking it is fair to submit a proposition of this kind, when its whole purpose is the destruction of the State militia that has been of such great force from the beginning of this Government. Suppose you adopt this plan and come in under the Army organization. Here is a man who is the captain or a colonel of the State militia. He is a business man. He is a soldier in time of war, but he is a business man as well as a soldier in time of peace.

The President of the United States or the gentlemen who are operating the war machinery down here in Washington can take that man and jerk him away from his business and send him anywhere. That is what they are proposing to do. They are trying to Prussianize the military system of the United States. When they came back from Europe it was their intention then, fully developed by the first bill they introduced into this Congress. It had it written on every page. There was not a dozen men in this House here who would support it or who dared to support it. There are not 50 men in this House to-day who would support this bill as it came from the Senate, yet you might as well support it in its original form; in fact it would be better to do it than to make a farce of this whole business and destroy the integrity of the National Guard which must ever be the strong arm of the defense of the United States Government by the proposed subterfuge.

I say to you, think long before you ever consent to this compromise proposition. Send it back over on the other side with our disapproval, and let us maintain the militia system that is wanted by the men who were in the militia in this country. I have a letter from the adjutant general of the State of Indiana who has been in the militia for 25 years and who knows something of those who are connected with it. He says that there are not three adjutants general and not 5 per cent of the militia of the United States who want this system. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Indiana has expired.

Mr. EVANS of Nevada. Mr. Speaker, what great national emergency do you fear? We were safe with Europe strong, well fed, and well armed. Now they are bankrupt, without arms, and without armies, facing food problems with all energy to avert starvation. Austria sending her little emaciated children by the tens of thousands into Italy to obtain nutrition which Austria can not supply, while with haunting sense of fear they turn from war's horrors with sober knowledge that our country's policy has never menaced another's peaceful intent toward us. Now they look with uneasy wondering at our expending colossal sums training mere boys into the discredited art of murder.

The United States of America never made a war of conquest; our example for 150 years was peace on earth and good will to men, confident that now in times of destitution, with all the world prostrate, America will continue to lead in peace; that we will not compel and conscript the million one hundred thousand young boys who annually become of military age, taking and weaning them away from home, to which they will never return to console the lonesome old age of tender-hearted parents; away from a better plan of physical and mental growth, gained under the watchful care of teachers and neighbors where they will form habits of industry and self-reliance, growing into strong citizens, able and willing to defend our institutions, conservative to anger and assault, but earnest and eager to maintain their homes and country.

Against whom are we to uniform, to train, to arm, and march those boys? Surely not against our nearest neighbor Mexico? A Republic as we are, who have paid us the sincere compliment of founding their own beloved Nation upon our policies of free expression and right thinking. Will they not feel the veiled threat in this departure from our proven source of security? For us to plan war against another Republic is delirium. Can it be Canada, whose interests and aims are parallel to our own? Speaking our own language, we are proud to trace our consanguinity with them for a thousand years. There are none menacing our safe position to which we arrived without training in compulsion and force. That master mind of Shakespeare which could delineate man's character 350 years into the future could not conceive a government by the people; themselves their own rulers. A form of government which has produced all the inventions—steam engines, sewing machines, cotton gin, electricity, Atlantic cable, phonograph, telephone, flying machine, submarine, development of the automobile—wherein our form of free government has produced citizens who invented and built them all. This supreme question is too big for politics. There is in my mind no wish for political advantage, but the safe, sound, and proven way of national security. We are to-day debating a course new to ourselves, but well-known and well-tried by Europe, a system which has been weighed in the balance by every king and found wanting. The glory of militarism has departed. War was always preceded by a declaration of high and holy purpose, finishing upon blasted hopes and misery.

Mr. DENT. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Speaker, this proposed amendment, in my opinion, is an effort to destroy the militia as it was provided for in the Constitution of the United States. It is an effort to increase the Regular Army by destroying the militia provided by the fathers, and the one dangerous element that I see in it is not only the camouflage of increasing the Regular Army but it takes away from the State the right to control its own militia. In other words, the State militia, or call it the National Guard if you will, can not be called out by the President of the United States for the use of the United States except to repel invasion, suppress insurrection, and so forth; but if they can get a division from Illinois and one from New York that has its place regularly in the Regular Army, they take the oath and they may be called upon and will be called upon to obey the orders of the President of the United States whenever, in his discretion, an emergency exists. To-day we have 17,000 men in Germany. The treaty has failed, but to-day the President can not call the militia or the National Guard from Illinois to go to Silesia to run an election; he could not call the militia from Illinois to send them to Siberia nor to become policemen in Germany; but pass this law and fix it so that the State militia abandons its constitutional standing and becomes a part of the Regular Army, and this President or his successor may order them wherever he sees fit, as a part of the Regular Army. That is one reason I am opposed to this proposition.

The second reason is perfectly apparent—a house divided against itself. One national guardsman from New York, for instance, has the honor of being a part of the Regular Army and one from Illinois has not. You need not tell me or any other man who has had experience with the Regular Army or the General Staff that the man who is known as a national guardsman stands more than half a chance. You and I know that, and what is the use of discussing it. We know boys who came back from France recommended two or three times for promotion by reason of bravery in action; they did not get their commissions, because the General Staff had a different view, and men who had shed their blood and who had stood in the trenches all through the western front, who came back expecting a little promotion, failed to get it, while men in the Regular Army recommended by the General Staff were given the commissions of those boys who had fought and earned the commissions and they were turned over to men who never smelled gunpowder on this side of the Atlantic or on the other. Let us stand fair. If you want to make your Regular Army larger, do it. I believe in a fair Regular Army, but this is a move in the direction of doing away with the old constitutional militia, that militia that was framed by the fathers of the Constitution, the men who gave the first thought that they should swear defense to their own State and their own home but who finally in the constitutional convention consented that they might be taken by the President of the United States or by the Congress of the United States and called into action to repel an invasion or to suppress an insurrection. This takes away that protection from the National Guard. This is a step along the line of Prussianizing the people of this country. It is a step toward the militarism that we fought against over there in France, and to-day the Regular Army is starting in step by step to do the very thing in this country that we fought against in Germany. [Applause.]

Mr. DENT. Mr. Speaker, I yield five minutes to the gentleman from Mississippi [Mr. QUIN].

Mr. QUIN. Mr. Speaker, not only this provision of this bill is obnoxious to the masses of the American people but the entire bill that the Senate enacted by striking out the House bill is totally out of harmony with the spirit of this Republic and the best interests of our people. [Applause.] Not only ought this House to stamp under its feet this contemptible compromise that our conferees have brought in here but the entire bill should be defeated. The only thing that this Congress ought to do, in my opinion, is to kill this entire silly bill and, whenever we shall have peace declared, go back to the national-defense act, for which you made the appropriation for 175,000 men, and let it go into full force and effect.

The measure that our conferees have brought back here as a substitute compromise strikes me as being an insult to the

National Guard of the various States of this Union. I hold in my hand a letter from the adjutant general of the State of Mississippi, and I ask unanimous consent to have it put in the RECORD. This proposition that confronts us now means in the next year or two that all of the States will be forced to come under this Federalization system. It means that the constitutional system will be abolished and abandoned, and then our National Guard will be under the General Staff, and that august body will continue to Prussianize the United States until we will finally have an Army system a duplicate and replica of that horrible system of the Kaiser. [Applause.] There is no doubt about it but what the gentleman who brought this conference report here understands it. The Senate understands it thoroughly. The big interests of the United States understand it thoroughly. They think they are going to fool us, the Representatives of the people. That is what they intend to do; and when the gentleman from California endeavored to bring that striped ox over the House the other afternoon without letting this report be printed, it is part of the methods of the gang that is behind this scheme. Whether you be Republicans or Democrats, if you want to vote for the best interests of the great mass of the American people, you want to vote to kill the motion of the gentleman from California.

Mr. KNUTSON. Will the gentleman yield?

Mr. QUIN. I can not yield. You want to kill not only the original but this compromise that brings its smell—its stink—along with it. [Laughter.] You do not have to go down and study to understand it. It is as plain as the noonday sun. My friends on the Republican side, this Government has run 133 years with a constitutional militia system. Why is it in this age of Christian development of our Government it is necessary to abolish that system and put up a centralized, organized staff guard for all of the States of the Union? Whenever you vote to put this thing in effect you are, in effect, voting to abolish the entire system of the National Guard of the United States as it stands to-day, and the gentlemen who are behind this compromise realize that and know it. We know what they are endeavoring to do, but they think we are ignorant, and think we will let them put off on us this compromise, saying that we will let the State keep its National Guard if it wants to and let the others go under the Federal Army system. Here is the great State of New York, surrounded by Wall Street and the great billionaire class of this country, coming up as being an exponent of this nice compromise that the gentleman from California has brought out here. Vote it down and kill it, and, in the name of justice, before we let this House adjourn or let it recess let us stand here until this Chamber rots down before we let the people be run over and deceived in this manner. [Applause.]

The letter referred to is as follows:

STATE OF MISSISSIPPI,
THE ADJUTANT GENERAL'S OFFICE,
Jackson, Miss., May 1, 1920.

Hon. PERCY QUIN, M. C.,
Washington, D. C.

DEAR MR. QUIN: I certainly hope that you can see your way clear to urge and insist on the House conferees committee on Army reorganization bill standing by House bill 12775, recently passed by the House, authorizing the reorganization of the National Guard. If the National Guard is required to reorganize under the Wadsworth bill, which is drawn under the Army clause, it will positively disrupt, tear up, and smash to pieces the entire National Guard machinery of the United States.

The Legislature of Mississippi has at last passed what is believed to be adequate National Guard legislation, and has provided the National Guard with the largest appropriation in the history of the guard. I am advised by several prominent lawyers that they are of the opinion that if the National Guard is required to reorganize under the Wadsworth bill, or Army clause, that the appropriation from State funds can not be used and that it will be necessary to present to the legislature a new set of National Guard laws. From the information at hand, I would infer that Mr. Wadsworth; Gen. O'Ryan, of New York; and the New York National Guard would prefer to dictate the military policy of the United States, and to satisfy their desire are willing to sacrifice the balance of the guard of the United States. The National Guard of Mississippi is not in sympathy with the Wadsworth plan, and I am confident that the young men of Mississippi are not willing to reenter the guard under the Wadsworth plan. It is believed that if you and the balance of the Mississippi delegation in Congress will inform the House conferees to stand by the House bill that they will win out in this fight. The guard of Mississippi would rather see no legislation for reorganization than the plan of Mr. Wadsworth.

This matter is of vital importance to your State, and it is believed that you will exert every influence to have the conferees accept a favorable plan for National Guard reorganization.

Wishing you continued success, I beg to remain,

Yours, sincerely,

ERIE C. SCALES,
Brigadier General N. G. M., the Adjutant General.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. KAHN. Mr. Speaker, how much time has been consumed?

The SPEAKER pro tempore. Twenty-five minutes remain to the gentleman from California.

Mr. KAHN. And how much to the gentleman from Alabama?

The SPEAKER pro tempore. Forty-five minutes.

Mr. KAHN. I hope the gentleman will use some more of his time.

Mr. DENT. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. CONNALLY]. [Applause.]

Mr. CONNALLY. Mr. Speaker, the motion of the gentleman from California involves the ultimate destruction of the National Guard as it has heretofore existed. To that I am opposed. Allow me to call the attention of the House to the fact that the claim will be made, if not audibly, at least in the minds of the gentlemen who favor the motion of the gentleman from California, that the National Guard is not as efficient as the Regular Army, and that for uniformity's sake the whole National Guard should be incorporated into the Regular Army system, because that is the result this proposition seeks to accomplish.

Without making any comparison between the National Guard units and those of the Regular Army, it may be stated that the Twenty-sixth, Thirty-second, Thirty-fifth, Thirty-sixth, Forty-second, and other National Guard divisions rendered brave and distinguished service in the World War. But omitting discussion of that matter we must bear in mind that we are now legislating for peace times and not for war times. We are considering an establishment for domestic use, and it seems to me that in view of the fact that the maintenance of order and of law in the several States is a function of the States and the duty of the several States, each State ought to have its own National Guard controlled and directed by the State and subject to call to the aid of the civil authorities in the execution of the laws and in suppressing riots and disorders in the respective States. If the entire National Guard is incorporated into the Regular Army system we destroy the right of the States for all practical purposes to maintain any kind of national guard or militia system. Each State should have its own National Guard to aid its civil authorities. It ought not to be dependent upon the Federal Government for troops for purely State uses. To subordinate the States to the caprice or whim of the Secretary of War or the President for the enforcement of State laws violates the fundamental theories of the Federal system of union. Within its own boundaries, in the enforcement of its own laws, in the preservation of order, in the maintenance of its own institutions, the State is supreme, and it should have at its command the agencies and instruments necessary for the proper exercise of its function free from the supervision of any superior authority. All of you know or ought to know that the proposition of the gentleman from California to leave it optional to each State to come in or to stay out of the Federal system will amount to an absolute requirement that the State guards either come into the Federal system or that they dry up or die of anæmia, because the Federal Government and the Federal militia system will not encourage the maintenance of separate State guard systems and conditions will be imposed that will make it almost imperative that they come in or else perish.

Mr. KAHN. Will the gentleman yield?

Mr. CONNALLY. I will yield to the gentleman.

Mr. KAHN. The gentleman knows that Congress alone can provide the appropriations so that Congress can keep the guards alive under the militia clause, too.

Mr. CONNALLY. Oh, I realize the gentleman from California is correct technically in that statement, but we all know also that the Military Affairs Committee of this House and the gentleman from California [Mr. KAHN] always hear with more distinct sound and more attentive ears the call of the War Department and the General Staff than they can hear the distant cry of the various States. [Applause.]

Mr. KAHN. The proposition of the Committee on Military Affairs does not bear out the gentleman's statement.

Mr. CONNALLY. I am talking about what will transpire if this proposition of the gentleman from California is adopted and goes into effect. I want to say to the gentleman that we are legislating for peace times now, and it is not to the best interests of this Nation that we have one military system in which all the National Guards of all the States shall constitute a part of the Regular Army. We are not legislating for war——

Mr. HUSTED. Will the gentleman yield?

Mr. CONNALLY. In a moment. Whenever war comes we shall not be willing to rely alone upon the Regular Army or the National Guard, but whenever war comes this Nation will have to again invoke the draft, will again call to the colors the entire man power of this Nation, but in peace time let us observe the terms of the Constitution providing for the militia system, and let us have separate National Guards in the various State organized and drilled on the Regular Army system, but subject to the control of the States. [Applause.]

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. DENT. I hope the gentleman will use some more time.

Mr. KAHN. I will yield five minutes to the gentleman from Vermont [Mr. GREENE].

Mr. GREENE of Vermont. Mr. Speaker, it is obvious that a question involving so many constitutional issues and that partakes so vitally of the general policy of military training and national defense can not be discussed very intelligently in five minutes. One can only touch the high spots, and simply by suggestion at that.

I am amazed to hear so many of our good friends who are so profoundly in love with the doctrine of State rights refuse to accept a proposition that gives every State in the Union an opportunity to decide for itself in which one of these ways it will organize its militia. I do not quite see the consistency of it, and I have not from the beginning. Every State has the right to decide for itself whether it will organize its militia under the militia clause of the Constitution or under the Army clause of the Constitution, and it is left entirely with the State to decide. And when it has decided, if it elects to continue under the present militia clause of the Constitution, the law now in force, which provides for the organization and administration of the militia under such a clause, will still obtain, and it will have its appropriations from the Government under the direction of Congress just the same, and all the other features that have pertained to the National Guard as it exists to-day. They are in the law, and Congress has its direction over the appropriations which carry that law into effect. And the option will be left where our good State rights friends state it ought to be left—with the States. And that is the crux of this proposition.

Now, then, the whole purpose of this thing is to take advantage of a maxim which is as old as our Government, and which was first put into good, terse, appealing language by the Father of his Country, "In time of peace prepare for war." We have been told here——

Mr. SHERWOOD. I challenge that statement. George Washington never made that statement.

Mr. GREENE of Vermont. With all respect, I decline to yield to the gentleman.

Mr. SHERWOOD. You can not prove it.

Mr. GREENE of Vermont. I have not time to go into a discussion with the gentleman about a side issue.

In time of war we need trained troops, and in time of peace we maintain the National Guard for the very purpose of training it for war. The character of warfare has changed, as we learned most bitterly during this last World War, and the brigade and the regiment and the smaller tactical units are no longer the bases for operation in the field.

The basis is the division, and there is not a State in the Union, outside of the States of New York and Pennsylvania, that can make a division of its own troops. What will be the result? In my own New England district there were six States that were organized into one division, and the troops fought that way, the division being the tactical unit. In time of peace you can not assemble those six States into a tactical division for training purposes, and have a man from Connecticut drill the troops from Maine, New Hampshire, Vermont, Rhode Island, and Massachusetts. That is the point about it. And those six States are going to lose every opportunity to train by divisions, and will go back to the old, archaic regimental tactical system that they maintained so long.

Now, then, we did this very thing in time of war, when we had to test out whether our troops were trained or not, and that was to make one general, universal army out of our Regular Army, our National Guard, and our citizen soldiery, because it is a maxim of war that you can have but one army when you go into the field against another. In time of peace, in the name of common sense, let us train as one army in order to meet that very problem that will face us when we get into war. [Applause.]

Mr. DENT. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, I am unalterably opposed to a large standing army in peace time, and therefore I am opposed to this bill, but it is a matter which has already been put over on us. I am unalterably opposed to universal compulsory military training, and I am in favor of preserving the life and the integrity of our National Guard, and therefore I am against the amendment of the gentleman from California [Mr. KAHN], and I am going to vote with the distinguished gentleman from Kansas [Mr. ANTHONY] on this proposition.

To show you how easily an attempt is made sometimes to force votes on serious propositions, without serious consideration, I call your attention to what happened yesterday afternoon when the distinguished gentleman from California [Mr. KAHN] said, in substance, "Oh, what is the use of putting off until to-morrow a thing we can vote here in a few minutes, something that everybody ought to understand so easily?" And yet, when I asked him on the floor this morning why it was that his committee saw fit to put two different kinds of oaths into the measure, one oath for one man and another oath for another, he could not satisfactorily explain the matter at all. For the officers who are to be sworn in under the National Guard system, as proposed in his amendment, he has one kind of oath, an oath which properly requires that they shall support and defend the Constitution of the United States against all enemies, foreign and domestic.

That is the kind of oath that the President of the United States takes. That is the kind of oath the Vice President takes. That is the kind of oath that members of the Supreme Court take. That is the kind of oath that the Speaker of this House took. That is the kind of oath that every one of my colleagues here have taken. That is the oath each Senator of the United States takes. That is the kind of oath that every officer in the Army has taken. That is the kind of oath that every enlisted man in the Army has taken. It is the kind of oath that every employee of this Government has taken. It is the kind of oath that even the little pages who wait upon the Members here in the House have to take before they can exercise the privilege of an employee of this House. But when you get to the enlisted men in this proposed Kahn amendment you have to change it. It does not require an enlisted man in such amendment to swear that he will defend the Constitution of the United States against all enemies "foreign and domestic." Why do you not do it?

Mr. MASON. Will the gentleman yield for one question?

Mr. BLANTON. I yield.

Mr. MASON. Do you not agree with the military gentleman who just preceded you that if there was a strike in a pickle factory it would be necessary to have a division of 27,000 men to handle it as a proper unit?

Mr. BLANTON. That is possibly apropos, but first I want the enlisted man in the National Guard to take the same kind of oath that his captain takes, and I want him to take the same kind of oath that the soldier in the Army takes, and I want him to take the same kind of an oath that every other officer of this Government takes, when he does enter the service of his Government. I want him to swear that he will defend the Constitution of the United States against "all enemies, foreign and domestic." As domestic enemies may be just as menacing as foreign enemies there may be times when they may be even more dangerous. And the time has come when, as the gentleman said, we are preparing for war in time of peace, it is time to prepare to meet all dangers alike. Therefore I say that the distinguished gentleman from California ought to reconsider this matter and understand his own measure. [Applause.]

Mr. KAHN. Mr. Speaker, of course there are some men who are so blind that they can never see, and the gentleman from Texas is one of them.

Mr. DENT. Mr. Speaker, I yield five minutes to the gentleman from Michigan [Mr. CRAMTON].

Mr. CRAMTON. Mr. Speaker, in the military bill as it passed the House protection for the National Guard of the several States was retained. In the bill as it passed the Senate the National Guard of the several States was made a thing of the past, and the National Guard of the United States was created.

Now, in conference, in disagreement, some of the House conferees have come to us and have recommended what they term "a compromise," under which we are to have two kinds of National Guard organizations in the country, one the National Guard of certain States and again the National Guard of the United States. The purpose of that compromise is very plain to be seen. It is to secure the final adoption of the Senate program, the elimination of the National Guard of the several States, and the creation in its stead of a great new Federal army. It will be in name a National Guard, but it will be the National Guard of the United States and will be essentially Federal. It is to be a Garrisonized National Guard. Under the Senate bill such an army would, on paper, be created forthwith. Under the so-called compromise the elimination of the State militia, known popularly as the National Guard, would be somewhat more delayed but would be none the less sure. Whether the Garrisonized National Guard in its Federal form would materialize, except on paper, is open to question, but that the National Guard of the States would disappear is certain.

The compromise given to us unfortunately covers only one side of the compromise. It states what we are to bind ourselves

to accept, and leaves us only hope as to what the Senate will yield. I am glad, however, to accept the statement of the gentleman from California [Mr. KAHN] that all the provisions of the legislation as to pay of officers and men, and so forth, are to be fully as agreeable and liberal for the militiamen as the provisions for the National Guard of the United States. I am somewhat at a loss to understand this language, however, in one section of the compromise:

Provided further, That no troops shall be thus maintained except such as belong to the units of the National Guard of the United States comprised within the limits of such State.

That eliminates in any State any troops except they be the National Guard of the United States.

There is another proviso in the same section—

Provided further, That nothing contained in this act shall prevent the organization and maintenance by the States and Territories of State or Territorial militia, State police, or State constabulary.

There seems to be a conflict there which I hope the conferees will take into consideration.

Now, in the Constitution Congress was given two sources of power: One "to raise and support armies"; the other "to provide for organizing, arming, and disciplining the militia, and for governing such part of them as may be employed in the service of the United States, reserving to the States, respectively, the appointment of the officers and the authority of training the militia according to the discipline prescribed by Congress."

This present attempt to do away with State troops organized under the militia clause is simply another step in the controversy that has gone on for many, many years, simply another step in the conflict between those who would advocate a civilian army and those who would put their trust in a professional army. It is another step in the century-old controversy between the civilian soldier and the professional soldier. That controversy has always existed and we have before us to-day the effort of the professional soldier to destroy the field of opportunities for the civilian.

In the Great War anyone that came in contact with officers of the National Guard, whether in this country or overseas, whether you visited them in camp where they were under fire or otherwise, National Guardsmen who had been in the service for a long time, who had served overseas, who had won from the enemy many kilometers of territory, you found almost without exception those National Guardsmen entertained a feeling that they had been discriminated against by the War Department and the Regular Army Establishment.

Mr. KAHN. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. I am sorry I can not yield unless the gentleman can give me some time.

Mr. KAHN. I can not give you any time.

Mr. CRAMTON. That feeling was universal among the National Guard officers, and there must have been a foundation for it. There was a foundation. I visited officers of the Thirty-second Division at the front, men who had been under fire, men who had led troops under fire and captured ground from the Prussian Guard, and those men, having done that, saw some young man coming in recently from West Point taking precedence over them; they saw a young man who had never commanded a thousand men in peace, let alone in war, take precedence over them. They were undergoing severest hardships and making heroic sacrifices, rendering services for their country never excelled for efficiency or devotion, but always they carried with them the realization that promotions and recognition at the hands of the War Department and the professional soldiers in control were not for them.

On the other hand, until July, 1918, the Regular Army officer was a rare exception who did not freely express his entire lack of confidence in the State militiamen and in the efficiency, skill, and morale of the State troops and their officers.

Soon thereafter, as in drive after drive, divisions made up of those same State troops took their punishment and won their objectives and carried the line forward, keeping well up with anything that America or any of her allies could produce, such disparagement ceased to find expression on the part of the Regulars.

But it is upon that same theory that this legislation must be defended if at all. Boys of Michigan and Wisconsin who fell while the Red Arrow time after time pierced the German line still lie in their graves in France, but the history they made a few short months ago is to be ignored while we abandon the system under which they gave themselves to their country and under which they were trained.

Under the one clause of the Constitution Congress may "raise and support armies." Under that we provide for the forces that are primarily or exclusively Federal.

Under the other clause the Congress may organize, arm, and discipline the militia, "reserving to the States respectively the appointment of the officers and the authority of training the militia according to the discipline prescribed by Congress."

For many years the several States raised their militia, and they were trained in haphazard fashion, but in the act of June 3, 1916, Congress exercised further the power to "organize, arm, and discipline the militia," so that uniformity of organization, equipment, training, and discipline is easily possible under existing law. The method of selection of officers still holds to the enlisted men of the State militia hope of recognition, and to the commissioned officer of promotion, for faithful and efficient study and service.

If the War Department and the General Staff will accept the act of June 3, 1916, in good faith and strive to build up a strong and efficient National Guard in the several States thereunder, they will find a willing spirit of cooperation among the young men of the country and can produce a trained body of soldiery ready for any national emergency.

But if they refuse the opportunity that is before them and insist on a purely Federal force, officered by their own selections and building up their own power and importance, they run counter to the sentiment of the young men of the country. They may be able to provide such an Army on paper, but it will be a Salvador army—all officers and no soldiers. Only in one way can they fill the ranks, and that is by force.

The Constitution contemplated a State militia, which should in time of peace be primarily a State and not a Federal institution and should primarily serve the State. In time of peace the governor of the State and not the President should be its commander in chief. The National Guard of the United States might fit well into militaristic expeditions of a President in northern Russia or in Siberia or San Domingo or Armenia, but would, with its Federal officers, lose entirely its old character as a State agency, and the States would be driven to the extension of the State-constabulary idea again, an advance toward the professional soldier.

The pending compromise would, if it became law, add greatly to existing confusion, give us a mongrel organization, with one or two States accepting the National Guard of the United States freely, others driven in by fear of ostracism, and others standing by old training and traditions. I trust the compromise will be rejected and the opposition of the House to all such militaristic schemes made manifest.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. KAHN. Mr. Speaker, I ask unanimous consent that everybody who has spoken on this bill shall be allowed to extend and revise his remarks.

The SPEAKER pro tempore. The gentleman from California asks unanimous consent that the privilege of revising and extending their remarks shall be given to all those who have spoken on the bill.

Mr. CLARK of Missouri. Mr. Speaker, the gentleman ought to change his request——

Mr. KAHN. For five legislative days——

Mr. CLARK of Missouri. And make it include all those who shall speak hereafter on it or who have spoken.

The SPEAKER pro tempore. Does the gentleman from California modify his request to include all those who shall speak and those who have spoken?

Mr. KAHN. Yes.

Mr. CLARK of Missouri. For five legislative days.

Mr. KAHN. On this bill.

The SPEAKER pro tempore. Is there objection?

Mr. GARD. Reserving the right to object, Mr. Speaker, why does not the gentleman include all Members of the House?

Mr. KAHN. I did not know that there was any considerable number who wanted to extend their remarks.

Mr. GARD. There may be Members who desire to extend.

Mr. KAHN. I have no desire to prevent any Member from extending his remarks on this bill for five legislative days.

The SPEAKER pro tempore. The gentleman from California modifies his request so that he asks unanimous consent that any Member of the House may extend his remarks on this bill for five legislative days. Is there objection?

There was no objection.

Mr. KAHN. Mr. Speaker, I yield five minutes to the gentleman from Minnesota [Mr. NEWTON].

The SPEAKER pro tempore. The gentleman from Minnesota is recognized for five minutes.

Mr. NEWTON of Minnesota. Mr. Speaker, I have listened to this debate with much interest. In my opinion, more straw men have been knocked over in an attempt to defeat this measure than in any other debate that I have participated in. Our failure to have a military policy in keeping with our position in the world caused our unpreparedness and the consequent loss of billions of dollars and thousands of lives. With one voice we then said that this unpreparedness must not occur again. Any measure then pertaining to our future military policy is most important and should be debated with fair reason and argument rather than through the use of misstatements and the arousing of prejudice.

This Congress has been charged with the responsibility of framing our future military policy. Our Military Affairs Committee went to work upon the problem early in the session. The result was the so-called Kahn bill, which passed the House some weeks ago. The Senate passed the so-called Wadsworth bill. They differ materially. One of the principal points of difference is now before us. It involves the present organization of the National Guard. It makes possible a new organization to be called the National Guard of the United States. This organization will become a part of our reserve army and will cease to be Organized Militia.

The plan is optional. In other words, it is up to the States as to whether or not they will change the status of the existing organization.

At the present time the National Guard is an organized militia. The power of Congress over the militia is set forth in Article I of section 8 of the Constitution, and reads as follows:

Congress shall have power to * * * provide for organizing, arming, and disciplining the militia, and for governing such part of them as may be employed in the service of the United States, reserving to the States respectively the appointment of the officers and the authority of training the militia according to the discipline described by Congress.

Congress is further given the power in the same section—

To provide for calling forth the militia to execute the laws of the Union, suppress insurrections, and repel invasions.

So, then, it is up to Congress to make suitable provisions to—

(1) Organize,
(2) Arm,
(3) Discipline,
(4) Govern while in Federal service, and
(5) Enable President to call them forth to execute the laws, suppress insurrection, and repel invasion.

It is reserved to the States to—

(1) Appoint officers, and
(2) Exercise command and authority in training them.

There are 48 States in the Union, and notwithstanding the efforts that have been made by Federal authority to obviate the difficulty there has been lack of uniformity in the different organizations as to qualifications of officers, training of the men, and so forth.

The national defense act was enacted under these constitutional provisions.

It will be noted that the President, as the Commander in Chief, is prohibited from using the militia except to execute the laws, suppress insurrection, and repel invasion. To use them during the late war it was necessary for the President to avail himself of other provisions in the national defense act which authorized him to draft, not the regimental units and other organizations, but the individual members thereof. He could not draft the organizations themselves, for they were militia organizations, and he was powerless to use them except for the purposes mentioned. The necessary constitutional power was lacking. As an organization, therefore, it was not part of our Army. After the individual members were drafted into regiments of the National Army they then, of course, were a part of the National Army.

This system was most unfortunate. Undoubtedly with this lack of uniformity there were certain National Guard regiments who were insufficiently trained and improperly officered. On the other hand, there were many guard regiments that were well trained and most efficiently commanded. Many of these skilled regiments suffered because of the lack of training upon the part of others for whom they were in no wise responsible.

It has been said here in debate that our National Guard regiments during the late war were "manhandled" in the system run by officers of Regular troops. It is altogether too true. In many instances they were manhandled and most unjustly dealt with. I know whereof I speak. At the outbreak of the war the State of Minnesota had an efficient National Guard organization consisting of three regiments of Infantry and one of Artillery. The Artillery regiment formed the famous One hundred and fifty-first Field Artillery of the Rainbow Division. Throughout the war the officers of this regiment were guardsmen. This regiment was kept intact and under their brave and most efficient National Guard colonel they fought in practically every major engagement of our armies overseas.

One of our Infantry regiments was ordered to be made over into an Artillery unit. Its citizen officers, who had for years studied and trained to perfect themselves as infantrymen, were suddenly called upon to function efficiently as artillerymen.

I will now call attention to another regiment, the First Minnesota Infantry. This regiment had a glorious record as the Thirteenth Minnesota Volunteer Infantry in the Spanish-American War and the Philippine Insurrection. It was a most efficient unit, and was so described officially in the comments made upon its service on the Mexican border in 1916. It furnished to the Nation in the late war material for over 500 officers. Its depleted ranks were filled up by recruits from the State of Minnesota. The officers who had trained and so efficiently drilled this regiment remained with it. Yet we find this regiment held over here in this country until the summer of 1918. When it reached France, instead of being used as a combat unit, it was used for replacement purposes. When I was overseas I found its officers and men scattered all over France, Luxemburg, and the occupied territory of Germany.

This policy was wrong. It was unjust to officers and men who had spent so many years in times of peace in perfecting an efficient organization. It should not be permitted to occur again.

I believe that this provision submitted by the gentleman from California [Mr. KAHN] will prevent this from happening again, providing the States see fit to avail themselves of the opportunity offered of having their guard regiments become a part of the National Guard of the United States.

Under the Constitution, in Article I, section 8, "the Congress shall have power to raise and support armies." Our Regular Army and our reserve force are organized and provided for by virtue of this constitutional provision. There are no restrictions to this power excepting that no appropriation for their support can be made to extend over a period of two years. It is proposed, therefore, to organize a National Guard of the United States under the "Army clause" of the Constitution. The present National Guard of the States is organized under the "militia clause," which I referred to some minutes ago. It is made optional with the States as to whether they shall continue as organized militia or shall be converted into the National Guard of the United States. In any event, and this should be carefully noted, Federal aid in the shape of money, regular officer training, and so forth, is to be continued. The only distinction would be that the Federal Government would have the power and exercise the authority over the training in times of peace, and that in time of war the organizations are called into service and become a part of the active Army of the United States.

If a State avails itself of the option given, will it lose its present military force? No. The National Guard in the State will cease to be militia, but will not thereby cease to be liable for duty in the State under the governor if he chooses to call them out. Article I, section 8, of the Constitution provides:

No State shall, without the consent of Congress * * * keep troops in time of peace.

The States can therefore, in time of peace, maintain not only "militia" but "troops," providing Congress gives its consent. In giving this consent Congress can give it only upon certain terms and conditions. That is what will be done if this proposed measure becomes a law. I quote from the measure, as follows:

Maintenance of troops by the States: The consent of Congress is hereby given to each of the States to maintain troops in time of peace: * * * *Provided further*, That no troops shall be thus maintained except such as belong to the units of the National Guard of the United States comprised within the limits of such State: *Provided further*, That the States * * * in time of peace * * * shall be entitled to use as State troops under the direct orders of the governor of the State * * * and for such purpose as State militia might legally be used, so much of the National Guard of the United States within their respective borders as has been enlisted in the troops of the State and commissioned by the governor thereof in accordance with the terms of this act and if it is not at the time in active service under a call by the President: *Provided further*, That nothing contained in this act shall prevent the organization and maintenance by the States * * * of State militia.

In other words, the State will have the same authority under this proposed plan that it now has, except as to the training. I can not see, therefore, that this will in any way hamper the States in the enforcement of the law within their own borders.

So much for the question of State service. Now, as to the liability for service to the Nation as National Guardsmen of the United States. I further quote from the proposed measure, as follows:

When Congress shall have authorized the use of the land forces of the United States for any purpose requiring the use of troops in excess of the Regular Army, the President may, under such regulations as he may prescribe, call into active service for the period of the emergency, unless sooner relieved, the whole or any part of the National Guard of the United States: *Provided*, That when necessary in order to execute the laws of the Union, to suppress insurrections, or to repel invasion, the President may, in his discretion and under the same conditions as permit the calling out of the National Guard of the several States, call into active service the whole or any part of the National Guard of the United States to serve solely within the United States for such period as he may direct.

Under existing law the National Guard can be called out by the President to serve within the United States to execute the laws, suppress insurrection, and to repel invasion. This is unchanged. In addition, under existing law the President can in war emergency draft the individual members of the present National Guard for any military service. Under the proposed measure the President may call out the National Guard of the United States in an emergency, providing, however, that Congress shall authorize him to do so. In other words, there must be a declaration of war or some authorization by Congress before the President may call out the National Guard of the United States to serve outside of the United States; for example, to go into Mexico. When so called out, they are called out as organizations with their units intact. They are a reserve force in time of peace and an active part of the Army in time of war.

In my judgment such a plan will do much toward preventing the discrimination and manhandling of the guard regiments that was so prevalent during the late war. Furthermore, for training purposes officers—in time of peace, with their consent—can be detailed to the General Staff. This should give them a voice in the general policy of the authorities in the Army toward the National Guard. Officers and men are in all respects national citizen soldiers. Our great need is not a large professional army but a national citizen reserve army.

The American Legion in Minneapolis, in declaring for a "national citizens' army" appointed a committee to submit the views of their organization to Congress. About one-half of the membership of that committee were former guard officers. They submitted a statement of the legion which to me is unanswerable.

They (meaning the members of the legion) believe that this citizen army should be trained, so far as possible, by citizen officers, and its units localized in the territory from which they come, but that it must be trained solely as a national army under the authority of the National Government for use only in time of war.

In submitting the statement one of the members, expressing the views of the committee, said:

One observation, which is referred to indirectly, is this: That any military organization, any army, should be an army, one army, the United States Army. It may be composed, and would have to be composed, of professional soldiers and citizen soldiers, but that should be the only distinction.

The CHAIRMAN. I assume from that that you would assume such an army being raised and maintained under the so-called Army clause of the Constitution?

Mr. GALBRAITH. Yes, sir.

These men were unanimous in believing that the National Guard would function far better under the proposed plan.

The terms of enlistment remain unchanged. The officers are all to be reserve officers of the Army of the United States as well as officers of the State troops in which they live. Officers and men will perform the same kind of service as State troops that they do to-day as militiamen.

Mr. Speaker, I believe the plan worth trying. Objections, of course, have been offered. Many of them have been made under a total misapprehension and misunderstanding of the plain provisions of the measure. I reiterate the plan is not compulsory. It is optional. It is up to the legislatures of the various States to say what they want to do. That is representative government. In this way the rights of the States are amply safeguarded. The State failing to avail itself of the privilege continues to receive the same Federal aid as before. It is claimed that these States will be discriminated against. I deny it. But what do these gentlemen offer in its place? Nothing but the old plan wherein practically all of our guard regiments were in some way or other the victims of discrimination. In the event of another war they offer more "manhandling." We need a citizen reserve force that is a national reserve force. In several years we can then judge as to the merits of the two organizations.

Mr. BEE. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. BEE. Is not that the situation now?

Mr. NEWTON of Minnesota. No; if the gentleman please, this is the situation: Under the national defense act upon the outbreak of the war these men were drafted into the Army as individuals and not as units.

Mr. BEE. I understand that.

Mr. NEWTON of Minnesota. Under this act they are a part of the reserve force in the United States, and in the event of war they go in as distinct units. [Applause.]

Mr. Speaker, I am intensely interested that this Congress formulate an adequate national military policy with a small professional army and an ample citizens' reserve. I believe in the National Guard and its further growth and development. I believe it can be made the nucleus for a most efficient national citizens' reserve. For this reason I expect to support the motion of the gentleman from California [Mr. KAHN].

Mr. KAHN. Mr. Speaker, how much time have I remaining?

The SPEAKER pro tempore. The gentleman has 15 minutes remaining and the gentleman from Alabama has 30 minutes remaining.

Mr. KAHN. The gentleman from Alabama should use some of his time.

Mr. DENT. Mr. Speaker, I yield 10 minutes to the gentleman from Missouri [Mr. CLARK].

Mr. CLARK of Missouri. Mr. Speaker and gentlemen, we went into the Great War to upset the Prussian military system, and now we are beginning to enter on that system ourselves, and I am against it. [Applause.]

I do not know whether under the rules I can talk about it, but the Senate committee seems determined to fasten on this country the Prussian military system. I am rather inclined to think that my distinguished friend from California, chairman of the House Committee on Military Affairs, is in the same condition that Saul was at the stoning of Stephen—that is, he stands by and gives his consent. [Laughter.]

Mr. KAHN. Will the gentleman yield?

Mr. CLARK of Missouri. Yes.

Mr. KAHN. Does not the gentleman know that France has the same system, and France is a Republic? Switzerland has the same system, Australia has the same system, and many other countries.

Mr. CLARK of Missouri. I do not care who has it, I am against it. [Laughter.] When I was interrogating the gentleman from California [Mr. KAHN] this morning, trying to twist a fact out of him, he kept beating around the bush and fencing, and finally the gentleman from Delaware popped up and let the cat out of the bag about this bill. He said if the State militia did not want to be discriminated against, the right way to prevent that was to go into the other National Guard. I can give a man an infallible receipt for keeping a horse from being stolen. Do not have any horse. [Laughter.] That is the way with the gentleman from Delaware. He did not know as much as the gentleman from California or he would not have made that statement, because it was an open confession that the intention is to discriminate against the National Guard organized under the militia clause of the Constitution.

I have no prejudice on the face of the earth against the Regular Army. I think it has been made or is being made about three times too big. I have not any dislike for West Point. I do not agree with Dr. Elliott in what he said about West Point or West Pointers. I have a very definite idea about what West Point can do. It can make good drill sergeants, but it can not make generals. A general, like a poet, is born. When I was a little chap my father was a very enthusiastic phrenologist, and he took the magazine of Fowler & Wells. That was about all the paper I had to read. They laid down the proposition flat that there never had been a great soldier that did not have an aquiline nose, a high-bridge nose. I started out to find out whether that was true. With a full-face picture, of course, you can not tell, but with a profile picture you can tell, and history has no record of a single really great soldier that did not have a high-bridge nose, not one. Napoleon chose his generals and marshals largely by their nose, and it must be admitted that he knew a good deal about soldiers.

They turn out very good engineers at West Point, but to assume that there is no man in America fit to command a regiment or brigade except these West Pointers is an absurd proposition. [Applause.]

I will tell you what will happen. The gentleman from Delaware stated the milk in the coconut. If you organize these two sorts of National Guards, then the General Staff here in Washington is just as certain to discriminate against the officers and men forming the guard formed under the clause of the Constitution about militia as two and two make four, and if Napoleon himself should come back to earth and get to be a captain or a colonel or any officer in the National Guard organ-

ized under the State system, he would be frowned upon the minute he got into the hands of the General Staff.

I have no objection to the General Staff, either, except I think they ought to attend to their business and let Congress attend to its business. [Applause.] They get up every one of these Army bills, substantially. It is the second strongest lobby that has been around here since I have been in Congress. I think the Anti-Saloon League leads the list in strength of the lobby and the Regular Army officers come second. [Applause.] They are always on the job. They have not got much if anything else to do but wine and dine these committees and anybody else that they can get their eye on and get over to their side of it, and they have a powerful influence here and an undue influence.

That they discriminated against and manhandled the National Guard during the World War there can not be any controversy. They took a man that fought in Cuba, that fought in the Philippines, that was down on the border, and the night before the battle of Argonne they took his brigade away and demoted him to a colonel. I know that to be the case, although I may have got the night wrong. They put a Regular in his place, an utter stranger to the command. I know that to be the case; I may have gotten the night wrong. They would take the colonels and lieutenant colonels out of the best National Guard regiments there were and put them on some detached duty in order to make room for colonels and lieutenant colonels of the Regular Army, and I am against that sort of thing.

Mr. KAHN. Mr. Speaker, will the gentleman yield?

Mr. CLARK of Missouri. Yes.

Mr. KAHN. They also demoted Regular Army officers, West Point graduates, and sent them to the rear.

Mr. CLARK of Missouri. I know they did, some of them; and they ought to have been sent to the rear, no doubt, and there are some of these guard officers who were unfit—others superb soldiers. I am not opposed to having fit officers in command of troops, but I say that a man fit to be a colonel of a National Guard regiment, who has seen service wherever there has been service to see since the close of the Civil War, unless he is unquestionably unfit, ought to be retained and promoted.

I do not know of but one National Guard officer who was made a brigadier after the war began. Here is the way it is going to work, and I know it just as well as if I were to see it working: As soon as this double system is adopted then everyone in the War Department here and in the Regular Army will commence a propaganda in the States to have the States come in under the Army clause of the Constitution. It is a perpetual force. They work at it all of the time. I am in favor of preparing for defense. If I had my way about it every school in the United States who could furnish 100 boys to drill would have a drillmaster to drill the boys, and even if we never had another war while the world lasts it would be a good thing for the boys. These governors of States will begin to play into the hands of this crowd here, because they think they want to be in good military society. If you adopt this double system you might as well change the proposition and have one system and be through with it, and then you will be nearer to Prussia than you are now. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Missouri has expired.

Mr. DENT. Mr. Speaker, I yield three minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Speaker, this compromise would destroy the National Guard of every State. I wish to follow in discussion right along the line pursued by the gentleman from Missouri [Mr. CLARK]. He made the statement that men were relieved from the command of their regiments on the day before the battle and Regular Army officers put in their stead. I will give you the names of Col. Jack Turner and of Col. Lee, of my State, who served for many years as colonels of their respective regiments, men of marked ability and long service, who were removed the morning of the battle and inexperienced Regular Army officers put in their places. The State of Wisconsin National Guard has been one of the strong State organizations of the country for 40 years and contributed some of the best troops to the Thirty-second Division. They had over 13,000 casualties in that division, the greatest in number, next to the Regular Army and the marines, of any American troops during the war. They were as good soldiers as you could find in the country. They drove the enemy back on the Marne through the experience of the men and line officers, and no thanks to the Regular Army colonels placed in command that day. The Regular Army staff held onto the privates and the lieutenants and the captains of the division because they were food for shot, but when it came to the higher officers—the colonels—those positions were suddenly turned over to favored officers of the Regular Army to wear the laurels and the colonels were removed who had served since the days of the Spanish-American War. So much for the treatment of National Guard officers. I went to the War Department at the suggestion of several gentlemen, including the gentleman from Missouri [Mr. CLARK], who has just spoken—this was in 1917, when our troops were training in Texas and I asked the Secretary of War, at the head of all military affairs, "Will you keep our men together when they go abroad? Will you keep their organizations intact? Will our National Guard officers be retained?" He said that would be done if possible to do so. He promised me that in the presence of Senator Husting, of Wisconsin, who was with me. I went to him afterwards and said, "Why did you scatter them, and why were splendid officers, with whom I had served many years in the National Guard, removed?" He said in reply, "Because the General Staff is making up the Army, and I could not interfere, for I have to depend on the staff to make up the Army." Talk to me about Regular Army officers! I served for five years in the Regular Army, and I know what it means and what they will do. I admire many of them personally, but they are not in sympathy with the National Guard and never have been. They will do exactly what the General Staff says, and you know it if you have had any experience with them.

Mr. PELL. Mr. Speaker, will the gentleman yield?

Mr. FREAR. I can not in three minutes.

Mr. PELL. That is what I wanted to get—an idea.

Mr. FREAR. The purpose of this is simply a compromise of the worst kind. I trust that you will kill the proposition, and kill the bill if necessary to do so. Let it go back to the Senate conferees, and if they are so determined to destroy the National Guard organizations of the different States that they will refuse to accept this reorganization bill, let the responsibility rest with them. I am convinced they represent the views of the General Staff, and there will be little question about it if they refuse to permit the National Guard to remain as it has been for a half century or more.

I do not apprehend the American Congress will be disturbed by the attitude of the General Staff, which the gentleman from Missouri [Mr. CLARK] says has the second best lobby in the country surrounding Congress. If so, we better find out why these gentlemen paid by the Government for military services are engaged in lobbying for or against bills before Congress. I do not believe they should be permitted to continue that lobby, and if it means a question of destroying the National Guard system, as this makeshift compromise will, and putting some of these lobbyists in a restraining strait-jacket, I have no doubt of the result. As I hope that the splendid National Guard of my State, with which I was actively connected for 16 years, may be maintained, I hope to see this compromise defeated. (The compromise was rejected by a vote of 212 to 104.)

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. DENT. Mr. Speaker, I yield three minutes to the gentleman from Oklahoma [Mr. HARRELD].

Mr. HARRELD. Mr. Speaker, under the Constitution of this country there are two methods of maintaining an Army for the general defense of the country. Those two methods are well defined.

One of them is that there shall be a standing Army for the purpose of preserving peace and for the purpose of defending this country in time of insurrection.

The other provides that there shall be a State militia, which shall be subject to the call of the Government in time of war only.

What this resolution proposes is simply a compromise between the two. I do not understand how there can be such a compromise.

Troops that are called to the Federal service are Federal troops and cease to be State troops.

If they are called into the Federal service under this amendment, as I understand it, and I believe that I am right about it, they would be a part of the Regular Army.

If a casualty should occur to one of them, he would be entitled to a pension. If, for instance, he contracts tuberculosis or any disease, he would be entitled to a pension.

I believe that a man who is called into the service under this regulation, as described, would be nothing more nor less than a member of the National Army, the Regular Army.

A soldier is either a member of the Regular Army or a member of the State guard. This amendment proposes to make him a member of both. Under it it would be foolish to join the State guard. Only those could be recruited who desired to become Regular Army soldiers, thus entirely eliminating the National Guard, which is exactly what is attempted to be done.

There is an age-long antipathy in the War Department and in the Regular Army for the National Guard of the several States.

I know that down in the State where I live we have a very efficient National Guard. At the hands of the Regular Army, after the war ended, that National Guard was mustered out of the service, instead of turning it back to the State. It absolutely demoralized the service of the National Guard in my State, and they have had to build it up again.

I want to tell you that the Regular Army in numerous instances has shown its opposition to the National Guard system.

I believe it is time to go back to the methods prescribed by our forefathers.

The National Guard is popular with the people; it is no trouble to get young men to join it and to come together voluntarily for training.

Why is it almost absolutely impossible to get recruits for the Regular Army in time of peace? Because when they are taken into the Regular Army they are separated from their friends and comrades and scattered to the four winds of the earth—put under officers not of their own choosing and patronized and overlorded.

This may be wise in time of war, but not in time of peace.

Why not take the hint? Why not provide for voluntary training camps for the training of such young men as join the National Guard, "according to the discipline prescribed by Congress," as provided in the Constitution? Make these camps attractive, have them close to home for these boys, where they can train by the side of their friends under officers who are their friends and who know their wants. Over these officers, who would be simply drill sergeants, you might have trained Regular Army officers; but the men in training do not need any staid, old Army officer to train them. A good drillmaster is all they need, and he does not have to be a West Pointer.

If this course was followed you would not have to have compulsory military training, and at the same time you would have a large reserve of trained men turned out from these voluntary military-training camps each year, under the National Guard system, available in times of insurrection and war. Under the Constitution this State Militia can only be called out in time of war or insurrection.

This amendment proposed by the Senate would give to the President the right to call them out in the same manner that he may now call out the Regular Army.

If the League of Nations had been confirmed by the Senate and it was necessary to send troops to Europe at the instance of the council of nine, the President could order out this National Guard and send it to do police duty in Turkey or Russia.

Suppose some States would accept the option proposed herein and other States did not, then we would have gross favoritism shown to those States which did accept. Such money as the Government had to spend on the National Guard would be spent by the War Department on the National Guard of those States which did accept, and the result would be that all the States would ultimately be compelled to accept, and that would be the end of the National Guard, except, perhaps, the name. Anyway, it would be a part and parcel of that great military machine which certain people are so anxious to establish.

I have nothing against our Regular Army. I am proud of it and its achievements. That is why I want to keep it the small, effective, well-organized machine it has always been, rather than a big, overgrown military establishment, such as brought Germany into disrepute among the nations.

The way to do this and at the same time have adequate reserve force for war is to develop the National Guard under the States—that great citizen army of which we are equally proud because of its achievements in the past.

Mr. KAHN. Mr. Speaker, I yield to the gentleman from Colorado [Mr. VAILE].

Mr. VAILE. Mr. Speaker, in 1916 I was defeated for Congress because I was an officer of the National Guard, at that time in the Federal military service by order of the President of the United States. The statement was made in print and on the stump that Ben C. Hilliard was "a friend of organized labor"—which it was implied and assumed that I was not—and that I was guilty of the atrocious crime of being "an officer in the State militia."

My old organization was the nucleus of the One hundred and fifty-seventh Infantry, one of the best trained regiments ever sent to France, and I know that there is a whole lot of truth in the statements made here to-day to the effect that National Guard officers and National Guard regiments were sidetracked. The old First and Second Battalions of Colorado Infantry, on which the One hundred and fifty-seventh was built, had many men who had been under fire before the guard was mobilized for service on the Mexican border. Those battalions were continuously in the Federal service from the 19th of June, 1916, till long after the armistice. They came back from the border just prior to the declaration of war and were sent out to Camp Kearny, in California, where they ate their hearts out in inactivity while they watched new draft regiments leave for France. Before some of those regiments were even formed the One hundred and fifty-seventh Infantry was officially pronounced to be one of the best trained regiments in the service. Its colonel, sturdy Pat Hamrock, who in his youth had served several enlistment periods in the Regular Army and who had worked in and for the National Guard ever since, was frequently praised for the high grade of personnel of his men and the high state of their efficiency. He should have been. They were a fine tribute to his soldierly leadership. The lieutenant colonel, Rice W. Means, now a candidate for United States Senator from Colorado, had served as an officer in the First Colorado Infantry, United States Volunteers, in the Philippines, and had been cited for gallantry in action there. The regiment got to France at last. The lieutenant colonel, some of the other officers, and many of the men saw action. A number of them became casualties; but they saw action as replacement troops, distributed a few at a time among many different organizations.

Now, the men who comprised the nucleus of this magnificent regiment frequently had occasion to feel, when they were on the border, that they were rather regarded as outsiders by the officers and men of the Regular Establishment who served with them. I do not mean that we were not well treated. I think we were generously treated. The Regular officers laid themselves out to be decent to us; and, so far as their duty would permit, I think they gave our enlisted men perhaps a shade the better of it in minor matters of discipline. But we knew that they all felt that we "did not belong." A lady at the Regulars' camp, the wife of one of the higher officers, remarked to me once that military life must be quite a novelty to us. I asked her how many of the officers of her husband's regiment below the rank of captain had ever been under fire, and she said none, so far as she knew. She was greatly surprised to learn that I was one of only three of the officers in our entire two battalions who had never had that experience. Well, most of them have had it now and have acquitted themselves with that credit which we have learned by the experience of a hundred and fifty years is always to be expected of our unparalleled little Regular Army, and in what I say I desire merely to voice the desire of the national guardsman, which I know exists, for a status which will make it possible to recognize him as the real soldier which he is.

The men who join the National Guard join it for patriotic motives and for the love of the game. They have nothing to gain but the satisfaction of a public service and the pleasure of the work. That is the spirit that the American people have to thank for the immediate availability of 360,000 trained soldiers, in addition to the Regular Army, when we entered the World War. It is that spirit which takes the clerk and the blacksmith and the lad who drives the grocery wagon night after night to the armory instead of to the pool hall. It is that spirit which keeps him lying in the mud at the range adjusting his rifle sights to the wind and learning to change a "2 at 3 o'clock" into a No. 5 in the center of the black. It is that spirit which fiercely fans the tireless soul of the company map hound who walks your legs off on Sunday and savagely criticizes your sketches of all the roads, fences, fields, houses, and so forth, between the city limits and the old brewery, and which keeps his class of noncoms busy half the night sticking pins into the campaigns of Grant and Lee. "Play soldiers?" Oh, yes; in the same sense that the Regular himself or any other soldier is a play soldier in time of peace—except that the boys in the National Guard are doing it purely for the love of it.

My own experience was not long, but it was long enough to give me an intense admiration for the splendid fellows with whom I shared it and an understanding of their point of view, and I can assure you that it is in favor of the right of the State to federalize its National Guard.

You have heard some letters from adjutant generals of different States in favor of the State's right to appoint the officers and to train the guard. With this point of view I have entire sympathy, and I want to say that the country owes a great and little appreciated debt to these loyal, patriotic, and self-sacrificing men who have worked in season and out of season for the welfare of their militia organizations, constantly seeking to increase and maintain their efficiency and their pride

of personnel. But, Mr. Speaker, I have been a company recruiting officer. I have been one of those fellows who spend day after day trying to get men to join the National Guard. In my experience the chief objection of the prospective recruit lies always in his fear that the guard would be only a State force. When there was a prospect of his becoming part of a Federal force it was not hard to get him to enlist. Now, for Heaven's sake, give the State a chance to accept the option for its militia to be a part of the Federal force. [Applause.]

Mr. DENT. Mr. Speaker, I yield the balance of my time to myself. [Applause.]

The SPEAKER pro tempore. The gentleman is recognized for 11 minutes.

Mr. DENT. Mr. Speaker, I think the proposition submitted by the motion of the gentleman from California [Mr. KAHN], reduced to its last analysis, is a very simple one. The House bill provided that the National Guard should be organized in the different States under the law that existed prior to the declaration of war, with certain amendments perfecting that bill and taking care of certain defects. The Senate in its bill proposes to do something that has never been heard of in the history of this country. The Senate bill contains a proposition that has never been advanced in any Congress in the history of the United States so far as I have ever heard, and that is that the State troops should be organized under the Army clause of the Constitution rather than under the provision of the Constitution providing for organizing, disciplining, and training the militia. That of itself is a sufficient reason why at this particular time the amendment of the gentleman from California should not be adopted. Why should we undertake at this time to change all of the theories and all of the ideas that this Government has acted under for more than 100 years of its existence by a provision that nationalizes the State troops, is a sufficient answer it seems to me, to the motion of the gentleman from California.

Now, let us see. They submit a compromise proposition which I think is worse than the original. If we should adopt the original proposition they will not have the kind of National Guard in this country which we have had. Under the compromise we will have two kinds of National Guard, one under State authority the other under Federal control. If you adopt the compromise measure, I say, it is worse than the original idea, because you would have a hybrid National Guard organization. You have one kind of organization of the National Guard in one State and another kind in another, and one will be the favorite of the War Department while the other will be a stepchild.

Mr. KAHN. Will the gentleman yield?

Mr. DENT. I yield.

Mr. KAHN. Is not that the condition that prevails in this country to-day? The gentleman from Oklahoma [Mr. HARRELD] said his National Guard is not organized under the national-defense act, and so you have a different kind from what you have in some of the others.

Mr. DENT. The gentleman from California is referring to the fact that the State of Oklahoma did not take advantage of the national-defense act, I suppose. If they did not do it, of course that is a different proposition. If the State of Oklahoma does not want the benefit of Federal appropriations, then the State of Oklahoma has the right, and ought to have the right, to say so.

Mr. KAHN. And the bill pending will give every State the right to say how they will have their National Guard organized.

Mr. DENT. I know. The proposition that the gentleman from California offers is to allow the State of New York, for instance, to say that they will organize under the Army clause, and to allow the State of Nebraska, or the State of Oklahoma, to organize under the militia clause; and I repeat that the guard organized in New York would be the favorite sons of the War Department, and the guard organized in Oklahoma will be a stepchild. You can not make anything else out of it. [Applause.]

Mr. HUSTED. Mr. Speaker, will the gentleman yield?

Mr. DENT. Yes.

Mr. HUSTED. How can that favoritism be practically exercised as against the National Guard of States that do not organize under the Army plan—this favoritism that you talk about?

Mr. DENT. Why, my friend, they will have to inspect the guard; the Regular Army officers will have to inspect the officers of the guard, and the Regular Army officers will have to inspect the men of the Guard, and Regular Army officers will be present when they have their drills, and they will send in their report that the guard organized in New York under the national law is a first-class organization, but that the guard organized in Oklahoma under the militia clause is not a first-class organization.

Mr. GREENE of Vermont. Mr. Speaker, will the gentleman have time to yield to me?

Mr. DENT. Yes.

Mr. GREENE of Vermont. You remember, as we all do, when we were framing the national-defense act that at that time we were confronting exactly the same proposition. The States had the option of determining whether they would come in and take advantage of the national-defense act or stay out and be deprived of those benefits. My friend had no objection then to the proposition and found no fault with it.

Mr. DENT. No; certainly not. I did not find any fault with the national-defense act, because that was uniform and universal. That applied to every State. Every State had to accept the provisions of the national-defense act or it would not get the benefit of the appropriation.

Mr. GREENE of Vermont. Certainly.

Mr. DENT. That is a different proposition. Here you propose to have a guard organized as a Federal national force in one State and organized as a State force in another State.

Mr. GREENE of Vermont. Oh, no.

Mr. DENT. No; you can not get around that proposition, Brother GREENE. [Applause.] You propose under your compromise surely to have one National Guard organized under the Army clause of the Constitution and another National Guard organized under the militia clause of the Constitution, and as a result you have a hybrid National Guard organization in the several States.

Mr. GREENE of Vermont. We started out with that same situation, because the States that would not accept the national-defense act were left on the doorstep without an appropriation.

Mr. DENT. They are not only left on the doorstep, but they do not get any Federal aid at all if they do not want it. If the State wants to organize its militia without help from the Federal Government, why should it not do it?

Mr. GREENE of Vermont. This time they do get the money, and they are on the same parity as they were before.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. DENT. Yes.

Mr. YATES. I served five years in the National Guard. I am very anxious, indeed, to vote for its interest and not against it, but I have not heard——

Mr. DENT. I yielded to the gentleman for a question and not for a speech.

Mr. YATES. This is a question and not a speech. Not one member of the National Guard, with one exception, has objected to this bill from Illinois. I would like to know if it is not true that this bill that the gentleman is now attacking came from the civil officers and not from the General Staff? Is it not true that this embodies the wish and the view of the National Guard?

Mr. DENT. It is not. My colleague from Kansas [Mr. ANTHONY] read a telegram from Mr. Bennett C. Clark, president of the National Guard Association, sent to me, and congratulating the gentleman from Kansas and myself on the stand that we have taken.

Mr. YATES. But the National Guard is silent.

Mr. DENT. He is head of the National Guard organization, and every adjutant general in this country that I have heard from is against this proposition.

Mr. YATES. That is not true, of my own knowledge.

Mr. DENT. I say that that is true as to those I have heard from.

Mr. CLARK of Missouri. Thirty-five of them have indorsed your proposition.

Mr. DENT. Yes. The whole proposition, Mr. Speaker, is this: If you want to take away from the governors of the States the right to control their State troops without getting the permission of the President of the United States; if you want to organize your National Guard under an act of Congress and not under the act of the legislatures of the States; if you want to surrender to the centralized power in Washington the right to say who shall constitute your State troops, then vote for the Kahn amendment; but if you do not want to do that vote against it. [Applause.]

Mr. KAHN. Mr. Speaker, how much time have I left?

The SPEAKER. The gentleman has 10 minutes.

Mr. KAHN. I understand that all time on the other side is exhausted?

The SPEAKER. Yes.

Mr. KAHN. I yield those 10 minutes to the gentleman from Illinois [Mr. MCKENZIE].

The SPEAKER. The gentleman from Illinois is recognized for 10 minutes.

Mr. McKENZIE. Mr. Speaker and gentlemen of the House, I wish that we might consider this matter calmly and without prejudice and try to come to a sane, sensible conclusion. As one of the conferees on this bill, I feel—and my colleagues share that feeling with me—that we are agents of this body. We have been commissioned to try to bring about an agreement on this great bill, which everybody admits ought to be enacted into law speedily.

Now, there is not any mystery connected with this matter. There is not any underground work being done. It is not true that the General Staff is undertaking to railroad something through Congress. I am a member of the Committee on Military Affairs, and I have listened to scores of officers who appeared before us in behalf of the reorganization bill, and not one word was uttered in connection with this matter. The House committee undertook to reorganize the Army on the basis of the national-defense act; and you will remember that prior to 1916 the National Guard officers were appointed by the governors without any prescribed qualifications or any regulations. In that act we undertook to Federalize the National Guard, and we provided that the officers might be appointed by the governors, but that they must be selected from the class of men who had passed the examination prescribed by the Secretary of War.

Many of the States availed themselves of that law. We provided that they should receive certain pay, that the officers should receive certain pay, and we have been working along under that law. The war came on and the various regiments of the National Guard were drafted into the service. Many of the officers had not been appointed under the national-defense act but under the old law, and consequently had to submit to examination and were found to be inefficient and had to be put out. It was a calamity, and we all felt that way about it, but it could not be helped.

Here is the question before this House. It is not a question whether it is the Regular Army or the National Guard; it is a question whether we are going to get any reorganization bill at this time. As has been stated by the gentleman from Alabama, we wrote the bill on the basis of the national-defense act. The Senate wrote an original bill ignoring the national-defense act and struck out our bill and inserted their own. We have been trying to thrash out this whole matter, and one of the things in the Senate bill is a provision that provided that the National Guard of all the States should be organized under the Army clause of the Constitution. We, as your conferees, said to the Senators that such a provision could not pass the House; that it would be folly to report such a proposition to the House. Finally we submitted this proposition as a compromise, putting it in the alternative. The Senate agreed to accept it and let the House conferees practically write the remainder of the bill.

Now, I want to ask you if there is any grave danger to the National Guard or to the people of this country if the conferees on the part of the House agree to this compromise? What is it? It simply says that if the Legislature of Texas or the Legislature of Illinois or the legislature of any other State shall pass a resolution permitting the National Guard of those States to organize under the Army clause, it can be done, and they will be so organized and receive the same pay and compensation and treatment as the National Guard now receives.

Now, I want to say to you gentlemen in all fairness and in all candor, lay aside your prejudices. I am not arguing this case one way or the other; I live in a State that has always had a National Guard of which we have been proud. Old Illinois furnished the 33d division in the Great War, and long ago, when I was a member of the Illinois General Assembly, I stood for the National Guard then and always have been a friend of the National Guard ever since. I fought for the National Guard in the enactment of the national-defense act, and I can not conceive wherein, as long as the Legislature of Illinois stands between the National Guard and this law, the National Guard is in any danger.

Mr. CONNALLY. Will the gentleman yield?

Mr. McKENZIE. I will.

Mr. CONNALLY. Suppose the Legislature of Illinois should put the National Guard under the Federal system. Could it ever get out? Would there be any way of retracting or withdrawing? I am asking the gentleman for information.

Mr. McKENZIE. That is a matter that can be taken care of, although it is not in this amendment.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. GREENE of Vermont. The guard would die with the expiration of each individual enlistment.

Mr. CONNALLY. The organization would be there.

Mr. GREENE of Vermont. But there would not be anybody in it.

Mr. McKENZIE. I know this much about the National Guard of Illinois: I know the General Assembly of Illinois follows the lead in the enactment of law that the National Guard of our State want. I know that if the National Guard of Illinois should go to the legislature and say, "We would like to organize under the Army clause of the Constitution," the legislature of that State will permit them to do it; but if the National Guard of Illinois, or such men as Col. Foreman or Col. Davis, and all those men who led regiments on the battle fields of Europe, say that they do not want it, it will not be done.

Now, gentlemen of the House, without arguing the merits or demerits of this proposition, where is the danger to the National Guard? I am one of those who always believed and believe now that these things ought to be left to the people. This is only another instance not of Prussianism, because Prussianism is the exercise of autocratic power of the government in time of peace over the individual citizen, against which I have always been opposed. But it is not Prussianism; it is the very opposite of Prussianism, and puts it squarely up to the people of every State.

Now, gentlemen, do you want to permit this compromise, that is without danger to the National Guard, that is without danger to the people, that leaves it to the people of this great country to say what it wants, and let us go back to the Senate, where we can agree on a reorganization bill and put this country on a firm and sound military basis instead of our Military Establishment dangling in the air, as it is to-day. As I have said, without arguing the merits or demerits, I care nothing about that; we are your agents, we are your servants in this matter, and it is for you to decide calmly and without prejudice whether that is a fair proposition or not. [Applause.]

Mr. KAHN. Mr. Speaker, I move the previous question.

Mr. McKEOWN. Will the gentleman withhold that for a moment?

Mr. KAHN. I will withhold it.

Mr. McKEOWN. Mr. Speaker, I desire to offer an amendment.

Mr. KAHN. Mr. Speaker, I understood the gentleman from Oklahoma to say that all he wanted to do was to make a motion to nonconcur in the Senate amendment and send it back to conference. That is exactly what has been done by the motion I offered earlier in the day. I certainly could not withhold the motion for the previous question if the gentleman is going to offer something entirely new.

Mr. McKEOWN. Mr. Speaker, I would like to have my amendment reported for information.

Mr. KAHN. Mr. Speaker, will I lose the floor if I yield for that purpose?

The SPEAKER. No; the Clerk will report the gentleman's amendment for information.

The Clerk read as follows:

Mr. McKEOWN moves that the managers on the part of the House be further instructed to insist on their disagreement to sections 69 and 70 of the Senate amendment.

Mr. KAHN. That has already been done by the motion that I made this morning, which was agreed to.

Mr. McKEOWN. This is a motion to insist on the disagreement.

Mr. KAHN. That has already been done.

Mr. McKEOWN. I ask the gentleman to withhold his motion for two minutes, until I can explain the purpose of it.

The SPEAKER. The gentleman from California has one minute remaining.

Mr. KAHN. I may want that. I think, in view of the fact that the gentleman has a right to extend his remarks and the further view of the fact that the gentleman's proposal has already been agreed to, I shall have to insist on my motion for the previous question.

Mr. McKEOWN. Mr. Speaker, may I offer it as an amendment? I offer it as an amendment.

The SPEAKER. The Chair must first recognize the gentleman from California, who moved the previous question.

Mr. KAHN. Mr. Speaker, I move the previous question.

Mr. McKEOWN. Mr. Speaker, the gentleman from California will remember that there was a general misapprehension, and the ruling was that it would not have to come in as a separate motion. Then it was discovered that it should be moved as an amendment to this motion.

Mr. HICKS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HICKS. The gentleman from California having moved the previous question, is not that the regular order, if nothing else?

The SPEAKER. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from California.

The question was taken.

Mr. KAHN. Mr. Speaker, I demand the yeas and nays.

Mr. FREAR. Mr. Speaker, is it proper to have the motion read? Many of us were not present when it was read.

The SPEAKER. It has been read once. [Cries of "Regular order!"]

Mr. KAHN. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. The question is on the motion of the gentleman from California to instruct the conferees. The Clerk will call the roll.

The Clerk called the roll; and there were—yeas 104, nays 212, not voting 111, as follows:

YEAS—104.

Andrews, Md.	Gallagher	McArthur	Rowe
Bacharach	Ganly	McGlennon	Sanders, N. Y.
Burdick	Glynn	McKenzie	Sanford
Burroughs	Goldfogle	McKinley	Scott
Butler	Graham, Pa.	MacCrate	Siegel
Caldwell	Greene, Mass.	MacGregor	Sinnott
Carew	Greene, Vt.	Madden	Slemp
Chindblom	Griest	Magee	Smith, Mich.
Cleary	Hadley	Mann, Ill.	Smith, N. Y.
Coady	Hardy, Colo.	Mapes	Snell
Copley	Hawley	Miller	Stiness
Crowther	Hicks	Mondell	Summers, Wash.
Dale	Hill	Mott	Tilson
Dallinger	Houghton	Newton, Minn.	Timberlake
Dewalt	Husted	Newton, Mo.	Tinkham
Dooling	Ireland	O'Connell	Treadway
Dunn	Johnson, Wash.	Olney	Vaile
Dyer	Kahn	Osborne	Walsh
Eagan	Kennedy, R. I.	Parker	Walters
Edmonds	Layton	Pell	Wason
Emerson	Lea, Calif.	Peters	Watson
Fisher	Lehlbach	Platt	Webster
Fordney	Lonergan	Radcliffe	Welling
Freeman	Luce	Rainey, J. W.	White, Me.
French	Lufkin	Reed, N. Y.	Winslow
Fuller, Ill.	McAndrews	Rogers	Yates

NAYS—212.

Almon	Echols	Lazaro	Rodenberg
Anderson	Elliott	Lee, Ga.	Romjue
Andrews, Nebr.	Evans, Mont.	Linthicum	Rouse
Anthony	Evans, Nebr.	Little	Rubey
Ashbrook	Evans, Nev.	Luhring	Rucker
Aswell	Fairfield	McClintic	Sanders, Ind.
Ayres	Ferris	McDuffie	Sanders, La.
Babka	Foster	McFadden	Sells
Baer	Frear	McKeown	Sherwood
Bankhead	Gandy	McKinley	Sims
Barbour	Gard	McLane	Sinclair
Barkley	Garner	McLaughlin, Mich.	Sisson
Bee	Garrett	McLaughlin, Nebr.	Smith, Idaho
Begg	Goodwin, Ark.	Major	Smith, Ill.
Bell	Goodykoontz	Mann, S. C.	Stedman
Benham	Graham, Ill.	Mansfield	Steele
Black	Green, Iowa	Martin	Steenerson
Bland, Ind.	Griffin	Mason	Stephens, Miss.
Bland, Mo.	Hamilton	Michener	Stoll
Blanton	Hardy, Tex.	Milligan	Strong, Kans.
Bowers	Harreld	Minahan, N. J.	Sumners, Tex.
Box	Haugen	Monahan, Wis.	Sweet
Brand	Hays	Moon	Swope
Briggs	Heflin	Moore, Ohio	Tague
Brooks, Ill.	Hersey	Morgan	Taylor, Ark.
Brooks, Pa.	Hersman	Mudd	Taylor, Colo.
Browne	Hickey	Murphy	Taylor, Tenn.
Buchanan	Hoch	Nelson, Mo.	Temple
Byrns, Tenn.	Hoey	Nelson, Wis.	Thomas
Campbell, Kans.	Hudspeth	O'Connor	Thompson
Candler	Hull, Iowa	Ogden	Tincher
Carss	Hull, Tenn.	Oldfield	Upshaw
Christopherson	Humphreys	Oliver	Venable
Clark, Mo.	Hutchinson	Overstreet	Vestal
Classon	Igoe	Padgett	Vinson
Collier	Jacoway	Park	Voigt
Connally	James	Parrish	Volstead
Cooper	Jefferis	Phelan	Watkins
Cramton	Johnson, Ky.	Pou	Weaver
Crisp	Johnson, Miss.	Purnell	Welty
Currie, Mich.	Jones, Tex.	Quin	Whaley
Davey	Juul	Rainey, Ala.	Wheeler
Davis, Minn.	Keller	Rainey, H. T.	White, Kans.
Davis, Tenn.	Kincheloe	Raker	Williams
Denison	King	Ramseyer	Wilson, Ill.
Dent	Kinkaid	Randall, Calif.	Wilson, La.
Dickinson, Mo.	Kleczka	Randall, Wis.	Wingo
Dickinson, Iowa	Knutson	Rayburn	Wise
Doremus	Kraus	Reed, W. Va.	Wood, Ind.
Doughton	Lampert	Ricketts	Woodyard
Dowell	Langley	Riddick	Wright
Dunbar	Lanham	Robinson, N. C.	Young, N. Dak.
Dupré	Larsen	Robsion, Ky.	Young, Tex.

NOT VOTING—111.

Ackerman	Drewry	Kearns	Ramsey
Benson	Eagle	Kelley, Mich.	Reavis
Blackmon	Ellsworth	Kelly, Pa.	Reber
Bland, Va.	Elston	Kendall	Rhodes
Boies	Esch	Kennedy, Iowa	Riordan
Booher	Fess	Kettner	Rose
Brinson	Fields	Kiess	Rowan
Britten	Flood	Kitchin	Sabath
Brumbaugh	Focht	Kreider	Schall
Burke	Fuller, Mass.	Lankford	Scully
Byrnes, S. C.	Gallivan	Lesher	Sears
Campbell, Pa.	Garland	Longworth	Shreve
Cannon	Godwin, N. C.	McCulloch	Small
Cantrill	Good	McPherson	Smithwick
Caraway	Goodall	Maher	Snyder
Carter	Gould	Mays	Steagall
Casey	Hamill	Mead	Stephens, Ohio
Clark, Fla.	Harrison	Merritt	Stevenson
Cole	Hastings	Montague	Strong, Pa.
Costello	Hayden	Mooney	Sullivan
Crago	Hernandez	Moore, Va.	Tillman
Cullen	Holland	Moores, Ind.	Towner
Curry, Calif.	Howard	Morin	Vare
Darrow	Huddleston	Neely	Ward
Dempsey	Hulings	Nicholls	Wilson, Pa.
Dominick	Johnson, S. Dak.	Nolan	Woods, Va.
Donovan	Johnston, N. Y.	Paige	Zihlman
Drane	Jones, Pa.	Porter	

So the motion to instruct the conferees was rejected.

The Clerk announced the following pairs:

Mr. JOHNSON of South Dakota (for) with Mr. FLOOD (against).

Mr. SULLIVAN (for) with Mr. GALLIVAN (against).

Mr. NEELY (for) with Mr. MEAD (against).

Mr. JOHNSTON of New York (for) with Mr. BURKE (against).

Mr. RIORDAN (for) with Mr. SMITHWICK (against).

Mr. ROWAN (for) with Mr. MONTAGUE (against).

Mr. MAHER (for) with Mr. BYRNES of South Carolina (against).

Mr. CULLEN (for) with Mr. NICHOLLS (against).

Mr. DONOVAN (for) with Mr. CANTRILL (against).

General pairs:

Mr. RHODES with Mr. TILLMAN.

Mr. SNYDER with Mr. CARTER.

Mr. COLE with Mr. HAYDEN.

Mr. HERNANDEZ with Mr. HASTINGS.

Mr. ELLSTON with Mr. DRANE.

Mr. PAIGE with Mr. LANKFORD.

Mr. LONGWORTH with Mr. KITCHIN.

Mr. GOODALL with Mr. SEARS.

Mr. GOOD with Mr. WOODS of Virginia.

Mr. MCCULLOCH with Mr. GODWIN of North Carolina.

Mr. ESCH with Mr. MOORE of Virginia.

Mr. FESS with Mr. HOWARD.

Mr. MORIN with Mr. SCULLY.

Mr. ZIHLMAN with Mr. BLAND of Virginia.

Mr. STRONG of Pennsylvania with Mr. STEAGALL.

Mr. MERRITT with Mr. BLACKMON.

Mr. ACKERMAN with Mr. WILSON of Pennsylvania.

Mr. KIESS with Mr. FIELDS.

Mr. VARE with Mr. HAMILL.

Mr. HULINGS with Mr. BOOHER.

Mr. FOCHT with Mr. CAMPBELL of Pennsylvania.

Mr. TOWNER with Mr. STEVENSON.

Mr. CANNON with Mr. SMALL.

Mr. GARLAND with Mr. MAYS.

Mr. MCPHERSON with Mr. DOMINICK.

Mr. DARROW with Mr. CASEY.

Mr. KREIDER with Mr. DREWRY.

Mr. BOIES with Mr. EAGLE.

Mr. DEMPSEY with Mr. CLARK of Florida.

Mr. STEPHENS of Ohio with Mr. KETTNER.

Mr. ROSE with Mr. BRUMBAUGH.

Mr. CRAGO with Mr. SABATH.

Mr. KENDALL with Mr. HOLLAND.

Mr. KELLEY of Michigan with Mr. MOONEY.

Mr. JONES of Pennsylvania with Mr. LESHER.

Mr. SHREVE with Mr. HARRISON.

Mr. REAVIS with Mr. BENSON.

Mr. PORTER with Mr. BRINSON.

Mr. RAMSEY with Mr. CARAWAY.

Mr. REBER with Mr. HUDDLESTON.

Mr. LANGLEY. Mr. Speaker, the RECORD will show that I have a general pair with the gentleman from Florida, Mr. CLARK. I answered "no." My information is that if the gentleman from Florida were present he would vote the same way, so I feel warranted in letting my vote of "no" stand in the RECORD.

Mr. CALDWELL. Mr. Speaker, the gentleman from West Virginia, Mr. NEELY, asked me to state that he was unavoid-

ably absent and that if he were present he would vote "aye" on this proposition.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will announce the conferees.

The Clerk read as follows:

Mr. KAHN, Mr. ANTHONY, Mr. MCKENZIE, Mr. DENT, and Mr. FIELDS.

MAY CARROLL.

Mr. IRELAND. Mr. Speaker, I present the privileged report which I send to the Clerk's desk.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

House resolution 509.

Resolved, That the Clerk of the House of Representatives be, and he is hereby, authorized and directed to pay, out of the contingent fund of the House, to May Carroll the sum of $266.67, the same being the amount received by her per month as clerk to the late William J. Browning, a Representative in Congress from the State of New Jersey at the time of his death, March 24, 1920.

Mr. IRELAND. Mr. Speaker, this is the usual resolution providing for additional compensation for one month to the Secretary of a deceased Member. There is to be an amendment offered to this resolution on which the committee took no action but thought it to be a matter that should be referred to the House without action or without recommendation by the committee. For that purpose I yield to the gentleman from New York [Mr. SANFORD].

Mr. SANFORD. Mr. Speaker, I offer the following amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

After the figures "$266.67" insert the following: "monthly from and after March 20, 1920, until the election and qualification of a successor to the late William J. Browning."

Mr. GARRETT. Mr. Speaker, I reserve a point of order on the amendment.

The SPEAKER. The Chair supposed the gentleman from Tennessee was going to raise the point of order. Of course the gentleman from Illinois [Mr. IRELAND] is entitled to the floor.

Mr. GARRETT. The gentleman from Illinois [Mr. IRELAND] lost the floor when he yielded to the gentleman from New York to offer an amendment.

The SPEAKER. The Chair thinks that is correct.

Mr. IRELAND. And I am yielding for that purpose.

Mr. GARRETT. I shall not, however, keep the floor very long. I did not catch the name of the Member that was mentioned in the resolution that was presented, and I am very glad that I did not. I do not know who the secretary is, and I am very glad that I do not, because no personal element can possibly enter into what I am about to say concerning this matter. It seems to me that the proposition submitted by the gentleman from New York—of course, we know it is an unusual one—is a very remarkable one. The amendment would seem to proceed upon the theory that the clerk to the Member is a sort of a deputy Congressman, and that when a vacancy occurs in that office the clerk shall serve as Representative—that is, in a certain degree—pending the filling of that vacancy. Now, Mr. Speaker, it seems to me that that is a theory that we had better go a little bit slow about committing ourselves to. As a matter of fact, when a Member dies his district is without representation for the duties for which the Member is elected—that is to say, in the legislative branch of the Government. All these innumerable duties that are thrust upon us, of department work and all that, are matters wholly outside of our official duty, and are attended to, of course, as a matter of courtesy. It seems to me that if we adopt the policy of taking the clerk of a Member after he has died and continue that clerk as an official, we are treading on very dangerous ground, and without further consideration of that very serious matter I do not think this House should set the precedent that it is asked by the gentleman from New York to set. The secretary to a Member is subject to removal by that Member at any hour.

Mr. SISSON. Will the gentleman yield?

Mr. GARRETT. In a moment. Under the proposition offered by the gentleman from New York that clerk would be subject to nobody, not responsible to the people back in the district, not responsible to anybody here, and having no functions, in fact, to perform. I suppose the clerk could not use the frank of a dead Member to send out mail.

Mr. SISSON. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. I yield to the gentleman from Mississippi.

Mr. SISSON. Just to answer a question. The gentleman has covered the question of the responsibility, but I will ask this additional question: A great many Members have two clerks, and have divided the salaries. Some have a clerk and some have a stenographer, and some have both. The salaries may not be the same. Who is going to perform the duties of clerk and who the duties of stenographer, or in the case of two clerks who is going to perform those duties?

Mr. SANFORD. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. SANFORD. I do not think the gentleman understood my amendment. My plan was that we would keep these clerks under the jurisdiction of the Clerk of the House, and I stated that I would offer that further amendment.

Mr. GARRETT. That changes the whole theory of the law. The theory under which clerks are now appointed is that the clerk is the employee of the Member, and that the Member has the absolute control of the clerk's employment and its continuance. So far as that is concerned, the law ought never to have been changed so as to put them all on the roll. But it was changed. Nevertheless, the legal relationship which exists between the Member and the secretary or clerk is not changed. But it would be changed if this were enacted. The whole theory of this matter would be changed by the proposition of the gentleman from New York.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. BANKHEAD. I would suggest to the gentleman from Tennessee that if the amendment would prevail as a matter of law, a clerk of this sort would have no authority to transact any legislative business for the residents of the district.

Mr. GARRETT. That is so, so far as I can see, and the matter could be extended to the other body. It is a wonder they have never thought of it before.

Mr. HUMPHREYS. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. I will yield to the gentleman.

Mr. HUMPHREYS. Is the gentleman about to yield the floor?

Mr. GARRETT. I was going to make a point of order on the whole proposition. Let me inquire of the gentleman from Illinois: As I understand, this does not come from the Committee on Accounts? It was not reported from the Committee on Accounts?

Mr. IRELAND. It was submitted to the Committee on Accounts.

Mr. GARRETT. And the Committee on Accounts has made no report?

Mr. IRELAND. It was to be offered on the floor of the House.

Mr. HUMPHREYS. I wanted to ask the gentleman, if he has the right to do so, to yield to me about five minutes. I would like to support the resolution.

Mr. GARRETT. I can not yield to the gentleman from Mississippi [laughter] for that purpose. Mr. Speaker, I make a point of order.

The SPEAKER. The gentleman will state it.

Mr. GARRETT. I will make it, or I will still reserve it, if it is desired by anyone to further discuss the subject.

The SPEAKER. The gentleman will state it.

Mr. GARRETT. That it is not germane to the proposition that comes from the Committee on Accounts, and is not authorized by law.

The SPEAKER. At first blush it seems to the Chair that it is just as much authorized by existing law as the resolution to which it is offered.

Mr. GARRETT. That may be. Probably the original resolution might have been subject to a point of order.

The SPEAKER. It comes from the Committee on Accounts. At first blush the Chair would be inclined to feel that it is as much authorized by law as the resolution. The Chair would be glad to hear from the gentleman on that point.

Mr. GARRETT. It occurs to me that it is without authority of law and is subject to a point of order.

The SPEAKER. Any payment out of the contingent fund would be in order.

Mr. GARRETT. This not only pays out of the contingent fund but it continues the clerk in office, upon the rolls of the House.

The SPEAKER. The gentleman is mistaken. This is the amendment: It simply says that there shall be paid to the clerk $266.67 monthly from and after March 24, 1920, until the election and qualification of the successor to Mr. Browning. It does not impose any duties upon the clerk or create a clerk. It simply appropriates money out of the contingent fund. That may be an argument against the adoption of the resolution, but it does away with the point of order. The Chair overrules the point of order.

Mr. IRELAND. Mr. Speaker, I yield one minute to the gentleman from Wyoming.

The SPEAKER. The gentleman from Wyoming is recognized for one minute.

Mr. MONDELL. Mr. Speaker, I think it is very clear that we would scarcely be justified in enacting legislation of this character. The usual character of resolution is to pay the salary of the clerk for a month. I do not think Congress would be justified in providing a salary for a Congressman's clerk from the time of the death of the Congressman until after his successor is elected and qualified. It seems to me the very statement of the matter is sufficient to condemn it.

Mr. IRELAND. Mr. Speaker, I yield five minutes to the gentleman from Mississippi [Mr. HUMPHREYS].

The SPEAKER. The gentleman from Mississippi is recognized for five minutes.

Mr. HUMPHREYS. Mr. Speaker, the only possible objection I could have to this resolution is that it does not make it general law. I would not only vote for this resolution but I would vote for a resolution that makes this a general law, applicable in all cases.

The duties of a Congressman, of course, are legislative, and a clerk could not attend to those, and would not. But there are a great many other things that a Congressman has to do, and does do, not, in my opinion, merely as a matter of courtesy to his district but as a matter of duty to the people of the district; and the clerk can attend to those duties efficiently, as a rule.

Now, a Congressman dies. I understand the rule is that the clerk is provided for for a month. So far as the law is concerned, it might just as well be four months. It is provided in order that the clerk may wind up certain business that is then pending—not legislative, but otherwise. But the district from that time on until another Congressman is elected is without any sort of representation here in Washington. If the clerk is continued in office, there are a great many things that he can do for the people of that district. Soldiers are writing continuously now about their allotments, they are writing about their compensation, they are writing about their war-risk insurance; people are writing for passports; boys are writing in regard to Liberty bonds that have been lost in some way or another. There are a great many documents that we think are valuable or we would not appropriate the public money in order to have them sent out. The clerk attends to those things; otherwise when the Member dies the people of that district are absolutely deprived of all of this service.

Mr. GOLDFOGLE. Mr. Speaker, will the gentleman yield?

Mr. HUMPHREYS. Yes; I yield.

Mr. GOLDFOGLE. Assume the case of a Member being dead.

Mr. HUMPHREYS. Well, ask the question. The Member is dead.

Mr. GOLDFOGLE. And if the secretary is not attending to any of these manifold things that you speak of, would you compel the secretary to do all those things that you say must be done after the death of the Representative? What discipline could you invoke?

Mr. HUMPHREYS. None.

Mr. BARKLEY. Mr. Speaker, will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. BARKLEY. When a Member of the House dies, of course the people of his district know that, and cease writing to him about anything.

Mr. HUMPHREYS. Yes.

Mr. BARKLEY. The average man would not know who the secretary is, and therefore he would not write to the secretary.

Mr. HUMPHREYS. Yes; what is the gentleman's question?

Mr. BARKLEY. What service except voluntary service, such as the clerk might render, would be expected of the secretary?

Mr. HUMPHREYS. Well, I assume that everybody has an efficient secretary. If the Members of the House have a secretary as efficient as I have, she would notify everybody that she would attend to the routine of the office, and it would not require any discipline either. I may say to the gentleman from New York——

Mr. IRELAND. Mr. Speaker, I regret that we have not time for more extended discussion, but under the circumstances, with the business ahead of us and pressing for time, I am warranted in moving the previous question on the resolution and all amendments thereto.

The SPEAKER. The gentleman from Illinois moves the previous question on the resolution and amendments thereto.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The question was taken, and the amendment was rejected.

The resolution was agreed to.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed the bill (H. R. 14100) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 13666. An act granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River, in section 18, township 12 north, range 21 east, in the State of Oklahoma; and

H. R. 13665. An act granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River between sections 16 and 21, township 15 north, range 19 east, in the State of Oklahoma.

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 1695. An act validating certain homestead entries.

The message also announced that the Senate had passed the following resolution:

Resolved, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (S. 4332) entitled "An act to exchange the present Federal building and site at Gastonia, N. C., for a new site and building."

THEODORE W. KOLBE AND MAY PEACOCK.

Mr. IRELAND. Mr. Speaker, I call up the privileged resolution which I send to the desk.

The Clerk read as follows:

House resolution 542.

Resolved, That the Clerk of the House of Representatives be, and he is hereby, authorized and directed to pay, out of the contingent fund of the House, to Theodore W. Kolbe the sum of $186.66 and to May Peacock the sum of $120, the same being the amount received by them per month as clerks to the late Charles A. Nichols, a Representative in Congress from Michigan, at the time of his death, April 25, 1920.

Mr. IRELAND. Mr. Speaker, this is the regular resolution, and the compensation named is at the rate that the clerks have been paid.

The resolution was agreed to.

JANE NICHOLS.

Mr. IRELAND. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which I send to the desk.

The Clerk read as follows:

House resolution 546.

Resolved, That the Sergeant at Arms is hereby authorized and directed to pay Jane Nichols, mother of the late Representative Charles A. Nichols, of Michigan, the sum of $452.05, being the amount of salary due him as a Member of the House at the time of his death.

Mr. IRELAND. Mr. Speaker, I am sure there will be no objection to this resolution, but I would like to make this short explanation. This resolution is necessary because under the law the amount due the late Congressman between the 4th of the month and the date of his death is only payable to his estate or his widow. The late Mr. Nichols was a bachelor. This resolution is necessary in order to pay this amount to his mother.

Mr. GARD. Reserving the right to object, I assume the gentleman intends this for the aged mother in addition to the prospective appropriation that will be made later.

Mr. IRELAND. Yes. This is the balance of his salary from the 4th of April to the 25th.

Mr. GARD. Did I understand that the law is that the salary is paid to the widow or to the estate?

Mr. IRELAND. Yes; to the widow or to the estate.

Mr. GARD. In this instance Mr. Nichols had no widow or dependent children?

Mr. IRELAND. No; he was unmarried and there will be no administration of his estate.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

RIVER AND HARBOR BILL.

Mr. KENNEDY of Iowa. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 11892, the river and harbor bill, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Iowa asks unanimous consent to take the river and harbor appropriation bill from the Speaker's table, disagree to the Senate amendments, and ask for a conference. Is there objection?

Mr. DUPRÉ. Reserving the right to object, Mr. Speaker, I desire to congratulate the gentleman from Iowa on his return to the House.

Mr. GARNER. Reserving the right to object, I presume the gentleman from Iowa has consulted with the ranking minority member of the committee with reference to sending this bill to conference.

Mr. KENNEDY of Iowa. The gentleman from North Carolina [Mr. SMALL], the ranking member, is not here, but he asked to have the bill sent to conference, saying that he could not be here.

Mr. GARNER. That is one thing I want to suggest to gentlemen on that side, that when they ask unanimous consent to send a bill to conference I think it is nothing but their duty to the minority to state that they have consulted the ranking member of the minority who is going to be on the conference and that it is agreeable to him.

Mr. BLANTON. Mr. Speaker, I make the point of order that no quorum is present.

Mr. IRELAND. I hope the gentleman will withhold that for a minute.

Mr. BLANTON. I will withhold it.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The SPEAKER appointed as conferees on the part of the House Mr. KENNEDY of Iowa, Mr. DEMPSEY, and Mr. GALLAGHER.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed without amendment joint resolution of the following title:

H. J. Res. 351. Joint resolution extending the provisions of an act amending section 32 of the Federal farm loan act approved July 17, 1916, to June 30, 1921.

The message also announced that the Senate had passed with amendment joint resolution (H. J. Res. 354) authorizing the Secretary of War to loan to Paul E. Slocumb Post, No. 85, Grand Army of the Republic, Bloomington, Ind., necessary tents and cots for use at the State encampment to be held at said city May 25, 26, and 27, 1920, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 400) authorizing the Sioux Tribe of Indians to submit claims to the Court of Claims.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 9521) to prevent hoarding and deterioration of and deception with respect to cold-storage foods, to regulate shipments of cold-storage foods in interstate commerce, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. GRONNA, Mr. NORRIS, and Mr. SMITH of South Carolina as the conferees on the part of the Senate.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee as indicated below:

S. 1695. An act validating certain homestead entries; to the Committee on the Public Lands.

LOAN OF TENTS AND COTS TO THE PAUL E. SLOCUMB POST, G. A. R.

Mr. BLAND of Indiana. Mr. Speaker, I call up House joint resolution 354 from the Speaker's table, authorizing the Secretary of War to loan tents, cots, and so forth, to the Paul E. Slocumb Post, of Bloomington, Ind.

The SPEAKER. The gentleman calls up from the Speaker's table the bill of which the Clerk will read the title.

The Clerk read as follows:

House joint resolution (H. J. Res. 354) authorizing the Secretary of War to loan to the Paul E. Slocumb Post, No. 85, Grand Army of the Republic, Bloomington, Ind., necessary tents, cots, and blankets for use at the State encampment to be held in said city May 25, 26, and 27, 1920.

Mr. BLAND of Indiana. Mr. Speaker, I move to concur in the Senate amendment.

Mr. GARD. Mr. Speaker, will the gentleman yield?

Mr. BLAND of Indiana. Yes.

Mr. GARD. What amendment is it?

Mr. BLAND of Indiana. To strike out the word "blankets."

Mr. GARD. And permit the use of tents and cots?

Mr. BLAND of Indiana. Yes; and eliminate blankets.

The SPEAKER. The question is on concurring in the Senate amendment.

The motion was agreed to.

On motion of Mr. BLAND of Indiana, a motion to reconsider the vote by which the Senate amendment was concurred in was laid on the table.

REVISION OF THE LAWS.

Mr. IRELAND. Mr. Speaker, I call up the following privileged resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House resolution 548.

Resolved, That the Committee on Revision of the Laws of the House of Representatives is hereby authorized to employ, in addition to a reviser now authorized, other competent persons to assist in codifying, revising, and compiling the laws of the United States under the direction and supervision of the said committee and the chairman thereof, and the Clerk of the House of Representatives is authorized and directed to pay from the contingent fund of the House of Representatives to the additional persons so employed the amounts designated for each by the chairman of the said committee, upon vouchers by the said chairman, but not to exceed the total amount to the said additional employees of $9,000.

With the following committee amendment:

Line 11, after the word "chairman," insert the words "and approved by the Committee on Accounts."

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. IRELAND. Yes.

Mr. BLANTON. These employees who are sought to be provided for by this resolution are of what kind—lawyers?

Mr. IRELAND. If the gentleman will permit me to make a statement on that, I think I can clear the matter up. This resolution is offered to assist the Committee on Revision of the Laws, that has had this work under consideration since the beginning of this term. The appropriations made for the clerks and the reviser mentioned in the resolution have proven inadequate for the expedient dispatch of this business. The chairman of the committee has interviewed as many of the lawyer Members of the House as it was possible for him to see, and I understand that without exception they are all very much pleased with the work that he has thus far accomplished. The additional help, aid, and legal assistance which he contemplates hiring are all lawyers, who have had considerable experience in the legal editions of——

Mr. BLANTON. Is this codification being done by the committee or by paid experts?

Mr. IRELAND. I imagine that the technical, routine work is largely done by the revisers.

Mr. BLANTON. And they are paid what kind of salaries?

Mr. IRELAND. Their salaries are of different amounts—$100 a month or such a matter, most of them.

Mr. BLANTON. Does the gentleman know that?

Mr. IRELAND. I have the word of the chairman of the committee. I will yield to him in a moment. He can explain all of that.

Mr. BLANTON. Does the gentleman think that he should inflict this resolution on the House at this time of day, after the House agreed to so many of his resolutions this evening?

Mr. IRELAND. Unfortunately, I can not choose the time. I have been waiting for over 30 days to get these resolutions considered. I have yielded to everyone, and I think I have been very patient. I yield five minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN of Illinois. Mr. Speaker, I have been very much interested in the matter of codifying the laws of the United States so that they can be printed in one volume, so that the people can find out what the law is. When the gentleman from Kansas [Mr. LITTLE] was made the chairman of the Committee on Revision of the Laws I told him that we would give him a good committee, and that they must go to work and see if it were not possible to codify the laws—not to revise them—and put the existing laws in a codified shape as they stand, without attempting to change them, and then endeavor to pass that codification and make it the law as a codified statute of the United States. [Applause.] There is nothing that we could do in a small way that would be of greater advantage to everyone than that sort of thing. The gentleman from Kansas [Mr. LITTLE] and his committee, including some very excellent men on both sides of the House, have been doing exceedingly good work in this matter. Of course, they do not do the work of codifying the statutes themselves, personally, in the main, although the gentleman from Kansas [Mr. LITTLE] and I think the gentleman from Virginia [Mr. MOORE] have given some personal attention even to that. They have done a lot of this work; I do not know just how much, but a third or more. There is no political patronage about the work. The gentleman from Kansas has endeavored to get as competent service as he can. He has employed the services of men who are familiar with the matter of law codification to do the work, one man doing one piece of work and another man doing another piece of work, all of which the committee very carefully scrutinizes;

but it is impossible with the force they have to complete that work by the time of meeting in December. No one can tell exactly how much it will cost. I have talked with the chairman on a good many occasions and have discovered that he is not inclined to be extravagant. I think, if this is permitted, in all probability we will be able to have presented to the House when we meet in December a complete codification of the law down to the date which was selected, which was a year or two back, and we hope and expect that we will be able to pass that through both Houses of Congress in some way so that it will become a revised statute of the United States.

The gentleman from Louisiana [Mr. WATKINS] has done exceedingly good work on this committee in the past and is continuing to do it now. The expense of this is nominal. Let us, if we can possibly do it, try to fix it so that anyone can find out what the law is.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. MANN of Illinois. Certainly.

Mr. BLANTON. The gentleman surely will agree that if the work is to be worth anything it must be done by experts.

Mr. MANN of Illinois. Certainly; and it is being done by experts.

Mr. BLANTON. While our distinguished colleagues oversee the work, of course they can not do the actual work.

Mr. MANN of Illinois. No.

Mr. BLANTON. I am heart and soul with the gentleman from Kansas [Mr. LITTLE] in the matter. I have been looking into the work that he has done, and very much approve of it. The question is now, Are we in a position, is the Government in position, when it is in debt to the extent of nearly $28,000,000,000, to employ the kind of experts who should be in charge of this work, and should we go to the necessary expense in order to get proper work at this time?

Mr. MANN of Illinois. I think so; the expense is not very great.

Mr. BLANTON. One $4,000 man is to be employed in this resolution, as I understand it.

Mr. MANN of Illinois. Oh, no; not at all.

Mr. BLANTON. I was so informed.

Mr. MANN of Illinois. The gentleman is mistaken. That is not in the resolution.

Mr. BLANTON. The resolution authorizes not to exceed $9,000.

Mr. MANN of Illinois. The resolution authorizes not to exceed $9,000. That is not to employ a $4,000 man at all, as I understand it. I think what the chairman of the committee wants to do is to employ some man who is learned in this business to do part of this work in his extra time.

There are a number of people who are competent to do that. The chairman asked me the other day if I could recommend to him some man competent to do that work, and I told him I could not, and I have not and I do not intend to try to do so.

Mr. BLANTON. The gentleman speaks of some extra time. The gentleman means some time put in out of hours?

Mr. MANN of Illinois. I mean possibly a college professor who knows the game and who will do this extra work at night on one class of work.

Mr. BLANTON. I think somebody ought to be employed to put in all his time on it.

Mr. MANN of Illinois. Oh, well, there ought to be employed experts who will do the work well.

Mr. OLIVER. I think the gentleman will find that he can secure some excellent suggestions from the West Publishing Co., if the chairman of the committee will call on them——

Mr. MANN of Illinois. I will say that I understand the chairman of the committee has had expert advice of the West Publishing Co. and also the Cooperative Publishing Co., if that still exists, and various other publishing concerns, and I think now they have reached the conclusion that if it can it would be desirable for Congress to revise its statutes in one volume. [Applause.]

Mr. IRELAND. Mr. Speaker, I yield five minutes to the gentleman from Kansas [Mr. LITTLE]. [Applause.]

Mr. LITTLE. Mr. Speaker, I notice the suggestion just now, and it is a very good one, that we consult the West Publishing Co., for example. I desire to say that at the start of this work I consulted that company, and they are very warmly supporting me, and right now are doing some work for me. That is also true of the Edward Thompson Publishing Co., which publishes the other annotated statutes, and of Mr. Uriah Barnes, who edited the Barnes Federal Code, the little black books. All of these have helped us, and are helping me right now. Inquiry has been made as to how this work was being done. We have had the assistance in this work of a doctor of laws, who is and has been for 20 years professor of a great law school, and has been one of the editors of the Cyclopedia and the Encyclopedia of Evidence and many textbooks. We have had and now have the assistance of a gentleman who was a member of the last commission to revise the laws some 15 years ago. We have helping us a gentleman who edited the last publication of the District laws and several learned lawyers. The way I got them to work was to take their extra time. They teach or practice a part of the time and the rest of the time they write law books, and I have gotten them to assist in this work and they have given me their extra time of evenings and whenever they can. During the last 10 months I have put in most of my own time on the work. We have now finished about one-third of this work, as we estimate. Some inquiry has been made as to the character of the work. I have letters from two justices of the Supreme Court and one of them says that the research and industry displayed is wonderful. The other says as far as he can see, and he has examined it as much as he had time, the work is well and thoroughly done. I had a letter from one of the biggest law firms in the United States to-day stating that they had looked into it—I sent them a copy—and they said it was well done. As I say, the work up to the present time is one-third done as we figure, and has cost $5,000. The last time it was attempted, some 15 years ago, the preparation cost about $200,000. When they got this far they had spent $60,000. We have spent $5,000. When the Revised Statutes were enacted in 1874, the Hon. Luke P. Poland, chairman of the Revision of Laws Committee, reported that it cost $100,000, which would be at the rate of about $35,000 for one-third, and we have done it for $5,000. One reason, as I said, is that the chairman has given his time to it and made no charge; and another reason was that it was done under the work of a committee of the House and by a chairman who gave his personal attention to it. A distinguished Senator said that the reason we got it done was because somebody gave it his personal attention, some Member who took a personal interest, which is much better than any commission we have ever had, because no bill ever drawn by a commission has ever been reported favorably by any committee of this House. Now, in figuring that we have done one-third at $5,000, we can figure it for about $10,000, and by careful figuring I reach the conclusion that if I had $9,000 to spend, we could finish it by December. We have been working about 10 months. I think in the next six months we can do twice as much work as we did in the last 10, and thus complete this book if we get this money to employ a few more assistants and spur up——

Mr. SIMS. Will the gentleman yield just for information?

Mr. LITTLE. Certainly.

Mr. SIMS. The gentleman did not state, and therefore I did not know, what went with all the work done by the same committee under the chairmanship of the gentleman from Louisiana [Mr. WATKINS]. Is that included in the $5,000?

Mr. LITTLE. No. Congress has been allowing $4,000 a year for the revisal. I took that for 10 months and part of the clerk hire and employed three to four men whom I put to work, giving one of them $125 a month, or rather $1,500 a year, and another $1,200, and another whatever I could pay him. Some of them worked for whatever I found I could give them. We have men helping right now who are so anxious to get it done they are working for nothing. Of course, I can not expect them to continue that way. The reviser before me, the gentleman from Louisiana [Mr. WATKINS], brought in his bill before I came here, which passed the House, but did not go through the Senate. It was a bill to revise only a certain part of the laws; not to codify them all. In all the history of this country there has been but one code of our laws made, and that was 46 years ago. The laws now are in 36 volumes.

When I became chairman of this committee and investigated the former work of the committee I found that it was allowed $4,000 a year for a reviser. The question arose as to what he should do. Forty-six years ago a bill was passed enacting the Revised Statutes as the Code of American Laws. Since then the committee has from time to time revised certain comparatively small parts of the laws and done some admirable work, but as fast as they finished anything something came along to amend and they were no nearer finished than before they started. In 1897 a commission was appointed which, drawing $20,000 a year for some nine years, completed a revision which was turned down by the Committee on Revision. After a careful inquiry I decided that we would take the $4,000 a year and go ahead and make a new code of all the laws like they did in 1874. What is the use of making two bites of a cherry? It only cost $100,000 in 1874 and here I was all equipped with $4,000 a year and $2,000 for a clerk. The committee said that they would stay with me and we went at it. For 10 months the $4,000 a year has been devoted to this task as well as most of my committee clerk's salary, which was expended to employ

a reviser. So with about $5,000 we have completed one-third of this work so well that justices of the Supreme Court commend it highly. We must do twice as much in the next six months as we did in the past 10 in order to have the bill ready for a vote the first week in December. Our revisers are more experienced and can work more rapidly now. I have located other good men, and with this money I can employ sufficient experienced talent to finish in time. The committee has been very helpful. The gentleman from Virginia [Mr. MOORE], a learned lawyer, has been able to give us some of his time with very helpful results. Up till now the chairman has divided the work with his associates and has carefully gone over every section of the work they have done.

If you will refer to Mr. SLEMP's presentation of the ordnance and fortification bill, you will find the author of this bill saved $288,500 that day and $10,000 on Mr. KAHN's last appropriation bill. That $298,500 will pay for this code in full, and it will not cost the Government one cent except that.

One-third of this proposed code is now before Congress and the bench and the bar of the country for examination and correction. Some mistakes will be discovered and corrected, of course. Everybody will have a chance to investigate the work and conclude as to its value. Up to this time the chairman has had to do about one-half the work. Dr. Burdick, of Kansas University, and Mr. John Lott, of Ohio, have done most of the rest of the first third. Others are helping now. I can not put in so much time this summer. With this fund I can get the aid that will get this bill ready for a vote by December, I think. If I can be accorded 3 per cent of the money already saved, that will, I believe, complete the arduous task.

The SPEAKER. The time of the gentleman has expired.

Mr. SIMS. Mr. Speaker, will the gentleman yield me two or three minutes?

Mr. IRELAND. Yes.

Mr. SIMS. Mr. Speaker, I had several months' experience in this particular kind of work on the District of Columbia Committee. Judge Jenkins, of Wisconsin, was a member of the committee and chairman of the Judiciary Subcommittee and I was the ranking member of the subcommittee, and it was assigned to us by the committee to get up a bill revising and codifying the laws of the District of Columbia, and we put in months of very hard work on the bill, much of it done at night. The judge and I had no expert assistance. If a gentleman has never done that kind of work he has no idea what a tremendous burden it is and how much time it takes in pure detail drudgery. If the gentleman from Kansas [Mr. LITTLE], with this small amount of money and the kind of assistance he can get for it, can finish this work by the 1st of December, if it is as difficult and as tedious as was the District of Columbia work of like character, I think he will deserve a monument to his memory. I am only afraid that he can not get as good and as competent assistants as he ought to have with this appropriation. The codification is needed very badly, and having had experience I know whereof I speak with reference to this kind of work.

Mr. SISSON. Will the gentleman from Illinois yield to me?

Mr. IRELAND. I yield two minutes to the gentleman.

Mr. SISSON. Mr. Speaker, of course, in two minutes I can not say what I would like to say about this matter, but I had occasion to go into Mr. Little's office and examine the work that is being done. I was appointed on this committee when I first came to Congress, and there was some work in progress at that time. We revised two portions of the law—civil and criminal procedure. Now, I do not think anything is quite as much needed in this country as to have a code in such form that it can be used by the people throughout the country, and if the gentleman from Kansas can do this work for anything like the amount that is asked for here, he is to be congratulated and the country is to be congratulated. And if he can get a code so that the lawyers will not have to go through 37 great big volumes of the acts of all kinds, hunting up what the law is, he will have rendered the country a very great service and will be entitled to very great credit. And if he can accomplish this work between now and the beginning of the next session, I want to see that code denominated as the "Little Code." [Applause.]

Mr. IRELAND. Mr. Speaker, I move the previous question on the adoption of the resolution and the amendment.

The previous question was ordered.

The SPEAKER. The question is on the committee amendment.

The amendment was agreed to.

The resolution as amended was agreed to.

SUBSTITUTE TELEPHONE OPERATOR.

Mr. IRELAND. Mr. Speaker, I ask for the consideration of the following privileged resolution.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 547.

Resolved, That there shall be paid out of the contingent fund of the House, during the remainder of the present fiscal year, compensation not exceeding the rate of $2.50 per diem for the services of a substitute telephone operator.

Mr. IRELAND. Mr. Speaker, I ask that a letter from the Clerk of the House of Representatives, of an explanatory nature, be read.

Mr. GARD. Will the gentleman yield?

Mr. IRELAND. Certainly.

Mr. GARD. How many more of these resolutions will the gentleman have to-night?

Mr. IRELAND. Four or five, possibly.

The SPEAKER. The Clerk will read the letter.

The Clerk read as follows:

HOUSE OF REPRESENTATIVES,
CLERK'S OFFICE,
Washington, D. C., May 4, 1920.

Hon. CLIFFORD IRELAND,
Chairman Committee on Accounts,
House of Representatives, Washington, D. C.

MY DEAR MR. IRELAND: By reason of an unusual amount of sickness during the present fiscal year of our regular force of telephone operators, the appropriation of $500 for the employment of a substitute operator is exhausted, and we have two months remaining of the fiscal year. For this period it is estimated that an amount not exceeding $150 will be necessary.

I inclose a draft of a resolution for the employment of such substitute at the usual rate of compensation, $2.50 per diem, until July 1, when the regular appropriation will become available, and would thank you to cause it to be considered by the Committee on Accounts.

Very truly, yours,

WM. TYLER PAGE.

Mr. BLANTON. Will the gentleman yield, Mr. Speaker?

Mr. IRELAND. Certainly.

Mr. BLANTON. The gentleman said he had four or five more of these resolutions?

Mr. IRELAND. Yes.

Mr. BLANTON. The gentleman has not any peace resolutions, so called, among them, has he?

Mr. IRELAND. No.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

JOHN A. M'KENZIE.

Mr. IRELAND. Mr. Speaker, I ask for the present consideration of the following resolution, which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 514.

Resolved, That there shall be paid out of the contingent fund of the House, until otherwise provided for by law, to John A. McKenzie, janitor and messenger in the rooms of the official stenographers to committees, additional compensation at the rate of $260 per annum, payable monthly.

Mr. IRELAND. Mr. Speaker, this resolution is to equalize the salary of the messenger to the committee reporters with that of the messenger to the reporters of debates in the House. When the salaries of the reporters of debates and the stenographers to the committees were raised, the salary of the messenger to the reporters of debates was raised, but this messenger was overlooked. He has been an employee of the committee stenographers for over 20 years.

Mr. CALDWELL. Will the gentleman yield for a question?

Mr. IRELAND. Certainly.

Mr. CALDWELL. How many more resolutions have you before you come to the majority and minority clerks?

Mr. IRELAND. I do not think we have time to reach that to-night.

Mr. CALDWELL. If you have no time to reach that, I will make the point of no quorum.

Mr. IRELAND. I wish the gentleman would withhold that.

Mr. CALDWELL. I wish the gentleman would call it up as the next one.

Mr. IRELAND. I can not do that.

Mr. CALDWELL. I make the point of no quorum.

Mr. IRELAND. I move a call of the House, Mr. Speaker.

The SPEAKER. Obviously no quorum is present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

Ackerman	Bland, Mo.	Byrnes, S. C.	Cole
Anderson	Bland, Va.	Campbell, Pa.	Cooper
Anthony	Booher	Cantrill	Copley
Aswell	Brinson	Caraway	Costello
Bankhead	Brumbaugh	Carter	Crago
Barkley	Buchanan	Casey	Crowther
Benson	Burke	Clark, Fla.	Cullen
Blackmon	Butler	Classon	Curry, Calif.

Darrow	Harrison	McFadden	Sanford
Dempsey	Hastings	McKenzie	Schall
Dent	Haugen	McPherson	Scully
Dewalt	Hayden	Madden	Sears
Dickinson, Mo.	Hays	Maher	Shreve
Dickinson, Iowa	Hernandez	Mansfield	Slemp
Dominick	Hill	Martin	Small
Donovan	Hoey	Mason	Smithwick
Doremus	Holland	Mays	Snyder
Drane	Howard	Mead	Steagall
Drewry	Hulings	Merritt	Stedman
Dunn	James	Montague	Steele
Dyer	Johnson, Wash.	Mooney	Stephens, Ohio
Eagle	Johnston, N. Y.	Moore, Va.	Stevenson
Echols	Jones, Pa.	Moores, Ind.	Stiness
Elliott	Jones, Tex.	Morin	Strong, Pa.
Ellsworth	Juul	Mott	Sullivan
Elston	Kahn	Neely	Swope
Esch	Kearns	Nicholls	Taylor, Colo.
Evans, Nebr.	Kelley, Mich.	Olney	Tillman
Fairfield	Kelly, Pa.	Padgett	Towner
Ferris	Kendall	Peters	Treadway
Fess	Kennedy, Iowa	Porter	Upshaw
Fields	Kettner	Pou	Vare
Fisher	Kiess	Rainey, Ala.	Ward
Flood	Kitchin	Ramsey	Wheeler
Focht	Kleczka	Ramseyer	Williams
Freeman	Knutson	Reavis	Wilson, Ill.
Fuller, Mass.	Lankford	Reber	Wilson, Pa.
Gallivan	Lee, Ga.	Rhodes	Wood, Ind.
Garland	Lesher	Riddick	Woods, Va.
Godwin, N. C.	Longworth	Riordan	Yates
Good	Lufkin	Rose	Young, N. Dak.
Goodykoontz	McArthur	Rowan	Zihlman
Gould	McClintic	Rucker	
Hamill	McCulloch	Sabath	
Hamilton	McDuffie	Sanders, Ind.	

The SPEAKER. Two hundred and forty-nine Members have answered to their names. A quorum is present.

Mr. MONDELL. Mr. Speaker, I move to suspend further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

The doors were opened.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

EXTENSION OF REMARKS.

Mr. LITTLE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Kansas asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

ASSISTANT IN THE DOCUMENT ROOM.

Mr. IRELAND. Mr. Speaker, I ask for the present consideration of the resolution which I send to the Clerk's desk.

The SPEAKER. The gentleman from Illinois asks for the present consideration of the resolution, which the Clerk will report.

The Clerk read as follows:

House resolution 508.

Resolved, That there shall be paid out of the contingent fund of the House, until otherwise provided by law, additional compensation at the rate of $180 per annum to one assistant now being paid $1,100 per annum in the House document room.

Mr. IRELAND. Mr. Speaker, this is to equalize the salaries of the employees in the House document room. No one seems to know exactly why, but there are 11 of them drawing $1,200 compensation, while one draws $920. This is to equalize the salaries of the men, all of whom are doing the same work.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. IRELAND. Mr. Speaker, I ask for the present consideration of another resolution which I send to the desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 492.

Resolved, That there shall be paid out of the contingent fund of the House until otherwise provided by law compensation at the rate of $1,200 per annum for the service of a shipping clerk in the folding room of the House, such shipping clerk to be in lieu of a folder at the rate of $900 per annum.

Mr. IRELAND. Mr. Speaker, this involves the expenditure of $300, the difference between $900 and $1,200—$900 being his present compensation. The necessity of a shipping clerk in the folding room is apparent to all who have had experience there, and that service has been performed for some years. The recipient of the additional salary has been in the employ of the House of Representatives since 1889, and performing the duties of a shipping clerk.

Mr. GARD. Mr. Speaker, will the gentleman yield?

Mr. IRELAND. Yes.

Mr. GARD. Will the man who gets this increase have the title of shipping clerk? Is he now employed in the document room?

Mr. IRELAND. Yes. He has been employed continuously since 1889.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

EXTENSION OF REMARKS.

Mr. McKEOWN. Mr. Speaker, I ask unanimous consent to extend the remarks I made on the amendment here a while ago.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. MILLER, for the day, on account of the funeral of a relative.

To Mr. SUMMERS of Washington (at the request of Mr. WEBSTER), for the day, on account of official business.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 43 minutes p. m.) the House adjourned until to-morrow, Thursday, May 20, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting supplemental estimates of appropriation required by the Post Office Department for the Official Postal Guide, and for other purposes (H. Doc. No. 772); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting supplemental estimates of appropriations required by the Government Printing Office for leaves of absence of employees and for expenses of the office of superintendent of documents, fiscal year 1921 (H. Doc. No. 773); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Treasury, transmitting from the Attorney General a list of judgments rendered against the Government by district courts, together with an estimate of appropriation required for the payment of said judgments (H. Doc. No. 774); to the Committee on Appropriations and ordered to be printed.

Letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Lake Tahoe, Calif. and Nev.; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. GRAHAM of Illinois, from the Select Committee on Expenditures in the War Department, to which was referred the resolution of the House (H. Res. 563) providing for the consideration of House Report No. 998 from the Select Committee on Expenditures in the War Department, and for other purposes, reported the same without amendment, accompanied by a report (No. 1002), which said resolution and report were referred to the House Calendar.

Mr. GREENE of Massachusetts, from the Committee on the Merchant Marine and Fisheries, to which was referred the joint resolution of the Senate (S. J. Res. 170) to authorize and direct the Secretary of the Navy to open certain naval radio stations for the use of the general public, reported the same with amendments, accompanied by a report (No. 1003), which said joint resolution and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. DYER, from the Committee on the Judiciary, to which was referred the bill of the House (H. R. 9559) to extend the benefits of the employers' liability act of September 7, 1916, to Arthur E. Rump, reported the same with an amendment, accompanied by a report (No. 1001), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 14048) granting a pension to Thomas J. Mullin, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SIEGEL: A bill (H. R. 14135) to amend an act entitled "An act to regulate the immigration of aliens to and the residence of aliens in the United States," passed February 20, 1917; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 14136) to amend an act entitled "An act to parole United States prisoners, and for other purposes," approved June 25, 1910, as amended by act approved January 23, 1913, and for the establishment of a probation system in the United States courts, except in the District of Columbia; to the Committee on the Judiciary.

By Mr. HICKS: A bill (H. R. 14137) to create a bureau of aeronautics in the Department of Commerce and providing for the organization and administration thereof; to the Committee on Appropriations.

By Mr. VOLSTEAD: A bill (H. R. 14138) to amend section 3221 of the Federal statutes; to the Committee on Ways and Means.

By Mr. MURPHY: A bill (H. R. 14139) to increase the limit of cost of a public building at Steubenville, Ohio; to the Committee on Public Buildings and Grounds.

By Mr. GRAHAM of Illinois: Resolution (H. Res. 563) providing for the consideration of House report 998, from the Select Committee on Expenditures in the War Department, and for other purposes; to the House Calendar.

Also, resolution (H. Res. 564) for the immediate consideration of House resolution 563 and House report No. 998 on the same subject, previously introduced; to the Committee on Rules.

By Mr. MASON: Joint resolution (H. J. Res. 357) authorizing the recognition of the republic of Ireland; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLE: A bill (H. R. 14140) granting a pension to Mildred Atchison; to the Committee on Invalid Pensions.

By Mr. FOSTER: A bill (H. R. 14141) granting a pension to Guy H. Moore; to the Committee on Pensions.

By Mr. GALLIVAN: A bill (H. R. 14142) granting a pension to Edward E. Berry; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 14143) granting an increase of pension to William Bieber; to the Committee on Invalid Pensions.

By Mr. LONERGAN: A bill (H. R. 14144) to remove the charge of desertion against John Starkey; to the Committee on Military Affairs.

By Mr. RAKER: A bill (H. R. 14145) for the relief of Peter Bur; to the Committee on Claims.

By Mr. RICKETTS: A bill (H. R. 14146) granting a pension to Emma D. Potts; to the Committee on Invalid Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 14147) granting a pension to Henry Clifton; to the Committee on Invalid Pensions.

By Mr. YOUNG of North Dakota: A bill (H. R. 14148) to correct the military record of A. J. Henry; to the Committee on Military Affairs.

By Mr. TREADWAY: A bill (H. R. 14149) granting a pension to Nina R. Benjamin; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3724. By the SPEAKER: Petition of Allied Patriotic Societies of America, Philadelphia, Pa., favoring the enforcement of the existing immigration laws and the passage of additional restrictive legislation; to the Committee on Immigration and Naturalization.

3725. By Mr. BROOKS of Pennsylvania: Petition for increased compensation of superintendents of national cemeteries; to the Committee on Military Affairs.

3726. By Mr. CAREW: Petition of Missouri State Dental Association and the Kansas City (Mo.) Board of Trade, regarding the tax on certain articles; to the Committee on Ways and Means.

3727. By Mr. DALLINGER: Petition of Aero Club of Massachusetts, favoring a separate air service for the Army; to the Committee on Military Affairs.

3728. By Mr. GALLIVAN: Sundry letters and telegrams from citizens of the State of Massachusetts, opposing the proposed tax on advertising; to the Committee on Ways and Means.

3729. Also, sundry letters and telegrams from citizens of the State of Massachusetts, favoring the passage of the Mason bill; to the Committee on Foreign Affairs.

3730. Also, sundry letters and telegrams from citizens of the State of Massachusetts, favoring an increase in salaries for postal employees; to the Committee on the Post Office and Post Roads.

3731. Also, petition of sundry citizens of the State of Massachusetts, favoring the bonus for ex-service men and women; to the Committee on Ways and Means.

3732. Also, petition of C. D. Irwin, of Brookline, Mass., favoring the passage of House bill 12446 and opposing the recognition of the Irish Republic; to the Committee on Foreign Affairs.

3733. By Mr. GOLDFOGLE: Petition of the Workmen's Circle, East New York Branch 295, and the Mattress and Box Spring Makers' Union, Local 47, of New York, favoring amnesty for political prisoners; to the Committee on the Judiciary.

3734. Also, petition of superintendent of public works of the State of New York, protesting against continued Government activities on the barge canal; to the Committee on Interstate and Foreign Commerce.

3735. Also, petition of Real Estate Board of New York, protesting against the proposed tax on real-estate transactions in connection with the bonus bill; to the Committee on Ways and Means.

3736. By Mr. KELLEY of Michigan: Resolution of the Exchange Club of Detroit, Mich., favoring a modification of the seaman's act in so far as it relates to the Great Lakes; to the Committee on Interstate and Foreign Commerce.

3737. By Mr. KENNEDY of Rhode Island: Petition of members of Woonsocket Day Nursery and Children's Home of Woonsocket, R. I., favoring passage of House bill 10925; to the Committee on Interstate and Foreign Commerce.

3738. By Mr. LEA of California: Petition of Chico Ad Club, Chico, Calif., recommending a just increase in the salary of postal employees; to the Committee on the Post Office and Post Roads.

3739. By Mr. LINTHICUM: Petition of Arthur E. Hungerford, Baltimore, Md., in relation to House bill 13334; to the Committee on the Merchant Marine and Fisheries.

3740. Also, petition of George J. Streckfus, jr., Baltimore, Md., in relation to Senate bill 4089; to the Committee on Interstate and Foreign Commerce.

3741. Also, petition of M. D. Swartz, Allied Printing Trades Council, M. S. Curry, John G. McCoy, Rabbi William Rosenau, Baltimore Highlands Importers' Association, and K. Cooper, all of Baltimore, Md., in relation to postal increase; to the Committee on the Post Office and Post Roads.

3742. By Mr. LONERGAN: Petition of North Bloomfield, Conn., Milk Producers' Association, favoring the passage of the Tilson bill for the Federal regulation of shipping milk; to the Committee on Interstate and Foreign Commerce.

3743. By Mr. O'CONNELL: Petition of C. Kenyon Co., of New York, opposing the passage of House bill 12976; to the Committee on Ways and Means.

3744. Also, petition of the Workman's Circle, East New York Branch 295, favoring amnesty for political prisoners; to the Committee on the Judiciary.

3745. Also, petition of J. L. McCormack and John J. Carter in connection with tax on stock transactions; to the Committee on Ways and Means.

3746. Also, petition of twentieth assembly district, Regular Republican Club (Inc.), and Flatbush Chamber of Commerce (Inc.), both of New York, favoring increased salaries for postal employees; to the Committee on the Post Office and Post Roads.

3747. By Mr. RAKER: Petition of J. McCander, secretary in behalf of members of Division 425, Brotherhood of Locomotive Engineers, protesting against Army reorganization bill as now in conference; to the Committee on Military Affairs.

3748. By Mr. TAGUE: Petition of the Barrett Co., of Boston, Mass., opposing the passage of Senate bill 3223; to the Committee on Patents.

3749. Also, petition of the American Thread Co., of Fall River, Mass., and Samuel I. Cohen, of Boston, Mass., favoring higher pay for postal employees; to the Committee on the Post Office and Post Roads.

SENATE.

THURSDAY, *May 20, 1920.*

(Legislative day of Wednesday, May 19, 1920.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

Mr. JONES of Washington. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. STERLING). The Secretary will call the roll.

The Reading Clerk called the roll, and the following Senators answered to their names:

Ball	Gay	McCormick	Sheppard
Brandegee	Henderson	McCumber	Smoot
Calder	Jones, Wash.	McNary	Sterling
Chamberlain	Kellogg	Nelson	Thomas
Comer	Kendrick	New	Trammell
Curtis	King	Norris	Underwood
Dillingham	Knox	Page	Warren
Fall	Lenroot	Reed	Watson
Fernald	Lodge	Robinson	Williams

Mr. KING. The senior Senator from Virginia [Mr. SWANSON] and the junior Senator from Virginia [Mr. GLASS] are necessarily detained from the Senate.

The Senator from Kentucky [Mr. BECKHAM], the Senator from Georgia [Mr. HARRIS], the Senator from California [Mr. PHELAN], and the Senator from North Carolina [Mr. SIMMONS] are absent on official business.

Mr. CURTIS. I wish to announce that the Senator from Maine [Mr. HALE] and the Senator from New Hampshire [Mr. KEYES] are absent on official business.

The PRESIDING OFFICER. Thirty-six Senators have answered to their names. There is not a quorum present. The Secretary will call the roll of absentees.

The Reading Clerk called the names of the absent Senators, and Mr. HARRISON, Mr. MCKELLAR, Mr. NUGENT, Mr. STANLEY, and Mr. WADSWORTH answered to their names when called.

Mr. GRONNA and Mr. DIAL entered the Chamber and answered to their names.

Mr. GRONNA. I desire to announce the absence of the senior Senator from Wisconsin [Mr. LA FOLLETTE], due to illness. I ask that this announcement may stand for the day.

Mr. DIAL. I announce the absence of my colleague [Mr. SMITH of South Carolina] on official business. I ask that this notice may stand for the day.

Mr. SPENCER, Mr. WALSH of Montana, and Mr. CAPPER entered the Chamber and answered to their names.

Mr. CAPPER. I announce the absence of the Senator from Massachusetts [Mr. WALSH] and the Senator from Connecticut [Mr. MCLEAN] on official business.

Mr. FRANCE, Mr. CULBERSON, Mr. KENYON, Mr. HARRIS, Mr. OVERMAN, Mr. RANSDELL, and Mr. SMITH of Arizona entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty-three Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House disagrees to the amendments of the Senate to the bill (H. R. 11892) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and has appointed Mr. KENNEDY of Iowa, Mr. DEMPSEY, and Mr. GALLAGHER managers at the conference on the part of the House.

The message also announced that the House insists upon its disagreement to the amendments of the Senate to the bill (H. R. 12775) to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, asks a further conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. KAHN, Mr. ANTHONY, Mr. MCKENZIE, Mr. DENT, and Mr. FIELDS managers at the further conference on the part of the House.

The message further announced that the House agrees to the amendment of the Senate to the bill (H. R. 5163) authorizing certain tribes of Indians to submit claims to the Court of Claims, and for other purposes.

The message also announced that the House agrees to the amendments of the Senate to the bill (H. R. 10072) to provide for the punishment of officers of United States courts wrongfully converting moneys coming into their possession, and for other purposes.

The message further announced that the House agrees to the amendment of the Senate to the bill (H. R. 7629) to amend the penal laws of the United States.

The message also announced that the House agrees to the amendments of the Senate to the bill (H. R. 12044) to accept the cession by the State of California of exclusive jurisdiction over the lands embraced within the Yosemite National Park, Sequoia National Park, and General Grant National Park, respectively, and for other purposes.

The message further announced that the House agrees to the amendments of the Senate to the joint resolution (H. J. Res. 354) authorizing the Secretary of War to loan to Paul E. Slocumb Post, No. 85, Grand Army of the Republic, Bloomington, Ind., necessary tents, cots, and blankets for use at the State encampment to be held at said city May 25, 26, and 27, 1920.

The message also announced that the Speaker of the House had signed the enrolled joint resolution (H. J. Res. 354) authorizing the Secretary of War to loan to Paul E. Slocumb Post, No. 85, Grand Army of the Republic, Bloomington, Ind., necessary tents and cots for use at the State encampment to be held at said city May 25, 26, and 27, 1920, and it was thereupon signed by the Presiding Officer.

PETITIONS AND MEMORIALS.

Mr. CAPPER presented a petition of sundry inmates of the National Military Home, Kans., praying for the enactment of legislation granting pensions to survivors of Indian wars, which was ordered to lie on the table.

Mr. TOWNSEND presented memorials of the Albanian societies of Detroit, Mich., remonstrating against the enactment of legislation awarding to Greece the two southern Albanian Provinces of Koritza and Argyrocastro, which Provinces have been misnamed "Northern Epirus," and praying that the representatives of Albania be granted a hearing, which were ordered to lie on the table.

LANDS IN ALASKA.

Mr. MCNARY, from the Committee on Public Lands, to which was referred the bill (S. 2791) to provide for the leasing of lands in Alaska for stock breeding and other purposes, reported it with amendments and submitted a report (No. 612) thereon.

CAMPAIGN EXPENDITURES.

Mr. CALDER. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably with amendments Senate resolution 357, to which I call the attention of the Senator from Idaho [Mr. BORAH].

Mr. BORAH. I ask unanimous consent for the immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The amendments were, on page 1, line 13, before the words "remedial legislation," to insert "any necessary"; and on line 14 to strike out the words "relative to this growing evil."

The amendments were agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution as amended.

Mr. KING. I ask that the resolution as amended may be read.

The Assistant Secretary read the resolution as amended, as follows:

Resolved, That the Committee on Privileges and Elections, or any subcommittee thereof, is instructed to investigate forthwith and report to the Senate as soon as possible the campaign expenditures of the various presidential candidates in both parties, the names of the persons, firms, or corporations subscribing, the amount contributed, the method of expenditure of said sums, and all facts in relation thereto, not only as to the subscriptions of money and expenditures thereof, but as to the use of any other means or influence, including the promise or use of patronage and the providing of funds for setting up contesting delegations, and all other facts in relation thereto that would not only be of public interest but would aid the Congress in any necessary remedial legislation.

That said Committee on Privileges and Elections, or any subcommittee thereof, is hereby empowered to sit and act at such time and place as it may deem necessary; to require by subpœna, or otherwise, the attendance of witnesses, the production of books, papers, and documents; to employ stenographers at a cost of not exceeding $1 per printed page. The chairman of the committee or subcommittee, or any member thereof, may administer oaths to witnesses. Subpœnas for witnesses shall be issued under the signature of the chairman of the committee or subcommittee thereof. Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States.

The expense thereof shall be paid from the contingent fund of the Senate on vouchers ordered by said committee, signed by the chairman thereof and approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. KING. Mr. President, just a word before the action is taken. The Federal Government has heretofore determined that it would enter the States and control to a greater or less degree the election machinery therein. A number of years ago the Force bill was a specter which haunted the States and threatened to place the control of their elections under Federal authority. A Federal marshal or Federal soldier at the polls was promised by that proposed legislation.

The States are regarded with so little importance by many people that they would deny them the power and the right to enact their own election laws and to control their own elections. Under the guise of protecting the purity of elections where the elections of Senators and Representatives are involved, statutes have been passed by Congress and the threat is made to extend the authority of the United States beyond present limitations. No doubt there have been some abuses in the States in connection with election matters and doubtless at times frauds have been perpetrated, but in my opinion the people can better control their local affairs, including elections, than can any Government functioning at Washington. The building up of a huge Federal electoral machine or some stupendous organization to control the votes of the people will not accomplish what is so vehemently claimed by many.

It is possible some candidates for the Presidency have expended large sums in their preconvention campaigns, but it is my opinion that the electors within the States will visit their displeasure upon those who have offended and public opinion will punish any who may be guilty. The people of the States are ready and willing to enact needed legislation to meet evils as they arise. We are too prone to fly to the Federal Government to cure some wrong which but recently has been brought to the attention of the people. We know that the States are constantly enacting statutes to correct evils. Public conscience quickly responds to rational and proper demands. The ethical and moral standard of the American people is high and they will not tolerate abuses which can be corrected by legislation. I shall not oppose this resolution, but I take this opportunity to express the thought that it is in line with the centralizing and consolidating tendencies of the hour and will be regarded as a precedent for further infringement upon the rights of the States.

The PRESIDING OFFICER. The question is on agreeing to the resolution as amended.

The resolution as amended was agreed to.

BILLS AND JOINT RESOLUTIONS INTRODUCED.

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ROBINSON:

A bill (S. 4414) granting a pension to Georgia E. McKimmey; to the Committee on Pensions.

By Mr. CALDER:

A bill (S. 4416) to amend paragraph 1, section 3, of an act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3, 1913; to the Committee on Finance.

A bill (S. 4417) for the relief of the P. L. Andrews Corporation; to the Committee on Claims.

A bill (S. 4418) granting a pension to Walter B. Chase; to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 4419) providing for the extension of time for the reclamation of certain lands in the State of Oregon under the Carey Act; to the Committee on Public Lands.

A bill (S. 4420) to prohibit the exportation of sugar, and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 4421) securing rights of way and easements over public land in connection with Federal irrigation projects; to the Committee on Irrigation and Reclamation of Arid Lands.

A bill (S. 4422) granting an increase of pension to Durbin L. Badley; to the Committee on Pensions.

By Mr. McKELLAR:

A bill (S. 4423) granting a pension to Ruben B. Hyder (with accompanying papers); to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 4424) to prevent the devastation of forest lands, to perpetuate the forest resources of the United States, to avert the destruction of the lumber and wood using industries, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. FERNALD:

A joint resolution (S. J. Res. 200) to grant authority to continue the use of the temporary buildings of the American Red Cross headquarters in the city of Washington, D. C.; to the Committee on Public Buildings and Grounds.

By Mr. OWEN:

A joint resolution (S. J. Res. 201) looking to the granting of amnesty and pardon to certain persons now serving sentences or who are confined in Federal prisons; to the Committee on the Judiciary.

By Mr. HARRIS:

A joint resolution (S. J. Res. 202) providing for the manufacture and sale at cost of fertilizer for agricultural purposes; to the Committee on Military Affairs.

VALUE OF COTTON CONTRACTS.

Mr. COMER. Mr. President, I introduce a bill to amend subdivision 3 of section 5 of the United States cotton-futures act approved August 11, 1916. I ask that it be read and referred to the Committee on Agriculture and Forestry.

The bill (S. 4415) to amend subdivision 3 of section 5 of the United States cotton-futures act approved August 11, 1916, was read the first time by its title, the second time at length, and referred to the Committee on Agriculture and Forestry, as follows:

Be it enacted, etc., That subdivision 3 of section 5 of the United States cotton-futures act, approved August 11, 1916, be amended by adding at the end thereof the following:

"*Provided*, That in the case of contracts made 30 days after the enactment of this amendatory act, in which the parties have not specified the basis grade, at least one-half of each lot of cotton tendered for delivery under such contract shall be of standard grade of middling or above and each hundred-bale lot tendered for delivery under such contract shall consist of not more than four different standard grades and not less than 25 bales of each such grade."

Mr. COMER. Mr. President, in offering the bill to amend the cotton-futures act making the delivery of a contract of 100 bales to be at least one-half middling and above and to require not less than 25 bales of each grade of cotton tendered to fill a contract, this amendment is intended to help the Smith-Lever bill of August 11, 1916, and the Smith-Lever amendment of March 4, 1919, to accomplish their purpose, namely, the stabilizing of the values of futures contract cotton basis middling on the value of spot cotton basis middling.

The benefits from this stabilization would be realized by every regular business in cotton, commencing at the producer, dealer, banker, manufacturer, consumer. Not only this amendment but all the laws on futures contracts are intended to correct the factitious movements in cotton prices prevailing on the exchanges. These oscillating prices are accomplished by assembling the tenderable grades in such arrangement as will least suit the buyer, and at differences factitious, slow, and uncertain of adjustment and productive of an unreliable market, all this making of the exchange market a gambling condition akin to that maintained by the Prince of Monaco. Cotton involving billions of dollars, associated with the direct interest and use of millions of people, deserves a better fate than to have its value shuttlecocked around.

The power within the law to destroy or even to divert temporarily the usufruct of the law of supply and demand is injurious to every legitimate business. This includes cotton handling, and any claim that such handling is beneficial to any cotton interest is without foundation and should by law be made impossible. This has been discussed on March 25 and 30, on April 1, 3, 17, 29, and 30, on May 8 and 12. I wish to call attention particularly to the discussion had on April 17 and May 12.

I have received resolutions adopted by the Alabama Bankers' Association, in convention assembled at Mobile, and also a communication from the president of the Pierce County Farmers' Union of Georgia, which I ask to have read.

The PRESIDING OFFICER. The Secretary will read as requested.

The Reading Clerk read as follows:

Resolution.

"Whereas a measure now pending in the United States Congress as an amendment to the Agricultural appropriation bill introduced by Senator B. B. COMER, of Alabama, provides that all deliveries of cotton on the exchanges shall contain 50 per cent of middling cotton or better and the balance, at the option of the seller, shall be of grades tenderable; and

"Whereas the banking interests of Alabama are largely dependent on the production and marketing of cotton affected by this legislation; and

"Whereas it is the judgment of the Alabama Bankers' Association, in convention assembled, that the adoption of this measure will cause exchange quotations to more nearly reflect the actual prices of cotton in the markets as governed by supply and demand: Be it

"*Resolved by the Alabama Bankers' Association*, That we hereby indorse the Comer amendment to Agricultural appropriation bill and urge the Alabama Members of Congress to aid in the passage of same as of benefit both to the producer and the consumer; be it further

"*Resolved*, That the secretary of this association be instructed to send a copy of these resolutions to each Member of Congress from Alabama."

—

BLACKSHEAR, GA., *May 17, 1920.*

Senator B. B. COMER.
Washington, D. C.

DEAR MR. COMER: As president of the Farmers' Union of Pierce County, Ga., I am writing you to inform you that the Farmers' Union of this county heartily indorses your cotton-exchange amendment, and we as a county union urge that you do all in your power to get this amendment through, as we believe it will be of great benefit to the mass of farmers.

Yours, very truly,

H. G. BOWEN,
President Pierce County Farmers' Union.

HIGH COST OF LIVING.

Mr. OWEN submitted the following resolution (S. Res. 369), which was referred to the Committee on Finance:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to furnish the Senate with the following information:

First. Any and all facts, figures, data, or information now in possession of the Treasury Department relative to profiteering which would in any way enable Congress to deal with the matter either through the present proposed revenue legislation or through enactment of more effective criminal statutes. That such report shall contain a list of all corporations with the amount of their earnings which have earned in excess of 15 per cent on their capital stock, as shown by their returns to the Internal Revenue Bureau for the calendar year 1919, accompanied by such statement as will show net earnings of the same corporation for the calendar year 1918.

Second. The figures showing the amount of money which the Government has raised up to this time since the beginning of the war by taxation and the amount which it has raised by loans.

GOVERNMENT OF MEXICO.

Mr. KING submitted the following resolution (S. Res. 370), which was referred to the Committee on Foreign Relations:

Whereas the people of Mexico have repudiated the government which for many years, and particularly during the German war, in disregard of the true interests and welfare of Mexico, pursued a policy which was incompatible with the national honor of Mexico, which made of Mexico a rock of offense in her international relations, and which was designed to thwart the unity of the States within the Pan American Union; and

Whereas the political integrity of Mexico and the liberty and welfare of the Mexican people can only be realized and maintained by a recognition of, and adherence to, those principles of public order, peace, justice, law, and morality which are acknowledged and enforced by all civilized and enlightened States: Therefore

Resolved, That the Senate express the hope that the people of Mexico will institute a new government which will bring internal peace, stimulate industry, secure the liberties and rights of the people, and promote the welfare of the country by a wise, just, and consistent policy; which will acknowledge and discharge the duties of Mexico under international law and the comity of nations, particularly for the protection of the lives, liberties, and rights of the nationals of other States within Mexico; which will open the way for cordial and amicable relations and commerce with the United States, and provide for the settlement of outstanding questions between the United States and Mexico.

MEAT-PACKING INDUSTRY.

Mr. KENDRICK. Mr. President, I wish to give notice that to-morrow morning, at the close of the morning business, I shall address the Senate on the pending live-stock legislation.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had on this day approved and signed the following acts:

S. 795. An act to provide for the disposition of public lands withdrawn and improved under the provisions of the reclamation laws, and which are no longer needed in connection with said laws; and

S. 2792. An act to enlarge the boundaries of the Oregon National Forest.

ODONTOLOGIC LATIN-AMERICAN CONGRESS (S. DOC. NO. 274).

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed:

To the Senate and House of Representatives:

In view of the provision contained in the deficiency act approved March 4, 1913, that "hereafter the Executive shall not extend or accept any invitation to participate in any international congress, conference, or like event without first having specific authority of law to do so," I transmit herewith for the consideration of the Congress and for its determination whether it will authorize the acceptance of the invitation and appropriate the necessary funds to defray the expenses incident thereto, a report from the Secretary of State with reference to an invitation of the Uruguayan Government to participate in the First Odontologic Latin-American Congress to be held at Montevideo September 18 to 23, 1920, the purpose of which is to study the various questions connected with the practice and science of dentistry, to procure a better knowledge of the scientific, cultural, and artistic matters relating to odontology, to promote the diffusion of mouth hygiene among all classes, and to create, maintain, and fasten the ties of international fraternity.

WOODROW WILSON.

THE WHITE HOUSE,
20 May, 1920.

FEDERAL-CONTROL ACT (S. DOC. NO. 275).

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with accompanying papers, was referred to the Committee on Interstate Commerce and ordered to be printed:

To the Senate and House of Representatives:

In accordance with the requirements of the provisions of section 7 of the Federal-control act, approved March 21, 1918, I transmit herewith for the information of the Congress a detailed report of the receipts and expenditures made under sections 6 and 7 of said Federal-control act for the calendar years ended December 31, 1918, and December 31, 1919.

WOODROW WILSON.

THE WHITE HOUSE,
20 May, 1920.

REMAINING BUSINESS OF THE SESSION.

Mr. McCUMBER. Mr. President, yesterday afternoon when the shipping bill was under consideration and the Senator from Iowa [Mr. KENYON] was discussing the high cost of living on the shipping bill, he gave expression to this view:

I wish, however, to say in passing that I do not subscribe to the program of the steering committee. I do not recognize the right of any small assembly of men on either side of the Chamber, after bills have been reported from committees to the Senate, following full discussion and consideration, to say that such bills shall not be considered by the Senate except as they may say; and I serve notice—

And so forth.

The Senator from California [Mr. JOHNSON], responding to the same sentiment, said:

I realize, as the Senator does, that the endeavor may be in vain, just as he says the effort may be in vain in respect to the particular bill in which he is interested and in which all the country is interested as well; but I will make the motion, and I will ascertain exactly whether or not a bill of the character to which I have referred can come up before the Senate or whether it is to be relegated to the obscurity to which it has been condemned by the steering committee.

Mr. President, I think it quite proper at this time to call attention to the functions and the duties of the committee on order of business, not only that individual Senators may understand what that committee's work is but also that the country may understand that its function is to facilitate the enactment into legislation of all bills reported which receive a majority vote of the Senate and never to obstruct or delay the consideration of any bill whatsoever.

During the early days of a session there is no necessity whatever for a committee on order of business; any bill which

has been reported from a committee can generally be brought up and immediate consideration secured for it; but toward the close of every session, and especially of short sessions and those sessions when we are looking for an adjournment or recess at some future day, the calendar is likely to become congested and Senators become desirous of knowing just when and the order in which they can bring up for consideration the bills in which they are interested. One of the purposes of the committee on order of business, which is generally called the steering committee, is to assist in securing at the earliest possible period consideration of all bills which have been reported from the committees of the Senate. More important, however, than that, their duty is to see to it that all appropriation bills shall be passed before the first day of the ensuing July.

There are a number of appropriation bills yet upon the calendar; there are a number now in conference. It has been hoped that we could adjourn this session about the 4th or 5th of June. The steering committee had not done very much at this session until it became apparent that it was desired to adjourn at a certain date, when it became especially essential that we should secure the enactment of the appropriation bills which are necessary for the support of the Government during the ensuing year.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Iowa?

Mr. McCUMBER. I yield.

Mr. KENYON. I should like to ask the Senator from North Dakota if the work that should be done in the public interest is not completed, what reason is there for adjournment?

Mr. McCUMBER. Mr. President, I think there is good reason to act on all the bills that are reported as soon as we can; and if we can get through before the Republican convention and the Democratic convention, which may take much of the time from June 5 until July, we had better do so, even though we take only a recess and come back, but we should in the meantime have the appropriation bills disposed of.

Mr. KENYON. The Senator from North Dakota is discussing the work of the steering committee. I should like to ask the Senator what program of business the steering committee has actually arranged for the remainder of the session, and whether a bill such as I referred to yesterday, which is known as the packer bill, is likely to have any consideration either now or at any future time at the hands of the steering committee?

Mr. McCUMBER. Mr. President, that bill has been before the committee, as have a number of other bills. The only arrangement that the steering committee can make, as a rule, is in reference to the order in which bills shall be considered, and especially in reference to the appropriation bills. Some appropriation bills are now ready; some are not ready. There may be three or four upon the calendar at the same time, and Senators desire to know when they can have such bills taken up. For instance, the shipping bill is now the unfinished business, and every Senator must assume, now that that bill is the unfinished business, that it will be disposed of.

Mr. KENYON. Yes; but the shipping bill was reported, as I understand, on the 4th of May. How does it happen that the shipping bill has been brought up so quickly, while other bills have not been?

Mr. McCUMBER. That is because the Senator in charge of the shipping bill was alert and upon the job and moved to take it up.

Mr. KENYON. That was the reason for it being taken up?

Mr. McCUMBER. That was the reason.

Mr. KENYON. Did the steering committee have anything to do with it?

Mr. McCUMBER. The steering committee had nothing to do as to fixing the order in which that bill should come up.

Mr. KENYON. Did not the steering committee assign that bill a place?

Mr. McCUMBER. No; the steering committee did not assign it a place. The Senator from Washington gave notice that he would bring it up, and the steering committee made no objection to his bringing it up at the time when he said he would bring it up.

Mr. KENYON. The Senator from North Dakota, then, says that the steering committee had nothing to do with giving the shipping bill any preference or any place?

Mr. McCUMBER. The steering committee had nothing to do with giving the shipping bill the right of way over other bills in any order whatever. We had not considered the order in which bills should be taken up until there seemed to be a conflict between the Senators themselves as to when they should move to take them up.

However, I was about to explain to the Senator from Iowa that we now have under consideration the shipping bill, which is the unfinished business. Then, there is the Army appropriation bill, which should be taken up; there is the pension appropriation bill; the sundry civil appropriation bill, and the legislative appropriation bill. Some of the appropriation bills are still in conference, and those bills, of course, have not been finally passed.

Mr. KENYON. The legislative bill has been passed.

Mr. McCUMBER. The legislative bill was vetoed and must necessarily go back to the President after it has been passed again by the two Houses of Congress.

Mr. KENYON. That bill was passed on yesterday, I think.

Mr. SMOOT. It was passed on yesterday.

Mr. McCUMBER. It had not passed at the time we had the meeting of the steering committee.

Mr. KENYON. Now, as I understand, it is arranged that the bills are to come up in the order named by the Senator?

Mr. McCUMBER. Not necessarily; but we hope they will come up in the order I have indicated.

I was going to explain to the Senator that we ought to get the appropriation bills through, whether we do any other business or not. We have got to pay the bills of the Government. I was here yesterday and the day before yesterday, expecting to get up the pension appropriation bill. I was waiting until the Senator from Washington should get through with the shipping bill. I found that the Senator from New York [Mr. WADSWORTH] was also waiting at the same time to move to take up the Army appropriation bill. I desired also to take up the special omnibus pension bill, many of the pension bills which it embraces having been on the calendar since last September and waiting until we disposed of the Fuller bill. The idea was to take only certain of the bills which had been favorably reported, combine them in a special omnibus bill, and ask the consideration of the Senate for that bill. I was waiting to get that bill through. Other Senators were waiting to move the consideration of bills in which they were interested.

The Senator from Iowa wrote a letter to the steering committee requesting the consideration of two bills. I think there is no question that one of them would be considered undoubtedly right away, and I think the Senator was notified to that effect. I did not notify him, but I understood that he had information that we would take up his bill, known as the women's bill, as soon as we could get through with the appropriation bills.

Mr. KENYON. Mr. President——

Mr. McCUMBER. Now, let me explain so that we will understand just what we are attempting to do.

Mr. KENYON. I think we would like to have that done.

Mr. McCUMBER. We want to get through all of the bills that we possibly can in a given time. If we adjourn or take a recess, I hope we will be able to dispose of every bill upon the calendar; but I want the Senator to remember one thing, and that is that the purpose of the steering committee is only to facilitate the consideration of bills and never to delay the consideration of any bill. The moment a bill is reported to the Senate it has a right to be heard by the Senate and voted upon. The steering committee does not consider the merits of a bill, only to the extent that when we are nearing the end of a session it must recommend that the appropriation bills have the right of way in order that they all may be passed before the 1st of July.

There is the Spanish War pension bill, which I hope will be brought up; there is the omnibus pension bill, which I have been trying to get up for some time, but which I deferred so that we might first dispose of the appropriation bills.

It has been also hoped, Mr. President, and suggested to Senators that ordinarily we occupy the time after 2 o'clock in the discussion and consideration of the appropriation bills; that we should try, without respect to the order in which they might be considered, to bring up other bills during the morning hour after the close of the routine morning business. We believe that such a course will facilitate the passage of the bills and clear up the calendar in the shortest possible time.

Mr. NORRIS. May I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Nebraska?

Mr. McCUMBER. I yield.

Mr. NORRIS. I wish to say to the Senator that I am in entire sympathy with him in regard to the appropriation bills. I believe that we really ought to have a rule that would give them the right of way as a matter of right; but we have been considering for quite a number of days the shipping bill, which is not an appropriation bill, when a number of appropriation bills and conference reports are waiting to be taken up. It seems to me that situation ought to be rectified.

Mr. McCUMBER. The reason that that bill has the right of way to-day is because the Senator from Washington moved its consideration and because evidently a majority of the Senators thought it was of sufficient importance to justify its consideration at this time, and it was believed that it would not seriously interfere with the appropriation bills.

Mr. NORRIS. Has it not already been demonstrated that it has seriously interfered with the appropriation bills?

Mr. McCUMBER. Yes; it has.

Mr. NORRIS. It seems to me, if we are going to rely on a program, which I think is reasonable, that appropriation bills shall have the right of way, we should call up one now and lay the unfinished business aside until the appropriation bills are disposed of.

Mr. McCUMBER. I will tell the Senator a better way, and that is to confine our arguments to the bill under consideration. The very Senator who arraigns the steering committee spent two hours yesterday in discussing a matter that had not the slightest relation to the shipping bill. It was a proper question to discuss; his speech was a splendid presentation of matters that ought to be known to the American people; we can not complain of that; but it was not germane to the subject, and I dare say that less than one-third of the time that the shipping bill has been before the Senate has been devoted to the consideration of that bill. The Senator from Washington has had to sit here hour after hour and day after day waiting for some Senator to get through with some argument upon the League of Nations, a subject which has passed out of existence some time ago so far as the Senate is concerned, or upon some other subject about which he thinks it important that the American people should be informed. I say that if we had put such matters aside for a little while and considered only the business before the Senate we would have disposed of the shipping bill a week or two ago.

Mr. NORRIS. Mr. President, what the Senator says is true; and yet he recognizes, and the steering committee ought to recognize, that under the rules of the Senate the very practice of which he is complaining is perfectly legitimate. The question of changing the rules of the Senate may be involved; but the steering committee, it seems to me, ought to recognize what the rules are. If they are not right, then let us change them; but we have them as now formulated, and if we want to consider appropriation bills first, then, it seems to me, when there is an appropriation bill ready we ought to consider it.

Mr. McCUMBER. Mr. President, whether the rule is right or wrong raises a great many questions. It is rather difficult to determine at all times what remarks are pertinent to a particular question under discussion. On the whole, I think it is safer to leave it to the good faith and judgment of the individual Senators whether or not they will confine their remarks to the particular subject under consideration.

But, Mr. President, I want to say that I think it comes with ill grace from Senators who have been touring the country for six months and who have not been in the Senate one day in twenty during the last six months to criticize the steering committee because of its efforts to get Senators together and consider and agree what they would take up first and dispose of, to the end that we may get through at least with the appropriation bills.

Mr. KENYON. I do not know whether the Senator is referring to me or not.

Mr. McCUMBER. I am not.

Mr. KENYON. I have been in the Senate fully as much as the Senator from North Dakota.

Mr. McCUMBER. There are other Senators who criticized the committee yesterday. I have read already the criticism of the Senator from California [Mr. JOHNSON]; and I am not criticizing the Senator if he believes that the interests of the country demand his nomination as candidate for President on the Republican ticket, and is therefore absent from the Senate during the six months that he is campaigning for that important office. What I complain of is that he comes back after the end of six months, and then criticizes those who have stayed here and been at their work day after day, attempting to get through with the Senate's business, because some bill in which he may have an interest has not been brought up and passed before this time.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Iowa?

Mr. McCUMBER. I yield.

Mr. KENYON. The bill to which the Senator from California referred is a bill known as the Nolan-Johnson minimum-wage bill. That was reported from the Committee on Education and Labor a long time ago. I think the Senator from California did not feel himself charged with getting the bill up on the floor. The chairman of the Committee on Education and Labor tried to do that a number of times and requested members of the steering committee to give it a place on the program. The Senator from California, as I understand, was not criticizing the steering committee for failure in its work, but he was criticizing them for what he believes is an untimely burial of that bill.

Mr. LODGE. Mr. President, if the Senator will allow me a moment——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Massachusetts?

Mr. McCUMBER. I yield.

Mr. LODGE. The minimum-wage bill, within my knowledge, has never been mentioned to the steering committee.

Mr. KENYON. The Senator said that yesterday. I say it has. I mentioned it myself to members of the committee.

Mr. LODGE. The Senator may know what has transpired better than I do.

Mr. KENYON. I know what I said.

Mr. LODGE. I only know what occurred at the meetings when I was present.

Mr. KENYON. I know what I said to members of the committee better than the Senator from Massachusetts knows what I said. It was not presented to the committee personally, but it was presented, by letter of May 6, to the chairman of the committee. Here is the letter. Now, why does the Senator say it has not been mentioned?

Mr. LODGE. Because it has not been mentioned in the committee in my presence. That is why I say it.

Mr. KENYON. The Senator may not have been present at all times.

Mr. LODGE. I have not been present at all times.

Mr. McCUMBER. Well, one thing is certain—it has not been considered by the committee.

Mr. KENYON. No; that is what the Senator from California is complaining of.

Mr. McCUMBER. Suppose that it has not. There are perhaps 100 bills on the calendar that have been reported that have not been considered by that committee at all.

Mr. NELSON. Mr. President, may I ask the Senator a question for information?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Minnesota?

Mr. McCUMBER. Certainly.

Mr. NELSON. After a bill has been reported from a committee and placed on the calendar, can not any Senator who is interested in it, after the morning business is closed and before the time set for any business that is on the calendar to be laid before the Senate, make a motion to take it up?

Mr. McCUMBER. Why, certainly, if he is in the Senate; but, of course, he can not do so if he is out over the country.

Mr. NELSON. Could not the Senator from Iowa have made a motion at any time during almost any morning hour to take up his bill if he had had enough votes to take it up?

Mr. McCUMBER. Any Senator can move to take up any bill at any time. The only purpose of the steering committee is, as I have tried to make clear, when we get in a congested state, and we have appropriation bills undisposed of, to see that they get through within the proper time; and when we hurry them along we are opening the gate wider for the consideration of any other bill that is before the Senate.

Mr. KENYON. The packer bill, as stated several times by the Senator's colleague [Mr. GRONNA], could not have been taken up and disposed of during the morning hour.

Mr. McCUMBER. It could if there were enough votes to take it up.

Mr. KENYON. But, I say, it could not have been disposed of. It was a bill which it was known would bring about a great deal of discussion, and the object was to bring it up when it could be made the unfinished business. The motion could have been made, but it is well understood—there is not any use of camouflaging about that—that the bill that gets the right of way from the steering committee is the bill that will be taken up. That is why we have asked that that be done. We proceeded with the usual course of asking the steering committee to give that bill a place. If that is not effective, we will try some other method.

Mr. McCUMBER. I may have asked the steering committee to give a place to my pension bill. They have not given a place to it. I have just as much right to ask it as any other Senator. Their attention is given to other bills. I can bring that up,

if I have enough votes to bring it up, at any time. The Senator can do the same with any bill that he has before the Senate.

Mr. KENYON. All I say is that we deferred to the well-recognized custom here, as I have understood, of going to the steering committee. That is all we did, and we met this result. Now, of course, we can move to take it up—we know that—and we will move to take it up at every opportunity.

Mr. McCUMBER. The Senator says—

Whether it is to be relegated to the obscurity to which it has been condemned by the steering committee.

The steering committee condemns no bill to obscurity.

Mr. KENYON. I did not say that.

Mr. McCUMBER. I say, this was one of the Senators speaking on this subject yesterday—the Senator from California [Mr. JOHNSON]. The steering committee condemns no bill to obscurity. It recognizes the right of the Senate to pass judgment on every bill that has been reported favorably from a committee, but it ought to assist Senators in having an agreement as between themselves on the order in which the appropriation bills and any conference reports connected with them may be considered. That is practically all that the committee on order of business has done in this case.

Mr. President, I do not wish to take up any more of the time of the Senate. I regret that the Senator from Iowa, whose bills, I think, have had as fair consideration as those of any other Senator in the Chamber, should see fit at this time to threaten to punish the Senate if he does not succeed in getting a majority to take up any bill which he may have, and to undertake to keep it here all summer.

Mr. KENYON. I have not threatened to punish the Senate. Where is there any threat to punish the Senate? I am insisting that the business of the Senate be done; that is all.

Mr. McCUMBER. Well, when I read the statements made by the Senator from Iowa yesterday, and the Senator from California yesterday, I can not see anything but a covert threat in their statements and in the suggestion of the Senator this morning, first, that he would move to take up the bill to which he refers, and, second, that he saw no reason why we should adjourn.

Mr. KENYON. Does the Senator object to our moving to take it up?

Mr. McCUMBER. Certainly I do not object.

Mr. KENYON. That is all I say. We will move to take it up, and keep on moving to take it up and trying to secure its consideration.

Mr. McCUMBER. I hope, however, that the Senator will not do that at the expense of getting through with the appropriation bills before June 5.

Mr. KENYON. The appropriation bills should be finished before the close of the fiscal year, of course; but I see no reason——

Mr. McCUMBER. I say, before June 5. I hope we will get through with them by that time.

Mr. KENYON. I hope we can get through with everything by June 5; but if there is business on the calendar that concerns the public that we can not get through by June 5, then I think we should come back and finish the calendar.

Mr. McCUMBER. Well, let us try to get it through by June 5, if it is possible to do so, and allow Congress to adjourn. Now, I appreciate the fact—referring again not to the Senator from Iowa but to another Senator who criticized the steering committee—that when a Senator has been away from the Senate for six months, and comes back at the end of the six months, when the others are tired out, he is rested and prepared to stay and fight another six months, and especially after the convention is over, when he will have plenty of time to concentrate his mind upon the business of the Senate; but I think he should give consideration to the feelings of those who have been here at work during his absence.

ARMY REORGANIZATION—CONFERENCE REPORT.

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives insisting upon its disagreement to the amendments of the Senate to the bill (H. R. 12775) to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, and requesting a further conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WADSWORTH. Mr. President, from the committee of conference representing the Senate I submit the report on House bill 12775, and I desire to make a statement in connection with it.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12775) to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, having met, after full and free conference have been unable to reach an agreement thereon.

JAMES W. WADSWORTH, Jr.,
GEORGE E. CHAMBERLAIN,
C. S. THOMAS,
Managers on the part of the Senate.
JULIUS KAHN,
D. R. ANTHONY, Jr.,
JOHN C. McKENZIE,
S. H. DENT, Jr.,
Managers on the part of the House.

Mr. WADSWORTH. Mr. President, in view of the report which I have just submitted in connection with the Army reorganization bill, I think it is my duty to inform the Senate of the situation.

Senators will remember the passage of the Army reorganization bill through the Senate and will remember some of its salient features. The conferees have been sitting something over four weeks. During that time, Mr. President, certain tentative agreements have been reached by the conferees, and I think I ought to state what they are.

The bill as passed by the House and the bill as passed by the Senate, in so far as they affect a reorganization of the Regular Army alone, are not diametrically opposed. There were several differences in the provisions, and the conferees set to work to compose those differences in the first instance before approaching a solution of some of the fundamentals which characterize the respective bills.

The conferees have reached a tentative agreement, for example, relating to the functions of the General Staff and the eligibility of officers for service upon the General Staff. The conferees have likewise reached a tentative agreement on the single list for promotion in the Regular Army. Also upon the classification and elimination of Regular Army officers in their respective grades. Also as to the term of enlistment for the enlisted men of the Regular Army and their pay in all the grades of the enlisted personnel. Also upon the method of filling vacancies in the commissioned personnel of the Regular Army; for example, those provisions of the legislation which provide that at least 50 per cent of the vacancies created by the act shall be filled by the appointment into the Regular Army of emergency officers who saw service during the recent war.

The medical service of the Army, including the Medical Corps, the Dental Corps, and the Veterinary Corps, and the Medical Administration Corps, has also been tentatively agreed upon.

The treatment of chaplains has been tentatively agreed upon, and other smaller matters have been agreed upon in the conference.

The question then arose, Mr. President, as to whether or not that feature of the Army bill as passed by the Senate which attempts to establish one Army for the United States, organized under the Army clause of the Constitution, should prevail or should be abandoned completely. After much discussion the Senate conferees finally agreed to permit the several States of the Union to decide for themselves whether the National Guard of those States should be organized under the Army clause of the Constitution or remain as they are to-day, organized under the militia clause. Specific provisions were offered by the Senate conferees making it perfectly plain that each State should exercise an option, that no degree of compulsion whatsoever should be attempted by the Federal Government or the Congress upon the right of the State to decide whether its National Guard should remain as it is to-day, with complete Federal aid and recognition under the militia clause of the Constitution, or should come in under the Army clause in accordance with the provisions laid down in the bill as passed by the Senate.

In addition to making that offer, Mr. President, the Senate conferees offered to take the national-defense act as the basis of the legislation, figuratively speaking to throw the Senate bill out of the window as a piece of legislation, give it up completely, and take the national-defense act, which was used by the House in drafting its bill, as the basis for the new legislation.

In addition to that, Mr. President, the Senate conferees offered to the House conferees to permit the House conferees to complete the reorganization of the Regular Army as they chose, and there are still several most important things to be decided in that regard, notably the organization of the Quartermaster Department, the question of a separate construction division, the question of a separate transportation division, the size of the Regular Army, the distribution of its personnel among the different branches and services. All these things the Senate conferees offered the House conferees to settle as they saw fit if the House conferees would consent to permit the States to exercise their untrammeled option on that matter of the organization of the National Guard under the Army clause or under the militia clause.

The House conferees, Mr. President, were not in a position to accept that by a majority vote of their committee. So the matter was reported as disagreed to, and it was presented to the House upon yesterday, upon which occasion the chairman of the House committee, Mr. KAHN, and Mr. MCKENZIE, another member of the House committee, attempted to persuade the House of Representatives to accept this compromise, a compromise, Mr. President, which I venture to assert, without fear of successful contradiction, means that the Senate conferees offered to surrender four-fifths of their contentions.

I omitted to state that in addition to the offer of the Senate which I have described, the Senate conferees offered to give up the provision for voluntary military training. That, too, was to be eliminated as a part of the compromise. And upon yesterday, greatly to the regret of the Senate conferees, who have worked so hard over this matter for 10 months, the House, by a vote of 2 to 1, declined to accept the compromise which I have outlined in this brief and somewhat sketchy manner.

Of course, Mr. President, it is not proper for me or any Senator to criticize the other body, and I shall not do so upon this occasion; that is far from my thought. Every man is entitled to his convictions; every man is entitled to vote in accordance with his convictions. But during all this long discussion, Mr. President, in and out of the conference, the Senate conferees have encountered opposition from the outside of the Congress, which I think it is entirely proper for me to describe. There is a certain group of adjutants general of the several States, who are so tenacious of their prerogatives in commanding the guard in their respective States that they are not even willing to let the legislatures of their States decide whether the guard should be organized under the Army clause or remain under the militia clause.

Through the influence of those adjutants general, who to my positive knowledge for five or six years have been the principal stumbling block placed in the path of progressive, sane, national military legislation through the influence of those adjutants general, it has become exceedingly difficult for the Congress to enact laws enabling the citizen soldiers of the Republic to organize and train themselves on a uniform, sound, military basis, and thus fit themselves to defend their country in time of war.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Colorado?

Mr. WADSWORTH. I yield.

Mr. THOMAS. I think it is appropriate to add just here to the very forcible statement of the Senator from New York that the adjutants general of the country, for the most part, with here and there an honorable exception, constitute a political association, and it is the political influence and power which they exercise which makes it possible for them to dictate to the House of Representatives its course regarding this proposed legislation.

Mr. WADSWORTH. Mr. President, I would not complain of this situation were it not for the fact that the bill as passed by the Senate absolutely assures to the several States the control of these troops within their respective borders, and absolutely insures to the States the control of the commissioned personnel of the guard, even though it is organized under the Army clause, for it specifically provides that no man may be an officer in the National Guard of any State without the recommendation of the governor; and it also provides, Mr. President, that under the direct order of the governor the troops shall be at the disposal and for the use of the State for any internal purpose. Even with these safeguards, Mr. President, in behalf of the States, protecting them from exploitation by the Regular Army; even with the safeguards put in the bill to the effect that regulations governing the new National Guard shall be drawn up upon the recommendation of a committee of officers the majority of whom shall be guard officers—in spite of these safeguards, Mr. President, these gentlemen refuse to permit their several States to decide the matter for themselves by legislative enactment.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York further yield to the Senator from Colorado?

Mr. WADSWORTH. I yield.

Mr. THOMAS. I think that the Senator should also emphasize the fact that the proposed plan of organization reported in the Senate bill has behind it the sanction of those members of the National Guard who saw active service in the recent war.

Mr. WADSWORTH. It has, and this provision in the bill came from the American Legion. The assertion has been made that this is the culmination of a three years' conspiracy on the part of the General Staff to ruin the National Guard. Such an assertion is not true. The General Staff had nothing whatsoever to do with the drafting of this provision. The Chief of Staff had nothing whatsoever to do with it, nor the Secretary of War. None of them knew anything about it until the bill was printed. The suggestions came from citizen officers, and a majority of the committee of the American Legion, that was sent to Washington and spent days and days with the Senate Committee on Military Affairs in helping to draft this legislation, was composed of National Guard officers.

Mr. CHAMBERLAIN. Mr. President——

Mr. WADSWORTH. I yield.

Mr. CHAMBERLAIN. I merely wish to remind the Senator that it is far from being true that the General Staff had anything to do with the framing of the bill; that the General Staff bill which was sent to the committee was absolutely set aside.

Mr. WADSWORTH. It was set aside and, worse than that, put into the wastebasket.

I do not want to take the time of the Senate on this matter. It is one on which the Senator from Oregon [Mr. CHAMBERLAIN], the Senator from Colorado [Mr. THOMAS], the Senator from Indiana [Mr. NEW], the Senator from West Virginia [Mr. SUTHERLAND], and many other Senators have been working for many, many months.

I think it is the duty of the Senate conferees to do their best to represent the sentiment of the Senate. I have entertained the idea that the two Houses are of equal power in the matter of legislation.

I therefore ask for the adoption of the conference report, and I shall then move that the Senate insist on its amendments and that the Chair appoint conferees upon the part of the Senate at the further conference.

Mr. MCKELLAR. Mr. President——

Mr. JONES of Washington. I understood that the conference report would not create any discussion, but that the bill would go back to conference without delay. I do not feel that I can consent to take up matters that are likely to create extensive discussion. Unless I can have some assurance that it will go to conference without any further considerable discussion I shall object to the consideration of the conference report at this time.

Mr. MCKELLAR. I wish to make a very short statement before action is taken, and it will be very short. I do not see any reason for taking any length of time.

The PRESIDING OFFICER. First permit the Chair to state to the Senator from Tennessee that the question is on agreeing to the conference report.

Mr. MCKELLAR. Of course; I understand that. There is no mistake in my mind about that, but I have a right to say something about whether we shall agree to the conference report.

Mr. JONES of Washington. The question I raise is whether I shall give my consent to the consideration of the report. I know that I can not object to the presentation of it, but the consideration of it is another matter.

Mr. MCKELLAR. I will say to the Senator that it will take only a short time for me to say what I wish to say about it.

Mr. JONES of Washington. But I have no doubt it will invite discussion from others. I should like to say that I think I have been very fair. I am not desirous of scolding anybody, and I am not complaining of the discussion, but I was in hopes that we could get the shipping bill through and out of the way to-day.

There is now pending to the shipping bill the amendment proposed by the Senator from Wisconsin [Mr. LENROOT], who has to leave the Senate a little before 1 o'clock. I was hopeful that we might take a vote on that amendment, anyway, to accommodate him, and then I would not insist on further action until the conference report had been disposed of.

Mr. MCKELLAR. In view of the statement made by the chairman of the Committee on Military Affairs, I desire to

make a brief statement showing an opposite view. Of course, I am willing to yield to the Senator from Washington. So far as I am concerned, I can make my statement later in the day, but I should like to make it to-day, if I can have opportunity to do so.

Mr. JONES of Washington. I think if we could accommodate the Senator from Wisconsin, the Senator from Tennessee would then have an opportunity to make his statement.

Mr. McKELLAR. I do not want the conference report to be adopted before I have had an opportunity to make a short statement on it.

Mr. JONES of Washington. That is all right. I merely made the suggestion. I do not know whether we can reach a vote on the amendment of the Senator from Wisconsin before 1 o'clock or not. I do not know whether anyone desires to discuss that particular amendment, which is to strike out the first paragraph of section 25.

Mr. RANSDELL. I wish to discuss it.

Mr. JONES of Washington. The Senator from Wisconsin [Mr. LENROOT] has just informed me that he will not ask the Senate to take up his amendment at this time. Therefore the Senator from Tennessee may, so far as I am concerned, proceed.

Mr. McKELLAR. Mr. President, I have very little to say on the conference report, except that I am in entire sympathy with the attitude of the House in reference to the matter. I think it would be a ruinous policy for the Government to have a biarrangement of this kind, a National Guard that is Federal and a National Guard that is State, the two at loggerheads, the one looked after by the Federal authorities, and especially with the General Staff in charge, the other left an orphan. I do not think that this is fair treatment for the National Guards of the 48 States.

I believe thoroughly in the National Guards as now organized and as we have had them organized since 1916. They have been a great credit to this country. Over 100,000 of them went to the Mexican border, and over 350,000 of them went into the German war and acquitted themselves with the highest distinction and the highest honors. Nothing can be said against their record. Why should they be abolished? I do not think they ought to be abolished, and I am delighted to know that the representatives of the States feel enough interest in their own States to want the National Guard system retained, the National Guard system that has been a part of the military system ever since the foundation of this Republic. It ought not to be abolished at this late day. It has done well in every war.

I think the idea of changing the system and adopting a Federal system pure and simple, as the bill as passed by the Senate proposes to do, is ruinous in policy, is wrong in principle, is not in accord with our institutions, and ought not to be adopted. I do not know of any vote that has occurred in the House of Representatives—certainly since I left there—that I have taken more pride in than I have in the vote on yesterday, where, by practically a two-to-one vote, the House of Representatives stood by the National Guard of this country.

I hope the Senate upon mature reflection will recede from the position that it has heretofore taken on the question. I think we ought to recede. I think we ought to stand by our States. I think we ought to stand by the National Guards of the various States. I believe it is a better method of defense for our country.

I am not going into personalities and talk about the adjutants general of the various States and their influence upon legislation. There is no Senator in this body who does not know that, when it comes to influencing legislation, the adjutants general of the various States are pigmies in comparison with the other interests that have been influencing this legislation.

We ought to instruct our conferees to agree to the views of the House on this subject. All Senators are familiar with it. It is not necessary for me to go into it. The real question is whether we are going to have a Prussianized military system in this country or whether we are going to have the military system of the fathers of the Republic and of all the days of the Republic, which has never known defeat. The question is, when you boil it down, whether you are going to accept the German military system that we defeated in the late war or whether you are going to stand by your own. I for one am going to stand by the American system, if I am the only Senator who does so.

If we are ready to have a vote, Mr. President, I ask for the yeas and nays.

Mr. ROBINSON. Mr. President, will the Senator from Tennessee make clear the distinction between the two provisions in controversy?

Mr. McKELLAR. The Senator from New York [Mr. WADSWORTH] has very well explained that situation. One is that the proposed National Guard shall be a Federal National Guard under the control of the Regular Army and to be loaned to the States or the States permitted to use them when they are not otherwise in use by the Federal Government. The other is the present National Guard.

Mr. ROBINSON. If the Senator will pardon me, I understood the Senator from New York to say that in every instance the status of the State organization was to be determined by the legislatures of the respective States. If that is the fact I can not concur in the conclusion which the Senator from Tennessee has expressed. That is the reason why I ask him to make clear his distinction between the two provisions. So long as the legislatures of the respective States determine the status of their so-called military organizations, whether you denominate them militia or National Guard, I can not see that the remarks of the Senator from Tennessee, to the effect that the bill as passed by the Senate Prussianizes the organizations, are applicable.

Mr. McKELLAR. It is entirely the way you look at it in a question of this kind. The National Guard hereafter will be under the control of the Regular Army, and as it is now it is under the control of the various States primarily.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Massachusetts?

Mr. McKELLAR. Certainly.

Mr. LODGE. I have listened to this debate without saying anything. I have heard the Senator reiterate that statement. As I understand it, it is to be left to the States to decide absolutely whether the National Guard will come under the law relating to the National Guard or not, and no State need come under it if it does not want to do so.

Mr. McKELLAR. Let us assume that that is true, as it probably is. We will have a part of the States with a national system and a part with a State system. Who wants that in this country? The National Guard of New York will probably accept the Federal system. Then there will be other States that will not. We will have a National Guard that is a Federal National Guard, and a National Guard that is a State National Guard, and we will be in confusion all the time.

Mr. LODGE. If the Senator will allow me, his proposition is that no State that wants to come under the Federal law shall be permitted to do it because it interferes with the comfort and well-being of certain adjutants general of other States.

Mr. McKELLAR. Oh, no; the Senator from Massachusetts is wholly mistaken. My position is that we now have, under the act of June 3, 1916, as I recall the date, a National Guard law under which the country has performed the greatest military service in all history, that it was largely done by the National Guard under that law, and that we ought to leave it as it is.

Mr. THOMAS. Mr. President——

Mr. McKELLAR. I yield.

Mr. THOMAS. Is not the Senator aware of the fact that the vast bulk of the soldiers and officers, whom he justly eulogizes, are emphatically and enthusiastically in favor of the Senate proposal?

Mr. McKELLAR. I do not so understand it. It is my information——

Mr. THOMAS. Then the subcommittee has been grossly deceived.

Mr. McKELLAR. No; I do not know about that. There are some on either side of the question. I understand that the National Guard of New York especially is very strong for it. We will have a very large body of soldiers in that State. But I do say this, that some of the most prominent of the national guardsmen in this country, including, I believe, one of the chiefs of its organization, Mr. Bennett C. Clark, whom we all know, are very much opposed to the system.

Mr. CHAMBERLAIN. May I interrupt the Senator?

Mr. McKELLAR. Certainly.

Mr. CHAMBERLAIN. The Senator speaks of the organization of the National Guard under the act of 1916. The Senator has not forgotten that the National Guard under the act of 1916 was authorized to be drafted into the Regular Army and became a part of it as soon as we got into the war?

Mr. McKELLAR. Of couse I have not forgotten it. I think it is a very wise provision and should remain in the law. I believe that law is probably as good a law in reference to the subject of the National Guard as can possibly be enacted. I am satisfied with it and desire to vote to leave the enactment as it is upon this question.

Mr. JONES of Washington. If there be no further discussion, I will not object to proceeding to vote upon the conference report.

Mr. NORRIS. Mr. President, every Senator knows that it is a physical impossibility for all of us to follow in detail every matter of legislation, even though it be of great importance. I have no desire to delay the pending matter, but I should like to vote intelligently upon the proposition. I am not fully informed regarding it. My time has been so taken up with other matters that I have not followed the action of the two Houses with reference to the subject now in dispute; but I was particularly struck with the question which was propounded by the Senator from Arkansas [Mr. ROBINSON]. It applies to my situation exactly. Neither the Senator from Tennessee [Mr. MCKELLAR], so far as I know, nor any other Senator has answered the question. It may be that all other Senators are fully informed as to the questions embraced in the conference report; but I confess I am not, and I should like to make an inquiry with reference to it.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Washington?

Mr. NORRIS. I yield to the Senator.

Mr. JONES of Washington. I wish to say to the Senator that if he thinks this subject ought to be discussed further, should like to have it discussed further, I shall object to its consideration at this time. Then it may come up later.

Mr. NORRIS. I dislike to have the Senator do that, and still I do not desire to walk into the booth blindly and vote on something that I feel I am not qualified to pass upon because of the lack of information.

Mr. WADSWORTH. I can inform the Senator——

Mr. CHAMBERLAIN. A parliamentary inquiry, Mr. President.

Mr. NORRIS. The Senator has the right to object, I suppose, under the parliamentary situation; but I wish to ask some questions in reference to the pending matter, and I should like to hear it discussed a little further. I am proceeding solely with the idea of securing information and nothing else.

The PRESIDING OFFICER. The Senator from Oregon rises to a parliamentary inquiry, which he will state.

Mr. CHAMBERLAIN. I should like to know on what question we are about to vote. We are not about to vote on the particular provision of the bill which Senators have been discussing, but, as I understand, we are simply to vote on whether the Senate shall insist on its amendments and rerefer the matter to the committee of conference.

Mr. WADSWORTH. The question is on again committing the matter to the conference committee.

Mr. CHAMBERLAIN. I should like to know on what question we are about to vote.

Mr. NORRIS. If that is the parliamentary situation, I do not know that I care particularly to pursue the matter.

Mr. MCKELLAR. I entered the Chamber a little late. Then it is not a question of instructing the committee?

Mr. WADSWORTH. No.

Mr. NORRIS. Then I have no objection.

Mr. MCKELLAR. And I withdraw my request for a yea-and-nay vote.

Mr. NORRIS. I have no objection to the matter going back to conference.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. NORRIS. Is it a report of disagreement?

Mr. WADSWORTH. It is a report of disagreement.

The PRESIDING OFFICER. It is a report of disagreement.

Mr. NORRIS. Then I have no objection to its being agreed to.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. WADSWORTH. I move that the Senate insist upon its amendments, agree to the conference asked for by the House, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. WADSWORTH, Mr. SUTHERLAND, Mr. NEW, Mr. CHAMBERLAIN, and Mr. THOMAS conferees at the further conference on the part of the Senate.

THE MERCHANT MARINE.

Mr. JONES of Washington. Mr. President, I merely wish to renew the appeal which I made a while ago, that we proceed with the consideration of the shipping bill. I am not scolding Senators, but I do hope that we may proceed with the consideration of that bill, so that we may pass it to-day, and that other matters which Senators think should be discussed may be postponed until later.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

The PRESIDING OFFICER. The pending question is on the amendment proposed by the Senator from Wisconsin [Mr. LENROOT], which will be stated.

The ASSISTANT SECRETARY. The proposed amendment is to strike out the first paragraph of section 25 as reported by the Committee on Commerce.

Mr. JONES of Washington. Mr. President, the Senator from Louisiana [Mr. RANSDELL] stated only a moment ago that he desired to discuss this proposition, but he is not now present, and I do not know whether he is in the cloakroom.

Mr. ROBINSON. The Senator from Louisiana was called out of the Chamber for a moment, and if the Senator from Washington will permit, I will send for him and request that he return at once.

Mr. SMOOT. I will take a few moments of the time of the Senate until the Senator from Louisiana returns.

Mr. RANSDELL entered the Chamber.

Mr. JONES of Washington. The Senator from Louisiana is now present.

Mr. SMOOT. With the permission of the Senator from Louisiana, I will occupy the attention of the Senate for a moment.

Mr. RANSDELL. Very well.

CAMPAIGN EXPENDITURES.

Mr. SMOOT. Mr. President, I have been waiting patiently for the Senator from Montana [Mr. WALSH] to enter the Chamber and call the attention of the country to the wicked collection and expenditure of money for campaign purposes, as he did here a few days ago when there was an article written by a certain Mr. Brown referring to the Republican candidates for the nomination for the Presidency. I have before me the Washington Times of last evening, and, fearful lest the Senator from Montana has overlooked it, and well knowing his interest in this particular subject, I think perhaps it will be proper for me at this time, in the absence of that Senator, to call the attention of the Senate to the article. It reads:

"$5,000,000 FUND BEING RAISED TO BACK MCADOO—'BIG BUSINESS' HAS CANDIDATE—MONEYED INTERESTS BEHIND WILSON'S SON-IN-LAW, SAYS EDWARDS'S MANAGER—PLACE HOLDERS ENLISTED—DODGE, MORGENTHAU, CRANE, HURLEY, AND BARUCH GIVE ACTIVE SUPPORT.

"NEW YORK, *May 19*.

"'A "big business" syndicate has been formed to underwrite William G. McAdoo's presidential campaign. At least $5,000,000 has been collected or pledged.'

"This allegation was made last night by one of the most influential of Gov. Edwards's campaign managers.

"BARUCH AMONG BACKERS.

"Pioneers in the movement to finance the preconvention expenses of President Wilson's son-in-law, as named by the Edwards manager, are Bernard M. Baruch, Thomas L. Chadbourne, Cleveland H. Dodge, and Henry Morgenthau, of New York, and Charles R. Crane and Edward M. Hurley, of Illinois.

"Appointees of McAdoo as Secretary of the Treasury or Director General of Railroads are said to have been enlisted to aid him.

"Appointees of Hurley while chairman of the United States Shipping Board are also on the list of McAdoo workers.

"The New York American's informant continued:

"'When the agreement was made between managers for Gov. Cox, of Ohio, and Gov. Edwards, of New Jersey, to make common cause against Wilson for a third term or McAdoo as his heir, we satisfied ourselves that a great fund was being raised to put over either Wilson or McAdoo.

"'Barney Baruch began the McAdoo finance project immediately after the President physically collapsed last August. Thomas L. Chadbourne soon joined Baruch. Within a few months Celveland H. Dodge, the most generous contributor to the Wilson campaign funds of 1912 and 1916, associated himself with Baruch and Chadbourne.

"'Henry Morgenthau waited until he assured himself that the President might not run again. Then Charles R. Crane and Edward M. Hurley came in. All these men are multimillionaires.

"COMBS FOUND EVIDENCE.

"'Former National Chairman William F. Combs, during his recent western tour, found plenty of evidence of how the pro-McAdoo clique was working to secretly pledge national delegates to the President's son-in-law. Its members advised McAdoo to keep out of the primaries, as did President Wilson himself—even out of his home (New Jersey) primaries. They knew neither could carry these primaries.

"'These financiers count on Federal patronage and loyalty to the administration to put McAdoo over.

"'Attorney General Palmer, who is all but "done" as a rival to McAdoo, has promised to throw his following to him. Vance McCormick, member of the war board and former national chairman, is also a party to the compact.

"'The battle for the presidential nomination is this minute between the Wilson-McAdoo and the Cox-Edwards wings of the party. William J. Bryan may be a determining factor, as he was when at the last moment in 1912 he swung his followers to Wilson.'"

I do not desire to take the time of the Senate to discuss the question, but I thought perhaps the article which I have read ought to be made public through the same medium as that employed by the Senator from Montana some days ago when he made an announcement in relation to a similar subject.

Mr. THOMAS. Mr. President, I am very glad the Senator from Utah has brought this subject to the attention of the Senate, because if it be true it is subject to the condemnation of the Senator from Montana. I do not know whether it is true or not.

Mr. SMOOT. I hope the Senator from Colorado will not say that I think it is true.

Mr. THOMAS. I have not and will not say so. I do say, however, deliberately and unequivocally, that one of the men implicated in this telegram has not expended a dollar nor contributed a cent and has neither secured nor aided in securing contributions from anyone else in furtherance of the candidacy of Mr. McAdoo.

Immediately after this subject was brought to the attention of the Senate by the Senator from Montana, I received a letter from Mr. B. M. Baruch, whose attention had been directed to it. He authorized me to make this statement, and my acquaintance with Mr. Baruch justifies my confidence in his veracity.

I have no doubt that when the campaign opens, if Mr. Baruch is called upon for a contribution, he will make it; I have no doubt that contributions of reasonable amount by advocates of the Democratic and Republican candidates will be made. They will be perfectly proper and legitimate; and I incline to the belief that much of the discussion and gossip that we have encountered regarding the existence of enormous preconvention funds for this, that, and the other candidate are exaggerations. There is no question that this campaign, once it has been entered upon, will be prolific in money spending, and the political pot, as usual, will call the political kettle black, but the party which spends the least will do so because, unfortunately, it can not obtain more. That is the history of American politics; but I take this occasion to make this statement regarding one of the implicated parties, and I am satisfied—indeed, I am willing to stake my own reputation upon the truth of his assurance.

Mr. SMOOT. I desire to say that the article does not say that the money has been paid, but that it has either been paid or pledged.

Mr. THOMAS. But it does say that immediately after the President was seemingly eliminated by his illness from the contest this organization was made and financing of it began, and that is not true of Mr. Baruch.

Mr. SMOOT. Yes; the article so states.

BONUS TO VETERANS OF WORLD WAR.

Mr. THOMAS. Mr. President, while I have the floor I ask to insert in the RECORD a letter of the Secretary of the Treasury to the chairman of the Ways and Means Committee of the House relating to the proposed bonus to the soldiers. In these days of financial debauchery the note which the Secretary sounds is so sane and reassuring that I am satisfied it will prove a valuable contribution to the literature of the day. I hope that all will heed it, to the end that any new taxes which are to be raised will be used to pay debts and not to buy votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RANSDELL. Mr. President——

Mr. SMOOT. Mr. President, I ask the Senator from Colorado to read the article rather than to have it printed in the RECORD without reading.

Mr. THOMAS. I will take pleasure in doing so, and I promise the Senator from Louisiana I shall detain him only for a moment. The letter reads:

"I received your letter of May 1, with the inclosed copies of bills H. R. 13798, introduced by Mr. JOHNSON, and H. R. 13799, introduced by Mr. RAINEY, to provide for the payment of adjusted compensation to the veterans of the World War. Both bills impose an 80 per cent war-profits tax.

"The most serious aspect of this compensation matter, as I pointed out when I had the honor of appearing before the committee, is the proposal greatly to add, especially at this time, to the present grievous burden resting upon the people of the Nation and the Treasury. The method of financing the proposal raises grave problems, but it is secondary. The very heavy burdens which will rest upon the Treasury by reason of laws already enacted, including particularly the recent railroad laws, which it is estimated will entail an expenditure of approximately $1,000,000,000, and also by reason of the delay in making provision to realize upon the Government's investments in railroads and ships, taken in connection with the existing credit situation, suggests the need of grave consideration of the question whether, quite aside from and in addition to any taxation which it might be necessary to impose in order to pay a bonus to the soldiers, it may not be necessary to provide for meeting the necessities of the Government in larger measure from taxation.

"The total indebtedness of the Government maturing within three years, represented by Treasury certificates, war savings certificates, and Victory notes, is in the neighborhood of $8,000,000,000. It is no longer possible to finance the current needs of the Government in part by the issue of Treasury certificates except on onerous terms which reflect upon the value of the Government's bonds and depreciate them in the market. Furthermore, it would appear to be bad economy and bad finance for the Government to borrow money on short-term certificates of indebtedness (maturing within from three to six months) to be invested for a term of years in railroads and ships.

"It is a matter of serious concern to have the Government appearing in the market every few weeks for loans. Certainly nothing ought to be done to add to existing credit expansion that can possibly be avoided. The result would be to increase prices and to make a difficult situation less satisfactory. In the circumstances obviously the Government ought to appear in the market for loans as infrequently as possible and for the lowest sum. Additional taxes are also undesirable, but they may be less undesirable than borrowing. They would at least have the effect in part of enforcing economies. The first thing to do, I am sure you will agree, is to keep Federal expenditures down to the minimum, and it is obvious also that other governmental jurisdictions and private individuals should do likewise.

"I beg to submit to your committee for its serious consideration the question whether, all things considered, it would not now be advisable to seek out additional sources of revenue to meet the current requirements of the Government over and above any additional revenue which would be necessary if the soldier bonus plan is determined upon in order to obviate the necessity of continuing in considerable measure to meet them by borrowing. Having those things in mind, I hesitate to express an opinion concerning the bills which you have submitted to me, taken by themselves. There are many grave objections both to the proposed new war-profits tax and to the alternative measure, a sales tax, which, I understand, your committee is considering. If, in view of the urgent needs of the Government for money to meet its requirements, your committee concludes that it will be wise to raise a larger amount by taxation and desires any suggestions from the Treasury, I shall be glad to have the experts place themselves at its disposal. In the meantime I refrain from making any further comment on either proposal.

"For the reasons indicated, and for other reasons, I think it would be highly unfortunate for any new obligations to be placed upon the Treasury through the enactment of the bonus proposal in any form, however financed."

Mr. President, I had occasion last week to submit to the Senate a few observations prompted by the letter of the President to a Mr. Hamaker, of Oregon, when I drew a parallel between the possible attitude of this administration regarding the treaty and that of Mr. Cleveland regarding bimetallism in 1896. Since that time the parallel has been the occasion of some editorials in and more contributions to the public press, particularly in the city of New York, some of which have, wisely or unwisely, condemned the position of the Democratic Party and commended that of Mr. Cleveland at that time. Incidentally, I presume, the position which I, as a member of that party, occupied has been challenged.

I am not accustomed to paying attention to such matters, which are the common experiences of men in public life, however humble; but I can not refrain at this time from adverting to a communication in the New York Times of this morning entitled "Wilson and Cleveland," of which I am largely the subject. It bears the signature of "Junius, jr.," and the substance of the article justifies the assertion that this gentleman is a witless descendant of one of the greatest intellects of the eighteenth century. He knows as much about the question of bimetallism as the average monkey knows about the Ten Commandments. He exhibits a sublimity of ignorance of the problem from the beginning to the end of his contribution, and draws the conclusion—doubtless extremely satisfactory to himself—that while the parallel exists, it is as complimentary to President Wilson as it then was to Mr. Cleveland.

Mr. President, I assert, as I have many times asserted, and without any fear of successful contradiction, that the issue of 1896 involved one of the greatest problems ever presented to the consideration and judgment of the American people; a judgment not only influenced but obtained through the corrupt use of money, aided by the active sympathy of a so-called Democratic administration. That it was historically, scientifically sound, and financially sound, and that every position taken by the supporters of Mr. Bryan in that year was justified has been verified by the logic of events. I go further, and declare that but for the disloyalty of the Democratic administration the Democratic ticket would have been triumphantly elected, and the monetary system of the country as fixed by the Constitution would have been restored, with benefit not only to America but to the world.

That, however, is a controverted question with which I am not now concerned. The important, the outstanding, fact is that Mr. Cleveland's administration not only assumed to dictate to the majority of the party what its attitude should be, but failing to do so, became disloyal to the ticket after it had been nominated and took the field, and threw the great weight of its influence on the side of the candidate representing up to that time the greatest corruption fund ever collected in America for the debauchery of the American people. I have said, and I reiterate, that Mr. Cleveland will go down in history as the destroyer of the party which honored him with the greatest office in the gift of the people; and I trust that the fact will constitute a warning and not an example to all his Democratic successors.

Mr. CHAMBERLAIN. Mr. President, may I interrupt the Senator a moment?

Mr. THOMAS. I am through.

Mr. CHAMBERLAIN. May I recall the Senator's attention to one fact in connection with that campaign? Does the Senator recall that one of the distinguished candidates on the so-called gold-standard ticket made a speech in the Middle West, where he advised his auditors that if they could not support him, they ought to support the Republican ticket?

Mr. THOMAS. Yes, Mr. President. The Senator alludes to Gen. Buckner, of the so-called Gold Democratic ticket. It was a bastard ticket, whose sole object was to defeat and destroy the Democratic Party, and a ticket which was improvised and supported by the officeholders of the then so-called Democratic administration.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

Mr. RANSDELL. Mr. President, now that we have disposed of many national problems, and have kept the merchant marine bill waiting a long time, I shall endeavor to discuss, as briefly as I can, one of its most important features. I allude to section 25 of that bill, addressing myself particularly to the first paragraph thereof.

This is the merchant marine bill, Mr. President. It has been held back so long, I expect I had better tell Senators that it is H. R. 10378, to provide for the promotion and maintenance of the American merchant marine, and so forth. I read from section 25:

That the owner of a vessel documented under the laws of the United States and operated in foreign trade shall, for each of the 10 taxable years beginning with the first taxable year ending after the enactment of this act, be allowed as a deduction for the purpose of ascertaining his net income subject to the war-profits and excess-profits taxes imposed by Title III of the revenue act of 1918 an amount equivalent to the net earnings of such vessel during such taxable year, determined in accordance with rules and regulations to be made by the board: *Provided*, That such owner shall not be entitled to such deduction unless during such taxable year he invested, or set aside under rules and regulations to be made by the board in a trust fund for investment, in the building in shipyards in the United States of new vessels of a type and kind approved by the board, an amount, to be determined by the Secretary of the Treasury and certified by him to the board, equivalent to the war-profits and excess-profits taxes that would have been payable by such owner on account of the net earnings of such vessels but for the deduction allowed under the provisions of this section.

That has been amended by a proviso which in substance says that the amount of these taxes shall not exceed one-third of the cost of the vessel, the other two-thirds of its cost being paid by the shipowner or operator.

In plain, simple language, Mr. President and Senators, that provision would exempt the shipowner and operator from the payment of excess-profits taxes on ships owned and operated by him for 10 years from the time this act becomes a law, provided he expends an amount equivalent to these exempted taxes in the construction of new ships, and provided further, that these exemptions do not exceed one-third of the cost of the new ships to be constructed by him.

Let us assume that a shipping company should, in the course of a year's operation, make such a profit that the excess-profits taxes, which, under ordinary circumstances, it would have to pay, would amount to $500,000. In order to derive the benefit of that exemption, this company would be required to expend that $500,000 in the construction of a new ship, in an American shipyard, to be owned and operated under the American flag, and that sum could not exceed more than one-third the cost of the vessel.

In other words, in addition to the $500,000 which, in that particular instance, would really be the property of the Government, this shipowner would be obliged to contribute $1,000,000 of his own money, so that the new ship, when constructed, would have cost $1,500,000, of which one-third was derived from these excess-profits taxes and the other two-thirds from the ordinary funds of the owner.

Why that exception? Why single out one class of property in this country and give it the benefit of an exemption? That is a question that has been asked, and it is a very natural one.

Some of the Senators opposing this have said, "You make one rule for the overseas commerce and another rule for the coastwise commerce."

That is true; but, Senators, for a great many years our coastwise commerce has been an American monopoly. All foreigners have been forbidden by law from engaging in the coastwise commerce of this country. It was a very wise law, too. But for that law, when the recent war broke out we would have had practically no ships, for it is a well-established fact that on August 1, 1914, at the outbreak of the late World War, only about 9 per cent of the colossal foreign commerce of the United States was carried in American ships. All the balance of our great, magnificent, wonderfully rich commerce, 91 per cent, was carried in the ships of Scandinavian countries, of Germany, Great Britain, France, Spain, Italy, Japan, all the countries of the world other than our own. But, thanks to this law safeguarding our coastwise commerce, we did have a splendid fleet on the Great Lakes and the ocean coasts of America, and, of course, many of those vessels, hitherto engaged in the coastwise commerce, were large enough and strong enough for overseas commerce, and to some extent answered the needs of that commerce.

All the Senators will recall what an unfortunate situation this Nation was in at the outbreak of the war, how nearly impossible it was to get our commerce carried across the sea, the very great reduction in the selling price of innumerable articles of American commerce. I recall one in particular affecting my own section of the country—cotton. Its price fell far below the cost of production, because we had no ships to carry it. All the ships of Europe were engaged in one way or another in the war and could not serve us as formerly. It was a most unfortunate situation in which our country found itself at that time, and one I sincerely hope it will never be placed in again.

As a result of the war, we found it necessary to build ships. A constant cry went up from all sides, "We can not get along without ships. We must have ships, and more ships, to carry our commerce across the ocean." Later, when we entered the war ourselves, it was absolutely necessary to build a bridge of ships across the Atlantic Ocean. We built it. We carried our armies across the ocean. We built millions of tons of ships. We expended and committed ourselves to the expenditure of nearly three and a half billions of dollars for ships. We constructed a colossal fleet, and we have those ships on hand now.

Senators, if there ever was an exceptional case, this presents one. I ask you to look at this as a business man would view it, for we are trustees of the Government—its board of directors.

We are business men, charged with the duty of making the best possible use of this great asset which has cost over $3,000,000,000.

What are we going to do with it? You naturally say, "Sell it." You surely would not sell it to foreigners. Oh, no; we will all agree on that. These ships must be sold to Americans. We must have a big American fleet. We must have hundreds and thousands of ships carrying the American flag. We must never permit the state of affairs which prevailed when the war broke out.

How are we going to get our American people to buy these ships? Three billion dollars is a very large sum of money. You answer me, "Yes, Senator, that is true, but a great deal of that cost can probably be charged off as a war expenditure. You can not properly say that you must sell these ships for $3,000,000,000. Normally they would not have cost $3,000,000,000. You must make a fair and proper reduction in the sale price under the cost price."

I reply, "Yes; that is correct; you will have to make some reduction, but even making a reduction of one-third, if that great reduction be finally agreed upon, there is still over $2,000,000,000 worth of property which must be sold. Where will you find a purchaser?"

You say, "We will find those purchasers among the big shipping companies in America."

I ask you to tell me who they are. I ask you to name them.

Mr. NUGENT. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Idaho?

Mr. RANSDELL. I yield.

Mr. NUGENT. The Senator from Louisiana has stated that the cost of constructing the vessels now composing and hereafter to compose the fleet operated by the Shipping Board was in excess of $3,000,000,000. I now understand him to say that he is entirely willing, in order to dispose of those ships, to sell them for one-third of the cost, if it were necessary.

Mr. RANSDELL. The Senator misunderstood me entirely. I say that possibly it will be necessary to reduce the selling price to two-thirds of the cost, cutting off one-third of what they cost as a war expense. If they cost three billion, you would probably have to sell them for two billion in order to find a purchaser.

Mr. NUGENT. All right; that is the same proposition I presented. In other words, the position of the Senator from Louisiana is this, that in order to dispose of these ships, which cost the people of the United States $3,000,000,000, he is entirely willing that they be sold to private interests at a loss to these people of a thousand million dollars. There can be no question with respect to his contention concerning that matter.

Mr. RANSDELL. Absolutely none. That is absolutely correct.

Mr. NUGENT. I desire to say, Mr. President, that that is the fundamental reason for my opposition to this bill. I absolutely refuse to give my assent to any proposition of any kind or character or description which will tend, either directly or indirectly, to take a thousand millions of the people's money out of their pockets and turn it over to private interests, it does not make a particle of difference to me whether those interests constitute the great Shipping Trusts of this country, or whether they constitute small and comparatively insignificant shipping companies. I am opposed to it unalterably.

Mr. RANSDELL. May I ask the Senator what he would do with these ships?

Mr. NUGENT. What I would do with them is this: Rather than dispose of them at such a sacrifice, as they were built for the people of this country with the money of the people of this country during a time of great stress and great need, and as they are now being operated at a profit, according to the report of the committee, I would continue to operate them under Government control. That is what I should do, Mr. President, in the interest of the whole people of the United States.

Mr. RANSDELL. May I ask the Senator if he, as a business man, imagines that we could operate ships in the general commerce of the world, which cost this Government from $200 to $300 per ton, in successful competition with ships of Great Britain, France, and other countries constructed prior to the war and which cost from $30 to $50 per ton? How could that be done as a business proposition? I should like to have the Senator explain.

Mr. NUGENT. In response to that question I will say that if I understand the matter, so far as the operation of the ships composing the fleet is concerned, under direction of the Shipping Board, they are now being operated and have heretofore been operated with a profit to the people of this country.

I assume that heretofore they have been operated in competition with the shipowners of the countries to which the Senator from Louisiana refers. In support of my statement I desire to quote from the report of the committee recommending the passage of this act, if I understand it correctly. There are certain extracts here from the testimony given by Chairman Payne of the Shipping Board, and, among other things, appears this:

Voyage revenues from operations to June 30, 1919, as reflected in condensed balance sheet of June 30, 1919.

Income:		
Owned and chartered vessels	$433,774,877.48	
Requisitioned vessels	140,252,279.03	
		$574,027,156.50
Charges:		
Operating expense	196,843,411.73	
Charter hire	150,050,278.86	
Insurance	31,149,007.29	
Repairs	29,490,463.77	
		407,533,161.65
Net revenue to June 30, 1919		166,493,994.85

Mr. JONES of Washington. Mr. President——

Mr. RANSDELL. I yield to the Senator from Washington.

Mr. JONES of Washington. I wish to call the attention of the Senator from Idaho to the statement also in the report that there is nothing deducted or allowed for depreciation or for interest, as is generally done in private business. When that is allowed according to ordinary course, then there is no surplus. That simply shows—and I asked the Shipping Board simply to give me—the actual receipts and the actual expenditures, without counting depreciation or interest.

Mr. NUGENT. In answer to the Senator from Washington, the fact remains that, excluding the items to which he has referred, the Shipping Board has operated this fleet in competition with shipowners of foreign countries at a net profit to the Government of over $166,000,000.

So far as the question of depreciation is concerned, that certainly is a fearful and wonderful thing, and no man can tell what it, as a matter of fact, amounts to or what, as a matter of fact, should be allowed for depreciation. The Senator from Washington stated a day or two ago that the Shipping Board was now allowing or charging off for depreciation 4, 5, 6, and up to 10 per cent, but I say that there is no man who can determine what is the proper amount to be allowed for depreciation.

But even though there should be a charge for depreciation—and, undoubtedly, there should be—no man can say and there is nothing here to determine to what extent that depreciation should go or what amount of money it would aggregate, so far as the ships operated by the Shipping Board are concerned.

Mr. RANSDELL. I am much obliged to the Senator for his very learned disquisition. In his mountain home he had probably learned a great deal more about this complicated shipping matter than those of us on the Commerce Committee who live in seaboard cities and who for nine months have been studying this question. We have had before us, sitting as a great board of directors composed of 19 Senators, one of the most important business questions ever presented to the American Congress during my 21 years of service.

I wish to say that the chairman of the committee, the Senator from Washington [Mr. JONES], has been as fair-minded and able a chairman in the examination of this subject as I have ever seen during my congressional career. I wish further to say that there has been absolutely no partisanship in the investigation of the subject. We began the hearings in June of last year and we carried them on, with more or less interruption, until the 30th of March of this year, when they were closed. We listened to hundreds of witnesses. People from every walk of life and from every portion of the United States testified; all who wished to come and assist us in arriving at a correct solution of what to do with these ships, worth $3,000,000,000, which was the vital question.

After all of that study, investigation, and the expert testimony adduced before the committee we unanimously resolved, without one dissenting vote, that we should sell these ships. Here is the provision, and I read it from the first paragraph of the bill:

That it is necessary for the national defense and for the proper growth of its foreign and domestic commerce that the United States shall have a merchant marine of the best equipped and most suitable types of vessels sufficient to carry the greater portion of its commerce and serve as a naval or military auxiliary in time of war or national emergency, *ultimately to be owned and operated privately by citizens of the United States.*

That provision represents what was decided, viz, that we wished to have a great merchant marine suitable to act as a military and naval reserve, competent to handle our troops in time of war, designed to make our Navy available and valuable at all times, and a merchant marine ultimately to be owned

and operated by the private citizens of this country and not by the Government.

Mr. President, it has always been the policy of our Republic, and I thank God it has, for the Government not to do anything that the private citizen could do just as well. The Government has never engaged in any kind of commerce or in any business that its citizens could do better. The Government, of course, has controlled the Army, it has owned and operated the naval vessels, but never in its history until this war has it owned and operated any appreciable number of commercial vessels. It is contrary to our policy to do so, and I do not think many Senators within the sound of my voice were so much pleased with our recent Government experiment in railroad operation that they now want us to indulge in permanent ownership and operation of ships of commerce by the Government.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from Louisiana yield to the Senator from Washington?

Mr. RANSDELL. I yield.

Mr. JONES of Washington. I do not think this can be overlooked, however, that the committee have recognized the fact referred to by the Senator from Idaho [Mr. NUGENT] that these ships are now owned by the Government and that we have endeavored to frame legislation that would result ultimately in getting them into private ownership with as little sacrifice as possible to the people.

Mr. RANSDELL. I thank the Senator for bringing that out. I had intended to do it myself. I was about to say that we are not going to sell these vessels hastily. We contemplate the Shipping Board continuing to operate for years, and are adding to its membership. It now consists of five, and we propose to make it seven. The salaries of the members of the Shipping Board are now $7,500 and we propose to increase this to $12,000. The personnel of the Shipping Board are now taken promiscuously from any place the Executive sees fit to select them. We provide specifically that two shall come from the Pacific coast, one from the Gulf coast, two from the Atlantic coast, one from the Great Lakes, and one from the interior. We direct particularly that the Shipping Board shall establish new routes and new lines of trade wherever it be possible.

Mr. NUGENT. Mr. President——

Mr. RANSDELL. One moment and then I will yield. We provide that those routes shall be operated by agents of the Shipping Board; that they shall continue that operation for years, if it be necessary, as Government vessels, until it be determined whether or not they can make a success of operating in these new lines. We are not tying the hands of the Shipping Board at all, but are simply declaring a general policy. Suppose you are a business man and not obliged to dispose of your holdings, but as a prudent man you find yourself with a vast amount of property on hand. Naturally you would handle it in the best way possible. Remember that when the war broke out we had practically no foreign trade in our own vessels, but are now determined to build up one with this great fleet. We instruct the Shipping Board to build up that trade, and not to do it only from one or two great ports but from all the available ports of the Union.

I now yield to the Senator from Idaho for a question only. Does the Senator wish to ask me a question or make a speech? I yield for a question, but not for a speech.

Mr. NUGENT. I merely desire to answer a statement made by the Senator.

Mr. RANSDELL. Very well; the Senator can do that, if he pleases, in his own time. I was very willing to yield for a question, but was met with a speech. I prefer to finish now, though I will yield for a question.

Mr. NUGENT. I will reply to the Senator later.

Mr. RANSDELL. Mr. President and Senators, I wish to impress upon you the fact that these ships we propose to exempt from war taxes are not in private ownership. They belong to the Nation, and to that salient fact I ask the especial attention of those Senators who are averse to Government ownership and operation of any utility and who wish to see private individuals transact the business of the country.

Whenever I have owned an expensive piece of property and wished to dispose of it, I have always found that I had to offer some inducement to prospective purchasers. If I hold unyieldingly to the very highest prices, if I tighten up on terms of payment and ask the highest rates of interest, I will not find a purchaser. I am obliged to grant some inducement. So we propose here to provide an inducement. We say: "You are a manufacturer of steel or furniture or a great miner or merchant; you have accumulated millions of dollars from your mining or manufacturing or merchandising. We should like you now to engage in a new business, something which you do not understand, something of which you may make a disastrous failure. We want to persuade you now to go into this new venture and buy some of these ships." "All right." "If you will do that, as a special inducement, we will agree that we will not tax your excess profits on the ships that we sell to you, provided that, of course, you make any excess profits." And down under our breath we say, "We do not guarantee excess profits; you probably will not make a dollar"—we whisper that; we do not say it boldly to the purchaser, but in our inner consciences we do—"but if you do make money we will let you"—do what? Put the money in your pocket? No—"we will let you use that money to pay one-third of the cost of a new ship and allow you to go down into your own pocket for the other two-thirds of its cost." When that new ship is built, of course, it must pay taxes at once; there is no exemption of that new ship from any kind of taxes.

Is that anything very remarkable, Senators? I can not see that it is. All of us admit that we ought to encourage the American merchant marine; all of us assert that it would be a glorious thing if our flag could be on the seas as in the days of the old clipper ships, which were built largely in Maine and in other New England States, and which carried our flag to every sea on earth; when 91 per cent of our commerce was carried under Old Glory, as compared with 9 per cent so carried at the outbreak of the recent war. We all admit it would be brilliant, glorious, and patriotic to have a return of that wonderful overseas commerce under the American flag; but I do not believe many of us would like to see that business carried on by the Government itself. We would like to see it operated by American citizens, but if we are to get them into the business we must give them some inducement to enter it.

Is this a very unheard-of proposition? I can not think so at all. Let me read you the statutes of two or three States on this subject. My own State of Louisiana exempts ships from all taxes of every kind.

The provision in reference to the matter is very brief. In July, 1916, the following amendment to the constitution of the State of Louisiana was proposed and adopted:

> 1. Ships and ocean-going tugs, towboats, and barges engaged in overseas trade and commerce, and domiciled in a Louisiana port, shall be exempt from all State, parish, and municipal taxation: *Provided, however*, That this exemption shall not apply to harbor, wharf, shed, and other port dues.
>
> 2. No ship, tug, towboat, or barge operated in the coasting trade of continental United States shall be within the exemption herein granted.

That proposition to exempt ships in the overseas commerce from all taxation was submitted to the voters of Louisiana on November 7, 1916, and was carried by a two-thirds vote. The people of Louisiana believe in ships; they favor overseas commerce, but they do not propose to help the coastwise commerce. That commerce already exists and does not need help. They treat coastwise commerce just exactly as they treat any other business of the country that is in esse and not in posse. There is now a big coastwise commerce; there are now plenty of ships to carry the coastwise commerce; we do not need more ships for the coastwise trade; but we need millions of tons of ships for foreign commerce. So the voters of Louisiana, when the question was presented to them in the fall of 1916, said, "Yes; we will exempt from all taxation—State, municipal, and parochial—ships and tugs and towboats engaged in overseas commerce, but we will not give a dollar of exemption to ships engaged in the coastwise trade." The Nation can well afford to follow the example of Louisiana in this wise measure.

I find, Mr. President, the State of New Hampshire has an exemption of a similar nature. I read from the public statutes and sessions laws of New Hampshire, page 204, section 13, as follows:

> Ships and vessels engaged in the foreign carrying trade for at least 10 months of the year preceding the annual assessment of property for taxation or built during the year for that trade, shall not be included in the personal estate liable to be taxed, but the net yearly income of such ships and vessels may be taxed as such personal estate.

That is not so liberal as is the Louisiana provision.

Mr. NUGENT. Mr. President——

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from Louisiana yield to the Senator from Idaho?

Mr. RANSDELL. I yield.

Mr. NUGENT. Do I understand the Senator from Louisiana to say that he is now reading from the statutes of the State of New Hampshire?

Mr. RANSDELL. I am.

Mr. NUGENT. Do I understand that under the law of New Hampshire the proceeds from the operation of ships are subject to the income tax?

Mr. RANSDELL. I will again read the provision for the Senator. It is as follows:

Ships and vessels engaged in the foreign carrying trade for at least 10 months of the year preceding the annual assessment of property for taxation, or built during the year for that trade, shall not be included in the personal estate liable to be taxed, but the net yearly income of such ships and vessels may be taxed as such personal estate.

Mr. NUGENT. The net income is taxed.

Mr. RANSDELL. The net personal income upon those ships is taxed, but the ships themselves are not taxed and are not assessed for taxation.

Now I read from a book which is entitled "Constitution of California Annotated," page 529:

SEC. 4a. All vessels—

I call the special attention of Senators to this—

All vessels of more than 50 tons burden registered at any port in this State and engaged in the transportation of freight or passengers shall be exempt from taxation, except for State purposes, until and including the 1st day of January, 1935.

That provision seems to exempt all vessels of more than 50 tons from taxation of every kind and sort, except for State purposes. I do not know how it is in California, but in Louisiana that would leave a very small tax, for municipal taxes and parish taxes in my State always amount to many times the State taxes, and this California provision exempts ships from all except State taxes.

Now, let us see what the great Empire State of New York has done in regard to exempting ships from taxation. We know that most of the overseas commerce of this country goes out of the port of New York; we know that the foreign commerce of New York in imports and exports exceeds by about ten times—1,000 per cent—the commerce of the next greatest port in America—the port of New Orleans. New York has a wonderful commerce, and the State of New York has enacted the following provision, which I read from the Consolidated Laws of the State of New York, page 8293:

SEC. 12. All vessels registered at any port in this State and owned by an American citizen, or association, or by any corporation incorporated under the laws of the State of New York, engaged in ocean commerce between any port in the United States and any foreign port are exempted from all taxation in this State for State and local purposes—

They are exempted from all taxation, including both State and local—

and all such corporations, all of whose vessels are employed between foreign ports and ports in the United States, are exempted from all taxation in this State, for State and local purposes, upon their capital stock, franchises, and earnings, until and including December 31, 1922.

That law was passed some time ago.

Mr. President, it appears from that law and the others which I have read that the States of Louisiana and New York completely exempt ships engaged in the overseas trade from all taxation of every kind—State, county, and municipal. Those two States are the ones which have the great harbors of New York and New Orleans. The provision found in this bill does not pretend to exempt ships from all taxation; it simply exempts them from excess-profits taxes for the period of 10 years. In the case of the two States referred to the exemption from taxation is not coupled with a proviso that a sum of money equivalent to the exemption must be expended in new ships; the owners and operators of those ships are allowed to put that exempt tax money in their pockets; they are not obliged to spend it, and for every dollar of expenditure add two dollars of their own money in constructing new vessels. The provision of the pending bill is a very different proposition from the provision of the laws of the States of Louisiana and New York.

Mr. President, if there ever was an exceptional case this is it; if there ever was an instance when the Congress should do something to build up its merchant marine this is one. We have been talking for years and years about building up our marine; we have had under consideration innumerable provisions looking to the payment of subsidies for ships, but they have never passed.

Some years ago we had a provision for preferential duties on goods brought to this country in American ships. It passed Congress recently, but a Supreme Court decision upset it. We have been trying for the longest time to get a merchant marine, and would not have it now but for the necessities of the war. As we have it, let us handle it wisely. Let us put it as rapidly as possible in the hands of our enterprising private citizens and have them compete with the citizens of the Old World.

Do not imagine, Senators, that an easy task confronts us. Do not expect that Great Britain, which carried the commerce of the world, or a very large percentage of it, prior to the war, and which still expects to carry it, is going to sit supinely by and see the United States, her largest and most prosperous customer, taken from her. We are going to meet with every kind of obstacle and every impediment that the shrewdest people on earth—the British—can place in our way. We must have in this ship business, if it be humanly possible, the best brains and intellect—the best business men of America.

They are not in it now, although they have made a great success in every kind of business undertaken by them. Let us persuade them to go into this overseas business, and the Government will not be taking any material amount of money out of our pockets to do it. We are simply giving them this little encouragement to build up a wonderful and necessary business.

I hope that the amendment offered by the Senator from Wisconsin will not be adopted, but that the paragraph in the bill, as amended and corrected by the committee, will be allowed to remain as it is.

Mr. KING. Mr. President, before the Senator resumes his seat I should like to ask him one question. I am not clear as to the meaning of one of the provisions of the section that has just been discussed. On lines 20 and 21, page 25, these words appear:

An amount equivalent to the net earning of such vessel during such taxable year, determined in accordance with rules and regulations to be made by the board.

It would seem, if I interpret this section correctly, that for the purpose of taxation and applying the principle of exemption the taxpayer may not only be exempted from paying taxes upon the receipts derivable from the vessel which would be subjected to taxation, but he may take all of the net earnings of the one or more vessels which he may have and apply them in reduction of taxes which he might be compelled to pay upon his other investments or his other property. Now, if I interpret that section correctly, it seems to me to be manifestly unfair and unjust. Why should the Government exempt from taxation property which I may have—real estate, for instance, or banks or mines—because in a shipping venture in which I am interested I may have made large net profits?

There may be some reason for the exemption of the earnings of the ship from taxation, providing those earnings are put back into the construction of other vessels, if it is to be the policy to encourage the construction of ships; but I can not understand the justice of the position, if that is what this section means, that the rest of the earnings of an individual who may be engaged in the shipping business shall be exempted from taxation to the extent of his net earnings in the shipping business.

Mr. RANSDELL. The Senator misconstrues that section. We have no idea whatsoever of exempting any other property than the vessel itself; and I think, if the Senator will analyze the sentence, he will see that on line 21 the words "equivalent to the net earnings of such vessel during such taxable year" do not refer to the other property. I will say, however, that if the Senator really fears that any such construction as he places upon this language may possibly be given it by the Treasury Department, I am sure the chairman of the committee would have no objection whatsoever to the insertion of some words which will make it perfectly clear that we do not intend the exemption to apply to anything except the earnings of the vessel itself.

Mr. JONES of Washington. Mr. President, that is certainly true, and if the provision should pass in that form we will see to it, if there is any question about it in conference, that it is made plain; but after we got the idea we had this language framed up by our drafting people. It is a technical proposition, and they said it would carry out our idea.

Mr. KING. Mr. President, if the Senator will pardon me, he will readily understand that the context of this section might lead to the conclusion which I have suggested. For instance, it states:

That the owner of a vessel documented under the laws of the United States and operated in foreign trade shall, for each of the 10 taxable years beginning with the first taxable year ending after the enactment of this act, be allowed as a deduction for the purpose of ascertaining his net income subject to the war-profits and excess-profits taxes imposed by Title III of the revenue act of 1918—

And so forth.

Mr. JONES of Washington. Yes; but then comes the proviso.

Mr. KING. One moment—

An amount equivalent to the net earnings of such vessel.

Now, it does not limit the deduction for taxable purposes to the earnings made from the vessels themselves, but the net earnings derived from the vessels apparently might be applied by him in the reduction of the taxes which he would be com-

pelled to pay under the revenue laws of the Government of the United States derivable from other sources of income.

Mr. JONES of Washington. Of course, that was not the intention. I shall be glad if the Senator will suggest something to make that perfectly clear.

Mr. KING. I shall be glad to prepare an amendment which I think will relieve the section of the criticism to which I have referred.

Mr. RANSDELL. Mr. President, I am very glad the Senator called that matter to our attention. I can not construe the language as meaning what he has stated, but it is barely possible that some revenue officer might construe it in that way; and as that was not our intention at all, as stated before, we would not have the slightest objection to any amendment which would make it perfectly clear.

Mr. President, I ask that there may be published as an appendix to my remarks a very brief article which I have before me from Mr. Lewis Nixon, who is a very prominent shipbuilder in this country, published in the May issue of Uttmark's Nautical News. I do not ask to have it read—it is very brief—but I should like to have it published as an appendix to my remarks.

The PRESIDING OFFICER (Mr. KENDRICK in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

"WHAT IS NEEDED FOR THE AMERICAN MERCHANT MARINE.

"(By Lewis Nixon, designer and builder of the *Oregon* and one of the foremost authorities on subject of American shipping—Expresses opposition to subsidies—Talks of builders, owners, and operators, May, 1920.)

"There is a way that the merchant marine of the United States can be made a permanent, paying success, and that without any subsidies or Government operation. It is merely necessary to turn over the vast fleet of American merchantmen, acquired during and since the war, to private operators and secure for these vessels a gainful trade. These regulations for such a profitable trade under the American flag are amply provided for in the Constitution.

"Foreign Governments for years have systematically opposed American trade expansion on the oceans, dating back from the War of 1812, when the price of peace virtually was the abrogation by the United States of its "direct trades" restrictions on foreign vessels plying to American ports.

"Do not let us start out with the mistaken idea that a merchant marine can not pay in competition with the sea carriers of other nations. But let us also not lose sight of the fact that to be of genuine usefulness to our people our merchant marine must pay.

"The investment of billions of dollars in ships—good, bad, and indifferent—merely because they are ships is simply a waste unless intelligent and constructive management and control go with possession.

"The arguments in favor of any form or method of aiding our own merchant marine were denounced by a certain school of thought responsive to the propaganda against any effort to put our flag back upon the ocean. Those who, by a life-time of study, felt at least the right to an opinion were denounced as subsidy seekers and lobbyists.

"For 35 years I have publicly expressed my opposition to subsidies which would meet a difference in cost of operation by payments out of the Public Treasury. In the first place, I believe such a policy unconstitutional, and in the second place, I am sure that it would be ineffective. We might pay subsidies that would permit our vessels to run empty and yet not develop a maritime carriage of any use to the Nation or its people. We should do as our forefathers did and drive trade into American bottoms by preference, as it is only upon a healthy and growing trade based upon a demand for American vessels, that we can found an enduring merchant fleet.

"Of course, mail compensation is an entirely proper exercise of Government expenditure under the constitutional power to establish post offices and post roads but we need the tramp ship as well as the fast mail steamer.

"While our so-called statesmen in response to sophistic arguments have bartered away our birthrights upon the seas in cunningly drawn treaties and conventions, prating of reciprocal benefits, the other nations, after persuading us to suspend constitutional regulations which were proved effective, have evaded such reciprocity by adopting every possible discrimination against us that ingenuity could conceive or our impotent statesmanship permit.

"While foreigners can carry our products they do it in their own way and to their own advantage and so largely control their disposition and prices. Jefferson's distinction of active and passive cargoes, the active being carried by our own vessels and the passive by foreign vessels, was one of that great statesman's happiest phrases.

"When we actually competed on the oceans and possessed the all-pervading commercial connections and the machinery for doing international business, we carried cargoes at the lowest rates, even though our ships cost more and our crews were paid more and were better fed than the crews on foreign ships.

"It has been said by little Americans that our people were as well engaged in other industries as in shipbuilding and shipowning. I think that they can not be better engaged than in preventing bankruptcies and panics, adding to our national wealth, independence, and constructive efficiency and in keeping gold at home.

"We must stop the betrayal of a sacred pact of the Constitution, brace up the weakened commercial pillar of national greatness and return to measures found effective by our legislators when conditions in the foreign trade were such as they will be two years hence.

"Men had the effrontery to say that we could not compete on the oceans when weekly additions of great vessels were being made to the foreign fleets centering here, all of them built and kept in gainful service on the profits made from our trade.

"The Baltimore platform of the Democratic Party pledged itself as favoring the exemption from tolls of American ships, engaged in coastwise trade, passing through the Panama Canal. It also expressed the belief in fostering, by constitutional regulation of commerce, the growth of a merchant marine for the United States.

"We have since admitted foreign vessels to American registry. We adopted discriminating duties under the leadership of Senator UNDERWOOD, directly carrying out the above pledge, yet this law of the land was abrogated by a Treasury ruling. We have caused our coasting vessels to pay tolls through the Canal. All this before the war.

"The World War found us with several shipyards of high efficiency. There was a tremendous demand for neutral bottoms, but even these were subject to attack without notice or search. We entered the war and the Government also entered shipbuilding. Shipbuilding was considered a business and not an art. Hence any good business man was considered as being capable of organizing a shipbuilding industry. So carried away were some that the people were promised 10,000,000 tons of shipping a year, the very promise evidencing the incompetency of the promiser.

"Instead of building on existing yards to the fullest possible extent many new yards were started and a riot of expenditure and hurrah methods resulted. Men were bid for by rival establishments, and many rushed in who could not build vessels at all, assumed enormous contracts and enjoyed vast advances.

"It was too late to criticize nor was it the time, even if views of a veteran builder would have been listened to. I saw vessels launched, riveted only partially above the water line, with sea valves uncut, no tail shafts in place, no rudders mounted, and no drydocks in which to finish them.

"And the people thought that tonnage launched was tonnage practically ready to go into service.

"Instead of utilizing available labor for the maximum tonnage of really well-built ships, efforts were scattered and much poor work, which must be made good, was put overboard. We must in many instances now insure against leakage, and every failure of one of our newly built vessels at sea is well heralded and used against us by our commercial rivals.

"Our well-established shipyards, however, have turned out many first-class vessels. The others will, in time, be rebuilt and be able to take their places at sea. Shipyards throughout the world are putting ships afloat as rapidly as possible and profitable routes will soon be covered; and, while paying rates will continue for some time, cargo will not much longer seek the carrier.

"About 18 months ago the Secretary of the Navy stated that the administration would embark upon the Government operation of vessels. This, before a large gathering of naval architects and builders of ships and ship equipment. Of course, such a policy meant the end of American shipbuilding in a short time. Men who understood ship management would go abroad to get their ships and put them under foreign flags that they might escape bureaucratic handicap. Happily, this policy has been abandoned and there is still hope, therefore, for an American merchant marine.

"I do not approve selling our vessels to foreign owners to be run under foreign flags, but no country will dare bankrupt itself by keeping a fleet of idle vessels of such numbers as will strain its credit.

"We have capable rating organizations such as that headed by Stevenson Taylor that could place values upon vessels, the well-built ships being of great value and some of the poorly built ones dear at any price. This country is not rich enough to risk

the cost of vindicating mistakes. The running of ships is business—not politics.

"The sooner the vessels now the property of the Government can be disposed of to operators, not speculators, the sooner will a killing drain of money, to be made up by taxes, be stopped. Some of the foreign hulls we now have are well built. I of course do not know the cost of putting them into service-able condition and I naturally do not wish to see them pass back to foreign flags. But we have lost enough already and our people must not face further useless loss. Proper legislation by Congress at this time can save the situation for the American merchant marine.

"Unless we are prepared to prefer our own ships in foreign competition and to strike off the shackles which will hold us back as soon as we must seek cargoes by bidding against the foreign ships and unless our legislators are prepared to admit their error in passing, at the command of the leader of a foreign seamen's association, an act which makes it impossible to meet foreign ships on the ocean, we had better liquidate, before the property further deteriorates, and take the place of a tributary and dependent Nation so far as the sea is concerned, even though we do face on two oceans.

"The control of the oceans in peaceful commerce is the great prize of statesmanship. The great trouble is that, after one has spent a lifetime in the study of ocean commerce, treaty influences, commercial laws and practices, some one will, by a catch phrase, upset for the time being the lessons of history and economic laws.

"Shipping to be in full usefulness to our people must face no risk of the checking of industrial activity, and the present excess-profits tax seriously menaces our industrial activity and manufacturing interests without which our shipping can not survive.

"There is a national desire for an American merchant marine, as it would benefit every calling, profession, and trade in every section of our country. We have ships; we have competent shipbuilders and able ship managers; we have traders, artisans, and farmers; we have the money.

"We need legislation and administration along proven lines of usefulness. The man who advocates half-baked theories or who advocates class legislation in such a crisis is a mighty poor American."

The PRESIDING OFFICER. The pending question is on the amendment of the Senator from Wisconsin [Mr. LENROOT] to the amendment of the committee. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. On page 25, where the committee proposes to insert a new section, section 25, the Senator from Wisconsin moves to strike out the first paragraph, with the exception of the numerals designating the section, in the following words:

That the owner of a vessel documented under the laws of the United States and operated in foreign trade shall, for each of the 10 taxable years while so operated, beginning with the first taxable year ending after the enactment of this act, be allowed as a deduction for the purpose of ascertaining his net income subject to the war-profits and excess-profits taxes imposed by Title III of the revenue act of 1918 an amount equivalent to the net earnings of such vessel during such taxable year, determined in accordance with rules and regulations to be made by the board: *Provided*, That such owner shall not be entitled to such deduction unless during such taxable year he invested, or set aside under rules and regulations to be made by the board in a trust fund for investment, in the building in shipyards in the United States of new vessels of a type and kind approved by the board, an amount, to be determined by the Secretary of the Treasury and certified by him to the board, equivalent to the war-profits and excess-profits taxes that would have been payable by such owner on account of the net earnings of such vessels but for the deduction allowed under the provisions of this section, or unless such owner, with the approval of the board (to be given only if because of the smallness of the amount involved the board deems it best for the interests of the United States), applies such amount on any mortgage indebtedness due to the United States for the purchase of ships.

Mr. JONES of Washington. Mr. President, I ask for the yeas and nays on the motion to strike out the first paragraph.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Secretary will call the roll.

The Assistant Secretary proceeded to call the roll.

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Georgia [Mr. SMITH], which I transfer to the senior Senator from Iowa [Mr. CUMMINS] and vote "nay."

Mr. STERLING (when his name was called). I have a general pair with the senior Senator from South Carolina [Mr. SMITH]. In his absence I withhold my vote.

The roll call was concluded.

Mr. BALL. I have a general pair with the senior Senator from Florida [Mr. FLETCHER], who is absent, but I understand that if present he would vote as I am about to vote. I therefore feel at liberty to vote. I vote "nay."

Mr. CHAMBERLAIN. I have a general pair with the junior Senator from Pennsylvania [Mr. KNOX], which I transfer to the Senator from Rhode Island [Mr. GERRY] and vote "nay."

Mr. BECKHAM. I have a general pair with the senior Senator from West Virginia [Mr. SUTHERLAND]. I transfer my pair to the senior Senator from Tennessee [Mr. SHIELDS] and vote "nay."

Mr. GRONNA. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent, owing to illness. He is paired with the junior Senator from Arkansas [Mr. KIRBY].

Mr. DILLINGHAM. I am informed that the senior Senator from Maryland [Mr. SMITH] has not voted, and, having a pair with him, I withhold my vote. If permitted to vote, I would vote "nay."

The PRESIDING OFFICER (Mr. GAY in the chair). The present occupant of the chair has a pair with the senior Senator from New Hampshire [Mr. MOSES], which he transfers to the senior Senator from Ohio [Mr. POMERENE], and votes "nay."

Mr. McLEAN (after having voted in the negative). I have a pair with the Senator from Montana [Mr. MYERS] and in his absence I withdraw my vote.

Mr. WATSON (after having voted in the negative). I am informed that my pair, the senior Senator from Delaware [Mr. WOLCOTT] is absent and has not voted. Therefore I withdraw my vote.

Mr. JONES of Washington. I desire to announce that the Senator from Wisconsin [Mr. LENROOT] is necessarily absent. If he were present he would vote "yea."

Mr. TRAMMELL. I have a general pair with the senior Senator from Rhode Island [Mr. COLT]. I transfer that pair to the Senator from Wisconsin [Mr. LENROOT] and vote "yea."

Mr. McKELLAR. The senior Senator from Virginia [Mr. SWANSON] and the junior Senator from Virginia [Mr. GLASS] are necessarily detained from the Senate.

The Senator from North Carolina [Mr. OVERMAN] and the Senator from Nevada [Mr. PITTMAN] are absent on official business.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN];

The Senator from New Jersey [Mr. FRELINGHUYSEN] with the Senator from Montana [Mr. WALSH];

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS];

The Senator from West Virginia [Mr. ELKINS] with the Senator from Virginia [Mr. SWANSON];

The Senator from Illinois [Mr. SHERMAN] with the Senator from Virginia [Mr. GLASS];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON]; and

The Senator from Wyoming [Mr. WARREN] with the Senator from North Carolina [Mr. OVERMAN].

The result was announced—yeas 22, nays 28, as follows:

YEAS—22.

Ashurst	Harris	McCumber	Thomas
Borah	Harrison	McKellar	Townsend
Capper	Johnson, Calif.	Norris	Trammell
Curtis	Jones, N. Mex.	Nugent	Walsh, Mass.
Gronna	Kenyon	Smith, Ariz.	
Harding	King	Smoot	

NAYS—28.

Ball	Gay	Lodge	Ransdell
Beckham	Hale	McNary	Sheppard
Brandegee	Henderson	Nelson	Simmons
Calder	Jones, Wash.	New	Spencer
Chamberlain	Kellogg	Page	Stanley
Fall	Kendrick	Phelan	Underwood
France	Keyes	Poindexter	Wadsworth

NOT VOTING—46.

Colt	Glass	Newberry	Smith, Md.
Comer	Gore	Overman	Smith, S. C.
Culberson	Hitchcock	Owen	Sterling
Cummins	Johnson, S. Dak.	Penrose	Sutherland
Dial	Kirby	Phipps	Swanson
Dillingham	Knox	Pittman	Walsh, Mont.
Edge	La Follette	Pomerene	Warren
Elkins	Lenroot	Reed	Watson
Fernald	McCormick	Robinson	Williams
Fletcher	McLean	Sherman	Wolcott
Frelinghuysen	Moses	Shields	
Gerry	Myers	Smith, Ga.	

So Mr. LENROOT's amendment to the amendment was rejected.

Mr. NUGENT. Mr. President, I desire to give notice that I shall ask for a separate vote on this amendment in the Senate.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

Mr. NUGENT. I move to strike out the second and third paragraphs of section 25 in the proposed committee amendment, commencing at line 14 on page 26, down to and including the word "therein," in line 12 on page 27.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Idaho to the amendment of the committee.

Mr. NUGENT. On yesterday I stated the reasons which impelled me to oppose the first paragraph of section 25 of the committee amendment, the one on which the vote was just taken. I am also opposed to the second and third paragraphs of that section. I shall read the second paragraph:

> That during the period of 10 years from the enactment of this act any person a citizen of the United States who may sell a vessel built prior to January 1, 1914, shall be exempt from all income taxes that would be payable upon any of the proceeds of such sale if the entire proceeds thereof shall be invested in the building of new ships in American shipyards, such ships to be documented under the laws of the United States and to be of a type approved by the board.

It appears from this paragraph, Mr. President, that the shipowners of the country have been singled out from all other classes of our population and exempted from the operation of the tax laws of the United States. It will be observed that in the event a shipowner sells a vessel and invests the proceeds in another vessel he is exempt from all income taxes. I know of no reason why that should be done.

A farmer who owns a farm and sells it and invests the proceeds in another farm, the shopkeeper who owns a store and sells it and invests the proceeds in another store, the stockman who has a bunch of sheep or cattle and sells them and invests the proceeds in another bunch of sheep or cattle are all obliged to pay their excess-profits taxes, and I see no reason in the world why these shipowners should not be obliged to do the same thing.

The second paragraph of the section provides what is tantamount to a stock dividend, which, under the recent decision of the Supreme Court, is merely the capitalization of profits. I think it is utterly wrong that such a proposition should be countenanced by the Congress of the United States.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from North Carolina?

Mr. NUGENT. I yield to the Senator from North Carolina.

Mr. SIMMONS. The Senator referred to a case where a farmer sells his farm and buys another farm. That would not be an analogous case at all. There is nothing in the section which would exempt a shipowner if he sells his ship and buys with that money another ship. The exemption which is given to him is only in case he sells his ship and reinvests the entire purchase money in the building of another ship, not in buying it.

Mr. NUGENT. It seems to me, Mr. President, that that is a distinction without a difference.

Mr. SIMMONS. It is a very broad distinction, Mr. President, if the Senator will pardon me. It is the object of the bill in part, and a very large part, to encourage the building of an American merchant marine. If he simply sells and reinvests the money in the purchase of another ship, he does not contribute at all to the tonnage of our merchant marine, but if he sells and reinvests the entire money in the building of a new ship, he adds that much tonnage to the American merchant marine, and the country to-day needs more than it needs anything else an adequate merchant marine to transport and accommodate its foreign trade.

Mr. NUGENT. Mr. President, as I stated before, it appears to me that the illustration given by the Senator from North Carolina amounts to nothing more than a distinction without a difference when applied to the matter which I presented, and I repeat that if a farmer owns a farm and disposes of that farm and invests the proceeds derived from the sale of the farm in the purchase of another farm he is liable, under the law, to pay an income tax and a tax on the excess profits, should he have earned any. Consequently I say that these shipowners are, as a matter of fact, singled out from people in our country engaged in any and every other line of business as the subject of special legislation.

Mr. RANSDELL. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Louisiana?

Mr. NUGENT. In a moment. The Senator from North Carolina stated—and I agree with him—that it is necessary that we build up an adequate merchant marine. The Senator stated that this special legislation, these special exemptions, are being enacted in favor of the shipowners because the building up of a merchant marine is of more vital importance to this country than any other one thing. I disagree with him in regard to that matter. I contend that if any class of men in this country are, under existing conditions, to be made the beneficiaries of special legislation it should be those engaged in agriculture. Agriculture is the basic industry of this country. Without it we would not exist for any considerable time. Every man knows that from the highest to the lowest, not only in this country but throughout the world, we are clamoring for increased production of foodstuffs. Every man knows that a very considerable difficulty is being experienced by the farmers of this country in the cultivation this year of the lands which they had under cultivation last year and the year before because of the scarcity of labor and the exceedingly high cost of everything which enters into their production. So I say that the farmers should not be discriminated against in the manner provided by this bill, which exempts the shipowners, one class of our citizens, from the operation of the excess-profits and the war-profits tax laws so far as the sale of ships is concerned.

I yield to the Senator from Louisiana.

Mr. RANSDELL. Will the Senator permit me to make just a very brief suggestion in regard to this paragraph? The Senator from North Carolina [Mr. SIMMONS], I think very justly, called attention to the fact that there is a great distinction between selling one ship and using the money derived from the sale to buy another ship and selling one ship and using the money to construct another ship in an American yard.

I wish to supplement that by reminding the Senator that a great many millions of dollars at every port of the United States have been invested in shipyards. The amount of money which is invested in these shipyards is almost incalculable.

Mr. NUGENT. Why was it invested in shipyards?

Mr. RANSDELL. As a war measure.

Mr. NUGENT. By whom?

Mr. RANSDELL. Some of my friends, farmers of north Louisiana, went to the Gulf coast and put their money in shipyards, because, as patriotic citizens, they wanted to help this Nation——

Mr. NUGENT. And for profit.

Mr. RANSDELL. Just as much for patriotism as for profit. I think it is a very great slander on the patriotic people of this country to say they built those shipyards for profit. I repudiate any such accusation.

That money was spent in those shipyards, those shipyards exist, and we ought to find business for them, if possible. We ought to utilize them. We ought to encourage them. We ought not to junk them; and a good many of them have already been junked. Let us keep them going, if possible. Let us continue the business. In the State of the Senator from North Carolina he knows a great many million dollars were invested in these yards and a great many millions have been invested in my State in shipyards. We want to keep them going.

The Senator can not say any more about farmers than I can, because I am more of a farmer than he is. It is the only business in which I am engaged, and I live in a great agricultural State. But I wish to see the business of America go on, and not merely one class of it. This is not class legislation. It is to help the biggest kind of industry in the country.

Mr. NUGENT. Mr. President, every man knows, as a matter of course, that the gentlemen who have built and who are operating the shipyards are not operating them as eleemosynary institutions. I do not doubt that many of the builders of these shipyards were actuated in part by patriotism. Neither do I entertain the slightest doubt that all of them were actuated, in a measure at least, by the idea that there was profit to be derived from the building of ships.

So far as the shipbuilding companies are concerned, for the past several years it has been the general belief, and it has been charged in this Congress and elsewhere—and judging from newspaper reports that have appeared during the past two or three weeks that belief and those charges were based on facts—that certain of these shipbuilding companies looted the Treasury, that they robbed the Government in the prices charged by them for the construction of ships, and certain of them are now in difficulty with the Department of Justice of the United States, which is seeking to recover some of the millions which were taken from the Treasury by these selfsame gentlemen.

Going back to paragraph 2, I repeat that I am utterly opposed to its enactment. I do not believe that, particularly under such circumstances and conditions as now prevail, the shipowners should be given this exemption from taxation which is not enjoyed by other people in the country.

I now desire to call attention to paragraph 3 of this section, which I shall read——

Mr. TOWNSEND. Mr. President——

Mr. NUGENT. I yield to the Senator from Michigan.

Mr. TOWNSEND. As I understand it, this provision proposes to exempt from the profit taxes——

Mr. NUGENT. From all income taxes. That is the language of the provision—from all income taxes.

Mr. SIMMONS. That is the same thing.

Mr. TOWNSEND. I suppose it has reference simply to the money obtained from the sale of the old vessels, and that would be the difference between the value of the property years ago and what the selling price is. Am I correct about that?

Mr. NUGENT. I apprehend that that is true.

Mr. TOWNSEND. The proposition in the bill, then, is in case money obtained from the sale of an old ship is invested in the purchase of a new ship built in the United States, that excess, as I may call it, is to be exempt from taxation.

Mr. SIMMONS. The Senator is mistaken about that. It must not be invested in a ship that happens to be built in the United States. Of course, that might be simply the purchase of another ship, but it is granted only in case the money is invested by the seller in the construction of a new ship, a ship which has not already been built, the purpose being to add another ship to the American merchant marine.

Mr. TOWNSEND. I did not quite understand what the situation was and asked for the purpose of getting right.

Mr. NUGENT. I now read paragraph 3 of section 25:

> The Secretary of the Treasury, the Secretary of Commerce, and the chairman of the board are hereby authorized and directed to determine from time to time what shall be allowed for annual depreciation of vessels purchased from the United States, or vessels completed in the United States, since November 11, 1918, in order that the owners of such vessels shall, with respect to the capital cost thereof, be put as nearly as may be on a parity with the owners of ships under the flag of our foreign competitors in the world's carrying trade, and such allowances shall be embraced in the deductions allowed by law in determining the net income subject to income taxes and war-profits and excess-profits taxes; and if said Secretaries and the chairman of the board are unable to reach a unanimous decision in such matter, it shall be referred to the President, and his decision shall govern therein.

Senators will note that the Secretary of the Treasury, the Secretary of Commerce, and the chairman of the board are not only authorized but they are directed to take such action.

With respect to the question of depreciation that is considered in this paragraph, I am frank enough to say that, to my mind, it is a fearful and a wonderful thing. To illustrate: A couple of weeks ago I had occasion, during the course of a speech I delivered in the Senate, to call attention to the activities of the American Woolen Co. I stated, among other things, that the capital invested in the business was $22,000,000 and that during the past six years that company had earned net profits in excess of $59,000,000; in other words, it had earned profits to the extent of nearly three times the amount of the capital invested in the business during the course of six years. In that connection I read from the New York World of May 13:

> An investigation completed by the Department of Justice shows the American Woolen Co. made a net profit of $19,000,000 in the first quarter of 1920, or within $1,000,000 of the total common stock capitalization of the company, according to information reaching the World to-night.
>
> According to the informant the investigation of the American Woolen Co. was begun two months ago, following the receipt of charges that it was profiteering in necessities.
>
> On the basis of $19,000,000 for the first quarter, the American Woolen Co. would earn total profits of $76,000,000, or nearly 400 per cent, on its total common stock capitalization during 1920.

During the course of the speech referred to I called attention to the fact that during the year 1919 that company earned net profits in excess of $15,500,000, and I now call attention to the fact that, according to a statement appearing in the New York World, dated April 28 last, those profits for 1919 were made after that company had charged off to depreciation $7,250,000, or practically one-third of the entire capital invested in the business.

I am utterly opposed to any such proposition. I do not believe for a single, solitary moment, and I venture to assert now that no other man, either within or without the Congress, possessing ordinary stage-horse sense, believes that the property of the American Woolen Co. depreciated practically one-third in the year 1919. So I am decidedly suspicious with respect to all these questions relative to depreciation.

But let me call the attention of Senators to the language of this paragraph:

> The Secretary of the Treasury, the Secretary of Commerce, and the chairman of the board are hereby authorized and directed to determine the amount of depreciation during each year—

For what purpose?

> In order that the owners of such vessels shall, with respect to the capital cost thereof, be put as nearly as may be on a parity with the owners of ships under the flag of our foreign competitors in the world's carrying trade.

What does that mean? It means, as a matter of course, that as nearly as may be the amount to be allowed for depreciation shall be in such sum as to place the capital cost of American ships on a parity with the capital cost of foreign ships.

I read from a little pamphlet entitled "For an American Merchant Marine," issued by a committee of American shipbuilders, 30 Church Street, New York. Among other things this pamphlet states:

> About one-half of the cost of a ship is represented by wages. * * *
>
> It is, of course, costing more in Great Britain and elsewhere to build ships now than it cost before the war. Our costs have also increased, and at the present time it is estimated by authorities that it costs about $30 a ton more to build a ship in the United States than it costs in the yards of Great Britain. According to one authority, the labor cost on an American cargo ship is approximately $65 per ton. The corresponding labor cost in a British yard would be about $35 per ton. This covers the difference in cost of shipbuilding.

It appears from that pamphlet that it costs approximately twice as much per ton to build a ship in the United States as it does to build a similar ship in a British shipyard, and I apprehend that the cost of shipbuilding in England is greater than the cost in any other European country. So in order to place these American ships, so far as capital cost is concerned, on a parity with the capital cost of foreign vessels, paragraph 3 directs the Secretary of the Treasury, the Secretary of Commerce, and the chairman of the board to fix a rate to be allowed for depreciation that will accomplish that result, and if the provisions of paragraph 3 are carried into effect it will mean that shipowners will be given credit for depreciation to the extent of nearly 100 per cent, and consequently there will be nothing left that will be subject to the operation of the income-tax laws.

Mr. CALDER. Mr. President, I wish to address myself for a few moments to the pending question. From the beginning of the Republic down to this very hour the question of maintaining a merchant marine has been an all-absorbing one. Shortly after the Revolution we began the establishment of a merchant fleet. We did so by giving to American vessels a preference in the matter of import duties and by their exemption from port dues and tonnage taxes. As a result of that policy we built up an oversea carrying tonnage which in 1810 supplied 90 per cent of our foreign trade. At the end of the War of 1812 we lost much of our shipping, largely the result of our treaty with Great Britain, which compelled us to give to that country the same privileges in our ports as we accorded our own ships.

Our merchant marine, however, maintained its supremacy, and in the years preceding the Civil War we had a tonnage which carried about 60 per cent of our overseas trade. Following that war, or as the result of the war, perhaps, came the introduction of steel and iron ships, and then the people of the country turned to more profitable business. The development of industry through the introduction of machinery of every character, the opening up of the western country, the building of the railroads across the continent, all tended to attract the capital of America to business other than shipping. It was more profitable to engage in other lines of industry. So when 1910 came our overseas shipping had fallen into such decay that we carried only about 8½ per cent of our own foreign trade.

We would not have had, perhaps, for many years to come, if ever, a merchant marine, except for the recent war. There was a difference of opinion among our people and in all parts of the country as to just what we should do. On one occasion the Senate passed a bill providing for a subsidy or subvention; at another time the House of Representatives passed a similar bill. I was a Member of that House when it passed such a bill, as was the Senator from Louisiana [Mr. RANSDELL], but we never seemed to be able to get together on this all-important question.

The World War came on, and we found America without any merchant shipping worth mentioning. Senators will remember that a few years previous to the war, when the then President, Mr. Roosevelt, sent our great naval fleet around the world, it became necessary to carry in foreign bottoms the coal to operate our own ships; we had not even coaling vessels enough flying the American flag.

During the two or three years before we entered the war we increased our shipping somewhat because of the demands on the part of Europe. Then when we went into the war ourselves we entered upon the building of ships, in the beginning not with the idea of establishing a merchant marine—that was not the primary thought in our mind—but we did it to win the war. We appropriated vast sums of money, and we built a great fleet.

Now, Mr. President, we have that fleet. With the ships already constructed and those under way we shall have a mer-

chant tonnage second only to that of Great Britain. I want our fleet to be the greatest in the world; I want a return to the condition obtaining in the days before the Civil War, when the American flag floated from the masthead of vessels in every port of the world.

That, Mr. President, is the reason why, as a member of the Committee on Commerce, and as a member of the subcommittee that prepared this bill, I joined with Senators on both sides of the Chamber in an effort to bring into this body a measure that would maintain what we have and perhaps increase our fleet so that some day it will be the greatest in the world.

We have just adopted one clause in this section which exempts from excess and war profits taxes the incomes derived from the operation of vessels in the foreign trade, provided these taxes are invested in the building of new, modern ships which have the approval of the Shipping Board. The second clause of the section provides that American shipowners operating vessels built previous to the year 1914—in most cases old and obsolete ships—may, if they sell them, be exempt from all income taxes, provided that they invest the entire proceeds from the sale in the construction of new vessels in American shipyards. This provision, it seems to me, as much as any other in the bill, will assure the building of more modern, up-to-date American vessels.

Mr. RANSDELL. Will the Senator yield to me?

Mr. CALDER. With pleasure.

Mr. RANSDELL. The Senator means if they invest the money in the construction of new tonnage, not in the purchase of new tonnage?

Mr. CALDER. In the construction of new tonnage.

Mr. RANSDELL. In the building of new tonnage in American yards.

Mr. CALDER. The second provision of section 25 of the bill is not effective unless not only all the profits on the sale of the old vessels but the entire amount received for their sale is invested in the building of new vessels, so that every old ship sold means a new vessel built.

These old ships are not going to be sold unless some such provision as this is inserted in the law. All we do, if we adopt it, is to provide for the building of more ships for the American merchant marine; and I will say to the Senator from Idaho [Mr. NUGENT] that the maintenance of a great merchant fleet to carry the products of the farm and mine from his great State is essential to the permanent prosperity of his people.

Mr. President, permit me to relate an incident that happened to me the other day in New York. I sat next to a distinguished ambassador from a South American country, and he said to me that it was a rarity for ships flying the American flag to enter the ports of South America, and even in the exceptional case it is usually some old-fashioned freighter carrying a special cargo. He said that from his port, which was the city of Montevideo, ships sailed weekly for Italy, Spain, Germany, and England, but there were no regular sailings of ships to North America. The result was that despite the fact of our nearness to South America, our natural interest in it and theirs in us, we were doing little or no business with them. He very truthfully stated: "You can make all the business connections you like, unless you have American tonnage passing to and fro from our ports to yours you are never going to build up with us a real, permanent business. Our foreign trade to-day," he said, "is controlled by Italy, Spain, Germany, and England, and if you want your share of it you have got to have an American merchant marine to carry it."

So, Mr. President, in the interest of the farmers of the country, in the interest of the manufacturers of the country, in the interest of the miners of the country, and, above and beyond all, in the interest of the workers of the country and in the interest of the flag itself, I trust that the section objected to by the Senator from Idaho will be left in the bill.

Mr. JONES of Washington. Mr. President, I desire to say just a few words. The Senate will remember that the Senator from Wisconsin [Mr. LENROOT], who moved to strike out all of the first paragraph of the pending section, stated the other day that he was heartily in favor of the second paragraph, and, from the statement made by the Senator from New York, it seems to me the second paragraph ought to appeal to every Senator who is especially anxious to have the American merchant marine built up and to have up-to-date, modern ships.

Now, with reference to the last paragraph, I will say that the situation is about this: As I understand, under the income-tax law, the Secretary of the Treasury is authorized to make reasonable allowance for depreciation in determining the net revenues upon which income tax shall be paid, and in doing this he fixes the amount at about 3 per cent. The depreciation allowed in other countries is a much larger percentage than that, and as a result, of course, our people are handicapped and our shipping placed at a decided disadvantage.

The purpose of the third paragraph is to place in the hands of a body interested in the building up of the American merchant marine the power to meet that situation by putting our people upon a parity with others; that is the sole purpose of it, and I am satisfied that it will work out to very great advantage. I hope that the motion of the Senator from Idaho will be defeated.

The PRESIDING OFFICER (Mr. BECKHAM in the chair). The question is on the motion of the Senator from Idaho [Mr. NUGENT] to strike out the third paragraph of section 25.

Mr. NUGENT. I ask for the yeas and nays.

The yeas and nays were ordered, and the Reading Clerk proceeded to call the roll.

The PRESIDING OFFICER (when Mr. BECKHAM's name was called). The present occupant of the chair makes the same announcement of his pair and its transfer as upon the preceding vote, and votes "nay."

Mr. DIAL (when his name was called). I am paired with the Senator from Colorado [Mr. PHIPPS] and therefore withhold my vote.

Mr. LODGE (when his name was called). Announcing the same transfer of my pair as heretofore, I vote "nay."

Mr. SIMMONS. I wish to inquire whether the junior Senator from Minnesota [Mr. KELLOGG] has voted?

The PRESIDING OFFICER. He has not voted.

Mr. SIMMONS. I have a general pair with that Senator, which I transfer to the Senator from Nevada [Mr. PITTMAN], and vote "nay."

Mr. TRAMMELL (when his name was called). I have a general pair with the Senator from Rhode Island [Mr. COLT]. I transfer that pair to the Senator from Nebraska [Mr. HITCHCOCK], and vote "yea."

The roll call was concluded.

Mr. BALL. I have a general pair with the senior Senator from Florida [Mr. FLETCHER]. I understand that, if present, he would vote nay on this amendment. As I intend to vote in the negative, I feel at liberty to vote, and vote "nay."

Mr. KING. I desire to announce that the Senator from Vermont [Mr. DILLINGHAM] and the Senator from Minnesota [Mr. KELLOGG] are necessarily detained on account of official business, being engaged in a hearing before the Committee on the Judiciary. Each of those Senators is paired.

Mr. GAY. I have a pair with the senior Senator from New Hampshire [Mr. MOSES]. I transfer that pair to the senior Senator from Ohio [Mr. POMERENE], and vote "nay."

Mr. HENDERSON. I inquire whether the Senator from Illinois [Mr. MCCORMICK] has voted?

The PRESIDING OFFICER. He has not voted.

Mr. HENDERSON. I have a pair with the junior Senator from Illinois, and in his absence withhold my vote.

Mr. WALSH of Montana (after having voted in the negative). I inquire whether the Senator from New Jersey [Mr. FRELINGHUYSEN] has voted?

The PRESIDING OFFICER. He has not.

Mr. WALSH of Montana. I have a general pair with that Senator, but voted without noting his absence from the Chamber. I transfer that pair to the Senator from Oklahoma [Mr. GORE], and allow my vote to stand.

Mr. FERNALD. I have a pair with the Senator from South Dakota [Mr. JOHNSON]. In his absence I withhold my vote. If permitted to vote, I should vote "nay."

Mr. DIAL. I have a pair with the Senator from Colorado [Mr. PHIPPS], which I transfer to the Senator from Rhode Island [Mr. GERRY], and vote "nay."

Mr. GRONNA. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent on account of illness. He is paired with the junior Senator from Arkansas [Mr. KIRBY]. If present, the Senator from Wisconsin would vote "yea."

Mr. WATSON (after having voted in the negative). I have a general pair with the senior Senator from Delaware [Mr. WOLCOTT], which I transfer to the senior Senator from Florida [Mr. FLETCHER], and allow my vote to stand.

Mr. WARREN (after having voted in the negative). I have a pair with the senior Senator from North Carolina [Mr. OVERMAN]. I inquire if he has voted?

The PRESIDING OFFICER. He has not voted.

Mr. WARREN. Then I withdraw my vote.

Mr. CURTIS. I wish to announce that the Senator from South Dakota [Mr. STERLING] is detained on business of the Senate.

I have also been requested to announce the following pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN];

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS];

The Senator from South Dakota [Mr. STERLING] with the Senator from South Carolina [Mr. SMITH];

The Senator from Connecticut [Mr. MCLEAN] with the Senator from Montana [Mr. MYERS];

The Senator from Illinois [Mr. SHERMAN] with the Senator from Virginia [Mr. GLASS];

The Senator from Maryland [Mr. SMITH] with the Senator from Vermont [Mr. DILLINGHAM]; and

The Senator from Virginia [Mr. SWANSON] with the Senator from West Virginia [Mr. ELKINS].

Mr. MCKELLAR. The Senator from North Carolina [Mr. OVERMAN], the Senator from Ohio [Mr. POMERENE], and the Senator from Kentucky [Mr. STANLEY] are absent on official business.

The result was announced—yeas 19, nays 31, as follows:

YEAS—19.

Borah	Harrison	McCumber	Smoot
Capper	Jones, N. Mex.	Norris	Thomas
Curtis	Kendrick	Nugent	Trammell
Gronna	Kenyon	Page	Walsh, Mass.
Harris	King	Robinson	

NAYS—31.

Ball	France	McNary	Smith, Ariz.
Beckham	Gay	Nelson	Spencer
Brandegee	Hale	New	Townsend
Calder	Harding	Phelan	Underwood
Chamberlain	Jones, Wash.	Poindexter	Wadsworth
Comer	Keyes	Ransdell	Walsh, Mont.
Culberson	Knox	Sheppard	Watson
Dial	Lodge	Simmons	

NOT VOTING—46.

Ashurst	Gore	Moses	Smith, Ga.
Colt	Henderson	Myers	Smith, Md.
Cummins	Hitchcock	Newberry	Smith, S. C.
Dillingham	Johnson, Calif.	Overman	Stanley
Edge	Johnson, S. Dak.	Owen	Sterling
Elkins	Kellogg	Penrose	Sutherland
Fall	Kirby	Phipps	Swanson
Fernald	La Follette	Pittman	Warren
Fletcher	Lenroot	Pomerene	Williams
Frelinghuysen	McCormick	Reed	Wolcott
Gerry	McKellar	Sherman	
Glass	McLean	Shields	

So Mr. NUGENT's amendment to the amendment reported by the committee was rejected.

The PRESIDING OFFICER. The question is upon the adoption of the amendment of the committee as amended.

Mr. KING. Mr. President, a parliamentary inquiry. Did the amendment which has just been voted upon embrace two paragraphs? I was out serving upon a committee when the amendment was presented.

The PRESIDING OFFICER. It did. It embraced the last two paragraphs of section 25.

Mr. KING. I desire to move to strike out the last paragraph, consisting of lines 22 to 25 on page 26, and lines 1 to 12 on page 27. I shall not debate the matter, because it has been discussed so fully heretofore.

Mr. NUGENT. Mr. President, I understand that the Senator has moved to strike out the second paragraph.

Mr. KING. Yes.

Mr. NUGENT. That was embraced in my motion.

Mr. KING. As I understood the motion of the Senator from Idaho, however, it embraced two paragraphs.

Mr. NUGENT. It embraced two paragraphs; yes.

Mr. KING. That motion was defeated. Now I am addressing myself to one paragraph, with the hope that my motion will prevail; that whereas some of the Senators were satisfied with the first paragraph, and therefore declined to support the entire motion of the Senator from Idaho, they would be so much dissatisfied with the last paragraph that they could support my motion.

The PRESIDING OFFICER. The question is upon the amendment of the Senator from Utah to strike out the last paragraph of section 25.

The amendment was rejected.

The PRESIDING OFFICER. The question now is upon agreeing to the amendment of the committee as amended.

The amendment as amended was agreed to.

Mr. JONES of Washington. Mr. President, referring to section 26, there is an amendment pending, offered by the Senator from Wisconsin [Mr. LENROOT], beginning with the words "The board and," in line 25, page 27, to strike out the remainder of the paragraph. That was discussed considerably, I think, the other day. I want to offer an amendment perfecting it before the amendment is voted on.

On line 5, page 28, I move to strike out the word "proper" and insert the words "just and reasonable."

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The READING CLERK. On page 28, line 5, it is proposed to strike out the word "proper" and insert the words "just and reasonable," so that if amended it will read:

From time to time determine the just and reasonable rate of compensation to be paid for such service.

The amendment to the amendment was agreed to.

Mr. KING. Mr. President, I desire to ask the chairman of the committee whether or not the objection which was made to this provision was discussed under the head of its being a subvention or a subsidy to be paid by the Government of the United States to those engaged in the shipping business?

Mr. JONES of Washington. That proposition was presented in the discussion; and we also inserted, as the Senator will remember, an amendment in line 7 reading "within the limits of appropriations made by Congress." That proposition was discussed in connection with it.

Mr. KING. Under the present law would not the Postmaster General have the authority to make contracts for the transmission of mails by vessels?

Mr. JONES of Washington. No. He has authority to make contracts for carrying the mails at so much a pound—I think it is so much a pound—and he has had foreign mails carried, with the result that of the little over $3,000,000 that we have paid for carrying the mails in vessels we have paid about two and a half million dollars to foreign ships. That is what his reports show.

The purpose of this section is just this: In the first part of the section, to which no objection has been made, we direct that wherever it is practicable our mails shall be carried in American ships. This part of the section authorizes the Postmaster General and the Shipping Board to determine—as we have put it now—what is a just and reasonable compensation for carrying the mail over American lines, on American ships, within the limits of the appropriations made by Congress. They may find that in order to secure the establishment and maintenance of a desirable line of regular ships that will carry the mails of the United States—in addition, of course, to the other business they will do—it will require the expenditure of a little larger than the ordinary sum of money to have the necessary service rendered in connection with those mails. They are authorized to do that, and I will say frankly to the Senator that it is the purpose and the intention to have the board and the Postmaster General give what they consider proper encouragement to American lines to carry these mails and establish and maintain these lines. You may call it a subvention, you may call it a subsidy, or whatever you please; it is an aid to the upbuilding of an American merchant marine.

It has been suggested that we are taking unusual steps in this bill. We are. It is an unusual situation that confronts us. We would rather, at this time, go a little further than may be necessary than not to go far enough. In my judgment, this is the opportune time for placing an American merchant marine upon a substantial basis. If we do not do it now, the chances are that we never will. When we get it on a substantial basis, if we find that we are giving too much encouragement, we will cut it down.

Mr. KING. Mr. President, will the Senator yield?

Mr. JONES of Washington. Yes.

Mr. KING. I would like to ask the Senator whether or not, under the provisions of the bill, the Government is compelled to utilize American vessels for the transportation of the mails regardless of the charges which may be made by the American vessels?

Mr. JONES of Washington. They are required to do it wherever practicable, and the Postmaster General is to fix the compensation according to the service rendered.

Mr. KING. There is no hard and fast rule; they are not compelled to do it?

Mr. JONES of Washington. Oh, no.

Mr. KING. There is some discretion left?

Mr. JONES of Washington. Oh, yes.

Mr. NUGENT. Before the Senator from Utah takes his seat, I desire to ask him if he does not think this section provides, in fact, for a subsidy, to the extent of the price to be paid for carrying the mail?

Mr. KING. I think there can be no question about it. All of the odium which attaches to the word "subsidy"—and there has been a great deal of odium necessarily and properly attached to it—applies to this section, and I, among the few who will vote against the bill, shall vote against this provision.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wisconsin [Mr. LENROOT] to strike out the last paragraph of section 26.

The amendment to the amendment was rejected.

Mr. KING. I desire to give notice that I shall reserve a separate vote upon this amendment in the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment as amended.

The amendment as amended was agreed to.

EUROPEAN FINANCE AND AMERICAN EXPORTS.

Mr. OWEN. Mr. President, I want to say just one word with regard to the question of finance in Europe, and I shall detain the Senate only two or three minutes.

Suffering humanity in Europe needs the surplus of American production with which to put the working millions of Europe back to work.

To extend such credits should not be regarded merely as an act of humanity or charity but as a matter of enlightened self-interest.

The productive power of Europe remains and the people of Europe can repay every dollar with fair interest which may be loaned to pay for material for productive purposes.

The Government of the United States is not expected as a Government to tax the people of the United States in order to make these loans, and no intelligent American ever thought of doing so. The American people will not be taxed on European loans. These loans merely represent commodities sold at war prices to be repaid with interest.

But under proper conditions English, French, Italian, German, Austrian, and other securities of Europe could be sold to the investing public of the United States at a fair rate of interest, and thereby enable our exporters to finance further American exports. Unless these credits are extended by means of the sale of European securities to the investing American public our export trade must be cut off to the extent of about $4,000,000,000 per annum, which is about the present rate of our excess exports.

I say Europe is not bankrupt. When France sells to her own citizens her own bonds the wealth of France is neither added to or taken from. France is reacting now and will steadily grow better.

I favor opening the doors for the sale to the American investing public of British, French, Italian, German, and Austrian securities in order to offset the balance of trade due to our present excess exports. As an economic fact America is obliged to extend these credits or cut off the foreign trade until Europe reacts from the dislocations of war.

Many people think that the loans to Europe are a tax on the American people. These loans will be paid back with interest and will not be a tax on the American people.

There is much misunderstanding about the loans to Europe, partly due to appeals to charity, such as that made by Mr. Davison. The effect of such appeals is to break down European credit precisely as an attempt is now being made to break down American credit for the benefit of those who have credits for sale in the United States and in Europe.

The United States Government should provide a mechanism by which to safeguard and market European securities in order to provide the credits and enable Europe to buy American commodities until Europe is in good running condition again.

Mr. President, Europe lent billions of dollars to the United States after our great war for reconstruction purposes and for building American railways, and we paid it all back with interest and discounts and commissions, and with large merchants' profits besides. Europe can and will do the same thing. They are intelligent, industrious, good people, and under democratic government will show the same great development in productive power which America has shown. Mr. Edward A. Filene, of Boston, is entitled to great credit for his efforts to bring order out of chaos through the American Chamber of Commerce and the International Chamber of Commerce along these lines. These efforts, however, are merely persuasive; it will require the cooperation of government to bring the needs of the people of Europe in concrete form before the American investing public. The United States Government is better qualified than any other power in the United States to protect the investors in the United States who might buy foreign securities. Great Britain does this, and the United States ought to protect its own investors, which it can do without any cost.

Mr. Filene's efforts were not sufficiently appreciated by the administration of the Treasury Department and did not result in any concrete matter of bringing European securities properly safeguarded before the American investing public. The representatives of European business men returned to Europe disappointed. They were the finest body of business men in the world, representing Great Britain, France, Belgium, Italy, and so forth. What is needed is a concrete method authorized by law and worked out in detail to bring European securities before the American investing public, which can absorb all that is necessary of these securities to supply the needs of Europe and, what is equally important, keep alive our export trade, which has been ruined under the stupidity of American mismanagement.

The total banking power of the world was fifteen billions in 1890 (Mulhall; see the report of Comptroller of the Currency for 1919, p. 16), while the American banking power of 1920 alone amounts to forty-eight billions.

The American people have the power. The American people have the good will. The American people need such a plan and merely require the mechanism. The Washington Post in an editorial this morning thinks the United States could not absorb three-quarters of a billion per annum, and speaks as if to offer such securities was an underhanded scheme to take advantage of somebody. Any bonds offered this country from Europe would have to be good bonds. If the German bonds underwritten by France, Great Britain, and Italy were offered this country, they would be good securities, and it would be to our great advantage to have the investing public of America buy them and thereby furnish the credits with which to finance our own exports. We need not consider the humane aspect. It is a common-sense, cold-blooded business proposition, absolutely for our own interests, regardless of the interest of Europe.

We must remember, however, that the interests of the world are bound together, and, as far as I am concerned, I want it distinctly understood that, while I was in favor of using every energy of defeating German soldiers on the battle field under their military leadership which threatened the liberties of mankind, now that the evil is removed and military dynasties are ended I say, "In the name of God, let us have peace," and let us regard the German people as poor human beings, like ourselves, the children of the Great Father, entitled to life, liberty, and the pursuit of happiness. Our own welfare requires us to deal with them in a spirit of humanity.

What reason have we to question the honor or the will or the ability to pay of the British people? They are the greatest manufacturers and merchants and sailors in the world. They will pay every dollar; they always have done so; they always will do so.

If the men of Belgium were willing to die rather than break faith, who shall question their willingness to pay whatever they borrow? They, too, are great manufacturers and merchants.

When the French people were willing to die to the last man and last woman on the battle field rather than submit to wrong, who shall question their honor in repaying what they may borrow from us? They are the most ingenious, the most industrious, the most thrifty people in the world. They will pay every dollar they owe.

And what about Italy? Where will you find a nation with a higher record of integrity? The Italians are a wonderfully brave, resourceful, and upright people; they pay their debts; they know how to pay them, for they are industrious, thrifty. They have genius as merchants, as manufacturers, and in agriculture as well; there are no better people in the world than the Italians, and no nation in the world ever made such a record for courage and virility as those who established the Roman Empire and taught the world the art of government. For 10 consecutive years before the war 3½ per cent Italian Government bonds were sold at 10 per cent above par. No one has a right to question the ability of the Italian people to meet their obligations, nearly all of which are held by the Italians themselves.

Mr. POINDEXTER. Mr. President, I should like to ask the Senator from Oklahoma if he is referring to Government credits?

Mr. OWEN. I am not. I am referring to private credits, through the investing public of the United States. I do not believe the Government of the United States ought, as a Government, to extend credits.

Mr. POINDEXTER. I am very glad to hear the Senator say that. I know that from some influential sources the proposition has been put forth quite recently that the Government should furnish commercial credits for the purpose of supplying Europe, and also the proposition has been made that the Government should guarantee German loans. Acts of that kind in time of war, and for war purposes, might possibly be justified constitutionally as a part of the war powers of the Nation, but I did not assume that the Senator from Oklahoma would hold that

any such authority as that existed as a proper governmental function in time of peace.

Mr. OWEN. It could only be done, I assume, by act of Congress, and I think everyone would be opposed to that, because that is not a proper use of the power; but to have the Government of the United States provide a mechanism through which the securities of Europe might be offered to investors in the United States would be an advisable thing, because unless we do have those European securities digested in the United States it will be impossible to keep up our exports as we have been doing heretofore.

Mr. POINDEXTER. I think that is undoubtedly a proper governmental function and one deserving of proper attention, but so far as the extension of governmental credit is concerned——

Mr. OWEN. I do not think anyone is in favor of extending governmental credit.

Mr. POINDEXTER. There are, I am sorry to say, a good many people who are in favor of it. I notice that Mr. Davison, for instance, of New York, as he is reported in the press a few days ago, advocates half a billion dollars of Government credits. The Senator from Oklahoma says it could not be done except by act of Congress. I fail to understand how it could be done even by act of Congress, because I fail to understand how it could enter into the legitimate functions of the Government.

Mr. OWEN. I do not believe in time of peace it would be properly within the legitimate functions of the Government. I agree with the Senator in regard to that.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

Mr. JONES of Washington. Mr. President, we passed over section 29, on page 30. The Senator from North Dakota [Mr. McCUMBER] desires to offer an amendment to that section.

Mr. McCUMBER. I move to strike out all of section 29, after the word "act," line 16, page 30.

The PRESIDING OFFICER. The Secretary will state the amendment to the amendment.

The READING CLERK. On page 30, line 16, after the word "act," strike out the rest of the page, down to and including line 7, on page 31.

Mr. McCUMBER. I appreciate, Mr. President, how difficult it is to get a real vote upon the merits of any motion to amend, due to the fact that Senators are busy in their committees and absent themselves, and only come back to vote, and necessarily they will follow the advice of the committee on those votes, as we all do. I want to read the provision which I move to have stricken out:

> No agent or employee of a common carrier shall check baggage, issue bills of lading, or otherwise arrange for through carriage of property between ports or places in the United States, including Districts, Territories, and possessions embraced within the coastwise laws, when all or any part of the carriage is in a foreign vessel, and no person in the capacity of agent or otherwise, directly or indirectly, by means of a ticket, understanding, order, or any form of contract whatsoever, shall sell or contract to sell to any person the right to travel by water, or by land and water, either directly or via a foreign port, or for any part of the transportation, on a foreign ship, between ports or places in the United States, including Districts, Territories, and possessions embraced within the coastwise law. Any person violating any of the provisions of this section shall, upon conviction, be fined in any sum not exceeding $1,000.

During the summer months there is considerable travel, both by Americans and Canadians, through the Northwest Territory and up to Alaska. Under the provisions of this section, if I wished to go from St. Paul to a point in Alaska by way of the Soo Line, for instance, I could not get a through ticket from one point to the other, but I would be compelled to get off at Portal, we will say, in North Dakota, on one side of the line, hire a drayman to get my trunk over to the other side of the line, wait 24 hours for the next train, and then take that train to go on to Alaska.

That kind of a provision is not helping the American railroad and it is not helping American shipping any. All it does is to inconvenience the American traveler, because if his business or his pleasure is such that he desires to go by a Canadian road he will do so, even though he has to submit to the extra inconvenience of buying tickets from one point to another.

Let us take a Canadian in St. Paul or Minneapolis who wants to go to Alaska. Possibly he has visited Banff and Laggan and the Canadian mountains and he would like to see some of our American scenery along the Northern Pacific or the Great Northern. He might desire to stop off at some of our beautiful parks, like the Yellowstone Park or the Glacier Park, and then go on to Victoria, and from Victoria take a Canadian vessel to some point in Alaska. He could not purchase a through ticket. He could get, perhaps, as far as Seattle. When he got to Seattle there might be a Canadian boat which he could take from that point to some point in Canada, but he could not get a through ticket to Alaska, because he has to travel part of that time through his own country. It so happens that most of that travel would be along the inland waterways, and that would take him some thousand miles, or nearly so, through Canadian territory. I do not know how often we run our American boats from Seattle, or from any other point, but I would not want to go there and then have to wait a week for the next American boat. If there was a Canadian boat going right along at the time, I should want to leave there, and I would take the Canadian boat, if it was necessary, even though I had to go to the extra trouble of getting off at a certain point and buying another ticket and transferring baggage, and so forth.

I do not think the general coastwise provisions ought to apply to travel between Alaska and the United States, where it is almost necessary over some of the lines of road that you go through Canadian territory. I can see nothing to be gained by it except inconvenience.

I know the Senator from Washington [Mr. JONES] says that that is a part of the provision of law to-day, and that this is simply to prevent an evasion. If the law reads so that it will compel me to get off at a point on one side of the line and then go across to the other side and buy another ticket in order to get through that territory, I say it ought to be changed.

So, on the other hand, I have traveled many times between St. Paul, Minneapolis, and Seattle by the Northern Pacific and by the Great Northern Railways. I might want to take a trip to Alaska by way of the Canadian Northern or the Canadian Pacific; I might desire to stop off at the beautiful Lake Louise, at Laggan, or at Banff for a day or two and go on to the place to which my baggage is checked. I can see nothing to be gained for American commerce by inconveniencing me and making it difficult for me to travel from a point in the United States to a point in Canada, or a point in Alaska beyond Canada, where I am compelled, if I go to those places with a stop-over privilege, to pass through Canadian territory.

I think if the law is evaded it ought to be evaded by any possible way it can be. I am a strong supporter of our coastwise trade and of passengers and freight carried in American vessels, but we are compelled to go through Canadian territory very often, and to me it is just as unreasonable as though you would prevent me, if I wanted to go to Great Britain and France, and there was an American line which went to France, from going through Great Britain and taking another British ship across the channel to France, but should compel me to go to France first and then arrange to go from France back to Great Britain.

If I thought there was any real good to be subserved to the American cause by a provision of this kind, I certainly would support it; but I can not understand any benefit to be obtained through it. About all I can see is an immense inconvenience to the traveling public who go to Alaska, either by way of the American roads to Seattle or by way of the Soo Line or the Great Northern line up to Winnipeg or Banff or other section of the country. It seems to me we should not impose those penalties on our own people.

Mr. KELLOGG. Mr. President, as I understand the coastwise shipping law now, being chapter 20 of the act to amend the law of 1898 relating to navigation, it prohibits any goods from being carried between ports of the United States by foreign vessels, and prohibits the carrying of passengers between any ports of the United States by foreign vessels.

If that law is indefinite and does not include the possessions of the United States, I do not know that I have any objection to it being made clear upon that point; but certainly if so administered it would prohibit the carriage of property or passengers between a port in the United States, say San Francisco or Seattle, and a port in Alaska or Hawaii or the Philippine Islands, but it does not prohibit an American from traveling to Vancouver on an American boat or an American railway and there purchasing a ticket and going from a Canadian port to Alaska upon a British ship. It seems to me the amendment, if that is the idea, is too broad.

I have no objection to protecting in every way the American coastwise traffic, and American coastwise traffic including the possessions; but it does seem to me that if a passenger desires

to go by rail on an American railway or a Canadian railway to Vancouver, he ought to have a right to buy a ticket through from the Canadian port of Vancouver to an Alaskan port or any other port in our possessions. It appears to me that this is going beyond the real necessities of such law.

It must be remembered that the American railways always maintain agencies, not only in Canada but in other foreign countries, and there they sell tickets on Canadian railways and Canadian steamships in connection with American railways to American ports, both within the continental United States and our possessions. It seems to me that the amendment ought not to be adopted in such broad language that it will hamper travelers and compel them to break their journey and recheck their baggage or make new bills of lading for the transportation of goods through a foreign port.

With that in view, it seems to me that I shall be compelled to vote against the amendment of the committee.

Mr. JONES of Washington. Mr. President, in the act of February 17, 1898, Fifty-fifth Congress, it is provided in section 8 that—

> No foreign vessel shall transport passengers between ports or places in the United States, either directly or by way of foreign ports, under a penalty of $200 for each passenger so transported and landed.

In construing that provision the Attorney General rendered an opinion which, it seems to me, is entirely contrary to the language of the act itself. He said it must apply to a voyage entirely by water by vessels between ports of the United States. It seems to me perfectly plain, and it was the declared intention in the discussion in connection with the bill, that all the passenger travel, as well as the freight travel, between ports in the United States by vessels should be confined to American vessels. That provision was in the interest of an American merchant marine and the building up of the American coastwise trade. It was not passed with a view to any special circumstance or any special situation, but simply because the Congress that passed it believed that it was in the interest of the United States to have its coastwise trade, both passenger and freight, confined to American ships.

Mr. KELLOGG. Mr. President——

Mr. JONES of Washington. I yield to the Senator from Minnesota.

Mr. KELLOGG. Does the Senator understand that it is the intention to prohibit a passenger from traveling from Seattle to Vancouver and there buying a ticket and traveling on a British or a Canadian boat to some of the possessions of the United States?

Mr. JONES of Washington. Not at all. We are not attempting to do that.

Mr. KELLOGG. Very well. Then, if a passenger may do that, why hamper him so that he may not check his baggage through on that boat?

Mr. JONES of Washington. The question of changing our coastwise laws is a different question from this. If it is proposed to do that, then, of course, we would consider that upon its merits. Personally I would be against that, as far as that is concerned.

It is no special inconvenience to an American traveling, especially for pleasure, as has been pointed out here, to change trains or to change boats, and I am willing personally to put him to that inconvenience if by so doing I encourage our own shipping. I think that every American citizen ought to be willing to subject himself to a little inconvenience in order to encourage and build up our merchant marine.

Take this situation, and it is a concrete example that illustrates what we are aiming at here: We have a ship line from Seattle to Skagway. Those are American ports, Seattle under American jurisdiction and Skagway under American jurisdiction. We have a direct competitor with our shipping in Canadian shipping. It seems to me that whenever we can legitimately give an advantage to our shipping we ought to do it.

I am not interested in the Canadian shipper. He does not need any solicitation upon our part. He will look after his own interests, and he is doing it. He is protesting against this legislation now. Why? Not because it injures us, but because it injures him, because it interferes with his business and interferes with a business that he has built up under a system of subsidies or subventions, which his Government does not hesitate to grant in the interest of his shipping.

Mr. McCUMBER. Mr. President, will the Senator explain to me how it is in the interest of American shipping to inconvenience me if I want to go by way of the Pennsylvania road to Chicago, from Chicago to St. Paul by way of the Milwaukee road, and by the Great Northern road from there on to Winnipeg, where I may have some business, and then I want to go on to Victoria, where I may have business, and from there on to Alaska? How are you hurting American shipping if you allow me to check my baggage right through or allow me to go through on a train that crosses over the boundary and goes on without compelling me to get out and to recheck my baggage for the balance of the way? Wherein is the one injured or the other benefited?

Mr. JONES of Washington. Let us turn it around the other way. What injury is it to the American citizen who wants to go to Winnipeg and stop a day or two to get off and get a ticket, and then on to Seattle or some other point, so far as that is concerned?

Mr. McCUMBER. It is quite a little if he has baggage and a lot of other things to attend to. He may get a considerable difference in his rate of transportation if he gets a through ticket and a return ticket which will carry him on without the necessity of pulling his baggage off at all these points.

Mr. JONES of Washington. Yes; and there is one thing that I am objecting to. They do get cheaper tickets. Why? Because the railroads in Canada give rebates and exceptional rates. We have no control of that by the Interstate Commerce Commission. We control our own carriers, but we can not control theirs, and in order to get business they have practices that we are not permitted to follow.

But that is not really the proposition in which I am interested here.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Colorado?

Mr. JONES of Washington. I do.

Mr. THOMAS. If this proposed legislation is desirable, why would it not be well to apply it to that situation; that is to say, to apply the same rates to Canadian railroads?

Mr. JONES of Washington. I should be very glad to do it.

Mr. THOMAS. It is not done and it does not interfere with traffic nor, I think, sensibly diminish or affect the revenues of our roads.

Mr. JONES of Washington. I would be glad to do it; I should like to do it; but I am not dealing with that problem now. Take a concrete situation, for instance, the traffic to Seattle and Skagway. If a man wants to go by the Canadian Pacific to Seattle, it is very easy to do so; he can go to Victoria and then buy a ticket for the boat to Seattle. He is not prohibited from doing that; he is not interfered with in doing it at all. If a person wants to go to Skagway from St. Paul or Minneapolis, he can buy a ticket to Seattle. There are American boats there; and there would be many more American boats and there would be a much better service if we could free ourselves from the clutch that the Canadian Pacific, through its Government-aided line, has on the business to our ports. The Senator says we might have to wait awhile for boats. We may have to wait some little time, but I do not think we will have to wait very long for boats if we would give the proper encouragement to our people to establish American lines.

I have here the Dominion of Canada report relating to mail subsidies and steamship subventions as controlled by the department of trade and commerce for the fiscal year ending March 31, 1918, with traffic returns for December 31, 1918, and I find on the first page of that report that they pay on the Pacific coast to a line from Victoria to Vancouver and Skagway $12,500 a year cash out of their treasury.

Mr. THOMAS. For carrying the mails?

Mr. JONES of Washington. They call it a subsidy or a subvention. They are required to carry the mail free. I think that is the reason; that is the general provision, at any rate; but the amount is paid as Government aid to assist in the maintenance of that particular line to do American business. Mr. President, we will not stop that, so far as that is concerned, but what we do object to is the situation that is permitted, for instance, in the city of Seattle, where the Canadian Pacific maintains an agency. When a traveler desires to go on one of their boats or upon their line from Seattle to Skagway, they will sell him a ticket from Seattle to Vancouver or Victoria, and then, at the same time, in the city of Seattle, they will sell him a ticket from Vancouver or Victoria to Skagway. Then he rides to Victoria or Vancouver on the Canadian boat, gets off that boat and boards another boat there, and goes on to Skagway. That is a clear evasion of our laws. All that this provision seeks to do is to prevent that practice. It does not prevent travelers buying tickets to Vancouver and then when they get to Vancouver buying tickets on to Skagway.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from North Dakota?

Mr. JONES of Washington. I yield to the Senator from North Dakota.

Mr. McCUMBER. For information let me ask the Senator a question. If a Canadian, an American, or any other person should happen to be at Edmonton and desire to go to Montreal, he can go there by the way of a Canadian railway or he can take the Soo and then take an American railway all the way through on the American side from Portal, in North Dakota, to Montreal. Now, if he buys his ticket over an American railway is he penalized by the Canadian Government? Does the Canadian Government prohibit him from checking his baggage from Edmonton on to Montreal, part of the way over a Canadian road and part of the way over an American road?

Mr. JONES of Washington. Probably not; but I am not interested in what they are doing along that line.

Mr. McCUMBER. I am not so much interested in what they are doing as I am interested in the convenience of people who travel; and if Canada is not imposing any such restrictions upon our people or upon our roads why should we, then, impose such restrictions upon them and upon our own people?

Mr. JONES of Washington. Mr. President, they are imposing all sorts of restrictions upon our shipping in Alaskan waters, and they are using every possible means of securing the shipping connecting Alaska with continental United States.

Mr. McCUMBER. I am not dealing with the shipping proposition.

Mr. JONES of Washington. That is what I am dealing with. We are dealing with the shipping proposition in the pending bill.

Mr. McCUMBER. No; the Senator is going further than that. He is dealing with transportation by both land and water.

Mr. JONES of Washington. Yes.

Mr. McCUMBER. And it is the provision affecting travel by land that I think is the most improper and inconvenient portion of the section.

Mr. JONES of Washington. I am willing to cut out the provision in reference to land transportation; we can cut that out to meet the situation the Senator has in mind. What I am aiming at is to prevent the evasion of our coastwise laws. If we are to change those laws, that is another proposition; let us do it; let us consider that question upon its merits; but so long as we have a law that seeks to restrict transportation by water between ports of this country to American vessels, let us see that that law is not evaded and take the other question up on its merits as an independent proposition.

Mr. President, the sole purpose of this provision is as I have stated. We simply want to protect our shipping; we do not want to cause too much inconvenience to American travelers; and I do not think there will be very much inconvenience; I do not think there will be any inconvenience. I believe that every American citizen will be glad to suffer what little inconvenience there may be in order to encourage and build up American shipping. If there is any reason why we have not the shipping between our ports and Alaska to-day it is simply because of the different methods used by the Canadian Government to promote their own interests and to develop and maintain their shipping. I do not criticize them; I admire them for it; I admire them for what they do; I admire the activity which they manifest. Whenever any legislation is pending here that affects their interests representatives of their Government come here at once; they send letters to our State Department and become active to prevent our passing legislation in our own interest. I should like to see us merely take a leaf out of their book and look after our interests as they look after theirs.

Mr. NELSON. Mr. President, it is very easy to surround this matter with a glamour in favor of maintaining American shipping. I wish I had the large map of Alaska here which I have in my office, for it would give a much better idea than Senators can have without a map of the location of Skagway, the port to which the Senator refers.

The Canadian Government has given a small subsidy for carrying the mail from Vancouver and from Victoria, the capital of British Columbia, to Skagway. Skagway is in American territory and is an American port, but from Skagway it is only 30 miles to the summit of the White Pass. From Skagway there runs a narrow-gauge railroad—the first one built in that section and the one which gave us our entrance to Alaska—over the White Pass down to White Horse, on the Lewis River, the main tributary of the Yukon. That railroad is about 150 miles long, but a little less than 30 miles, constituting that portion from Skagway to the summit of the White Pass, is in our territory. There would be no traffic at Skagway if it were not for the traffic that comes through there from the Yukon territory—from Dawson and eastern Alaska. As I have said, that was the original route of our entrance into Alaska. When the first stampede to Alaska occurred travelers went from Skagway over the White Pass. A citizen of my State built the wagon road there, but that was almost immediately superseded by the White Pass Railroad, a narrow-gauge road, built by Canadians.

Now, I will ask Senators to follow me for a moment. When a traveler goes by the Inner Passage, as it is called, from Seattle to Skagway, the first stage of the journey from Seattle to Vancouver is, I should say, between 100 and 200 miles. Then he must traverse British Columbian territory for a considerable distance up to the Panhandle of Alaska. He passes that, and goes by water through the narrow passage between the islands to Skagway, which is at the foot of the White Pass. When he gets to Skagway, if he desires to reach the interior, he has to go over the White Pass Railroad, over 100 miles of which, as I have said, is in Canadian territory. At the end of the railroad he will strike White Horse, as the place is called, on the Lewis River, the main tributary, I repeat, of the Yukon River. At that point steamboat navigation begins down to Dawson, the capital of the Yukon territory, a distance of between 400 and 500 miles, all in Canadian territory. Then when the traveler reaches Dawson there are still between 150 and 200 miles before he reaches American territory at Eagle, on the Yukon River.

Going down from Dawson the first station he reaches of any account is one called Fortymile. The town of Fortymile is on the Yukon River in Canadian territory, and the miners and the mines back of it on Fortymile Creek and its tributaries all have their outlet at the little steamboat landing called Fortymile. That is the only route by which our people can get into eastern Alaska in the winter. The Canadians have a stage route which in the winter they run in connection with their little narrow-gauge railroad from White Horse to Dawson. It is the only way by which our people can get into the interior easily and rapidly. Practically all the traffic and business of the Yukon territory, which is a part of Canada, and practically all of the traffic and business of interior eastern Alaska pass through Skagway, so that the traffic and commerce there is 90 per cent Canadian. The traffic furnished by Americans there is that of the people who desire to get into eastern Alaska by that route, it being the most convenient.

There is no other direct railroad route to navigation on the Yukon. The Copper River route goes up the Copper River to the mouth of the Chitna, and from there branches off to the copper mines. From the mouth of the Chitna River up to the head of navigation on the Tanana River, near Fairbanks, the distance is probably between 200 and 300 miles.

Our Government made a great mistake when they inaugurated railroad building in Alaska by not following that route. There was a good broad-gauge railroad built from the sea at Cordova up to the mouth of the Chitna and to the copper mines, and the Government made a great mistake by not adopting that line and building from the mouth of the Chitna River to Fairbanks, a distance of 200 miles. They could have built that road within the time that they have been building on the western side of the country and for all the money they have spent up to date.

What have they accomplished with the other end of the line? Instead of adopting that line, they adopted the line from Seward. They bought from the Canadians a dismantled railroad, half completed, unfit for real traffic, and they had to rehabilitate it from Seward up to the east end of Turnagain Arm—over 100 miles. They had practically to rebuild it. Then they had to build on the north side of Turnagain Arm, cut into the solid rock for a distance of nearly 100 miles until they got to Knik Arm, as it is called, and up there they have laid out a town. They have built the railroad up to that town near the mouth of Knik Arm or Knik Bay, and they have built a branch up to the Matanuska coal fields; but aside from that branch they are as far from the ocean to get to the interior of Alaska as they were when they started.

In other words, the whole distance from Knik Arm, which is the innermost part of Cook Inlet, is uncompleted, and I think we have spent between twenty and thirty million dollars, and it will probably take five or six years more before we get a road to the Tanana River by that route. So I say our Government made a great mistake when they did not start the road from Chitna. For the money that they have expended they could have had the road completed from the mouth of the Chitna over to Fairbanks.

As it is, this Skagway route is of great value to us. We need it. Nine-tenths of that Skagway route—I mean the land-

and-river route—is in Canadian territory, and we get the full benefit of it. Now, you can not wonder if you know the situation there. As I said, while Skagway is on American territory, its whole trade and commerce come from Canada, from the Yukon country. If Seattle and the shipping interests there were limited to the traffic that could be gotten in the neighborhood of Skagway in American territory, they would not get enough to pay for running one boat a year. The traffic that comes there is mainly Canadian traffic, and that route is a great advantage to us; and now what is it that Seattle wants, and what is it that the shipowners want?

Here is a route, really an entrance into Canada, from which we get most of the benefit. We get the benefit of most of the Canadian traffic from Skagway. Here they say that you can not check your baggage through, and you must not buy a ticket on the railroad that will take you through. Now, is there not enough penalty in the law?

This coastwise law that has been quoted says that freight shall not be carried in a foreign ship from one American port to another under penalty of forfeiture. That is, the whole cargo, or that part of the cargo that is shipped from one American port to another American port in a foreign ship, according to that law, will be forfeited to the United States.

Now, we come to the matter of passengers. The first law that we passed was approved on the 19th of June, 1886. That law provided a penalty of $2 a head for anyone traveling in a foreign ship from one port to another port in American territory. By the law of February 17, 1898, Thirtieth Statutes, that was changed so as to provide a penalty of $200 a head for every passenger carried in a foreign vessel from one port of the United States to another.

The hardship of this law was called to my attention some years ago by a friend of mine who got stalled in the island of Hawaii. I think he was compelled to wait there two weeks for an American vessel. He wanted to go back to San Francisco. He waited two weeks. No American ship came. A foreign ship came, and he was so anxious to get home that he paid the $200 penalty. The penalty is inflicted on the ship, but, of course, the ship would not carry him unless he paid that penalty. They would not carry him for his mere ticket and then pay a penalty, and he had to pay $200 in order to get back home.

We are not seeking to change that law; but what is this? It is a hamstringing amendment, in the interest of Seattle, to require that you can not check your baggage, you can not arrange transportation, in American territory. Why, we have ticket agents in this city for foreign steamship lines, for Canadian railroad lines and, I think, for Mexican lines; but no one would think of ostracizing them or forbidding them to sell tickets here. The object of this provision is to forbid them selling tickets or checking baggage at Seattle on these boats; and I submit that, with the coastwise law as it is, as I have quoted it, we have restrictions enough. In view of the benefits that we have from the Skagway route, in view of the business and traffic we get from Canada in all that Yukon territory, and in view of the fact that it gives us an eastern door to Alaska, I submit that this proposed legislation is outrageous.

I want to say further that if it comes to the question of protecting American shipping I am ready to go as far as anyone. I have voted for some of these amendments that almost went against my grain. I voted for two provisions in this bill that are practically subsidies. There is a subsidy in giving them immunity from excess-profits taxes. I voted for that. There is another subsidy in giving the department the privilege of sending all our mail in American ships and paying them whatever the department may agree upon. I even voted for that. I am willing to try it; but this plan of inconveniencing American citizens in the way of travel—and I have been over this route to Alaska that I have described to you—this plan of inconveniencing American citizens in the interest of a few vessel owners at Seattle seems to me monstrous. I have traveled on the Yukon River over 2,000 miles. I have been over this narrow pass. I have been down the Lewis River from White Horse down to Dawson. I have seen the conditions there. I know that that route, from Skagway on, is a great help and benefit to us, and it is the one route that brings traffic to the American boats that come to Skagway.

Mr. JONES of Washington. Mr. President, no one who knows the Senator from Minnesota [Mr. NELSON] would question for one moment his intense patriotism and his devotion to American interests, and my high regard for him and the broad and patriotic view that he has taken of this measure in all its aspects makes it hard for me to press this committee amendment, and makes it difficult for me to oppose the amendment of the Senator from North Dakota [Mr. MCCUMBER].

Mr. THOMAS. Mr. President, I think the Senator's own sense of justice has a good deal to do with it, also.

Mr. JONES of Washington. No, Mr. President, I do not see any injustice in it. I may not be able to look at it like my friends who take the opposite view; but, as I say, it is the view of the Senator from Minnesota, and his earnestness in the matter and what I know of his devotion to American interests, and especially his interest in Alaska and Alaskan matters, that makes it hard for me to press this amendment and oppose the proposal submitted.

Mr. NELSON. Mr. President, if the Senator will yield to me, I have been such a friend of Alaska that most of the legislation relating to Alaska that has been passed for 10 years I prepared and succeeded in passing here, and Senators who were here at the time will remember that I had to swear to pass some of the bills.

Mr. JONES of Washington. Yes; but when the Senator started to swear the opposition faded away, and I was glad that he did it, sometimes. Yes; the Senator has been a real, genuine friend of Alaska. He has, as he says, put through a great part of the legislation of the last 10 years of great interest to that country.

Mr. President, the situation, as the Senator has described it, with reference to Skagway and the Yukon River and the way to get into Alaska as it exists at the present time, is correct; but in conferring with the Secretary of the Interior and those having charge of the Alaska Railroad, they are very confident that the Alaska Railroad will be built into Fairbanks by 1922. Then we will have, if they are correct, access by railroad from the terminal ports to Fairbanks on the Yukon; but I can see no special force in the argument even from the situation that confronts us there now. It is true that to go by way of Skagway and down the Yukon River to get into our territory we must go through a long stretch of Canadian territory; but they can not get into their territory, especially through their steamship lines, without going through our territory. It is not a very great distance, that is true; and then we go along the Yukon River through their territory a much longer distance.

Now, I want to refer just for a second to the suggestion of the Senator from North Dakota [Mr. MCCUMBER] about selling tickets to points in Canada by rail.

This legislation does not prevent that. They can sell a ticket from Washington City, for instance, to Winnipeg, and from Winnipeg on to Vancouver, and from Vancouver to Seattle. That is all by land. This only prohibits it where a part of the trip is by vessel. Then they can not sell transportation on the vessel.

Mr. MCCUMBER. Mr. President, is it not absolutely necessary, in order to get into any part of Alaska, to take part of the trip by water?

Mr. JONES of Washington. Oh, yes; but I got the impression from the Senator's statement a while ago that he had the idea that if this bill passes we could not sell tickets from points in this country to land points in Canada, and so forth.

Mr. MCCUMBER. Oh, no.

Mr. JONES of Washington. That is all right, then.

The Senator suggests that all of these foreign steamship companies have agents here in Washington selling tickets to all parts of the country, and he asked if we wanted to ostracize them in Seattle. We do not have agents here in Washington selling tickets for transportation between points in the United States by water. The only place where that is done is in Seattle, and that is what we desire to stop.

Now, Mr. President, I am going to leave this proposition to the Senate. I think the Senate understands the situation, and I am going to leave it to a vote of the Senate.

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). The question is on the amendment of the Senator from North Dakota [Mr. MCCUMBER] to the amendment of the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on the committee amendment as amended.

The amendment as amended was agreed to.

Mr. JONES of Washington. I desire to call up section 37, on page 53.

Mr. LODGE. That is the section as to which I desired to make some inquiry of the Senator from Washington, because it is a very important and far-reaching section. It reads:

That in the judgment of Congress articles or provisions in treaties or conventions to which the United States is a party which restrict the right of the United States to impose discriminating customs duties on imports entering the United States in foreign vessels and in vessels of the United States, and which also restrict the right of the United States to impose discriminatory tonnage dues on foreign vessels and on vessels of the United States entering the United States, should be terminated, and the President is hereby authorized and directed, within 90 days after this act becomes law, to give notice to the several Gov-

ernments, respectively, parties to such treaties or conventions that so much thereof as imposes any such restriction on the United States will terminate on the expiration of such periods as may be required for the giving of such notice by the provisions of such treaties or conventions.

The imposition of discriminating tonnage duties was the policy of this country from the foundation of the Government down to 1815, and it was a policy which was believed to be of great advantage in building up the carrying trade of the United States, which during that period was enormous.

In 1815, after the treaty of Ghent, the same negotiators made a treaty, the treaty of London, which contained this clause:

No higher or other duties or charges shall be imposed in any of the ports of the United States on British vessels than those payable in the same ports by vessels of the United States; nor in the ports of any of His Britannic Majesty's territories in Europe on the vessels of the United States than shall be payable in the same ports on British vessels.

The same duties shall be paid on the importation into the United States of any articles, the growth, produce, or manufacture of His Britannic Majesty's territories in Europe, whether such importation shall be in vessels of the United States or in British vessels.

That is the substance of it. It destroyed the tonnage discriminations which up to that time had been the settled policy of the United States.

That treaty was extended in 1818 for 10 years, and in 1827 was made indefinite. I recall very well that Senator Frye, who gave a great deal of his long public life to efforts to build up the American merchant marine, always said that that provision in the treaty of London in 1815 was the beginning of the decline of the American merchant marine.

That same clause is found in other treaties. It extended from our relations with Great Britain to other countries very naturally. I think there are some 22 such treaties, but I am not perfectly sure. I have not had opportunity recently to look them all up.

The change which is proposed here, I need hardly say, is a very important one. It is a return to the old policy of the country at the beginning of the last century, and it requires the termination of these clauses, of which I have read one, in all the treaties.

I have not had time to examine this bill as I ought to have done, and I am seeking, after this long preface, to find out from the Senator from Washington the grounds on which the committee rested this change of policy. I am not discussing it at all in a hostile spirit, but it is of such importance that I should like to be informed, and I think the Senate ought to be informed.

Mr. JONES of Washington. Mr. President, I shall give the Senator briefly the reasons why the committee proposed this amendment. The Senator is mistaken in the suggestion, however, that it means a return to the discriminating-duty policy. It puts us in a position where we can return to it if we think it is wise to do so.

Mr. LODGE. That is correct. I was speaking hastily and a little too strongly. It opens the door for a return to that policy, which has been advocated by both political parties.

Mr. JONES of Washington. It is unshackling us. The Senator from Massachusetts has stated correctly when the policy was begun, and he has stated correctly the situation when it was started. Our merchant marine under the policy of discriminating duties, which was adopted by the fathers, was built up very rapidly. Whether that was the sole cause or whether it was the substantial cause, there may, of course, be room for argument. Nevertheless, the fact is that we had very little merchant marine when this policy of discriminating duties was started, and it was started by the fathers with the deliberate purpose and intention of building up the American merchant marine.

The American merchant marine was built up, and in 1815, when the treaty was made, we were carrying about 90 per cent of our foreign commerce under our own flag. There may be differences of opinion as to the effect of the treaty and the policy inaugurated by the treaty. Personally, I have no doubt in my mind but that the policy begun then was largely ultimately the cause of the decrease in our merchant marine. But I am not going into that; I am not going to discuss that.

As the Senator from Massachusetts said, both political parties have urged that we return to the discriminating-duty policy. We have placed provisions of this kind in several of our tariff bills. In the Underwood-Simmons tariff bill a provision specifically providing for discriminating duties was inserted. It was nullified by the decision of the Supreme Court, based largely upon the fact that nearly all of our trade was covered by treaty. The provision in the Underwood-Simmons bill expressly provided that it should not apply to countries with whom we had treaties, so there were very few countries left for it to apply to. As the Senator said, I think we have some twenty-odd treaties.

The Republican Party in 1896 declared specifically in its platform for a return to the policy of discriminating duties. So while it is not a party question, it is a proposition which has been advanced by both political parties, and the principal argument which has been urged against it of late years has been because of the treaties which we have.

The sole purpose of this amendment is to provide for the termination of those treaties; in other words, to unshackle us, and to put us in a position where, if we deem it wise to adopt the policy of discriminating duties, we can do so. We can not do it now. We are bound; we are tied hand and foot, so far as we are concerned.

What about other countries? This war has turned things upside down. It has done away with many of the commercial relations of the different countries of the world, and especially the countries of Europe.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from North Carolina?

Mr. JONES of Washington. I yield.

Mr. SIMMONS. I wish to suggest to the Senator that there was another reason, in addition to the one he has assigned, why it was thought by many impracticable for us to return to the old policy up to the time of the beginning of the World War.

It was a fact that we had no merchant marine to speak of, and if, with our small ocean fleet, we had undertaken to impose discriminating duties, we would undoubtedly have been met by a crushing retaliation on the part of the nations upon whom we depend for the bulk of our ocean transportation. That situation does not exist now, and what we could not have done with any success under the conditions which existed before the war, we can do now, I think, with safety.

Mr. JONES of Washington. I think there is much force in the suggestion of the Senator from North Carolina. We are not seeking a war of retaliation, but, Mr. President, we are not running away from it. As the Senator said, we are in a better position now than we ever were to meet a war of retaliation. I do not anticipate retaliation. I believe that when we get these treaties nullified we will proceed at once with the other countries of the world to initiate and formulate new treaties under which our rights will be a little better protected than they are now. There is not any country on the face of the earth, in my judgment, which wants to go into a contest of retaliation with us.

But, Mr. President, as we are now, we are practically helpless, and I am going to call the attention of the Senate to the situation which has developed during the war, which emphasizes that position.

Mr. KING. Mr. President, does the Senator approve of legislation which, in effect, repeals or abrogates treaties, some of which, as I understand, have been in existence for a long time, in a bill of this kind? This is a sort of a rider upon a general bill, and, as I understand the situation, it has the effect of modifying existing treaties.

Mr. LODGE. Mr. President, if the Senator will allow me, it is a provision for terminating one clause in certain cases, as was done under the La Follette bill, and there are other instances. It is a perfectly recognized proceeding, and the treaties themselves provide for methods of termination. It is entirely in accord with our rights. There is nothing violative of treaties in it. In fact, I think it shows every possible courtesy.

Mr. KING. I, of course, understand that this is not a violation of our duty; that is to say, that we are not transgressing our power. We have a right to denounce or repeal any treaty; but it did seem to me that the proper and the courteous way would be to have a specific bill challenging attention to certain treaties, and repealing them.

Mr. LODGE. Where that has been done, it has always been done, I think, in this way, in a bill which made necessary the modification of the clause in a treaty.

Mr. JONES of Washington. We are not going as far as we did in the La Follette bill.

Mr. LODGE. Not nearly so far.

Mr. JONES of Washington. In the La Follette bill we passed a provision of law directly contrary to the provisions of a treaty, and expressly abrogating them. Here we specifically give notice as to the treaties we provide for. We are doing this in the law, in an entirely proper sort of way. We could do it in another way if we wanted to. We could go on and pass discriminating duty legislation, and that would abrogate the treaties, but in a way that would be contrary to the spirit of the treaties, which, in many cases, require a year's notice.

Mr. UNDERWOOD. Mr. President, it has been some years since I went into this question, but if I recollect aright most

of the contracts with reference to not granting discriminating duties are very limited, especially the one with the English Government. I think there is but one treaty out, and that is a treaty which was made with Japan. I think the balance of them are trade agreements. They do not stand on the basis of a treaty or have the integrity of a treaty. They are mere trade agreements between the countries, except the treaty which we made some 15 or more years ago with Japan. There may be another exception, but I think that is the only treaty, and if I recollect correctly, the trade agreements with the British Government relate only to continental Great Britain, and not to its colonies.

Mr. NELSON. Mr. President, there is only one question that occurs to me in connection with this matter. It will be noticed here that the President is authorized and directed within 90 days after this act becomes a law to give notice. In other words, within 90 days after this law takes effect he must give the notice. Most of these treaties provide in their terms for the method in which they are to be denounced. In other words, they prescribe the period of notice. I inquire of the Senator from Massachusetts [Mr. LODGE], who is an expert in these matters, and also the Senator from Alabama [Mr. UNDERWOOD], whether it would be in good taste to change that feature of the treaties and denounce them, contrary to the period provided in the treaties for denouncing them.

Mr. LODGE. The period provided in the treaty is 12 months.

Mr. NELSON. If the Senator will allow me further, suppose the treaty requires that a notice of six months or a year shall be given?

Mr. LODGE. I was going to tell the Senator just what it did require. It was made for 4 years and extended for 10 years in 1818. In 1827 it was continued indefinitely by special treaty for that purpose. Article 2 provides that it shall be competent, however, for either of the contracting parties, in case either should think fit any time after the expiration of 10 years—that is, after the 20th of October, 1828—on giving due notice of 12 months, for either contracting party to annul and abrogate this convention. The period of notice is 12 months.

Mr. NELSON. The point that occurs to me is, would it be proper to provide for 3 months' notice instead of adhering to that provision of the treaty?

Mr. JONES of Washington. The Senator misapprehends the section.

Mr. LODGE. It simply requires giving the notice required by the treaty.

Mr. JONES of Washington. It is provided that—

> the President is hereby authorized and directed, within 90 days after this act becomes law, to give notice to the several Governments, respectively, parties to such treaties or conventions, that so much thereof as imposes any such restriction on the United States will terminate on the expiration of such periods as may be required for the giving of such notice by the provisions of such treaties or conventions.

Mr. LODGE. It is entirely proper in form, and is the usual way to do it. I have not looked up the treaties, but I think the Senator from Alabama [Mr. UNDERWOOD] will find that this particular clause is in a large number of treaties of amity and commerce. It is not the most-favored-nation clause. It applies only to England's possessions in Europe, but it is not the favored-nation clause.

Mr. UNDERWOOD. Oh, no; not at all. As I said, it has been so long ago that my recollection of the matter is not clear, but my recollection is that it was by way of trade agreement and not direct treaty rights arrived at.

Mr. LODGE. I think the Senator will find it in a number of treaties.

Mr. UNDERWOOD. My memory has been refreshed by a friend in the last few minutes in reference to the English treaty. It was contained in the treaty of Ghent, which was made about 1815, but it was accepted and did not become operative until 1847 or 1848.

Mr. LODGE. There were two treaties made in 1815. One was made at Ghent and was the famous peace treaty. There was a second one, made at London, which went into operation at once, so far as this clause was concerned. They spoke of its termination, but extended it in 1818 and again in 1827.

Mr. UNDERWOOD. It is my recollection that the discrimination, in duties at least, in part ran on far beyond that period.

Mr. LODGE. No; this covers the whole of the treaty of 1815—the convention of commerce and navigation—and provides that the respective ratifications shall be binding and obligatory upon the United States and His Majesty for four years from the date of the signatures thereof.

Mr. UNDERWOOD. Then it was renewed.

Mr. LODGE. Then it was renewed in 1818 for 10 years, and expired on the 20th of October, 1828, and was succeeded by the treaty of 1827, which made it indefinite, and it has been in force ever since. I am very sure it was imported from that into many other treaties.

Mr. JONES of Washington. I have here Document No. 2, Sixty-sixth Congress, first session, in the form of a letter from the Acting Secretary of State, giving the different treaties that have clauses of this kind in them, and with reference to Great Britain it makes the same statement that the Senator from Massachusetts has made. It says:

> The treaty of July 3, 1818, was continued for 10 years by the fourth article of the convention of October 20, 1818, and indefinitely extended by the convention of August 6, 1827.

Then it gives the different treaties of the different countries. I think there are some twenty-odd, as the Senator from Massachusetts has stated.

Mr. LODGE. I think there are 22.

Mr. JONES of Washington. Senators can find it by getting the document to which I have referred.

We had some very interesting testimony before the Committee on Appropriations day before yesterday covering this very situation and disclosing to my mind even more cogent reasons than we had before for action upon our part along this line. Mr. Page, of the Tariff Commission, came before the Appropriations Committee and gave some testimony that I want to read to the Senate. It is not very long, and I think Senators will find it very interesting, as it bears directly upon the necessity of this action. He says:

> There has been no time for several generations when this work—

Referring to the work laid out for the Tariff Commission—

> was of more far-reaching importance than it is now. Practically all of the commercial treaties and conventions that held the nations together six years ago have been ended either by war or denunciation. I must modify that statement to some extent; it is an exaggeration to say that "practically all" such treaties have been ended, but it is proper to say that the whole structure and fiber of commercial regulation through treaties and agreements have been mutilated to a degree which leaves it little more than chaos. Thus, in 1918 the French Government officially announced its intention to denounce all "commercial conventions containing the general clause regarding the most-favored nation and the consolidation of tariffs as well as treaties and agreements concerning commercial travelers and the exercise of a trade industry."

This report from the Secretary of State shows that France has announced her denunciation of the treaty between this country and France with reference to these commercial relations. Mr. Page continues:

> It applies—

This announcement—

> to treaties with allied or neutral States, mentioning that treaties with enemy States do not require denunciation. Pursuant to this statement some 20 or more conventions of commerce and navigation were denounced. Notices were sent to Great Britain, Canada, Norway, Spain, Greece, and other countries.

Now, notice this:

> Similarly, Spain has given notice of denunciation of commercial conventions to Sweden, Switzerland, Netherlands, Norway, and Denmark.

And notice this:

> Italy gave notice to Spain, France, Japan, Roumania, Serbia, Switzerland, and Greece.

The countries of Europe are unshackling themselves so far as each other is concerned. They are not breaking the shackles from this country, except that France has given a notice denouncing her treaty with us. She is preparing herself for the whole world trade in the contest that is coming on; but you will notice that those countries are denouncing the treaties among themselves, at any rate, in Europe. Wherever they consider the treaty with us to their advantage, I have no doubt they will let it stand.

Mr. THOMAS. May it not be that in so doing they are just qualifying themselves for membership in the League of Nations?

Mr. JONES of Washington. I do not want to get into that discussion this late in the day.

Mr. Page continues:

> Similar notices have been given to one or more countries by Norway, Greece, Sweden, Bulgaria, and Great Britain.

Great Britain is unshackling herself wherever she feels bound.

> The rebuilding of treaty relations in regard to commerce will be in some respects the most important work of the near future.

It has been suggested that if we denounce these treaties, there will be retaliation, and that we will have all sorts of complications with these other countries. Two nice young men were down here from the State Department the other day to see me, splendid fellows, I have no doubt, and they said they were afraid we would get into trouble if we passed this provision. They were afraid that it would cause an offense to Great Britain and these other countries. They were afraid that those countries would begin to impose restrictions upon us, and they

said, "Do not do it." But listen to this. They are not waiting to denounce these treaties. Listen to what they are doing:

Perhaps equally important as the terms of the treaties in affecting commerce are the terms of tariffs and allied matters of commercial restriction. Careful watch will need to be maintained on the legislative activities of foreign countries during the next few years while their new policies are in process of formation. Indications multiply of the growth abroad of a sentiment of restriction and monopoly. This might be illustrated by the attitude of many public men in the United Kingdom toward the intraimperial preference.

Listen to this:

Already the discriminatory export duties on tin in the Straits Settlements, on hides and skins in India, on palm kernels in Africa, are materially felt by American business men. This reactionary policy in "free trade" England prepares us to understand the more extreme proposals that are gaining currency in other European countries.

In other words, they are already imposing restrictions and regulations with reference to the trade over which they have control to benefit themselves.

Mr. Page stated a little further on in the testimony before the committee, of which this was merely a summary, that in the matter of tin they give a decided preference when the tin is brought into England or Great Britain, and give us no benefit of it when it comes here.

Now, Mr. President, that shows what they are doing, and it shows the necessity that there is upon us to place ourselves in a position where we can deal with these people. If we are unshackled, we can say to Great Britain, "We will do this or that; we will give you this or that favor if you will relieve our people from these discriminatory duties." That we can do if we have some way to meet them, which we have not now.

Mr. THOMAS. Did I correctly understand the Senator to say that Great Britain had abrogated these treaties?

Mr. JONES of Washington. No; not so far as we are concerned. She is abrogating some treaties with certain European countries, but she does not want to have this treaty with us abrogated. She is all right under it. Our hands are tied to meet her discriminations.

Mr. THOMAS. I did not thoroughly understand that, and hence my question.

Mr. LODGE. I think that the statement of the head of the Tariff Commission, Mr. Page, seems conclusive that at least we should put ourselves in a position where we can be free to meet the discriminations which are being made against us by Great Britain certainly, and by some other countries, not with a view necessarily to our making any retaliatory measures but at least leaving us free.

Mr. JONES of Washington. With that statement of the Senator from Massachusetts and with these facts before the Senate, I do not think I will take the time of the Senate further. I might call attention, however, to the message of the President the other day, Document No. 272, Sixty-sixth Congress, second session, sent down here May 17, 1920, with reference to the oil situation. I find a statement like this with reference to the British Empire.

The policy of the British Empire is reported to be to bring about the exclusion of aliens from the control of the petroleum supplies of the Empire and to endeavor to secure some measure of control over oil properties in foreign countries. This policy appears to be developing along the following lines, which are directly or indirectly restrictive on citizens of the United States:

1. By debarring foreigners and foreign nationals from owning or operating oil-producing properties in the British Isles, colonies, or protectorates.

2. By direct participation in ownership and control of petroleum companies.

If we abrogate these treaties we will have a club in our hands to meet that situation that England is developing with reference to the oil situation.

I shall take no more time, however.

Mr. THOMAS. Mr. President, I do not pretend to know very much about this subject. The discussion of it has been very illuminating, and if the chairman of the committee and the Senator from Massachusetts are of the opinion that this legislation under existing conditions is wise I shall not oppose it.

I merely wish to say before a vote is taken that I can not consent to the suggestion that the decline of our merchant marine began with the negotiation of the treaty of 1815. In saying that I, of course, want to express the most profound respect for the opinion of the former Senator from Maine, Mr. Frye, my acquaintance with whom was very slight, but of whom I always entertained the very highest opinion. The golden age of the merchant marine was in the thirties, forties, and early fifties, at a time when this treaty was in force, and beginning long after the period of its original ratification. There is no question but that Great Britain has been, and I think very wisely, husbanding all the oil resources of her immense dominions.

There is no question that the contest for the world's trade will be fiercer after the war than it was before, hence producing those antagonisms which we are told by high authority make for the plans and purposes of war. I want to see my country in a position to hold its own against any and all nations of the world in any such line of competition. So far as the oil resources of the United States are concerned, however, it may comfort some of the Senators upon this floor to know that in the shales of Colorado, Utah, New Mexico, and Wyoming there are many more times the number of gallons and barrels of oil than have ever yet been taken from the bowels of the earth, and this immense and limitless reservoir of petroleum only awaits the touch of a commercial wand. I think that is coming, because the method for its extraction is, by experimentation, rapidly reaching the point where the stores of oil in the shales will become commercially available.

Mr. LODGE. Mr. President, I simply quoted from memory what I had heard Senator Frye, who had given great attention to the subject, say. I suppose it may be said of the statement, as the Frenchman remarked, "No generalization is completely true, not even this one"; and I have no doubt that it was one of those broad statements that can not be held to comport accurately and absolutely with the facts throughout all time. I have not looked at the figures for a long time, but I think the Senator will find that during the period of the Napoleonic wars, say, the first decade of the nineteenth century—owing largely to other causes, undoubtedly, which were produced by the general war in Europe—the American share of the carrying trade of the world was larger than it has ever since been. I may be mistaken about that, but it was a situation about which England felt very badly at the time. There was a famous book written, which made a great sensation in that day in England, called "The Frauds of Neutral Flags," because they considered that we were taking away pretty much all of the British carrying trade.

It may have been merely coincident with the general decline; but certainly the great period of American shipping was in the thirties and forties, and, perhaps, even reaching as far as the fifties. We then had the immense advantage, of course, of abundant and cheap material from which ships were built.

I am glad to hear what the Senator from Colorado says about the shales; it is a great relief in contemplating the future, but at the present time the oil from wells is undoubtedly passing, by a settled policy, practically into the hands of England. Mesopotamia has passed into her hands, as has also Persia, and a similar course is being pursued in many other countries, the oil from wells being, I take it, very much cheaper than it is now possible to get oil from shales.

Mr. THOMAS. That is true.

Mr. LODGE. But, as the Senator has said, when the price of oil from wells reaches a certain point it will then be taken from the shales, and in that way we shall have an immense supply.

The PRESIDING OFFICER. The question is on agreeing to section 37, the committee amendment.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, there was a committee amendment, section 22, on page 24, which was passed over.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. CALDER. On behalf of the junior Senator from New Jersey [Mr. EDGE], I submit the amendment to the committee amendment which I send to the desk.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The READING CLERK. It is proposed to add at the end of section 22 the following proviso:

Provided, however, That whenever the board shall determine, as provided under this section or any other section, that trade conditions warrant the establishment of a service, or additional service, under Government administration where a service is already being given by persons, citizens of the United States, the rates and charges for such Government service shall not be less than the cost thereof, including a proper interest and depreciation charge on the value of Government vessels and equipment employed therein.

Mr. JONES of Washington. Mr. President, that amendment appears to me to be desirable, and I consent to its adoption so that it may go to conference.

Mr. TRAMMELL. Mr. President, I desire to ask the chairman of the committee if that amendment would not conflict with the idea of the establishment of new trade routes?

Mr. JONES of Washington. No; I do not think so. The amendment only affects Government routes established in competition with a service already existing, as I gather from the reading of the amendment.

Mr. TRAMMELL. I merely wish to be sure that we do not overlook the matter of establishing new routes. I very much hope that nothing will get into the bill which will prevent that.

Mr. JONES of Washington. The Senator from Florida may be sure that that will be looked after. He can not be stronger in favor of that than am I.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

The amendment as amended was agreed to.

Mr. JONES of Washington. The next amendment which was passed over is section 23.

Mr. THOMAS. Mr. President, I wish to make a motion to strike section 23 from the bill.

Mr. JONES of Washington. Let me suggest to the Senator that the same purpose will be accomplished by having a vote on the adoption of the amendment. This is an amendment to the bill submitted by the committee, and the question will be on its adoption.

Mr. THOMAS. On the adoption of section 23?

Mr. NELSON. There was an amendment proposed to the amendment of the committee.

Mr. THOMAS. Yes; that has been agreed to.

Mr. JONES of Washington. Yes.

Mr. THOMAS. Mr. President, I shall not detain the Senate in a further discussion of section 23. I addressed myself to that section several days ago. The purpose of the amendment is to extend the coastwise laws to the Philippines, which, of course, involves an ocean route some 10,000 miles long. I do not think it would be either wise or advantageous to do so.

Mr. JONES of Washington. Mr. President, I discussed this question at some considerable length several days ago, and I am not going to take very much time on it to-day; but there are some facts which I have here to which I desire to call the attention of the Senate, which emphasize, to my mind, the necessity and importance of this legislation.

I had a statement relative to the shipping of the Philippines, which seems to have gotten misplaced; but I can state, in a general way, what it shows, although I will not be able to give the exact figures. The statement shows that before the World War broke out our shipping in the carrying trade from the Philippine Islands to this country and back was less than 100,000 tons; my recollection is that it amounted to only something over 40,000 tons; while the shipping under the British flag, in the same business, was from 600,000 to 700,000 tons and the Japanese shipping amounted to some 500,000 tons.

Mr. NUGENT. Mr. President, if the Senator from Washington will yield, I desire to inquire if he can inform me of the reason for such a condition of affairs as he has stated?

Mr. JONES of Washington. The main reason for it, of course, was that before the war we had practically no shipping under the American flag. A further reason is that the Japanese Government is behind its lines, gives them a large subsidy, and encourages the building up of Japanese shipping on the Pacific, and that the Canadians subsidize their lines across the Pacific, which is an aid to the British in developing their shipping. Those are the facts.

Mr. SIMMONS. Mr. President, I desire to ask the Senator a question. Does he not believe that the reason why we only had about 100,000 tons of shipping in the Philippine trade, while Japan had 500,000 or 600,000 tons, and England probably not quite so much, is to be found in the fact that practically the only ocean transportation the islands had before the war was furnished by Japan and Great Britain, and that those two countries probably gave better transportation rates and better transportation conditions for that part of the commerce of the islands which was taken to their respective countries than they gave to that part of it which they brought to this country? In other words, practically our only means of transportation with the Philippines was purchased from either Japan or Great Britain, and they were our competitors.

Mr. JONES of Washington. That is true.

Mr. SIMMONS. They were seeking that trade and we likewise were seeking it. They each secured about six times as much of it as we did. Does not the Senator believe that that was because these competitors of ours charged greater rates and imposed harder terms for transportation when they brought Philippine products to this country than when they carried such products to their own countries?

Mr. JONES of Washington. Oh, they gave every favor possible to promote their trade.

Mr. SIMMONS. Does not the Senator think that just so long as that condition exists the United States will fail to get a reasonable part of the trade of those islands?

Mr. JONES of Washington. I do not think there is any doubt about that.

Mr. SIMMONS. I am a member of the committee and I know that the provision of the bill which the Senator is now discussing stipulates that before the Philippines shall be made subject to our coastwise laws the United States shall provide ample transportation facilities between this country and the Philippine Islands.

Mr. JONES of Washington. Yes; that is true; we were very careful to cover that phase of the situation.

Mr. THOMAS. Mr. President, the Senator from North Carolina knows better than I the history of tariff legislation as applicable to Philippine products; but under our tariff laws sugar and tobacco, which perhaps are the principal commodities of the Philippines, are prohibited from the markets of the United States except in a limited quantity, mentioned in either case; and the tariff laws of the United States have applied, with those exceptions, to the Philippine Islands quite as much as to the remainder of the world. Does the Senator believe that, so long as we treat the Philippines in that way, we are going to get much of their trade, no matter what our shipping facilities may be?

Mr. SIMMONS. Well, we will likely not get any very great amount of trade in those commodities in excess of the amount that we admit free. The Senator is correct.

Mr. THOMAS. Possibly, if we throttle her with our tariff laws and then attempt to encourage her traffic by extending the coastwise monopoly of our shipping to her ports.

Mr. SIMMONS. The Senator will remember, however, that at the time that provision was adopted the limitation to which he refers measured about the amount of importations from that country to this country. Practically the amount of tobacco and sugar that has been coming to this country from the Philippines has been coming free. Of course, if that trade increases, the excess will have to be covered in the tariff act.

Mr. RANSDELL. Mr. President, will the Senator yield for just a moment?

Mr. JONES of Washington. Certainly.

Mr. RANSDELL. I want to make just this observation: I can not see why we should have a different rule for Porto Rico and the Philippine Islands. Porto Rico was a dependency of Spain for a long time, and all the business that she cares to carry on with Spain now she carries on in Spanish vessels. She is only obliged to transport her commerce with this country in American vessels. We do not tie her hands as far as her trade with other countries is concerned, and the hands of the Philippines would not be tied by this provision in all of their commerce with other countries—with Japan, with Great Britain, or with all the rest of the world. They would be free to send their goods in the ships of those countries. It is only that portion of the Philippine commerce that would come to the United States and would go from the United States to the Philippines that would be included in this measure.

Mr. THOMAS. I agree that the rule, perhaps, is the same, but my objection is fundamental. I think it should apply to Porto Rico just as well as to the Philippines.

Mr. JONES of Washington. Mr. President, I appreciate that the Senator's objection is fundamental, so I am not going to take further time to discuss the matter, except merely to say that the committee feel that here is a marine commerce that belongs to this country. We can take it, and we ought to do it. We propose to furnish full, ample, and adequate shipping facilities from the islands before the coastwise laws apply, and that is all they ask. I talked with the Commissioner from those islands just the other day, and I said to him, "If we should furnish you ample and adequate American shipping, would you be satisfied to have our coastwise laws applied?" He said, "Yes; personally, I would; and I think it would be a good thing."

Mr. President, I consider this one of the most important sections of the bill.

Mr. NUGENT. Mr. President, I desire to inquire what is the pending question?

The PRESIDING OFFICER. The pending question is the amendment of the committee known as section 23. The Senator from Colorado has withdrawn his motion. The question is on the adoption of the committee amendment known as section 23.

The amendment was agreed to.

Mr. CALDER. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. It is proposed to add at the end of page 11, as a new section, the following:

That where steamship lines and regular service have been established and are being maintained by ships of the Government other than ships of the board at the time of the enactment of this act, such lines shall not be maintained in competition with privately owned lines, except to the Panama Canal Zone, and such lines shall not operate to

ports other than in the Panama Canal Zone and the island possessions of the United States, except to carry passengers, United States mail, or freight belonging to the United States Government.

Mr. CALDER. Mr. President, this amendment is offered so as to prevent the Panama Steamship Co., operating a Government-owned line between New York City and Panama, from entering into competition with privately owned steamship lines to other ports or with ships owned and operated by the Shipping Board. At present there are four American-owned lines which operate Shipping Board vessels engaged in the trade to the Isthmus of Panama and the West Indian ports. The Panama Steamship Co., the Government-owned line, is contemplating entering that service. In my judgment, that should be forbidden.

Mr. TRAMMELL. Mr. President, I hope the amendment will be defeated. It seems to me, from the amendments being offered by the Senator from New York, that it is the desire to tie the Shipping Board both hands and feet against establishing new lines unless they can get the permission and consent of somebody that happens to be operating a line at the present time.

As I understand the object and purpose of the bill, it is to try to build up an American merchant marine, and to get rid of the old monopolistic tendency that prevailed for years in handling our shipping industry. If, in every instance where there is a possibility of the Shipping Board coming in conflict with some private interest, we provide that the Shipping Board, regardless of whether or not it is a proper policy, shall refrain from doing so, we shall very much cripple the Shipping Board in carrying out its function and its purposes under the policy of the bill as I understand it.

It is true that the Senator has cited certain routes where the Shipping Board has established a line, or is contemplating it; but his amendment not only reaches to that particular trade route, and would not only interfere in that instance, but it would interfere in any other instance where there might be a service established, regardless of how inefficient that service might be. I think the adoption of these amendments that hedge about and curtail and restrict the Shipping Board will thwart and defeat the object of the bill if it is to build up a merchant marine, and to build it up free of monopolistic control.

I hope the amendment will be defeated.

Mr. CALDER. Mr. President, the Senator is entirely mistaken in regard to the object of this amendment. The amendment is only aimed at, and under its very terms can only be interpreted as aiming at, a policy recently inaugurated by the Panama Steamship Co., a Government-owned concern, which proposes to operate its vessels in competition with Shipping Board vessels.

The amendment says:

That where steamship lines and regular service have been established and are being maintained by ships of the Government other than ships of the board at the time of the enactment of this act, such lines shall not be maintained in competition with privately owned lines, except to the Panama Canal Zone.

Now, I might cite the case of the United Fruit Co.

Mr. NUGENT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Idaho?

Mr. CALDER. Yes.

Mr. NUGENT. Does the Senator's amendment apply to privately owned steamship lines that were placed in operation subsequent to the time the Government line was established?

Mr. CALDER. Yes.

Mr. NUGENT. Then, after the Government has, at great cost to the people, built up a business, and if it is found that it is profitable, under the Senator's amendment the Government would not be permitted longer to continue the operation of its line, but must retire in favor of a privately owned line of ships.

Mr. CALDER. I misunderstood the Senator's question. If the Senator meant to inquire from me if the Government established the line itself first, then I answer "yes"; but what I had in mind was the line to Panama. Of course, our Government-owned Panama Steamship Co. has had in operation the line to Panama for a number of years, but my amendment clearly excepts the service to the Panama Canal Zone. The Panama Steamship Co., I will say to the Senator from Idaho, has just announced a service to Kingston, Jamaica, and to Colombia, places where they never operated before. We have to-day four American steamship lines operating to these ports, one of them, the United Fruit Co., operating by allocation Shipping Board vessels.

Mr. NUGENT. Mr. President, the company to which the Senator refers is paying to the Shipping Board the charter price for those vessels, however?

Mr. CALDER. Oh, yes; but to-day we have four privately operated lines, all of them operating Shipping Board vessels, I am informed, which now would be required to compete with the Government, having no capital investment, having no overhead charges to charge up to the cost of operation; and certainly if the Government goes into the business of cutting rates, the Government can drive all of these privately owned lines out of operation.

Mr. NUGENT. The Senator does not think the Government would do that, does he?

Mr. CALDER. Oh, well, the Government has and the Government can carry freight to the Panama Canal Zone cheaper than a privately owned and operated line, but this does not attempt to interfere with that. It simply prevents the Panama Steamship Co., a Government-owned line, from going into competition in new fields and operating where Government-owned lines and where Shipping Board vessels could be operated; but it does not prevent the Shipping Board from instituting new lines to any part of the world.

Mr. NUGENT. Mr. President, may I ask the Senator this question: Will his amendment apply where the Government has established a trade route and is operating ships, and a private company thereafter establishes also a steamship line?

Mr. CALDER. No; there are no such lines to-day. There is no Government-owned line operating anywhere except to Panama. There are no other Government-owned lines.

Mr. NUGENT. Then is it not the intention of the Senator through the medium of this amendment to require the Government to withdraw its ships from an established route when a private shipping company so desires?

Mr. CALDER. No; it is not. My amendment will prevent the Panama Steamship Co. from extending its operations into new lines where previously it has not operated, and driving out Shipping Board vessels under charter and under allocation to privately owned and operated lines.

Mr. TRAMMELL. Mr. President, since I made my remarks a few moments ago I have had an opportunity to read the amendment of the Senator from New York. I was only speaking from a very casual idea of it as I caught it from the desk.

This amendment is even more objectionable than I first apprehended when hearing it read. It provides that the Government can not establish a trade route where heretofore Government vessels have been operated, whether under a contract at a stated price—of course, that is not in the amendment, but that is what it means—or whether it is a route that the Government itself has established.

One of the most ordinary contracts made by the Shipping Board is a contract that they shall operate, and be paid so much for operating. The Government, in its anxiety to establish the trade route and to get in touch with the new trade, allocates a ship or a given number of ships to a company, and the Government assumes all of the risk, carries all of the burden, furnishes the property, and pays the operating company a certain percentage for its operation. Where the Government has done that, assumed all the risk, exercised all the enterprise, and the only enterprise on the part of the company has been to make the money which they get out of operating it, this amendment provides that after the enactment of this law the Government can not continue to engage in carrying on shipping on that particular trade route. The Government had established the route. If there were any losses in the initiative, in the beginning of it, in creating the trade, the responsibility would be carried by the Government entirely, the company making all the money out of it. Then we say, "Forsooth, because you have been operating this business and enjoying that commission and running no risk, now we propose to turn that trade route over to you."

So I say, Mr. President, the amendment is more objectionable than I first apprehended it to be.

Mr. LODGE. Mr. President, the Panama route by rail was built and worked under treaty. It was a Government operation, and the ships were operated in connection with the Panama Railroad. The Government did not start out to do a general merchant business through the West Indies. They created that line simply to take care of the railroad which they were obliged to keep open, and when they took over the railroad by becoming the principal stockholder, of course, they kept up the steamship line to it.

It does not seem to me that it is a very important question, but this line, maintained by the Government for a particular purpose, so as to have always a line to the canal and the railroad crossing the Isthmus, which was of the utmost importance, proposes apparently to go into a general merchandise business. I do not think it is very important, but that certainly was not the purpose of the creation of the line.

Mr. TRAMMELL. There is nothing stated in the amendment about this particular railroad.

Mr. LODGE. I was only speaking of the history of the line.

Mr. TRAMMELL. I am speaking about the application of the amendment.

Mr. LODGE. It grew up as a necessary support to the Panama Railroad, which, as the Senator knows, for many years was the only means of transportation across the Isthmus.

Mr. CALDER. There are at present four American steamship companies maintaining a regular service from New York to Colombian Atlantic ports. The four companies are the United Fruit Co., Caribbean Steamship Co., Tropical Steamship Corporation, and Columbus Steamship Co. Of these companies the Caribbean Line operates privately owned and Shipping Board vessels, and the Tropical exclusively Shipping Board vessels. None of the four companies are securing full cargoes either way for their vessels; consequently there is more than sufficient tonnage actually in operation than the trade warrants. Owing to the larger size of the Shipping Board vessels, they particularly have a great deal of space available both ways on practically every voyage.

The entry of the Panama Line is not only absolutely unwarranted, but they are deliberately violating the provisions of the shipping act by entering into competition and reducing the established rates in order to secure business. Furthermore, the Panama Line, a Government-owned corporation, which has since its inception confined its activities principally to the transportation of Government supplies for the Panama Canal, is now entering on a policy of not only competing with private capital and enterprise but against Shipping Board tonnage. What prospect is there for private capital and enterprise after they have invested their money in American steamships and spending a great deal of time, effort, and expense in successfully capturing trade routes formerly dominated by foreign lines, when it is confronted with Government competition of the most obnoxious type? What possibility is there for these American steamship companies to strengthen their resources and establish themselves firmer in these trades? How can they be expected to invest further capital in American steamships?

So, Mr. President, the Panama Steamship Co., organized to operate just to the Panama Canal Zone, a day or two ago extended the operations of one of its vessels to Cartagena and other points in Colombia, its first trip out. Some of these other lines operating Shipping Board vessels are fearful that the continuance of this Government competition will destroy them and put them out of business completely.

Mr. TRAMMELL. Will the Senator yield for a question?

Mr. CALDER. Certainly.

Mr. TRAMMELL. Does the Senator know whether or not these steamship companies have leased those vessels from the Shipping Board and are paying them a stated, stipulated sum for their use, or, upon the other hand, are they operating under the customary contract made by the Shipping Board, that the Shipping Board assumes all risk and they receive a certain percentage?

Mr. CALDER. I can not answer the Senator's question. All I know is that two of these four lines operate Shipping Board vessels exclusively. I do not know whether they pay regular charter fees or not, but I know they operate Shipping Board vessels, and here we have a condition where a Government-owned line is entering into competition with other Government-owned vessels. It ought not to be permitted.

Mr. TRAMMELL. Will the Senator yield for another question?

Mr. CALDER. Certainly.

Mr. TRAMMELL. As a matter of fact, if they had those ships allocated to them, based upon one of their operating contracts, under which the Government assumes the risk and responsibility, and they absolutely are secure in making certain commissions, and if that is true of the Panama route, does the Senator think it is right for the Government to preclude itself from their operation and turn them over to those individuals; or does he think the Government should have the advantage of it?

Mr. CALDER. Mr. President, I am absolutely opposed to the Government entering into a business of this character. The Panama Steamship Co., a Government-owned line, operates to the Panama Canal; it carries freight and passengers for the Government and for private business, and to say that this company, never authorized in the beginning for this sort of business, shall be allowed to continue to compete with privately owned American vessels and Shipping Board vessels throughout the whole of the Caribbean is, to say the least, a reflection on the business integrity of the United States Government.

Mr. SIMMONS. Do I understand the Senator to say that his amendment is only intended to prevent ships owned by the Panama Corporation, which is a Government-owned corporation, from competing with privately owned ships which are operating some of them in part privately owned and some owned by the Shipping Board and chartered or leased to this corporation, and that that is the only purpose?

Mr. CALDER. Yes; that is the only purpose.

Mr. SIMMONS. I doubt very much whether the amendment which the Senator has framed will accomplish exactly that purpose; but if that is the only purpose——

Mr. CALDER. That is the only purpose.

Mr. SIMMONS. I think it is not an objectionable purpose. I do not see why ships of the Panama Co., owned by the Government as an incident to the Panama Railroad, and whose functions were intended to be confined to certain territory and to certain business, should compete with private companies. I can see, if those ships are permitted to operate between Panama and New York, that they would come into competition with these other ships which are owned by the Shipping Board and operated for that board by some private company. If the Senator is willing that the matter should go to conference, to be changed so as to make it certain that only the purpose he announces here is accomplished, and nothing more, I shall not have any objection to the adoption of his amendment.

Mr. CALDER. I agree with that. That is just exactly what I want to do, and I agree that it shall be modified in any way at all to cover just that question.

Mr. NUGENT. As it is quite apparent that the bill is not to be passed this afternoon, I suggest to the chairman of the committee that action on this amendment may go over until to-morrow.

Mr. LODGE. I do not see why we should not pass the bill this afternoon.

Mr. NUGENT. There are a considerable number of amendments, I will say to the Senator from Massachusetts, still to be proposed to the measure.

Mr. LODGE. I hope we shall stay on, then, for a time.

Mr. NUGENT. That is entirely agreeable to me.

Mr. LODGE. I think we had better continue in session and try to finish the bill if we can. We have not been having late sessions or long hours, and I think the bill ought to be gotten out of the way to-day if possible. I should be very sorry to have it go over.

Mr. TRAMMELL. I suppose we are about ready to take a vote on the amendment, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. STERLING). The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Calder	Knox	Phelan	Thomas
Chamberlain	Lodge	Ransdell	Trammell
Curtis	McCormick	Reed	Underwood
Gronna	McNary	Sheppard	Wadsworth
Harris	Nelson	Sherman	Walsh, Mass.
Jones, Wash.	New	Simmons	Warren
Kendrick	Norris	Smoot	
Keyes	Nugent	Spencer	
King	Overman	Sterling	

The PRESIDING OFFICER. Thirty-three Senators have answered to the roll call. There is not a quorum present. The Secretary will call the names of the absent Senators.

Mr. LODGE. It will evidently be impossible to obtain a quorum this evening without considerable delay, and I therefore move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate adjourned until to-morrow, Friday, May 21, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *May 20, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou, who hast ever been the inspiration of men to great thoughts and worthy achievements in science, literature, art, statesmanship, religion; in Darwin, his predecessors and contemporaries; in Dante, Shakespeare, Milton; Washington, Jefferson, Lincoln and others; in Holy Writ which lives in our hearts as the "Book of Books"; continue Thou, we beseech Thee, to work in and through us to still greater thoughts and achievements for the good of mankind. Illustrated in the life and teachings of the Jesus of Nazareth. Amen.

The Journal of the proceedings of yesterday was read and approved.

ALLOTMENTS TO CROW INDIANS.

The SPEAKER. The conferees on the part of the House on the bill providing for allotments of lands to the Crow Indians have resigned on account of absence from the city, and the Chair appoints in their stead Messrs. CAMPBELL of Kansas, SINCLAIR, RANDALL, GANDY, and WEAVER.

LEAVE TO EXTEND REMARKS.

Mr. O'CONNELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an editorial from the Literary Digest.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD by including an editorial from the Literary Digest. Is there objection?

There was no objection.

ENROLLED JOINT RESOLUTION SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled joint resolution of the following title, when the Speaker signed the same:

H. J. Res. 354. Joint resolution authorizing the Secretary of War to loan to Paul E. Slocumb Post, No. 85, Grand Army of the Republic, Bloomington, Ind., necessary tents and cots for use at the State encampment to be held at said city May 25, 26, and 27, 1920.

BUREAU OF WAR RISK INSURANCE.

The SPEAKER. By order of the House, to-day has been substituted for Calendar Wednesday. The call rests with the Committee on Interstate and Foreign Commerce.

Mr. SWEET. Mr. Speaker, I call up the war-risk insurance bill, H. R. 13558, which was being considered at the time of adjournment on Wednesday, May 12.

The SPEAKER. The gentleman from Iowa calls up the bill (H. R. 13558) for the purpose of improving the facilities and service of the Bureau of War Risk Insurance, and of further amending and modifying the war-risk insurance act as amended. This bill is on the Union Calendar, and the House automatically resolves itself into the Committee of the Whole House on the state of the Union. The gentleman from New Jersey [Mr. LEHLBACH] will please resume the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. LEHLBACH in the chair.

The CHAIRMAN. The Clerk will report the title of the bill.

The Clerk read the title of the bill.

The CHAIRMAN. All time for general debate has expired. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Bureau of War Risk Insurance is hereby authorized to establish throughout the United States and its outlying possessions such regional offices, not exceeding 14 in number, and such suboffices as may be deemed necessary in the best interests of the work committed to said bureau.

That there is hereby appropriated out of any moneys in the Treasury not otherwise appropriated the sum of $1,000,000 for the purpose of carrying out the provisions of this section.

Mr. SWEET. Mr. Chairman, in view of the discussion had on last Wednesday with regard to section 1 of the bill, and in accordance with suggestions which I have received from other members of the Committee on Interstate and Foreign Commerce, I wish to offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SWEET: Page 2, line 2, after the word "section" insert the following: "That this section shall be in force and effect for a period of not exceeding two years from and after the passage of this act.

Mr. SWEET. Mr. Chairman, I will say that in offering this amendment the thought of the committee was that it was neecssary to establish these offices immediately, and it was not the intention of the committee that they should continue indefinitely. As the House is well aware, the purpose of section 1 is to coordinate the Bureau of War Risk Insurance with the Public Health Service and the Vocational Board and to bring the various offices to be established into one building, so that they will cooperate in the service and come in close contact with the soldiers of the country, in order that a more efficient service may be rendered by the bureau.

Mr. WALSH. Will the gentleman yield?

Mr. SWEET. I yield to the gentleman from Massachusetts.

Mr. WALSH. If that language is not added to this section, how long will it be in force and effect?

Mr. SWEET. That same question was asked during the general debate. There was a great deal of speculation about it. It would continue until Congress determined otherwise.

Mr. WALSH. Is the gentleman offering this as a limitation?

Mr. SWEET. Yes. In other words, it will require affirmative action on the part of Congress to continue these regional offices.

Mr. WALSH. And the gentleman's idea is to establish them for only two years?

Mr. SWEET. To establish them for two years; and they may be continued by Congress if matters work out properly and they render a service which makes them worthy of being continued. But if Congress takes no action these regional offices will be discontinued at the end of two years from and after the passage of this bill.

Mr. WALSH. Has the gentleman any apprehension that these regional offices will not work out as satisfactorily as the committee felt when they reported the bill without this amendment?

Mr. SWEET. No. But I will say this, that there is great need for the establishment of the regional offices at the present time. And when the work becomes better coordinated, then and in that event, perhaps, it will not be necessary to continue the regional offices.

Mr. CANNON. Will the gentleman yield?

Mr. SWEET. I yield to the gentleman from Illinois.

Mr. CANNON. As I understand the gentleman, at the end of two years this section becomes obsolete, and if there is necessity for the continuance of it affirmative legislation, additional legislation, will be required?

Mr. SWEET. It will take affirmative legislation by Congress.

Mr. CANNON. And if this amendment is not adopted, or some other similar provision, it will continue until Congress legislates to abolish it?

Mr. SWEET. That is true.

Mr. TINCHER. Will the gentleman yield?

Mr. SWEET. I yield to the gentleman from Kansas.

Mr. TINCHER. Can the gentleman furnish any information as to the proposed locations of the 14 regional offices?

Mr. SWEET. It is proposed at the present time that they will be established in the same cities where the offices of the Vocational Board and the Public Health Service are established. There are 14 of these offices.

Mr. TINCHER. I understand that the idea of the committee and the department having the administration of the office is that if we establish the 14 regional offices it will have a tendency to coordinate the service. At present there are 435 regional offices constituting the Members of the House of Representatives, so that the soldiers get the service by writing to the Congressmen. Had not the 14 regional offices ought to be located close to the Capitol, so that the Congressmen who serve the soldiers now may have access to them?

Mr. SWEET. I think not; the object of locating the regional offices throughout the country is to get in close contact with the soldiers, sailors, and marines.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. SWEET. I ask for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. TINCHER. I was in hopes that the committee in ascertaining the necessity for the 14 regional offices would obtain some idea as to where they would be located, so, as a Member of this body I might determine whether the locality I represent would have any greater coordination than it has at present.

Mr. ESCH. Will the gentleman yield?

Mr. SWEET. Yes.

Mr. ESCH. It is very likely that the 14 regional offices will be located in these cities: Boston, New York, Philadelphia, Baltimore, Atlanta, New Orleans, Cincinnati, Chicago, St. Louis, Minneapolis, Denver, San Francisco, Seattle, and Dallas. Those are the cities in which are located the rehabilitation and vocational boards.

Mr. TINCHER. Allow me to ask another question on the bill. We appropriate a million dollars here to operate the offices. As I understand, the Secretary of the Treasury or the Executive will fix the fees. Is there any limitation as to the amount that the officers of these regional offices will receive in salary?

Mr. SWEET. No; that is left discretionary with the Treasury Department.

Mr. TINCHER. I suppose it is fair to presume that they will spend the million dollars in the next two years in acting in their intermediate capacity between the central office here and the regional offices for the soldiers, sailors, and marines.

Mr. SWEET. That is true.

Mr. TINCHER. I suppose that when the administration says that they want so much for the boys, we have to give

them what they want. But I do wonder that you expect to coordinate the service by this legislation?

Mr. WASON. Will the gentleman yield?

Mr. SWEET. Yes.

Mr. WASON. That million dollars includes not only the salaries of the men in charge but the rental of offices and things necessary to do the work in these offices.

Mr. SWEET. Everything that pertains to the establishment and maintenance of the offices.

Mr. WASON. It does not mean that it will all be expended for salaries.

Mr. SWEET. No.

Mr. TINCHER. I did not mean to intimate that the bill provided that, but the department would use it that way. I do not know that it will, but it will provide elegant places for 14 men for two years for use in that way.

Mr. CANNON. Will the gentleman yield?

Mr. SWEET. Yes.

Mr. CANNON. This now provides for 14 regional offices, "and such suboffices as may be deemed necessary in the best interests of the work committed to said bureau." Would the gentleman amend his amendment by striking out "and such suboffices as may be deemed necessary in the best interests of the work committed to said bureau"? In other words, you might have 500 offices, and you might have enough to make a regiment of officers. I should be very glad if the gentleman would strike out that language and let the 14 regional offices be established.

Mr. SWEET. That, as the committee views it, would do away with the efficiency of the regional offices. It is necessary to have the suboffices established to work in conjunction with the 14 regional offices. The thought of the Director of the War Risk Insurance Bureau was that there would probably be one established in each State; not necessarily where the regional offices are established, but in each State where there is no regional office.

Mr. CANNON. If the gentleman will allow me, that doubles the difficulty of getting rid of this great number of offices. The gentleman knows that I am in harmony with the desire of the friends of this legislation. The gentleman perhaps knows more about it than I do, but I know more than he does about the difficulty in getting rid of these offices. It took a decade to get rid of the pension offices.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. CANNON. I will take five minutes and then yield to the gentleman. I should be very glad if the gentleman would let these 14 offices be established and then find out the necessity for more. If there is any necessity for suboffices we can establish them, but we will never get rid of them if you establish 40 or 50 of these offices in the various States. I say again that it is easy to make an office, but it is difficult to get rid of it. Every suboffice would have to have its rent or occupy a Government building, it would have to have its staff, and with the various cities that have been mentioned it would be easy to get in touch with them. In the suboffices they might have a public health surgeon, they might have a vocational man—it is the broadest kind of discretion. I would be glad if the gentleman would in his amendment limit it to two years, and then strike out "and such suboffices as may be deemed necessary in the best interests of the work committed to said bureau." Would the gentleman accept an amendment of that kind?

Mr. SWEET. I will say to the gentleman from Illinois that I can not accept an amendment of that kind, for it seems to me that it would defeat the very purpose and object of establishing the regional offices and suboffices. The main purpose is to get in touch and come in close contact with the soldiers, sailors, and marines in this country. By establishing the 14 regional offices there will be many places where there would not be any direct contact with the soldiers any more than you have now with Washington, thus making the suboffices a necessity. For that reason these suboffices should be established, in order that efficient service may be rendered to those who are entitled to the benefits under the war-risk insurance act. At the gentleman's suggestion, I may say largely, I have offered an amendment here limiting the life of this section to two years. It will take affirmative action on the part of Congress if these regional offices and suboffices are continued. This is important at this time in order that, through the suboffices and the regional offices, the soldier may become well acquainted with the benefits to which he is entitled, in order that he may be advised as to his rights, and in order that his papers may go into the department in proper shape, and so forth.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GARD. Mr. Chairman, I rise in opposition to the amendment.

Mr. BLANTON. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Texas makes the point of order that there is no quorum present, and the Chair will count. [After counting.] One hundred and seven Members present, a quorum.

Mr. GARD. Mr. Chairman, in calling attention to the amendment offered by the gentleman from Iowa [Mr. SWEET] for the committee, it seems to me that it is open to two objections. The first is that under the guise of a limitation of two years, which it carries with it, it practically reaffirms this legislation for one year longer than it would did it not contain this alleged limitation. In other words, it pledges us to carry this on for two years instead of one year, such as the regular appropriation would call for.

The principal thing to which I desire to address myself is this, that the trouble with the War Risk Bureau and its administration, so far as I have observed—and my observation has been as considerable as probably any Member of the House outside of the members of the Committee on Interstate and Foreign Commerce—is that its methods have changed so frequently and its personnel has changed so frequently that no one could keep up with it. Therefore we have had difficulty in getting information for our constituents, and they have had difficulty regarding their applications and the amounts issued to them. It seems to me that we ought to establish something definite here. If we are to run this for two years and get it started and then break it up in pieces and start something else, we are going to have the same old trouble over again that we have had in the last two years, or since the bureau was started.

The point I make about this matter is in connection with an amendment I intend to offer to strike out the words pertaining to the establishment of the regional offices. I think all of this work can be done from the Federal office here in Washington, assuming that it has a stable personnel and that it has a definite method of accomplishment, assisted by the several offices in the different parts of the country for the purpose of affording information. I am entirely opposed to the principle of subdividing the main office into 14 regional offices and then subdividing those offices again into suboffices too numerous to mention. I believe it to be the best policy for the administration of this bureau to have one central office here in Washington, to have such number of suboffices as are necessary, and to eliminate the regional or middlemen offices. For the reasons I have named I am opposed to the amendment offered by the gentleman from Iowa [Mr. SWEET], and in opposing it I serve notice on the committee that I shall offer an amendment to strike out all language pertaining to the establishment of the 14 regional or middlemen offices, which I hold to be entirely unnecessary, cumbersome, and useless.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. If I understood the gentleman correctly, the idea of having 14 regional offices is that they might be established in the same cities where the Public Health Service now has its offices, and that the regional offices might be put into the same building with the Public Health Service. The suboffices, of course, will not necessarily be in cities where there are any Public Health Service offices.

Mr. SWEET. The chances are that they will cooperate with the Public Health Service and also the Vocational Board. At the present time the Vocational Board and the Public Health Service have several offices established throughout the United States working in conjunction with the regional offices.

Mr. WALSH. I was just wondering if you are going to limit the number of regional offices and then put no limit upon the suboffices whether it would not be better to eliminate the regional offices altogether and permit the War Risk Insurance Bureau to establish several suboffices wherever they please, because that is what it amounts to.

Mr. SWEET. How are you going to coordinate the service if you abolish the 14 regional offices to be established? At the present time you have 14 regional offices in connection with the Public Health Service and the Vocational Board. Already steps have been taken to place these offices in one building in each of the cities where the regional offices are to be established.

Mr. WALSH. But the principal purpose of this work is to adjust the insurance features of the war-risk insurance act, is it not?

Mr. SWEET. And the questions of compensation and allotment and allowance. Of course, the allotment and allowance features of the war-risk insurance act are dying down, but on the other hand compensation is growing and so is the insurance.

Mr. WALSH. Insurance does not have very much to do with the Public Health Service. They are not experts in insurance matters.

Mr. SWEET. But whenever a man is totally and permanently disabled he has to go to the Public Health Service to be examined for the purpose of being rated, to determine whether he is permanently and totally disabled.

Mr. WALSH. One of the chief difficulties of this great bureau has been that it was organized so quickly, under such great emergency, that it is top-heavy and began to tumble down around the heads of the people in charge of it. Now you propose to permit a scheme to be put into operation to diffuse all this lack of coordination over 14 regional offices and as many suboffices as the officials may wish to establish. You are just going to increase the opportunity for tying up this matter in endless red tape, according to my view. I know that this committee, and particularly the gentleman from Iowa [Mr. SWEET], are very well informed with reference to war-risk insurance matters. This committee is probably the only committee in the House that has any comprehensive grasp of these problems, and I assume that all of these matters were taken into consideration.

Mr. SWEET. They were.

Mr. WALSH. I would like to be assured, however, that by establishing 14 regional offices, and then giving them a free hand for as many suboffices as they may decide to establish, we are going to promote efficiency.

If the gentleman can give me such assurance or such explanation, I wish he would do so before we vote upon this amendment.

Mr. BLANTON. Mr. Chairman, I move to strike out the last two words.

Mr. RAYBURN. Mr. Chairman——

The CHAIRMAN. The Chair recognizes the gentleman from Texas, a member of the committee.

Mr. RAYBURN. Mr. Chairman, I rise to oppose the amendment offered by the gentleman from Massachusetts. I may say this to the gentleman from Massachusetts. It is not contemplated, I understand, to create more than one suboffice in a State and probably not in a State where there is a regional office. I do not think the committee would have any objection, however—I know I would not—to an amendment limiting the number of suboffices. I would not myself have and I feel certain there will not be more than 40, probably not that many, of these suboffices.

Mr. WALSH. Will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. WALSH. Does the gentleman think an amendment after the word "suboffices," reading "not exceeding one in any State," would in any way hamper this service?

Mr. RAYBURN. Not at all. I really think there would not be that many established; but I rather think, I will say further to the gentleman from Massachusetts, that if we say there can not be more than one established in a State they would probably take that as an invitation to establish at least one in a State.

Mr. WALSH. Will the gentleman yield further?

Mr. RAYBURN. Yes.

Mr. WALSH. I know the gentleman appreciates the ease and facility with which these bureaus and offices grow and increase here in Washington. Now, that same habit will be formed if we spread it out throughout the country.

Mr. RAYBURN. I say I am very agreeable to the amendment if the gentleman would limit it to not more than 48. I think there are groups of States in the United States where there ought not to be even one in each State, and that one suboffice could attend to the work of two or three States.

Mr. BARKLEY. Will the gentleman yield?

Mr. RAYBURN. I will.

Mr. BARKLEY. If we limit these suboffices to not exceeding one in each State, do not we run the risk of further handicapping the bureau in some States where they might need a suboffice and in another State they might not need one at all? For instance, Rhode Island might not need an office. They might be able to attend to the business——

Mr. RAYBURN. I will say this, that I rather think it would be probably unwise to say there should not be more than one in each State; but I rather think the House ought to limit the number.

Mr. BARKLEY. I agree to that. I think it would be unfortunate to say there should not be more than one in each State, for there might be some States where there ought to be more than one and half a dozen States where they might not need any.

Mr. WALSH. What does the gentleman think if we said "not exceeding 48 in number"?

Mr. RAYBURN. I think that in all probability would be better than to say not exceeding one in each State. There are States in the Union that you must have a regional office in one part of it and need a suboffice in it, and they are a thousand miles apart, at least one State.

Mr. WELLING. Will the gentleman give the real reason for the need of these 14 additional regional offices added to the suboffices in each State?

Mr. RAYBURN. Well, the suboffices will be rather like post offices. They will only receive and transmit. The regional offices are supposed to be concerns that have men in them who understand this law and everything in connection with it, so that information to the soldiers can be gotten from them and not go to the trouble and the waste of time of sending here for that information, or, in other words, that the regional office, say, in San Francisco will be a clearing house for information to the service men in that section of the United States.

Mr. WELLING. Well, now, does the gentleman expect to transfer from the Washington office all the records of these men to the regional office in San Francisco?

Mr. RAYBURN. No.

Mr. WELLING. Will they not have to come to Washington eventually in any case?

Mr. RAYBURN. Eventually they will, but the man can be examined, he can get all the information about getting out his papers for an increase in compensation——

Mr. WELLING. Can he do that at the regional office?

Mr. RAYBURN. He can, yes; if he went to the regional office.

Mr. WELLING. I meant in the suboffice. Can he get all of that examination at the suboffice in the State?

Mr. RAYBURN. Well, I doubt very seriously whether you are going to get physicians at these different suboffices at the little they are going to pay them to do this work.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON. May the gentleman have another minute?

Mr. RAYBURN. I ask for another minute.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. CANNON. The gentleman is on the committee that reported this bill?

Mr. RAYBURN. Yes.

Mr. CANNON. Is the gentleman going to offer the amendment of which he spoke, not exceeding 48 offices?

Mr. RAYBURN. I understood the gentleman from Massachusetts [Mr. WALSH] was going to offer that amendment.

Mr. BLANTON. Mr. Chairman, I move to strike out the last two words. There is one thing about this matter that we are going to have to admit after we have passed this bill, and that is that we understood what we were doing and that we passed it with our eyes open. It has been inferentially, at least, admitted by a number of Members that it is a needless waste to create these 14 new regional bureaus. It has been inferentially admitted at least that it is unwise to pass a law that would permit at least 48 subbureaus to be created and put upon the country, and yet we are all sitting here knowing it is something that we ought not to do, knowing that we are placing this bureau upon the country; we are all sitting here and letting it pass. We started out in the very first clause of this bill by appropriating a million dollars to launch these 14 extra new regional bureaus on the country, and my colleague from Texas——

Mr. McKEOWN. Will the gentleman yield?

Mr. BLANTON. In just a moment—and my colleague from Texas [Mr. RAYBURN] admits that there will be probably at least 48 subbureaus put upon the country and the distinguished gentleman from Illinois [Mr. CANNON] the other day admitted that it took us 40 years to get rid of the pension agencies that were created after the Civil War, 40 long years, and it is going to take us 40 long years more to get rid of these agencies which we are now proposing to create. For one I am not going to create them.

I for one am going to vote against it——

Mr. McKEOWN. Will the gentleman yield?

Mr. BLANTON. In just a moment, I want to get through, I have but five minutes, and then I will yield.

Do you know that these bureaus are absolutely unnecessary and eventually will cost about $10,000,000 annually? Do you know that most of the men to-day who may want this insurance or who have claims or may be entitled to the benefits under this bill have kept up their insurance or already made their application? A great many of them think they can do better with private institutions. Of course they can not, but they think that. They have got the right to believe that, and have

a right to so act, but if it is a bad proposition as asserted by the distinguished gentleman from Massachusetts [Mr. WALSH], if it is a bad proposition as asserted by the distinguished gentleman from Illinois [Mr. CANNON], why is it we will sit here and let it pass? Why do not these gentlemen get their forces together and knock the enacting clause out of this bill, and stop it? That is the only way to stop it. We can stop it a lot easier now by taking the enacting clause out of the bill than we can after putting these 14 bureaus on the country with 48 subsidiary bureaus which will come as soon as we create these 14 new regional bureaus. We have plenty of machinery to handle the business now, without these bureaus. We can do much by handling the matter in each locality by our postmasters.

Are you going to vote for it? That is something that you are going to have to answer to your constituents and I am going to have to answer to mine. We are going home to them and tell them that we tried to meet the present situation, knowing that we owe $28,000,000,000, knowing that our country is a debt-paying country, knowing that the only money that the United States Government has to pay its debts with is the tax money that we take out of the pockets of the people. We know all that, and yet we are going home to face our constituents and say to them we tried to cut down their tax, and we tried to save their money, and tried to keep enough money in the Treasury to pay our debts, and yet we are going to say that we voted to create 14 new regional bureaus and 48 new subsidiary bureaus all over the United States when it is unnecessary. Are you going to do it? I do not know what you are going to do. I know I am not.

Mr. BLACK. Mr. Chairman, I do not think the gentleman from Texas [Mr. BLANTON] would have made the speech that he did, contending that the proposed method of suboffices will mean extravagance, if he had read the hearings and the plans in contemplation by the Director of the War Risk Insurance Bureau. We must realize that the Bureau of War Risk Insurance has a great task to deal with in settling these compensation and insurance claims, and that it is wisdom and economy on our part to provide the proper machinery. Take the Post Office Department, for example: For years we required the postmasters in every city, village, and hamlet of the country to send to Washington for every bit of supplies, stamps, and things of that kind that they needed every time they wanted them. Now, during the present administration, Postmaster General Burleson very wisely suggested to the Post Office Committee that we enact legislation that would permit him to establish central accounting offices in each State in order that these smaller offices may get their supplies from local centers and not have to come to Washington every time they wanted a bit of supplies.

Now, what is the situation at the present time as to these compensation claims? A soldier who is disabled or injured in the war has to make his application. That application is sent to Washington. Frequently it is not executed properly, frequently the proof accompanying it is not adequate, and then in such cases it has to go way back to California, or the State of Oregon, or some other State, as the case may be, and be fixed up again; and maybe the second time when it is sent to Washington it still does not meet the situation, and it has to be sent back again. And all that means delay and expense. And yet it is entirely right and proper that the director should require careful and adequate proof to establish claims. And so the director intends to establish these regional offices, not for the purpose of taking final action upon claims, because if that were the purpose I would not favor it, because there would be danger of making 14 different kinds of administration of the war-risk insurance act, and I would not favor it; but the director does not intend that; he does not intend that any of these regional offices shall make any awards or payments, but only that they make up the cases and, after they have made them up, send them to Washington, and there let final award be made upon them. This is not the same thing as was the establishing of the different pension bureaus that has been mentioned in this debate, because they disbursed the funds. Under this plan the funds will still be disbursed from Washington, and not from the regional offices.

Now, the director very clearly stated the plan in his testimony, as follows:

> I do not understand that it is proposed in the so-called Wason bill that there should be a decentralization so far as paying the claims or the making of final awards is concerned. It is simply an administrative convenience for the Government.

Therefore, Mr. Chairman, I think it will work for economy rather than for extravagance, and I favor the plan.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and the Speaker having resumed the chair, sundry messages in writing from the President were communicated to the House of Representatives by Mr. Sharkey, one of his secretaries, who also informed the House of Representatives that the President had, on May 18, approved and signed bills of the following titles:

H. R. 12537. An act to provide for an examination and report on the condition and possible irrigation development of the Imperial Valley in California;

H. R. 9944. An act authorizing the Secretary of the Treasury to accept on behalf of the United States the donation by Sedgwick Post, No. 10, Grand Army of the Republic, of its memorial hall property in Bedford, Taylor County, Iowa, for Federal building purposes; and

H. R. 11927. An act to increase the efficiency of the commissioned personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service.

BUREAU OF WAR RISK INSURANCE.

The committee resumed its session.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last three words.

Of course, we are all anxious to do everything in a legislative way that may possibly be done to expedite the settlement of these claims with the War Risk Bureau, and I have been somewhat impressed with the argument that has been made in favor of the establishment of these 14 regional substations. But I have not been satisfied, according to the evidence that has been presented or the argument that has been presented, as to the necessity of establishing these suboffices.

Now, the gentleman from Texas [Mr. RAYBURN], in answer to a question as to what function they would perform, said that they would be receiving offices, so to speak. I imagine that under that character of function that they would only exercise some preliminary filing effort toward getting a settlement of the claim, and if these regional institutions were established in each State and a substation were established in each State, whenever an application was filed with one of these substations—and I would like the attention of the chairman of the committee on this proposition—would not it then be necessary for the application filed in one of these substations to be transmitted to the regional station for any final action?

Mr. SWEET. It would not.

Mr. BANKHEAD. What necessary or useful function, then, would these substations actually perform?

Mr. SWEET. They would come in direct contact with the soldier and assist him in making out his papers. At the present time, as every Member of Congress knows, when a letter is written by a soldier and he is asked to sign the application he does not fill it in properly, as a rule, or does not sign it properly, and it must be sent back to him to be properly made out. What is the result of that kind of service? The result is that you are harming the soldier. He becomes discontented, and he complains about red tape and everything of that kind, and justly so.

Now, then, when you have the establishment of these suboffices they come in personal contact with the soldier, and his papers are properly prepared; they go into the regional office in proper shape, and thus the whole matter is expedited.

Mr. BANKHEAD. Under the suggestion made that we would probably establish one of these substations in each of these States—take the State of New York, for instance, that contains a number of large cities, and the substation would probably serve the adjacent territory to that particular city. All of these claims in the other parts of the State will have to be filed with the regional station, so that it would be performing only a limited function, even if it carried into effect the purpose stated by the gentleman from Iowa; and instead of making for expedition, in my opinion, judging from the way this Government operates its work, it would make for delay—the establishment of these substations. It seems to me that while there might be some good argument in favor of the 14 regional stations, the creation of these additional suboffices would serve no useful purpose and would only entail some additional expense and delay. [Applause.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa.

The question was taken, and the Chairman announced that the ayes seemed to have it.

Mr. CAMPBELL of Kansas. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent that the amendment be again reported.

Mr. WALSH. The Chair declared it carried, did he not?
Mr. CAMPBELL of Kansas. Nobody voted on it.
Mr. GARD. A parliamentary inquiry, Mr. Chairman.
The CHAIRMAN. The gentleman will state it.
Mr. GARD. Did the Chair announce that the vote had been had and carried?
The CHAIRMAN. The Chair did not. The Chair said, "The ayes seem to have it." That is as far as the announcement got. The ayes have it, and the amendment is agreed to.
Mr. WALSH. Mr. Chairman, I offer an amendment.
The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.
The Clerk read as follows:

Amendment offered by Mr. WALSH: Page 1, line 6, after the word "suboffices," insert "not exceeding 48 in number."

Mr. BANKHEAD. Mr. Chairman, I want to offer a substitute for that amendment.
Mr. GARD. I want to offer a substitute to the amendment on the Chair's desk now.
Mr. WALSH. I want to speak, Mr. Chairman, on my amendment before it is bowled over by the gentleman's substitute, as I suppose it will be.
The CHAIRMAN. The gentleman from Massachusetts is recognized.
Mr. WALSH. Mr. Chairman, in view of the statement made by the gentleman from Iowa [Mr. SWEET] and the gentleman from Texas [Mr. BLACK], it seems, if we permitted 48 of these separate agencies to be established, they would be limited to taking care of the needs of the various districts in which this bureau would operate, through its regional offices, because New York and Pennsylvania and, possibly, a large State like Texas would have to have two or three of these substations, whereas the smaller States might not be required to have any. Unless there is some serious objection to limiting the number, which I have not heard from any member of the committee, it seems to me we ought to put some limitation on here and not permit this great network to spread out and give opportunity for increasing red tape.
Now, my personal opinion is that there is no serious disadvantage in requiring the soldier to send his application direct to the home office in Washington, and if he is not competent to fill out this blank himself one of two things ought to be required, either that the blank should be simplified, so that any soldier of average intelligence and common-school education would understand its requirements so that he might fill it out, or else that he ought to be at liberty under authorization provided by legislation to go to a postmaster and have his application filled out in accordance with the requirements, and let the postmasters have the forms on file in their offices. This would simply mean, in my judgment, that you would go to the suboffice, and the liability of mistakes on the part of officials at suboffices would be just as great as it will be down here in the home office of the War Risk Insurance Bureau. They would be no more free from mistakes than the rest of us are.
Mr. HUSTED. Mr. Chairman, will the gentleman yield?
The CHAIRMAN. Does the gentleman from Massachusetts yield to the gentleman from New York?
Mr. WALSH. Yes.
Mr. HUSTED. Is it not probably true that the vast majority of these applications, as fast as they are received, will be sent in and passed upon?
Mr. WALSH. I should think that must be so, but I suppose there will be claims arising from time to time that it will be necessary to file and upon which action will have to be taken. But you are increasing the liability for mistakes. Suppose a mistake is made in a suboffice. It comes to the regional office and may be overlooked, and then it may have to be sent back later to the suboffice, and then back to the regional office, and then transmitted to the soldier after having been sent again to the suboffice where the soldier made the application. It seems to me there is hardly any necessity for permitting this great network of offices and officials to be established, and I doubt if it will result in decreasing the force down here by 300 clerks. It will increase the amount of correspondence. All these applications will have to come back here for final action. They will have to send letters in duplicate and in triplicate to the regional offices and to the suboffices and then to the soldiers, and I fear we are laying a foundation for building up a great organization here which will require a tremendous number of clerks.
Mr. LAYTON. Mr. Chairman, will the gentleman yield?
Mr. WALSH. Yes.
Mr. LAYTON. To make this proposition a comprehensive one in every way, let us have a suboffice in every county in the United States.
Mr. WALSH. Well, under the language, of course, if not amended, that would be permissible.
The CHAIRMAN. The time of the gentleman from Massachusetts has expired.
Mr. SANDERS of Indiana. Mr. Chairman, I move to strike out the last word.
The CHAIRMAN. The gentleman from Indiana moves to strike out the last word.
Mr. SANDERS of Indiana. I do so, Mr. Chairman, for the purpose of supporting the amendment offered by the gentleman from Massachusetts [Mr. WALSH]. I think it is a very wise amendment, and the chairman of the subcommittee [Mr. SWEET] is in accord with me and with the gentleman from Massachusetts upon this subject. The hearings disclosed that the director is also in agreement with this amendment. He was asked by Mr. SWEET the following question:

At this time have you made any estimate as to the probable number of suboffices that would be established in order to properly take care of this matter?

And the director answered, "Approximately one to a State," but later said he would not like to have it limited to each State particularly, because of the difference in the size of the States and the difference in the necessities of each State.
Mr. Chairman, I have been, in studying this question, at first of the opinion that we ought not to have these regions or these substations. If there is one thing that has been brought to the attention of Members of Congress more than any other it is the fact that there is great confusion in taking care of the Bureau of War Risk Insurance. I went into these hearings under the impression, Mr. Chairman, that this would add to the confusion. But when the man in charge of the Bureau of War Risk Insurance, who has made a study of this question, who has been confronted day after day with its difficulties and troubles, says to us that it is absolutely necessary, that it will serve the purpose of clearing up this confusion, and that it will aid the service man, I think we ought to listen to his appeal.
Mr. WALSH. Will the gentleman yield?
Mr. SANDERS of Indiana. I will.
Mr. WALSH. Of course, it has not been necessary up to this time, and the present director has made wonderful progress in clearing up the confusion and eradicating inefficiency, and is bringing the matter up to a high standard in that regard. Now, I should like to ask the gentleman if he thinks it is absolutely necessary, as far as the efficiency and the service rendered to the men, that this should be done in just this way, and that this wide discretion be vested in this officer?
Mr. SANDERS of Indiana. Of course, I do not say it is absolutely necessary, but I say that the Director of the Bureau of War Risk Insurance, who has this in charge, says that this will greatly expedite the making out of the necessary papers, and in his opinion will clear up the confusion that has existed.
Mr. HUSTED. Will the gentleman yield?
Mr. SANDERS of Indiana. Yes.
Mr. HUSTED. I think in all probability it would have been an excellent thing if a system of this kind had been established in the beginning; but it seems to me that the period has now passed when the congestion of business in the department should lead to very great confusion. It seems to me it is rather late in the day now, when probably most of these applications have been sent in and passed on, when the amount of business is on the decline instead of on the increase, to create a great system of offices throughout the country, which will involve a large amount of expense, and which will be very difficult to get rid of after they are once established. I do not see why they should not be able to carry on this work at the present time without any more of these offices.
The CHAIRMAN. The time of the gentleman from Indiana has expired.
Mr. SIMS. Mr. Chairman, I rise in opposition to the amendment. This being a purely administrative convenience, not simply for the bureau but for the convenience of those who are beneficiaries of the law, it seems to me we ought not to limit the number of these subagencies. Some Members call them subbureaus and other suboffices. They are nothing of the kind. Nothing of the sort is involved.
Mr. WALSH. That is the language used in the bill.
Mr. SIMS. Suboffices, yes; wherever they are established; but it does not mean a great clerical establishment, with large overhead charges and all that sort of thing. As I say, I think you ought not to limit the number. It is a mistake to limit the number. The number ought to be governed by the necessity for these subagents, and the necessity ought not be determined by the needs of one State. It might not be necessary

to have a subagency or suboffice in some particular State at all.

Now, take Bristol, Tenn., which is on the line between Tennessee and Virginia. A subagency there could serve all that part of Virginia and all that part of Tennessee adjacent thereto. A subagency at Chattanooga could serve all northern Georgia but could not very well serve southern Georgia. One at Nashville, Tenn., could serve northern Alabama and that portion of middle Tennessee and southern Kentucky. One at Memphis would be just as convenient to Arkansas and Mississippi as to Tennessee. There would be four suboffices in one State that would do as much business and be of as great convenience to several other States as suboffices could possibly be in those States.

Now, this is an administrative matter and should be left to the director, who has to administer the law, and which does not place any additional expense upon the Government.

Mr. WALSH. Will the gentleman yield?

Mr. SIMS. I yield to the gentleman from Massachusetts.

Mr. WALSH. Is it the gentleman's idea that the soldiers or their representatives are to make personal calls at these suboffices, or that the representatives of the several suboffices will make personal calls on the soldiers?

Mr. SIMS. Often the applicant or the person in need would call up the subagent by telephone, because he would be near enough to do it, and the subagent can call up the regional office and get quick service. Now, take a hospital case, where tuberculosis or something of that sort develops, and the soldier needs quick action. It should not be necessary to have to write to Washington, back and forth, simply that there may be a greater number of employees here in Washington.

Mr. WALSH. The suboffice will have to write to Washington.

Mr. SIMS. That is not necessary at all. If he has not the information immediately at hand, he can get it from the nearest regional office.

Mr. WALSH. They will have to get final authority from Washington.

Mr. SIMS. To get final action, I know; but all this preliminary work calls for expedition and will provide quick relief to those who need it, and it can be had in this way.

Mr. WALSH. As you increase offices and suboffices you decrease efficiency and expedition.

Mr. SIMS. No; not at all.

Mr. CANNON. Will the gentleman yield?

Mr. SIMS. I yield to the gentleman from Illinois.

Mr. CANNON. The gentleman's amendment provides for not exceeding 48 offices, does it not?

Mr. SIMS. Yes; I so understand it.

Mr. CANNON. Will there have to be one in Rhode Island and one in Delaware?

Mr. LAYTON. There ought to be one in Delaware.

Mr. CANNON. It leaves the director some discretion.

Mr. SIMS. Certainly. Now, as we do not know how many will be needed, and as we assume that the director will not establish unnecessary agencies, why should we undertake here, without knowledge, to limit the number of subagencies, when these subagencies are intended to reduce the congestion of service here and to prove a great convenience to those who need quick advice and quick action?

Mr. LAYTON. How does the gentleman like my suggestion of having one in every county?

Mr. SIMS. That might be absolutely unnecessary, and would not help anything, and it would increase the expense. The Director of the War Risk Insurance Bureau knows better what to do than we do, and if we undertake to interfere with the administrative details and place limitations on same we will never have an institution that will function best in the public interest.

Mr. BEGG. Mr. Chairman, I move to strike out section 1.

Mr. BANKHEAD. Mr. Chairman, I have an amendment that I would like to offer as a substitute for the amendment of the gentleman from Massachusetts.

The CHAIRMAN. The gentleman from Alabama will be recognized later.

Mr. SWEET. Mr. Chairman, the gentleman from Ohio moves to strike out section 1. I make the point of order that there is an amendment already pending.

Mr. BEGG. I will withdraw that and move to strike out the last two words. Mr. Chairman and gentlemen of the committee, I have naught but good words to say for the Bureau of War Risk as it is at present functioning. I also want to say that I do not believe this present expansion is in keeping with good business or of necessity. It is a fact that 75 per cent of the older war-risk insurance beneficiaries have dropped their policies, according to the testimony of the war-risk officers before the Committee on Expenditures in the Treasury Department.

The proposed increase of offices in the different States in the country is for no other reason than to establish or appoint solicitors to go out and resell this insurance to these boys who have dropped it. I do not believe that the Government ought to go into the business of soliciting insurance. We have made it available for the boys; it is at their option if they want it. I do not believe it is incumbent on this Government to send men about the United States to sell insurance. Nor do I agree with the gentleman from Tennessee [Mr. SIMS] that there will be more efficient and quicker action if we have suboffices in the various States than there is at the present time. Tuberculosis does not strike a man overnight. He has plenty of warning and an opportunity to get his case before the department at Washington. Every time you multiply the offices through which a communication goes you hold it up. You hold it up one or two days if you handle it in the most expeditious way you can in passing through every single office.

It is not a fact that the Director of War Risk Insurance wants this to handle the business they have now, for they have only 25 per cent of the original insurance. Last February the insurance department had enough business to keep them occupied or busy for only 11 days in that month. They could have discharged 60 per cent of their force and transacted the business if they had not gone outside of the realm of their own department. That is the testimony of the head of the insurance division, and can be read to the committee if necessary.

Mr. SIMS. Will the gentleman yield?

Mr. BEGG. Yes.

Mr. SIMS. The insurance would be a very small portion of the work of these offices.

Mr. BEGG. It is the same thing—duplicating what you have in Washington, and you have got to have one man specialized in every department. It is the rankest kind of folly, and it will not do the soldier any good. It will not do a single bit of good in the world except to build up a giant bureau at the expense of the taxpayers, without any benefit to the soldier. I want to say to you gentlemen who talk about saving money that it seems to me that if anything is brought up to save a nickel, not in a partisan line, but to do anything that ordinary business would tell you to do, the proponents always come up with the same cry that this is an emergency and you will be helping the soldier. Why, gentlemen, I have settled 300 cases through the War Risk Bureau and never have been held up any length of time, and I have not any cases pending there now. We furnished as many boys from my district as any district in the United States in proportion to population. There is nothing to this, only an ambition on the part of the director—and I do not criticize that if he can get away with it. But he wants to build up a big machine and resell the 75 per cent of insurance and make a reputation for himself. That is a laudable ambition. But are we going to sit idly by and pay the bill when there is no necessity for it? They have 14 regional offices and that is enough; that brings them near enough so that they are within an overnight mail to any spot in the United States. I think that is sufficient.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BANKHEAD. Mr. Chairman, I offer a substitute to the amendment offered by the gentleman from Massachusetts [Mr. WALSH].

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. BANKHEAD as a substitute for the amendment of Mr. WALSH: Page 1, lines 6 and 7, strike out "and such suboffices as may be deemed necessary in the best interests of the work committed to said bureau."

Mr. BANKHEAD. Mr. Chairman, my object in presenting this amendment is one, I think, that is really in the interest of the men who are to be served by this proposed legislation. I do not propose to vote against the provision of the section creating 14 regional offices, but when you go ahead and provide, as in this section, for the establishment of a large number of suboffices in the country, it seems to me you only thereby increase the red tape, increase the delay that will result in the application of these men for adjustment of their matters with the War Risk Bureau. The functions that these substations will perform are stated by the members of the committee to be that they will assist in preparing the papers for final decision either by the regional bureau or here in Washington. One of the main purposes, as stated in the report, is to centralize these offices with the Bureau of War Risk Insurance, the Bureau of Public Health Service, the Federal Board for Voca-

tional Education, the Red Cross, and other organizations. It seems to me if that is the purpose, the coordination sought, the activity ought to come in there in one central regional bureau. But if you go ahead, gentlemen of the committee, and put in suboffices over yonder in some States—48 in the United States—it seems to me that that will entail additional delay in the securing of the settlement.

Of course, that substation will not have any official papers; it will not have the reports of the doctors and all that sort of thing; and final decision will rest either with the central office in Washington or with the regional substation. It will be only an adjunct, so called, and it seems to me entirely unnecessary. I fear that the result of it, instead of being to secure expedition in the settlement of these matters, will be delay, because the more circuitous you make the route that any official business of the Government has to take the longer will be the delay in securing definite and final adjustment. That is borne out by the experience of all of us.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. BLACK. The gentleman from Alabama is familiar with the work of the Vocational Board on account of his being on the Committee on Education?

Mr. BANKHEAD. Yes.

Mr. BLACK. I understand they have 14 of these regional offices. Do they have any suboffices outside of the 14 regional offices?

Mr. BANKHEAD. None that I know of.

Mr. BLACK. Certainly their work is nothing like as great as the work of the War Risk Insurance Bureau.

Mr. BANKHEAD. Oh, I think it is much greater now, as shown by the investigation recently held by the Committee on Education.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. RAYBURN. It could hardly be said that it has more, because every man who has taken vocational training is subject to the War Risk Insurance Bureau, and a great many others that have not taken that training.

Mr. BANKHEAD. I predicated that statement upon the assumption that there had been a larger percentage in proportion to the number of claims coming under the war-risk insurance adjusted than under the Vocational Board. Mr. Chairman, this is all that I have to say in respect to this. It seems to me these substations are not going to perform such character of useful work as would justify the danger of delay involved. It seems to me they could be safely stricken from the bill.

Mr. DEWALT. Mr. Chairman, when this matter was brought to the attention of the subcommittee that framed this bill there was considerable discussion as to the advisability, first, of establishing regional offices. Whatever doubt there was in regard to the matter was resolved in favor of the establishment of these 14 regional offices. The unanimous testimony of all those who appeared before us, who had concern with the War Risk Insurance Bureau, convinced the subcommittee that it was absolutely necessary for the expedition of business to have these 14 regional offices. Mr. Jones, who is at the head of the War Risk Insurance Bureau, then proposed that substations in the various States and localities be established. My recollection is, and I am not disclosing now anything that is to be held secret by the action of the committee, that we determined that while substations might be necessary, the number thereof should be limited by the amount of the appropriation, to wit, the sum named in the bill. It follows as a matter of pure economics and business that there can not be more substations and regional stations established than could be paid for by the amounts carried in this bill, to wit, $1,000,000.

The next question arises, What is the necessity for these substations? I address myself now particularly to the inquiry of the gentleman from Alabama [Mr. BANKHEAD]. Let us illustrate, if we can: There were 4,000,000 men, or thereabouts, who were either drafted or who volunteered in the Army. It is estimated that at least three-quarters of those men either took out insurance or are entitled to allotments, or their dependents and relatives are entitled to benefits under the war-risk insurance act. Merely by the statement of that fact it would therefore appear that there is a tremendous amount of business for this War Risk Insurance Bureau. When you consider that possibly 3,000,000 of people in the United States are personally interested as being the primal beneficiaries, that each one of 3,000,000 perhaps may have three or four dependent upon him, you multiply the number so that you have nine or ten million people who are interested in this subject.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. DEWALT. I will ask the gentleman to pardon me just now, because I desire to pursue this argument. Therefore you have an enormous amount of business. It is not only in regard to vocational education, but it is in reference to allotments and in reference to insurance, in reference to benefits which accrue to those people and their dependents under the provisions of the war-risk insurance act. Why have these substations? That is the inquiry of the gentleman from Alabama [Mr. BANKHEAD]. Let us illustrate again, as I said before: Pennsylvania has a territory which is 300 miles or more in width, and possibly 240 miles running from north to south. It has a population of about 12,000,000 people. New York State has a territory equally as large and a greater population. If the percentage of enlistments and drafted men is taken into consideration, you can at once see that there are an enormous number of people, taken on the percentage basis, who were in the Army from those two States. Take into consideration the territory that these two States cover, and that there is but one regional office. Let us say that it is located geographically in the center of the State, and let us place it at Harrisburg. The men who are concerned in the matter must send their documents to Harrisburg, or if they are to be examined as the law requires they must go to Harrisburg from Pittsburgh, let us say, a distance of over 200 miles.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. WALSH. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DEWALT. Take the large center of population that there is at Philadelphia, I think now ranking as the fourth largest city in the United States. Consider the great number of individuals interested in the subject, who of necessity must apply personally in respect to a great number of these matters. The object of having regional offices I have already explained. The object of having these substations, limited by the amount of the appropriation, is to bring these men in closer touch with some one who understands the business and who can help them out. The reply to that might be made by the gentleman from Massachusetts [Mr. WALSH] and the gentleman from Alabama [Mr. BANKHEAD]: "The substations have nothing to do except to help these men in the formulation of their papers and that sort of thing." That in itself is a great help. The reply then might be further made: "In any event, the papers must be eventually sent to Washington." Again that is true, but let me refer the gentlemen to this potent fact. We have a revenue service in this Government, and we have in each district in the State of Pennsylvania what might be called a substation in the revenue service. We have one general revenue collector in the city of Washington. There is not a State in the Union that does not have three or possibly more substations.

In Pennsylvania I think we have a half dozen or more. What is the purpose of it? The purpose is to expedite business and to help the transaction of necessary minutiæ. It is an administrative function, and therefore I appeal to the members of the committee here, sitting as a Committee of the Whole House on the state of the Union, that the judgment of the subcommittee and the Committee on Interstate and Foreign Commerce be taken upon this subject, and that the number of substations and the number of regional stations be limited only by the amount of the appropriation.

Mr. WALSH. Will the gentleman yield?

Mr. DEWALT. Certainly.

Mr. WALSH. Under what division of section 1 does the gentleman interpret any limitation upon the number of substations that can be established?

Mr. DEWALT. None, except that $1,000,000 is carried for that purpose—to carry out the provisions of the act.

Mr. WALSH. Of course, the gentleman realizes that they can establish substations under section 1 that would cost $5,000,000, if they so desired.

Mr. DEWALT. I can not agree with the gentleman.

Mr. HUSTED. Will the gentleman yield?

Mr. DEWALT. Certainly.

Mr. HUSTED. Does the gentleman think much advantage would be gained to the ex-service men where they mailed the application 10 miles to an office in charge of its receipt or a thousand miles? In other words, if he lives in the northern part of the State of New York, would there be much advantage gained in mailing it to New York City or mailing it to Washington?

Mr. DEWALT. I do not think so.

Mr. HUSTED. Does not the gentleman think even if these regional offices are established and these substations are established that most of the men will to-day be so situated that they will have to mail their applications anyway?

Mr. DEWALT. It is not only the mailing facilities, let me remark to the gentleman—and I also agree entirely that it would not make very much difference whether the applicant mailed his papers to New York City or to Washington—but these regional offices are established for the purpose of the examination of the applicant, and so forth, and therefore the personal attendance of the individual must be given to the party who takes his application.

Mr. HUSTED. I think under the conditions as they exist to-day that the applicant has not got to go very far to establish his physical examination. Under the existing facilities he can be examined physically without very great disadvantage. Now, so far as this system to aid the applicant in the preparation of his papers, why, he would not be at all advantaged by mailing to a station located at a shorter distance. I think the gentleman will himself admit that.

Mr. DEWALT. I admit that for the purpose of mailing the gentleman is correct.

Mr. HUSTED. I therefore say the only man advantaged by this bill would be the man who happened to live in a city where this office was located. I assume this man would gain some advantage possibly, but it seems to me it is going a little too far to establish this very expensive system in order to benefit only the men who are fortunate enough to live in the town where the offices are located.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BANKHEAD. Mr. Chairman, I ask for a vote on my substitute.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Alabama——

Mr. BANKHEAD. Mr. Chairman, I would like to have that again reported.

The CHAIRMAN. The gentleman suggests that the amendment being a perfecting amendment, it be again reported——

Mr. WALSH. Mr. Chairman, I suggest that the amendment of the gentleman from Alabama strikes out language which I seek to perfect by way of an amendment, and that the vote would come on that perfecting amendment.

The CHAIRMAN. As the Chair suggested, that will be the procedure if the gentleman from Massachusetts desires. The question is on the amendment offered by the gentleman from Massachusetts.

Mr. SWEET. I ask that the amendment be again read.

The CHAIRMAN. Without objection, the amendment will be again reported.

There was no objection.

The amendment was again reported.

Mr. SWEET. Mr. Chairman, I will say that I have no objection to this amendment.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The question now recurs on the motion of the gentleman from Alabama to strike out certain language.

Mr. CANNON. Let that amendment be again reported.

The amendment was again reported.

Mr. CANNON. That ought to be adopted.

The question was taken, and the Chair announced that the noes appeared to have it.

On a division (demanded by Mr. BANKHEAD) there were—ayes 30, noes 28.

Mr. RAYBURN. Mr. Chairman, I ask for tellers.

Tellers were ordered.

The committee again divided; and the tellers (Mr. SWEET and Mr. BANKHEAD) reported that there were—ayes 51, noes 61.

So the amendment was rejected.

Mr. GARD. Mr. Chairman, I have an amendment at the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 5, strike out the words "regional offices, not exceeding 14 in number, and such." Also, in line 1, page 2, strike out the figures "$1,000,000" and insert in lieu thereof the figures "$500,000."

Mr. GARD. Mr. Chairman and gentlemen of the committee, as the bill now stands we have written into it the continuance of the suboffices to the number of 48, which, to my mind, is a very wise provision; but with 48 suboffices created, with 1 general supervisory office in the city of Washington, it seems to me there is absolutely no necessity for the establishment of a great middle class of offices known as regional offices, 14 in number, because it is my opinion that the best work of the bureau can be done by the central office in Washington and by 48 suboffices throughout the United States in such places as they may be established, and eliminate the 14 regional offices and also eliminate the necessity of a great appropriation of $1,000,000, which is to be continued for two years. I realize the matter is of great interest, and I am very glad to have the gentlemen confer with one another. The matter is something that seems to me very important, and I know all want to do what is best for the interest of the man, the soldier, who has this policy of insurance, or who may be entitled to the benefits of this act, and those benefits, to my mind, can best be established by an efficient central office here in Washington, by 48 suboffices scattered wherever they may be necessary throughout the United States of America to furnish information to the man who wants information. But to establish 14 regional offices, to have 14 middle-class offices who are not responsible either to the suboffice or to the final office, but rather a sort of intermediate clearing house, seems to me to be entirely unnecessary and tend to accumulate the great bulk of red tape and unnecessary things with which these men are required to comply.

I believe that the very best interests of the service man will be subserved by affording him a substation whereby he can get immediate information or can get information in a short time, and then by having an efficient administration of this bureau in Washington. I think we have at present an efficient administration, but we should continue an efficient administration, and to do that the establishment of the suboffices should not fall upon the expenditure of $1,000,000 but could be cared for by an appropriation of $500,000 per annum.

It is in view of these two things, in view of what I believe to be finally to the best interests of the service man, that I offer the amendment striking out the language as to the regional offices and reducing the appropriation.

Mr. JONES of Texas. Mr. Chairman, I desire to support the amendment. It seems to me if you give any discretion whatever to the 14 regional offices you will have conflicts in decision. You will have a boy in one section of the country drawing compensation in a larger amount than another boy in another section; that is, if you give any discretionary power to the 14 different regional offices or if you give them authority to finally dispose of any cases.

Mr. SWEET. Will the gentleman yield?

Mr. JONES of Texas. When I finish this sentence. On the other hand, if you do not give any discretionary power to the 14 offices, what is the use of having them? You might just as well have your substations carry out the formal part of the application and send it direct to headquarters, because if there is no discretionary power on the part of the 14 offices to finally settle a proposition it will but delay to have the various applications go through one of the 14 offices and finally to headquarters for final disposition.

Now I yield to the gentleman from Iowa.

Mr. SWEET. I will say to the gentleman that these regional offices, as I understand it, are not vested with discretionary power in passing upon and finally adjudicating a case.

Mr. JONES of Texas. I accept the gentleman's statement. Then there is absolutely no reason on the face of the earth for having the 14 regional offices. If you are going to have the substations, they will be closer to the one who is making the application, and when he gets his application in proper form, inasmuch as it must come to Washington to be finally disposed of, what is the use of flagging it on the way? If it must come to Washington before it is finally approved and finally adjudicated, let it come on the first and fastest train and direct to headquarters and there be finally disposed of.

Mr. SIMS. Will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. SIMS. There are already eight of these regional offices established.

Mr. JONES of Texas. Then there are eight too many.

Mr. SIMS. The other six are simply to correspond with the number of Public Health offices, because where the Public Health has a regional office the work goes on together and it is expedited, and the director knows more about it than I do and more about it than I suppose the gentleman from Texas knows. And the only purpose is to collate this different work of these different public offices and save expense and expedite the service.

Mr. JONES of Texas. The director may know more about it than we do, but he is not legislating. That is a brand new philosophy, for, according to the gentleman's argument, he would reduce expenses by increasing offices and officers. According to the gentleman's argument, we might say that inasmuch as we have subtreasuries we ought to increase them. The fact that we have regional offices is not an argument why they

should be increased. The question, and the sole question, is whether or not they are efficient; whether or not they will make the service more efficient and more prompt. If they will not do so, there is not an argument that could be brought under the shining sun that will have weight in determining this question. As a matter of fact, this amendment reduces the appropriation by $500,000 and at the same time makes the service more prompt and efficient.

Now, I repeat that I believe if you establish these 14 offices one of two things will happen. The bureau will come in a little bit later with the request that they be given discretionary power, or, if they are maintained without discretionary power, you will have a delay of two or three weeks, while these applications, having been made out at the substations or the local Red Cross headquarters——

The CHAIRMAN. The time of the gentleman has expired.

Mr. JONES of Texas. I ask unanimous consent to proceed for three minutes more.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to proceed for three minutes more. Is there objection? [After a pause.] The Chair hears none.

Mr. JONES of Texas. The application will be made out at the substation or at the local Red Cross headquarters, where a great many of them are made out at the present time, or through the post offices. This is more convenient for the soldiers making the applications than these regional offices will be. Therefore they can better serve the boys who will make the application.

Mr. BLANTON. Will my colleague yield?

Mr. JONES of Texas. Yes.

Mr. BLANTON. I will state to my colleague, along the line of his argument, that most of the complaints that have been lodged before the Committee on Education on the hearing that it has been having with reference to the rehabilitation matter, was to the effect that these various offices, say, the one in New York, did not have authority, and that after the application is passed on it could not take any definite action and wind it up.

Mr. JONES of Texas. I am glad the gentleman suggested the dilemma. I said at the beginning of my argument that that would be the result. If you create offices, they will be asking for discretionary power to make them of value. Then you will have conflicts. You will have one boy drawing $10 and another one drawing $50 a month, because they are in different regions. If you do not have this discretionary power, what on earth is the use to have them at all? They will serve no useful purpose, and they will delay the application of the soldier and cause him to be more dissatisfied than he is at the present time.

Mr. SANDERS of Indiana. The gentleman is aware that the director said:

> From the Bureau of War Risk Insurance point of view I regard it as most essential that this authorization be given the bureau in order that the work committed to that bureau might be facilitated.

Mr. JONES of Texas. I can not help it. You can argue until you are black in the face, but there is not a man in the United States who can convince me or any man, from the standpoint of reason, that you can put an application in the post office at Dallas and stop it at New Orleans for two or three weeks and get it to Washington and have it disposed of sooner than if you mail it from Dallas direct to Washington. The director can say what he pleases. He may establish more offices and eliminate this distribution. He can not argue that there is any use for the regional offices.

The principal complaint throughout the country has been the delays in the final disposition of the applications of the disabled soldiers. Let us not increase these delays by establishing new places of delay, and all at further expense.

Mr. BARKLEY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio [Mr. GARD].

I recognize it is a very easy matter for Members to object and find fault with any bill that proposes to create new offices or to give additional authority to offices already created. It is a very natural impulse, that affects all of us, because it is the course of least resistance. But the thing I feel we ought to look after in the passage or rejection of this measure is whether it is in the interest of the men who have been injured or who are entitled to the benefit of the war-risk insurance as it has been passed and amended from time to time.

Now, we know that the Public Health Service, the Vocational Educational Board, and the Bureau of War Risk Insurance are all three functioning and cooperating together in the administration of the law for the benefit of the ex-service men. They are all correlated, and they are seeking to obtain quarters under the same roof in the various locations where they are in order that they may cooperate more effectively for the benefit of the men.

There are 14 districts throughout the United States for the Public Health Service. There are 14 places where the Public Health Service has headquarters throughout the United States. There are certain functions that are necessary in the administration of the war-risk insurance act, which are being performed by the Public Health Service. Most of the examinations that are being held to determine matters of compensation, hospital treatment, insurance, and things of that sort, are being conducted by the Public Health Service and by the physicians who are under the jurisdiction of the Public Health Service. Already the Vocational Educational Board, having divided the country into 14 districts, are combining their forces and their offices under the same roof with the Public Health Service in order that they may correlate their work and cooperate more effectively.

The object of the creation of these 14 regional districts is that the War Risk Insurance Bureau may have their men under the same roof, so that they may act in cooperation with the Public Health Service and with the Vocational Educational Board, so that these three agencies may be operated for the benefit of the ex-service men without the duplication of rents and expenses and without delay, and so that wherever possible they may cooperate on short notice.

Mr. GOOD. Will the gentleman yield right there?

Mr. BARKLEY. I yield to the gentleman from Iowa.

Mr. GOOD. Can the gentleman point to a single instance where there is any coordination between the examinations conducted by the Public Health Service and the examinations conducted by the Vocational Educational Board? If so, why does each organization have separate offices in separate buildings, with a separate corps, a separate staff of physicians, and everything of that kind, and send in reports to separate institutions?

Mr. BARKLEY. That is just the situation that these three boards are trying to obviate. Heretofore they have been more or less separated.

Mr. GOOD. They are separated now.

Mr. BARKLEY. They are trying to get all these offices under the same roof, and the Director of the Bureau of War Risk Insurance testified before the committee that in at least three cities they have arrangements made for the Vocational Education Board and the Public Health Service to go into the same building.

Mr. GOOD. That is about the extent of their coordination, according to their estimate for appropriations for the coming year.

Mr. BARKLEY. They have not been able to get quarters in the same building as yet in every instance. They can not do it all overnight.

Mr. JONES of Texas. Will the gentleman yield?

Mr. BARKLEY. I yield to the gentleman from Texas.

Mr. JONES of Texas. It is not contemplated, is it, that the physicians at the regional offices will personally examine applicants at the offices?

Mr. BARKLEY. Not necessarily, unless it is in the immediate vicinity.

Mr. JONES of Texas. There will be local physicians to examine them.

Mr. BARKLEY. There will be local examiners, of course.

Mr. JONES of Texas. And inasmuch as their reports must come to Washington before final disposition of the cases, what is the necessity of having the papers stopped on the way?

Mr. BARKLEY. You might as well argue that a local postmaster could make an application for war-risk insurance or compensation and transmit the papers to Washington. You have already refused to eliminate these 48 suboffices, for the reason that they will bring themselves in closer contact with the men.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BARKLEY. I ask for three minutes in addition.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to proceed for three additional minutes. Is there objection?

There was no objection.

Mr. BARKLEY. It seems to me it would be putting the cart before the horse to establish the suboffices and then abolish the regional offices. The suboffices are to be established throughout the different States. One of these regional offices, for instance, will have headquarters in Cincinnati, and its jurisdiction will extend practically over 9 or 10 States, and whatever suboffices are established in those 9 or 10 States will report directly to the regional office, and if they send to the regional office papers that are incorrect, that must be amended, or of

which a new draft must be obtained, they will be sent back by the regional office to the several offices from which they emanate, and they will be corrected and completed before they are turned in to the Washington office by the regional office, and in that way, while there may not be any monetary saving, there will be a saving of time. This is an experiment, and we can not tell whether in the long run it will save any money to establish these suboffices, although the Director of the Bureau of War Risk Insurance thinks it will; but even if it does not save any money, if it will assist some of these pitiful cases of cripples and dependents, and men entitled to the benefits of this insurance, to receive more ready and prompt action by the Government, it will justify our action here, whether it saves a dollar to the Federal Treasury or not. [Applause.]

I hope the amendment of the gentleman from Ohio [Mr. GARD] will be defeated.

The CHAIRMAN. The question is on the amendment of the gentleman from Ohio [Mr. GARD].

Mr. GARD. I ask that the amendment be again reported.

The CHAIRMAN. Without objection, the amendment will be again reported.

The Clerk read as follows:

Amendment offered by Mr. GARD: Page 1, line 5, after the word "such," strike out the words "regional offices, not exceeding 14 in number and such"; also, in line 1, page 2, strike out the figures "$1,000,000" and insert in lieu thereof the figures "$500,000."

The question being taken, on a division (demanded by Mr. GARD), there were—ayes 27, noes 19.

Mr. SWEET. I ask for tellers.

The CHAIRMAN. The gentleman from Iowa asks for tellers. Those in favor of ordering tellers will rise and stand until counted. [After counting.] Seventeen Members, not a sufficient number. Tellers are refused.

Accordingly the amendment of Mr. GARD was agreed to.

Mr. McKEOWN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 2, line 2, after the word "section," strike out the period and insert a colon and the following language: "*Provided*, That the salaries of the employees of the suboffices shall be fixed in proportion to the number of soldiers furnished by the area within the jurisdiction of the suboffice, and no such employee shall receive annual compensation in excess of $4,000."

Mr. McKEOWN. Mr. Chairman, I spoke of this matter in general debate the other day. I am opposed to these lump-sum appropriations. I said then, and I still insist, that the House ought to fix some limitation on the salaries of officials. You are creating 48 suboffices throughout the United States. Unless they apportion the suboffices, give them an equal amount of work in approximately an equal territory, some employees will have lots to do and others not much work. If the salaries are all fixed the same, it will be an unfair proposition. Suppose a suboffice is established in New York or Pennsylvania, and another in a far western State where the population and the number of men furnished in the service are very much smaller than in those large States. The man who has the suboffice in New York ought to receive more compensation than the man who has the suboffice where the small number of soldiers were furnished. I do not know whether the House cares to fix these limitations or not, but some legislation ought to be had limiting the compensation of these suboffices. There is no use of criticizing the department for the salaries that they pay if Congress itself is unwilling to put a limitation on the salaries. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken, and the amendment was rejected.

Mr. GOOD. Mr. Chairman, I move to strike out all of section 1 after line 2.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. GOOD: Page 1, after line 2, strike out the remainder of the section.

Mr. GOOD. Mr. Chairman, this matter was presented to the Committee on Appropriations on two different occasions in requests for a deficiency for appropriations. We did not see any merit in the proposition, and so the bureau goes to another committee. The Congress for more than 20 years has had to deal with a similar proposition. Originally there were 18 pension agencies throughout the United States.

Mr. BLANTON. Mr. Chairman, I do not want to waste the time of the House, but the distinguished gentleman from Iowa is speaking upon the most important matter before the House to-day, and he ought to have an audience. Members of the House will not know how to vote, and I make the point of order that no quorum is present.

Mr. GOOD. I hope the gentleman will not do that, as I have to attend a meeting within two or three minutes. There is a pretty good audience present now.

Mr. BLANTON. If the gentleman does not care to have a larger audience, I withdraw the point, Mr. Chairman.

Mr. GOOD. Originally we had 18 pension agents, each drawing $4,000 a year. The total cost of operating the 18 pension agencies in the United States was approximately $500,000 annually. Every year, a long time after their creation, an attempt was made in Congress to dislodge them and do away with useless service. But there were 18 powerful men in the 18 communities that had a tremendous influence politically, and there were $400,000 expended annually for clerks in these several communities.

Finally, about five years ago, Congress in its wisdom abolished the pension agencies and saved, according to the estimate of the Commissioner of Pensions, more than $250,000 a year. [Applause.]

Now, we are about to embark on the same thing. There is about as much reason for establishing 14 agencies here because there are 14 regional offices in the Bureau of Vocational Education and the Board of Public Health Service, as there would be in establishing 7, because there are 7 days in the week. They bear no relation to each other at all. [Applause.]

Mr. BEGG. Will the gentleman yield?

Mr. GOOD. Certainly.

Mr. BEGG. The gentleman knows that this does not only create 14 but 48 more offices.

Mr. GOOD. Yes; it creates subagencies, but I am speaking about the State agencies, and what I say as to them may also be said against establishing subagencies. When the director came before the Committee on Appropriations and asked for this in the first instance, what was the program? Simply this: That he needed to educate the boys throughout the country with regard to the needs of insurance. They wanted to have then a State agency in every State. That State agent would have insurance agents under him; as he explained it, they would perform about the same service with regard to the ex-service men in having them take and keep up insurance that the State life insurance agencies would perform with regard to their policyholders in the State.

More than that, they wanted a million dollars a year, as I recall, to subsidize the magazines and newspapers of the country to carry advertisements. When this bill was originally reported to the committee by the subcommittee it carried the advertisement proposition. The two go together. True, that item has been eliminated.

Now, I think section 2 of the bill is a very wise provision. You say you need the regional agents, and that you need the subagents. I say to you that the boy in the small town or in the country is just as much entitled to full knowledge with regard to this service as the fellow who lives in the town where you have the subagents or where you have the regional office. Give the postmaster in every place authority to furnish the information and give him the authority to do the work. Many of them do not now have anything much to do. A few years ago we had a Commission of Economy and Efficiency appointed by President Taft. That commission made a report. Judge Warwick, the present Comptroller of the Treasury, was a member of the commission, one of the ablest men, I think, in the Government service to-day. That commission made a report, and in one respect their report was that the first-class postmasters performed no useful service except a political service. They recommended the abolition of all these offices. But here is where you can give them something to do. Here is an opportunity for them to perform a real service, instead of finding more jobs and creating more places which we have been complaining about on this side of the House.

We have complained because the former Democratic Congress and this Democratic administration have been wasteful and extravagant in creating new offices and in creating useless positions, and we have said that we are going to cut them out and that we are going to reduce the number of useless employees. I want to do that very thing.

Mr. BLANTON. But the gentleman's side was only camouflaging when he said that.

Mr. GOOD. Yet here is a proposition to create more offices when we ought to be retrenching. I want these men to have the information. I am just as anxious as anyone that they shall have all of the information available, but if you are going to give them that information by personal touch of a representative of the Government, who can explain it to the boys, then you will need more than 48 offices; you will need an agency like the Post Office Department or some other agency. I think that is all taken care of in the second paragraph.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for 10 minutes.

Mr. GOOD. Oh, I want only two minutes.

The CHAIRMAN. The gentleman asks unanimous consent that his time be extended for two minutes. Is there objection?

There was no objection.

Mr. GOOD. I call attention to section 2, which provides that, under rules and regulations such as the Secretary of the Treasury and the Postmaster General may prescribe, the Postmaster General is authorized to receive war-risk insurance premiums, and so forth. Remember, the Bureau of War Risk Insurance is under the Secretary of the Treasury. Under these regulations the postmaster is authorized to receive applications for reinstatement of lapsed or converted insurance. The post office is a great force, carried on at great expense, amounting to $400,000,000 a year. It reaches every hamlet, village, and town, and comes in personal touch with every man on the rural route. Why not use that agency, the most complete and perfect agency in the Government, the one that is conducted the most economically of any of the Government agencies? Let us use it and extend its functions, so it will perform the service and cut out these 48 suboffices and 14 regional offices.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. DOWELL. Is it not true that the information about the insurance is rather technical, and is it not true that the Postmaster General will have no information with reference to it? Would not the agents stationed in each State be best able to give to the various legion members the explanation required, and would not that whole program be beneficial to the boys?

Mr. GOOD. Why should the information be technical? Any postmaster of ordinary intelligence can perform that service. I think the information that would be furnished by the Secretary of the Treasury and the Postmaster General to them ought to be sufficient, together with all of the printed circulars that have been sent to the men——

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. HUSTED. And all of that information could be fully set forth in circulars.

Mr. GOOD. Absolutely; and that has been done.

Mr. EVANS of Nebraska. Mr. Chairman, I ask unanimous consent that the gentleman's time be again extended for one minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. EVANS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. EVANS of Nebraska. Does the gentleman know of any instance in which there has been any such technical information that a single boy has failed to get his insurance rewritten, if he wished it?

Mr. GOOD. Personally, I do not. I think very full information has been furnished, and when the director first came before the committee he stated the reason he was asking a million or two dollars for the advertisement was that resort to advertisements was on the theory that they did not have the addresses of a majority of the ex-service men.

Mr. DOWELL. Is it not true that the insurance lapsed in three-fourths of the cases?

Mr. GOOD. Oh, yes; in a great many cases; I am not sure of the percentage.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. ESCH. Mr. Chairman, I am opposed to the amendment offered by the gentleman from Iowa [Mr. GOOD]. It seems to me that if that amendment is carried it will very largely curtail the effect of this measure. As it is now, we have cut the appropriation by $500,000. The proposition originally was born in the American Legion and was incorporated in resolutions adopted by the legion in its Minneapolis meeting last November. True, we have not indorsed or incorporated in this bill all of the resolutions or recommendations of the legion, but we do believe that in its insistence upon having these suboffices and these regional offices it has presented to Congress a concrete, valuable proposition, one which will inure to the advantage of these soldiers. If we do not get those boys to insure, or if they do not retain the insurance which they have already taken, the beneficent plan of insurance to soldiers will practically fall to the ground; and as it falls to the ground hereafter there will be growing demands upon Congress for consideration of a different kind.

The gentleman from Iowa [Mr. GOOD] says that there is no coordination and that there will be no coordination if you have these regional offices and suboffices. Let me add this proposition: Is not the Public Health Service under the Secretary of the Treasury, and is not the enforcement of the war-risk insurance act under the Secretary of the Treasury? If that be true, then the Secretary of the Treasury has the power to secure coordination as to those two services. We want to put all these agencies under the same roof, so that the boys will not be compelled to go from town to town in order to comply with the requirements of the war-risk insurance act.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. ESCH. Yes.

Mr. GOOD. Does not the gentleman know that while they are under the Secretary of the Treasury, each is under a different assistant and that they are not able to agree with regard to many of the details of these various services?

Mr. ESCH. That is not a responsibility of Congress. That is a responsibility of the administrative officers. Congress fulfills its obligation when it puts under one department the coordination of the Public Health Service and the enforcement of the war-risk insurance act. I do not fear, if this is passed, that there will not be coordination. There certainly will be. Talk to the soldiers, and they will tell you their complaints against the administration of the war-risk insurance act and the vocational rehabilitation act—that they are sent to one town to be examined by a surgeon of the Public Health Service and then to another town in order to qualify under the war-risk insurance act, and still to another to get further necessary data. Why put them to all of this inconvenience if you can aid them with 14 agencies and have all under one roof, where all of the information needed for them to qualify can be readily obtained. I hope the amendment will not pass.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. GOOD) there were—ayes 39, noes 38.

Mr. SWEET. Mr. Chairman, I ask for tellers.

Tellers were ordered.

The committee again divided; and the tellers (Mr. SWEET and Mr. GOOD) reported that there were—ayes 52, noes 47.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 5. That the Bureau of War Risk Insurance shall relieve from the payment of premiums on renewable term insurance the following persons, to wit: (a) Those who are receiving hospital care under said bureau, during the period they are receiving such care; (b) those who are receiving vocational training pursuant to the vocational rehabilitation act, during the period of such training; and (c) those who are temporarily totally disabled by reason of an injury or disease entitling them to compensation, during the period of such total disability.

That said bureau shall also provide, without charge therefor, hospital, dental, medical, and surgical care and treatment and prosthetic appliances for all honorably discharged commissioned officers and enlisted men disabled by reason of any wound or injury received or disease contracted while in the service of the United States and in the line of duty: *Provided*, That application for such care and treatment and appliances shall be made within one year from the date of the man's discharge or from the date this act goes into effect, whichever is the later.

Mr. PARRISH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. PARRISH: Page 4, line 19, after the word "duty," strike out the colon, insert a period, and strike out all of lines 20, 21, 22, and 23.

Mr. PARRISH. Mr. Chairman and gentlemen of the committee, I have made this motion to strike out lines 20, 21, 22, and 3 on page 4 of the bill for the reason that I do not believe that there is to-day a man, woman, or child anywhere in the United States who would for a moment stand for the pleading of the statute of limitations against a boy who has contracted disease or has been injured in the service. This bill as it is now written by the committee—and I have the greatest respect for the committee; I know that they have the welfare of these men at heart—provides that if they have contracted disease in the service or if they have been injured in the service, they must apply for treatment within one year from the passage of this act, and if they fail to so file their claims, then the great Government of the United States must plead the statute of limitations against them and say because they did not apply within one year they must go away and receive treatment elsewhere.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. PARRISH. I will.

Mr. SANDERS of Indiana. Would the gentleman put any limitation upon it whatever?

Mr. PARRISH. I would put absolutely no limitation whatever upon the time in which a man who has been wounded in

the service or received injuries in the service could come to the United States Government and receive treatment.

Mr. SANDERS of Indiana. That is preliminary to the real question. How about the men who have served in all the other wars?

Mr. PARRISH. Well, we have just passed a bill the other day, I will say in answer to my friend——

Mr. SANDERS of Indiana. In reference to these hospitals?

Mr. PARRISH. No; in reference to the men of the Spanish-American War by taking care of them if they are unable for any cause growing out of the war or——

Mr. SANDERS of Indiana rose.

Mr. PARRISH. Is there another question?

Mr. SANDERS of Indiana. I do not want to take up the gentleman's time.

Mr. PARRISH. I feel sure the spirit that probably prompted the committee in adding this limitation to the bill was that they wanted these men to come in and get the treatment so they could get through with it; but I say to you that when this war was declared and when the emergency confronted the American people Congress said to the boys that they must come into the service. They were given no choice. We commanded them, and now since the war is over, since these men have gone and met the crisis and have received injuries or suffered wounds and have come back to this country, it is now time to let the boys have their way and say when they desire to take the treatment, and the Government ought to stand with open arms until the last day of time if it is necessary to care for the boys who have suffered injury in the service. It may be said that they ought to take the treatment within one year. It is said that there are something like 4,000 men in my State who contracted tuberculosis in the service. The hospital accommodations in the State are not sufficient to take care of them and many of them must secure treatment in some other States. A boy fresh from the firing line or the trenches, perhaps, braced with the courage that accompanied him when he went through that ordeal, may think himself equal to this fight against that grim reaper of death, and he may fight it out himself alone or fight it out with his family for 12 months from the passage of this act. But the time may come when he will find himself matched in an unequal contest and the time may come when he will have to fall back upon the great arm of his Government, and, in the name of God, gentlemen, are we going to say to him or them that we will plead the statute of limitations against him and say that he can not get treatment from the Government when he returns to it?

The CHAIRMAN. The time of the gentleman has expired.

Mr. PARRISH. I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none.

Mr. PARRISH. I feel that the Government, I feel that the people of the United States, would be hard to the very core if it should say to a man 10 years from now, if he could prove that his injury dated back and was the direct result of his service in the Army, that treatment should be denied such a young man. I do not think there will be many cases of that kind, but there will be many that will extend beyond the period of one year—I do not believe the Government would stand for one moment for the pleading of the statute of limitations and throw in a soldier's face that statute which would say that because he did not come within one year, forever hereafter he must be denied the help of this Government. I do not believe, my good friends, the framer of this bill—I do not believe that the members of this committee would stand for a moment for the pleading of the statute of limitations. It is a sad thing when the Government of the United States by reason of its statutes will plead a limitation against a man upon property rights. It does not do it very often, if at all, but it is infinitely a sadder thing for the great Government of the United States to plead the statute of limitations against an unfortunate man or boy who in the service contracted disease or fell with a wound that continued with him through life and treatment became necessary years afterwards. Certainly not. There are many cases of that kind, gentlemen of the committee, and I am very much in earnest when I say that we ought to strike from the provisions of this bill any kind of legislation or any kind of a provision that would allow a limitation to be hurled in the face of these unfortunate men. No; we do not want a limitation to be placed against them. We want him to know that the arm of the great Government that he has served in the hour of its crisis, when he has aided in holding aloft that flag which has never known defeat; we want him to know and feel that the Government is back of him and ready to support him, and that the heart of its people is too generous, too great, too powerful, too appreciative ever to say to any such man, no matter whether he comes in 1 year or 20 years, that he shall be denied treatment in the hospitals of this great Government. [Applause.]

Mr. SWEET. Mr. Chairman, after listening to the gentleman's statement I am convinced that he does not understand the full import of this particular section of the bill.

Now, according to prior law, anyone who is entitled to compensation is entitled to reasonable governmental medical, surgical, and hospital services. I call his attention to the exact wording of the law:

(6) In addition to the compensation above provided, the injured person shall be furnished by the United States such reasonable governmental medical, surgical, and hospital services and with such supplies, including wheeled chairs, artificial limbs, trusses, and similar appliances, as the director may determine to be useful and reasonably necessary, which wheeled chairs, artificial limbs, trusses, and similar appliances may be procured by the Bureau of War Risk Insurance in such manner, either by purchase or manufacture, as the director may determine to be advantageous and reasonably necessary: *Provided*, That nothing in this act shall be construed to affect the necessary military control over any member of the Military or Naval Establishments before he shall have been discharged from the military or naval service.

Now, that applies to men who are entitled to compensation. The question arose in regard to the men who have been injured in the service who come within the 10 per cent; that is, their disability was not rated 10 per cent but was rated less than 10 per cent, and yet their injuries were received while in the service and in line of duty. Now, this provision is placed in the bill for the purpose of giving those who were slightly injured, those who have a rating of less than 10 per cent, this benefit; and the committee thought that under the circumstances those who had been slightly injured and were not entitled to compensation should receive from the Government medical and surgical care and treatment.

I may say in this connection, in order that there may be no misapprehension as to the language used, I have an amendment to propose, which is to the effect that the provisions in this section are in addition to the medical care and treatment that are accorded men who are entitled to compensation.

Mr. McDUFFIE. Will the gentleman yield?

Mr. SWEET. I will.

Mr. McDUFFIE. What is the reason for putting the limitation on? If they are entitled to it at all, why limit them?

Mr. SWEET. There must be an end to these things, and for that reason, and because of the small number of slightly disabled men who would fall below the 10 per cent, it was thought best by the committee that it should be limited to one year from the date of the man's discharge, or from the date this act goes into effect, whichever is the later. Their injuries will be slight, because they will be rated at less than 10 per cent.

Mr. McDUFFIE. If the gentleman will yield further, does the gentleman think there should ever be an end to the Government treatment of soldiers who entered this war and were disabled as the result of their services in the war, even though 10 per cent?

Mr. SWEET. The moment a man's disability is rated more than 10 per cent he is entitled to medical and surgical care and treatment under the other provisions of the act. Whatever ailment they may have is purely temporary at this time, and in order that there can not be any question about the law we have limited it to one year in which to make application; and, of course, under the provisions of this bill it must be some injury or disability received or contracted while in the service of the United States in line of duty.

Mr. McDUFFIE. What is the gentleman's amendment?

Mr. SWEET. My amendment is—the one that I shall offer in a few moments—page 4, line 14, after the word "that," insert the following: "in addition to the care, treatment, and appliances now authorized by law."

Mr. PARRISH. Will the gentleman yield?

Mr. SWEET. Yes.

Mr. PARRISH. For those who are being treated and cared for and who are injured more than 10 per cent there is not any reason for this provision at all, is there?

Mr. SWEET. None whatever.

Mr. PARRISH. Then what benefit will the amendment that you have in mind have?

Mr. SWEET. It will reach the disabled men who are rated less than the 10 per cent, because the other provisions in the law simply give medical care and treatment to those who are entitled to compensation.

Mr. PARRISH. Do you not think, as a practical proposition, that this limitation here will cause endless confusion throughout the country and that men who are enforcing this law will resort to this to cut good men off who need treatment? And do you not think that a man may be injured now to a small

extent, but time may aggravate that injury as age comes on, and way out yonder in the future he may be entitled to treatment, when he does not need it now?

Mr. SWEET. If that is true, then the rating of his disabilities will be over 10 per cent and he will be entitled to the care and treatment heretofore provided for.

Mr. OLIVER. The gentleman's amendment, then——

The CHAIRMAN. The time of the gentleman has expired.

Mr. McDUFFIE. Mr. Chairman, I ask unanimous consent that the gentleman may have five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. OLIVER. I am opposed to any time limitation; yet if the gentleman wishes to make it apply only to that class of cases indicated, it occurs to me he should prepare his amendment differently and let it read:

Provided, however, That this limitation shall only apply to those having less than a 10 per cent disability rating.

That, in my opinion, would clearly state the purpose of this proviso as outlined by the gentleman.

Mr. SWEET. My amendment means just that, and it is more liberal to the fellow who is injured.

Mr. OLIVER. No. Your position is that the man now drawing compensation who has a disability rating in excess of 10 per cent is never barred from applying for medical-aid treatment. This section, I submit, is not so drawn as to make it clear that the gentleman's interpretation will hereafter be adopted by those charged with its enforcement, and certainly the gentleman should now make it clear that the time limitation is only intended to those having a disability rating of less than 10 per cent.

Mr. MANN of Illinois. I think it would be very easy to cover that.

Mr. OLIVER. Certainly it will, and it should be done. I am not in sympathy with any time limitation. It should not be subject to the slightest difference of opinion as to the class of cases to which it is applicable.

Mr. MANN of Illinois. It would be easy to cover that by inserting in this paragraph the words provided for in this section and that "the application for such care and treatment and appliances provided for in this section shall be made in one year."

Mr. OLIVER. May I ask the gentleman if he thinks the proviso as drawn shows that it is applicable only to those having less than 10 per cent disability?

Mr. MANN of Illinois. Clearly it would show that, with the amendment which the gentleman from Iowa proposes, if that is incorporated.

Mr. OLIVER. There is nothing now in the section which limits it to such class only.

Mr. MANN of Illinois. No; there is not.

Mr. SWEET. To cover that other proposition we prepared this amendment.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Texas [Mr. PARRISH].

The question being taken, on a division (demanded by Mr. PARRISH) there were—ayes 16, noes 30.

Accordingly the amendment was rejected.

Mr. SWEET. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SWEET: Page 4, line 14, after the word "that," insert the following: "In addition to the care, treatment, and appliances now authorized by law."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. SWEET].

The amendment was agreed to.

Mr. SANDERS of Indiana. Mr. Chairman, I think the amendment suggested by the gentleman from Illinois ought to be added.

Mr. MANN of Illinois. I move to insert after the word "appliances," in line 21, the words "provided for in this paragraph."

Mr. SWEET. After the word "appliances"?

Mr. MANN of Illinois. After the word "appliances," in line 21.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MANN of Illinois: Page 4, line 21, after the word "appliances," insert the words "provided for in this paragraph."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. MANN].

The amendment was agreed to.

The Clerk read as follows:

SEC. 7. That section 19 of the act entitled "An act to amend and modify the war-risk insurance act," approved December 24, 1919, is hereby amended to read as follows:

"SEC. 19. That the amount of the monthly installments of allotment and family allowance, compensation, or insurance which has heretofore or which may hereafter become payable under the provisions of the war-risk insurance act, but which has not been paid prior to the death of the person entitled to receive the same, shall be paid to the executor or administrator of such deceased person, but if no demand in writing has been made by such executor or administrator, then, in cases where the amount is $400 or less, the same shall be paid in the following order of precedence: First, to the widow; second, if decedent left no widow, or the widow be dead at the time of settlement, then to the children and their issue per stirpes; third, if no widow, children, or issue of children, then to the father and mother in equal parts; fourth, if either the father or mother be dead, then to the one surviving; fifth, if there be no widow, child, issue of children, father or mother at the date of settlement, then to the brothers and sisters and the children of the deceased brothers and sisters, per stirpes: *Provided,* That this section shall not be so construed as to prevent payment from the amount due the decedent's estate of his funeral expenses, expenses of his last illness, board, rent, or other household expenses for which the decedent was liable, provided a claim therefor is presented by the person or persons who actually paid the same, before settlement by the Bureau of War Risk Insurance."

Mr. CHINDBLOM. Mr. Chairman, I move to strike out lines 15 to 21, inclusive.

The CHAIRMAN. The gentleman from Illinois offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CHINDBLOM: Page 6, line 15, strike out all of lines 15 to 21, inclusive.

Mr. CHINDBLOM. Mr. Chairman, the language contained in these lines would permit the Director of the Bureau of War Risk Insurance practically to administer the estate of the deceased, and in his judgment or discretion to pay claims against the estate of the deceased. It goes beyond the statutes of many of the States. For instance, it would give priority not only to funeral expenses and expenses of the last illness, but as well to board, rent, or other household expenses for which the decedent was liable. Suppose the decedent left a widow surviving him. In the State of Illinois only the funeral expenses and the expenses of the last illness would be preferred claims against the estate, and the remainder of the estate would go to the widow, up to a certain amount allowed to her, under the law, for the support of herself and any minor children; and such claims as those mentioned in this section, for board, rent, and other household expenses would not be recognized as claims prior to her allowance or award under the laws of the State of Illinois. I apprehend that the same state of the law exists in other commonwealths.

The effect of this provision is to give the Director of the Bureau of War Risk Insurance the authority to administer these small estates of less than $400 along more liberal lines than such estates could be administered in the various States.

My attention has also just been called to the fact that this provision, beginning with line 15, on page 6, may not necessarily be limited to estates of less than $400, and I submit that in case the estate is in the amount of more than $400 it would be necessary to have an administrator appointed under this section of the proposed act, and that therefore the Bureau of War Risk Insurance would have nothing to do with the payment of these claims, and this provision would be a nullity in the case of such estates. I think we may well leave it to the people who have claims against these small estates, which would be practically administered by the Director of the Bureau of War Risk Insurance, to find their own means of reimbursing themselves, and not place in the machinery of the office of the Director of the Bureau of War Risk Insurance a department for the administration of estates and for the determination of the question whether claims should properly be allowed and paid. I submit that these lines should be stricken out.

Mr. SWEET. Mr. Chairman, I trust that the amendment of the gentleman will not be adopted. The amendment strikes out the proviso which reads as follows:

Provided, That this section shall not be so construed as to prevent payment from the amount due the decedent's estate of his funeral expenses, expenses of his last illness, board, rent, or other household expenses for which the decedent was liable, provided a claim therefor is presented by the person or persons who actually paid the same, before settlement by the Bureau of War Risk Insurance.

In case the amount is over $400, an administrator or executor must be appointed. If it is less than $400 and an administrator or executor is appointed, it is paid to the administrator or executor. This provision here is a clean-up section. Under the provisions of the law any insurance money is exempt and therefore can not be applied in the payment of claims. This provision is put in here so that any claim of that character will not be prejudiced when properly presented against an estate.

And further, under the provisions of the war-risk insurance act, it provides for the payment of funeral expenses, and it is necessary that this provision be left in the bill at least in part.

Mr. SIEGEL. Will the gentleman yield?

Mr. MACCRATE. Will the gentleman yield?

Mr. SWEET. In just a moment. In view of what the gentleman from New York and others said the other day, after looking over the section I have concluded to offer an amendment, which I will read at this time so that they will understand its full import, and I trust that they will withdraw the pending amendment.

Mr. CHINDBLOM. I purposely waited to see whether the committee had any amendment.

Mr. SWEET. I will say that the chairman of the committee apparently was not looking this way, or perhaps I was a little slow in obtaining recognition. My amendment is as follows:

Page 6, line 17, strike out the words "of his" before the word "funeral" and insert in lieu thereof the word "for."

Following that, on page 6, I move to strike out all after the words "funeral expenses," in lines 17 and 18, to and including the word "liable," in line 19.

So that the proviso will then read:

Provided, That this section shall not be so construed as to prevent payment from the amount due the decedent's estate for funeral expenses, provided a claim therefor is presented by the person or persons who actually paid the same, before settlement by the Bureau of War Risk Insurance.

I think this meets squarely the gentleman's criticism and objection.

Mr. CHINDBLOM. In view of the statement by the chairman of the committee, I ask unanimous consent to withdraw the amendment that I have offered.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

Mr. SWEET. Now, Mr. Chairman, I will offer the following amendment.

The Clerk read as follows:

Amendment by Mr. SWEET: Page 6, line 7, strike out the words "of his" before the word "funeral," and insert in lieu thereof the word "for."

Mr. SWEET. Mr. Chairman, I intend to follow that amendment, if adopted, by another amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The question was taken, and the amendment was agreed to.

Mr. GARD. The gentleman strikes out the words "of his."

Mr. SWEET. Yes; strike out the words "of his" and insert the word "for."

Mr. MACCRATE. Would not that make it general instead of "his" funeral expenses?

Mr. SWEET. The language in this section is about the same as that which is now in force in another department.

Mr. MACCRATE. I have a case where the man's wife died, and they thought he was entitled to funeral expenses for the wife. Now, if you strike out "for his funeral expenses"——

Mr. SWEET. It can only apply to his funeral expenses because the present law relates to expenses of this character.

Mr. MACCRATE. Why strike out the words "of his"?

Mr. OLIVER. Will the gentleman yield?

Mr. SWEET. Yes.

Mr. OLIVER. Within what time is the administrator or executor required to make the demand for the amount when less than $400?

Mr. SWEET. Within a reasonable time.

Mr. OLIVER. There is nothing stated in regard to it.

Mr. SWEET. I will say to the gentleman that this question was considered by the committee. If you put it 60 days or 90 days or 100 days, the Government could not settle within that period.

Mr. OLIVER. May not the War Risk Bureau delay payment until there is a renunciation by the legal representative of the right to claim the $400?

Mr. SWEET. No; because they are permitted to do it. The same provision is in force in the War Department for the payment of the balance due on settlements of accounts of deceased officers or enlisted men to widows or heirs, and so forth.

Mr. OLIVER. There is another objection to the section in its present form. It seems to presuppose the appointment of an executor or administrator, and only where there has been such an appointment would payment be authorized. Why not say, "If no demand is made by any legal representative of deceased within a reasonable time"?

Mr. SWEET. Then you ask the question, What is a reasonable time? And that is a question for the court to determine.

Mr. OLIVER. You make the amount payable absolutely to the executor or administrator in the first part of this section, and until a personal representative is appointed, of course, there could be no demand, and the director of the bureau might with propriety hold that until an administrator or executor was appointed no opportunity to demand payment could arise or be considered as waived. So it occurs to me that you should provide that in the absence of a demand in writing by an administrator or executor the War Risk Bureau could pay any sum due, not exceeding $400, at its discretion, to the parties named in the section.

Mr. SWEET. That would have a tendency to delay matters because the War Risk Bureau would be looking for a demand.

Mr. OLIVER. The purpose I have in view is to avoid any delay and to do away with any possible insistence that a legal representative must first be appointed before the right accrues for the bureau to pay over the sum to the beneficiaries named.

Mr. SWEET. After reading it over carefully, the gentleman must come to the conclusion that the War Risk Bureau can pay it after a reasonable time.

Mr. OLIVER. I have read it, and it provides first for payment to the executor or administrator, and then seeks where such representative makes no demand that it can be paid to certain parties specified.

Mr. SWEET. And if no demand in a reasonable time has been made by the executor or administrator——

Mr. OLIVER. That assumes that an executor or administrator must be appointed.

Mr. SWEET. Then the payment is to be made as specified. The question came up under the law as it now exists, and it was found that the laws of the various States were not uniform in this respect. We are endeavoring to frame the bill so that it will allow the Bureau of War Risk Insurance to distribute these small amounts without delay. With the gentleman's suggested amendment the War Risk Bureau would be required to delay until it could find out whether there was a legal representative appointed.

Mr. OLIVER. No; I wish to authorize payment, even though no administrator or executor may ever be appointed. As the bill is drawn it may be that they are not authorized to pay until it is first ascertained that an administrator or executor has been appointed and has failed to exercise the right given to demand it in writing.

Mr. JONES of Texas. In that connection, I wish to state that in our State there may be some instances in which administrators are not necessary and no administration is had. Under this provision how would the money be distributed—I mean in those cases where no administration is necessary?

Mr. SWEET. If there has been no demand by an administrator or executor, then the distribution can be made.

Mr. JONES of Texas. Very well. Now, in line 17 you insert the word "for," and it seems to me that you make the funeral services due to the estate.

Mr. SWEET. I have no objection to the insertion of the word "his," and I ask unanimous consent that after the word "for," line 17, to insert the word "his."

Mr. JONES of Texas. I think it ought to be "of his."

Mr. SWEET. Then I leave it as I offered it originally and withdraw my request.

Mr. CHINDBLOM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CHINDBLOM. What is the reading now of this section beginning with line 15?

The CHAIRMAN. The section reads exactly as it was, except in line 17 the words "of his" are stricken out and the word "for" inserted. The rest is just as it has been.

Mr. JONES of Texas. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The Chair understands that the gentleman from Iowa [Mr. SWEET] has an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SWEET: Page 6, strike out all after the words "funeral expenses," in lines 17 and 18, and including the word "liable," in line 19.

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. CHINDBLOM. Mr. Chairman, I move to amend the amendment by inserting after the word "for," the word "his."

Mr. SWEET. Mr. Chairman, that amendment has been adopted.

The CHAIRMAN. That amendment is not germane to the amendment now pending. The question is on the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

Mr. CHINDBLOM. Mr. Chairman, I offer to amend in line 17, after the word "for," by inserting the word "his."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. CHINDBLOM: Page 6, line 17, after the word "for," insert the word "his."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. JONES of Texas. Mr. Chairman, I move to amend the amendment by striking out the word "for" and inserting the word "of."

The CHAIRMAN. That amendment is not in order, for that would be a reconsideration of the amendment offered a few minutes ago by the gentleman from Iowa and already agreed to.

Mr. JONES of Texas. Is it in order to move to reconsider now, or will it be necessary to wait until the amendment is disposed of?

The CHAIRMAN. The amendment is pending. The question is on the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

Mr. JONES of Texas. Mr. Chairman, I move to reconsider the amendment by which "of his" was stricken out in line 17 and "for" inserted in lieu thereof.

The CHAIRMAN. A motion to reconsider may not be made in the Committee of the Whole House on the state of the Union.

Mr. JONES of Texas. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JONES of Texas. Is there any way to get reconsideration?

The CHAIRMAN. The House must consider these amendments when the bill is reported to the House. That suggests a remedy of itself.

Mr. JONES of Texas. Mr. Chairman, I move to strike out the last word. I call attention to the language as the gentleman has changed it in line 17. He has stricken out the words "of his" and inserted the word "for." I submit, if you read that language carefully, you will see that it says this section shall not be so construed as to prevent payment from the amount due the estate for funeral expenses, and that either means the amount due the estate, or it does not mean anything. In other words, it changes the whole meaning of the original language. Under the original language the proviso was that the section should not be construed so as to prevent payment from the amount due to the estate "of his" funeral expenses, and when you strike out "of his" and insert "for," the language means that it shall not be construed as to prevent payment from the amount due the estate for funeral expenses. What does that mean? If it means anything, it means whatever may be due to the estate for funeral expenses. If you leave the language as originally written, it is all right, but when you strike out "of his" and insert "for" you will find that it does not mean anything or it means some amount due to the estate, and it destroys the language absolutely. The committee had the language right in the first place, but you have destroyed the meaning of the sentence by making the change.

Mr. SANDERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. SANDERS of Indiana. Mr. Chairman, I think the gentleman is right. Would it not meet the parliamentary situation if the gentleman should offer to amend by striking out the proviso and by drawing a new proviso to embrace the language he desires?

Mr. JONES of Texas. Perhaps that would meet the parliamentary situation. I ask unanimous consent to strike out the word "for" in line 17 and insert the words "of his."

The CHAIRMAN. The Chair will inform the gentleman that the language is not as he apprehends it. As the language now stands in line 17 it is "for his funeral expenses."

Mr. JONES of Texas. Then I ask unanimous consent to strike out the word "for" and insert the word "of."

Mr. MANN of Illinois. Mr. Chairman, I suggest to the gentleman that he ask unanimous consent that the vote may be taken again on the two amendments.

Mr. JONES of Texas. If that will meet the parliamentary situation, I shall be glad to do so.

Mr. LAYTON. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. LAYTON. While we are floundering around on this proposition, I would like to suggest that you recall all that has been done, all of the changes that have been made, and stick to the original language, beginning with the word "provided."

Mr. JONES of Texas. That is what we are trying to do.

Mr. LAYTON. Because if a man is dead, somebody will bury him, but if one of these soldiers is in a home, or if he wants lodging or board, if he wants to be taken care of, it seems to me that is the most beneficent provision in the bill.

Mr. MANN of Illinois. Mr. Chairman, I ask unanimous consent that the vote be taken again on the two amendments amending line 17, page 6.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the vote be again taken on the two amendments in line 17. Is there objection?

There was no objection.

The CHAIRMAN. Without objection the Clerk will report the amendment, first, of the gentleman from Iowa [Mr. SWEET], in line 17, and then the amendment of the gentleman from Illinois [Mr. CHINDBLOM], in line 17.

The Clerk read as follows:

Amendment offered by Mr. SWEET: Page 6, line 17, strike out the words "of his" before the word "funeral" and insert in lieu thereof the word "for."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa.

Mr. SWEET. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CHINDBLOM. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. OLIVER. Mr. Chairman, I move to amend by striking out the word "such," in line 3, page 6, and inserting in lieu thereof the word "an." Will the chairman accept that?

Mr. SWEET. The gentleman changes the word "such," in line 3, to the word "an," so it will read "paid by an executor or administrator." I have no objection to it.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Alabama.

The Clerk read as follows:

Amendment offered by Mr. OLIVER: Page 6, line 3, after the word "by," strike out the word "such" and insert in lieu thereof the word "an."

The question was taken, and the amendment was agreed to.

Mr. LAYTON. Mr. Chairman, would a motion be in order to move to reconsider the amendment which has just been made to restore the original language of the bill?

The CHAIRMAN. It would not be in order, not in the Committee of the Whole House on the state of the Union.

Mr. CHINDBLOM. Mr. Chairman, I wish to offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CHINDBLOM: Page 6, line 15, after the word "*Provided,*" insert "That any unpaid allotment shall be paid upon demand to the person who made such allotment: *And provided further.*"

Mr. CHINDBLOM. Mr. Chairman, this section relates to the matter of allotments, family allowances, compensation, and insurance. By its terms the allotment is made by the soldier himself out of his own compensation due him from the Government. In other words, it is his own money which he has caused to be transferred to some beneficiary. In the event of the death of the beneficiary, the estate of the beneficiary may go to an entire stranger, to one in whom the soldier had no interest whatever, and the result would be that his allotment, which he had made out of his own pay for the benefit of a dependent beneficiary, would go to some one in whom he had no interest and for whom he would never have made any provision. I believe that where a soldier has made an allotment for the benefit of a beneficiary or dependent, and such beneficiary or dependent dies, the soldier should have the privilege to get the return to himself of that money which he has allotted to the dependent or beneficiary. That is the effect of this amendment, and I submit that the amendment should be adopted.

Mr. McKEOWN. Will the gentleman yield?

Mr. CHINDBLOM. I do.

Mr. McKEOWN. This is to cover the amount that is taken out of the soldier's pay and has not been paid?

Mr. CHINDBLOM. Exactly. It is the amount taken out of the soldier's salary which has not been paid to the beneficiary, and if this amendment is not adopted the heirs of the beneficiary would get the money which the soldier had allotted.

Mr. McKEOWN. Would not the money be the soldier's until it was delivered to the beneficiary in the lifetime of the beneficiary?

Mr. CHINDBLOM. Not according to this act, because this bill says, page 5, section 19, that the amount of the monthly installments of allotment and family allowance, compensation,

or insurance which has heretofore or which may hereafter become payable and which has not been paid prior to the death of the person entitled to receive the same, shall be paid to the executor or administrator, and in case of a small estate to certain heirs of the decedent.

Mr. McKEOWN. Under the gentleman's amendment it is to be returned to the soldier from whom it was taken?

Mr. CHINDBLOM. Yes; to be returned to the soldier from whom it was taken and who made the allotment.

Mr. SWEET. If the soldier is dead, how is it returned to him?

Mr. CHINDBLOM. If the soldier is dead, it goes to his estate, of course.

Mr. SWEET. But this is a clean-up section, and deals with money due the decedent's estate.

Mr. CHINDBLOM. But the proviso beginning at line 15, on page 6, does not cover this kind of case.

Mr. SWEET. We have amended it so that it only applies to funeral expenses. That is all there is left in this last section.

Mr. CHINDBLOM. I insist that there is nothing in this bill now which permits the soldier to demand and receive back the allotment which he has made to his beneficiary who has died.

Mr. BLANTON. Will the gentleman yield?

Mr. CHINDBLOM. Yes, sir.

Mr. BLANTON. The gentleman probably is aware of the fact that at the present time where allotment has not been paid to the beneficiary and the soldier has been discharged, almost daily the department is returning to the soldier himself such allotments upon demand.

Mr. CHINDBLOM. They do in certain cases, particularly if a Member of Congress will take the matter up and see that it is done, but it may not always be done, while if this amendment is adopted as presented the allotment will always be refunded upon demand.

Mr. McKEOWN. If the gentleman will yield, I will say to the gentleman from Texas I have a case where they refused to return it to the soldier.

Mr. SWEET. Mr. Chairman, I just wish to call the attention of the committee to the language in the section.

That the amount of the monthly installments of allotment and family allowance, compensation, or insurance which has heretofore or which may hereafter become payable under the provisions of the war-risk insurance act, but which has not been paid prior to the death of the person entitled to receive the same, shall be paid to the executor or administrator of such deceased person—

And so forth.

Now, that relates to the amounts that are due at the time of the death of the soldier or the person entitled to receive the same.

Mr. MACCRATE. Is not that prior to it? It is at the time of the death of the person entitled to receive them, and that is why their executor gets it and not the soldier.

Mr. SWEET. It is prior to the death of the person entitled to receive the same.

Mr. MACCRATE. Not of the soldier, however.

Mr. SWEET. That is so.

Mr. BLACK. Will the gentleman yield?

Mr. SWEET. I will.

Mr. BLACK. The gentleman from Iowa, it seems to me, has the wrong situation in mind. Now, for instance, this section relates to allotments and allowances that are due the decedent at the time of his death. There can not be an allotment or allowance due the soldier at the time of his death.

Mr. SWEET. The gentleman is correct.

Mr. BLACK. And therefore the gentleman from Illinois is striking at a matter that I had in mind, and when I can get time in my own time, without interfering, I think I can suggest an amendment which will probably correct the situation more nearly than the amendment of the gentleman from Illinois.

Mr. SWEET. I ask unanimous consent that the amendment be again read in order that I may get the full import of it.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

The amendment was again reported.

Mr. MACCRATE. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Iowa has the floor.

Mr. SWEET. I will be glad to yield.

Mr. MACCRATE. Mr. Chairman, as I understand the section, this has to deal with the allotments and allowances to people other than the soldier, but the gentleman is assuming they are dead.

You are assuming they are dead. They have died. How can you provide that those allotments and allowances should be paid to the persons entitled to them when they are dead? That is what your amendment will do. This has nothing to do with the soldier's death, but with the allottee's death, and when the allottee is dead it provides what shall be done with the money accrued and not paid. It is part of the allottee's estate and should go to its executor or administrator, and if you do not provide for administration and letters testamentary then it shall go in the way the bill provides.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. MACCRATE. Certainly.

Mr. CHINDBLOM. Will the gentleman say that if a soldier should have made an allotment to a sister, made an allotment out of money due him from the Government, and the sister dies leaving collateral heirs, brothers and sisters, the allotment that was taken out of the soldier's pay should be paid to the brothers and sisters of the deceased sister rather than to be paid back to the soldier who demands it for himself?

Mr. MACCRATE. Mr. Chairman, if the soldier has made an allotment to his sister, and the bureau has failed to pay that allotment, and the sister dies, there is no reason why we should change the testamentary law or law of distribution.

Mr. MANN of Illinois. Suppose a soldier makes an allotment to his sister for the purpose of helping to support her, and she dies and leaves a husband, who has the right to the money—the soldier or the husband?

Mr. MACCRATE. At first blush it looks as if the soldier has the better right to the money, he having made the allotment to her. As I have heard the amendment read, it does not say that the soldier shall demand it.

Mr. MANN of Illinois. As I understood it, it was to be paid back to the person who made the allotment, and that is the soldier.

Mr. McKEOWN. Will the gentleman yield?

Mr. MACCRATE. I will.

Mr. McKEOWN. If the soldier made the allotment to his sister, and the allotment was not paid to her through the agency of the Government, would not that money still be the money of the soldier instead of the allottee, because it had never been delivered? The Government is the agency by which the money is to be delivered to the allottee. The Government agency having failed to deliver that money in the lifetime of the allottee, is not the money still the money of the soldier?

Mr. MACCRATE. I am not ready to say that the money would be the allottee's.

Mr. BLACK. Mr. Chairman, I move to strike out the last word. I would like to have, first, the attention of the gentleman from Illinois [Mr. CHINDBLOM] in order to make this suggestion: It seems to me the proposition he has raised by his amendment could probably be cured if, in line 6, after the word "widow," you would insert "or husband," and insert the same after the word "widow" in the two following lines. The situation the gentleman has in mind has been brought to the attention of most Members of the House. For example, a husband, while in the Army, made an allotment to his wife, and upon that allotment the Government made an allowance. Now this section of the bill provides that if the wife in a case of that kind dies, with unpaid allotment and allowance due her, it would go to the children, if she left any, and if not it would go to the mother or the father. If we should insert the words "or husband" after the word "widow," then when the wife dies the husband would receive the allotment and the allowance.

Mr. CHINDBLOM. I believe the gentleman directed his inquiry to me?

Mr. BLACK. Yes.

Mr. CHINDBLOM. I respectfully submit that the gentleman's case is not covered by my amendment at all. I am referring to a case where the allottee has died and where the soldier has made an allotment in favor of an allottee.

Mr. BLACK. Yes; his wife, for instance, who is dead. Under this bill the husband would not get the money, although he is the soldier who in fact made the allotment.

Mr. CHINDBLOM. I do not think he should get the money if the soldier is still living. He should be permitted to get it back himself.

Mr. BLACK. In such a case as I have mentioned the soldier himself would be the husband.

Mr. CHINDBLOM. Not necessarily. The allottee or beneficiary might be a sister of the soldier, might be the mother of the soldier. It might be a case where he did not want the father to get any part of it.

Mr. MANN of Illinois. Suppose he has half a dozen brothers who did not go to war, and he makes an allotment to the mother and she dies, why should the money be distributed to the other brothers?

Mr. BLACK. I think the amendment I have in mind might not reach all cases, but at the same time the trouble with the

gentleman's amendment is that this allowance would go one place and the allotment would go another, and as the amount is small I have in mind trying to fix it so that both would go the same way.

Mr. CHINDBLOM. The allowance comes from the Government. I am not so concerned about what becomes of that, but the allotment comes out of the soldier's own pay. Let the allowance follow the ordinary rules of descent, but so far as the allotment is concerned, which is taken out of his money, let it go to him if he survives as beneficiary.

Mr. BLACK. I think the gentleman's amendment ought to be adopted, and I will offer mine later. It is plain to me now that there will be no conflict between the two amendments.

The CHAIRMAN. The question is on the amendment of the gentleman from Illinois [Mr. CHINDBLOM].

The question was taken, and the amendment was agreed to.

Mr. JONES of Texas. Mr. Chairman, I have an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 6, line 4, after the word "administrator," insert the following: "or if no executor or administrator is legally necessary."

Mr. JONES of Texas. Mr. Chairman, my purpose in offering this amendment is to take care of cases which I suppose arise in every State—I know they do in mine—where an estate is small, and therefore they do not want to go to the expense of administration proceedings. There is a statute in my State, and I know there is such a statute in many of the States, if not in all the other States, to the effect that where the heirs are of age, or those legally entitled to inherit the estate are of age, there may be such condition as to render administration proceedings unnecessary, in which event the courts are authorized, or the heirs themselves are authorized, to take charge and distribute the money according to the laws of descent and distribution.

Now, if the estate is only $400 and it is to be applied in a State where provision is made that administration proceedings are not necessary in all cases, why should they pay out $100 of the $400 on these proceedings? Let us assume a case in the State of Texas, because I happen to be familiar with that State, where the amount due is $300, and therefore would come within the provisions of this paragraph. Under the terms of our statute no administration proceedings are necessary. They could take the entire $300, if my amendment were adopted, and distribute it according to the terms of this section without any administration proceedings or expense whatever, whereas if this paragraph remains as it is, as I construe it, there must be an administrator or executor appointed upon whom a demand may be made, whether it is actually made or not.

I appreciate the fact that this paragraph provides that if no demand is made by the administrator or executor, it may be distributed without reference to the administrator or executor, but the very use of the language presupposes that an executor or administrator has been appointed, so that the demand may be made by the executor or administrator.

Now, I can see no objection whatsoever to inserting the language "that if no legal administrator or executor is necessary, then they may distribute it according to the terms of this section," just the same as if one had been appointed.

Mr. IGOE. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. IGOE. If no administrator is necessary, as in many cases in Missouri, and the property is paid to the widow as her absolute property, why should it be limited to $300? If, under the laws of the State, the property goes to the widow without having administration, why should it not go to her if it is more than the $300?

Mr. JONES of Texas. I see no reason for depriving those of small estates of this privilege just because the larger ones are deprived of it, and there is a great deal more reason why, when the amount is small, you should not put them to the expense of administration proceedings. The amount may be $300 or $200 or $100. It may cost the whole amount.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. JONES of Texas. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. JONES of Texas. If the amount is only $150 it will take practically all of it to have administration proceedings. Why not permit them to distribute it? The law of my State provides for it and it is provided for in the laws of the State of Missouri.

Mr. GOLDFOGLE. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. GOLDFOGLE. In certain cases in my State of New York administration must go to the public administrator. In certain cases administration is denied under the statutes to certain classes of nonresidents and the public administrator would have to administer on the estate. In such a case as that there would be a small amount of money which would be eaten up by the administration expenses, advertisement for claims, and so on.

Mr. JONES of Texas. When you have an administrator he must give bond and he has to advertise and give notice to the respective heirs, and the whole thing is an expense that eats up a small estate. Anyone who has ever had any experience with the settlement of estates knows that a $300 or $400 estate is absolutely eaten up by proceedings.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. RAKER. We have in the State of California a law somewhat similar to that spoken of by the gentleman from Texas, whereby a certain amount in cash is distributed without administration. It has worked admirably and well and no injustice is done under it, and the estate small in amount goes to the proper beneficiary, where it ought to go.

Mr. JONES of Texas. That is testimony from another State. I think that those who are familiar with the laws of the various States will find that the law generally has been developed after that fashion. As a matter of fact, the law is based on reason and on human experience and it is the result of centuries of effort on the part of the brightest minds to produce laws and rules and regulations that will work justice as between man and man. If such a law does not exist in a State, providing that no administration is necessary in the case of small estates, nevertheless the amendment can not hinder.

Mr. SANDERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. SANDERS of Indiana. It says that "if no demand in writing has been made by such executor or administrator." Does the gentleman think that would apply to cases where it was not required?

Mr. JONES of Texas. I had that in mind, but I am afraid the bureau might construe it otherwise. By adopting this amendment there can be no doubt whatever, and when the English language can make it a little clearer I think it might be made so. I think it is very doubtful that that construction would prevail.

Mr. SWEET. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. SWEET. I take it that the gentleman is not opposed to this section as it stands?

Mr. JONES of Texas. No. The section is all right. I am not undertaking to interfere with the administration of the section.

Mr. SWEET. Read to me your amendment.

Mr. JONES of Texas. All right. After the word "administrator" insert the words "or if no executor or administrator is legally necessary."

Mr. SWEET. Yes. You use the words "legally necessary." That puts it up to the Bureau of War Risk Insurance or the Treasury Department to determine whether or not it is legally necessary. For instance, in the gentleman's State does the question of whether it is legally necessary turn on the question of the amount involved?

Mr. JONES of Texas. It does not turn on the amount involved; but in the case of estates small in amount an administration is rarely had, and in the case of estates of large amount they usually go ahead and have administration anyway.

Mr. SWEET. Would it be natural for the bureau to hold up matters in an estate if it was not legally necessary?

Mr. JONES of Texas. If it was not necessary, do you think the bureau would go ahead and demand that there be an administration? It does not make any difference whether there is an estate down there or not. Surely if the heirs are of age and there is no question raised as to how the money should go, surely the gentleman in charge of this bill would not insist on going to the expense of an administration.

Mr. SWEET. No; I am not insisting on that; but I want to say to the gentleman that while I really have no great objection to his amendment, I fear that complications will arise in making distribution in his particular State if the amendment he proposes is adopted.

Mr. JONES of Texas. I have used my State simply as an enforcing argument.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. RAKER. I ask unanimous consent that the gentleman may have two minutes more. I want to ask him a question.

The CHAIRMAN. The gentleman from California asks unanimous consent that the time of the gentleman from Texas be extended two minutes. Is there objection?

There was no objection.

Mr. RAKER. Would not this apply now, that if that provision was adopted and the amount left at $400, and if under the law of your State that money could be paid over without administration, then the War Risk Insurance Bureau would be entitled to pay it over to those entitled to it?

Mr. JONES of Texas. I think so.

Mr. RAKER. That identical question came up in a case where our State does not require administration where the amount is less than a certain sum. I took the matter up with the War Risk Insurance Bureau. They were perfectly willing to pay under our State law, but there was no provision in the Federal statute authorizing them to do so. It is clear that it can be done if we provide in this law that it may be done, when the State authorizes it to be done, where the amount is less than a certain sum.

Mr. JONES of Texas. I do not think the administration down here will be hypercritical or technical about these matters. I think if the State permits distribution without administration, the bureau will do that.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. JONES of Texas. I yield to the gentleman from Illinois.

Mr. MANN of Illinois. I do not yet quite understand where the gentleman's amendment comes in or what it is.

Mr. JONES of Texas. Right after the word "administrator," in line 4, insert "or if no executor or administrator is legally necessary."

The foregoing provided that a demand should be made by the administrator or executor as a condition precedent to the application of the latter part of the paragraph, and I have provided that if there be no administration had and none necessary, then this will apply just the same as if demand had been made of the administrator or executor.

Mr. MANN of Illinois. I suppose an administrator is not legally necessary at any time?

Mr. JONES of Texas. An administrator or executor is legally necessary in order to distribute the property.

Mr. MANN of Illinois. Oh, yes; in order to distribute the property.

Mr. JONES of Texas. That is the term that is customarily used in the statute.

Mr. MANN of Illinois. The gentleman may be correct.

Mr. CHINDBLOM. Even in the case to which the gentleman refers the payment can be made to the widow or other heirs only as provided in line 4, following the amendment of the gentleman, where the amount is $400 or less.

Mr. JONES of Texas. Yes; I think it ought to apply even where the amount is more, but I do not want to interfere with the plan of the committee on that.

Mr. MANN of Illinois. The gentleman's amendment does apply where it is more than $400. Where the amount is less than $400 the bill covers it. The gentleman's amendment would apply to amounts above that.

Mr. JONES of Texas. I am glad the gentleman called attention to that.

Mr. MANN of Illinois. But I wish to call the gentleman's attention to this: The gentleman does not want to make it a question of fact for the department here to determine whether administration is necessary or not. As I understand it, he wants it determined according to the law of the State.

Mr. JONES of Texas. That might be made a little more accurate by adding to my amendment some such expression as this——

Mr. MANN of Illinois. Since I have looked it over, will not the gentleman admit that under the bill the money can be paid up to the amount of $400 without administration?

Mr. JONES of Texas. I am afraid not; because it presupposes first a demand by the executor or administrator.

Mr. MANN of Illinois. If no demand, in writing, has been made by the executor or administrator, and if there is no administration, no demand will have been made.

Mr. JONES of Texas. I have seen the bureau hang back on technicalities, and for that reason I am somewhat doubtful as to what they would do.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MANN of Illinois. I would like to ask the gentleman a further question.

Mr. JONES of Texas. I ask for five minutes more.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. MANN of Illinois. I have great respect for the judgment of the gentleman, but I really can not see how it is possible for anyone to decide that under the language of this section $400 may not be paid, regardless of the appointment of an administrator or the issuance of letters of administration.

Mr. JONES of Texas. If the gentleman will read the first part of the paragraph he will see that in the first place it is made payable directly to an administrator or executor.

Mr. MANN of Illinois. Yes.

Mr. JONES of Texas. Then it goes ahead and provides that if no demand in writing has been made upon the executor or administrator——

Mr. MANN of Illinois. Not made upon, but by the executor or administrator.

Mr. JONES of Texas. By the executor. Well, the very language presupposes that there is such executor.

Mr. MANN of Illinois. I think not. I think the very language of the bill supposes that in most cases of this kind there will be no administration at all.

Mr. JONES of Texas. The language as originally drawn says "by such executor or administrator."

Mr. MANN of Illinois. I think it would mean the same thing, as far as that is concerned, but that has been changed. Plainly the only meaning that that part of the section can have is that if there is no administration the money will be paid to the parties named. If there are letters of administration issued the executor or administrator must make a demand for this under the law of his State.

Mr. JONES of Texas. I think that can be logically argued, but I do not think it is certain that that construction would be placed on it by the department. I know that the language of my amendment makes it clear that no man can construe it otherwise.

Mr. TINCHER. If the gentleman will yield, I want to say that unless the language is absolutely clear the department will not pay it.

Mr. JONES of Texas. If you do not make it as clear as the noonday sun the money will not be distributed.

Mr. McKEOWN. It seems to me that this language is plain, and I do not see how they can construe it otherwise.

Mr. JONES of Texas. Well, even if the gentleman's position is correct, the language I have offered would be mere surplusage and would not affect it in any way. If you adopt this amendment and say that there will be full authorization for them to go ahead and pay over these small sums, they can do it. I am just as confident, if you defeat this amendment, that if you go down there and claim $200 or $300 you will be met by some bureau clerk who will say that you have got to have administration proceedings before they can pay the money.

Mr. SANDERS of Indiana. And if you adopt the gentleman's amendment the same clerk will say that you have got to go back to the State and bring in proof that there is no administration required.

Mr. JONES of Texas. I do not think that you will be met with that objection.

Mr. SWEET. This matter has been submitted to the Treasury Department and has the approval of that department.

Mr. JONES of Texas. That may be true; but the House has found it necessary to amend the bill in several particulars after the Treasury Department has approved of it. If we are going to accept bills because some department has approved of them, we might as well abolish Congress and let the departments act.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

Mr. BLACK. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 6, line 6, after the word "widow," insert the words "or husband"; line 7, after the word "widow," insert the words "or husband"; in the same line, where the word "widow" occurs the second time, insert after that word the words "or husband"; line 9, after the word "widow," insert the words "or husband."

Mr. BLACK. Mr. Chairman, I know that we are all anxious to get through with this bill, and I will make my remarks brief in support of the amendment which I have proposed. A concrete illustration will probably do better than anything else I can say. For example, some time ago I had a young man in my district write me who had been a soldier in the Army. During his service his wife died, and I believe there was $90 allotment and allowance due her at the time of her death. This has been paid over under the present law to the husband as her legal representative. How would that money be paid under this section? It would not go to the husband, unless he qualified as executor or administrator, because this provision does not mention the name of the husband. In the case I have mentioned the money would have gone first to the child or children,

and if there were none then to the father or the mother. I therefore think the proper language would be to insert the words "or husband," so that the money would go to the husband in such cases. Of course, the compensation in some cases would properly be paid to the soldier in his lifetime, and at his death to the widow. In some cases compensation will be paid to the dependent mother of the soldier, and when she dies any sum remaining due would not be paid over to the husband, because this language does not so state.

Mr. MacCRATE. May I suggest under the amendment of the gentleman from Illinois the soldier would have the right to bring it back to himself by demanding it.

Mr. BLACK. Yes; but that does not cover the case that I have in mind. That only applies to allotments, and this section covers a very much broader ground than allotments. I will give the gentleman a concrete case. We will say under this section of the law that gives compensation of $20 a month to a dependent mother—we will say that John Jones was a soldier and was killed, and his mother makes proof of her dependency and gets $20 award. Now, when she dies where does any sum remaining due her at time of her death go? Not to her husband, because the law does not provide for it; it goes to her brother or sister.

Mr. FIELDS. The husband in that case might be the stepfather of the soldier.

Mr. BLACK. He might be; and you can imagine exceptions to any conceivable case, but I submit that the words "or husband" should have a just and proper place in this section after the word "widow."

Mr. FIELDS. Does not the gentleman think it ought to go to the next of kin?

Mr. BLACK. Well, if we were writing the bill on that theory; but we are not. The word "husband" has the same application and the same element of justice as the word "widow." What we are really doing in this section is to write a descent and distribution law to apply to these sums of less than $400, and where no executor or administrator has made written demand for the money.

Mr. MacCRATE. Would it not be better to have the minor children come before the husband?

Mr. BLACK. We are dealing with a small amount, under $400. Of course, if it is over $400, it will have to be administered according to the probate laws of the States; but we are undertaking here to direct the payment of a small amount and to provide that it shall be paid over without the necessity of administration.

Mr. MANN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BLACK. Yes.

Mr. MANN of Illinois. Suppose the allottee dies and there is a husband and child 2 years old. You want to pay the money to the child. To whom would it be paid?

Mr. BLACK. To the guardian or to the father as the natural guardian.

Mr. MANN of Illinois. It would have to be paid to either the guardian who was appointed or else you have to go upon the theory that the husband is entitled to it?

Mr. BLACK. Undoubtedly.

Mr. MANN of Illinois. Then why not pay it to the husband in the first place without any question?

Mr. BLACK. I think it should be. I think the word "husband" has the same reason for being there as the word "widow." It would be in harmony with the usual statutes of descent and distribution, which direct the distribution of the estate of a decedent who dies intestate.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. ROGERS. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for one minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ROGERS. Mr. Chairman, I suggest to the gentleman that I think through inadvertence he did not insert the same amendment after the word "widow" in line 12.

Mr. BLACK. That is correct, and I thank the gentleman for calling my attention to it.

Mr. ROGERS. I think that should be included when it is voted on.

Mr. BLACK. Yes. I ask unanimous consent to modify my amendment by inserting the words "or husband" after the word "widow" in line 12.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Line 12, after the word "widow," insert the words "or husband."

The CHAIRMAN. Without objection, the amendment will be so modified.

There was no objection.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Texas.

The amendment was agreed to.

Mr. JONES of Texas. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 6, line 2, after the word "person," insert "or if no administration on the estate of the deceased is necessary under the laws of the State in which the deceased had his domicile at the time of his death, then to such person or persons as may be authorized by the law of such State."

Mr. SWEET. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JONES of Texas. Mr. Chairman, my amendment will obviate the objection made to the other amendment, that it would apply only to estates of $400 or less. In practically all of the States of the Union, where there are no debts that amount to anything and where the heirs are of age, no administration is necessary. If the State does not require it, I do not see any reason why the National Government should require that they go to the expense of an administration proceeding. Under the provisions as drawn here, if the estate is valued at more than $400, it will be absolutely necessary to have an executor or an administrator in order that the funds may be distributed, even though there might be other funds in the State of a man's domicile which were administered without the necessity of such administrator or executor. No matter what the amount of the estate may be, no administration is necessary in certain cases in the State where the man has his domicile, and I can see no reason why the United States Government should require that expense.

Mr. SWEET. Mr. Chairman, I think this amendment should not be adopted, because it would destroy the very purpose of the act. As the matter now stands, whenever there is any amount of money to be paid the bureau must be governed by the laws of the several States as to the mode and manner of distribution. This is to obviate that very situation, so that these little amounts of $10 and $15 can be distributed by the Bureau of War Risk Insurance without unnecessary delay and the looking up of the laws of the various States of the Union.

Mr. IGOE. Mr. Chairman, will the gentleman yield?

Mr. SWEET. Yes.

Mr. IGOE. I suggest to the gentleman that the amendment of the gentleman from Texas [Mr. JONES] provides that if administration is necessary it must be resorted to; but most of the States provide that the widow has certain absolute property, and they do not require her to go to the expense of administration. Why should she, where it is five or six or seven or eight hundred dollars? You should not put a widow to the expense of going through a year or two of administration. If administration is necessary, it must be had; but if it is not under the law of the State, why not let the widow collect it without going to that expense?

Mr. SWEET. But that would require the bureau to look up the method of administration and distribution of property in every State.

Mr. IGOE. They have to do that anyway.

Mr. SWEET. Under this section distribution can be made without expense to the widow.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. SWEET. Yes.

Mr. TINCHER. Under the law of the State where I live there would not be one case out of fifty where there would be administration of these estates. I think the amendment should prevail. Sixty dollars is about the cheapest for which you can have administration.

Mr. SWEET. But we are trying to get away from that proposition.

Mr. TINCHER. But you have not gotten away from it. I know they do make us administer wherever they can. I just got through a case where a widow had to pay $60 in order to get what was coming to her. I tried to argue them out of it, and briefed the matter for them, showing that they ought to pay her the money without forcing her through administration; but I could not do it. I think we should eliminate that where we can, where it does not do any harm, and we should indicate to those people down there that we want them to comply with the State law. I do not think we ought to stand and quibble about it.

Mr. SWEET. The proposed amendment simply complicates matters.

Mr. TINCHER. I do not think it does.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. IGOE) there were—ayes 20, noes 40.

So the amendment was rejected.

The Clerk read as follows:

SEC. 8. That the Director of the Bureau of War Risk Insurance, with the approval of the Secretary of the Treasury, is hereby authorized to make such rules and regulations as may be deemed necessary in order to promote good conduct on the part of persons who are receiving care or treatment in hospitals as patients of said bureau during their stay in such hospitals. Penalties for the breach of such rules and regulations may extend to a forfeiture by the offender of such portion of the compensation payable to him, not exceeding three-fourths of the monthly installment per month for three months, for a breach committed while receiving treatment in such hospital, as may be prescribed by such rules and regulations.

Mr. SIMS. Mr. Chairman, I offer the following amendment as a new section 9:

That section 401 of the war-risk insurance act as amended is hereby amended as follows: "*Provided further*, That any person who between the 6th day of April, 1917, and the 11th day of November, 1918, applied for enlistment or enrollment in the military or naval forces, and who was accepted provisionally and directed or ordered to a camp, post, station, or other place, for final acceptance into such service, shall be considered to be in active service during the period while such person was complying with such order or direction, and during such compliance, and until his final acceptance or rejection for enlistment or enrollment into the military or naval forces, and shall be entitled to the compensation and insurance benefits of this act."

Mr. Chairman——

The CHAIRMAN. The Clerk will report the amendment.

Mr. SIEGEL. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. SIEGEL. My point of order is that we have reached a point in the section where an amendment to the old section comes first.

The CHAIRMAN. The gentleman is entitled to have an amendment to the old section considered first; but how can the Chair know what is in the amendment until it is reported by the Clerk?

Mr. SIEGEL. The gentleman read it, and it readily appears that it does not apply to the old section.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Insert as a new section, after line 9, page 7, the following:

That section 401 of the war-risk insurance act as amended is hereby amended as follows: "*Provided further*, That any person who between the 6th day of April, 1917, and the 11th day of November, 1918, applied for enlistment or enrollment in the military or naval forces, and who was accepted provisionally and directed or ordered to a camp, post, station, or other place, for final acceptance into such service, shall be considered to be in active service during the period while such person was complying with such order or direction, and during such compliance, and until his final acceptance or rejection for enlistment or enrollment into the military or naval forces, and shall be entitled to the compensation and insurance benefits of this act."

Mr. ROGERS. Mr. Chairman, I reserve a point of order on the amendment.

Mr. SIMS. Will the gentleman reserve it until I can explain this matter?

Mr. ROGERS. I will reserve it.

Mr. SIMS. I understand the gentleman from New York makes the point of order.

Mr. SIEGEL. I will reserve it.

The CHAIRMAN. The gentleman from New York has offered an amendment to section 8, which has just been read, and as the Chair understands the amendment of the gentleman from Tennessee it is a new section, and therefore the amendment of the gentleman from New York has precedence and will now be reported.

Mr. SIEGEL. This is intended to be offered in connection with section 8.

The Clerk read as follows:

Amendment by Mr. SIEGEL: Page 7, line 3, after the word "hospitals" strike out the balance of the section.

Mr. SIEGEL. Mr. Chairman, I do not know of any right, constitutionally or otherwise, which we have to say that a veteran who becomes a patient in one of these hospitals should be subject to the forfeiture of three-fourths of the monthly installment for three months because he may commit some breach of discipline in or outside the hospital. I think we have had entirely too much experience, and a sad one at that, in the way some of the soldier boys were treated in the hospitals of this country and how they were court-martialed for the slightest offenses. I do not believe for a single moment that this House is in favor of giving any such authority to any one man to deduct three-fourths of the monthly installment for three months for any breach of decorum that a man might commit while receiving treatment in the hospitals. I think it is giving entirely too much power and too much authority to any one man who might happen to be superintendent of a hospital or to some young lieutenant in charge. I turned over a letter the other day to the gentleman from Iowa [Mr. SWEET] showing how some of the boys had been treated in some of the hospitals only lately, and told of an instance how one of the boys had been kicked by one of the doctors in that place and how an investigation was to take place, and how they scattered the men who were patients in that hospital and shipped them to two or three hospitals previous to the arrival of the inspectors there. If those men were in charge of one of these hospitals and had the opportunity, they would immediately deduct three-fourths of the month's pay for three months. I think that that part of the section should go out. I think it is sufficient if a man should misbehave in the hospital that he is required to leave the hospital.

Mr. McKEOWN. Will the gentleman yield?

Mr. SIEGEL. I will.

Mr. McKEOWN. Will the language in the gentleman's amendment prohibit the hospital authorities from using discipline in the hospitals sufficient to keep order?

Mr. SIEGEL. It will not interfere with it in the slightest degree.

Mr. McKEOWN. It would not affect order or discipline?

Mr. SIEGEL. It would not affect order or discipline in a hospital, because they will have supreme authority at all times to direct a man to leave it if he was not acting properly as a patient.

Mr. GARD. Mr. Chairman, I rise to support the amendment offered by the gentleman from New York. It seems to me that the first part of section 8, which reads: "That the Director of the Bureau of War Risk Insurance, with the approval of the Secretary of the Treasury, is hereby authorized to make such rules and regulations as may be deemed necessary in order to promote good conduct," and so forth, is proper and is sufficient, but the language which the gentleman from New York very properly opposes I think goes much further than that, and goes into something which I do not believe this bill has a right to say, since it provides a system of penalties ranging as high as the taking away of three-fourths of the monthly installment per month for three months for a breach committed while receiving treatment in such hospital. It again refers to the rules and regulations, and of course the rules and regulations would govern, but penalties in their proper instance belong to criminal statutes, and to say that a man who is in a hospital may, due to a misunderstanding by some hospital attendant, be penalized by having three-fourths of his pay held out on him for three months, is going entirely too far, and we are leaving a just provision, that is, providing for the proper consideration of the work of the Bureau of War Risk Insurance, and we are taking up something which has to do properly with the element of court-martial.

It may be all right in a military sense, but here is an instance where a man is ill in a hospital and receiving treatment, and it seems to me, and I submit it to the members of the committee in charge of the bill, that if he has treatment under the rules and regulations prescribed by the Bureau of War Risk Insurance, we should not subscribe to the idea of penalizing a man because some subordinate might want him to lose that to which he is entitled.

Mr. SWEET. I am in accord with a great deal of what the gentleman says. I do not believe we should vest too much power in anyone who has charge of hospitals in the treatment of our disabled soldiers, sailors, and marines. But various reports have come to the committee in regard to the discipline at the hospitals where ex-service men are receiving treatment. In many instances they have left the institution without the knowledge or permission of the authorities.

There are no rules to restrain them from going away. In fact, they are there upon the same basis as any individual that enters a private hospital. Something must be done in order that they may receive proper care and treatment. For instance, boys have left some of the hospitals in the city and gone to New York, become intoxicated, and remained away a day or two. Perhaps they were suffering from tuberculosis or some other disease, and consequently they did that which was thought to be detrimental to their best interests. So something must be done in order that we may have proper discipline at the hospitals.

Mr. GARD. Will the gentleman yield?

Mr. SWEET. Yes.

Mr. GARD. Is not the question of proper discipline properly cared for in the first paragraph of section 8, where you provide that the Bureau of War Risk Insurance may make

such rules and regulations as may be deemed necessary to promote good conduct on the part of persons receiving care and treatment at these hospitals?

Mr. SWEET. Now, then, does the gentleman think that that language gives, for instance, the Director of the Bureau of War Risk Insurance authority to penalize any of the young men in an institution if they do not comply with the discipline at that institution?

Mr. GARD. Yes; it would give him the right to penalize according to the rules and regulations.

Mr. SWEET. That would then leave the matter entirely in his discretion.

Mr. GARD. The matter has to meet the approval of the Bureau of War Risk Insurance——

Mr. SWEET. Is it not better to say in this portion of the bill what that punishment should be?

Mr. GARD. If you intend to inflict the punishment you must make it exact. You can not say it should be "about this" and "about that." It should be positive in the mind of somebody.

Mr. SWEET. According to your statement, you leave it wholly to the discretion of the director of the bureau?

Mr. GARD. Yes; I would leave it under proper rules and regulations. In other words, when you make a penalty you should make it definite, since it is associated with some criminal charge. And I do not believe anything will be gained by adding this to the bill.

Mr. BARKLEY. Does the gentleman from Ohio take the position that under the first sentence in section 8 the Bureau of War Risk Insurance would have the right to make rules and regulations penalizing these men by reducing their compensation?

Mr. GARD. No; I do not.

Mr. BARKLEY. I thought that was the intimation left by your remark, that the Bureau of War Risk Insurance could not make any regulation that would penalize these men by the reduction of the compensation.

Mr. GARD. I do not think anybody would want to deny them the right to make rules and regulations prescribing proper conduct in the hospitals, but not to penalize the men.

Mr. SIEGEL. I would like to ask the gentleman what constitutional authority there is in Congress to put such a regulation over these men?

Mr. SWEET. A man enters a private hospital, and he pays for it. In this instance, where a man goes into a Government hospital, the Government is paying for his care and keep, and the Government should have something to say about the discipline which is for his betterment and improvement.

Mr. SIEGEL. The Government should not have any more power than the city would have when people enter a city hospital, and all you do in that case is to stop giving him the treatment. You do not penalize him by taking any amount of money away from him that he may receive.

Mr. SWEET. For instance, here is a man troubled with some disease, and he goes away and gets intoxicated, and then comes back and creates a disturbance, and does those things that are absolutely detrimental to the best interests of himself and the other inmates of the institution. There should be some way to make him comply with the rules of the institution. Proper discipline is absolutely essential.

Mr. SIEGEL. The answer to that is that the gentleman is assuming that the law that Congress has passed is not being enforced, and, in the second place, I do not think we have any authority to determine here constitutionally what that man should do outside after he leaves the hospital. All the power that we possess is to provide, or give somebody else the power to provide, regulations as to his actions inside of the hospital, and I will be the last one to have it spread all over this country that these boys are going to be subject to penalties of the same kind that has brought down upon the Army the rebuke of every fair-thinking man on account of the court-martial system.

Mr. SWEET. I do not think this is on a par with the court-martial system.

Mr. SIEGEL. It is the same proposition here. These boys are not prisoners.

Mr. SWEET. I am in sympathy with the gentleman's statement so far as courts-martial are concerned, but in many instances——

Mr. SIEGEL. I am speaking of the experience many of these boys have had in these hospitals, and I do not think this House should go on record in favor of any more penalties.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. SIEGEL].

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. SIEGEL. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 29, noes 25.

Mr. SWEET. Mr. Chairman, I ask for tellers.

The CHAIRMAN. Tellers are asked for. As many as are in favor of taking this vote by tellers will rise and stand until they are counted. [After counting.] Not a sufficient number have risen.

So the amendment was agreed to.

Mr. TREADWAY. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on this bill.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts [Mr. ROGERS] reserves a point of order on the amendment offered by the gentleman from Tennessee.

Mr. SIMS. I wish to explain this amendment. I hope before action is taken by the House the gentleman from Massachusetts [Mr. ROGERS] will withdraw his point of order. But if he will not do that, I do not believe it is good.

This amendment is to cover cases of volunteers, similar to those covered in the twelfth section of the Sweet bill, which became a law and was approved on December 24, 1919, amending section 401, which makes this provision:

> And any person inducted into the service by a local draft board after the 6th of April, 1917, and before the 11th day of November, 1918, who while in such service and before being accepted and enrolled for active military or naval service becomes or has become permanently disabled, or dies or has died without having applied for insurance, shall be deemed to have applied for and been granted such insurance.

Now, I have a concrete case in my district which is intended to be covered by this amendment. That case and other like cases will be covered by my amendment. A young man of Jackson, Tenn., in my district, went to Memphis to enlist in the Navy, and for some reason or other he was directed by the recruiting officer to Nashville, Tenn. He went to Nashville and enlisted and was examined and accepted and took out insurance, and then he was ordered, either formally or informally—I think it was a real formal order that he received—to return to Jackson until he was called into active service, which it was expected would be in a few days thereafter. He got on a train in charge of the Government at Nashville, Tenn., and when the train got out a few miles from the city there was a head-on collision with an incoming train, and about 50 or 60 people were killed, among them this young man and three or four soldiers from the district of my colleague from Tennessee [Mr. FISHER]. In the case of the young man from my district the insurance was actually applied for and given, and the boy's parents were the beneficiaries, but the legal department of the War Risk Insurance Bureau held that he was not in active service, and it has refused to pay the insurance ever since. The same applies to the other boys in the district of my colleague.

This amendment is intended to apply to such cases, where the sailor had done all he could and was obeying orders and not violating orders, but in so doing was killed, really in the discharge of his duty, because he was doing exactly what he was told to do by those in authority. It is intended to cover cases of that sort. We have legislated in this act by the Sweet amendment along the same lines, and the bill we are now considering is to amend the war-risk insurance act as amended. This amendment is in line with other portions of the bill we are now considering.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. SIMS. Certainly.

Mr. ROGERS. The Sweet law goes pretty far in the direction of fixing an early moment when a man becomes a soldier, and consequently under the benefits of the war-risk insurance act; it goes on the theory that the moment of induction into the service is the moment when a man enters the military service of the United States. The notice of induction which the soldier receives says that from and after the day and hour mentioned in the notice of induction he will be a soldier in the military service of the United States.

The Sweet law recognized that the date thus fixed by the War Department constituted the official beginning of the man's service.

Mr. SIMS. You mean the notice by the draft board?

Mr. ROGERS. It is the War Department's circular, although it is actually distributed among the draftees by the draft boards. Now, the question in my mind and the difficulty that I have with the gentleman's amendment is whether in fact these men were in the military or naval service of the United States. If they were, legally, I think they ought to

come within the amendment of the Sweet Act. If they were not, I do not see how this country could treat them as soldiers or sailors.

Mr. SIMS. How could he be any more in it than he was unless he was actually called into active service?

Mr. ROGERS. That is a question of fact combined with a question of law. Has the gentleman any authority to show that in the opinion of the War Department or of the Navy Department these men were in fact in the military or naval service of the United States when they were injured?

Mr. SIMS. The legal authorities of the War Risk Insurance Bureau have held that he was not in active service. That is the distinction they drew.

Mr. ROGERS. I do not care what the War Risk Insurance Bureau has done about it at all. What I want to know is what the fact is, and whether or not in the view of the War Department or the Navy Department, as the case may be, they were at that moment in the military or naval service?

Mr. SIMS. I have not had the advice of the War Department or the Navy Department; it was entirely unnecessary, as his status had been recognized by the proper authority of the War Department.

Mr. ROGERS. I think there is the crux of the question, because if they were not soldiers and sailors they ought not to be brought under a soldiers' and sailors' benefit bill.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield?

Mr. SIMS. Yes.

Mr. BARKLEY. Would not that depend on whether they were sworn into the service after they are inducted?

Mr. SIMS. These men were enlisted.

Mr. ROGERS. Were they sworn?

Mr. SIMS. That is my information.

Mr. ROGERS. The gentleman's amendment does not suggest that they were sworn.

Mr. SIMS. They took out insurance, and it was issued to them by the proper representatives of the War Department, and of course the same authority would not have issued the insurance if they had not been of opinion that they were entitled to it. They were in the service, but had not been actually called into active duty, but were notified that they would be called in a few days; and before they got home this terrible misfortune took place, and these parents lost their sons, and now are not entitled, so it is held, to any insurance whatever.

We pass the law and we impose the taxes on the people to carry out the provisions of the law. We are as capable of judging whether or not they ought to have this insurance as anyone in the War Department or the Navy Department. We made the law and we can make it apply to cases like this, than which there is none more appealing to our sense of justice and humanity.

Mr. ROGERS. Mr. Chairman, I want to call the attention of the gentleman to the language of his own amendment, which provides that in the event that these men applied for enlistment or enrollment and were accepted provisionally, then they shall come within the benefits of the amendment. I recognize the extremely sympathetic character of the gentleman's amendment. I do not want to make a point of order, and I do not want to oppose the amendment if the point of order is overruled; but it does seem to me that this is an exceedingly important question of principle here whether we shall bring within the benefits of the war-risk insurance act a man who was not at any time a soldier or a sailor in the service of the United States. The gentleman has not been able to indicate any fact which leads me to believe that there was in fact a complete acceptance into the service. If there was, I have no objection to the amendment.

Mr. SIMS. There was a complete acceptance in everything except being called into the active service, as the department designates it.

Mr. FIELDS. Will the gentleman yield?

Mr. SIMS. I yield to the gentleman from Kentucky.

Mr. FIELDS. Were these boys traveling to or from camp upon a call when this injury was sustained?

Mr. SIMS. As I said, they first went to Memphis to the naval recruiting station there, and were sent from there to the naval recruiting office at Nashville. They went there and enlisted in the Navy, were accepted, the insurance issued, and were then ordered to return to their homes until called into active service.

Mr. FIELDS. Were they injured as they were returning home?

Mr. SIMS. They were killed in a collision between two trains, both of which were operated by the Government.

Mr. FIELDS. Of course they ought to have it. The War Department has held that men were in the service under the draft from the time they entrained for a camp.

Mr. ROGERS. Mr. Chairman, I make a point of order against the gentleman's amendment.

The CHAIRMAN. The gentleman from Massachusetts makes a point of order. Does the gentleman from Tennessee desire to be heard on the point of order?

Mr. SIMS. Does the gentleman insist on his point of order?

Mr. ROGERS. I was not able to get any information which led me to believe that I could properly withdraw the point of order, and I have just made the point of order.

Mr. SIMS. I do not think the point of order is well taken, because we are amending the war-risk insurance act. The act is amended in this bill in several respects. Every provision and section in it is really amending the war-risk act by changing or adding to it, and the part of this bill that we are now considering covers such matters as are covered in section 401 of the act; and section 401 of the act makes provisions covering drafted men. We made that law. We did not ask the War and Navy Departments about that, but we declared that these drafted men should receive this benefit before they had ever entered actively into the service. This whole war-risk act is subject to amendment in this bill, because we are amending by this bill the act as a whole; and I am asking to amend that portion of the Sweet amendment of 1919, which deals directly with the drafted men who were not in the active service, as the department had held.

Mr. RAYBURN. Will the gentleman yield?

Mr. SIMS. I yield to the gentleman from Texas.

Mr. RAYBURN. These men were certainly as much in the service of the United States as were men who had been accepted by a draft board and ordered to camp.

Mr. SIMS. Absolutely.

Mr. RAYBURN. And they are covered by this bill already.

Mr. SIMS. They were going where they were ordered to go.

Mr. WELLING. And they ought to have equally favorable treatment.

Mr. FIELDS. Suppose these men had not been killed, but had gone home and had not returned to the service when called, what would their status have been?

Mr. SIMS. They would have been deserters.

Mr. FIELDS. Certainly. Then certainly they could not be deserters unless they were in the service.

Mr. SIMS. Absolutely. They could not be deserters unless they were in the service.

Mr. HICKS. Will the gentleman yield?

Mr. SIMS. I yield to the gentleman from New York.

Mr. HICKS. I will ask the gentleman from Tennessee whether these men had been actually sworn into the service or not?

Mr. SIMS. I do not know, from personal knowledge, as I was not there, but the department issued insurance to them, which was a recognition that they were legally entitled to it.

Mr. HICKS. Is not the test whether these men had been sworn into the service?

Mr. SIMS. If the gentleman is going to raise the question of fact as to whether I know of my personal knowledge these men were sworn in or not sworn in, of course I do not know. I know the War Risk Bureau made no question except that they had not been called into active service. They were in every other respect except being called into active service entitled to the insurance benefits.

Mr. VESTAL. Will the gentleman yield?

Mr. SIMS. Yes.

Mr. VESTAL. As I understand the situation, this amendment proposes to put the men who voluntarily enlisted and attempted to get into the service on the same footing as the men who were drafted.

Mr. SIMS. Absolutely.

The CHAIRMAN. The gentlemen are not discussing the point of order made against the amendment.

Mr. SIMS. I thought I discussed it.

Mr. FIELDS. I suggest that the gentleman from Massachusetts state his point of order.

Mr. ROGERS. That it is not germane to the section nor the bill.

Mr. FIELDS. I would like to discuss the point of order, Mr. Chairman.

Mr. CANNON. If these men come within the law, have they not a remedy?

Mr. SIMS. I do not think they have.

Mr. RAYBURN. Mr. Chairman, I would suggest that the proposition upon which the gentleman from Massachusetts is

trying to get information from the gentleman from Tennessee ought not to rule in this case, for the simple reason that the proposition whether or not they were actually in the service could not control.

The CHAIRMAN. That has nothing to do with the point of order. The gentleman has stated that he made the point of order because the information which he got does not satisfy him as to the merits of the amendment, and that has nothing to do with the point of order. If anyone desires to discuss the point of order, the Chair will be glad to hear him.

Mr. RAYBURN. Mr. Chairman, that is what I am trying to do, because I know something about the war-risk act and the men it was supposed to cover. The amendment was made in 1918 to the war-risk act upon a bill that was pending before the House to cover in, with those placed in active service, men who were not enrolled and had never taken the oath. Those were the men asked by the draft board to report to the camps. Now, here is the situation where the men have taken the oath and taken out insurance and allowed to make the application. Surely, the Chair would not hold that Congress could not amend this act and take them in.

Mr. MANN of Illinois. Will the gentleman yield for a question?

Mr. RAYBURN. Yes.

Mr. MANN of Illinois. The point of order being made that this amendment is not germane to the bill, does the gentleman think that has anything to do with the question?

Mr. RAYBURN. This is an amendment to the war-risk insurance act.

Mr. MANN of Illinois. No; this is a bill carrying sections that do amend the war-risk act.

Mr. RAYBURN. Every section amends the war-risk act.

Mr. MANN of Illinois. A number of sections do, but not all of them. It is not a question of what is now in the war-risk act; the question is whether this proposition is germane to the provisions of this bill.

Mr. RAYBURN. I say it is, for the reason that this bill does not cover only one subject; it makes various provisions and it adds new matter to the law already existing.

The CHAIRMAN. The Chair would like to ask the gentleman from Texas if the amendment must not go further and be germane to the war-risk act?

Mr. SIMS. It is undoubtedly germane to that. It is absolutely germane to it. It applies the same provisions to those who volunteered as to those who were drafted.

Mr. SANDERS of Indiana. Mr. Chairman, I want to suggest that although this bill deals with other matters than the war-risk act, since it deals with two different sections of the war-risk insurance act, the entire subject matter of that act may be invoked in considering the point of order. If, therefore, Mr. Chairman, the proposed amendment is germane to any section of the bill of the war-risk act, it is germane to this bill. I call the Chair's attention to section 31 of the war-risk insurance act, which provides that if after investigation by the local draft board, and being accepted and enrolled for active service, a person drafted into the service died or became disabled as the result of disease contracted, or injury suffered in line of duty, and so forth—giving to those enumerated persons the benefit of the insurance act. Now it is proposed to amend the act to give the same right to enlisted men who had not been accepted in the service. Every amendment that is offered to a bill differs in some respects from the provisions already contained in the bill. This one differs in this respect, that this deals with soldiers who were enlisted and had taken an affirmative act toward becoming a soldier but had not been fully accepted in the service, while the provisions already in the insurance act deal with drafted men who have taken affirmative steps to become soldiers and who had not been accepted into the service. It seems to me clearly that these two matters are sufficiently similar for the one now offered to be germane to the bill containing the other.

Mr. FIELDS. Mr. Chairman, following the gentleman from Indiana [Mr. SANDERS], let us take a concrete case of two men, one drafted and one going to volunteer. Under the ruling of the War Department, if I remember correctly, the draftee entered the military service when he entrained for camp. The two go together to camp. The draftee is accepted into the service, but not put into active service, and probably sent back to his home for a few days, as was the case in a number of instances. There is no question that he is in the military service. The enlisted man goes with him to camp, is sworn in, as in the case cited by the gentleman from Tennessee [Mr. SIMS], and is directed to return to his home and await his call to report, and on his return home is killed in a wreck. There is so much similarity in the two cases that there can not be any question as to the germaneness of the amendment.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. FIELDS. Yes.

Mr. RAKER. The law now provides for those brought in by draft, and the proposition here is to amend it so that the man who volunteered may stand on the same basis relative to his insurance.

Mr. FIELDS. That is the purpose of the amendment, and we ought to adopt it. The purpose of the law is to insure men in the military service. There should be no discrimination against the man who volunteered along with a man who was drafted.

Mr. FISHER. Mr. Chairman, I have just a word I would like to say on the proposition as to whether or not these persons, as suggested by my colleague from Tennessee, were actually in the naval service. Whenever a person was drafted, accepted, or enrolled in the military or naval forces of the United States he should have the benefits of the war-risk insurance act. The amendment offered applies only to the persons who volunteered for enlistment or enrollment in the military or naval forces between the dates of April 6, 1917, and November 11, 1918. The question as to when a person is actually in the military service came up in my office through an appeal from a discharged soldier from my district who had tuberculosis and had made his way to El Paso, Tex. He had been drafted, and had been taken to camp, where he was held for several weeks before a final medical examination was made of him. During the period of his detention he contracted tuberculosis in line of duty and was discharged from the draft and not from the service. It was construed that he was not entitled to the benefits of the war-risk insurance act because he had not been in the actual service. He had been admitted to a hospital through Red Cross activities, but he was notified that his discharge from the draft and not from the service would preclude him from anything other than temporary treatment.

Arrangements were made so he could stay in the hospital until the matter could be straightened out. It seemed to me absolutely absurd that this discharged soldier should be placed in this position, where a technical discussion as to his discharge should cause him to be put out of the hospital. The Adjutant General of the Army, when the matter was presented to him, gave as his opinion that a person who had been drafted and taken to camp, and while awaiting final acceptance, was in the service of the Army of the United States. There would have been no trouble about it at all if there had not been a delay of the passage of the Sweet bill in the Senate, which meant so much to the discharged and disabled soldiers, for it removed all doubt as to drafted men having benefits of the war-risk insurance act after having been inducted and before final acceptance. If before the passage of the Sweet bill The Adjutant General held that a discharged soldier who had been inducted by a draft board, but who had not been finally accepted, was in the service of the Army of the United States, then it seems it would necessarily follow that a person who was enrolled in the naval forces and had been accepted and had taken the oath would be in the naval service.

The amendment offered by my colleague would give relief to those persons who volunteered for service but do not now get the same privileges under the law that a drafted person gets.

From my district two boys, upon the solicitation of the Navy Department, went to Nashville, Tenn., and there enlisted in the Navy. They were accepted, enrolled, and were given the oath. While they were going through that procedure, a Government official solicited insurance, and they made out the applications as directed. The officer of the Navy Department told them to return to their homes and to there await active orders. When active orders came, those men, if they had lived two or three days longer, would have had to report for training and for active service, and if they had not reported they would have been deserters. However, as it was, without fault of theirs, they were killed in a railroad wreck. It seems clear to me that such applications for insurance should be made valid, just as now the law provides that applications for insurance made by a drafted person after induction and before acceptance are valid.

Mr. BARKLEY. Mr. Chairman, I desire to discuss the point of order very briefly. I suggest to the Chair that if this bill contained an amendment to only one section of the war-risk insurance act, as it now exists, the amendment offered by the gentleman from Tennessee [Mr. SIMS] would perhaps not be in order, but the bill does much more than seek to amend one section of the present war-risk insurance act. This bill

amends section 212 of the present war-risk act by rewriting it entirely. It also amends section 313 of the war-risk insurance act by rewriting that. Then it also amends section 19 of the act of December 24, 1919, which was itself an amendment to the war-risk insurance act. In addition to amending these three specific sections of the present war-risk insurance act, the bill undertakes general legislation upon the subject, which is in addition to the present law upon the subject. Therefore, I agree with the statement of the gentleman from Indiana [Mr. SANDERS] and the gentleman from Texas [Mr. RAYBURN], that this does open up the war-risk act for amendment, and in my opinion makes the amendment of the gentleman from Tennessee as a new section in order and germane to the bill.

The CHAIRMAN. The amendment of the gentleman from Tennessee [Mr. SIMS] reads:

That section 401 of the war-risk insurance act is amended as follows:

The Chair presumes the intent is to add to the end of section 401 this additional proviso. The bill under consideration is a bill to improve the facilities and service of the Bureau of War Risk Insurance and further amending and modifying the war-risk insurance act as amended. The first section of the bill provided for the installation of regional offices and suboffices and the various other sections of the bill provide for the mode of administration and method and manner of making payments under the bill. The bill is entirely within that general scope. It is not a bill generally amending the war-risk insurance act. It does not amend it in various particulars, but only amends it in the method or manner of making certain payments; in matters of administration, in other words. It does not deal with a class of beneficiaries or change the advantages that beneficiaries may enjoy, nor does it in any way define or modify who such beneficiaries may be. The Chair therefore thinks that the amendment offered by the gentleman from Tennessee is not within the scope of the bill or any of the provisions of the bill and is therefore not germane, and sustains the point of order.

Mr. SIMS. Mr. Chairman, the gentleman from Massachusetts has just stated that he will not have any objection to the amendment if the names of the beneficiaries are put in. I have the names of the beneficiaries at my office, but I could not name them right now, but I will put in the names of the parents and also of the deceased son and everything else so far as my district is concerned——

Mr. RAYBURN. Oh, well, if the gentleman from Massachusetts wants to be generous he can be in some other particular. We have cut the name of everybody out of the bill, and we have believed that our bill should carry general language, and have frowned upon special acts at all times.

Mr. SIMS. Mr. Chairman, I will state to the Chair I have the very highest respect for him as a man and as a Member, but this case appeals to me so strongly, and as justice can come in no other way than by overruling the Chair, I will have respectfully to appeal from the decision of the Chair.

The CHAIRMAN. The question is, Shall the decision of the Chair stand as the judgment of the committee?

The question was taken, and the Chair announced that he was in doubt.

The committee again divided; and there were—ayes 45, noes 29.

So the decision of the Chair stood as the judgment of the committee.

The Clerk concluded the reading of the bill.

Mr. SWEET. Mr. Chairman, I move that the committee do now rise and report the bill H. R. 13558 to the House with amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LEHLBACH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill H. R. 13558, had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. SWEET. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. SWEET. Mr. Speaker, I demand a separate vote on the amendment striking out section 1 of the bill.

Mr. BLANTON. Is that the Good amendment?

Mr. WALSH. A very good amendment.

Mr. BARKLEY. A parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BARKLEY. Before the amendment was adopted striking out section 1, an amendment of the gentleman from Ohio [Mr. GARD] was adopted which was part of section 1. Now, in the event the amendment is voted down to strike out the section, does not the gentleman desire a separate vote also on the Gard amendment?

Mr. SWEET. I do; but I understand there is some parliamentary impediment.

The SPEAKER. The Chair is of opinion that the House has no knowledge at all of any further amendment. However, the Chair will rule on that question when it arises.

Mr. BARKLEY. If the House should refuse to vote for the amendment striking out section 1, then section 1 will be left as it was amended by the Gard amendment, to strike out certain language.

The SPEAKER. Upon first blush the opinion of the Chair would be the other way, but the Chair will rule on that question when it arises.

Mr. BARKLEY. Will it be too late to demand a separate vote, then, if that question arises?

The SPEAKER. The Chair does not see how the gentleman can demand a separate vote on that.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry?

The SPEAKER. The gentleman will state it.

Mr. WINGO. The House is now passing on the action of the committee. As I understand the committee has amended section 1; that is, has stricken it out as amended. Now, the House is passing on the action of the committee.

Now, does the Chair hold that the House has a right to divide on the pending proposition and first determine whether or not it will first perfect that which the amendment struck out?

The SPEAKER. The opinion of the Chair is that that is not before the House at all; that the amendment before the House is the amendment to strike out the paragraph.

Mr. WINGO. The amendment before the House is to strike out, not section 1 of the bill, but section 1 as amended by the committee. The House is certainly not powerless, because the committee was not powerless, and in the committee the custom and philosophy is to vote on perfecting propositions before you vote to kill it.

Mr. WALSH. I make the point of order that this does not involve a parliamentary inquiry.

Mr. WINGO. Mr. Speaker, I make the point of order in order to please my meticulous friend from Cape Cod. My point is that the House has the right to act in the House the same as in the committee. It is not voting on an amendment to strike out section 1, but on the action of the committee to strike out section 1 as amended, and I insist we have a right to vote, first, on approving the change made by the committee in section 1 and then determine whether or not we want to approve the next action of the committee in striking out section 1 as amended. If we approve the action of the committee in changing section 1, then the vote would come on the action of the committee in destroying section 1.

Mr. WALSH. When has the committee reported anything to the House that section 1 would change?

Mr. WINGO. The committee has reported to the House the striking out of section 1.

Mr. WALSH. That does not involve any change of anything else.

Mr. WINGO. The House could not sit here blindly and not take notice of the fact that section 1 voted on was not section 1 that was in the bill as reported, but section 1 as finally acted upon by the committee.

Mr. MANN of Illinois. Suppose in the committee an amendment was proposed and an amendment to the amendment was proposed, does the gentleman think that the amendment to the amendment would be reported to the House?

Mr. WINGO. The gentleman has not caught the point.

Mr. MANN of Illinois. Yes; I know what the point is.

Mr. WINGO. If the House sitting as a committee and in the Committee of the Whole changed the verbiage of the bill by an amendment that was referred to it, and then subsequently voted not upon the section that was referred to the Committee of the Whole by the House, but voted upon an entirely different proposition, then the report to the House brings to the House the action of the committee for approval, and that is a divisible proposition.

Mr. WALSH. Mr. Speaker, I think this point has come up once before and I think the Chair will find a reference to it if he will look at section 4398, and that he will see the gentleman is wrong.

Mr. RAKER. Mr. Speaker, I ask for a separate vote on the amendment to section 8.

Mr. FIELDS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. FIELDS. Would it not be in order to ask for a separate vote on the Gard amendment in the event that amendment is restored to the bill by the rejection of the Good amendment by the House?

The SPEAKER. It does not seem to the Chair that it gives the House the control it ought to have, but the decision is that if the Committee of the Whole amends a paragraph and subsequently strikes out the paragraph as amended the first amendment falls and is not reported to the House or voted on.

Mr. BARKLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BARKLEY. If the House votes down the Good amendment, striking out section 1, will that leave section 1 as it was originally in the bill?

The SPEAKER. According to this decision it will. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the amendment striking out section 1.

Mr. BLANTON. Mr. Speaker, a parliamentary inquiry, for information. Is this what is known as the Good amendment?

The SPEAKER. The Chair is informed it is. The question is on agreeing to the amendment.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. SWEET and Mr. BARKLEY demanded a division.

The House divided; and there were—ayes 67, noes 62.

Mr. SWEET. Mr. Speaker, I demand the yeas and nays.

Mr. IGOE. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from Missouri makes the point of no quorum. Evidently no quorum is present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll. As many as are in favor of the amendment will, as their names are called, answer "yea," and those opposed will answer "nay."

The question was taken; and there were—yeas 150, nays 174, not voting 103, as follows:

YEAS—150.

Ackerman	Echols	Langley	Reed, W. Va.
Andrews, Md.	Edmonds	Lanham	Ricketts
Andrews, Nebr.	Evans, Nebr.	Larsen	Robinson, N. C.
Anthony	Fordney	Layton	Robsion, Ky.
Aswell	Foster	Lea, Calif.	Rodenberg
Bacharach	Freeman	Lee, Ga.	Rowe
Begg	French	Lehlbach	Sanford
Bell	Ganly	Little	Scott
Benham	Gard	Longworth	Sells
Blanton	Garland	Luce	Sherwood
Bowers	Garner	McAndrews	Sinclair
Box	Goldfogle	McClintic	Sisson
Brand	Good	McFadden	Smith, Mich.
Brooks, Pa.	Goodykoontz	McKinley	Steagall
Brumbaugh	Gould	McLaughlin, Mich.	Stedman
Burdick	Graham, Ill.	McLaughlin, Nebr.	Stephens, Miss.
Butler	Green, Iowa	MacGregor	Summers, Wash.
Byrns, Tenn.	Greene, Vt.	Madden	Temple
Caldwell	Griest	Magee	Thomas
Campbell, Kans.	Hardy, Colo.	Mann, Ill.	Tilson
Cannon	Harreld	Michener	Tinkham
Carss	Haugen	Monahan, Wis.	Venable
Chindblom	Hersey	Moores, Ind.	Vinson
Christopherson	Hersman	Mott	Walsh
Cleary	Hickey	Newton, Mo.	Weaver
Collier	Holland	Ogden	Welling
Connally	Houghton	Oliver	Welty
Crago	Huddleston	Overstreet	Wheeler
Cramton	Hudspeth	Paige	White, Kans.
Crisp	Hull, Iowa	Parrish	Wilson, La.
Currie, Mich.	Husted	Peters	Wise
Darrow	Hutchinson	Platt	Woodyard
Davis, Tenn.	Jefferis	Radcliffe	Wright
Dempsey	Jones, Tex.	Raker	Young, N. Dak.
Dickinson, Iowa	Kincheloe	Ramsey	Young, Tex.
Doughton	Kinkaid	Ramseyer	Zihlman
Dunbar	Kraus	Reavis	
Dunn	Kreider	Reber	

NAYS—174.

Almon	Carew	Eagan	Greene, Mass.
Anderson	Clark, Mo.	Eagle	Griffin
Ashbrook	Classon	Emerson	Hadley
Ayres	Coady	Esch	Hamilton
Babka	Cooper	Evans, Mont.	Hardy, Tex.
Bankhead	Crowther	Evans, Nev.	Hawley
Barbour	Cullen	Fairfield	Hays
Barkley	Dale	Ferris	Hicks
Bee	Dallinger	Fess	Hill
Black	Davey	Fields	Igoe
Bland, Mo.	Davis, Minn.	Fisher	Jacoway
Bland, Va.	Denison	Flood	James
Boies	Dewalt	Focht	Johnson, Miss.
Briggs	Dickinson, Mo.	Fuller, Ill.	Johnson, S. Dak.
Browne	Donovan	Gallagher	Johnson, Wash.
Buchanan	Doremus	Gallivan	Juul
Burroughs	Dowell	Gandy	Keller
Campbell, Pa.	Dupré	Garrett	Kendall
Candler	Dyer	Glynn	Kennedy, R. I.
King	Mondell	Rainey, Ala.	Tague
Kleczka	Moon	Rainey, J. W.	Taylor, Ark.
Knutson	Mooney	Randall, Calif.	Taylor, Colo.
Lampert	Moore, Ohio	Randall, Wis.	Taylor, Tenn.
Lazaro	Morgan	Rayburn	Thompson
Lonergan	Mudd	Reed, N. Y.	Timberlake
Lufkin	Murphy	Riordan	Tincher
Luhring	Nelson, Mo.	Rogers	Towner
McArthur	Nelson, Wis.	Romjue	Treadway
McDuffie	Newton, Minn.	Rouse	Vaile
McGlennon	Nicholls	Rubey	Vestal
McKeown	Nolan	Sanders, Ind.	Voigt
McKinley	O'Connell	Sanders, La.	Volstead
McLane	O'Connor	Schall	Walters
MacCrate	Oldfield	Siegel	Wason
Maher	Olney	Sims	Watkins
Major	Osborne	Sinnott	Watson
Mann, S. C.	Padgett	Smith, Idaho	Webster
Mansfield	Park	Smith, N. Y.	Whaley
Mapes	Parker	Steenerson	White, Me.
Martin	Pell	Stiness	Wingo
Mays	Phelan	Stoll	Winslow
Miller	Pou	Strong, Kans.	Wood, Ind.
Milligan	Purnell	Sumners, Tex.	
Minahan, N. J.	Quin	Sweet	

NOT VOTING—103.

Baer	Elston	Kelly, Pa.	Sanders, N. Y.
Benson	Frear	Kennedy, Iowa	Scully
Blackmon	Fuller, Mass.	Kettner	Sears
Bland, Ind.	Godwin, N. C.	Kiess	Shreve
Booher	Goodall	Kitchin	Slemp
Brinson	Goodwin, Ark.	Lankford	Small
Britten	Graham, Pa.	Lesher	Smith, Ill.
Brooks, Ill.	Hamill	Linthicum	Smithwick
Burke	Harrison	McCulloch	Snell
Byrnes, S. C.	Hastings	McKenzie	Snyder
Cantrill	Hayden	McPherson	Steele
Caraway	Heflin	Mason	Stephens, Ohio
Carter	Hernandez	Mead	Stevenson
Casey	Hoch	Merritt	Strong, Pa.
Clark, Fla.	Hoey	Montague	Sullivan
Cole	Howard	Moore, Va.	Swope
Copley	Hulings	Morin	Tillman
Costello	Hull, Tenn.	Neely	Upshaw
Curry, Calif.	Humphreys	Porter	Vare
Dent	Ireland	Rainey, H. T.	Ward
Dominick	Johnson, Ky.	Rhodes	Williams
Dooling	Johnston, N. Y.	Riddick	Wilson, Ill.
Drane	Jones, Pa.	Rose	Wilson, Pa.
Drewry	Kahn	Rowan	Woods, Va.
Elliott	Kearns	Rucker	Yates
Ellsworth	Kelley, Mich.	Sabath	

So the amendment was rejected.

The Clerk announced the following pairs:

Until further notice:

Mr. RHODES with Mr. TILLMAN.

Mr. SNYDER with Mr. CARTER.

Mr. COLE with Mr. HAYDEN.

Mr. HERNANDEZ with Mr. HASTINGS.

Mr. ELSTON with Mr. DRANE.

Mr. HOCH with Mr. BYRNES of South Carolina.

Mr. STEPHENS of Ohio with Mr. MONTAGUE.

Mr. KAHN with Mr. DENT.

Mr. WILLIAMS with Mr. BENSON.

Mr. BROOKS of Illinois with Mr. DREWRY.

Mr. WILSON of Illinois with Mr. CANTRILL.

Mr. BRITTEN with Mr. GODWIN of North Carolina.

Mr. YATES with Mr. WILSON of Pennsylvania.

Mr. BLAND of Indiana with Mr. WOODS of Virginia.

Mr. JONES of Pennsylvania with Mr. LESHER.

Mr. GRAHAM of Pennsylvania with Mr. STEELE.

Mr. BAER with Mr. HAMILL.

Mr. FREAR with Mr. RUCKER.

Mr. COPLEY with Mr. BOOHER.

Mr. FULLER of Massachusetts with Mr. SULLIVAN.

Mr. BURKE with Mr. HOEY.

Mr. COSTELLO with Mr. SEARS.

Mr. HULINGS with Mr. SCULLY.

Mr. IRELAND with Mr. KITCHIN.

Mr. ELLIOTT with Mr. JOHNSON of Kentucky.

Mr. GOODALL with Mr. BLACKMON.

Mr. KEARNS with Mr. DOMINICK.

Mr. ELLSWORTH with Mr. JOHNSTON of New York.

Mr. CURRY of California with Mr. HUMPHREYS.

Mr. KELLEY of Michigan with Mr. GOODWIN of Arkansas.

Mr. MASON with Mr. CARAWAY.

Mr. PORTER with Mr. CLARK of Florida.

Mr. MERRITT with Mr. BRINSON.

Mr. SANDERS of New York with Mr. CASEY.

Mr. RIDDICK with Mr. DOOLING.

Mr. KENNEDY of Iowa with Mr. STEVENSON.

Mr. SLEMP with Mr. LANKFORD.

Mr. MCCULLOCH with Mr. SMALL.

Mr. KIESS with Mr. ROWAN.

Mr. MCKENZIE with Mr. LINTHICUM.

Mr. SMITH of Illinois with Mr. HARRISON.

Mr. MCPHERSON with Mr. HOWARD.

Mr. SNELL with Mr. KETTNER.
Mr. MORIN with Mr. HULL of Tennessee.
Mr. STRONG of Pennsylvania with Mr. MEAD.
Mr. VARE with Mr. UPSHAW.
Mr. WARD with Mr. MOORE of Virginia.
Mr. ROSE with Mr. NEELY.
Mr. SWOPE with Mr. HENRY T. RAINEY.
Mr. SHREVE with Mr. SMITHWICK.
Mr. KELLY of Pennsylvania with Mr. SABATH.

Mr. JOHNSON of South Dakota. I have a pair with the gentleman from Virginia, Mr. FLOOD, but, as he has voted, I will let my vote stand.

Mr. CALDWELL. Mr. Speaker, the gentleman from West Virginia, Mr. NEELY, is unavoidably detained, and asks me to say that if he were here he would vote "nay."

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will unlock the doors. The gentleman from California [Mr. RAKER] asked for a separate vote on an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SIEGEL: Page 7, line 3, after the word "hospitals" strike out the remainder of the section.

The SPEAKER. The question is on agreeing to the amendment.

The question being taken, the Speaker announced that the noes appeared to have it.

Mr. SIEGEL. A division, Mr. Speaker.

The SPEAKER. The gentleman from New York demands a division. Those in favor of agreeing to the amendment will rise and stand until they are counted.

The affirmative vote was taken.

Mr. GARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARD. It has been said on the floor that gentlemen do not understand what this amendment is. Is it too late to ask that the amendment be again reported?

The SPEAKER. It can be done by unanimous consent.

Mr. GARD. I ask unanimous consent that the amendment be again reported.

Mr. MANN of Illinois. I object.

The SPEAKER. Objection is made. Those opposed to the amendment will rise and stand until they are counted.

The negative vote was taken.

The SPEAKER. On this question the ayes are 34 and the noes are 88.

Mr. SIEGEL. Mr. Speaker, I raise the point of no quorum.

The SPEAKER. The gentleman from New York raises the point that no quorum is present. The Chair will count. [After counting.] Two hundred and twenty Members are present, a quorum. The noes have it, and the amendment is not agreed to. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. GOOD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GOOD. When the bill was pending before the Committee of the Whole, that committee struck out the language in line 5 on page 2—

Regional offices, not exceeding 14 in number, and such—

And inserted—

Not exceeding 48 in number.

And in line 1 of page 2 of the bill the committee struck out "$1,000,000" and inserted "$500,000." Subsequently the Committee of the Whole struck out that section. Now, by the action of the House in placing the section back in the bill, do I understand the ruling to be that the section will stand as it was amended by the Committee of the Whole or as reported by the Committee on Interstate and Foreign Commerce?

The SPEAKER. As it originally stood.

Mr. GOOD. Then, Mr. Speaker, I wish to offer a motion to recommit the bill to the Committee on Interstate and Foreign Commerce, with instructions to that committee to report the same back forthwith with the following amendment.

The SPEAKER. The gentleman from Iowa submits a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. GOOD moves to recommit the bill to the Committee on Interstate and Foreign Commerce with instructions to that committee to report the same back forthwith with the following amendment:

Page 1, line 5, after the word "such," strike out "regional offices, not exceeding 14 in number, and such."

On page 1, line 6, after the word "suboffices," insert "not exceeding 48 in number."

Page 1, line 8, after the word "hereby," insert the words "authorized to be."

Line 1, page 2, strike out the figures "$1,000,000" and insert in lieu thereof the figures "$500,000."

Mr. GOOD. On that motion I move the previous question.

Mr. SWEET. That simply makes it an authorization and of no benefit whatever.

The SPEAKER. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Iowa [Mr. GOOD] to recommit.

The question being taken, on a division (demanded by Mr. SWEET) there were—ayes 127, noes 96.

Mr. SWEET. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 142, nays 168, answered "present" 1, not voting 116, as follows:

YEAS—142.

Ackerman	Flood	Larsen	Reber
Andrews, Md.	Focht	Layton	Reed, W. Va.
Andrews, Nebr.	Fordney	Lee, Ga.	Robinson, N. C.
Anthony	Freeman	Lehlbach	Robsion, Ky.
Bacharach	French	Little	Rodenberg
Begg	Fuller, Mass.	Luce	Rowe
Bell	Ganly	Luhring	Sanford
Blanton	Gard	McAndrews	Scott
Box	Garland	McClintic	Sells
Brand	Goldfogle	McFadden	Sherwood
Brooks, Pa.	Good	McKinley	Sisson
Buchanan	Goodall	McLane	Smith, Idaho
Butler	Gould	McLaughlin, Mich.	Smith, Mich.
Byrns, Tenn.	Graham, Ill.	McLaughlin, Nebr.	Steagall
Campbell, Kans.	Green, Iowa	Madden	Stedman
Cannon	Greene, Vt.	Magee	Stephens, Miss.
Carss	Griest	Mann, Ill.	Taylor, Colo.
Chindblom	Griffin	Mansfield	Temple
Christopherson	Hardy, Colo.	Michener	Thomas
Cleary	Hardy, Tex.	Monahan, Wis.	Tilson
Connally	Harreld	Moon	Venable
Crago	Hersey	Moores, Ind.	Vinson
Cramton	Hickey	Mott	Walsh
Crisp	Holland	Ogden	Walters
Currie, Mich.	Houghton	Overstreet	Weaver
Darrow	Huddleston	Padgett	Welling
Davis, Tenn.	Hull, Iowa	Paige	Wheeler
Dempsey	Hull, Tenn.	Park	White, Kans.
Denison	Husted	Pell	Wise
Dickinson, Iowa	Hutchinson	Peters	Wood, Ind.
Doughton	Jefferis	Platt	Woodyard
Dunbar	Johnson, Wash.	Radcliffe	Wright
Dunn	Jones, Tex.	Raker	Young, N. Dak.
Echols	Kinkaid	Ramsey	Young, Tex.
Edmonds	Kraus	Ramseyer	
Evans, Nebr.	Lanham	Reavis	

NAYS—168.

Almon	Esch	McGlennon	Ricketts
Anderson	Evans, Nev.	McKeown	Riordan
Ashbrook	Ferris	MacCrate	Rogers
Aswell	Fess	MacGregor	Romjue
Ayres	Fields	Maher	Rouse
Babka	Fisher	Major	Rubey
Barbour	Foster	Mann, S. C.	Sanders, Ind.
Barkley	Fuller, Ill.	Mapes	Sanders, La.
Bee	Gallagher	Martin	Siegel
Benham	Gallivan	Mays	Sims
Bland, Mo.	Gandy	Miller	Sinnott
Bland, Va.	Garner	Milligan	Smith, N. Y.
Boies	Garrett	Minahan, N. J.	Steenerson
Bowers	Glynn	Mondell	Stiness
Briggs	Greene, Mass.	Mooney	Stoll
Browne	Hadley	Moore, Ohio	Strong, Kans.
Burdick	Hamilton	Morgan	Summers, Wash.
Burroughs	Hawley	Mudd	Sumners, Tex.
Caldwell	Hicks	Murphy	Sweet
Campbell, Pa.	Hill	Nelson, Mo.	Swope
Candler	Hudspeth	Nelson, Wis.	Tague
Carew	Igoe	Newton, Minn.	Taylor, Ark.
Clark, Mo.	Jacoway	Newton, Mo.	Taylor, Tenn.
Classon	James	Nicholls	Thompson
Coady	Johnson, Miss.	Nolan	Timberlake
Collier	Johnson, S. Dak.	O'Connell	Tincher
Cooper	Juul	O'Connor	Tinkham
Crowther	Keller	Oldfield	Treadway
Cullen	Kendall	Olney	Valle
Dale	Kennedy, R. I.	Osborne	Vestal
Dallinger	Kincheloe	Parker	Voigt
Davey	King	Parrish	Volstead
Davis, Minn.	Kleczka	Phelan	Wason
Dewalt	Kreider	Pou	Watkins
Dickinson, Mo.	Lampert	Purnell	Watson
Donovan	Langley	Quin	Webster
Dowell	Lazaro	Rainey, Ala.	Welty
Dupré	Lea, Calif.	Rainey, J. W.	Whaley
Dyer	Lonergan	Randall, Calif.	White, Me.
Eagan	Lufkin	Randall, Wis.	Wilson, La.
Eagle	McArthur	Rayburn	Wingo
Emerson	McDuffie	Reed, N. Y.	Winslow

ANSWERED "PRESENT"—1.

Haugen

NOT VOTING—116.

Baer	Bland, Ind.	Brumbaugh	Carter
Bankhead	Booher	Burke	Casey
Benson	Brinson	Byrnes, S. C.	Clark, Fla.
Black	Britten	Cantrill	Cole
Blackmon	Brooks, Ill.	Caraway	Copley

Costello	Hernandez	McCulloch	Shreve
Curry, Calif.	Hersman	McKenzie	Sinclair
Dent	Hoch	McKinley	Slemp
Dominick	Hoey	McPherson	Small
Dooling	Howard	Mason	Smith, Ill.
Doremus	Hulings	Mead	Smithwick
Drane	Humphreys	Merritt	Snell
Drewry	Ireland	Montague	Snyder
Elliott	Johnson, Ky.	Moore, Va.	Steele
Ellsworth	Johnston, N. Y.	Morin	Stephens, Ohio
Elston	Jones, Pa.	Neely	Stevenson
Evans, Mont.	Kahn	Oliver	Strong, Pa.
Fairfield	Kearns	Porter	Sullivan
Frear	Kelley, Mich.	Rainey, H. T.	Tillman
Godwin, N. C.	Kelly, Pa.	Rhodes	Towner
Goodwin, Ark.	Kennedy, Iowa	Riddick	Upshaw
Goodykoontz	Kettner	Rose	Vare
Graham, Pa.	Kiess	Rowan	Ward
Hamill	Kitchin	Rucker	Williams
Harrison	Knutson	Sabath	Wilson, Ill.
Hastings	Lankford	Sanders, N. Y.	Wilson, Pa.
Hayden	Lesher	Schall	Woods, Va.
Hays	Linthicum	Scully	Yates
Heflin	Longworth	Sears	Zihlman

So the motion to recommit was lost.

The following additional pairs were announced:

Until further notice:

Mr. LONGWORTH with Mr. HEFLIN.

Mr. HAUGEN with Mr. BANKHEAD.

Mr. KNUTSON with Mr. DOREMUS.

Mr. HAYS with Mr. BRUMBAUGH.

Mr. MCKINLEY with Mr. HENRY T. RAINEY.

Mr. FAIRFIELD with Mr. BLACK.

Mr. SCHALL with Mr. EVANS of Montana.

Mr. MORIN with Mr. BLACKMON.

Mr. SINCLAIR with Mr. HERSMAN.

Mr. TOWNER with Mr. OLIVER.

Mr. ZIHLMAN with Mr. SULLIVAN.

Mr. MURPHY. Mr. Speaker, I want to state that if the gentleman from West Virginia, Mr. NEELY, were here, he would vote "no."

The result of the vote was announced as above recorded.

The SPEAKER. The question now is on the passage of the bill.

The question was taken, and the bill was passed.

On motion of Mr. SWEET, a motion to reconsider the vote whereby the bill was passed was laid on the table.

FEDERAL BUILDING AT GASTONIA, N. C.

The SPEAKER laid before the House the following communication from the Senate:

IN THE SENATE OF THE UNITED STATES,
May 19, 1920.

Resolved, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (S. 4332) entitled "An act to exchange the present Federal building and site at Gastonia, N. C., for a new site and building."

Attest:

(Signed) GEORGE A. SANDERSON, *Secretary.*

The SPEAKER. Without objection, the Committee on Public Buildings and Grounds is discharged from further consideration of the request, and the request is concurred in.

There was no objection.

CREDIT TO DISBURSING CLERK, BUREAU OF WAR RISK INSURANCE.

Mr. ESCH. Mr. Speaker, I call up House joint resolution 324, authorizing and directing the accounting officers of the Treasury to allow credit to the disbursing clerk of the Bureau of War Risk Insurance in certain cases, and ask unanimous consent that the Committee on Interstate and Foreign Commerce be discharged from further consideration of Senate joint resolution 189, which is identical with House joint resolution 324, and that the Senate resolution be considered in lieu of the House resolution.

The SPEAKER. The gentleman from Wisconsin calls up House joint resolution 324, and asks unanimous consent that Senate joint resolution 189 be considered in lieu thereof and that the Committee on Interstate and Foreign Commerce be discharged from further consideration of it. Is there objection?

Mr. GARD. Mr. Speaker, reserving the right to object, what is the purport of the resolution?

Mr. ESCH. It is to authorize the accounting officers of the Treasury Department to make allowances to the disbursing clerk of the War Risk Insurance Bureau for awards paid on insurance, where it might be possible for the War Risk Insurance officers to have credit on premiums. There are many men in France to-day belonging to the Army, and their insurance is deducted from their pay roll.

Mr. GARD. This is an emergency case?

Mr. ESCH. Yes; and unless this be done by June 30, 1920, it will cause a great deal of distress.

Mr. BLANTON. This is a unanimous report from the committee?

Mr. ESCH. Yes.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate joint resolution.

The Clerk read as follows:

Senate joint resolution (S. J. Res. 189) authorizing and directing the accounting officers of the Treasury to allow credit to the disbursing clerk of the Bureau of War Risk Insurance in certain cases.

Resolved, etc., That for such reasonable time as may be fixed by the Secretary of the Treasury, but not extending beyond the fiscal year ending June 30, 1921, the accounting officers of the Treasury are hereby authorized and directed to allow credit in the accounts of the disbursing clerk of the Bureau of War Risk Insurance for all payments of insurance installments heretofore or hereafter made under the provisions of article 4 of the war risk insurance act in advance of the verification of the deduction on the pay rolls, or of the payment otherwise, of all premiums.

The SPEAKER. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. ESCH, a motion to reconsider the vote by which the joint resolution was agreed to was laid on the table.

By unanimous consent, House joint resolution 324 was ordered to lie on the table.

EXTENSION OF REMARKS.

Mr. WASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the insurance bill just passed.

The SPEAKER. Is there objection?

There was no objection.

Mr. GRIFFIN. Mr. Speaker, I ask unanimous consent to extend my remarks on the Army reorganization bill, passed yesterday.

The SPEAKER. Is there objection?

There was no objection.

FEDERAL-CONTROL ACT (S. DOC. NO. 275).

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Interstate and Foreign Commerce:

To the Senate and House of Representatives:

In accordance with the requirements of the provisions of section 7 of the Federal-control act, approved March 21, 1918, I transmit herewith, for the information of the Congress, a detailed report of the receipts and expenditures made under sections 6 and 7 of said Federal-control act for the calendar years ended December 31, 1918, and December 31, 1919.

(Signed) WOODROW WILSON.

THE WHITE HOUSE,
20 May, 1920.

ODONTOLOGIC LATIN-AMERICAN CONGRESS (S. DOC. NO. 274).

The SPEAKER laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Senate and House of Representatives:

In view of the provisions contained in the deficiency act approved March 4, 1913, that "hereafter the Executive shall not extend or accept any invitation to participate in any international congress, conference, or like event without first having specific authority of law to do so," I transmit herewith for the consideration of the Congress and for its determination whether it will authorize the acceptance of the invitation and appropriate the necessary funds to defray the expenses incident thereto, a report from the Secretary of State with reference to an invitation from the Uruguayan Government to participate in the First Odontologic Latin-American Congress to be held at Montevideo September 18 to 23, 1920, the purpose of which is to study the various questions connected with the practice and science of dentistry, to procure a better knowledge of the scientific, cultural, and artistic matters relating to odontology, to promote the diffusion of mouth hygiene among all classes, and to create, maintain, and fasten the ties of international fraternity.

(Signed) WOODROW WILSON.

THE WHITE HOUSE,
20 May, 1920.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12775) to amend an act entitled "An act for making further and more effectual provision for the national defense and for other purposes," approved June 3, 1916, had further insisted upon its amendments to the said bill, had agreed to a further conference, and had appointed Mr. WADSWORTH, Mr. SUTHERLAND, Mr. NEW, Mr. CHAMBERLAIN, and Mr. THOMAS as the conferees on the part of the Senate.

ENROLLED BILLS SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 8440. An act to restore to the public domain certain lands heretofore reserved for a bird reservation in Siskiyou and Modoc Counties, Calif., and Klamath County, Oreg., and for other purposes;

H. R. 13274. An act to convey to the Big Rock Stone & Construction Co. a portion of the military reservation of Fort Logan H. Roots, in the State of Arkansas;

H. R. 9781. An act to amend section 217 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909;

H. R. 13576. An act authorizing the Secretary of War to turn over to the Postmaster General, without charge therefor, a certain building or buildings now located at Watertown, N. Y.;

H. R. 13389. An act to authorize the Secretary of the Interior to dispose of at public sale certain isolated and fractional tracts of lands formerly embraced in the grant to the Oregon & California Railroad Co.;

H. R. 11024. An act to amend an act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1914," approved June 30, 1913;

H. R. 13157. An act authorizing the issuance of patent to Johnson County, Wyo., of lands for poor-farm purposes;

H. R. 10285. An act to authorize the purchase by the city of Myrtle Point, Oreg., of certain lands formerly embraced in the grant to the Oregon & California Railroad Co. and revested in the United States by the act approved June 9, 1916;

H. R. 9825. An act authorizing certain railroad companies, or their successors in interest, to convey for public-road purposes certain parts of their rights of way; and

H. R. 13138. An act to amend section 8 of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended May 15, 1916.

ENROLLED JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following joint resolution:

H. J. Res. 354. Joint resolution authorizing the Secretary of War to loan to Paul E. Slocumb Post, No. 85, Grand Army of the Republic, Bloomington, Ind., necessary tents and cots for use at the State encampment to be held at said city May 25, 26, and 27, 1920.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. HOCH, for to-day, on account of sickness.

ADJOURNMENT.

Mr. ESCH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 6 o'clock and 12 minutes p. m.) the House adjourned until to-morrow, Friday, May 21, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury transmitting a communication from the Assistant Attorney General, submitting a judgment rendered by the Court of Claims in favor of claimant in an Indian depredation case, which requires an appropriation for its payment (H. Doc. No. 775); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury transmitting a supplemental estimate of appropriation required by the Coast Guard for the fiscal year 1920 to pay the allowances for extension of enlistments authorized in the naval appropriation act of July 11, 1919 (H. Doc. No. 776); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. KINKAID, from the Committee on Irrigation of Arid Lands, to which was referred the bill (H. R. 14102) securing rights of way and easements over public land in connection with Federal irrigation projects, reported the same with amendments, accompanied by a report (No. 1012), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. CURRY of California, from the Committee on the Territories, to which was referred the bill (S. 4286) to amend an act entitled "An act to authorize the incorporated town of Petersburg, Alaska, to issue bonds in any sum not exceeding $75,000 for the purpose of constructing and installing a municipal electric light and power plant and for the construction of a public-school building," approved September 29, 1919, reported the same without amendment, accompanied by a report (No. 1013), which said bill and report were referred to the House Calendar.

ADVERSE REPORTS.

Under clause 2 of Rule XIII, adverse reports were delivered to the Clerk and laid on the table, as follows:

Mr. FOCHT, from the Committee on War Claims, to which was referred the bill (H. R. 4159) for the relief of the legal representatives of Wiley J. Davis, deceased, reported the same adversely, accompanied by a report (No. 1014), which said bill and report were laid on the table.

He also, from the same committee, to which was referred the bill (H. R. 4158) for the relief of the Grand Lodge of Free and Accepted Masons of Arkansas, reported the same adversely, accompanied by a report (No. 1015), which said bill and report were laid on the table.

He also, from the same committee, to which was referred the bill (H. R. 4160) for the relief of Leander Mason and others, heirs of Thomas M. Mason, deceased, reported the same adversely, accompanied by a report (No. 1016), which said bill and report were laid on the table.

He also, from the same committee, to which was referred the bill (H. R. 6375) for the relief of the Kentucky drafted men, reported the same adversely, accompanied by a report (No. 1017), which said bill and report were laid on the table.

He also, from the same committee, to which was referred the bill (H. R. 4155) for the relief of the heirs of N. N. Barmore, deceased, reported the same adversely, accompanied by a report (No. 1018), which said bill and report were laid on the table.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Claims was discharged from the consideration of the bill (H. R. 13925) for the relief of Alfred P. Reck, and the same was referred to the Committee on War Claims.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. McKENZIE: A bill (H. R. 14150) to authorize the construction of a bridge across the Rock River, in Lee County, State of Illinois, at or near the city of Dixon, in said county; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Washington: A bill (H. R. 14151) fixing the compensation of registers and receivers of local land offices; to the Committee on the Public Lands.

By Mr. YOUNG of North Dakota: A bill (H. R. 14152) authorizing the Secretary of War to donate to the town of Harvey, N. Dak., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 14153) authorizing the Secretary of War to donate to the town of Kintyre, N. Dak., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 14154) authorizing the Secretary of War to donate to the town of Carrington, N. Dak., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 14155) authorizing the Secretary of War to donate to the town of Fessenden, N. Dak., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 14156) authorizing the Secretary of War to donate to the city of Bismarck, N. Dak., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. FORDNEY: A bill (H. R. 14157) to provide adjusted compensation for veterans of the World War, to provide revenue therefor, and for other purposes; to the Committee on Ways and Means.

By Mr. HAWLEY: A bill (H. R. 14158) granting the consent of Congress to H. H. Haynes to construct a dike across Mud Slough on Isthmus Inlet in section 23, township 26 south, range 13 west of Willamette meridian, in the State of Oregon; to the Committee on Interstate and Foreign Commerce.

By Mr. WRIGHT: A bill (H. R. 14159) granting the consent of Congress to the city of Columbus, Ga., to construct a bridge across the Chattahoochee River; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 14160) granting the consent of Congress to the county of Troup, in the State of Georgia, to construct a bridge across the Chattahoochee River; to the Committee on Interstate and Foreign Commerce.

By Mr. FULLER of Massachusetts: A bill (H. R. 14161) to establish a common commodities commission; to the Committee on the Judiciary.

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 14162) to repeal the act entitled "The soldiers' and sailors' civil relief act"; to the Committee on the Judiciary.

By Mr. BROWNE: A bill (H. R. 14163) authorizing the Secretary of War to donate to the village of Tilleda, Wis., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. CAMPBELL of Kansas: Resolution (H. Res. 565) for the immediate consideration of H. R. 10011; to the Committee on Rules.

By Mr. DOREMUS: Joint resolution (H. J. Res. 358) providing for monthly payment of pensions; to the Committee on Invalid Pensions.

By Mr. BLAND of Indiana: Joint resolution (H. J. Res. 359) authorizing the Secretary of War to loan to American Legion Post, No. 73, Vincennes, Ind., 1,000 cots for use at the State encampment to be held at Vincennes, Ind., on June 28 and 29, 1920; to the Committee on Military Affairs.

By Mr. TAGUE: Memorial of the Legislature of the State of Massachusetts relative to the official recognition by the powers of the right of the Jewish people to a national existence in Palestine; to the Committee on Foreign Affairs.

By Mr. DALLINGER: Memorial of the Legislature of the State of Massachusetts, relative to the official recognition by the powers of the right of the Jewish people to a national existence in Palestine; to the Committee on Foreign Affairs.

By Mr. CULLEN: Memorial of the Legislature of the State of New Jersey, favoring the furtherance of a national system of highways in cooperation with the various States of the Union; to the Committee on Roads.

By Mr. PAIGE: Memorial of the Legislature of the State of Massachusetts, relative to the right of Jewish people to a national existence in the Palestine; to the Committee on Foreign Affairs.

By Mr. ROGERS: Memorial of the Legislature of the State of Massachusetts, relative to the official recognition by the powers of the right of the Jewish people to a national existence in Palestine; to the Committee on Foreign Affairs.

By Mr. FULLER of Massachusetts: Memorial of the Legislature of the State of Massachusetts relative to the official recognition by the powers of the right of the Jewish people to a national existence in Palestine; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COADY: A bill (H. R. 14164) for the relief of Arthur E. Miskimon; to the Committee on Claims.

By Mr. FRENCH: A bill (H. R. 14165) for the relief of Nellie Kildee; to the Committee on the Public Lands.

By Mr. GOOD: A bill (H. R. 14166) for the relief of the heirs of Henry H. Johnson; to the Committee on War Claims.

By Mr. KING: A bill (H. R. 14167) for the relief of James M. Winston; to the Committee on Military Affairs.

By Mr. McARTHUR: A bill (H. R. 14168) for the relief of George F. De Maranville; to the Committee on Military Affairs.

By Mr. PAIGE: A bill (H. R. 14169) granting a pension to Adella J. Fiske; to the Committee on Invalid Pensions.

By Mr. SANFORD: A bill (H. R. 14170) for the relief of Robert B. Keller; to the Committee on Claims.

By Mr. SLEMP: A bill (H. R. 14171) granting a pension to Arthur E. Goodykoontz; to the Committee on Pensions.

By Mr. SMITHWICK: A bill (H. R. 14172) for the relief of Henry W. Reddick; to the Committee on War Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3750. By Mr. CAREW: Petition of Yacht Club of Yonkers, N. Y., indorsing Senate bill 3904 and House bill 12957; to the Committee on Ways and Means.

3751. By Mr. CULLEN: Petition of Flatbush Chamber of Commerce and the Brooklyn Chamber of Commerce, favoring increase in postal salaries; to the Committee on the Post Office and Post Roads.

3752. Also, petition of Workmen's Circle, Branch 295, Brooklyn, N. Y., favoring passage of legislation for amnesty to political prisoners; to the Committee on the Judiciary.

3753. By Mr. ESCH: Petition of Chamber of Commerce of La Crosse, Wis., favoring increase in postal salaries; to the Committee on the Post Office and Post Roads.

3754. By Mr. GALLIVAN: Petition of Civil Engineers' Association of Boston, favoring the passage of the Jones-Reavis bill; to the Committee on Expenditures in the Interior Department.

3755. Also, petition of C. W. Trainer, Boston, Mass., and Charles L. Jackson, of Prides Crossing, Mass., opposing the passage of House bill 12446; to the Committee on the Public Lands.

3756. Also, petition of Columbia Yacht Club, of South Boston, Mass., favoring the passage of Senate bill 3904 and House bill 12957; to the Committee on Ways and Means.

3757. Also, petition of Mary E. Geraghty, of Lawrence, Mass., favoring pensions for Indian War veterans and their widows; to the Committee on Pensions.

3758. Also, petition of John A. Brack, of Dorchester, Mass., favoring higher pay for post-office clerks and carriers; to the Committee on the Post Office and Post Roads.

3759. Also, petition of H. E. Hagan, of Boston, Mass., protesting against the passage of the McNary bill; to the Committee on Interstate and Foreign Commerce.

3760. By Mr. JOHNSTON of New York: Petition of Flatbush Chamber of Commerce and South Brooklyn Board of Trade, urging immediate report of Joint Commission on Postal Salaries; to the Committee on the Post Office and Post Roads.

3761. Also, petition of Democratic State Committee of New York, urging immediate report of Joint Commission on Postal Salaries; to the Committee on the Post Office and Post Roads.

3762. By Mr. LINTHICUM: Petition of International Bedding Co., Baltimore, Md., in re zone advances; to the Committee on the Post Office and Post Roads.

3763. Also, petition of H. W. Whitridge, John J. Greer & Co., C. Newton Kidd, Elisha P. Jones, J. Sewell Thomas, A. C. East, R. Tynes Sweet, jr., and H. Howard Hensal, all of Baltimore, Md., in re bonus for soldiers; to the Committee on Ways and Means.

3764. Also, petition of the Flaherty Coal & Wood Co., Baltimore, Md., regarding Senate bill 4089; to the Committee on Interstate and Foreign Commerce.

3765. Also, petition of B. Howell Griswold, Strouse & Bros., Schall Packing Co., Vey Bros., E. J. Codd & Co., Dr. Henry J. Berkley, Hennegen-Bates Co., Stuart, Keith & Co., James W. Bowers, Lyon, Conklin & Co., Piel Construction Co., John C. Stalfort & Sons, and Edward S. Appel, all of Baltimore, Md., regarding postal increase; to the Committee on the Post Office and Post Roads.

3766. Also, petition of William H. Ragland, secretary Division 52, Brotherhood of Locomotive Engineers, Baltimore, Md., regarding Army reorganization bill; to the Committee on Military Affairs.

3767. By Mr. LONERGAN: Petition of Milk Producers' Association of Bloomfield, Conn., favoring the Tilson bill for Federal regulation of milk products; to the Committee on Interstate and Foreign Commerce.

3768. By Mr. McDUFFIE: Petition of American Cotton Association, for the establishment of standard grades of cotton, and forcing recognition of same on the part of the buyers; to the Committee on Interstate and Foreign Commerce.

3769. Also, petition of Mobile Cotton Exchange, Mobile, Ala., opposing bonus legislation for ex-service men; to the Committee on Ways and Means.

3770. Also, petition of Mr. G. W. Riley, of Uriah, Ala., opposing the bonus bill for ex-service men; to the Committee on Ways and Means.

3771. By Mr. McKINLEY: Petition of A. C. Sproleder, of Palatine, Ill., declaring popular sentiment to be against the League of Nations, asking legislation against profiteers and in connection with high prices of feed charged to dairymen; to the Committee on Foreign Affairs.

3772. By Mr. O'CONNELL: Petition of Brooklyn Chamber of Commerce and Manufacturers and Dealers' League, of New York, favoring increase in postal salaries; to the Committee on the Post Office and Post Roads.

3773. Also, petition of Brooklyn Chamber of Commerce, opposing blanket bonus legislation; to the Committee on Ways and Means.

3774. By Mr. RAKER: Petition of Brotherhood of Locomotive Engineers, of Sacramento, Calif., protesting against Army reorganization bill; to the Committee on Military Affairs.

3775. By Mr. TILSON: Petition of North Bloomfield Milk Producers' Association, of Connecticut, for passage of House bill 13726; to the Committee on Interstate and Foreign Commerce.

3776. By Mr. VARE: Petition of Philadelphia (Pa.) Real Estate Board, protesting against the passage of Ralston-Nolan revenue bill; to the Committee on Ways and Means.

3777. Also, petition of Board of Trade Post, American Legion, Philadelphia, Pa., in opposition to the bonus; to the Committee on Ways and Means.

3778. Also, petition of Patrick Henry Branch, Friends of Irish Freedom, asking for recognition of Ireland; to the Committee on Foreign Affairs.

3779. By Mr. YATES: Petition of H. B. Signor, Chicago, Ill., protesting against the pending tax legislation connected with the soldiers' bonus bill; to the Committee on Ways and Means.

3780. Also, petition of David R. Forgan, president First National Bank of Chicago, Ill., emphatically protesting against the pending tax legislation connected with the soldiers' bonus bill, etc.; to the Committee on Ways and Means.

3781. Also, petition of Barrington Post 158, Barrington, Ill., urging the passage of the soldiers' bonus bill; to the Committee on Ways and Means.

3782. Also, petition of E. Lowitz & Co., Chicago, Ill., protesting against the pending legislation concerning a tax on stocks and bonds in connection with the proposed soldiers' bonus bill; to the Committee on Ways and Means.

3783. Also, petition of Solomon Sturges, Chicago, Ill., protesting against the pending tax legislation connected with the proposed soldiers' bonus bill; to the Committee on Ways and Means.

3784. Also, petition of Chicago Board of Trade, transportation department, urging the passage of Senate bill 4027 and House bill 13015, providing for the exemption of all freight from the transportation tax when intended for export; to the Committee on Ways and Means.

3785. Also, petition of Mr. E. A. Hamill, the Corn Exchange National Bank of Chicago, Ill., protesting against the pending tax legislation in connection with the proposed soldiers' bonus bill; to the Committee on Ways and Means.

SENATE.

FRIDAY, *May 21, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we thank Thee for the revelations of Thy purpose concerning us, revelations that have in them so much of power, so much of divine authority, that we stand in fear in their presence. When Thou dost reveal Thy glory we can see in Thee the immeasurable greatness of Thy love, Thy mercy, and Thy purpose in us. Grant us the vision of Thy face. Give us the constant impress of Thy spirit. May we follow the truth, and by the hand of God may be led to accomplish the divine purpose and plan in us as a Nation. For Christ's sake. Amen.

NAMING A PRESIDING OFFICER.

The Secretary (George A. Sanderson) read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 21, 1920.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. IRVINE L. LENROOT, a Senator from the State of Wisconsin, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. LENROOT thereupon took the chair as Presiding Officer for the legislative day.

The Reading Clerk proceeded to read the Journal of the proceedings of the legislative day of Wednesday, May 19, 1920, when on request of Mr. CURTIS, and by unanimous consent, the further reading was dispensed with and the Journal was approved.

IMPERIAL VALLEY, CALIF. (S. DOC. NO. 276).

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Secretary of the Interior submitting an estimate of appropriation, in the sum of $20,000, required by the Department of the Interior for investigation of irrigation problems in the Imperial Valley of California, as authorized in the act approved May 18, 1920, which, with accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the joint resolution (S. J. Res. 189) authorizing and directing the accounting officers of the Treasury to allow credit to the disbursing clerk of the Bureau of War Risk Insurance in certain cases.

The message also announced that Mr. CAMPBELL of Kansas, Mr. SINCLAIR, Mr. RANDALL of Wisconsin, Mr. GANDY, and Mr. WEAVER had been appointed managers at the conference on the part of the House on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2890) to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes, in place of Mr. SNYDER, Mr. ELSTON, Mr. RHODES, Mr. CARTER, and Mr. HAYDEN.

The message further announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Presiding Officer:

H. R. 8440. An act to restore to the public domain certain lands heretofore reserved for a bird reservation in Siskiyou and Modoc Counties, Calif., and Klamath County, Oreg., and for other purposes;

H. R. 9781. An act to amend section 217 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909;

H. R. 9825. An act authorizing certain railroad companies, or their successors in interest, to convey for public-road purposes certain parts of their rights of way;

H. R. 10285. An act to authorize the purchase by the city of Myrtle Point, Oreg., of certain lands formerly embraced in the grant to the Oregon & California Railroad Co. and revested in the United States by the act approved June 9, 1916;

H. R. 11024. An act to amend an act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1914," approved June 30, 1913;

H. R. 13138. An act to amend section 8 of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended May 15, 1916;

H. R. 13157. An act authorizing the issuance of patent to Johnson County, Wyo., of lands for poor-farm purposes;

H. R. 13274. An act to convey to the Big Rock Stone & Construction Co. a portion of the military reservation of Fort Logan H. Roots, in the State of Arkansas;

H. R. 13389. An act to authorize the Secretary of the Interior to dispose of at public sale certain isolated and fractional tracts of lands formerly embraced in the grant to the Oregon & California Railroad Co.; and

H. R. 13576. An act authorizing the Secretary of War to turn over to the Postmaster General, without charge therefor, a certain building or buildings now located at Watertown, N. Y.

PETITIONS AND MEMORIALS.

Mr. TOWNSEND presented a petition of sundry employees of the Lincoln Motor Co., of Detroit, Mich., praying for an increase in the salaries of postal employees, which was referred to the Committee on Post offices and Post Roads.

Mr. McCORMICK presented a telegram in the nature of a petition from sundry citizens of Chicago, Ill., praying that relief be granted the people of the country in the present sugar situation, which was referred to the Committee on Agriculture and Forestry.

Mr. McLEAN presented a memorial of sundry Albanians, residents of North Grosvenor Dale, Conn., and a memorial of the

Albanian Society, of Bridgeport, Conn., remonstating against the annexation of the two southern Albanian Provinces of Koritza and Argyrocastro to Greece, which were referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Hartford, Conn., praying that the United States grant protection to the people of Armenia, which was referred to the Committee on Foreign Relations.

He also presented a petition of the State board of agriculture of Connecticut, praying for the enactment of legislation authorizing the Interstate Commerce Commission to approve the ownership of water lines by railroads, etc., which was referred to the Committee on Interstate Commerce.

He also presented a memorial of the board of directors of the Union Savings Bank, of Danbury; the Central National Bank of Middletown; the Thames National Bank, of Norwich; and of the Riverside Trust Co., of Hartford, all in the State of Connecticut, remonstrating against the enactment of legislation relative to an increase in the Federal tax on the sale of securities in order to raise funds to provide a bonus for the soldiers of the late World War, which were referred to the Committee on Finance.

He also presented a petition of the Chamber of Commerce of Bridgeport, Conn., praying for the enactment of legislation granting a bonus to ex-service men, which was referred to the Committee on Finance.

He also presented petitions of Local Branch No. 109, National Association of Letter Carriers, of Ansonia; of Local Branch No. 164, National Association of Post Office Clerks, of Torrington; of Local Branch No. 738, National Association of Post Office Clerks, of Wallingford; of the Connecticut State Branch, National Association of Post Office Clerks, of New Britain; of the Chamber of Commerce of Bridgeport; of Local Branch No. 746, National Association of Letter Carriers, of Naugatuck; and of Local Branch No. 1261, National Association of Post Office Clerks, of Naugatuck, all in the State of Connecticut, praying for an increase in the salaries of postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented a petition of Central Labor Union of Stamford, Conn., praying for the passage of the so-called Capper pure-fabric bill, which was referred to the Committee on Interstate Commerce.

He also presented a petition of the Eastern Marine Workers' Association, of New Haven, Conn., praying for the parole of Federal prisoners, which was referred to the Committee on the Judiciary.

ARMY REORGANIZATION—CONSCRIPTION OF WORKERS IN INDUSTRY.

Mr. GRONNA. Mr. President, I understand that no letters or petitions will be allowed to be printed in the RECORD without having been read. Therefore I ask unanimous consent to read a letter and a telegram. I am in receipt this morning of a letter from Hon. Samuel Gompers, addressed to me, which is as follows:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., May 20, 1920.

Hon. ASLE J. GRONNA,
Senate Office Building, Washington, D. C.

SIR: I am forwarding to you for your information a copy of a letter sent by me yesterday to the Hon. JAMES W. WADSWORTH, jr., chairman of the conferees committee on H. R. 12775.

Respectfully, yours,

SAMUEL GOMPERS,
President American Federation of Labor.

The letter addressed to the Senator from New York is as follows:

MAY 19, 1920.

Hon. JAMES W. WADSWORTH, Jr.,
Chairman conferees committee on H. R. 12775,
Senate Office Building, Washington, D. C.

DEAR SIR: The executive council of the American Federation of Labor has given most thoughtful consideration to H. R. 12775 and desires to enter most emphatic protest against those sections which provide for the conscription of workers in industry in periods of "national emergency."

The proposed law containing these sections provides for the conscription of workers in times of peace as well as in times of war. Section 69 of chapter 1 provides that "whenever Congress shall declare and the President shall proclaim that a 'national emergency' exists, all male citizens of the United States, except the National Guard or the organized reserves of the Army of the United States, shall be subject to call for immediate active military service during the period of emergency under such regulations as may be prescribed."

It is our understanding that the United States has just been engaged in a great war to overthrow the concept embodied in that provision.

Section 70 classifies persons liable to service "so as to place in a deferred class those who are needed in occupations of importance in the maintenance of the national interest during the emergency so long as they retain and in good faith continue in such occupations."

Clearly, that is not a measure of national defense calculated to strengthen the country against invasion. Unquestionably it is a measure calculated to compel the workers of America to remain at work in defiance of their own wishes and of their own interests, and is repugnant to the spirit of a republican form of government. It must be evident to all that the enactment of this measure into law would constitute an abrogation of the thirteenth amendment of the Constitution, which declares that there shall be no involuntary servitude except as a punishment for crime whereof the party shall have been duly convicted. The term "national emergency" can be and would be construed to cover any unusual condition that might exist within the borders of the country. It is undoubtedly in the mind of those who framed the law that a cessation of work would constitute a "national emergency." The effect of the measure would be to destroy the right of the workers to exercise their normal function and to engage in their normal activities.

Upon proclamation of a "national emergency" the workers conscripted under the provisions of this act would be compelled to remain at their employment, or to return to their employment, no matter what conditions might prevail. If they exercise their normal and lawful rights to cease work, they would be at once subject to the penalty provided in section 28, chapter 2, of the bill, which is as follows:

> Any person subject to military law who quits his organization or place of duty with the intent to avoid hazardous duty or to shirk important service shall be deemed a deserter.

The whole trend to-day is toward democracy in industry. It is toward an enlargement of the measure of justice which the working masses are able to secure. It is toward the general improvement of the conditions of life for the masses of our people. The bill now before you for your consideration seeks to destroy the progress that has been achieved. It seeks to make further progress impossible. It seeks to reestablish and maintain by force of military authority the autocratic concept in industry. The working people of the United States will protest to the utmost limit of their power any movement to destroy their right to cease work or cease giving service under conditions which make service impossible. The right to cease work is a right which is as normal and natural as life itself. If this right is destroyed, freedom will vanish.

Even during the Great War, when every energy was capitalized for the sake of victory, no such drastic and undemocratic measure as this was found necessary. In fact, the most valuable and most effective efforts toward the winning of the war were those efforts which came as volunteer offerings of a citizenship bent upon one purpose. Even autocratic Germany, where human life was the plaything of dictatorship, and where human welfare was never anything but a sacrifice to the welfare of the ruling caste, never had such a drastic law.

It is almost beyond comprehension that the Congress of the United States should consider seriously a measure of this character. It is perhaps one of the best indications of the character of this proposed legislation that it has been kept so carefully from public attention. There seems almost to have been a studious effort made to see that the citizenship of our Republic was kept in ignorance of the proposed act. American people are overwhelmingly opposed to reactionary legislation and particularly so to legislation which tends toward the establishment of military autocracy.

The executive council of the American Federation of Labor is confident that it voices the spirit and the will of the masses of our people in opposing with utmost vigor the enactment of this measure into law. This measure is characteristic not of free America, but the old Russia and the old Germany. The old Russia and the old Germany which typified the concept written into this bill have passed from the face of the earth forever. Many of the great free and democratic nations of to-day are turning to face in the direction of a better administration of justice, of a fuller measure of liberty and freedom, of a higher concept of human life in all its phases. Too much has been done by the Congress of the United States and by some of our State legislatures in defiance of the trend of world democracy, and in defiance of the rights and welfare of the working people.

Unless it is the determination of Congress to remove the United States from the category of free nations, and to destroy

completely the hopes and aspirations and ambitions of our people, it will make haste to defeat the provisions of the proposed bill herein discussed. The executive council of the American Federation of Labor earnestly hopes that the autocratic and un-American provisions of the bill will be speedily and overwhelmingly defeated.

Respectfully, yours,

SAMUEL GOMPERS,
President American Federation of Labor.

Mr. McCUMBER. Mr. President——

Mr. GRONNA. In just a moment. I wish to read a short telegram and then I will yield. The following telegram is from Grand Forks, N. Dak., and is addressed to me:

GRAND FORKS, N. DAK., *May 20, 1920.*

Hon. A. J. GRONNA,
United States Senate, Washington, D. C.:

Division No. 69, Brotherhood of Locomotive Engineers, protests against provisions of Army organization bill providing for conscription of all men between 18 and 45 for military service and assignment to industrial pursuits whenever in opinion of President and Congress an emergency exists. We urge you to use your efforts to defeat this provision.

O. L. POWELL,
Secretary Division No. 69, Brotherhood of Locomotive Engineers.

Mr. President, I wish to say merely a word. A day or two ago I had read a brief article printed in the Washington Post giving an account of the action taken by the King of Great Britain wherein he proposed a volunteer army, and proposed to do away with conscription in time of peace.

Mr. President, I make this statement and I challenge contradiction: The provision in the so-called Army reorganization bill as it passed the Senate is in accordance with the rules laid down by Prince Bismarck during the early seventies. That is the time when the military autocracy of Germany was established. Are we to follow the example set by Prince Bismarck?

I for one, Mr. President, voted against the bill for the reason stated in Mr. Gompers's letter, and with the purpose of doing away with the National Guard and making but one army, and providing also that in times of peace troops shall be permitted to be stationed in the States.

Mr. McCUMBER. Mr. President, I do not know whether I fully understood the import of the letter from Mr. Gompers read by my colleague. Do I understand that Mr. Gompers takes the position that in time of war the Government of the United States is not entitled to call upon every citizen between certain ages to come to the defense of the country?

Mr. GRONNA. Oh, no, Mr. President; it is in times of peace that Mr. Gompers protests against leaving it to Congress or to anyone in case of a national emergency to enforce conscription; and will my colleague define what a national emergency might mean?

Mr. McCUMBER. I can hardly imagine a national emergency that would be of such a character as to justify calling all the people to arms unless it was a real war. If the national emergency was of such a character as to demand the calling to arms of other than the regular soldiery of the United States—the Regular Army and the National Guard—then certainly I would say that there should be no distinction between class and class as to where the Government would look for its support.

Mr. GRONNA. But let us suppose that the farmers of the United States should experience that farming was not profitable, and that they should cease farming operations. Would not that be a national emergency?

Mr. McCUMBER. No.

Mr. GRONNA. Supposing labor throughout the United States should for good reasons, not unpatriotic reasons, for I would not support labor any more than I would support farmers' organizations or any other organizations in doing anything unpatriotic——

Mr. McCUMBER. Let me answer my colleague.

Mr. GRONNA. Let me finish my statement.

Mr. McCUMBER. Not any of them would be an emergency, because the Government would never compel a farmer by force to raise grain nor would it compel by force a worker to work in a certain industry unless it was engaged in a desperate war and it became absolutely necessary that the work be done or the grain be raised; and if ever we reach a condition of that kind then, I am free to say, that for the protection of all the people the Government would have the right to call upon each individual to perform such service as might be necessary.

Mr. GRONNA. The trouble with my colleague is that he is arguing a question which is not before the Senate. I have simply read a letter of Mr. Gompers's which deals with conditions in time of peace, and it is not necessary for my colleague to bring in the question in time of war. That is not being discussed; that is an entirely different issue. We are discussing questions relating to times of peace, and I say that if the labor of the United States should cease to work for good reasons it would be a national emergency.

Mr. McCUMBER. Mr. President, I do not think it would be a national emergency such as would require the Government to conscript all of the people of the United States to forced work. I can not imagine any national emergency, except a mighty desperate war, that would justify conscription, and no one believes in conscription in times of peace.

Mr. THOMAS. Mr. President, the chairman of the Committee on Military Affairs, the Senator from New York [Mr. WADSWORTH], is not in the Chamber, and I seem to be the only member now present of the subcommittee of that committee which framed and reported the bill to which the letter of Mr. Gompers's just read refers. In view of that fact it is my duty to submit a word in behalf of the committee and subcommittee.

The Army reorganization bill, which has passed the Senate and is now in conference, was prepared by the subcommittee of the Senate Committee on Military Affairs after giving exhaustive consideration to every phase of the subject. If any interest concerned in the bill or in any of its details failed to secure a hearing, it was not our fault, but theirs. The hearings extended over a period of some six months. All classes and conditions of men and women were welcomed to the deliberations of the subcommittee, and no request to be heard was denied.

The committee was determined, as far as possible, to avail itself of all essential information, both of a military and civilian character, and to report to the Senate a measure only after the fullest and most complete inquiry into every feature and detail involved in such legislation.

To avoid the contention theretofore presented in opposition to other similar bills that the form and substance of the bill was dictated or influenced by the War Department and the General Staff, the committee discarded the bill prepared by the War Department for its consideration and deemed it wise to avail itself of that military assistance which the General Staff always, and very properly, proffers on such occasions. Not only so, but the committee made its own selections from the official body of the Army, and thereby secured the assistance of gentlemen not wedded to staff considerations but who had all their lives made a study of military problems from their own points of view.

These gentlemen, at the request of the chairman, were assigned to the duty of giving the committee all possible assistance at all times, and it is due to them to say that they acquitted themselves of the task thus imposed upon them with an ability and a completeness that places the committee, at least, under the greatest of obligations to them.

I see that the chairman of the committee is now in his seat, and, therefore, I shall yield the floor to him with little delay. The National Guard features of the bill were considered in conjunction with the very best officials of that organization who had won their spurs on the fields of Flanders, and who spoke not for themselves only but for the great mass of their brother officers. And you have been informed that they have received the approval of the American Legion.

Moreover, the bill introduced for the State National Guard—perhaps that is not its proper appellation—by those representatives of the National Guard interests which are now holding positions in the States under State law was also given the very fullest consideration, and although invited to come before us with the assurance that their expenses would be paid only four or five of its advocates availed themselves of that opportunity.

Since the report of the bill to the calendar the opposition of that segment of the National Guard has materialized in protests and appeals to individuals Members of the House and Senate to sidetrack or defeat it.

Of course, there is and has been widespread and determined opposition to the principle of compulsory training, and that was deferred to by omitting from the bill and discarding entirely those sections which were devoted to that subject and a system of voluntary training substituted. That, too, was obnoxious to the House, and has been discarded in conference. As a result the opposition is very largely concentered upon section 69, although all of the sections relating to the National Guard are as well the subject of controversy.

Section 69, Mr. President, merely provides that in case of national emergency declared by Congress and announced by the President the able-bodied men of the country shall be subject to military service. I am unable to perceive any valid ground of objection to that proposition. If the people of the United States can not trust their Representatives in Congress

to act upon measures of such tremendous importance, the sooner Congress is abolished the better. Representatives and Senators are presumably, although it may be a violent presumption in these days, selected and sent to Washington by communities which regard them as competent and capable properly to represent them and discharge the duties which membership imposes upon them, and if constituents are so fearful of the abuse of that power by a body completely under their control, one House being elected as to its entire membership every two years, then I must despair of representative government everywhere, for if the people can not trust, as I have said, their own Representatives in whom they have reposed their own confidence, and sometimes repeatedly, and if it be true that these officials are incapable of representing them or misrepresent them, then I reiterate that representative government is a failure.

But, Mr. President, even that situation has been met. I violate no confidence when I inform the Senate that the words "great national emergency" have by the conference committee been abandoned and the word "war" substituted therefor, so that the measure to be reported, if a final agreement can be reached, for the ultimate consideration of the Senate is one which provides that in case of war declared by Congress and proclaimed by the President the able-bodied citizenry of the country shall respond by draft if necessary.

Mr. NORRIS. Mr. President, will the Senator yield there?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Nebraska?

Mr. THOMAS. Certainly.

Mr. NORRIS. I am very glad indeed to have the information the Senator has just given. In my opinion, it throws a great deal of light on the subject, and I think it ought to be stated that Mr. Gompers, when his letter was written, of course did not have that information.

Mr. THOMAS. It was so stated by the chairman of the committee here some days ago.

Mr. NORRIS. That may be, but I did not know of it myself.

Mr. THOMAS. The chairman so stated.

Mr. NORRIS. I expected to ask the Senator the question what objection there would be to putting in the word "war" instead of the words "great emergency"?

Mr. THOMAS. None whatever, and that substitution has been agreed to.

Mr. CHAMBERLAIN. That is what the original words meant.

Mr. THOMAS. We think that is what they meant.

Mr. NORRIS. That may be, although I think there is great opportunity for disagreement as to the meaning of the term; but if the word "war" is used that clears it up, in my mind, to a great extent.

Mr. THOMAS. There is some ground for discussion upon that proposition; but it is incredible that Congress would declare an emergency sufficiently great to require the operation of a draft system that would be short of war. I can not conceive of it, and especially in these days, Mr. President, when congressional action is not due so much to the conviction and individual judgment of the Representatives as it is to the organizations over the country constantly demanding action in their interests and constantly threatening in the event the demand is not obeyed.

Mr. WADSWORTH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New York?

Mr. THOMAS. Yes.

Mr. WADSWORTH. May I remind the Senator that the word "emergency" is the word which was used in practically all of our war-time legislation as descriptive of the war status?

Mr. THOMAS. Yes; I am glad the Senator reminded me of that, because it otherwise might have escaped me.

Mr. WADSWORTH. That was certainly the intention of the committee and of the Senate when it passed the bill.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Missouri?

Mr. THOMAS. I do.

Mr. REED. But the word "emergency" was used in connection with the word "present"—that is, "the present emergency"; and "the present emergency" clearly meant "the present war." That is a very different thing from the word "emergency."

Mr. THOMAS. From the words "great emergency." I think the bill uses the term "great emergency."

Mr. REED. No; I beg the Senator's pardon.

Mr. THOMAS. I may be mistaken about that. My recollection was that the bill used the words "great emergency."

Mr. REED. The bill I have before me is, I suppose, the bill as passed.

Mr. THOMAS. That phraseology governs, of course.

Mr. REED. The language here is:

> Whenever Congress shall declare that a national emergency exists.

Mr. THOMAS. I stand corrected.

Mr. President, a great many of the organizations bombarding Members of Congress with letters and telegrams—and the number I receive is constantly augmenting—in opposition to section 69 of the bill are precisely those that have always opposed efficient State National Guard organizations. The affection they now manifest for State troops, to say the least of it, is in inverse proportion to the zeal which has been heretofore displayed against them.

The fact is, there is a large sentiment—I do not say that it is a prevailing one, because I do not think it is—against any military establishment whatever; and if we have one, then the sentiment is to make it as innocuous and as contemptible as possible.

I am no militarist. God knows, I have seen enough of war in my time. My life has extended over three great wars in which the United States has been involved. I saw its seamy side in my youth. I have tried to bear my part of the burden of the last great conflict. One reason I am unable to accept the treaty is my belief that instead of decreasing it greatly extends the probabilities of war in the future. I wish nations could live, consort with each other, and dispose of their various differences without resort to the arbitrament of war. But the experiences we have recently undergone and the disturbing condition of world affairs are such that I believe as a Senator of the United States I would not discharge my duty to my conscience, to my constituency, and to the Nation if I did not do my humble part toward securing a military system so efficient that in the event of sudden and speedy change of conditions, in view of the possibility of our being thrust again into a great world conflict or into a conflict with a single one of the great powers, such a crisis should not find us in the same situation in which the last one found us. I have, therefore, to the best of my ability contributed in my humble way toward the preparation of this bill, which I believe, although by no means perfect, is the best scheme of Army organization ever offered to the consideration of Congress.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from North Dakota?

Mr. THOMAS. I yield.

Mr. McCUMBER. I wanted to hear all of the Senator's explanation, but I was called out of the Senate Chamber for a moment, and possibly he has covered the point I have in mind. It is this: The Senator, of course, must agree with me that the Government has the right to call upon any and all of its citizens in time of war.

Mr. THOMAS. Unquestionably.

Mr. McCUMBER. And it is not necessary to make that a matter of declaration before the war so far as the right is concerned. Now, the letter which was read by my colleague expressed a fear that this power would be called into effectiveness during some strike or during times of peace. I can not possibly believe for a single moment that any member of the committee ever contemplated that we would need to have conscription to meet the little troubles that we may have in our domestic concerns.

Mr. THOMAS. That is correct.

Mr. McCUMBER. I wanted to ask the Senator, then, that being the case—and, as I construe it, the power of conscription is intended to be used only in cases of emergency, and the emergency must be of the character of such a war that the Regular Army and the reserves in the States could not take care of it—what is the real purpose of declaring as a principle that the right of conscription exists when we know as a matter of fact that it exists?

Mr. THOMAS. Mr. President, the term "national emergency" certainly is not susceptible of a wrong construction in so far as the widespread character of the emergency, whatever it may be, is concerned. Of course, if the advocates of the so-called "one big union" succeed, if all of the discontentment and disloyalty and dissatisfaction of the Nation should be organized into an enormous body stretching from ocean to ocean and from Canada to Mexico, under a leadership capable of mobilizing it into a strike, or an insurrection, or any other form of revolt against the Government, I think such action would be national in character and would become a rebellion. In such an emergency there is no doubt, in my judgment, but

that Congress would act, the President would make proclamation, and a state of war would exist.

Let me say to the Senator from North Dakota that I do not regard this provision as a mere announcement of a principle. It is designed to make drafts effectual contemporaneously with a declaration of war or of a state of war without further legislation. The Senate will remember that although war was declared on the 6th day of April, 1917, the selective draft bill did not become a law and was not approved until the latter part of May, as I remember.

Of course, enlistments continued, and possibly no time was needlessly lost. Nevertheless, it is a fact that the arm of the Government could not be exerted to its full extent for lack of legislation until some 60 valuable days had transpired; and this provision is designed, if I correctly understand it, to cover a similar emergency, once it exists, and thus save a space of time and a delay which might be not only critical but fatal.

Mr. President, if I caught the language of the letter of Mr. Gompers's, when presented, it complained of a lack of information or of publicity regarding this subject. I do not pretend to give his words, but there seemed to be a complaint, which was the equivalent of a charge or an insinuation, that information or knowledge concerning this vastly important measure had been suppressed, partially at least, and that the public had not had the opportunities for information which it should have possessed.

That, Mr. President, is not the case. The reporters—and they are among the most active and energetic men in America—were at all times acquainted by the chairman of the committee with the progress of this bill. The testimony has been printed, and an enormous quantity of it has been circulated. There are hundreds of volumes not yet distributed which are available not only to Mr. Gompers but to the meanest citizen in the country. The bill was discussed to tatters here upon the floor, and particularly those measures which, since its enactment, seem to have become so obnoxious.

I quite agree that if information regarding any subject of legislation, however contemptible or insignificant in its character, were suppressed, and the public not permitted to inform itself of it, it would not only be a great wrong but one for which the individual Members responsible for that fact should be subject to impeachment. Nothing of the kind has been done, and, what is more, the chairman of this committee is incapable of such conduct. Nothing, however unimportant, appearing in the details of this bill has been concealed, has been suppressed, or has been overlooked. The chairman has answered every question, and I think completely, of every Senator upon this floor regarding every detail of the measure; and with one single exception let me say, as I have said before, that he is more familiar with this legislation, more familiar with military affairs, more competent to pass upon these questions as the representative of the committee, than any man inside or outside the Senate Chamber.

I am sure that my associates will agree that at no time during the consideration of the bill was any movement whatever made, in any manner or degree, to refuse full information or to prevent the public from obtaining what information it wanted.

I said a few moments ago, Mr. President—and I will close with this reflection—that in modern times the Congress does not function upon its own independent judgment, upon the convictions of the Members of the House and Senate as to the proper discharge of their duties, so much as through the influence of organizations of all kinds, capitalistic and industrial, social and economic, continually bombarding both branches with appeals, with demands, with protests, and with threats, all of which are bound to have their influence, and in consequence of which most of the modern legislation of the Congress of the United States is a mosaic and unsatisfactory to anyone, ambiguous, ineffective, and frequently ridiculous.

In this connection let me call the attention of the Senate to a few golden words of wisdom from the pen of David Jayne Hill, one of the most eminent economists of the day, a statesman, a diplomat, and a patriot, which appeared in the North American Review for April last. He said:

> The greatest danger now menacing this Republic is the control of the Government by well-organized, persistent, and vociferous private groups of men and women aiming to acquire the power to influence the action of public officers; yet the whole fabric of justice rests on the responsibility of those intrusted with authority. Having been freely chosen by the ordered procedure legally provided, a public officer in the United States is not properly subject to the orders or the intimidation of any group of citizens, however powerful, and he can not better display his fitness for discharging a public trust than by ignoring or, if necessary, resisting any attempt by any group, for any purpose, to deflect him from the resolute and conscientious performance of his duty as a public officer in matters confided to his action, however numerous and respectable that group may be.

Mr. President, I am reminded that the Senator from Wyoming [Mr. KENDRICK] gave notice that he would address the Senate this morning upon a very important measure, which I presume will soon come up for consideration, and I ask his pardon for having detained the Senate so long upon this subject.

PANAMA RAILROAD STEAMSHIP LINE.

Mr. ROBINSON. Mr. President, I ask leave to have printed in the RECORD a brief statement sent out to the press by the Washington bureau of the Journal of Commerce yesterday, dated May 18, relative to the rates which are charged by the Panama Railroad Steamship Lines in the transportation of freight and passengers to and from Haiti; also a letter to Mr. A. L. Flint, chief of the Panama Canal office, written by Mr. T. H. Rossbottom, assistant to the vice president of the Panama Railroad Steamship Line. In connection with this article and the letter referred to I desire to submit a statement.

The article charges the Panama Railroad Steamship Line with unfair competition and also charges that it refused to enter into an agreement with the Shipping Board and with private steamship companies for the maintenance of the conference tariff rates in the transportation of freight and passengers to and from Haiti.

The letter of Mr. Rossbottom, which I have asked to have printed in the RECORD, discloses what I believe to be the true facts in connection with the matter.

The two private steamship lines with which the Panama Railroad Steamship Co. is in competition are the Royal Dutch Line and the Raporel Line. Mr. Rossbottom states in his letter as follows:

> The Royal Dutch Line (complainant No. 1) is a steamship line owned in Holland, operating vessels of Dutch registry. The Raporel Line (complainant No. 2) was the steamship branch of a firm of commission merchants engaged in Haitian trade. They first operated steamers of foreign registry, and their object in operating steamers was principally to take care of their own shipments. They were later able to induce the Shipping Board to assign Shipping Board steamers to them for operation, and several months ago the shipping community was duly informed that the line had been taken over by the Clyde Line.

With respect to the rates which are maintained by the Panama Railroad Steamship Line Mr. Rossbottom states:

> Our rates to Haitian ports are higher than our rates to the Canal Zone, which is 700 miles beyond. We do not operate 12 steamers to Haiti, as indicated in the article. We operate seven, four of them being the weekly passenger steamers to Cristobal that stop at Port au Prince on their outward and homeward voyages. We did not, as stated in the article, attend any recent conference at the Shipping Board at which the various companies agreed to maintain differentials between ports and adopted a uniform policy in regard to fixing rates, and know nothing of any such conference having taken place. The only meeting that we did attend was one held during the early winter at the office of the Shipping Board in New York, at which the Raporel Line only was represented. They suggested that we increase our rates 25 per cent. We gave our reasons for declining to favorably consider that proposition. The representative of the Shipping Board thanked us for the frank expression of our views, and that is the last we have heard on the subject.

Mr. Rossbottom also points out the fact that there has never been any refusal on the part of the Panama Railroad Steamship Line to comply with any suggestion of the Shipping Board and that there has been no intimation on the part of the Shipping Board that the Panama Railroad Steamship Line should change its policy or reduce its rates.

He further points out the fact that everything Haiti produces must be sold in a declining market and that everything she purchases must, as a rule, be purchased in a rising market. He says:

> If the transportation rates from the United States are increased as the Royal Dutch Line and the Raporel Line desires, it will tend to divert shipments to Haiti from the United States to Canada and Europe, and there is enough diversion of that character going on at the present time because of the unwillingness of the American banking interests to extend the credits which the English banks are freely extending in their efforts to get the trade for Canada and England without our company intensifying that situation by unnecessarily boosting our rates 25 per cent.

Mr. President, I merely desire to say in conclusion that, in my opinion, no policy should be urged or adopted which would drive United States shipping interests out of the Haitian trade, but, on the contrary, a policy ought to be pursued which will enable this Government and its shipping interests to enjoy a fair share of the shipping trade, not only with Haiti but with Central American and South American countries.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Nebraska?

Mr. ROBINSON. I yield.

Mr. NORRIS. I would like to inquire of the Senator about this complaint. I understand complaint has been made by a couple of foreign steamship lines against the Panama Railroad Steamship Co., a Government line; that they have not increased

their rates as the complainants desire that they should. Who makes this complaint and where do they propose to try these people for not increasing their rates?

Mr. ROBINSON. The complainants are the Royal Dutch Line, which, of course, is a Holland steamship line, and the Raporel Line, which is said to have been recently taken over by the Clyde Line. These private steamship companies contend that rates which are being charged by the Panama Railroad Steamship Co. are less than the cost of operation to private companies, and that rates should be agreed upon which will virtually prevent competition in this trade. Of course, if such rates should be adopted, the private lines would probably absorb the entire trade by reason of their great activity and by reason of the alliances of the banking interests of certain countries in which these private lines are owned, and that is undoubtedly the motive, in my opinion, lying at the bottom of the complaint.

Mr. NORRIS. To what body or organization or tribunal do they make the complaint?

Mr. ROBINSON. The complaint is made in an article sent out by the Washington bureau of the Journal of Commerce. The declaration is made in the article that the Panama Railroad Steamship Co. attended a conference of the Shipping Board, in which conference the private lines were alleged to have been represented, and they complain further that the Panama Railroad Steamship Co. refused to enter into an agreement which was satisfactory to the private lines mentioned, and that they are in competition with the boats leased by the Shipping Board to the Raporel Line, and perhaps other lines, and in competition with the Dutch Line. But Mr. Rossbottom says that no such conference was attended.

Mr. NORRIS. I understand that.

Mr. ROBINSON. He also declares that no suggestion was ever made to the Shipping Board by the Panama Railroad Steamship Co. that it should adjust its rates to suit the convenience of the private lines mentioned, or that it should reduce its rates in any degree, and points out the fact that the rates to and from Haiti are higher than the rates to and from the Panama Canal Zone, which is 700 miles farther than Haitian ports from the United States.

Mr. NORRIS. It seems to me, if the Senator will permit an observation, that the complaint of these privately owned lines against the Government owned and operated line is that the Government-operated line would not enter into a combination with them to increase rates.

Mr. ROBINSON. Undoubtedly that is one of the complaints; and the increase was to be 25 per cent.

There is another statement in the article which I have not mentioned, but which is of considerable importance as reflecting the purpose of the propaganda which is being carried on through this and similar articles.

I have been informed privately by the Senator from Utah [Mr. SMOOT] that the article and the letter can not be printed in the RECORD.

Mr. SMOOT. The Senator can read them.

Mr. ROBINSON. I understand that I can read them, but I do not want to do that. I ask unanimous consent to print this article and the letter in the RECORD.

The PRESIDING OFFICER. The Senator from Arkansas asks unanimous consent to have printed in the RECORD the article and letter referred to by him.

Mr. SMOOT. Mr. President, I shall have to object.

The PRESIDING OFFICER. Objection is made.

Mr. ROBINSON. I have stated the substance of the article and the substance of the letter in detail, and I shall not consume the time of the Senate in reading either of them.

ADDRESS BY VICE PRESIDENT MARSHALL.

Mr. PITTMAN. Mr. President, I have in my possession a copy of the speech delivered by the Vice President at the Indiana State Democratic convention, at Indianapolis, on May 20, 1920. While there are a number of positions taken by the Vice President, and a number of constructions with which I do not agree, and with which many Senators do not agree, it is a very able speech, and having been delivered by the Vice President of the United States and the President of this body, I ask unanimous consent that it be printed in the RECORD for preservation.

Mr. SMOOT. Mr. President, there was so much confusion in the Chamber that I could not hear what the Senator from Nevada said.

Mr. PITTMAN. I have presented the speech by the Vice President of the United States, delivered yesterday, and asked that it be printed in the RECORD.

The PRESIDING OFFICER. Is there objection? There being no objection, it is so ordered.

The Vice President's address is as follows:

"When last you did me the honor of paying respectful attention to what I deemed it advisable to say to the Democrats of Indiana we were in the midst of a death grapple with the mightiest military organization since time began. Our victory seemingly has been won, but it is for the sober second thought of the American people to determine whether the victory was real or apparent, for the war stripped the world to the skin and permitted us to see all the loveliness of sacrifice and all the loathsomeness of selfishness.

"In the perspective we see marching by a shadowy army of military autocracy, which vainly proclaimed to the world that might made right; and now we see again marching for an onslaught upon our common humanity guerrilla bands, each one of which imagines, if it does not believe, that humanity as constituted to-day is the lineal descendant of Ishmael.

"The world is to be rebuilt and America is to be rehabilitated. Blood lust, passion, envy, greed have disenthroned the reason of many good men, and, the world around, the babel of language by which men hoped to reach heaven has been transmuted into a babel of conduct with a like purpose. Everyone knows what the other fellow should be compelled to do. Few admit any personal responsibility for good government.

"This Republic was a part of the Great War from its very beginning. Since time began no ruler of a great people ever had presented to him such Herculean tasks as the President of the United States confronted in August, 1914, and from that date forward continuously until the signing of the treaty of peace at Versailles; first, how to maintain the traditional neutral attitude of the American people consistent with their rights; then, how to keep our mixed population so at peace as to wage with the full force of the Republic our part in the war for civilization; and, finally, how to preserve the integrity of the American Government and yet deal justly by the world.

"I stand amazed at the wisdom, patience, and fortitude which met, grappled with, and overcame these difficulties. I have no apology to offer for the things which were done in the hour of war. In such an hour not only laws but principles must be temporarily laid aside in the cause of victory and self-preservation.

"Indeed, I need not mention the record made by the Democratic administration, for, aside from the controversy about the treaty of peace and the League of Nations, a Republican legislative administration has for 12 months laid its hand upon nothing and has thought of nothing save a proposal to prevent during an unprecedented scarcity of manufactured products the dumping of foreign-made goods on our markets as an oblation to the great god, Protection, that he will not permit the lowering of prices lest 300 per cent stock dividends may no longer be declared and thus the workingman be put upon an equality with the pauper labor of Europe.

"The aftermath of the war in legislative halls would be heartbreaking if it were not humorous. In trumpet tones two years ago Republicans proclaimed that the party of expediency was necessary to the rebuilding of America. Now, I must concede that their party has done something that was never heretofore done in all the history of government. It has put in 12 months of searching investigations of the most minute character and at great expense to show that the victory which we won was really a defeat. No one is going to pay any attention to these investigations. They are a part of the legislative process of American life. We investigate everything from the strike of vast bodies of workingmen to the suspension by a school board of a teacher. We subpœna witnesses, hire stenographers, work the Government printing press overtime getting out the testimony, make a report that no one reads, and then forget it.

"It is sufficient to say that there was extravagance in the conduct of the war; I admit it. But governments act like individuals and should be judged in the same way. No man calls for bids on the price of an operation when his wife's life is in danger. He hires a surgeon and pays him what he has to. Governments do the same thing; and I am willing to trust the good sense of the American people to approve of what was done to the end that the war might be brought to a speedy and successful conclusion.

"But all this has nothing to do with the case. The Republican Party has not rehabilitated America. The question now is, To what party will the people commit the work of reconstruction? And, as kindred to that question, What will the Democratic Party say are the lines along which it proposes to accomplish that work?

"There are many men, enthusiastic souls, who say there is no doubt this work will be entrusted to the Democratic Party, and with confidence review its record.

"Consider the Federal reserve act, they argue, without which the war could not have been financed and by which panics are preventable.

"Consider the farm-loan act, which has enabled the farmers to procure loans at 5 per cent on mortgages extending in time up to 35 years.

"Observe how the Democratic Party supplemented the thou-shalt-nots of the antitrust law with the thou-shalts of the income-tax law. Deploring the slow process of the former in curbing the greed of business combinations, it imposed a greater income tax, a surtax, and an excess-profits tax. The workings of the laws have been tested by actual experience, yet in a year's time the Republican Party has found no way to take unnecessary burdens from the shoulders of those who are ill able to bear them and put them on the swollen profits of those who can well afford to bear them.

"Consider how the Democratic Party has prepared all the physical necessities of a vast merchant marine to extend the commerce of the American people.

"Observe its tender solicitude for those who risked their lives in the Army by the enactment of the war-risk insurance.

"Remember the vocational training and the rehabilitation of the men who met with misfortune in the World War.

"Of course, say these enthusiastic men, the American people will not forget these great legislative achievements and will without doubt gratefully return the party to power.

"Be not deceived. Tom Reed was right when he defined gratitude as the lively expectation of favors to come. Too many beneficiaries of the eight-hour law failed to vote the Democratic ticket in 1918 and boasted that no party ever would dare to take it away from them. You can not delude me into the belief that the average man pays any attention to the apple which he has eaten.

"Gentlemen who play politics for a living or as a sport imagine they can present by political platforms moot questions and demand that the American people render judgment upon those and none other. They are mistaken. The issues of a campaign are the things the people are thinking about or what you can get them to think about. No thoughtful man who has conversed with people in different callings of life has ever heard so many questions discussed as are being discussed at the present time. These questions could not be discussed in a brief address. They need not be. One man is opposed to Government ownership of railroads, but insists that the Government should finance them. Another wants the Government to own the roads, but would let the employees run them as they see fit. Some manufacturers justify 300 per cent stock dividends, which, by the decision of the Supreme Court, are not taxable, on the ground of the high cost of labor. Some laboring men justify slowing down on their jobs because their wages are not sufficient to meet living demands. Others hold that the Government should fix the wage and hour and conditions of labor, but that the individual laborer must not be compelled to acquiesce, and, if he does, may treat his employer and the public as though they were his enemies.

"Who now is delivering to the American people the trumpet blast, demanding equal justice for the employer and the laboring man and punishment for the profiteers and stamping the laborer who, obtaining justice, defrauds his employer and the public by failing to do an honest day's work? I can not stop to enumerate these so-called grievances, these so-called rights, to discuss further this almost universal belief that a legislative enactment is an Aladdin's carpet. The party which takes up all these questions, one by one, and proposes a legislative solution of them in an altruistic platform will not succeed.

"If our party is to succeed, it must lay down broad general principles and respectfully ask each individual whether these principles are not right and whether his own desires ought not to be yielded to them for patriotic purposes. In my opinion, certain general principles, honestly considered, will bring to the American people what out of turmoil they are now blindly seeking—peace. I am myself a lifelong lover of peace. So far as I know I entertain no enmity or ill will against a soul on earth. I hope to preach always the gospel of peace, and so I begin at Jerusalem. In the orderly way of such preachment, it is advisable to dispose of my views on our foreign relations.

"What I shall say about the treaty of peace with Germany will be brief, for I have no hope of lighting with my little rush light the Cimmerian darkness which now envelops it. A lifelong advocate of a resort to courts and not to force, I gave my unqualified indorsement to the altruistic views of the President, in the defense of which views he has broken his body.

"My reasons differed from those of many others. I was for the League of Nations because I was impressed with the truth of Goethe's statement that no government is as bad as no government at all. I did not and do not like the forms of government of many of the contracting parties nor the diplomatic views which those forms of government might bring into the League of Nations. But I saw a world in tumult and disorder. I saw as a result of the war the springing up of new democratic governments of weak peoples, helpless as little children. I felt that unless the storms of passion, envy, discontent, ambition, and greed could be calmed by the oil of international discussion and arbitration, the greater fruits of the war would be lost, that the principle of self-determination would be set back for a century. I did not know of the good faith or bad faith of other governments. I had no doubt of our own good faith, and felt assured that the covenant provided a way in which, if we discovered we were losing any of the rights and privileges of American citizens or that our Government was yielding to other Governments any of the duties it owed to its citizenship, we could with honor withdraw from the league.

"No one has deprecated more than I the unfortunate result in the Senate of the United States. It is not mine to get into the inner heart of Senators and determine how much their views have been swayed by personal hatred or by hope of party advantage. The treaty of peace with Germany should be concluded by the President of the United States. It can be concluded, however, only with the advice and consent of the Senate. This was, as I understood it, an American war. The peace should be an American peace. The war could not have been fought successfully as either a Democratic or Republican war. The peace can not bring that real peace which the American people want if it be made either as a Democratic or a Republican peace.

"I still hope that the President and Senate of the United States will reach an accord upon such terms as will enable the treaty to be ratified and a de jure peace to be made with the Government of Germany, but as I grant to no man the right to read me out of the Democratic Party nor to say to me that I can not stand upon its platform, advocate the election of its candidates and vote for them, I myself will not say to any man that his views upon the League of Nations inevitably place him without the Democratic fold.

"To promote peace in America the first thing to be done is to convince the individual that he is the unit of government, and that upon the discharge of his duty in all relations with his fellow men depends the quietude and good order of society, and that he can have the best opportunity for the exercise of his inalienable rights as a man and the discharge of his Heaven-imposed duty by ready acquiescence in the principles upon which the Republic was founded.

"The first of these principles I may state to be that the Government in Washington is a government of delegated powers, and not a guardian whose duty it is to minister to the delinquencies of States and individuals.

"In Washington you may see the beauty of your Capital City marred by innumerable public buildings, made necessary for the conduct of the war. They were erected to house the innumerable boards, commissions, and clerks necessary to its speedy termination. You have been told that they are only temporary structures; that they will be removed and the city restored to its pristine beauty. From the aesthetic standpoint this is hopeful; from the Democratic standpoint it would be more encouraging to the American people if they could be assured that these boards, commissions, and countless officials who have during the war been doing things which even the Kings of England could not have done 200 years ago, shall, now that the war emergency has passed, be razed to the ground and removed as encumbrances from the body politic.

"Human nature excuses but patriotism does not justify the assumption by the General Government, nor the ready acquiescence therein of the state and citizen, of any responsibility which is not inferable from the charter which granted power. And when I say this I am at once confronted with the statement that I am not a progressive. Now, whether I shall confess or deny that charge depends upon what is meant by progress. If being a progressive means that a man traveling along a safe highway and observing that something is wrong with his machine, should conclude that the way to restore the machine is to turn off the paved highway and run upon a country road which leads he knows not whither, rather than get out, adjust the machine, and proceed upon the paved road, then I am not a progressive.

"I believe that the principles upon which the Republic was founded can be applied to every condition of to-day, as they

were applied to conditions fifty and a hundred years ago, and that, by the application of these principles, peace, quietude, good order, and prosperity can be maintained and the old Republic revivified.

"I lay down the proposition that from this time forward long and prayerful scrutiny to any addition to the organic law of the land should be given before its adoption. Expediency has added too much already. Public contempt for or lack of interest in the law of the land is the most dangerous menace to free institutions. I was willing to be a Bryan Democrat, content to be a Parker Democrat, glad to be a Wilson Democrat, but I am unwilling to be a Pontius Pilate Democrat.

"Men say we must go forward. To that I do not object. It is to desertion and going over to the enemy that I object. It is not going forward, it is going over the precipice I fear.

"Cool off and tell me, did we go forward when we gave the unlettered colored man the ballot and then spent 50 years in devising plans to deprive him of it?

"Did we go forward when we gave the people the right to nominate and elect their Senators and then broke the bank trying to corrupt the suffrage?

"Did we go forward when we devised the primary and gave to many letters patent on officeholding?

"Did we go forward when we passed the prohibition amendment and then immediately began openly and avowedly to seek ways to evade it?

"I hold that the Democratic doctrine of equal and exact justice to all men and of special privileges to none will meet all the angry and irreconciled views of to-day. The needle points always to the pole. It does not point to the east when the wind is in the east, nor to the west when the wind is in the west. Congress errs when it gives to a howling minority what it wants just to stop the howl. It also errs when a majority adopts for a minority the policy of the stepmother when rearing her husband's large family of children, which was to find out what they do not like and give them plenty of it.

"Equal and exact justice for all men means for minorities as well as for majorities.

"It means also that church and state are not to be reunited in America by subterranean passages. If men are not to have a chance to make a choice between good and evil, they are slaves, however velvety may be the chains of government that bind them. There was more joy in heaven over one sinner that repented than over the ninety and nine who went not astray. And there is no record that even heaven forced any man to repentance. That is where Congress has been trying to beat heaven as a reformatory.

"It is a violation of the principle of equal and exact justice for all men for paid busybodies to feed with vain and idle promises the self-pity of an individual or a class. He who troubles my soul with longings when no angel of healing is nigh robs me of a fair measure of content and naught enriches himself.

"Equal and exact justice for all men demands that the law shall take into consideration the inherent right of the individual to life, to liberty, and to the pursuit of happiness; shall protect the individual in these rights; shall punish him if he interfere with the rights of another; shall separate all citizens into the honest law-abiding and the dishonest lawbreaking; shall let the honest law-abiding alone and shall punish without fear, favor, or affection the dishonest lawbreaking. And to accumulate a mind which believes in these principles, it is time for us to put our flying machines in the hangars of life and realize that while there is less speed there is more safety in walking. Government cure-alls for the divine delinquencies of men are quack medicines which only the bedridden, spineless, and incompetent pessimist will continue to take. Let us brace up. Let us become captains of our own destiny. Let us snap our fingers at the sneering face of adverse fate. Let us go to work. If we can not make a living in 6 hours, let us work 8; if not in 8, let us work 10; if not in 10, let us work 12.

"Let us not delude ourselves into the belief that the currency and credit of this country can double, the population increase, and the production remain at a standstill, and yet that the high cost of living may be reduced and peace, plenty, and prosperity abound in the land. Let us quit talking about the profiteer and begin jailing him. And let the man who works understand that in greater production he benefits himself as well as his fellow man.

"Equal and exact justice to the people of this country was not guaranteed to them under old Republican rule, when it justified special privilege upon the ground of the common good of the American people, for it knew that the legislation was 1 per cent common and 99 per cent preferred. There will not be in the future equal and exact justice if there be but a gamble between cunning and cupidity. Who doubts that in this enlightened age equal and exact justice applied as a principle would give to labor a fair and honest wage, would demand of labor a fair and honest day's work, would induce both labor and capital to see their duty to the ultimate consumer, would punish the profiteer and teach the laborer that he alone can make of himself a commodity?

"Equal and exact justice means legislation for American citizens. They alone have a right to present their grievances. Their laws should be readjusted in the interests of the entire people. Men are not entitled to equal protection of the law because they are bankers or bakers, ministers or mechanics, lawyers or laborers. For their private good and for the advancement of their own interests they have a perfect right to form, for instance, manufacturing associations and federations of labor, but neither has a right to present a grievance to Congress as a class grievance. It has every right to present it as an American grievance if it be one.

"We all condemn in unmeasured terms that foreign-born man who, having heard that America is a political asylum, has come to our shores with an idea that he can do as he pleases and be treated as a lunatic, though he be a criminal. What is to be the honest answer of every liberty-loving American to the proposal of all sorts of American citizens that this Government has been instituted for the purpose of giving him a benefit at the expense of some one else? Opposed as I was to the hyphen of blood, I must be opposed to the hyphen of class or business or interest.

"It is the purpose of government to act as a yoke and not as a spiked collar. It should enable the people to draw their burdens, not their blood. Its legislation should meet with the ready acquiescence and approval of all good citizens who do not deem the Government to be an eleemosynary institution, devised for the distribution of alms. No man can claim to be a democrat who threatens another with ostracism or starvation because the other does not think or act as he directs. He who tells his Government that legislation is inadvisable, that it is unconstitutional, that, if enacted and held constitutional, he will appeal to the people for its repeal, acts in the spirit of an American. But he who tells his Government that he will not obey his country's law and judgment ceases to be a citizen and becomes an outlaw. Upon the other hand, that government is unworthy to endure which will not listen patiently to the grievance of the lowliest citizen in the land.

"You can not gain the loyalty of the citizens of America until they have made up their minds that the laws of this country shall rest with equal justice and equal force on high and low alike. Nor is it equal and exact justice for power to impose upon minorities a course of conduct simply because it has the power. If it be not just and right, it is the act of a tyrant masquerading as a democrat. As a corollary of the proposition that the laws should afford equal and exact justice to all men, it should be stated that the way to obtain these laws is to enforce whatever the law may be without fear, favor, or affection.

"Everyone in Indiana knows that though I neither use nor serve liquors, and ceaselessly hope that all will abstain from their use as a duty they owe to God and their families, I have not been a nation-wide prohibitionist. The prohibition amendment is, however, a part of the Constitution of the United States, until it shall be set aside by an opinion of the Supreme Court or until lawful ways shall lead to its repeal. Delighted as I am to see the mass of mankind now sober, I could not from the ancient Democratic standpoint have made a speech dealing with the relations of a man to his God and his family and insisted that the State should control them. But the Democratic Party will merit the contempt of the people if it ever stands for the flaunting of a law because certain citizens do not believe in it. While the prohibition amendment remains, it must be enforced in accordance with its provisions. If crystallizing public sentiment does not as the days go by get back of it, the people will find a way lawfully to lessen what some deem to be its rigors.

"Freedom of speech and freedom of the press, now that the war is over, should be restored and punishment should be provided for all those who seek to stir up tumult and disorder or the overthrow of our Government by any other than the orderly processes of the ballot box. The Government owes it to its citizenship not only to enforce the law against the lawbreaker but to protect the citizen in the exercise of his constitutional and inalienable rights. It should let the citizen alone as long as he is pursuing an honest calling in an honest way, and by precept and example it should hold the citizen responsible for the discharge of his duty.

"The Democratic Party should demand that the States take back the discharge of the duties which were reserved to them in the compact made with the General Government. To that end it should pledge its Chief Executive to veto any and every bill which contains an appropriation not warranted by the Constitution of the United States and which is not for the benefit of the people rather than for a limited number thereof.

"It should promise the people that it will not submit any amendment to the Constitution of the United States which further relieves the States of their duty to enforce the police power inherent in the States and to protect the lives and fortunes of their citizens. Who does not know that if the States will resume the duty of overseeing their corporations, compel them to live within their charters, to have no more rights in one State than in another, and annul its charter should one corporation marry another, that many of the evils of the trust would disappear?

"When the expenditures of the General Government shall have been reduced to a minimum, the party should take advantage of the practical workings of past revenue bills so as to impose the burdens of taxation upon those who are best able to bear them.

"The almost obliterated lines dividing the three branches of government should be again clearly drawn. Government by discretion should cease. Boards which make rules, try violations thereof, and enforce punishment should go. They are not democratic. They are benevolent despotisms.

"The country should never forget the debt of gratitude which it owes to all those who were killed, wounded, or disabled in the service of the United States and to the persons dependent upon them. But it should look very carefully before it makes heroism a commodity of national life. To all those who are sound of body and mind, who as children of the Republic offered to die if need be in defense of their country's cause, I have only this to say: You can if you will obtain almost anything you ask from the Congress of the United States. It will be afraid to resist you. But looking back upon your glorious record, I beg you to consider whether you want to go down in history as of the tribe of Nathan Hale or of the tribe of Oliver Twist.

"All legislation and executive conduct inevitably flow from the few principles briefly referred to by me. And now, gentlemen, a word in conclusion: I am deeply grateful to the Democrats of Indiana who have stood loyally by me even when many of them did not agree with me. Age has cooled the ardor of youth, but it has not changed the fixed principles upon which my political life has been founded. For myself I ask nothing save your friendship and your charitable judgment, but I can not contemplate the past without the feeling that there stand around me this day the shades of Hendricks, Vorhees, McDonald, and Turpie, bidding me to call upon the Democracy of Indiana not to remove the ancient landmarks, to hold fast to the faith, to be strong, to acquit themselves like men. Success is desirable, but honor is needful.

"It has been my purpose to discuss principles, not men; but I desire to indorse the candidacy of Senator Taggart for election to the Senate of the United States, not because of our personal, friendly relations, but because I found him, when he was in the Senate, to be honest, competent, and patriotic—a high-grade business man with no entangling alliances such as I deem to be particularly needed now in the reconstruction of governmental policies. In my judgment his country needs him."

CAMPAIGN EXPENDITURES.

Mr. WALSH of Montana. Mr. President, the Senator from Utah [Mr. SMOOT] yesterday morning presented to the Senate a newspaper article appearing in the Washington Times referring to a report to the effect that a fund of $5,000,000 is to be accumulated for the purpose of promoting the candidacy of the Hon. William G. McAdoo for the office of President of the United States, and he invited my attention to it. I am very glad the Senator gave this publicity to the article.

I was so deeply interested in it that I called the attention of the Committee on Privileges and Elections to the matter this morning in connection with its consideration of the resolution adopted yesterday on motion of the Senator from Idaho [Mr. BORAH]. The article to my mind bears intrinsic evidence that it is a fake, but nevertheless it will now undoubtedly have the consideration of that committee.

Mr. SMOOT. I wish to say to the Senator from Montana that I think there is just about as much truth in that article as there was in the article which the Senator presented to the Senate. I do not think there is any truth in either one of them.

Mr. WALSH of Montana. Of course that is a matter of individual opinion. I took it from the RECORD that the newspaper article to which I referred was introduced upon the suggestion of the Senator from Utah as an ordinary publication.

Mr. SMOOT. It was taken from the Washington Times.

LEAGUE OF NATIONS.

Mr. WALSH of Montana. Mr. President, for some time I have had on my desk the report of a subcommittee of the American Bar Association on the League of Nations covenant, appearing in the April number of the American Bar Association Journal. I hesitated to ask that it be printed in the RECORD, although I believe that everyone will concede that it is a valuable contribution to the literature upon that important subject, and one which the public would read, I think, with avidity.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Idaho?

Mr. WALSH of Montana. I yield to the Senator.

Mr. BORAH. What is the document which the Senator has?

Mr. WALSH of Montana. It is a report made by a committee of the American Bar Association on the covenant of the League of Nations.

Mr. BORAH. It ought to be understood that that report was never adopted by the American Bar Association.

Mr. WALSH of Montana. Oh, certainly; it has never been acted on. The report was submitted and remains for action before the bar association. It was published in the journal of the bar association for the month of April.

Mr. BORAH. I have a letter from the secretary of the bar association, stating emphatically that that must not be deemed as representing the views of the American Bar Association.

Mr. WALSH of Montana. By no means; the Senator is correct, and I have no purpose to represent it as being the work of the bar association. A committee was appointed to make a report upon the covenant, and this is the report of that committee, which still remains before the association for action. I ask unanimous consent that it may be printed in the RECORD.

Mr. SMOOT. Mr. President, I shall have to object.

Mr. WALSH of Montana. Then I move that the report of the committee referred to, as the same appears in the April number of the Journal of the American Bar Association, be printed in the RECORD.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

Mr. SMOOT. During the morning hour the Senator can not under the rule make that motion.

The PRESIDING OFFICER. The Chair is of opinion that the motion is in order after 1 o'clock.

Mr. REED. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. REED. Under what order of business are we proceeding?

The PRESIDING OFFICER. Under the presentation of petitions and memorials.

Mr. REED. I call for the regular order.

The PRESIDING OFFICER. The motion is made under the regular order for the presentation of petitions and memorials.

Mr. REED. It is not a communication to the Senate of the United States or the Congress of the United States. It is a communication to the American Bar Association.

Mr. WALSH of Montana. I submit it as a petition.

The PRESIDING OFFICER. The Senator from Montana submits it as a petition.

Mr. REED. But that does not make of it a petition. If A addresses B and the Senator wants to present it, that does not make it a communication of A or B to Congress. We are under the order of presentation of petitions and memorials. That means a petition or memorial addressed to the Congress of the United States.

The PRESIDING OFFICER. If the Senator from Missouri insists upon a ruling, the present occupant of the chair will have to rule that it is neither a petition nor a memorial.

Mr. WALSH of Montana. Mr. President, I desire to say in this connection that never in my experience in the Senate, now extending over a period of more than seven years, has any such restricted construction been given to either the term "petition" or "communication" as used in the rules. These matters are always presented at this time as expressive of the views of individuals or of bodies. For example, there are introduced here at this hour and under this order of business telegrams which are not in the nature of formal petitions.

If the rule is to be given any such interpretation as is contended, it will be next to impossible to get any expression from

the people of the United States upon matters of very great importance that are pending before us. In other words, if a citizen of the United States can not be heard upon important matters that are pending before this body except his communication be prepared by a lawyer and put in formal shape, addressed duly to the Congress of the United States or the Senate of the United States and the signature thereto be properly authenticated, the whole value of the right of petition is utterly destroyed.

I can not believe, Mr. President, that any occupant of the chair is going to give such a restricted construction to the rule.

Mr. SMOOT. There is no objection to the Senator offering it as a petition, if that is what he wants to do, and having it referred to the proper committee, but every telegram referred to by the Senator of late has been read into the RECORD, or it has simply been received and referred to the proper committee. That is the rule which has been followed for some time.

Mr. WALSH of Montana. That is, of course, another matter.

The PRESIDING OFFICER. The Chair would like to make a statement in connection with what the Senator from Montana has said.

The present occupant of the chair does not remember that this question has ever been raised. The Chair is well aware of the practice referred to by the Senator from Montana, but if the question is raised, and it has been raised by the Senator from Missouri, the Chair would call the attention of the Senator from Montana to the fifth paragraph of Rule VII, which, as clearly as language can make it, signifies that under this heading a petition or memorial must be addressed to the Senate.

Mr. SMOOT. And shall be "referred without debate" to the appropriate committee.

Mr. McCUMBER. Mr. President, as bearing upon the suggestion made by the Chair, we are constantly receiving telegrams from societies and organizations, which telegrams are addressed to a Senator only, but, of course, it is understood that they are addressed to the Senator as a Member of the Senate, and when they refer to legislation before the body would not the Chair hold that to be equivalent to a petition to the Senate itself?

The PRESIDING OFFICER. The Chair probably would, but this communication, as the Chair understands, does not comply with the fifth paragraph of Rule VII.

Mr. McCUMBER. Of course, I do not know the form of the particular communication under discussion.

Mr. WALSH of Montana. That is very simple. I will sign it. Now, what is the objection to it? I offer the following communication and ask that it be printed in the RECORD.

Mr. REED. Mr. President, there is no intention in the rule that a Member of the body can present a petition or memorial for himself. That is not the meaning of the rule. A Senator has the right always on the floor to say anything he pleases that is parliamentary and to present any bill he desires or any measure for relief. He does not need to present petitions and memorials to the Senate. The rule for the presentation of petitions and memorials is to preserve to the citizen the right to send his petition to this body. You can not make a communication from A B to C D a petition to this body by a Senator merely signing it.

If the rule now contended for by my distinguished friend were to obtain, then I or any other Senator can present to this body as petitions and memorials all the editorials and all the news that may be printed in all the newspapers, and though they are not addressed to the Senate he can make them his own petition and his own memorial by presenting them in that form. It does away with the rule and the purpose of the rule.

I have no special objection to this particular article. I have not heard it. I have only read a synopsis of it in the newspapers.

Mr. WALSH of Montana. It would do the Senator good to read it.

Mr. REED. Perhaps it would. Perhaps it might do the gentleman who wrote it some good to have read one of my speeches. That is just as likely.

Mr. BORAH. And it would have just about as much effect.

Mr. REED. And it would have just about as much effect on one as the other, as is suggested. The truth about the matter is that if this matter is permitted to be introduced then the door is wide open for all the literature on the subject to be presented as a petition or memorial.

John Jones writes an article for a magazine and some Senator says, "I present the article of John Jones"—it is not addressed to Congress at all, but is addressed to the American people—"as a petition to Congress." You can not make a watermelon out of a pumpkin by changing its name; it is the same vegetable. This is not a petition to Congress and was not addressed to Congress. If the Senator from Montana in offering it himself wants to present his own views, he has the opportunity, and he has done so a great many times and to the great information and delight of the Senate.

It seems to me, Mr. President, this debate ought not to be prolonged, though I have taken my share of the time. The Senator from Wyoming [Mr. KENDRICK] has given notice that he intends to address the Senate this morning, but the time has been taken up, not in the introduction of bills but in debate over various matters.

The PRESIDING OFFICER. Does the Senator from Missouri make a point of order?

Mr. REED. I make the point of order that this is not a petition or memorial which is addressed to Congress, that it is out of order at this time, and that, in any event, it must be referred to a committee.

Mr. WALSH of Montana. Mr. President, I have no objection to its being referred to a committee; that is not the point. I have moved, under the provisions of Rule XV, that the matter be printed.

The PRESIDING OFFICER. The motion of the Senator from Montana is not in order unless the communication itself is in order under the present order of business. The Senator from Missouri makes the point of order that it is not in order, and the Chair sustains the point of order.

Mr. WALSH of Montana. Mr. President, I appeal from the decision of the Chair.

Mr. REED. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Harding	McKellar	Simmons
Beckham	Harris	McNary	Smith, Ariz.
Borah	Harrison	Nelson	Smith, Md.
Brandegee	Henderson	New	Smoot
Calder	Jones, N. Mex.	Norris	Stanley
Capper	Jones, Wash.	Nugent	Sterling
Chamberlain	Kellogg	Overman	Townsend
Comer	Kendrick	Page	Trammell
Culberson	Kenyon	Phelan	Underwood
Curtis	Keyes	Pittman	Wadsworth
Dial	King	Poindexter	Walsh, Mass.
Edge	Lenroot	Ransdell	Walsh, Mont.
Elkins	Lodge	Reed	Warren
Gay	McCormick	Robinson	Williams
Hale	McCumber	Sheppard	

Mr. UNDERWOOD. I wish to announce that the junior Senator from Virginia [Mr. GLASS] is necessarily detained from the Senate.

Mr. McKELLAR. The senior Senator from Virginia [Mr. SWANSON], the Senator from Colorado [Mr. THOMAS], and the Senator from Montana [Mr. MYERS] are absent on official business.

Mr. CURTIS. I have been requested to announce the absence of the Senator from Colorado [Mr. PHIPPS] on account of illness. I will let this announcement stand for the day.

The PRESIDING OFFICER. Fifty-nine Senators have answered to their names. A quorum is present. The question is, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. SMITH of Arizona. Mr. President——

The PRESIDING OFFICER. The question is not open to debate, the original question not being open to debate.

Mr. SMITH of Arizona. I should like to make a brief statement, if I may be permitted to do so, and I ask unanimous consent for that purpose.

The PRESIDING OFFICER. The Senator from Arizona asks unanimous consent to make a brief statement. Is there objection? The Chair hears none, and permission is granted.

Mr. SMITH of Arizona. Mr. President, when I was chairman of the Joint Committee on Printing I tried, with the cooperation of the Senator from Utah [Mr. SMOOT], to make every honest effort to prevent printing outside matters in the CONGRESSIONAL RECORD. I regret to notice that for the past six or seven months, it seems to me, of this session of Congress everything that any Senator has pleased to have printed, including newspaper articles and even private letters and private telegrams, has gone into the RECORD, until absolutely we have brought about a shortage of print paper in the United States by trying to print outside matter in the RECORD.

Mr. SMOOT. That has been stopped, however, in the last two months.

Mr. SMITH of Arizona. I arose to ask the Senator from Utah whether we are to be met, as we were met then, by the Senate voting to print outside matter in the RECORD. At the

time to which I refer the Senate did not sustain us in our efforts, and we both quit the fight. If it is the purpose now to prevent the inclusion of extraneous matter in the RECORD, I will stand, as I have invariably stood heretofore, with the Senator from Utah in keeping the CONGRESSIONAL RECORD as a record of the proceedings of the Senate, so far as this body is concerned, and to keep everything else out of it except those matters which the rules permit to be printed.

Mr. SMOOT. Let me say to the Senator from Arizona that about two months ago I consulted the Senator from Massachusetts [Mr. LODGE], the leader of the majority, and the Senator from Nebraska [Mr. HITCHCOCK], the acting leader of the minority of the Senate at that time, and told them of the conditions confronting the Government in relation to paper, advising them at the same time that if the practice which had been pursued for months past, and to which reference has just been made by the Senator from Arizona, was continued, we would not be able to secure paper to publish the CONGRESSIONAL RECORD, and even now I do not know how long we shall be able to do so.

It was agreed by the Senator from Massachusetts and the Senator from Nebraska that, no matter what request might be made for printing in the RECORD of extraneous articles, an objection should be made, and so, for the last few months, that policy has been followed with the exception, I think, of two cases, and in those two instances I was not in the Chamber when the request was made.

Mr. SIMMONS. The regular order, Mr. President.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Montana?

Mr. SMITH of Arizona. Yes.

Mr. WALSH of Montana. If the Senator will pardon me, I desire to restate what I said a while ago that I have offered the article referred to by me only because on yesterday the Senator from Utah, notwithstanding his remarks now made, read into the RECORD a newspaper article of considerable length.

Mr. SMITH of Arizona. Senators in their own time can still do that, and we can not prevent it.

Mr. WALSH of Montana. He did not ask that it be printed, but read the article.

Mr. SIMMONS. Mr. President, I rise to a point of order. I suggest that debate is out of order.

The PRESIDING OFFICER. The Senator from Arizona has been granted unanimous consent to proceed, and the Senator from Arizona is in order.

Mr. SMITH of Arizona. I merely wish to say in conclusion that if the purpose is as indicated by the Senator from Utah and the Senate will stand by the committee in its efforts, I shall oppose, as I have heretofore opposed, printing anything in the RECORD except in conformity with the rules of the Senate.

The PRESIDING OFFICER. The question is, Shall the decision of the Chair stand as the judgment of the Senate? [Putting the question.] The "ayes" have it, and the decision of the Chair stands as the judgment of the Senate.

REPORTS OF COMMITTEES.

Mr. ROBINSON, from the Committee on Claims, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

A bill (S. 4326) for the relief of George F. Ramsey (Rept. No. 614);

A bill (S. 4327) for the relief of H. B. Banks (Rept. No. 615); and

A bill (S. 4328) for the relief of Roach, Stansell, Lowrance Bros. & Co. (Rept. No. 616).

Mr. HENDERSON, from the Committee on Claims, to which was referred the bill (S. 1313) for the relief of Francis Nicholson, reported it with an amendment and submitted a report (No. 618) thereon.

Mr. PHELAN (for Mr. HENDERSON), from the Committee on Claims, to which was referred the bill (S. 4250) for the relief of John B. Elliott, reported it without amendment, and submitted a report (No. 619) thereon.

Mr. SHERMAN, from the Committee on the District of Columbia, to which was referred the bill (S. 4400) to amend an act entitled "An act to incorporate the Masonic Mutual Relief Association of the District of Columbia," approved March 3, 1869, as amended, asked to be discharged from its further consideration, and that it be referred to the Committee on the Judiciary, which was agreed to.

SUNDRY CIVIL APPROPRIATIONS.

Mr. WARREN. From the Committee on Appropriations I report back favorably with amendments the bill (H. R. 13870) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes, and I submit a report (No. 617) thereon. I give notice that I shall ask at the earliest opportunity to take up the bill and to proceed with its consideration.

The PRESIDING OFFICER. The bill will be placed on the calendar.

ODONTOLOGIC LATIN-AMERICAN CONGRESS.

Mr. WARREN. Yesterday the Chair laid before the Senate a message from the President of the United States, transmitting a letter from the Secretary of State submitting a report with reference to an invitation of the Uruguayan Government to the first Odontologic Latin-American Congress at Montevideo September 18–23, 1920, and it was referred to the Committee on Appropriations and ordered to be printed. I move that the Committee on Appropriations be discharged from the further consideration of the message from the President of the United States, and that it be referred to the Committee on Foreign Relations.

The motion was agreed to.

GARDEN CITY (KANS.) WATER USERS' ASSOCIATION.

Mr. McNARY. From the Committee on Irrigation and Reclamation of Arid Lands I report back favorably with amendments the bill (S. 3852) for the relief of the Garden City (Kans.) Water Users' Association, and for other purposes, and I submit a report (No. 613) thereon.

Mr. CURTIS. I ask unanimous consent for the immediate consideration of the bill just reported by the Senator from Oregon. It is very short, and has been passed by the Senate twice heretofore.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendments were, in line 3, after the word "contracts," to insert "affecting lands in the Garden City project of the Reclamation Service in Finney County, Kans."; in line 6, after the word "water," to strike out "for" and insert "from"; and at the end of the bill to strike out:

SEC. 2. That the Secretary of the Interior shall make to Congress a statement of the expenditure connected with this reclamation project and the amount received from its sale—

So as to make the bill read:

Be it enacted, etc., That the contracts affecting lands in the Garden City project of the Reclamation Service in Finney County, Kans., heretofore entered into between the Finney County Water Users' Association of Finney County, Kans., or with individual landowners, and the Secretary of the Interior for the supply and use of water from the irrigation plant of the United States be, and the same are hereby, canceled and relieved; and the liens upon the land in said county created by such contracts are hereby released and discharged.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TRAMMELL:

A bill (S. 4425) remising, releasing, and quitclaiming to Thomas R. Burnham and Phillippa D. Burnham, husband and wife, all right, title, interest, or claim of the United States in and to the east half of the west half of arpent lot No. 81, in Pensacola, Fla. (with accompanying papers); to the Committee on Public Lands.

By Mr. TRAMMELL (for Mr. FLETCHER):

A bill (S. 4426) for the relief of Henry W. Reddick; to the Committee on Claims.

By Mr. HARRIS:

A bill (S. 4427) granting the consent of Congress to the city of Columbus, in the State of Georgia, to construct a bridge across the Chattahoochee River; to the Committee on Commerce.

By Mr. SHEPPARD:

A bill (S. 4428) authorizing the appointment of Ira Franklin Sproule as captain in the United States Army; to the Committee on Military Affairs.

By Mr. WARREN:

A bill (S. 4429) to legalize and ratify taxes imposed by the Philippine Legislature in section 1614 of the act No. 2657, approved February 24, 1916; to the Committee on Finance.

By Mr. SHERMAN:

A bill (S. 4430) to amend section 115a of an act entitled "An act to establish a code of law for the District of Columbia," as amended; to the Committee on the District of Columbia.

By Mr. McCORMICK:

A bill (S. 4431) to authorize the construction of a bridge across the Rock River, in Lee County, State of Illinois, at or

near the city of Dixon, in said county; to the Committee on Commerce.

By Mr. PHELAN:

A bill (S. 4432) to provide for awarding decorations, devices, or insignia to the next of kin of deceased persons who would have been entitled to receive the same, and making it unlawful for anyone other than the person authorized to do so to wear such decoration, device, or insignia; to the Committee on Military Affairs.

By Mr. UNDERWOOD:

A bill (S. 4433) granting certain lands to the State of Alabama for the use of the insane hospital for the colored; to the Committee on Public Lands.

NAVAL TRAINING STATION, GREAT LAKES, ILL.

Mr. McCORMICK submitted the following resolution (S. Res. 371), which was read and referred to the Committee on Naval Affairs:

Resolved, That the Committee on Naval Affairs, by subcommittee or otherwise, is hereby authorized and directed to visit and inspect the Naval Training Station, Great Lakes, Ill., and to investigate and report to the Senate as soon as practicable—

(a) The extent, value, and cost of the improvements made at the Naval Training Station, Great Lakes, Ill., since April 6, 1917.

(b) The description, value, and cost of the lands, buildings, and other property purchased, leased, or otherwise acquired for such additions and improvements, the manner of purchasing, leasing, or otherwise acquiring such lands, buildings, or other property, the method of making compensation therefor, and the use and disposition thereof.

(c) Such additional matters relating to the control, administration, and conduct of such station since April 6, 1917, as the committee may deem advisable.

SEC. 2. Such committee is hereby authorized during the Sixty-sixth Congress to sit during the sessions or recesses of the Congress at Washington or at any other place in the United States; to send for persons, books, and papers; to administer oaths; and to employ a stenographer to report such hearings as may be had in connection with any subject which may be before such committee, such stenographer's service to be rendered at a cost not exceeding $1 per printed page; the expenses in carrying out the provisions of this resolution to be paid out of the contingent fund of the Senate.

WITHDRAWAL OF PAPERS.

On motion of Mr. SHERMAN, it was

Ordered, That the papers accompanying the bill S. 2156, Sixty-sixth Congress, first session, granting an increase of pension to Madison O. Rose, be withdrawn from the files of the Senate, no adverse report having been made thereon.

On motion of Mr. BECKHAM, it was

Ordered, That the papers accompanying the bill S. 1513, Sixty-sixth Congress, first session, granting an increase of pension to Joseph M. Gibbons, be withdrawn from the files of the Senate, no adverse report having been made thereon.

RIVER AND HARBOR APPROPRIATIONS.

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 11892) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JONES of Washington. I move that the Senate insist upon its amendments, agree to the conference asked for by the House, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. JONES of Washington, Mr. MCNARY, and Mr. RANSDELL conferees on the part of the Senate.

INCOME AND PROFITS TAX RETURNS.

Mr. HARRIS. Mr. President, I move that the Committee on Finance be discharged from the further consideration of Senate joint resolution 146, directing the Secretary of the Treasury to furnish the Senate certain detailed information secured from income and profits tax returns of the taxable year 1918.

The PRESIDING OFFICER. May the Chair inquire whether this motion was made on a previous day?

Mr. HARRIS. I entered a motion a few days ago to discharge the Committee on Finance from the consideration of the joint resolution.

Mr. SMOOT. Mr. President, the Senator from Georgia moved on the last legislative day, as I understand, that the Committee on Finance be discharged from the further consideration of Senate joint resolution 146. A meeting of the Finance Committee was called for this morning, and it was called at a time when it was not known that a Democratic caucus was to be held this morning. It was therefore impossible to secure a quorum. A meeting will be called, not only on this matter but on several other matters, for to-morrow or Monday, and I am quite sure that a few amendments will have to be made to this joint resolution; and I will say to the Senator from Georgia that there is no necessity for asking that the committee be discharged from the consideration of this joint resolution.

Mr. HARRIS. Mr. President, it has been nearly six months since I introduced this measure in its original form. The Senator from Utah objected several times to unanimous consent for its consideration, and then the Chair ruled that as originally submitted it was not in order and that it would have to be introduced in the form of a joint resolution. The Senator from Utah, if I mistake not, said that he would not oppose this measure as a joint resolution.

The joint resolution has been before the Senate Finance Committee since January. There are certain Senators here who object to its consideration. The resolution simply asks for information for the Senate as to profits taxes and income taxes on corporations for the past three years. It is similar to a resolution that was adopted by the Senate several years ago. I shall not be able to be here next week; important business will call me from the city, and I shall insist upon a vote on this joint resolution to-day.

I ask for the yeas and nays on the motion to discharge the committee.

Mr. SMOOT. Mr. President, of course if the Senate wants to discharge the Finance Committee from the consideration of this joint resolution, well and good; but the Senator knows that the chairman of the committee has been absent, on account of illness, every day since the introduction of this joint resolution, and the committee has not met regularly. As soon as my attention was called to the request made by the Senator I asked the secretary of the committee to call a meeting for this morning. When certain amendments are made to the joint resolution I have no objection whatever to having the committee report it out and having it considered; but I think it is not showing due respect to a committee to try to force the joint resolution out of that committee now after the statement that I have already made.

Mr. HARRIS. Mr. President, Members of the Senate talk about the high cost of living and the profiteers, and denounce them, and say everything possible against them, but Congress has not done anything to prevent profiteering. This is a joint resolution that will simply show to the country what the profiteers are making. If the Senate of the United States wants to go on record as opposing giving that information to the people, it has a perfect right to do so.

Mr. SMOOT. That is not the question now at all. As I say to the Senator, the reason why I objected to his original resolution was that it was a Senate resolution, and it was an attempt to amend the existing law by a Senate resolution. I claimed that that could not be done, and when the point of order was made against it the Vice President sustained the point of order. Then the Senator introduced this joint resolution, and it went to the committee. No one that I know of is objecting if it is going through in the proper way; and there is nothing asked for here, with the exception of giving information for the year 1918, that is not in Public Document No. 259.

Mr. NORRIS. Will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Nebraska?

Mr. HARRIS. Certainly.

Mr. NORRIS. I suppose this is the joint resolution which the Senator introduced on account of the failure of the Senate resolution that he submitted last January. Am I correct?

Mr. HARRIS. It is. The Senate resolution was ruled out of order.

Mr. NORRIS. I want to say that I always thought that the decision of the Chair was wrong when he ruled on the Senate resolution which the Senator introduced at that time. In my judgment it was not a change of law, and the resolution of the Senator was proper, and I thought it ought to have been passed; but the decision was otherwise, and we have abided by it. The Senator has taken the course mapped out to him then, and has introduced a joint resolution. It was debated at that time. Nobody has objected, except in a technical way; and I thought at the time the Senator ought to have appealed from the decision of the Chair, and ought to have taken the judgment of the Senate on it. This course, however, was taken. The Senator has followed the course that was outlined to him then as the proper course. He has introduced this joint resolution. I do not think it is any insult to the committee to take the joint resolution away from the committee.

It has been before the committee since January. The substance of it was discussed at that time on two or three occasions; and I know that if I were a member of the committee or its chairman I would not have any objection whatever to the discharge of the committee. It is true that the chairman is absent. He has been very busy; everybody knows that he has

been overworked; but that is not any reason why the Senate should wait in seeking this information.

I do not believe the chairman of the committee would have any objection to having this joint resolution put on the calendar, as the Senator's motion would have the effect of doing, and I hope the Senator will insist on his motion.

Mr. HARRIS. Mr. President, I will state that the reason why I did not appeal from the decision of the Chair at that time was the statement of the Senator from Utah that he would have no objection to the passage of this measure if it was in the form of a joint resolution.

Mr. SMOOT. I will say to the Senator again that I have not any objection; but, as I stated before, I know there are amendments to it that the Senator himself will agree to, because the wording here on page 2 makes it next to impossible to carry out. I am not going to object to the consideration of the joint resolution.

Mr. BORAH. Mr. President, this motion is only to put it on the calendar, is it not?

Mr. NORRIS. The effect of the Senator's motion, if carried, would be to put the joint resolution on the calendar. That is its only effect. Then the Senator will have to move to take it up afterwards, and it will be subject to amendment when it comes up if there is anything wrong about it.

Mr. SMOOT. There is no need of having it appear upon the RECORD that the Finance Committee of this body is not going to consider the joint resolution. The committee is going to consider the joint resolution. We would have reported it out to-day if it had not been for the Democratic caucus; and I am not complaining of that, because I want to say that when I learned of it this morning I did not expect any of the Democratic members to be in attendance upon the committee.

The PRESIDING OFFICER. The question is upon the motion of the Senator from Georgia.

Mr. HARRIS. Mr. President, I should like to have the joint resolution amended by adding the year 1919, so that it will cover the years 1918 and 1919.

The PRESIDING OFFICER. The motion is not in order at this time.

Mr. NORRIS. Mr. President, may I suggest to the Senator from Georgia that his motion, as I understand, is simply to discharge the committee and to place the joint resolution on the calendar.

Mr. HARRIS. That is my purpose.

Mr. NORRIS. I would suggest to the Senator, to avoid any debate, that he offer no amendment to it now. When he gets it up from the calendar it will then be subject to amendment.

Mr. HARRIS. Then I withdraw the amendment.

The PRESIDING OFFICER. The question is on the motion of the Senator from Georgia.

Mr. SMOOT. Mr. President, before the question is put I want to say to the Senator from Georgia that it was my intention, if we could get the joint resolution out to-morrow morning, to ask unanimous consent for its consideration. If the Senator from Georgia insists, and the Senate wants to discharge the Finance Committee, it can do so, but it will not hasten the consideration of the resolution.

The PRESIDING OFFICER. The question is on the motion of the Senator from Georgia to discharge the Committee on Finance from the further consideration of Senate joint resolution 146. Upon that question the Senator from Georgia demands the yeas and nays.

The yeas and nays were ordered.

Mr. TOWNSEND. Mr. President, did I understand that a member of the Finance Committee, the Senator from Utah [Mr. SMOOT], stated that he intended to ask the committee to act upon this joint resolution to-day, and would do so to-morrow if this vote should be postponed?

Mr. SMOOT. There is no question about it. This is simply an effort to make it appear that the Finance Committee is objecting to the consideration of this joint resolution, and it is not so. That is all there is to it.

Mr. TOWNSEND. I will state what I had in mind. I think the Senator from Georgia is entitled to consideration of his joint resolution, and I want to vote to give him that opportunity; but if the Committee on Finance has not had its attention called to the matter before, and it had intended to have a meeting to-day, and was prevented from holding one because of the absence of members of the committee, and is to have a meeting to-morrow, I want to ask why the Senator from Georgia could not refrain from pressing this matter until to-morrow, and allow the committee to report on the joint resolution and put on such amendments as may be necessary? It seems to me that that is the orderly procedure, and can not reflect on anybody. I can assure the Senator that I am very much in favor of getting action on the joint resolution, but I would rather have it come up in an orderly way, inasmuch as there is no disposition proven here to delay a report upon it.

Mr. SMOOT. I will say to the Senator from Michigan that I had forgotten all about the joint resolution until the notice was given by the Senator from Georgia.

Mr. LODGE. Mr. President, I can see no possible reason why the joint resolution should not be passed. It seems to me a perfectly proper one. I understand the Committee on Finance had a meeting this morning for the purpose of reporting it out, and intend to have another meeting to-morrow to report it out. There is no opposition to it. It appears to me to be rather unnecessary to treat the committee in this way. I do not think it would facilitate the passage of the joint resolution particularly. I think it ought to be brought out to-morrow and disposed of.

The PRESIDING OFFICER. The question is on the motion of the Senator from Georgia, on which the yeas and nays have been ordered.

Mr. NUGENT. Mr. President, do I understand that there will be a meeting of the Committee on Finance to-morrow?

Mr. SMOOT. A meeting will be called for to-morrow morning, with a view of considering this very joint resolution; and I will say to the Senator that the meeting which was called for this morning was to consider the joint resolution, but, of course, it was impossible to secure a quorum, as the Senator knows.

Mr. SIMMONS. Mr. President, I hope that under the circumstances the Senator from Georgia, with the assurance given by the Senator from Utah, who is acting chairman of the committee, will not press his motion at this time. I think it is very clear that the Finance Committee has been a little remiss in not acting upon the joint resolution earlier. The statement was made that a meeting of the committee was called for this morning for the purpose of acting upon it and that a quorum could not be had. It is well known that the Democratic Members of the Senate were in conference this morning and did not attend. As far as I was personally concerned, I did not have notice of the committee meeting, but if I had I would not have attended it this morning. I think, in view of the statement of the Senator from Utah, the Senator from Georgia ought not to insist upon his motion to-day. If the committee does not report to-morrow, then I think the Senator would be entirely justified in insisting upon his motion.

Mr. SMOOT. Absolutely.

Mr. HARRIS. Then, Mr. President, with the understanding that the joint resolution will be considered to-morrow, I will let the matter go over. I want to say that I mentioned it to the acting chairman of the Finance Committee when I called up the resolution. I have tried to get a vote on this resolution a number of times, and the Senator from Utah every time has objected to the consideration of the resolution by unanimous consent. It has been brought up, I know, several times.

Mr. SMOOT. I did not hear what the Senator said.

Mr. HARRIS. I will let the matter go over until to-morrow.

The PRESIDING OFFICER. Without objection, the matter will be passed over. The morning business is closed.

FEDERAL SUPERVISION OF LIVE-STOCK MARKETING.

Mr. KENDRICK. Mr. President, for some months I have been very much interested in a measure reported last February by the Committee on Agriculture and Forestry for the supervision of the meat-packing industry, and have been in hopes, along with a number of other Senators, that we might have consideration of this legislation before the close of this session.

None of us who have been interested in this bill, known as Calendar No. 386, Senate bill 3944, has had the least intention or disposition to impede the progress of any other necessary legislation, but we have made every effort to facilitate and pass such legislation. Even now I should be disinclined to take any action here which would jeopardize such legislation, but from my viewpoint it is unnecessary to interfere with action on any other measure to take time to consider that which we have proposed.

While I have no authority for such a statement, I feel justified in the assertion that every Democratic Senator in this Chamber would be willing and ready to vote to take up this measure and consider it before adjournment, and I am in hopes that before we do conclude this session we can bring the matter to a vote and determine the action of the Senate upon what I believe to be as important a piece of legislation as has been presented here in many years.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER (Mr. KENYON in the chair). Does the Senator from Wyoming yield to the Senator from North Carolina?

Mr. KENDRICK. I yield.

Mr. SIMMONS. I am very glad to have heard the remarks of the Senator, and I think he can safely state that every Senator on this side of the Chamber would support him in a motion to take up the bill; and if there is any trouble about time, I feel equally as secure in saying that every Senator on this side of the Chamber would support a proposition on his part to fix a day for a vote upon the bill.

Mr. KENDRICK. Mr. President, I thank the Senator for his statement, and I want to say, in addition, that it would be entirely agreeable to me, as one of those who favor this legislation, to agree upon a date on which a vote might be taken very shortly after the measure was brought up for consideration, and, as I have already stated, I see no reason why it should interfere in the least with other necessary legislation.

Mr. President, the measure providing for Federal supervision of the meat-packing industry, to which I address my remarks to-day, has to do with the most important of all the industries in the United States. This is true not only by reason of the nature of the product itself—an elementary factor in the food supply of the Nation—but also by reason of the volume and extent of the business.

It is difficult to convey a correct impression of all that the industry means to the country. It may be pointed out, however, that the United States census report for 1914 places the slaughtering and packing of meat first among the 10 leading industries of the country. The value of the products of the meat-packing houses of the United States in 1914 was placed by the Census Bureau at $1,651,965,424. That was almost, if not quite, twice as large as the value of the output of all the iron and steel works and rolling mills in the country for the same year. It was greater than the combined output of all the flour and grist mills and all the lumber and timber mills. It was almost three times greater than the value of all the cotton goods manufactured in the United States during the same period. Year by year the meat-packing industry has increased in importance until to-day it may be truthfully said that it far outranks all the other commercial industries in America. Indeed, the assertion was made before the Committee on Agriculture and Forestry in 1919 by Mr. Levy Mayer, of Chicago, chief counsel for Armour & Co., that in his judgment the big packers "do as much business as the railroads in dollars and cents."

While it is true, of course, that most of the trading in live stock is done at 14 principal market centers situated at Chicago, Kansas City, Omaha, St. Louis, St. Joseph, Sioux City, St. Paul, Indianapolis, East Buffalo, Milwaukee, Denver, Fort Worth, Oklahoma city, and Wichita, the Bureau of Markets has compiled statistics covering the movement of live animals to 69 American markets. These figures show that during the year 1919 more than 97,000,000 animals went to slaughter in these yards. To state it in another way, there were more animals killed for food last year in our American markets than there were men, women, and children in the country in 1913.

The valuation of these enormous herds is placed by the Bureau of Markets at more than five and a quarter billions of dollars. On a single average market day, Mr. President, the total value of the animals sold in these markets is more than $25,000,000.

It is almost impossible to comprehend the real meaning of figures of this kind, and the magnitude of the industry may be better visualized, perhaps, if attention is called to the size of the largest of these markets, namely, the Chicago Union Stock Yards. This vast plant, largest of all the markets, covers an area of 820 acres. The packing plants alone cover 320 acres, or half a square mile, while the pens, barns, and other buildings utilized for handling the live animals are 500 acres in extent.

During the year 1919 the live stock received at this market was valued at approximately $900,000,000. During the previous year, when the producers of the country were increasing their output in order to supply the Allies, the value rose toward $1,000,000,000. On an average Tuesday last year more than 63,000 animals were received in this yard alone, and the sales on such a day amounted to $4,000,000.

This, Mr. President, briefly, is the record of the largest of the stockyards. When we add to the receipts at Chicago the receipts of the other 13 principal market centers already enumerated we find that of the 97,000,000 animals that were sold last year in 69 markets, 70,000,000, or 72 per cent, were handled in 14 markets.

These figures tell only the story of the animals going to market. Out on the farms and ranges there are vast herds preparing for market. The estimated value of these at the present time, according to the Department of Agriculture, is more than $8,800,000,000; their number—hogs, cattle, and sheep—is placed by the Bureau of Crop Estimates at the stupendous total of almost 200,000,000 head. (Monthly Crop Reporter, March, 1919, p. 31.)

And so, Mr. President, we are dealing with an industry the great magnitude of which few men who have not known it intimately have even imagined. Every year into these markets pours a steady stream of live stock that often assumes the proportions of a torrent. Like a great river, it derives its flow from many apparently insignificant and unimportant sources. From distant and isolated farms come shipments varying in size from a single carload to long trainloads. An unnumbered host of shippers, unorganized and absolutely independent, produce the millions of animals which go to supply the table of the American consumer.

The great bulk of this product is developed west of the Mississippi, while the great bulk of the population which consumes the product lives east of that river.

CONCENTRATION OF CONTROL BY PACKERS.

The fundamental problem of this industry, therefore, has been one of distribution. Because the meat animals had to be transported from the sparsely settled producing areas of the West to the thickly settled consumption centers in the East the live-stock markets and packing houses sprang into existence in the Middle West. Their chief instrument of distribution was, of course, the railroad. Unfortunately, however, the development of the industry took place at a time when the railroads of the country were given over to practices that would not now be tolerated, and economic history reveals the fact that railroad rebates and similar discriminations so common 30 years ago served first to concentrate the control of this industry in the hands of a few men.

The extent to which this centralization has been brought in our day may be judged from the fact that, according to figures supplied us by the Bureau of Markets, the five big packers handled 82.2 per cent of all the cattle slaughtered for interstate commerce in 1916, and all other slaughterers handled only 17.8 per cent. Of all the calves the big packers handled 76.6 per cent, and of all the sheep 86.4 per cent. To group it all into one sentence, we find that during the year 1916 more than 76 per cent of all the live stock handled in interstate commerce was passed through the yards of the big five. This percentage, according to the figures compiled by the Bureau of Animal Industry of the Department of Agriculture, has been steadily increasing from year to year as the big packers widened their control. One by one the big stock markets have passed into their power, until to-day they control not only the 14 principal markets, which handle over 70 per cent of all the live stock that goes to market, but 14 others as well, so that their domination of the industry is all but complete. If it were necessary at this point to indicate how this power was acquired, I could quote at length from the testimony of the big packers themselves before one or another of our congressional committees to show how in many instances this ownership of the stockyards was secured by gift rather than by investment and by intimidation rather than by normal expansion. (See testimony, Louis F. Swift, part 2, Senate hearings on S. 5305, pp. 835–836.)

Not only do the packers dominate the producing markets of the country by controlling the stockyards, but by means of their selling organization and distributing system they control also the consumption market. Mr. L. F. Swift told the Senate committee in 1919 that the big packers own at least 70 per cent of all the refrigerator cars in the country, but J. M. Chaplin, one of the Swift experts, at the same hearing said that he would not dispute the correctness of the Federal Trade Commission report that they own 93 per cent of the cars. By this system the packers not only supply their branch houses, of which there are more than 1,100 scattered throughout the 48 States of the Union, but they reach hundreds of small towns where they have not yet built their local establishments. Armour & Co., by the use of auto trucks, distribute their product even more widely in small, remote communities. Thus it is that to-day by far the greater proportion of all the meat products consumed in the Nation's centers of population are purchased, prepared, and distributed by the same few men who control the stock markets.

THE RECORD OF A GENERATION.

Having thus attempted to show the size, importance, and concentration of this industry, let us now examine its record during the past generation. In the 30 years which have elapsed since the business began to assume its present form there has scarcely been a time when it has not been the subject of popular criticism or official investigation by reason of abuses, suspected or notorious. We are not dealing with a new problem; we are

dealing with an old one, and one which hitherto—to our national shame, it must be said—we have been unable to solve, although the facts have been before us for a generation.

As long ago as May 16, 1888, the United States Senate, responding to the rising tide of complaints from the producing sections of the country, adopted a resolution directing the appointment of a special committee to investigate the transportation and sale of meat products with a view of determining, in the words of the resolution:

Whether there exists or has existed any combination of any kind * * * on the part of those engaged in buying and shipping meat products, by reason of which the prices of beef and beef cattle have been so controlled or affected as to diminish the price paid the producer without lessening the cost of meat to the consumer.

In compliance with this resolution a committee was appointed, consisting of Hon. G. G. Vest, of Missouri, chairman; Hon. P. B. Plumb, of Kansas; Hon. Shelby M. Cullom, of Illinois; Hon. C. F. Manderson, of Nebraska; and Hon. Richard Coke, of Texas, all statesmen of ability, who left an indelible impression on the legislation of their time. After an investigation which lasted about two years and involved every circumstance surrounding the business, these men, whose motives and sound judgment no one would question, gave it as their mature conclusion that "an abnormal and ruinous centralization of the cattle market and its domination by a few men and railroad corporations" had been the result of combinations and agreements for the fixing of prices, the division of territory, and the suppression of competition among the predecessors of those whom we to-day call the Big Five.

The following quotations from this report, Mr. President, will be of interest not only as showing how the foundations were laid for the power which the big packers now exercise but also as furnishing a basis for the comparison of the packer disavowals of wrongdoing in 1890 with their disavowals in 1920. I read:

Another fact about which there existed no diversity of opinion was that the methods of selling beef cattle had been entirely revolutionized in the past 10 years. In place of the old system, when shippers and butchers went from one cattle raiser to another, competing in the purchase of cattle, there is now a concentration of the market at a few points—Chicago, Kansas City, Omaha, St. Louis, Cincinnati, and Pittsburgh—with the controlling market at the first-named city. The cattle producer no longer has a market at his door, but must take or ship his cattle to the market in one of these cities. This revolution in the manner and markets for selling cattle has been caused by the construction of railroads, subsequent combinations between these corporations, and the establishment of stockyards owned by parties controlling the railroads upon whose lines these yards are located, but especially by the fact that a few enterprising men at Chicago, engaged in the packing and dressed-beef business, are able through their enormous capital to centralize and control the beef business at that point. So far has this centralizing process continued that for all practical purposes the market at that city dominates absolutely the price of beef cattle in the whole country. Kansas City, St. Louis, Omaha, Cincinnati, and Pittsburgh are subsidiary to the Chicago market and their prices are regulated and fixed by the great market on the lake.

Whatever difference of opinion was expressed as to the existence of a combination between these firms not to bid against each other in the purchase of cattle, there was no hesitation on the part of witnesses, even when obviously prejudiced in favor of the packers, in stating that the control of the market was absolutely within the grasp of these four houses if they saw proper to exercise it. Indeed, your committee from the first day of their sessions were compelled to notice, and especially in Chicago, the influence of these great operators. Commission men and cattle raisers who were shipping to Kansas City and Chicago were obviously reluctant to testify as to facts or opinions which might prejudice them in future transactions. In one instance a gentleman of high character and unquestioned integrity, Mr. Leverett Leonard, of Saline County, Mo., stated that he had reason to believe that his former appearance as a witness before the committee would cause him to be boycotted in the future as a cattle shipper.

The overwhelming weight of testimony from witnesses of the highest character, and from all parts of the West, is to the effect that cattle owners going with their cattle to the Chicago and Kansas City markets find no competition among buyers, and if they refuse to take the first bid are generally forced to accept a lower one. This testimony comes from representative men, not emotional or prejudiced, but conservative and intelligent observers of whose sincerity there can be no suspicion.

That the same parties, or their agents, combined and confederated in other matters of like character is beyond question.

First. It is admitted that they combined to fix the price of beef to the purchaser and consumer, so as to keep up the cost in their own interest. (P. D. Armour's testimony, p. 481.)

Second. It is admitted that they have an agreement not to interfere with each other in certain markets and localities in the sale of their meat. (S. B. Armour's testimony, p. 264.)

Third. It is proved beyond doubt that they acted together in supplying meat to the Soldiers' Home at Hampton, Va., the National Hospital for the Insane, and other public institutions at Washington, D. C., the bid for the contracts being made by one, and the meats being then supplied by each of the dressed-beef men alternately for stated periods. (Testimony of Dr. W. W. Godding, p. 499; C. B. Purvis, p. 50; G. N. Omohundro, p. 504; W. H. Hoover, p. 502.)

Fourth. They combined in opening shops and underselling the butchers of cattle at Detroit and other places in Michigan and at Pittsburgh, Pa., in order to force them to buy dressed meat. (Testimony of John Duff, p. 154; William Peters, p. 169.)

Fifth. They combined in refusing to sell any meat to butchers at Washington, D. C., because the butchers had bid against them for contracts to supply with meats the Government institutions in the District of Columbia. (Testimony of W. H. Hoover, p. 502; testimony of J. N. Hoover, p. 505; testimony of Santus Auth, p. 508.)

Sixth. They acted together at Chicago in refusing to come before the committee as witnesses, and in preventing their employees and agents from coming, it being an open secret that they met together with their counsel and agreed as to their action.

With this overwhelming proof of a common interest and intent, we submit that it is difficult to believe that with the most apparent motive for such action the same parties, or their subordinates with their knowledge, do not avail themselves of the opportunity presented by the centralization of markets to combine for the purpose of lowering the prices of cattle.

The declaration of Mr. P. D. Armour that he personally had no agreement with other buyers not to bid against each other is not conclusive, for he testifies himself that his agents acted as to business matters without his consent.

The enactment of the Sherman antitrust law following close upon this investigation did not have the effect of destroying the combination which Senator Vest and his associates had so vigorously condemned. It merely had the effect of changing the form of the "trust" and the so-called "Veeder pool" came into existence. From 1893 to 1902, as the packers admitted in the Government suit against the National Packing Co., they maintained a very active and complete, although illegal, agreement for the division of business and territory. Popular agitation and complaint again resulted in Government action, and in 1902 the Department of Justice brought suit against the packers under the Sherman law. The allegations of conspiracy and illegal restraint of trade were fully upheld in spite of all the packer protestations of innocence, and in April, 1905, the United States Supreme Court affirmed the injunction which had been issued against them.

NATIONAL PACKING CO. ORGANIZED.

Barred by this restraining order from pooling their interests as they had in the past and dividing the market by agreement, the packers sought the same end through the organization of a new company, in which all the important meat-packing corporations should be merged. Thus was born the National Packing Co., which dominated the market from 1902 until 1912, when the Government again had to step in with legal proceedings. Instead, however, of seeking another injunction, the Department of Justice on this occasion attempted to apply the criminal provisions of the Sherman law. The jury, as we all recall, failed to convict, but immediately after the verdict, in order to avoid the civil proceedings for another injunction which the Government was about to begin, the National Packing Co. voluntarily dissociated itself into what we now call the Big Five.

This decade from 1902 to 1912 was not without its agitation nor without further official investigation. In March, 1904, Congress passed a resolution in pursuance of which both the Bureau of Corporations of the Department of Commerce and the Department of Justice again gave official attention to the activities of the big packers. The resolution authorizing this investigation, like that of the Senate in 1888, called attention to the "low prices of beef cattle" and "the unusually large margins between the prices of beef cattle and the selling prices of fresh beef."

The "embalmed beef" scandal of the Spanish-American War first gave to the public some intimation of the unsanitary conditions in the packing houses, and culminated in a formal investigation of the stockyards and packing houses by a special commission appointed by President Roosevelt for that purpose. It is not necessary to review here the findings of that commission. It will suffice to quote from the letter of Theodore Roosevelt transmitting the report, under date of June 4, 1906, to the Senate and House of Representatives. I read:

The Senate and House of Representatives:

I transmit herewith the report of Mr. James Bronson Reynolds and Commissioner Charles P. Neill, the special committee whom I appointed to investigate into the conditions in the stockyards of Chicago and report thereon to me. This report is of a preliminary nature. I submit it to you now because it shows the urgent need of immediate action by the Congress in the direction of providing a drastic and thoroughgoing inspection by the Federal Government of all stockyards and packing houses and their products, so far as the latter enter into interstate or foreign commerce. The conditions shown by even this short inspection to exist in the Chicago stockyards are revolting. It is imperatively necessary in the interest of health and of decency that they should be radically changed. Under the existing law it is wholly impossible to secure satisfactory results. * * *

Let me repeat that under the present law there is practically no method of stopping these abuses if they should be discovered to exist. Legislation is needed in order to prevent the possibility of all abuses in the future. If no legislation is passed, then the excellent results accomplished by the work of this special committee will endure only so long as the memory of the committee's work is fresh, and a recrudescence of the abuses is absolutely certain.

THEODORE ROOSEVELT.

How significant, Mr. President, is the last sentence: "If no legislation is passed, then the excellent results accomplished by the work of this special committee will endure only so long as the memory of the committee's work is fresh, and a recrudescence of the abuses is absolutely certain." How familiar those words sound to those of us who have had to do with this proposed legislation during the last few months. They may be repeated to-day with absolute accuracy as applying to the situation

that now confronts us. If this legislation which we are now considering is not enacted, then the results already attained by virtue of popular protest against conditions as they have existed will endure only so long as the memory of the Federal Trade Commission's report is still fresh. When that fades from the public mind, the old abuses are certain to be revived, unless here and now we undertake to set up some agency of the Government the duty of which shall be to prevent a return to the old order.

The legislation which President Roosevelt sought in 1906 was secured, and, although the direst predictions of disaster had been uttered, although producers on every hand had been warned that "continued agitation" would utterly destroy the market for American beef and drive the stockmen from the ranges, none of these calamities occurred. On the contrary, the results were most beneficial, for certainty took the place of uncertainty and confidence took the place of distrust. The certificate of the Federal Government that the plants were under inspection and the knowledge that none but wholesome meat would be allowed to pass into commerce brought a sense of security that had an effect quite the reverse of that which had been foretold. Because the country had faith that the stamp of Government approval meant wholesome food this disturbing question was settled for all time. What we require now, Mr. President, is the enforcement of sanitary business methods in the markets, so that all may be certain that they are as wholesome as the Government has made the meat.

But to return to our history of this business: When the National Packing Co. went out of existence, the Big Five stepped into its shoes. The power which they exerted over the industry continued to expand, and on October 7, 1916, the Secretary of Agriculture issued a report from the office of Markets and Rural Organization on "Methods and Costs of Marketing Live Stock and Meats," in which it is stated on page 50:

> On the whole, it is apparent that the large packing interests exercise an increased and increasing degree of control over the industry, and that effective means should be sought whereby this concentration of ownership and control may be made subject to suitable regulation in the interest not only of the producers and the consumers, who are dependent upon them, but also in the interests of the corporations themselves.

FEDERAL TRADE COMMISSION REPORT.

And, finally, Mr. President, we have before us the thoroughgoing, searching report of the Federal Trade Commission. Nothing has been left undone by those who have endeavored to arouse opposition to this legislation to discredit and belittle this report. They have tried to persuade us that it is incorrect, prejudiced, and false; that the men who conducted the investigation were not seeking facts but were seeking conviction regardless of facts. It is significant, however, that throughout the hearings by your committee the critics of the commission have time after time admitted the correctness of the facts contained in the report, though disputing the validity of the conclusions. Every person who has read this report has, of course, the right to form his own opinion of the meaning of the facts therein contained, and I have no quarrel whatever with the man who, having read it, is, nevertheless, honestly unconvinced, but for the man who condemns it without reading, I can only say that he must stand convicted of allowing his judgment to be swayed by passion and prejudice rather than by reason. Of all men who pass judgment on this question, those who, in public service, have found themselves obliged to do unpleasant things for duty's sake should be the last to criticize the Federal Trade Commission.

The members of this commission need no defense from me, and I am sure they are willing to be judged by their work. They have, however, the satisfaction of knowing that the men who attack them have attacked every previous Government report in the same language; that the men who deny the conclusions which this commission has reached have denied the conclusion reached by every previous investigation; and that upon every step of the road from 1890 down to the present day the denials of the big packers have been followed either by the issuance of injunctions against them by the courts or by their own admissions—after the statute of limitations had run.

This brief résumé of the investigations of a generation brings us at this hour face to face with the question whether the time has not come when, as the Representatives of a sovereign people, we should take some action to put an end to this discreditable record. From the very moment when the first dressed-meat combination was instituted in Chicago until now there has never been a single year that this industry has not been dishonored by open charges of discrimination or confessed guilt. That we have permitted such a record to be made, Mr. President, is in the most emphatic degree discreditable to us as a people. If there were no other argument it would, I submit, seem scarcely necessary to do more than call attention to this amazing record to prove that Government supervision of some kind is absolutely essential. We have here an industry which affects in a direct and positive manner every man, woman, and child in the United States, an industry which outranks in volume of business and importance all the other industries of the country, the control of which has been concentrated to such a degree and by such methods that it has been in the public pillory for 30 years. Surely even the most skeptical will agree that this record justifies the statement that this question can never be settled until it is settled by legislation.

PACKER EFFICIENCY.

Of course, it is now the contention of the big packers that a new day has dawned in this industry, that the illegal practices of the past have been voluntarily abandoned, and that the packer system, through extraordinary efficiency, is an indispensable benefit to the Nation. Let us, then, examine the basis of this claim.

There comes a time, Mr. President, in the history of every large business, if it continues to grow, when its mere size is an actual handicap and when lost motion begins to destroy the beneficial effects of organization. There is a point beyond which no business can safely expand. This point, I am sure, was reached long ago by the corporations which control the packing industry. Let it be remembered, as I have already pointed out, that the power now exercised by the Big Five was not the result of natural growth. It was not by the unfettered play of the law of supply and demand that the packers placed themselves in a position of handling from 75 to 85 per cent of all the stock slaughtered in interstate commerce. On the contrary, this result was obtained by suspending economic law and defying statute law.

Instead of a large number of markets in various parts of the country competing naturally and normally with one another, only a few markets were allowed to develop, and the flow of live stock from the Western States to feed the consuming public in the Eastern States was forced, as it were, through a narrow funnel for the benefit of those who had constructed the funnel rather than for the benefit of the great public that had to be served.

The Vest report of 1890 recites a typical story of how the combination worked. A small packer at El Paso was forced out of business because the railroads, at the request of Armour, refused to supply cars for the transportation of his product. He had developed a market in the vicinity of Los Angeles and was killing approximately 50 head of cattle a day. These animals he purchased, of course, from the stockmen whose ranches were in close proximity to his plant, so that transportation costs had been reduced to the minimum. He had been in business but a few months, however, when the Southern Pacific became strangely unable to furnish cars to move his dressed meat from El Paso to Los Angeles. Finally, in response to repeated requests for an explanation, as he told the story to the Vest Committee—Senate Report 829; Fifty-first Congress, first session—the railroad officials told him they could not give him any cars at all; that their obligations were such to Mr. Armour that they dared not give him cars any more to ship his beef from El Paso to Los Angeles and San Diego.

The result of this discrimination on the part of the railroads was that Texas live stock, instead of being prepared at El Paso for shipment as dressed beef to Los Angeles, 812 miles distant, had to be transported on the hoof 950 miles to the big packers' plant at Kansas City, and then, as dressed meat, back over the same distance to El Paso, the starting point, before beginning the journey to Los Angeles.

It would require a very great saving in by-products to compensate for the huge losses occasioned by such enforced long hauls to market. It is not proof that the product is delivered to the consumer at a reasonable cost to assert that the profits on the delivery are small, unless it can be demonstrated that the cost of delivery itself is reasonable. A profit of one-fourth of a cent a pound might be an unjust and wholly unwarranted tax upon the public if the cost of putting the product on the market were extravagant and wasteful, while, on the other hand, a profit of 5 cents a pound might not be felt by the public at all if the packer, by economic methods, had reduced the cost of production to the minimum.

Now, it has been fully acknowledged by the big packers in their testimony before committees of both the House and the Senate that the small packer operates more economically than they do. Mr. J. Ogden Armour was the first to testify to this, and ever since he admitted to the House committee that the big corporations do not and can not make the margin of profit that is made by the small packer, the representatives of the big companies have been endeavoring to explain the admission away. Mr. L. H. D. Weld, one of the Swift & Co. experts, for example, told the House Committee on Agriculture at the present session that the big packer by doing business upon a national scale incurs certain heavy overhead expenses which the small packer

in the local market does not have to meet; that is to say, the huge selling organization maintained by the big packer makes it necessary for him, if he is to reap a profit, to obtain a higher price for the finished product than the small packer has to get.

Pursuing the matter further, Mr. Weld said:

It so happens that Swift & Co. have some 22 plants throughout the United States, located so as to bring about the best relation so far as we can make out between the source of local meat supply and the location of consuming markets.

Now, either these 22 local plants which are not burdened by the maintenance of the long-distance delivery system are operated as efficiently and at as large a profit as the plants of the small packers or else they are operated less efficiently and at a smaller profit. If the former, then the prices of the big packer to the consumer are dictated not by the cost of serving the local market, but by the cost of serving the more expensive, long-distance market and the people instead of benefiting by the system created by the big packer, are actually compelled to pay a larger price for the product. If, however, on the other hand, the local plants of the big packer are operated less efficiently than those of the small packer and at a smaller profit, it follows clearly that the organization of the big packer is too large, is uneconomic, and therefore not beneficial to the public.

PRODUCTION DECREASED.

But, after all, the efficiency or lack of efficiency of any business or any system is to be measured by its results. What, then, has been the practical effect of the packer system upon the production and consumption of meat in the United States?

We all know that the population of the United States has been increasing in an almost phenomenal manner during the past 30 or 40 years. Prosperity has become more widespread during the same period, wages have increased and the standard of living has been raised. These are all facts which no one will question. One would naturally assume that a people thus advancing in numbers, in earning capacity, and in standards of living would also make a constantly increasing demand upon the meat-producing capacity of the country. Yet, the statistics of the Department of Agriculture (p. 207, Rept. 109, issued by the Bureau of Crop Estimates, July 3, 1916) show that from 1900 to 1916 the number of cattle in the country was reduced by approximately 9 per cent and the number of sheep by 19 per cent. During the same period the human population increased more than 25 per cent, and as might naturally be expected the per capita consumption of meat fell off. In other words, some disturbing influence was at work, which, in spite of a tremendous increase of the source from which the demand comes, had the effect of reversing the economic order and bringing about an actual decrease in the supply. But there was one factor which showed a steady and indeed an amazing increase during the same period—the profits of the big packers. The volume of business which they handled increased; their profits increased, their power increased, but the American people had less meat to eat and the American producer in the midst of prosperity had a smaller market for his output. It must be obvious that there is something radically wrong in a system that will prevent the natural and normal tendency of development. Every other food business has increased during this period. The production and consumption of clothing and of all other necessaries of life have increased hand in hand. This single element of food alone, in the marketing of which an abnormal centralization has been effected, has not kept pace with the growth of the country in population and prosperity.

The explanation of this condition of affairs readily suggests itself. The big packer, in order to maintain the selling organization by which he excludes the small packer from the market, has been obliged to sell his product at a higher price than the local packer would have had to demand. The man of moderate means, when the price advanced, instead of paying what the packer asked, turned to meat substitutes, and thereby necessarily and inevitably reduced the demand. The market of the producer was artificially restricted to those who were able to pay the price fixed by the system of packer control, and so we have the situation by which production and consumption were cut down at the very time the packer profits were steadily accumulating.

The supreme need of the producer at this moment is an increased market for his stock. The supreme need of the consumer is a larger supply. Your committee heard testimony of the most appealing sort from the representatives of the National Consumers' League of the plight of poor children in the large consuming centers to whom meat is a rarity seldom enjoyed. Your committee heard the evidence of many producers who had faced disaster or loss because of fluctuations in the market and the decrease of the demand. But the big packer has yet to appear and testify that he has made less than a reasonable profit from the capital invested in his business at any time during the last 30 years.

If any further proof of the failure of the packer system to serve the public efficiently and economically were needed, it would be obtained by a comparison of the statistics on beef production and distribution with those on pork production and distribution. I shall ask to be printed without reading two tables, one taken from the records of the Department of Agriculture showing the number of live stock as compared with the number of people in the United States annually from 1900 to 1916, the other showing the profits of the big packers during the same period.

Table showing decrease in production of cattle and sheep as compared with slight increase in swine production, 1900–1916.

[Compiled from reports of Department of Agriculture.]

(Big packers control over 80 per cent of all cattle and sheep slaughtered in interstate commerce as compared with only 61 per cent of hogs.)

	Cattle.	Per capita consumption. Beef.	Sheep.	Per capita consumption. Mutton.	Swine.	Per capita consumption. Pork.	Human.
1900	67,819,410	89.2	61,503,713	7.7	62,868,041	84.6	75,994,575
1901	62,334,000	.....	59,757,000	.....	56,982,000	.....	77,612,569
1902	61,425,000	.....	62,039,000	.....	48,699,000	.....	79,230,563
1903	61,764,000	.....	63,965,000	.....	46,923,000	.....	80,848,557
1904	61,049,000	.....	51,630,000	.....	47,009,000	.....	82,446,551
1905	61,242,000	.....	45,170,000	.....	47,321,000	.....	84,084,545
1906	66,862,000	.....	50,632,000	.....	52,103,000	.....	85,702,533
1907	72,534,000	.....	53,240,000	.....	54,794,000	.....	87,320,539
1908	71,267,000	.....	54,631,000	.....	56,084,000	.....	88,938,527
1909	71,099,000	84.5	56,084,000	6.6	54,147,000	79.5	90,556,521
1910	61,803,866	.....	52,447,861	.....	58,185,676	.....	91,972,266
1911	60,502,000	.....	53,633,000	.....	65,620,000	.....	93,590,260
1912	57,959,000	.....	52,362,000	.....	65,410,000	.....	95,208,254
1913	56,527,000	.....	51,482,000	.....	61,178,000	.....	96,826,248
1914	56,592,000	62.5	49,719,000	7.7	58,933,000	80.5	98,444,242
1915	58,329,000	.....	49,955,000	.....	64,618,000	.....	100,062,236
1916	61,441,000	62.0	49,162,000	6.3	68,047,000	89.5	101,680,230

Annual profits of the principal United States packing companies for 19-year period ending business year of 1918.

Year.	Armour & Co. (Inc. Apr. 7, 1900).	Cudahy Packing Co. (Inc. Aug. 29, 1887, Oct. 7, 1915).	Morris & Co. (Inc. Oct. 16, 1903).	Swift & Co. (Inc. Apr. 1, 1885).	Schwarzschild, Sulzberger & Co. (Inc. 1853); Sulzberger & Sons Co. (Inc. Apr. 7, 1910); Wilson & Co. (Inc. July 27, 1916).
Profits:					
1900	.....	.....	.....	$1,919,622	.....
1901	.....	.....	.....	2,700,000	.....
1902	.....	$1,400,000	.....	3,250,000	.....
1903	.....	102,938	.....	3,000,000	$804,625
1904	.....	927,969	.....	3,850,000	.....
1905	.....	.....	.....	4,200,000	.....
1906	.....	.....	.....	6,000,000	.....
1907	.....	.....	.....	6,203,995	.....
1908	$5,300,000	.....	.....	6,300,000	1,645,129
1909	7,127,925	1,736,469	$2,071,339	8,025,000	2,302,491
1910	5,817,722	1,019,117	1,627,994	7,050,000	2,000,000
1911	2,510,054	379,307	1,038,746	6,137,500	3,116,278
1912	5,701,647	1,129,465	1,812,653	8,250,000	3,741,885
1913	6,028,197	1,329,178	1,916,997	9,250,000	1,364,245
1914	7,509,908	1,402,017	2,205,673	9,450,000	1,511,528
1915	11,000,000	723,642	2,321,415	14,087,500	2,453,732
1916	20,100,000	3,011,415	3,632,212	20,465,000	4,913,873
1917	21,293,564	4,430,529	5,301,071	34,650,000	6,504,422
1918	15,247,837	3,376,808	4,217,858	21,157,277	.....

NOTE.—These figures are digested from Poor's Manuals of Industrials, 1910–1918; Moody's Analyses of Investments, Public Utilities, and Industrials, 1914; Manuals of Statistics, 1905–1918. (Legislative Reference Division, Library of Congress, C. C. Tansill, May 5, 1920.)

It will be noted, as I have already indicated, that while the population of the country and the packers' profits were steadily increasing from year to year, the number of cattle and sheep in the United States were quite as steadily decreasing. But it will also be noted that the number of swine in the country was actually greater in 1916 than in 1900. Alone of all the meat animals, the hog was more numerous at the end of this period than at the beginning. In 1900 there were approximately 62,800,000; in 1916 there were 68,000,000, or roughly 8 per cent more. We are prompted then to inquire why pork production should increase while the production of beef and mutton should fall off. The answer, Mr. President, is that while the big packers have practically eliminated independent packers

from the beef and mutton business, they have not succeeded to the same extent with respect to pork. For example, 82.2 per cent of all cattle and 86.4 per cent of all sheep slaughtered in interstate commerce in 1916 passed through the hands of the big packers, but they controlled only 61.2 per cent of all the hogs slaughtered in the same year. In other words, where the big packers exerted the greatest power production decreased, but where competition was greatest production increased. The conclusion is inescapable that the packers' system has not been efficient from the point of view of the public and that the restoration of competition in the packing of beef and mutton will stimulate the production of cattle and sheep.

Mr. REED. Mr. President, I do not want to interrupt the Senator——

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Does the Senator from Wyoming yield to the Senator from Missouri?

Mr. KENDRICK. If the Senator will pardon me, I prefer not to be interrupted until I have concluded my remarks.

Mr. REED. Certainly. I merely desired to ask a question to elicit some information. I did not know that the Senator had made that request.

Mr. KENDRICK. Surely, Mr. President, these facts of themselves are sufficient to justify the Government, on behalf of all the people, in setting up some sort of a Government agency to bring order out of this disorder and establish confidence where there is now only suspicion; and I want to say here, Mr. President, that without regard to any contention as to the efficiency of the great packers, without any regard to the service they render the country, I say to you without any fear of contradiction that whatever else they may have produced in those markets they have not produced confidence, and they never will produce confidence until there is some agency there that is authorized to speak for all, and speak in a disinterested way.

But the opponents of this legislation argue that the Government has no right to interfere in private business. It is the same argument by which every advance of public regulation of public utilities has been resisted, and it has gained nothing in the repetition. It is quite as weak and illogical when used against this reform as it was when used against public supervision of the railroads or public supervision of the insurance companies.

STOCK MARKETS ARE PUBLIC UTILITIES.

That the stock markets are public utilities I think no disinterested person will deny. Indeed, now that the packers are soon to surrender their ownership in the yards I note that Swift & Co. have publicly acknowledged, to quote the words of a recent Swift pamphlet, that "the stockyards are in the nature of a public utility." This being the case, Mr. President, our chief contention is granted, that public supervision should be established.

As conditions stand to-day and as they will continue to stand even after the recent injunction is enforced, unless there is legislation, the thousands of producers and the millions of consumers who are so wholly interested in what goes on day after day in the markets are without protection. Let us consider, for example, the circumstances in which the producer finds himself.

Remote from the market, without knowledge of the supply on hand or the demand in sight, save that which he receives from the agencies through which he sells, he sends in his shipments in the most haphazard way. Usually he has but little choice as to the time of shipment but must go to market when his stock is ready. It must be borne in mind that his product represents ordinarily the result not of a single season's labor but the labor of a period of from two to four years. He faces the hazards of the seasons three times where the producer of other food products faces them once, and scarcity of feed, maturity of loans, or other conditions which he can not control frequently force him to market. Accordingly he takes his stock to the railroad and assigns them to a commission firm. When once his stock is loaded on the trains he has no recourse save to take the price the market gives him. Bear in mind that his is not a product that can be held for a favorable turn in the market. Every day's delay after the stock is loaded means loss through shrinkage and heavy expense for maintenance. Obviously he can not take his shipment home. He has no choice. He must sell and sell at once.

If he should be dissatisfied with conditions at the market and should feel like going forward to another, he would know that when he arrived at the second market he would have to pay the same charge for feed, the same charge for yardage, and the same commission to the same commission firms, and finally sell to the same buyers. The only change would be a geographical one and the only effect an additional burden. Additional freight charges, additional yard charges, additional feed charges, and additional shrinkage in the weight of his stock all combine to deter him from doing anything but accept the price that he is first offered.

But even that is not all. The shipper knows and the packer admits that when he withdraws his shipment from the first market to forward it to another, at that very moment the agent whose bid he has refused has wired either to the headquarters of the packer at Chicago or to the buyer at the yard to which he has decided to go every detail of the transaction, and so when he arrives at the second market the packer there is expecting him with full knowledge of the size of his shipment, the kind and character of his stock, and the price that was offered in the first market. But if, to avoid what he believes to be the unfair effect of this practice, known as "wiring on," the stockman decides to split his herd and send part of it to one market and part of it to another, he finds himself confronted by another device, the inevitable tendency of which is to prevent competition. The packer who buys one part of the divided herd immediately sends word to the second market, and his agent there is fully advised of what price was first paid, so that the chance of the shipper getting a higher price in one market than in another is reduced to the minimum.

COMMISSION MEN COMPLAIN OF PACKERS.

That complaints of the methods employed in the yards do not emanate alone from the producer, and that there are other agencies in the yards which in the past at least have been dissatisfied with the manner in which the big packers have exercised their control, is indicated by the following formal protest signed by 74 of 86 commission firms operating upon the Chicago exchange and directed to Swift & Co., Armour & Co., Morris & Co., and Wilson & Co., urging a reform of methods:

CHICAGO, ILL., *April 11, 1916.*

To the Packers:

We, the undersigned live-stock commission merchants on the great Chicago Live Stock Market, representing literally thousands and thousands of producers of live stock and dealers therein, join in sending you this protest: First, against methods that have been used lately to influence violent price fluctuations, apparently not warranted by the natural operations of supply and demand; second, against the conditions under which the market is now forced to operate.

For some time past, actions have been witnessed on the part of large purchasers of live stock that seemed to be unfair and unjust; and time and time again undue advantage has been taken of the sellers of all kinds of live stock.

There is, apparently, no good reason why the buyers representing the larger packing interests should refuse to go out and bid on, and try to buy, stock until a late hour in the forenoon, as has been the custom for the past several years, and in many instances until after the noon hour.

We contend that such methods, employed to retard the progress of the market, have been very much to the disadvantage of the producers, the commission merchants, and the banks doing business at the stockyards and the stockyards company. It was formerly the custom for more than 20 years to open the cattle market about 9 o'clock in the morning, and in a great many cases consignments of cattle were sold considerably before that hour, and it was not unusual for the entire receipts of hogs to be sold and weighed by 9 o'clock. The shippers received returns for their stock on the same day it was sold, and business was generally conducted in a much more satisfactory manner.

We, as commission merchants, are not seeking for any favor or looking for any advantage for ourselves. All we desire is the same fair and square treatment that we have given you for the last 40 years, but we believe that you owe it to yourselves and to us, as well as to the producers of live stock, to so use your great influence to strengthen and build up the public live-stock markets of the country and to improve your standing in the estimation of the live-stock community of the United States.

Yours, truly,

Bowles Live Stock Commission Co.; W. W. Wilson & Co.; Alexander, Ward & Conover; Walters & Dunbar; Martin Bros. & Co.; Brown, St. John & Co.; Rice Brothers; National Live Stock Commission Co.; Byers Bros. & Co.; Drovers Commission Co.; J. M. Doud & Co.; Swanson & Gilmore; Tracy, Steward & Co.; Freeland, Callahan & Godfrey; John Patterson & Son; W. R. Smith & Son; W. W. Shearer & Co.; Shinn, Fry & Co.; Gilloghly & Co.; Clay, Robinson & Co.; Cross, Smittle & Sommers; Standard Live Stock Commission Co.; Mullen & Evans; Ward Commission Co.; Maley, Carpenter & Co.; J. J. Farrelly & Son; Clark, Bowles & Co.; J. C. Henderson & Co.; Murray & McDowell; Abner Piatt & Co.; Central Live Stock Commission Co.; Minteer, Hibbird & Co.; Irvine & Kuenster; Nixon, Horn & Chisolm; Emmett & Wheeler; Starrett, Mathison & Co.; Hansman, Thompson & Co.; Rosenbaum Bros. & Co.; Stafford Brothers; Lee Live Stock Commission Co.; McCausland, Hoag & Vaughan; Adams & Kitchin; Russell, Freeman & Co.; Brownson & Ettlinger; Sieb, Pritchard & Co.; Rappal Bros. & Co.; H. D. Copeland & Co.; L. Spencer & Co.; Silas Palmer & Sons; Cochran & Henneberry; Abe Burnett & Co.; Adler, Son & Co.; Walter Bros.; Wm. Gentleman & Sons; Miller, White & Woods; Evans, Snyder, Buel Co.; Bacon, Peterson & Co.; Filler Commission Co.; Baker, Heyne & Co.; Geo. F. Hogan & Co.; Bunker & Swiney; Sullivan Commission Co.; A. B. Daniels; Conklin Bros., Paris & Co.; Northwestern Live Stock Commission Co.; Iowa Live Stock Commission Co.; Tipton, Steck & Herrick; Hefner Commission Co.; Stephens & Goble; Allenberg & Co.; Geo. W. Morgan & Co.; Roach Live Stock Commission Co.; the Knollin Sheep Commission Co.; Van Norman, Lawler & Co.

Hearings before the Federal Trade Commission in the meat investigation. (Kansas City hearing, Mar. 21–23, 1918, pp. 4524–4529.)

It may be true, however, that the packers no longer intentionally employ methods we have just enumerated for the purpose of depressing the price of stock; it may be true, as they tell us, that they have voluntarily foregone these advantages over the shipper, but the fact remains that the power to injure has not been taken from them and that there exists today not the slightest guaranty that these old abuses may not be resumed—under new managers.

REVELATIONS OF BUREAU OF MARKETS.

For years the producer has struggled against these handicaps. If he had a grievance there was no tribunal in which he might find redress. There was no authority, no agent to whom he might appeal with confidence. Not until the food-control act of 1917 gave the Bureau of Markets of the Department of Agriculture the power to go into the markets and find out what was actually going on did the shipper have anyone to appeal for him. What he then discovered may be judged from the report sent to the Senate under date of January 24 by Hon. D. F. Houston, then Secretary of Agriculture. This report, now designated Senate document 185, shows that of 350 individual firms and corporations engaged as commission men at nine of the principal market centers more than 25, in the language of the Secretary, "had exacted substantial overcharges in the feed accounts being kept by them with their shippers." I read from the Secretary's report:

The books of 12 licensees in Chicago, 5 in St. Paul, 3 in Fort Worth, 1 in Kansas City, 1 in St. Joseph, and 2 in Sioux City showed substantial excess charges in their respective food accounts from January 1, 1918, down to the time when their books were audited, or approximately for a period of 18 months, amounting in the aggregate to more than $90,000. Their books also showed excess charges in their feed accounts from the issuance of their respective licenses down to the auditing of their books. Consequently complaints were preferred against each of such licensees by the department, charging them with making an unjust charge and engaging in a deceptive practice in connection with the feed accounts which were kept with their shippers. Oral hearings before officers of the department were granted to each of them in the cities in which they were licensed to carry on their business and they were given an opportunity to appear in person or by counsel and to offer such evidence as they desired in their behalf.

Several of these licensees admitted that they had made a practice of selling the left-over hay or corn, which had already been charged to a preceding shipper, to some other shipper, thereby charging two shippers for the same hay and corn. However, many of such licensees contended that they had not followed such a practice in the feed accounts kept with their shippers and stated under oath that they considered such practices unfair and unjust to the shipper.

The evidence in these cases tended to show generally that the licensees had not given proper care and attention to the distribution of the feed and the keeping of their feed accounts with their shippers, and that this important phase of their business prior to the date of the complaints had been largely left to the unsupervised discretion and control of employees commonly known as yardmen.

The testimony as a whole, including admission to that effect on the part of some of the licensees, points to the conclusion that a large percentage at least of all the overcharges in these cases is the result of the practice of charging two shippers with the same hay or corn, whenever it appeared that the live stock of the first shipper had for any reason failed to consume a substantial part of the hay or corn furnished to them.

Several of the licensees who are involved in this reprehensible practice suffered the loss of their licenses. Others voluntarily refunded some of the excess charges, while others sought the law's delay to escape making restitution, but the result of the supervision exercised by the Bureau of Markets in this particular has been of direct, substantial, and measurable benefit to the producers. Instead of ruining their business or decreasing the demand for their product, it has had quite the contrary effect in reducing to some extent at least the expense which they have to meet when they go to market. To some degree, perhaps, a permanent reform has been effected because the Kansas City Live Stock Exchange in August, 1918, as a result of revelations of the Bureau of Markets, voluntarily adopted a rule forbidding the padding of feed charges. At Chicago the live-stock exchange adopted a rule to prevent commission firms from carrying live-stock traders or speculators on their pay rolls or seeking the services of such men gratuitously, thus eliminating one of those fruitful sources of excessive profit by which as the result of arrangements between commission men and traders a heavy and unwarranted toll was levied upon the shipper.

Fraudulent dealing and deceptive practices by which thousands of dollars had been withheld from remittances due to shippers were discovered by the Government agents in several yards. In one case alone more than $30,000 has been placed in escrow for distribution to consignors from whom it was withheld.

Let me not be understood as casting any reflection upon the integrity of the commission men as a class. From a wide personal acquaintance and long business experience with them it is my conviction that the majority of them have always dealt with their patrons on terms of the strictest integrity. But what I do say is that the system under which they do business to-day affords no protection to the public against the few who have indulged in the practices revealed by the Bureau of Markets. In no sense is this demand for legislation directed against individuals. It is in no sense an attack upon men—it is an attack upon methods; it is a demand for general market reform, a demand for the institution of a new system in which all, and not a few only, shall be represented.

REGULATION BY PRIVATE INTERESTS.

In spite of these revelations which have been made, showing beyond all doubt that there has been no protection for the public and that unwarranted charges have been levied, it is still argued that public regulation would be disastrous and that instead of creating a Government commission to prevent abuses and redress grievances we should trust rather the benign purposes these same private individuals who before the Bureau of Markets investigations so consistently denied that the rules of integrity had ever been transgressed.

Regulation in the interest of the victim, regulation to protect the public, would be disastrous, we are told; but what shall we say of the thoroughgoing regulation which the packers and operators now maintain over these essential public utilities in their own interest?

Mr. President, I have here an official notice issued from the office of the secretary of the Chicago Live Stock Exchange on January 12, 1920, signed officially by Mr. E. M. Hughes, secretary of the exchange, and the first two lines of this announcement of a new regulation reads as follows:

The commission for selling live stock shall not be less than the following rates.

It would be possible to quote regulation after regulation of a similar kind showing how the rules by which the markets are conducted are framed and enforced—not by the producer, not by the consumer, but by the market agencies themselves. There is not a case on record, Mr. President, in which the patron of a market was ever asked to give so much as an opinion as to what he should pay for the service in the market or what methods should be there employed. When the shipper delivers his stock to the railroad for transportation he knows that his Government, through the Interstate Commerce Commission, is standing guard for him; he knows that it will not permit an unreasonable charge to be assessed against him nor allow the railroad to discriminate against his shipment in any way; he knows that all the power of the United States is behind that commission to guarantee him a square deal. But when his stock is unloaded in the market he is at the mercy of interested agencies, without a spokesman and without protection. He must be guided by rules and regulations written by the men through whom he sells. If these agencies insist upon the right to fix rules and charges as they will, then certainly we are justified in demanding that the public interested in these markets should have authoritative representation somewhere to make sure that the rules and charges thus fixed by one party to the contract are not unreasonable.

COOPERATIVE ASSOCIATIONS EXCLUDED.

Let us refer, for example, to the by-laws of the live-stock exchanges like that at St. Paul, by which farmers' cooperative associations have been barred from stockyards all over the country. They have sent their representatives to the exchanges. They have offered the necessary fees. They have furnished every possible guaranty of respectability, honesty, and good intentions, but under the rules and regulations privately formulated they are not permitted to enter the exchange.

I have here the testimony of Mr. C. H. Gustafson, president of the Farmers' Educational and Cooperative State Union of Omaha, Nebr., given before the Senate Committee on Agriculture and Forestry September 12, 1919, and it throws so interesting a light on the situation that I shall take the liberty of reading it:

Mr. GUSTAFSON. My name is C. H. Gustafson; Lincoln, Nebr., is my post office, and Omaha, Nebr., is my office headquarters. In the first place, I want to say I do not stay within a half mile of the Willard Hotel. I represent the Farmers' National and Cooperative State Union of Nebraska; in short, we are called the Farmers' Union. I have been its president from the time it was organized six years ago this fall.

This organization is principally engaged in cooperative work amongst the farmers and producers. In addition to that, I represent other organizations that I will mention later on.

In order that it may be clear to the committee just what we are doing and trying to do, I want to say that our membership is composed of about 40,000 farmers over 21 years old. They pay an initiation fee and annual dues, which makes quite a permanent and effective organization.

We have developed a number of cooperative business enterprises, and among them I wish to speak especially of our Live Stock Commission Co., which was started two years ago the 1st day of April, at Omaha, Nebr. There is no stock sold. We used some of the surplus fees used for starting business with. I made application to the Live Stock Exchange of Omaha—it used to be South Omaha—for a membership in that exchange, but was turned down, completely turned down; they refused to sell us a membership.

The CHAIRMAN. Did they give the reason why they refused?

Mr. GUSTAFSON. Yes, sir. I told them that we intended to do business on the cooperative basis; after paying for actual expenses the rest of the profits would be divided pro rata amongst the customers that patronized the business; and on that ground we were turned down.

In August of the same year I made application to the St. Joseph (Mo.) Live Stock Exchange for a membership and was turned down for the same reason.

In August, 1918, I made application at the Sioux City Live Stock Exchange and was turned down in a similar way.

We opened up our live-stock commission business at South Omaha, as I stated, on April 1, two years ago this last April, charging the regular commission prices for selling live stock—cattle, hogs, and sheep—giving the regular service that other live-stock commission men give.

The first few months, of course, our overhead expenses were rather high. We engaged competent men; our live-stock manager has been in the commission business for 25 years. But at the end of the first 12 months at the Omaha exchange we returned in patronage dividends 30 cents on the dollar paid out in commission charges; and when we started at South Omaha there were 50 firms in the commission business, and at the end of 18 months had passed all except one firm. We were second largest on the yards, and were selling 100 carloads of hogs a month more than any other firm on the yard.

At the end of the second year, or April 1, this year—which is the end of our fiscal year—we had 56 per cent clear. Of that we set aside a sinking fund of 5 per cent and paid the State union 5 per cent for the service of the board of directors and the advertising and my services as president of the company, and returned to the members doing business with us 46 cents out of the dollar.

During all this time the live-stock exchange has been hostile to us and has fought us in every possible manner, telling misleading and untruthful things about us and our way of doing business; but the fact is that we have kept a close watch on the market and find that practically every month the hogs sold by us have brought from 1 cent to 3 cents a hundred over the average of the prices paid in the yards, which proves that our selling force is efficient.

And so, Mr. President, we find that the alternative which confronts us is not public regulation or no regulation, but public regulation or private regulation. For a generation the packers and operators have been in complete control and the public has been helpless. Throughout this period these agencies have reaped steadily accumulating profits, while, on the other hand, one set of producers after another have been driven out of business by excessive losses and the consumer has been forced to pay constantly mounting prices for his meats, or curtail materially the supply for his table. The strange disparity between the prices of live stock and the prices of dressed meat has time after time provoked the public to demand investigation—always after the damage had been done. Resolution after resolution has been passed in Congress to appoint some temporary commission to find the facts, because, though the industry is the most important in the Nation, no one has known or does know the facts, save the privileged agencies which control the markets, for the very moment an investigation has been closed its report was out of date.

THE EFFECT OF THE INJUNCTION.

It is argued, of course, that the recent decree against the big five secured by the Attorney General has solved the problem and eliminated the necessity for legislation. The injunction represents, it is true, a great advance in the protection of the public and its welfare, but a moment's consideration will reveal the fact that it does not and can not afford the relief that is needed. It affects only those specific defendants named in the petition and does not pretend to exercise any authority whatsoever over the hundreds of persons otherwise engaged in interstate commerce in this industry. In other words, the injunction touches only the incidental and not the fundamental features of the problem. It provides, for example, that the packer must dispose of his interests in the stockyards, but it does not offer the slightest guaranty that those stockyards shall hereafter be conducted in accordance with the principles of fair play and honest dealing which are essential if the industry is to be benefited. The country will gain absolutely nothing from the separation of the stockyards from the packing houses if no system is set up recognizing the fact that these markets are impressed with a public service and that like any other public utility they should be under the supervision of the public.

The injunction deals solely with the packer. It does not affect the commission men nor the trader in the market, nor any other agency which participates in the handling of live stock. What we need, Mr. President, is not a rule of conduct for certain individuals, but a law that will apply to the whole industry. Indeed, I am convinced that without a law—that is to say, without the enactment of this measure now pending before us—the injunction itself can scarcely be enforced, because without a supervisory authority there will be no agency adequate to the task of seeing to it that the decree is always obeyed. The injunction of 1905 was scarcely heard of again after it had been issued, and certainly the influence which it exerted on the industry was negligible.

The object to be attained is the establishment of a free and unrestricted movement of meat products from the farm and the range to the table of the consumer, the abolition of all artificial restraints, and the substitution of public law for the arbitrary will of interested private citizens.

COST OF PACKER PROPAGANDA.

Reform has been resisted by these dominant interests in a manner that serves only to increase the conviction that reform is necessary. Apparently without regard to facts, no expense has been spared in the effort to spread abroad an absolutely incorrect impression of the ends sought by legislation.

There can be no doubt that thousands of citizens all over this country have been led to believe that this measure is something utterly different from what it is in fact. There is scarcely a newspaper in the smallest hamlet, in the most remote section of the United States, that has not at some time or another in the past two years carried well-paid advertising matter from one or the other of the Big Five. It was, indeed, a most remote and insignificant community into which the packer propaganda has not been carried week after week and month after month, conveying to the minds of all who read packer advertisements with confidence an utterly false conception of this legislation. Scarcely a stock raiser anywhere upon the western range who did not receive a personal letter from one or the other of the big packers endeavoring to instill in his mind the thought that the legislation here proposed is but the precursor of national interference with individual enterprise. It would be possible to quote volumes of the misleading material sent out under the authority of the big packers. Interesting as this would be, we are, perhaps, more interested in what it has cost and upon whom the expense has fallen. Testifying before the Senate Committee on Agriculture on January 31, 1919 (see p. 1169, pt. 2, Senate hearings on S. 5305), Mr. Louis F. Swift produced statistics to show that for the five years 1913–1917 the average annual expenditure of Swift & Co. for advertising was approximately $428,000. But for the year 1919, when the propaganda campaign against legislation was just beginning, Swift & Co. spent $1,622,177 for this purpose, or almost as much every month as had previously been expended annually. Where formerly it had expended thousands to advertise its meats it now spends hundreds of thousands to advertise its morals.

In contrast with the figures given by Mr. Swift in 1919 is the testimony on the same subject given last month by Mr. L. H. D. Weld, the Swift economist. Denominating the anti-legislation propaganda "educational advertising," he told the House committee that Swift & Co. spends a million and a half annually on this alone; that the total advertising bill of Swift, to use his own words, "would run up to about two million or two and a half million dollars"; and, furthermore, that the cost of the pamphlet replies to the Federal Trade Commission report, with which the country has been deluged, is not included in these figures. When we add, Mr. President, to the enormous outlay of Swift & Co. the expenditures of the American Institute of Meat Packers and the expenditures of the other four big packers for the same purpose, which we may assume from the evidence before our eyes has been in like proportion, we find ourselves confronted with the most stupendous fund ever accumulated to mold public opinion and obstruct the representatives of the public in the performance of their duty.

Let us make no mistake, Mr. President; this tremendous outlay for propaganda purposes has been a direct charge upon the public. It was taken from the fund that would have been paid into the Treasury of the United States in taxes, or else it was charged to the price which the consumer had to pay for his meat or deducted from the price which the producer received for his stock. It may be true it was an insignificant sum as compared to the vast resources of the big packers. But at a time when the United States Government, through the Treasury Department, was conducting a campaign in every corner of the United States to sell $50 Liberty bonds on installments to working men and working women, whose wages were scarcely sufficient to clothe or feed them, such an expenditure came with poor grace from concerns that at the same time boasted 100 per cent patriotism.

THE PROPOSED LAW.

What, then, are the objects and methods of the bill which the packers have so vigorously and expensively resisted? It is drawn upon the assumption that the great markets and market agencies which handle the meat supply of this Nation are essentially public utilities, and that because there is no instrumentality that can be set up outside of the Federal Government which is competent to protect the public interest the Federal Government should act. We have seen that three classes, two of them very large, the producers and the consumers, and one of them very small, the market agencies, are vitally interested in this industry. We have seen that the pro-

ducers and the consumers under present circumstances are without the power to exercise the slightest influence upon the principles under which these markets are conducted, while, on the other hand, the third, and smallest, class is in a position of such power and strategic value that it not only dominates but regulates the industry to its own advantage.

We have seen that for a generation the method by which this limited class has controlled the market has been the subject of continuous suspicion; that it has provoked investigation after investigation; that it has given rise to endless agitation, all of which has kept the entire industry in turmoil, so that the only class which has continuously profited from it is that limited class which has heretofore controlled and regulated it. Finally, we have seen that, instead of efficiently serving the American people, the industry in its present unsupervised condition has brought about a decrease of both production and consumption of meat products in the United States.

All of this leads inevitably to the conclusion that there can be no settlement of the problem until the Federal Government, representing all classes of the population, is empowered by appropriate legislation to protect the rights of all concerned. We want an agency clothed with the authority to pass upon all complaints, an agency in which all may have confidence because it is disinterested, an agency that will have the power to proclaim all the facts with regard to this industry, so that every interested person may know that justice and fair dealing prevail.

This, Mr. President, I am firmly convinced may be accomplished by the enactment of this measure. It creates a Federal live-stock commission which shall have such powers of investigation and supervision as to make it certain that the public at all times shall know every essential fact that has any bearing upon this industry. It is authorized to receive complaints and hear grievances from those who have any reason to believe that they are not receiving strict justice in the market, who have any reason to believe that illegal agreements have been effected or unfair practices adopted by any of the market agencies. It is authorized to conduct such necessary investigations, make such necessary examinations of books and papers as may be required to establish the truth or falsity of any such charge. But every member and every agent of this commission is placed under the strictest bond of secrecy so that no information of whatever character may be made public without the formal authority of the commission unless by order of a court.

To all intents and purposes, Mr. President, the commission is a court, and no man who is doing business honestly has any more reason to fear its activities than the ordinary citizen has to worry over the powers of the district court. This commission will have no more reason to interfere with the legitimate operations of a law-abiding corporation than any court in the land has to interrupt the proper activities of the average citizen.

No new principles of law are laid down, but many old principles are reenacted for the purpose of restoring and maintaining competition. The doctrine that public utilities should be subject to public supervision is recognized, and under the terms of the bill, packers and operators are forbidden to engage in unfair or deceptive practices, or to enter into any of those conspiracies or combinations in restraint of trade which have been in evidence throughout the entire history of this industry.

NO ARBITRARY POWERS GRANTED.

The live-stock commission provided for in this measure is authorized to make such regulations and rules within the provisions of the law as may be necessary to carry into effect the purposes of the law. But it has no power, and the proponents of the measure have no intention of granting it any power, to exercise arbitrary authority or by rules and regulations to demand of any person or corporation subject to its operation anything not prescribed in the general terms of the bill, and the rights of those who are affected by the legislation are completely safeguarded against any such abuse of authority. In the first place, before any action of any kind may be taken by the commission, it is required by law to serve notice in writing upon the packer or operator accused of evading the law, affording that person an opportunity to appear publicly before the commission, to be heard in person or by counsel and through witnesses in his own defense. If upon such hearing the commission is satisfied that a violation of the law has been committed, it may not arbitrarily punish the individual or the corporation which it has summoned before it, but it must make a written report of its findings and serve the same upon the defendant with an order requiring the defendant to abandon the alleged illegal practice. All the testimony upon which this order is based must be reduced to writing and preserved in the permanent records of the commission, so that it will be available at any time on behalf of the Government or on behalf of the defendant.

If for any reason the packer or operator against whom such an order has been issued by the commission finds that he has been unjustly dealt with or improperly condemned, his right to appeal to the courts is effectively preserved. Within 30 days after the issuance of the commission's order he may present a written petition to the United States circuit court of appeals for the district in which he has his principal place of business asking that the commission's order be set aside or modified in accordance with the specifications which he may set out, whereupon the commission must certify to the court a full and complete transcript of the record so that the court acting as an appellate body may affirm, set aside, or modify the order of the commission. If the court finds that the original order was issued on insufficient evidence, it may direct the commission to receive further testimony, and so in every possible way the rights and privileges of all the market agencies are protected according to the rules of legal procedure.

Such a law could not possibly have an adverse effect upon any single one of all the market agencies, provided only that their operations are conducted with integrity. The law forbids monopoly. It forbids unfair dealing. It forbids agreements or conspiracies to raise prices. It forbids practices by which unnecessary and unreasonable tolls are exacted from the producer and from the public. It creates a Government agency which through the sheer force of publicity will prevent the practices always forbidden by our law. In the past trade has been restrained and monopoly has been allowed to go unhampered because there has been no effective method of enforcing either the law of custom or the law of statute against those who sought unreasonable profits without regard to the methods they employed. Surely no man and no corporation, willing to abide by these fundamental principles of fair dealing and honest business methods, need fear a law the only purpose of which is to protect these principles from violation. In my judgment, if this measure is enacted into law, it will be found to be an almost immediate corrective, and I venture the prediction that after it has once been written upon the statute books violations of it will be rare.

But the critics of legislation will say, and do say in spite of the fact that every care has been taken to safeguard against the abuse of authority by Government officials, that rules and regulations destructive of the business and even violative of the law will be put into effect. Mr. President, I submit that there is no foundation for any such fear. The argument is an example of special pleading which seeks to create an impression regardless of logic or fact. After the declaration of war Congress passed the food-control act, granting the United States Food Administration and the Bureau of Markets powers much broader than those which are contained in this measure. It was war legislation, and the Food Administration was authorized not only to guard against illegal practices and monopoly but also to limit the profits of the great packers, and the Bureau of Markets of the Department of Agriculture to protect agninst profiteering in all of the market agencies was authorized to place these agencies under Federal licenses. From the time that act was passed until shortly after the signing of the armistice this industry, Mr. President, was under strict control. Although the packers knew that this regulation was about to end they made the rather amazing argument that because regulation by these Government agencies was successful the suggested bills should not be enacted. When Mr. Swift appeared before the Senate Committee on Agriculture in January, 1919, he complimented the Bureau of Markets upon its efficiency and expressed some satisfection with the bureau's methods. What, we may ask, is the peculiar condition that will transform the Bureau of Markets from an efficient and beneficial agency to an agency that will bring ruin and disaster to the business merely by the passage of a measure which places the functions of the Bureau of Markets under the direction of a Federal live-stock commission?

PRACTICAL RESULTS OF GOVERNMENT SUPERVISION.

It may also be pointed out in this connection that during the year 1918, while the Food Administration was exercising its war powers of control over the packing industry, production and consumption in the United States were vastly increased. We succeeded not only in producing sufficient meat to feed our Army in Europe and supply the civilian population of the associated nations, who were unable to draw upon Australia and South America because of the lack of shipping, but we developed such a surplus that the use of meat in the United States increased to such a degree that for the first time in almost 20 years the per capita consumption was greater than it was in the year

1900. The producer had a larger market. The consumer had a larger supply. And all of this under Government regulation and control far more stringent than that which is here proposed. It is not without its significance that the months which have elapsed since the Food Administration ceased to use its powers have seen the collapse of the live-stock market. Within the past 13 months there has been a decline in the value of cattle on the hoof of from 33⅓ to 39 per cent. When Congress adjourned a year ago last March cattle were selling in Chicago at $20.40. They are now selling at from $12 to $13.50. Every live-stock journal in the country is filled with statements from shippers to the effect that they are through with beef production. This inevitably suggests a shortage for the future and the necessity for the reestablishment of some form of Government supervision of market conditions.

In any event, it is clear that the record of the Food Administration and of the Bureau of Markets during the war is a complete refutation of the charge that this legislation would have the slightest discouraging effects upon the industry. Rather, indeed, is this record a proof that very real and immediate benefits may be expected to accrue from its enactment.

We do not propose a law that will hamper or even disturb the legitimate operations of any agency associated with this industry. We do not ask legislation for the purpose of punishing any man for the errors and abuses of the past. We ask legislation only for the purpose of bringing about a better understanding in these markets; we ask only an authorized Government instrumentality that will inspire universal confidence by eliminating the possibility of unfair practices.

This bill is not drawn in the interest of any special class—it is drawn in the interest of all classes. Producer, consumer, and packer will all benefit by its adoption. I venture the assertion that the reduction of the prices of foodstuffs to a normal level would go further toward allaying the unrest of to-day than any other influence. By means of Federal supervision of our markets we can eliminate unnecessary and arbitrary levies of cost. In proportion as we do this we shall stabilize values and thus bring confidence to the field of production, which will automatically increase the supply and lower the price to the consumer. The present demoralization of the market can have only the opposite effect. Because confidence has been undermined, production is becoming more and more hazardous, with the inevitable consequence that a diminishing supply will still further enhance the cost to the consumer. It has been amply demonstrated that there is no private agency, not even the packer, capable of coping with the situation. The Federal Government alone can furnish the remedy, for the Federal Government alone can represent all classes.

If written upon the statute books, this measure will go far to lead back to the farm the young men who have been lured away by other industries and it will help to keep on the farm those who are there now. By insuring a more equitable distribution of the profits of the industry, it will have the effect of counteracting the attractions of the city, and, as already indicated, of stimulating production, thereby furnishing a larger supply to the consumer.

The packer, too, will benefit. Relieved of the necessity of forever fighting at great expense to retain his special privileges he will be able to devote more time and attention to his proper business. Monopoly rendered impossible, new capital will be invited into this industry and new avenues will be opened from the range to the table.

Indeed, Mr. President, if there is one agency more than another that is vitally concerned in settling this question now and settling it right, it is the big packer. He wholly misjudges his position and the effect of his action if he imagines that by resisting this needed reform and striving to perpetuate irresponsible private control of this most vital of all our industries, he is serving his own best interests. No man, and least of all, the man of unusual property interests, has any right to ask that the public shall show any more sacred regard for his rights than he shows for the rights of the public. The people of this country are still inherently sound in their adherence to the rights of property; they have no prejudice against wealth as such, but their attitude toward it is dependent upon the manner in which it has been accumulated. If it has been earned as the reward of real service, its owner may be assured of the respect and good will of his fellow citizens; but when it has been acquired by brutal and unfair means the American people have neither respect nor sympathy for its possessor.

LEGISLATION INEVITABLE.

The public conscience condemns with increasing severity the sharp and dishonest practices which were so readily condoned only a few years ago, and at the same time it demands with increasing insistence that every man shall have a square deal. If the Congress of the United States closes its ears to the legitimate appeals for assistance and protection coming from the great masses, if by inaction or neglect it permits men of enormous wealth to shut the door of opportunity to other men, then, sir, we may confidently look for the growth of radical theories. All the obstruction the opponents of this legislation may be able to raise now can not prevent, it can only delay, the solution of this problem, and the longer action is arbitrarily postponed the more extreme will be the final reckoning. This lesson, Mr. President, is written across the skyline of Europe to-day in blazing characters, and no man should be more prompt to read it than the man of property—no man should be more prompt than he to show by his cooperation in bringing about any necessary reform that in the possession of great wealth he recognizes the responsibility of stewardship toward the public.

The measure of relief here offered, Mr. President, is one that should have ready support. We have seen the tremendous magnitude and importance of the industry with which it deals, one of the oldest pursuits of man; we have reviewed its history in the United States during the past 30 years, a history of constant clamor, constant discord, constant discredit; we have seen that the great majority of those who are interested in the industry are unable to protect themselves and are dependent upon the arbitrary will of a few men, and, finally, we have seen that in framing the legislation which has been presented to the Senate every care has been taken to draft a bill which shall guarantee absolute integrity in the markets without interfering in the least in private initiative or private enterprises. Failure to act now can only have the effect of prolonging present discordant and discreditable conditions without in the end preventing reform. Favorable action, on the other hand, will bring such confidence and harmony that the entire Nation will be benefited.

During the delivery of Mr. KENDRICK'S speech,

The PRESIDING OFFICER (Mr. WALSH of Massachusetts in the chair). The Senator from Wyoming will please suspend. The hour of 2 o'clock having arrived, it becomes the duty of the Chair to lay before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the distribution, regulation, and use of property acquired thereunder, and for other purposes.

The PRESIDING OFFICER. The Senator from Wyoming will proceed.

Before the conclusion of Mr. KENDRICK'S speech,

The VICE PRESIDENT resumed the chair.

After the conclusion of Mr. KENDRICK'S speech,

Mr. CALDER. Mr. President, we have just listened to a very illuminating address dealing with abuses of the packing industry. The Senator from Wyoming [Mr. KENDRICK] has shed a great deal of light upon that subject. I propose to occupy the time of the Senate for a few moments on the subject of national production.

For reconstruction a hand-to-mouth policy is impossible.

Ever-increasing production must be our national objective.

To increase production we must first increase our means of production—our tools of industry.

Mr. President, on Friday of last week the Senator from Oklahoma drew the attention of the Senate to the probable effect of a horizontal raise in discount rates upon our means of production and distribution and upon agriculture. On the same day the Senator from Missouri introduced a resolution requesting information from the Interstate Commerce Commission as to the extent of the present freight congestion and as to means proposed to relieve this congestion. Since then we have had a number of illuminating addresses on the subject of profiteering, hoarding, and taxation by the Senator from Massachusetts [Mr. WALSH] and the Senator from Colorado [Mr. THOMAS] and the Senator from Iowa [Mr. KENYON].

I regret that subsequent statements in the Senate and in the daily press have been far from reassuring.

Through increasing discount rates hoarded goods may be liquidated and we may experience a falling of prices, but this can not increase our supply of commodities or increase our capacity to produce commodities. It can not materially reduce the cost of the rehabilitation of our depleted transportation facilities, for the lack of which construction, agriculture, and manufacturing are impeded.

Hoarding may have been an important factor in the increase of prices during the past year, but hoarding has always taken place when shortages have been anticipated.

The rise in prices has been attributed to the general practice of profiteering, but extortionate demands always accompany shortages.

The rise in prices has also been attributed to inflation, but inflation was certainly induced by the world's shortage of commodity.

Inefficiency of labor has been blamed, but there is a shortage of labor, and labor has questioned the increasing use of capital in speculation rather than its investment in manufacturing, transportation, and housing.

To-day it is impossible to realize the extent and the many consequences of the world's shortage. The actual wastage of wealth caused directly by the war is probably but one-fifth of the total world's loss due to the diversion of capital and labor from their usual peace-time employment.

It is futile to repeat the age-long unsuccessful experiments in price fixing. History records so many unsuccessful attempts by governmental authorities to regulate prices from those of Emperor Diocletian, Queen Elizabeth, and King Edward II to the recent attempts of our own Federal and State authorities.

However necessary such paternalistic legislation may be to protect the public from the conditions of monopoly and panic, such legislation has never afforded permanent relief. Enterprise and money go where they make friends. The supply of commodities and housing can not be increased by limiting the promise of return to the enterprise and capital necessary to produce them.

It is futile to simply attribute high prices to inflation, profiteering, hoarding, inefficiency of labor, or diversion of capital. It is futile to wait and hope that a dip in prices through the liquidation of a limited amount of commodity will bring about continuous relief and development.

Our national objective must be ever-increasing production, but to increase production we must first increase our means of production. A hand-to-mouth policy may be necessary during war, but it is impossible during reconstruction.

The United States has been doing little of late to develop its agricultural, mining, manufacturing, transportation, and housing, even though it knows that costs can not decrease until such development has set in.

As one who has spent his life in the building business, I naturally look to the improvement in the nation's machinery of production as the means of permanently increasing its supply of useful commodities.

The necessity for plant improvement and increased construction of all kinds seems to be clearly written in modern history.

About 120 years ago a theory was advanced that the increase in the means of living was much less rapid than the increase in population—the former increasing in arithmetical and the latter in geometrical ratio. Relief under such circumstances could come only through periodical depopulation, as through birth control, famine, plague, or war.

This doctrine, announced by Robert Malthus in the year 1798, was widely accepted, but improved appliances for production and distribution during the past century have so multiplied the earning power of the individual and increased the world's goods that the standard of living has been raised instead of lowered. Luxuries and even leisure have been possible in spite of the increased population.

The creation of new and more efficient means of production—railroads and canals, machinery and building—was largely responsible for the development of the natural resources of the United States, culminating just before the Civil War in the business depression of 1857, due to speculation incident to canal projects and other causes.

The end of the Civil War found the United States with decreased facilities for production and distribution and a shortage of commodities and of houses, but the national plant was speedily rehabilitated through the development of railroads and machinery. Land was called into production through the homestead acts; tonnage production succeeded pound production and machine methods succeeded hand methods. As means of production and distribution increased—although interrupted by the panic of 1873 due to inflation and railroad speculation—prices of commodities gradually became less and wages greater.

Commencing about 1891, however, the country began to feel the effects of increased gold production and of greater combinations of both labor and capital. The population gradually turned away from development toward merchandising and trading; "money was made" through deals and consolidations. As development was halted, a distinct trend toward higher prices set in after 1896. This trend toward higher prices became a noticeable factor in deterring physical development after 1907.

The commencement of the Great War in 1914 found this country with limited per capita plant requirements, with a debt to Europe of $6,000,000,000 represented largely by securities sold on account of plant construction. The Great War brought about an extraordinary foreign demand for our commodities. We received in return gold, securities, and inflated credits. Commodities became scarce, profits and wages increased. But these were spent in consumables rather than in plant. Our railroad extensions were stopped and rolling stock depleted, our rapid-transit facilities became inadequate, and our factory equipment, except for war production, fell behind its former standards.

Our own entry into the Great War found us with our peace plant still further depleted. Its reconstruction was checked by governmental allocations. Since the cessation of hostilities the exceptional demand for nonessentials has still further retarded the rehabilitation of housing, factories, and transportation. People have been lulled into a false sense of well-being and prosperity by inflation of currency and credit, which have temporarily bridged the gap. Meanwhile the depletion of the national plant has been so gradual that its cumulative effect has not yet been fully realized.

Being still unsettled and technically at war, the free and natural flow of men and material to places of exceptional demand is not taking place nor are we as a nation taking steps to gain a more complete understanding of the facts and to establish the equilibrium between supply and demand.

Organized groups are impeding transportation and production in an effort to secure increased wages, made necessary in part by the shortage of efficient facilities. There seems to be a popular belief that the situation may be cured by legislation which may change the distribution of commodities among the people, rather than increase the quantity of commodities to be distributed.

As we continue to spend and speculate in the limited products of our limited plant, giving little thought to its betterment, we find ourselves facing the law of diminishing returns.

We are now face to face with a housing shortage throughout the land. The construction of manufacturing buildings is being postponed on account of high prices and also because transportation and labor are unavailable. It is said that the car shortage can not be made up for several years; in the meantime transportation is inadequate, grain is being held in elevators, and a severe fuel and food shortage is predicted for the coming winter and spring.

We have witnessed the remarkable physical development of Germany before the war; we have noted the attempt of Germany to develop its facilities by the removal of machinery from France and Belgium during the war; and we have even been told that her industrial engineers followed her armies into Poland and elsewhere, making surveys for railways, hydroelectric plants, drainage canals, and other peace-time developments. We know that one of Germany's most serious blows to France was the destruction of the French manufacturing and mining districts.

The specific obligation now confronting the United States is so to increase its facilities for the production and distribution of useful commodities as to adequately meet the needs of its people. The plant development in the United States to-day is not adequate for its domestic needs. The United States can not give foreign succor or meet world competition until it has corrected this situation and has facilities for the production of necessities in excess of those required at home.

We recognize the influence of the introduction of improved means of production and distribution upon the world during the past century and particularly upon the United States immediately after the Civil War.

It is to be hoped that we are not to have a serious business depression; but if one should come it will, I believe, be of short duration, and after it is over I believe the Nation will enter into a period of physical development which will be even greater in magnitude than that period of physical development succeeding the Civil War and which will more adequately utilize its national resources. This reconstruction must be physical in fact. To increase production we must first increase our means of production.

Mr. SHERMAN. Mr. President, will the Senator yield for a brief observation?

The PRESIDING OFFICER (Mr. PHELAN in the chair). Does the Senator from New York yield to the Senator from Illinois?

Mr. CALDER. I yield.

Mr. SHERMAN. I should especially like to direct the attention of the Senator from Wyoming [Mr. KENDRICK] to this fact:

The range that formerly sent a great number of cattle into the Chicago and Kansas City markets no longer exists. It has been taken up by actual settlers and withdrawn from the open range. The Senator from Wyoming, in his address awhile ago, called attention to the decrease in the number of cattle in the United States going into the market to furnish a basis for our beef supply. I wish to direct the attention of the Senator from

New York to the fact that the decrease in the acreage of range has gone directly to the subject to which he is now addressing his paragraph.

The Senator from Wyoming further followed with the statement that hogs have not been reached by the packers in their depredations and that the hog market is still supplied. That is because there is a difference between the conditions that produce a steer and the conditions that produce a hog. A steer is a civilized product only when he is raised in an inclosed pasture. The steer that came from the range of the West and Southwest no longer has the range. A hog does not need range. He is a meat animal that requires a sedentary life, and the more he ranges the poorer producer of human food products he is. As inclosures have been taken up and farms have been created, the hog has naturally increased, because he is a purely nonrange product.

Hogs have increased all over the United States in production; but the range, from which the Senator from Wyoming awhile ago argued that our beef supply has fallen off, has decreased. The same thing decreases the supply of mutton, because the sheep is largely a ranging animal; and the large supplies of mutton and beef hereafter probably will come from Australia, where there is a great open range preserved even to this time.

Mr. CALDER. The interruption of the Senator from Illinois is very illuminating. It gets back to just what I said at the close of the last paragraph—that reconstruction should be physical in fact, and to increase production we must first increase our means of production. If we do that—and that is a subject to which we ought to give our attention—then the rest will not be so difficult.

Mr. President, Senate Resolution No. 350, introduced by me, was adopted by the Senate on April 15. Under the provisions of that resolution a special committee has been appointed, consisting of Senator KENYON, of Iowa; Senator EDGE, of New Jersey; Senator WOLCOTT, of Delaware; Senator GAY, of Louisiana; and myself as chairman, to investigate housing and all forms of construction throughout the country, and of industries upon which the construction industry is directly and indirectly dependent. In my opinion the adoption of this resolution by the Senate is a timely act, recognizing as it does that structural development is necessary for the fuller utilization of the Nation's resources, for the production of its essentials, and for the amelioration of its housing conditions, and that construction was curtailed by the war and is now hampered by an unprecedented demand for consumables.

The scope of the committee's work is necessarily extended because of the interdependence of the various factors, it being evident that construction can not proceed without transportation, labor, and capital, and that construction of all kinds is necessary for increased production.

The time allotted to the committee is comparatively short. Accurate and detailed information is essential.

In order to amplify and verify data otherwise obtained, it is the desire of the committee that it may receive from the Senators and Congressmen their personal knowledge as to home conditions, together with their suggestions as to means to relieve these conditions. The committee also earnestly invites the cooperation of Federal, State, and municipal authorities, as well as that of organized industry.

Mr. SHERMAN. Mr. President, may I make an inquiry of the Senator from Wyoming [Mr. KENDRICK], with regard to his address of a short while ago? Let me ask the Senator why, in drafting the bill, recourse to the trial courts where juries may be impaneled is entirely avoided?

Mr. KENDRICK. Mr. President, I do not think there was any plan to avoid it, and certainly there was no intention to leave those concerned and affected by the proceeding without protection. It is a matter in regard to which I can not answer the Senator offhand.

Mr. SHERMAN. I will state—probably the Senator is informed of the constitution of our Federal courts—that the United States court of appeals is not what lawyers call a nisi prius court, or a trial court, in which a jury can by its constitution be impaneled. It is one of the inferior courts of the United States mentioned in the Constitution over which Congress has jurisdiction to legislate. Accordingly it has within a comparatively recent time created the United States courts of appeal. They are not trial courts, as they are known to the administration of justice. They can not and do not impanel juries to try questions of fact to which citizens of the country may submit disputed questions of evidence.

The court to which the packers may appeal from a finding of fact by the live-stock commission provided is the United States circuit court of appeals in the district wherein the order was made. This is not a trial court in which a jury can be impaneled. Why is this appeal directed to the United States circuit court of appeals instead of the United States district or circuit courts, wherein juries may be impaneled to decide questions of fact?

Mr. KENDRICK. Mr. President, it was my understanding that the complaint was referred to the court of appeals more particularly for the purpose of expediting the decision. The Senator from Iowa [Mr. KENYON] had something to do with drafting the bill, and I will ask him to answer the question.

Mr. KENYON. I did not hear the Senators' discussion, so I can not answer the question.

Mr. SHERMAN. The inquiry was why the trial courts were avoided in appealing from the finding or the order of the live-stock commission created in the bill.

Mr. KENYON. Only to expedite the procedure.

Mr. SHERMAN. It was not at all to avoid a jury trial?

Mr. KENYON. Certainly not.

Mr. SHERMAN. That was never dreamed of in the committee?

Mr. KENYON. Not at all.

Mr. SHERMAN. Has the Senator any objection to an appeal to the district and circuit courts of the United States where on a finding of fact a jury can be impaneled?

Mr. KENYON. Not at all. I have always favored jury trials. The only object was to expedite the proceedings, if it was considered at all. That was all.

Mr. SHERMAN. It was not to substitute an ex parte commission for the jury system of the country?

Mr. KENYON. Not at all. The Senator sees a ghost that is not there.

Mr. SHERMAN. I do not want to be unduly alarmed about an invasion of our liberties, but would the Senator object to an amendment restoring the hearing of this matter on an appeal from the commission to the trial court, if I should offer it at some future time?

Mr. KENYON. I would like to take it up and discuss it. I have no power to accept it, anyhow, of course.

Mr. SHERMAN. Would the Senator himself oppose it? I will put it in a way that he can answer.

Mr. KENYON. I am not inclined to oppose the determination of any of these questions by juries. I have great faith in the American jury system.

Mr. KENDRICK. Mr. President, will the Senator yield?

Mr. SHERMAN. Certainly. I am talking in the Senator's time.

Mr. KENDRICK. As one of those who has favored and been interested in this legislation, I certainly would not oppose that change, because my purpose throughout the whole effort to secure legislation has been one, as stated a moment ago, which will prove a benefit not only to the great agencies of one or more of those concerns but to everyone connected with the industry. That is the sole purpose of the legislation, so far as I am concerned, and, if I believed it would safeguard the interests of those who were affected, I would not object to it.

Mr. SHERMAN. Would the Senator object to an amendment which would give the person or company investigated a right to be heard in a district or circuit court of the United States before a jury on a matter of fact upon the evidence taken before the commission, which is more in the nature of a commission or a master in chancery for taking evidence, to get the facts and take findings on them? Would the Senator object to an amendment which would secure the right of trial by jury in one of the trial courts of the United States?

Mr. KENDRICK. I certainly would not; and, Mr. President, I may say further to the Senator from Illinois, it has been my purpose here to avoid infringing upon the rights of any person connected with this industry and to avoid any disposition or inclination to punish anybody in connection with it. The inspiration behind the legislation with me is to eliminate for once and all time this continual clamor about the unfair practices of those markets, and any changes that are required in the proposed bill which would tend to protect more fully the rights of all involved I should be more than willing to go along with; and I would go further and depend a good deal upon the legal judgment of the Senator from Illinois.

Mr. SHERMAN. I thank the Senator for the implied compliment; but in seeking to create a commission, if the Senator, with the Committee on Agriculture of the Senate, has discovered a method of ending these disputes between buyer and seller, he has done something that 6,000 years have hitherto failed to do. It began shortly after Adam left the Garden of Eden, and it is still here in the Senate.

THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to

repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

The VICE PRESIDENT. The question is on the amendment of the Senator from New York [Mr. CALDER].

Mr. CALDER. I ask permission to withdraw the amendment and propose the following amendment.

The VICE PRESIDENT. The amendment is withdrawn, and the following amendment is offered by the Senator from New York.

The READING CLERK. Add a new section to read as follows:

SEC. —. Unless the board shall approve and by formal order so authorize, no vessel owned or operated by the Panama Railroad Co. shall be operated commercially in the transportation for hire of persons or property, except between ports of the United States, Haiti, and the Panama Canal, in competition with vessels of the board or with vessels of the United States wholly owned or operated by citizens of the United States.

The VICE PRESIDENT. The question is on the amendment as now offered by the Senator from New York.

Mr. ROBINSON. Mr. President, I do not believe the amendment submitted by the Senator from New York should be agreed to. The Senate should be advised fully as to the purpose and the effect of this amendment.

When the United States Government purchased the assets of the Panama Canal, it acquired the Panama Railroad Co., which owned and operated a line of steamships. The Panama Steamship Line is not incorporated. It is operated in connection with the Panama Railroad Co., which is a Government corporation. There are a number of vessels—the *Colon*, the *Panama*, the *Alianca*, and the *Advance*—operating in the regular weekly passenger service between New York and the Canal Zone, the *Colon* and the *Panama* stopping at Port au Prince on their outward and homeward trips. This steamship line also owns the *Ancon*, which is now in the Army service, but which it is expected shortly will be returned to the Panama Steamship Line. The *Cristobal*, a large vessel, is now in dry dock at Balboa being reboilered, and that vessel will be laid up for about five months.

The *Gen. O. H. Ernst* and *Gen. H. F. Hodges* are German interned steamers now being operated in the freight service of the Panama Steamship Line between New York and the Canal Zone. The *Gen. G. W. Goethals* and the *Gen. W. C. Gorgas*, which complete the list of the fleet of the Panama Steamship Line, are now in the Army service carrying troops. They are expected, however, shortly to be returned to the service of the Panama Steamship Line.

While the morning business was under consideration I made a statement with reference to an article in the nature of propaganda relating to the subject matter of this amendment sent out by the Washington bureau of the Journal of Commerce. I also referred to a letter written by Mr. T. H. Rossbottom, the assistant to the vice president of the Panama Railroad Co., explaining the policy of the Panama Steamship Line, and explaining also somewhat in detail the real nature of the controversy which is presented to the Senate in the amendment of the Senator from New York.

The Senator from New York on yesterday offered an amendment which, in effect, forbids the Panama Steamship Co. to take passengers or freight at any foreign port except from the Canal Zone. It seeks to limit the steamships of the Panama Steamship Line in the carrying trade to the transportation of supplies to and from Panama.

Prior to the outbreak of the European war, Haiti was practically without means of transportation. At the instance of the Navy Department, the War Department, and other agencies of the Government, the Panama Steamship Line adopted a policy, which it is now pursuing, of stopping at Port au Prince in Haiti and taking on and discharging cargoes and passengers. That service was needed by the people of Haiti.

The Panama Steamship Line operated to some ports of minor importance for a time, but the policy of doing that was severely criticized by the Shipping Board, and the steamship line, in order to preserve harmony, abandoned that policy, and now for some time it has been pursuing the course of having two of its steamships stop monthly at Port au Prince to take on and discharge passengers and cargo.

The competitors of the Panama Steamship Line in the Haitian trade are the Dutch Line, a foreign steamship corporation, and the Raporel Line, which is operated by merchants. The representatives of the Panama Steamship Line are assured from their investigations of the subject that the Raporel can not maintain itself in the Haitian trade, due to the fact that merchants who are not interested in the steamship line are scarcely willing, certainly not anxious, to ship their goods in vessels owned by competitors.

The Panama Steamship Co., or its representatives, find that if the United States is precluded from participating in that trade it will likely pass very shortly under a foreign flag.

The Senate well understands the relationship between the United States and Haiti. If the Senate desires to adopt a policy which, in practice and effect, means denying admission to Haitian ports of ships carrying the American flag, they can do so. The Senator from New York just a moment ago withdrew an amendment which he presented yesterday, and now presents another amendment, which would give the Shipping Board control over the vessels of the Panama Steamship Line and deprive the officers of the Panama Steamship Co. of the power to engage in the trade except at ports in Haiti and the Canal Zone.

This amendment in a sense grows out of a controversy which has arisen between the Shipping Board and the Panama Steamship Line. The Shipping Board, it seems, has adopted a policy and is seeking to enforce that policy not only as affects the vessels under its control, but also as affects vessels over which it has no jurisdiction under the law, namely, ships under the control of the Panama Steamship Line. That policy, briefly stated, is that Government-owned and Government-operated vessels shall not compete for any trade where privately owned and operated lines are in the trade.

Do Senators know what that means? It means that if the amendment goes into effect, the arrangement now in existence between the Panama Steamship Line and the Chilean Line, which is a Government-owned line, and the Peruvian Line, which is a Government-owned line, being owned by the respective Governments of Chile and Peru, will be terminated, and the United States will pass entirely out of the carrying trade between South American and Central American ports, except the Canal Zone, and, as the amendment is now presented, Haitian ports.

The undisputed facts are that the United States ships, the ships owned and operated by the Panama Steamship Line, can not compete with foreign vessels if they are limited to the receipt of cargoes from foreign ports in the Canal Zone and in Haiti. The undisputed fact is that there is very little cargo for New York and other United States ports to be taken at the Canal Zone, and if the Panama Steamship Line in operating its vessels is denied the right to take on cargo at ports other than the Canal Zone and the Haitian ports, if it is denied the right to transfer cargoes with the Chilean Line and the Peruvian Line, the Panama Steamship Line will have to greatly increase rates for carrying supplies to the Panama Canal Zone.

In addition to that, the Panama Steamship Line is now operating vessels between the Canal Zone and certain Colombian ports, the principal cargo being cattle transported to the Canal Zone and consumed by the inhabitants of the Canal Zone who are Government employees. If this arrangement is disturbed, if the Government be denied by the law of Congress the right to transport necessary foodstuffs, these meat products, from Colombia to the Canal Zone, if they are secured at all they likely will have to be carried at enormously increased rates in foreign bottoms.

Mr. NUGENT. Mr. President, will the Senator yield?

Mr. ROBINSON. I take pleasure in yielding.

Mr. NUGENT. The matter which the Senator from Arkansas is discussing is one of prime importance, it seems to me. I will ask the Senator if he will yield in order that I may suggest the absence of a quorum, as I believe that it is highly advisable that absent Senators know something of the argument that is being advanced by the Senator from Arkansas in opposition to the amendment.

Mr. ROBINSON. The Senator from Idaho does me great honor when he suggests that Senators now absent would remain if they responded, but if the Senator from Idaho thinks that it will secure a better hearing and thinks the argument I am now making is of sufficient importance to justify it, I yield to him to make the test.

Mr. NUGENT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Reading Clerk called the roll, and the following Senators answered to their names.

Ball	Johnson, Calif.	McNary	Simmons
Calder	Jones, N. Mex.	Nelson	Smith, Md.
Capper	Jones, Wash.	New	Smoot
Chamberlain	Kellogg	Norris	Swanson
Curtis	Kendrick	Nugent	Thomas
Dillingham	Kenyon	Overman	Trammell
Edge	Keyes	Page	Underwood
Gronna	Lenroot	Phelan	Williams
Hale	Lodge	Ransdell	
Harding	McCormick	Robinson	
Harris	McLean	Sheppard	

The VICE PRESIDENT. Forty-one Senators have answered the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Reading Clerk called the names of absent Senators, and Mr. McKELLAR, Mr. PITTMAN, and Mr. STERLING answered to their names when called.

Mr. KING entered the Chamber in answer to his name.

Mr. KING. I wish to announce that the Senator from Missouri [Mr. REED] is serving upon a subcommittee of the Committee on the Judiciary, and is unavoidably detained.

Mr. FRANCE, Mr. STANLEY, Mr. WARREN, Mr. McCUMBER, and Mr. KNOX entered the Chamber and answered to their names.

Mr. McKELLAR. The Senator from Mississippi [Mr. HARRISON] and the Senator from Kentucky [Mr. BECKHAM] are absent on official business.

The VICE PRESIDENT. Fifty Senators have answered to their names. There is a quorum present. The Senator from Arkansas will proceed.

Mr. ROBINSON. Mr. President, I will not repeat in detail the statement which I made prior to the suggestion of the absence of a quorum, but, for the benefit of Senators who have come in, will point out the fact that the amendment now under consideration, submitted by the Senator from New York [Mr. CALDER] provides—

> Unless the board shall approve and by formal order so authorize, no vessel owned or operated by the Panama Railroad Co. shall be operated commercially in the transportation for hire of persons or property, except between ports of the United States, Haiti, and the Panama Canal, in competition with vessels of the board or with vessels of the United States wholly owned or operated by citizens of the United States.

I have already stated something of the history of this subject and pointed out the fact that the adoption of this amendment by Congress means practically the elimination of vessels bearing the American flag from the carrying trade between the ports of this country and those of Central and South America. It is the policy of the Shipping Board that steamers owned or controlled by the Government shall not compete with steamers owned and operated by individuals and corporations and that the general policy of the Government should be to get out of the steamship business and turn it over to individuals and corporations. Whether we approve or disapprove of the general policy of the Shipping Board as just stated, it will be fatal to American interests, that ought to be conserved, to adopt the amendment of the Senator from New York.

I have already pointed out the fact that the United States can not compete with foreign vessels in carrying supplies from the Canal Zone to the United States or from the United States to the Canal Zone, if this provision goes into effect, because the Panama Steamship Line vessels will be substantially denied the opportunity of taking return cargoes, very little cargo originating in the Canal Zone. Haitian cargo, while considerable, and increasing, is insufficient to afford adequate return cargoes for the ships of the Panama Steamship Line.

There is another vice in this amendment that goes to the very bottom of the question. South America is beginning a period of development. The United States now has an opportunity of developing a great trade with various Central American and South American ports. In a measure designed to reestablish the American merchant marine, in a measure designed to restore the American flag to the seas, it is proposed to adopt an amendment which will deprive American vessels now in operation of the right to engage in the South American trade, and which, whether designed for that purpose or not, will have the effect of placing shipping between South American ports and ports in the United States under the British and the Dutch flags. Let Senators dare stand for such a policy!

Mr. JONES of Washington. Mr. President, I have a great deal of sympathy with the purpose the Senator from New York [Mr. CALDER] desires to accomplish, as stated by him yesterday—that is, to prevent a Government agency from competing with private service in the same line of business in connection with shipping along the same route—but I think it would be unwise to adopt the amendment at this time.

The problem, as the Senator from Arkansas [Mr. ROBINSON] has pointed out, is quite a broad one and is rather complicated. While the amendment is quite simple and plain in its terms, its effect might be different from what we expect. I can not see any reason why the Shipping Board and the Panama Steamship Co. or the War Department can not get together now without any legislation and work for the accomplishment of the end that I am sure both of them desire.

I have here the statement from the War Department to which the Senator from Arkansas has referred. I think they present a very strong showing as to the need for very positive action upon the part of the Government. The trade of the Caribbean and of the South American countries is a very important one, and it is one that we ought very largely to have. If we can not get it through private enterprise, I am in favor of using Government agencies to get it and to hold it. I know that the Dutch lines and the English lines will strive to the utmost to get that trade, and I think there is much basis for the fears expressed by the War Department in its memorandum.

What I want to see is the War Department and the Shipping Board working together with the determination to hold that trade for this country, either through private enterprise or through Government agencies. I think they can work it out under present legislation and under the bill which we have pending, if we pass it; but, in my opinion, it would be unwise to try to deal with this proposition on this bill at this time here on the floor of the Senate without having all the facts and without having heard either of the Government agencies or the private parties with reference to the particular matter.

Mr. CALDER. Mr. President, I can not permit the remarks of the Senator from Arkansas [Mr. ROBINSON] to go unchallenged. He intimated that this amendment was in the interest of foreign shipping. He did not suggest that that was my purpose in offering it, but that was the only deduction one could draw from his statement.

I introduced the amendment after consultation with the representatives of four American-owned shipping companies operating in the Caribbean and to South American ports. Two of those companies operating Shipping Board vessels and the two others operating ships flying the American flag have, after a great struggle, built up a business on the Isthmus and in the northern ports of South America, and just now are arriving at a time when their business is profitable.

The amendment which I offered yesterday would have prevented the Panama Steamship Co. from extending its lines beyond the Panama Canal Zone. I did not then know that the vessels of this company made regular stops at ports in Haiti, and that they had built up a considerable traffic there since the war began. When I discovered this I agreed to change my amendment so as to permit the continuation of the service to Haiti.

Mr. President, the Panama Railroad Co. operates these vessels, and the Panama Railroad Co. is owned by the United States Government. This shipping line was in operation, in part, before we took over the Panama Canal property nearly 20 years ago. It has been continued since then to supply Government needs on the Isthmus and to carry freight and passengers, both of a public and private character, to and from the Isthmus. It has not until recently sought to engage in competition with privately owned and operated American steamship lines; but now, in opposition to another Government function, namely, the Shipping Board, which was created for the purpose of expanding and developing our commercial shipping, in opposition to their views and position in this matter, it proposes to compete out of its own natural field.

When this bill was under consideration the Shipping Board suggested the propriety of having the entire maritime business of the Panama Railroad Co. turned over to that board. The Committee on Commerce refused to permit this to be done, and I concurred in that action, because of the fact that this line was being efficiently managed, and besides the interests of the Government on the Isthmus were so great that the committee believed we should not experiment by change of control; but the committee had no idea that this Government owned and operated line would attempt to enter into competition with private enterprise or the Shipping Board in this manner.

Mr. President, the four American lines—I am going to put their names in the RECORD again, because the Senator from Arkansas refers to a Dutch line and some other foreign lines—the four American companies operating to the Isthmus of Panama and to Colombian and other northern ports of South America are the United Fruit Co., the Caribbean Steamship Co., the Tropical Steamship Corporation, and the Columbus Steamship Corporation.

After introducing my amendment yesterday and observing that there was objection to it I conferred with the Shipping Board, and I have here a letter written to me by the board, which I desire to read:

> A substitute draft of amendment is submitted which I think takes care of the situation, and takes care of the objection that we should stop the United States from operating its own vessels simply because some other established line was in competition.
>
> There seems to be a desire on the part of the Government departments to extend their commercial operations in competition with the Shipping Board and private operating companies. By giving the Ship-

ping Board the power to determine whether or not they shall operate commercially on a given route this matter may be controlled, and we may ultimately bring the situation back to where it belongs, which is to have the boats in the hands of the private operators on a well-established route, in accordance with the general policies of the bill. Unless this is done, the board will undoubtedly be handicapped in its effort to sell these vessels to private operators and in the establishment of these new routes which are authorized by the bill.

Under the terms of my amendment the Shipping Board may authorize the Panama Railroad Co. to engage in trade with any port in South America it cares to. The course proposed by the amendment, it seems to me, is the proper one; it places the control of this matter completely in the hands of the Shipping Board, the one department of the Government where it should naturally be, and prevents a situation where different departments roam all over the world in establishing routes and competing with each other and with private American interests.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. CALDER. I yield.

Mr. EDGE. Along the line of the reasoning of the Senator from New York, my attention has been drawn to an amendment in the Army appropriation bill, which has been reported to the Senate and is now pending on the calendar. That amendment is as follows:

Provided further, That hereafter when, in the opinion of the Secretary of War, accommodations are available, transportation on Army transports may be provided for the members and employees of the Porto Rican Government and their families without expense to the United States.

The following proviso, however, is the one to which I desire to direct particular attention:

Provided further, That in the discretion of the Secretary of War, and when space is available, civilian passengers and shipments of commercial cargo may be transported on Army transports at rates not less than those charged by commercial steamship companies, between the same ports, for the same class of accommodations, the receipts from which shall be covered in the Treasury of the United States to the credit of miscellaneous receipts.

That provision simply demonstrates the point the Senator is making, that we apparently have competition between two departments of the Government—the War Department and the Shipping Board, to the latter of which we are trying now to turn over the development of our merchant marine. The proviso now pending in the Army appropriation bill shows very plainly that the Government is directly in competition with the American steamship companies running to the same ports.

Mr. CALDER. It seems to me, Mr. President, that this amendment is so safeguarded as to protect every American interest and that there ought not to be any objection to it.

Mr. ROBINSON. Mr. President, the Senator from New York [Mr. CALDER] bases his support of this proposition upon the ground that United States owned vessels ought not to be permitted to compete with vessels privately owned. With singular inconsistency, as it seems to me, he has modified his amendment so as to recognize the right of the Panama Steamship Co.'s vessels to compete with privately owned vessels for the Haitian trade and the Canal Zone trade.

I pointed out a while ago the fact that unless the existing arrangement is continued, the arrangement in force between the Panama Steamship Line, the Peruvian Line, and the Chilean Line, by which transfers of cargo are made and by which the Panama Steamship Line acquires cargoes originating in South America for New York and other ports, the Panama Steamship Line vessels will be unable to compete or to participate in the South American trade. The only two companies now engaging in the Haitian trade are the Dutch Line and the Raporel Line. The Raporel Line, as I showed a while ago, can not continue in that trade under present conditions; so that if the original amendment of the Senator from New York had been adopted the Haitian trade would have passed entirely from under the United States flag.

But, Mr. President, to show you further the vice in the proposition that the Senator presented here, at the instance of so-called American shipowners, Haiti is now without adequate transportation facilities. I stood on the dock at Port au Prince not 30 days ago and saw a thousand tons of cargo waiting for shipment. It had been waiting for a very long time.

Mr. CALDER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from New York?

Mr. ROBINSON. I yield.

Mr. CALDER. A friend of mine who is in the shipping business told me the other day that he has a cargo of freight waiting on the docks of San Francisco, and that it will have to wait 40 days before he can obtain transportation for it.

Mr. ROBINSON. And I suppose the Senator from New York, with that peculiar consistency which characterizes his conduct in presenting this amendment, would advocate that some of the ships that are now engaged in carrying cargoes from San Francisco should be excluded from the privilege of doing so in the interests of trade.

Mr. CALDER. Why, of course I do not advocate that, Mr. President.

Mr. ROBINSON. The illustration which the Senator from New York has made demonstrates irresistibly the conclusion that at this time the United States ought not to deny itself the use of any existing facility that will tend to promote and stimulate trade relations between the United States and Central and South America; for just as surely, Mr. President, as you are now presiding over the deliberations of this body that trade is rapidly passing under the control of the British flag and the Dutch flag.

The VICE PRESIDENT. The question is on the amendment of the Senator from New York [Mr. CALDER].

On a division, the amendment was rejected.

Mr. NUGENT. Mr. President, I desire to inquire whether or not section 11 of the committee amendment has been agreed to?

The VICE PRESIDENT. It has been agreed to.

Mr. NUGENT. I ask unanimous consent that the vote be reconsidered by which section 11 of the committee amendment was agreed to. I make that request for the purpose of presenting an amendment to the section.

The VICE PRESIDENT. Is there any objection?

Mr. JONES of Washington. Mr. President, that amendment was discussed at considerable length. I do not like to refuse the Senator's request, and yet the amendment was discussed at considerable length, and it was finally adopted after discussion.

As I say, I do not like to refuse; and yet this bill has been pending so long that I should like to get through with it one way or the other.

Mr. NUGENT. I will say to the Senator that the amendments which I desire to present will, so far as I am concerned, entail very little discussion.

Mr. JONES of Washington. Are they amendments to this amendment?

Mr. NUGENT. To section 11.

Mr. JONES of Washington. Of course the section will be open to amendment generally if it is up, and it will be open to amendment in the Senate. When the bill gets into the Senate, the Senator could propose these amendments without any reconsideration.

Mr. NUGENT. I am well aware of that fact, but I thought it would not make any material difference. I do not propose to make another speech with respect to the same matter in the Senate, and I thought it might be advisable to dispose of the entire matter in Committee of the Whole, as far as I am concerned.

Mr. JONES of Washington. Well, Mr. President, I hope it will not engage us in two or three days' further discussion. I shall not object to the Senator's request.

The VICE PRESIDENT. Without objection, the vote whereby the amendment was agreed to is reconsidered.

Mr. NUGENT. I move to amend, on page 16, line 5, by striking out "4" and inserting "5½."

The VICE PRESIDENT. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. On page 16, line 5, in the committee amendment, before the words "per cent per annum," it is proposed to strike out "4" and insert "5½," so that, if amended, it will read:

Interest on loans made under this section and on deferred payments shall be at a rate not less than 5½ per cent per annum, payable semi-annually.

Mr. JONES of Washington. I shall not object to that amendment, Mr. President.

The VICE PRESIDENT. The question is on the amendment of the Senator from Idaho to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. NUGENT. Now, Mr. President, on page 15, line 24, I move to strike out the word "private" and insert the word "Government."

The VICE PRESIDENT. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. Before the word "shipyards," on line 24, page 15, it is proposed to strike out the word "private" and insert the word "Government," so that, if amended, it will read:

If there are routes upon which the board deems it highly important to establish service requiring vessels of the kind described in this section, and responsible persons, citizens of the United States, can not be found to construct the same the board may construct such vessels out of such fund in Government shipyards in the United States.

Mr. JONES of Washington. Mr. President, I am willing to have that amendment come to a vote. We want to encourage our private shipyards, I think, as much as possible, and we do not want to continue in the Government shipbuilding business. We tried that during the war, and we want to get out of it.

Mr. NUGENT. Mr. President, one of the principal reasons assigned by the proponents of this measure for its enactment into law is the necessity for taking the Government out of business, particularly the business of constructing and operating ships; and one of the means they have provided for the accomplishment of that object is to place the Government in the money-lending business. I shall not comment on the inconsistency shown by them.

Section 11 provides:

That during a period of five years from the enactment of this act the board may annually set aside out of the revenues from sales and operations a sum not exceeding $50,000,000, to be known as its construction fund, to be used in the construction, or in aid of the construction, of vessels of the best and most efficient type for the establishment and maintenance of service on steamship lines deemed desirable and necessary by the board, and such vessels shall be equipped with the most modern, the most efficient, and the most economical machinery and commercial appliances.

It provides further:

The board shall use such fund to the extent required upon such terms as the board may prescribe to aid persons, citizens of the United States, in the construction by them in private shipyards in the United States of the foregoing class of vessels. No aid shall be for a greater sum than two-thirds of the cost of the vessel or vessels to be constructed, and the board shall require such security, including a first lien upon the entire interest in the vessel or vessels so constructed, as it shall deem necessary to insure the repayment of such sum with interest thereon and the maintenance of the service for which such vessel or vessels are built.

Furthermore:

If there are routes upon which the board deems it highly important to establish service requiring vessels of the kind described in this section, and responsible persons, citizens of the United States, can not be found to construct the same, the board may construct such vessels out of such fund in private shipyards in the United States.

Mr. President, the latter part of that section provides that when a private citizen can not be found who will construct the type of vessels required for certain trade routes, the Government itself, acting through the board, shall construct such vessels in private shipyards. I do not believe that that is the proper thing to do. The people of the country have expended in the neighborhood of $170,000,000 in the construction of shipyards within which to construct ships to be operated by the Shipping Board; and I hold the opinion that whenever it becomes necessary for the Shipping Board, a Government board, to construct ships for the Government with Government funds, those ships should be constructed in Government yards.

While I do not profess to know anything in respect to the matter, I very naturally assume that it is the intention of at least certain of the gentlemen who are earnestly and enthusiastically supporting this bill to put the Government shipyards out of commission; and, as I view it, there can be no reason and no object for requiring the construction with Government funds in a private yard of Government ships, to be operated by the Government, other than to give to the owner of such yard a very considerable profit for doing the work that could be done in a Government shipyard probably at a much lower cost.

Mr. LENROOT. Mr. President, usually I am in accord with the Senator from Idaho [Mr. NUGENT] on the matters arising under this bill, but I do not think the Senator from Idaho understands, as I do, what will be done with these ships when they are constructed.

The whole purpose of this bill, even as to the construction of new ships, is that they shall be immediately sold to private parties, provided, of course, they will operate them upon such routes as may be determined by the Shipping Board. That being so, I am not in favor of the Government going into any further construction of ships at all. If the Government were going to operate the ships for an indefinite period of time, as the Senator from Idaho assumes, I might feel very differently about it; but the whole purpose of this bill is to put all ships into private operation, not only those which have been constructed, but those which may be hereafter constructed at the expense of the Government. That being so, I am opposed to any further Government construction at all.

Mr. NUGENT. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Idaho?

Mr. LENROOT. Certainly.

Mr. NUGENT. I am in entire accord with the views just expressed by the Senator from Wisconsin with respect to this measure. I am thoroughly satisfied that he is entirely right. I have entertained that idea from the very moment that I read this bill. I am absolutely convinced that the purpose of this bill—in fact, it is so declared—is to dispose of all of these ships to private interests at the earliest possible moment, and I venture now to assert that when the operations of the Shipping Board are finally concluded it will be found that the magnificent fleet of approximately 2,300 vessels, which have been or are being constructed by the Government at an expense to the people of the United States of more than $3,000,000,000, will have been transferred to private shipping interests at a loss to the people of at least a thousand millions of dollars. My amendment was presented solely for the purpose of endeavoring to save a little more out of the wreck that is bound to come, as I believe that the ships can be constructed in a Government yard for a lower price than they can be constructed in a private yard, where, in addition to the actual cost of the material and labor that go into the construction of the vessel, a profit, as a matter of course, must be made by the proprietor of the yard.

Mr. LENROOT. Mr. President, unfortunately I think that all of the history shows that there has been no construction of ships in Government yards except at a very excessive cost. It is true there has been construction in private yards at a very excessive cost, also, but that was the fault of the Shipping Board in allowing excessive prices to private shipyards. But the point I want to make is that the bill, as it now stands, authorizes the Shipping Board to expend $50,000,000 a year in new construction, and the moment the ship comes off the ways to sell it at a loss to private individuals.

Mr. NUGENT. But, Mr. President, if the Senator will permit an interruption, the Shipping Board is required by this very section, whenever in its judgment it is advisable so to do, to build ships for operation on a certain route. It is directed to do it. So we must take our choice between the construction of those ships in a private shipyard and their construction in a Government shipyard.

Mr. LENROOT. My point is that I would prefer to see stricken out of this section 11 any authority for the Shipping Board to construct any ships whatever on Government account. If we are to aid in the building of ships, I would prefer that the Government aid only through loans for a portion of the value of the ship, so that the Government will have a lien on the ship, which, presumably, when it is launched will be of equal value to the ship, and without any resulting loss to the Government from the building of those ships.

Mr. KING. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LENROOT. I yield.

Mr. KING. Does not the Senator think that this provision found in the beginning of section 11 is very pernicious and will work very disadvantageously to the people of the United States? I read:

That during a period of five years from the enactment of this act the board may annually set aside out of the revenues from sales and operations a sum not exceeding $50,000,000, to be known as its construction fund, to be used in the construction, or in aid of the construction, of vessels.

In other words, they may sell boats and take the money derived from the sale, or take the money derived from the operation and construction of new boats from year to year up to the extent of $50,000,000, the aim apparently being to perpetuate the Government in this expensive and inefficient business of constructing boats. If the Senator does not tender a motion, I shall move to strike out the entire section later on.

Mr. LENROOT. Mr. President, in so far as the establishment of new lines is concerned, the fact is that our present fleet is not in all respects of such a character as will make profitable the establishment of new lines. In other words, undoubtedly there are ships of a certain design or character which are necessary to balance up any fleet that might be established upon a given line. If the Government is going to aid in the establishment of such lines, the whole theory of the Senate substitute being that of private ownership and private operation, I prefer to have the Government do it by a loan of not exceeding two-thirds the value of the construction, rather than to have the Government take this $50,000,000 a year out of the sales of ships which have been sold at a great loss, and then build new ships and sell those ships at another great loss, and so continue on indefinitely.

Without this provision for Government construction it would be fair to say that the Government would not lose a dollar, because its equity would be two-thirds of the cost of the ship. But with this provision for Government construction, no private shipowner is going to build a ship on his own account if he thinks the Government will build it for him, stand itself the carrying of the entire capital cost, and when the ship is launched probably sell it for less than it cost the Government.

There is no inducement to a private shipowner to build private ships in an American shipyard with a provision of that kind staring him in the face.

So, Mr. President, I had in mind, although I had expected to wait until the bill got into the Senate, to strike out from the provisions of the bill all authority for construction directly by the Shipping Board. If the Senator from Washington feels that this was opened up solely for the purpose of permitting the Senator from Idaho [Mr. NUGENT] to offer his amendment, I will not offer the amendment now, but wait until we get into the Senate. Otherwise I would be glad to offer it at this time.

The VICE PRESIDENT. The question is on the amendment of the Senator from Idaho to the committee amendment.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question is on agreeing to the amendment as amended.

The amendment as amended was agreed to.

Mr. EDGE. Mr. President, just a brief word. I had intended offering an amendment to the section relating to the hard and fast conditions of sale, which I discussed at some length in the Chamber a few days ago, and also a further amendment relating to the provision establishing American ownership, compelling 100 per cent American ownership, which I consider entirely unworkable. But in my short experience in the Senate I have about decided, with the few Senators who generally attend and give consideration to these detailed amendments, of great importance in many cases, that we really proceed with more expectation of final satisfactory results when we refer matters of that kind to the conference rather than attempt to decide them in the Senate.

So I am not going to offer those amendments, feeling that if the bill is finally passed the conferees of the two Houses, realizing that the Senate bill under consideration is in its entirety an amendment, the House bill having been stricken out in its entirety, will give consideration to such questions as we have discussed and debated on the floor of the Senate, and from the conference will be evolved a real workable measure.

Mr. KING. Does not the Senator think he is making a mistake in carrying that suggestion too far? It may be that the conferees without having their attention directly challenged by an amendment having been made upon the floor of the Senate may overlook when they get to conference the point in issue. I suggest to the Senator, if he will pardon me, that if he has any important amendment to offer he should challenge the attention of the Senate to it, so that the conferees will have the RECORD before them and know what the points were in favor of or against the amendment which was suggested.

Mr. EDGE. I consider the suggestion of the Senator from Utah to be a very pertinent and a very proper one, but the two matters are still contained in the bill, which appeal to me as being of extreme importance, the two I have already suggested. One is the hard and fast rule relating to sales, under which I think without further consideration or change it would mean that we would have a permanently owned merchant marine. I have discussed that at length on the floor of the Senate, and certainly that will be brought to the attention of the conferees. The other matter, stock ownership, is also in my judgment absolutely indefensible, because unenforceable, and I feel that it will likewise be given consideration by the conference.

Mr. TOWNSEND. Will the Senator permit me to ask him who is going to bring those matters to the attention of the conferees? The Senator speaks of certain measures discussed here before the Senate, and I am curious to know who is going to bring them to the attention of the conferees.

Mr. EDGE. I think the Senator from Michigan is quite aware of the matters which have been discussed in the Senate, and which form a portion of the bill under consideration. If passed by the Senate, they will naturally be considered by the conferees. It is hardly necessary for me to go into a detailed explanation as to how that will be done; it will naturally be done. If it is not done, when the bill comes before the Senate on the conference report we will still have an opportunity, if the bill in our judgment is unworkable, to express our opposition to it at that time.

Mr. JONES of Washington. Both propositions are in the bill now, and will, of course, be a part of the consideration of the conferees.

Mr. EDGE. I would assume that the conferees must consider these matters, as the Senator from Washington has naturally suggested, because they form a very important part of the bill.

Mr. TOWNSEND. I assumed, from what the Senator said, that he was detailing certain amendments which he thought were essential to the bill, and which would be considered probably by the conferees.

Mr. EDGE. The Senator is entirely correct.

Mr. TOWNSEND. My understanding is that we have a very wholesome rule in the Senate, which is always enforced when attention is called to it, that the conferees have no right to insert into a bill matters of legislation which were not enacted by either House. If the amendments sought to be suggested by the Senator change the bill, I maintain that the conferees would have no right to consider them in conference.

Mr. LODGE. Mr. President, as I understand it, the amendments which we are discussing are wholly new matters, and it has been held over and over again that when it is entirely new matter which goes into conference, the whole subject is open to the conference for anything relevant.

Mr. TOWNSEND. I do not agree with the Senator that that has been the holding of the Senate.

Mr. LODGE. If the Senator will allow me, it has been held again and again that when all is stricken out after the enacting clause, and a new bill is put in, both bills are before the conferees.

Mr. JONES of Washington. I suggest to the Senator from Michigan that both amendments the Senator from New Jersey has in mind are in the bill. We have an amendment in the bill which requires the entire ownership of the stock of the corporations to be American owned. The Senator from New Jersey does not think we ought to go that far. He thinks it should be 80 or 85 or 90 per cent. I submit that that whole proposition will be in conference on the amendment in the bill. Then, with reference to the other provision we have put in the bill, a proviso as an amendment, which the Senator from New Jersey thinks is too restrictive. That will be a subject of conference between the two Houses. It is an amendment put into the bill by the Senate already. The Senator from New Jersey wants to modify it and make it not quite so restrictive.

Mr. TOWNSEND. I realize that, but I know of no one who could raise the point except the House conferees. I am assuming that it is the duty of the Senate conferees to stand by the action of the Senate unless the House has a different provision, and a controversy is brought up. I do not agree with the statement made by the senior Senator from Massachusetts [Mr. LODGE] that the rule permits what he has stated. Within the last year or two that very question has been raised repeatedly, and the opposite has been decided. I simply raised it, not knowing exactly what the Senator from New Jersey suggested, but suppose he wanted some amendment made which was material to the bill, which changed the bill; I can think of no one who could raise that point before the conference.

Mr. EDGE. Mr. President, I thank the Senator from Michigan for his lucid explanation, and I presume he is entirely correct. I am perfectly frank to admit that I am not particularly well versed in the rules governing conferences, but I have been impressed, especially during the consideration of this bill, with the great loss of time in trying to reach conclusions. I revere the traditions of the Senate, and the fact that Senators believe in great deliberation. Perhaps I am becoming somewhat innoculated with the germ myself. But, at the same time, we must recognize that the pending measure is one of the most important we have to consider.

I have understood, and the various explanations made have not greatly changed the viewpoint I have, that the amendments suggested by the Senate committee, if adopted by the Senate, being an entire change from the bill as sent over by the House, the question must naturally be raised between the conferees representing the two Houses, as to whether they would be agreed to or not, which brings up to a great extent the different points involved in the various sections.

Solely in the interest of saving time, whether that is subject to indorsement or appreciation or not, and bringing the bill into conference, I am refraining from suggesting amendments which would probably extend the debate for several days, feeling reasonably sure that the conference committee, representing the Commerce Committee of the Senate and the Merchant Marine and Fisheries Committee of the House, will try to round out of this measure a workable measure. After all is said and done, that is all the American people want, and if we can save 48 hours near the end of the session I hope that will be done. I really think I am trying more to help solve the problem than in taking the time of the Senate for two or three days in further discussion.

Mr. LODGE. Mr. President, when I made the statement that I did I was not unmindful of the Curtis rule. I was stating the old general practice. I know the Curtis rule has restricted it, but I still think that I am right in my proposition that where

there is great distinction, where the whole matter is put before the conferees, they have a much larger latitude than when it is simply a change of the original text. I think they have a much larger latitude. I made the statement simply because I confess I feel some sympathy with the Senator from New Jersey [Mr. EDGE] in his most unappreciated effort to save time.

Mr. KING. Mr. President, as I understood the Senator from New Jersey [Mr. EDGE], one of the points to which he directed attention was that involved in section 11, which authorizes the sale of vessels and the utilization of the funds derived therefrom in the construction of new vessels by the board. Having that point in view—and I understand the Senator very briefly alluded to it a few days ago in his discussion, and coinciding with the view—I move to strike out, on page 15, in line 1, the words "sales and," so that it will read——

Mr. JONES of Washington. Mr. President, I thought section 11 had been agreed to.

Mr. KING. I understood it had been reopened for the purpose of considering the amendment offered by the Senator from Idaho [Mr. NUGENT], and I did not understand that there was any limitation upon the amendments which might be offered.

Mr. JONES of Washington. That was disposed of, and then the committee amendment as amended was agreed to again.

Mr. KING. I was waiting to offer my amendment and I did not hear the statement by the Chair. I ask that the vote by which the amendment was agreed to may be reconsidered and the matter reopened for the purpose of submitting further amendments. I was waiting for that purpose.

The VICE PRESIDENT. Is there objection? The Chair hears none. It is reconsidered again.

Mr. KING. I now move to amend by striking out, on line 1, page 15, the words "sales and," so that as amended the section will read:

That during a period of five years from the enactment of this act the board may annually set aside out of the revenues from operations a sum not exceeding $50,000,000—

And so forth.

The purpose of the amendment is to deny to the board what the section grants, the right to sell boats without limitation and the utilization of funds derived therefrom up to the extent of $50,000,000 each year for the construction of new ships. Personally I am opposed to the employment of the funds derived from the sale of ships in the building of more ships, because, as the Senator from Wisconsin [Mr. LENROOT] pointed out, the board will construct ships and sell them at a loss, because the price of vessels will decline and the Government can not build as cheaply as private persons can, and the latter will establish the market price for ships, and then the funds derived from sales will be reinvested in new boats and those sold at a loss, until finally that particular fund will be exhausted. It will be extinguished absolutely, and the board will perpetuate itself as a constructing and selling agency until the vast fund committed to its care will be dissipated.

It seems to me we are going far enough to satisfy when we permit the utilization of the funds derived from operations for the construction of new ships. I am opposed to the board engaging in further construction, because, as everybody knows, they can not begin to compete with private persons engaged in the construction of vessels. There will be waste and inefficiency, I do not care what the personnel of the board may be or the limitations and restrictions which by law may be imposed upon its activities. Whatever the Government agencies undertake, whatever this agency and instrumentality may undertake, it will be inefficiently managed and extravagantly operated. I think that this board ought, at the very earliest possible moment, at a period not more than 5 years from the date of the passage of the bill, be compelled to terminate all of its business, wind up its business, dispose of the ships which have been constructed, and go out of business, and permit private capital and private enterprise to own and operate the ships of our country.

Mr. EDGE. Mr. President, I am in thorough accord with the suggestion made by the Senator from Utah [Mr. KING] that the Government should go out of the business as rapidly as it is possible to do so, giving due regard to the great assets that they now have in their hands, but I do not think the amendment suggested by the Senator from Utah will meet the situation as well as the one relating to the same section suggested by the Senator from Wisconsin [Mr. LENROOT], which he intends to offer when the bill is in the Senate. In striking out the words "sales and," as I understand the Senator's amendment, he is still permitting the Shipping Board to spend $50,000,000, or any part of it, that they may collect from operations, and does not in any way deter them from building ships on Government account.

Mr. KING. Will the Senator yield?

Mr. EDGE. I yield.

Mr. KING. I propose to follow the amendment which I have just offered by tendering another, which is to strike out, in line 3, page 15, the words "in the construction or," so that the section as finally amended in those lines to which I am now directing attention would read:

Of the revenues from operations a sum not exceeding $50,000,000, to be known as its construction fund, to be used in aid of the construction of vessels of the best and most efficient type—

And so forth.

Mr. EDGE. I am entirely in accord with that amendment. It would require a further change in the latter part of the section.

Mr. KING. Yes; I have the further amendment, if these should prevail, to strike out lines 19 to 25 on page 15 and lines 1 to 6 on page 16.

Mr. JONES of Washington. Mr. President, if every Senator had everything just as he wanted it in connection with this bill, we would have no bill at all, and we never would get any legislation with reference to a merchant marine. The committee have considered these various matters from almost every angle and harmonized our differences as much as we could, and we have thought this was the wise thing to do.

I am not going into a discussion of the proposition again at this time. I am satisfied that the Government will never lose a cent out of it. I doubt if the Government will ever build a ship under it. I believe private parties may be aided and may build ships that are necessary, but this is one of the most important sections in the bill. It means the balancing of the American fleet and putting it in form and shape and furnishing it with ships that will compete with the modern, up-to-date ships of our competitors. It is for the purpose of constructing such ships, for the establishment of particular lines that we should have. It is framed upon the theory of first aiding private parties to do it, and if there are important lines that should be established that private parties will not establish, then, if necessary, the Government will build the ships. In my judgment the Government will not lose a cent on the ships that it builds, if it builds any.

I hope the amendment of the Senator from Utah will be rejected.

On a division, Mr. KING's amendment to the committee amendment was rejected.

Mr. KING. Mr. President, I move to amend by striking out, in line 3, page 15, the words "in the construction or."

Mr. LENROOT. Mr. President, I think this amendment ought to be adopted. I do not believe that we should expend Government money in the future in the construction of ships, those ships to be immediately sold at a loss. That is the inevitable consequence of the adoption of the original amendment as reported by the committee.

The history of the construction of Government ships in the past does not warrant the Senate in authorizing any further construction of Government ships at the hands of the Shipping Board. I very freely admit that the Shipping Board as now constituted is a very much better business institution than the board which existed during the construction of these ships, but we are not authorized, it seems to me, to expend $250,000,000 of the money of the people of the United States in the building of these ships when immediately upon their launching they are to be sold to private parties at a loss.

The selling at a loss of ships already in existence, of course, is fully justified by reason of the circumstances attending their construction. If they are to be sold at all, they must be sold at a loss; but there would only be one justification for the Government continuing a shipbuilding program at its own expense, and that is if it is to operate the ships that it builds. But for the Government to spend $50,000,000 a year in building new ships and then immediately to sell those new ships at a loss can not be justified. There will be no private shipbuilding in private yards so long as they can look to the Government to build ships in the future, and buy exactly the kind of ships they desire, and buy them at a less cost than they cost the Government itself.

So I hope the amendment will be agreed to.

Mr. JONES of Washington. Mr. President, the Government is not required to sell these ships immediately if it builds them. The Government will build the ships no doubt for a special line. It is the very purpose of the bill to have them built for a special service. If private parties can be gotten who will buy these ships and put them in that line of business at once, well and good. The board certainly will not sell ships at a loss in that case, but if private parties will not buy the ships on fair terms, then the Government will operate the ships on those lines and

establish those routes, and that is one of the great things we want. I hope the amendment will be defeated.

Mr. EDGE. Mr. President, again may I state that I made a particular effort to get the bill into the hands of the conferees; but inasmuch as this very important phase of the bill under consideration has been brought up, I think it merits very careful consideration and discussion and debate.

One part of the section unquestionably nullifies the other part. As has been partly brought out by the Senator from Wisconsin [Mr. LENROOT], certainly no shipping concern will borrow money from the United States to build ships and pay interest upon the investment, now not less than 5½ per cent by the amendment just agreed to, offered by the Senator from Idaho [Mr. NUGENT], when the Government agrees practically under the same section to build ships, entirely on its own account, from its own income from operation of sales, if private interests do not build them for them. My judgment has been that there could be absolutely no reason why the Government should not loan its credit—in other words, loan the money on proper security, the ship itself—in order to stimulate the building of necessary ships.

Is not the argument of the Senator from Washington answered in this way? If the ships can be operated at a profit, then in the natural, general development of the merchant marine private interests will be glad to take advantage of the two-thirds advance from the Government to build such ships. If they can not be maintained and operated at a profit, certainly the time has arrived when the Government should cease operating additional ships, knowing perfectly well that to do so will mean that much additional loss to the taxpayers of the country.

I have full sympathy with the underlying thought of the Senator from Washington to develop a merchant marine, and even, to some extent, perhaps, to accept some losses; but we now have the ships; we are in a position, with goods to be exported from our country, naturally to have cargoes under proper financial conditions. We have men representing the various seaboard sections of our country engaged in the shipping business, men who have studied it for years, who know where profits can be obtained by developing trade, and it seems to me that they should be given the opportunity, for I entirely misinterpret the views of the people of this country if they want the Government to continue the building and operation of ships. I think they are determined and anxious to-day to have the Government get out of the business at the earliest possible moment. We shall not get out of the business when we are directly announcing a policy through this section of the bill that we will build any ships for five years that private capital will not build, when at the same time we are ready to loan private capital two-thirds of the amount which is necessary to build them. The answer is we will be continually building ships.

The Senator from Wisconsin [Mr. LENROOT] has stated that inasmuch as the general policy of the bill is to ultimately get out of the business, we must sell the ships at what will be comparatively a loss. I really feel that the amendment of the Senator from Utah [Mr. KING] is timely and will help to carry out the very intent, as I understand it, of the bill, and permit the Government as rapidly as good business will allow to get out of the business.

Mr. JONES of Washington. Mr. President, I wish to say just a word, because I consider this one of the most important provisions of the bill and designed to accomplish one of its most essential purposes. The bill is framed on the theory of getting the Government out of the shipbuilding and shipowning business, but it is not framed on the theory of getting the Government out of the shipbuilding and shipowning business at an undue sacrifice. I am just about as strongly opposed to that as is the Senator from Idaho [Mr. NUGENT]. We have tried to frame the bill in such a way as clearly to indicate to the Shipping Board that it is not the purpose of the bill, that it is not the intention of Congress, that they should sacrifice the interests of the people of the country in these ships simply to get them into private hands. We are not in favor of that. We do feel, however, that the people of the country want these ships ultimately to go into private hands; that that is the best way to build up and maintain an American merchant marine; but we realize that this shipping belongs to the Government. The situation confronting us is not like the railroad situation, for the railroads belonged to private parties and the Government simply had possession of them, and of course we should turn them back as soon as possible. The Shipping Board fleet is the Government's property; it is not necessary to sacrifice it purely for the purpose of getting it into private hands; the committee is not in favor of doing it, and this bill is not framed on the theory of doing it.

Mr. NUGENT. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Idaho?

Mr. JONES of Washington. I yield.

Mr. NUGENT. That is precisely the proposition of which I am complaining. This fleet belongs to the people; it was constructed at a cost to them of more than $3,000,000,000; and it is conceded by many that it will be disposed of at a very much less price than it cost.

Mr. JONES of Washington. I have not conceded that.

Mr. NUGENT. I will ask the Senator now if he does not believe that under the provisions of the bill the ships will be sold for a very much lower price than they cost?

Mr. JONES of Washington. No; not by virtue of the provisions of this bill.

Mr. NUGENT. The fact remains, however, that the ships are now being operated by the Government at a profit; the fact remains that they were operated at a profit of more than $166,000,000 up to the 30th day of last June; and I, for one, most strenuously and earnestly protest against their sale to private interests at a loss of between $750,000,000 and $1,000,000,000 of the people's money, and that loss will certainly be sustained if the pending measure is enacted into law.

Mr. JONES of Washington. Mr. President, we discussed that matter the other day. These ships really are not operating at a profit according to ordinary and usual methods of computing such matters. The amount that the Senator refers to is found simply by computing the difference between cash receipts and cash expenditures. It does not take into account depreciation, interest, or anything of that sort, which must be considered in determining real profit and loss. I am not going into that, however, Mr. President.

What we desire in this bill and what we provide is for the sale of these ships in a way that a prudent business man not forced to get rid of his property would do it. We hedge it about with further limitations. One of the limitations is what the Senator from New Jersey complains of, and says that it means perpetual ownership. Then the Senator from Idaho says we will dispose of them absolutely. As a matter of fact, if the Shipping Board realizes the purpose and intent of the bill, it will get every dollar that a prudent business man, who did not desire to keep a property of this kind in his hands perpetually, would get out of it.

Mr. LODGE. Mr. President——

Mr. JONES of Washington. I yield to the Senator from Massachusetts.

Mr. LODGE. I merely wish to say a few words; I do not desire to interrupt the Senator from Washington.

Mr. JONES of Washington. Very well.

I desire to recur to the section under consideration. I am not going to open up the whole bill, although I am sometimes tempted, of course, in view of statements which are made, to discuss various matters which are involved, but we have gone over them time and again, and I am not going to do so any more. However, with reference to the pending section of the bill providing for this fund, the Senator from Wisconsin and the Senator from New Jersey are in favor of using the Government money as a loan to private parties with which to build ships.

Mr. President, I am in favor of that; but I am in favor also, when the Government agency says there is a highly important route which should be established and private enterprise will not take the risk of developing the business and suffering a loss, when the Government feels that such route should be developed and that it will be to the interest of our commerce to have it developed, then I am in favor of using the money of the Government to build ships to perform that great Government work. I think it will be a wise thing for the Government to take such action, and I can not see justification for using the people's money as a loan to private parties to build ships when the Government would be prohibited from doing what it considers a highly desirable thing in the building of ships—to develop trade and establish new routes. It is not required to sell its ships immediately; it will put them on desirable routes and develop the business, and then it will sell the ships, and, in my judgment, will get every dollar out of them that it has put in and, in addition, will build up the trade of this country and establish the American merchant marine upon a permanent basis. I hope that the amendment of the Senator from Utah will be defeated.

Mr. LODGE. Mr. President, I am as utterly opposed to Government ownership and Government shipbuilding as any-

one can possibly be. If I had my way, to do exactly what I wanted by a stroke of the pen, I would stop the whole Shipping Board business now. There has been a vast expenditure of Government money; the waste has been colossal, and there has been any amount of mismanagement; but we have all of this property on our hands, and we want to secure some legislation to deal with it. We can not any of us get exactly what we want, and perhaps it is not best that we should; but I believe that the committee—and their report is a unanimous one, as I understand—have reached the best possible solution and one which affords the greatest opportunity to preserve to the taxpayers of the country what can be preserved from the huge expenditure which has been made. It also puts some limit on our continuance in the business. It is the only practicable method that has been offered dealing with the question, and that is the reason why I shall vote for it, although I am utterly against Government ownership.

If anyone desires a lesson of what Government shipbuilding means, he has but to study the history of the Shipping Board.

Mr. KING. Mr. President, I appreciate the enormous difficulties the committee encountered in dealing with this subject. They found that the Government had expended, as the Senator from Idaho [Mr. NUGENT] has stated, more than $3,000,000,000 in the construction and purchase of ships. Many of the vessels so acquired are comparatively valueless; some of them, perhaps the great majority of them, do possess some value; but I do not agree at all with the Senator from Idaho that we can sell those ships for what they cost the United States. If the Government of the United States should continue in the operation of the ships for 1 year or 100 years, the cost to the taxpayers of the country would be great, and the loss to the Government will be progressively greater as the years go by. In my opinion, if the Government of the United States will sell the ships now, or within a reasonable time, its losses may not exceed $1,000,000,000; but I make the prediction that if this bill is passed in its present form the Government of the United States will lose more than $2,000,000,000, and probably a sum greatly in excess of that amount. It is absolutely impossible under governmental operation to avoid losses and deficits. These losses will have to be met by appropriations from the Treasury of the United States. No one knows the losses already incurred by the Government in its shipping experiences, and if this bill becomes a law no one ever will know.

The Senator from Idaho has stated that we operated these ships at a profit of $166,000,000 last year.

Mr. NUGENT. Mr. President——

Mr. KING. If the Senator will pardon me for a moment, I have seen and have read two or three times the report to which he calls attention, and I wish to assert that the books of the Shipping Board, in my opinion, will not show anywhere near this alleged profit; it is only a book profit; there has been absolutely no consideration given to capital invested and no consideration given to the item of depreciation. Those vessels have depreciated, and there are other elements which should have been considered. Some ships are worthless; many have greatly depreciated in value. It is known that those acquired during the war cost sums greatly in excess of their prewar value, and many that were constructed cost from $200 to $300 per ton.

Mr. NUGENT. Mr. President——

Mr. KING. I yield.

Mr. NUGENT. It is true that I have stated on more than one occasion that the Shipping Board has operated the fleet at a net profit of one hundred and sixty-six million and some hundred thousand dollars. I derive that information from the report filed by the committee with its recommendation that the bill be enacted, and the statement appearing in the report is taken from the testimony of Chairman Payne, of the Shipping Board. It sets out, among other things, the board's revenues from operations from the beginning to June 30, 1919, as reflected in the condensed balance sheet of June 30, 1919. It shows that the income amounted to five hundred and seventy-four million and some hundred thousands of dollars and that the disbursements amounted to four hundred and seven million and some hundred thousands of dollars, leaving a net revenue to June 30, 1919, of $166,493,994.85.

The Senator from Washington has on several occasions stated that there was no charge for insurance included in these figures. I desire to call the Senator's attention to the fact that in the table to which I have just referred there is a charge for insurance in the sum of $31,149,007.89.

Mr. KING. Mr. President, I repeat what I said a moment ago—that in my judgment the operation of the ships during the past year has cost the Government several hundred millions of dollars. If the ships were sold now in a prudent way, without forcing them upon the market, I have no doubt but what the Government would be out at least $1,500,000,000.

Mr. NUGENT. I agree with the Senator.

Mr. KING. If the board waits another year before selling the ships controlled by it, the value of the ships will be less and the loss to the Government augmented. The depreciation in the vessels is great and types change. Of course, if conditions prevail that existed during the war, any vessel which can carry a cargo would be valuable; but as we return to prewar conditions the situation with respect to vessels for commerce and other purposes will be materially altered. Many nations are now engaged in shipbuilding. As the conditions throughout the world become more normal the construction of ships will be increased. The Scandinavian Republics, Holland, and other nations of Europe have greatly increased their ship production. And, of course, Great Britain, France, and Italy will strain every nerve to build ships to carry their commerce throughout the world. This will result in a material reduction in freight charges, and that will be reflected in the diminished value of the ships.

The vessels owned by the United States were purchased at exceedingly high prices by reason of war conditions, or they were built at war prices and cost the Government very much more than they can be sold or can be reproduced for now or in the future. My information is that ships will bring a better price now than they will at a later period. It seems manifest that there must be a great reduction in the cost of ship construction during the present year as well as in the coming years. The high prices prevailing during the war can not be continued.

The lumber, the steel, the machinery, and all other articles entering into the cost of ship construction are less now than they were in 1917 and 1918, and, in my opinion, there will be a gradual decline in the prices of all articles and commodities required in ship construction. I believe the interests of the country, as well as the Government, will be best subserved if the ships owned by the Government and used, or which it proposes to use, for transportation purposes are disposed of at the earliest possible date. I do not mean that they should be sacrificed, but a policy should be adopted calling for the disposition of such ships within a reasonable time and as a prudent vendor would dispose of property he does not desire to retain. The bill should indicate that it is the policy of the Government to dispose of its ships and to not continue in the business of ocean transportation. I stated a moment ago that the demand for the purchase of ships owned by the Government will be less as the years go by. Already our ocean commerce has commenced to decline. Last year our foreign commerce exceeded $10,000,000,000. There is every indication that for the year 1920 our foreign commerce will be two billion or more less than it was in 1919. Our exports last month were, as I recall, more than $100,000,000 less than the preceding month. This decline in our foreign commerce will necessarily affect the value of American ships. During the war the marine freight charges were exceedingly high. The vessels used by the United States obtained the benefits of these high prices. Transportation charges must inevitably decline. The Government will receive less for carrying American products than it did during the war. This decrease in the volume of our ocean shipments and the decrease in the freight charges will reduce the price and value of ships. It is for this reason I have suggested that the best interests of the Government and the people will be promoted if the Government sold its ships at an early date. Of course, purchasers should be Americans and the ships should fly the American flag.

I am opposed to the provisions of this section which permit loans to private persons for the construction of ships; and if the amendment which I am now offering shall prevail, I shall offer another amendment striking out that provision. I am not in favor of the Government of the United States giving its credit to men for the purpose of constructing ships. If the shipping business can not be put upon its feet now it never can be, and, speaking for myself, I am not willing that the Treasury of the United States shall be resorted to from year to year to make up the deficits of the Shipping Board as the Treasury of the United States was resorted to by the Railroad Administration to the extent of nearly $2,000,000,000 to make up the losses that were incurred in the governmental operation of the railroads.

As I stated a moment ago, I do not care who may constitute the Shipping Board, there will be waste and extravagance and inefficiency. The Government can not compete with private enterprise in the shipping business or in any other private business. I object to this bill, and this section particularly, because, notwithstanding the disclaimer of my distinguished

friend, the chairman of the committee, I believe that this bill will perpetuate the Government in the shipping business.

Fifty millions of dollars may be used every year to build new ships. The Senator says they are not compelled to sell the ships. That is true, and they probably will not sell the ships. They will take the position that they can not get an adequate price, and thus form a pretext to continue the activities of the board indefinitely. They will retain the ships as they are constructed, and they will perpetuate themselves in power and perpetuate this governmental shipping system until Congress, by positive and direct legislation, shall compel a cessation of their functions.

I repeat that if we appropriate $50,000,000 here for the purpose of enabling the Shipping Board to build new vessels—and we are calling upon them to dispose of the ships as they see fit—the result will be that additional vessels will be constructed, the Shipping Board will have more vessels on hand, more machinery, more employees; and so, as the years go by, the system will more and more fasten itself upon the country, and private individuals, feeling that the Government of the United States is in competition with them, will be more reluctant to engage in the construction of ships. They will not go into competition with the Government of the United States if the Treasury of the United States is available to meet these deficits.

We give this board more than $3,000,000,000 of capital to play with. They are not required to pay a cent of interest to the Government of the United States. They are not required to make an accounting to the Government of the United States and pay into the Treasury the profits, if any, that have been derived. They have more than $3,000,000,000 to use as they may see fit. They may sell vessels and put the proceeds back into the construction of other ships. If there should be any receipts from the operation of the system, those receipts may be utilized for the construction of other ships. And so, with a great big competing governmental organization which has more than $3,000,000,000 of capital to play with, to utilize, to orgahize, to construct, and to go into competition with other ships and with other organizations, manifestly there will be a disinclination upon the part of private persons to engage in the shipping business.

It seems to me that the amendment which I have offered ought to prevail, and then that an amendment which I shall suggest later and which will deny the use of these funds to private individuals to aid them in the construction of ships, should also be adopted. And finally I shall move to strike out the entire section if these various amendments do not prevail.

The section contains so many dangerous provisions that I feel we should unite in eliminating it from the bill.

I desire to submit a very few general observations concerning this measure. It is apparent from the action of the Senate that no amendments of importance to the bill will be adopted. During the consideration of this very important measure but little attention has been given it by the overwhelming majority of the Senate. There has been but a handful of Senators present, and substantially all of those who have been in the Chamber during the debate have supported the committee and signified their opposition to any amendments offered or which might be offered. I regret that a measure of such vital importance to our country should receive so little attention. It can not be that Senators lack interest in a bill that is of transcendent importance not only to the people of our country but to the Government itself. In my opinion, the measure before us profoundly affects the political structure and the future economic policy of this Republic. We are daily confronted with evidences that influences are at work to change the political policies of our Nation and to compel it to adopt industrial and economic policies entirely at variance with the views of the founders of this Republic, as well as those who have guided the destinies of this Nation from the beginning.

Socialism is not a fad, but it is a powerful force in the world. It is not a mere fanciful scheme of dreamers and the theory of doctrinaires, but it is a creed supported by many strong thinkers and earnest and sincere seekers after better government and improved conditions throughout the world. Of course, there are various forms of socialism. I am speaking of that which may be denominated the sane and rational socialistic creed. There are those of this faith who seek to build up and not destroy. In my opinion, the highest form of political independence and economic freedom can be enjoyed under this Republic. No human Government approximates it in those elements or features which make for liberty and social progress. I have repeatedly reiterated my faith in our Government and in its competency to meet the varying conditions which the changing years develop. I believe it is adequate to meet the needs of a progressive and liberty-loving people. I do not, of course, mean to assert that in the application of the principles of our Government justice has always been done and the rights of the people always recognized. Injustices will always exist under the most perfect form of human government. Selfishness is a concomitant of humanity, and professors of the highest religious faith and those who follow the loftiest ideals frequently oppress their fellows or commit injustices against those whom they should protect. I have regarded with apprehension many schemes that have been suggested that aimed at the overthrow of our social and political structure and sought to fasten a hateful paternalism or a destructive socialism upon the people.

This bill, as I have stated, is of vital importance, not only because of the vast amount in money and property involved, but because of the policy which it adopts and the precedent which it establishes.

I understand, of course, that the committee repudiate the suggestion that its purpose is and its results will be to fasten upon the Government a permanent marine transportation system. I have no doubt but what the committee reporting the bill have given the most conscientious and patriotic service to the important problems involved.

When the war was over we found ourselves the owners of more than 2,000 ships. The Government had expended more than $3,000,000,000 in their purchase and construction. It was, of course, obvious that the Government could not disorganize the vast machine which it had erected for the purpose of purchasing and operating the ships and dispose of them in a moment. It was apparent that a policy must be adopted and steps taken to carry the same into effect. I think we delayed too long in announcing a policy and offering a bill dealing with this important question. As soon as the war ended Congress should have considered the question seriously and upon due deliberation formulated a policy and immediately crystallized it into a legislative enactment. However, we now have reported a measure which deals with the entire question. Many of its features are admirable; some I regard as positively bad and some indifferent. In my opinion the bill will be regarded by many as projecting the Government into the ocean carrying trade. After careful examination of the bill I can not help but think that the Government will have the utmost difficulty in extricating itself from the ownership and operation of ships for commercial purposes. There are provisions in the bill which I think are calculated to keep the Government in the ocean transportation business. No limit is fixed within which the Shipping Board is to sell the vessels now owned by the Government or as to the extent of the construction in the future. There is no requirement that it shall wind up the affairs of the corporation within a limited period. Everyone must realize that there will be an extensive propaganda carried on to prevent the Shipping Board from selling any of the ships owned by the Government or retiring from the transportation business.

Senators will recall the nation-wide effort to prevent the return of the railroads to their owners. It was insisted that transportation is a public function, and that the Government should retain the property and engage in the business of the common carrier. It must be apparent to all that the demand will be more insistent that the Government retain property which it does own and that it shall continue to own and operate the ships for commercial purposes.

Section 11, which is now under consideration, is, in my opinion, one of the most important sections in the bill. As it is reported by the committee it is calculated to commit the Government to a socialistic and bureaucratic policy and to prevent the Government from divorcing itself from ocean transportation in which it is now engaged. Under this provision the Shipping Board may sell boats and employ the proceeds derived therefrom in the construction of additional ships. A construction fund will be formed, and this fund is to be used by the board for the building of additional ships. The board is authorized to build such ships as it may deem necessary, and they are to be of the most efficient type for the establishment and maintenance of the service on steamship lines. Not only is the board authorized to use the pay from the sale of the ships, but all sums resulting from the operation of the vast fleet owned by the Government may be likewise utilized.

Section 3 of the bill provides for seven members of the board, and the terms of office of some of the members extend over a period of six years. There are provisions in the bill which seem to indicate that the board is a permanent organization and that its duties and powers shall continue indefinitely.

It is not my purpose, nor have I the time, to analyze the bill and to point out the many features which to me are objectionable, nor will I enter upon a discussion of the constitutional questions involved. I appreciate the fact that any argument

attempting to show the bill to be unconstitutional would fall upon deaf ears. There is a growing disposition in the United States to disregard the limitations placed upon the Federal Government, notwithstanding that it is a government of enumerated and limited powers. We are constantly asked to enact legislation which is entirely at variance with this view and with the true and correct interpretation of the Constitution of the United States. The power to tax, which is the power to destroy, is regarded by many as being unlimited, and we are urged to make appropriations for purposes which are not governmental and for objects which are not within the purview of the Federal Government. In my opinion, the Federal Government has no power to tax the people of the United States except for purely governmental purposes. The States did not surrender to the Federal Government the power to tax the people within their borders for the purpose of engaging in all sorts of private enterprises. The Democratic Party for years denounced as robbery any taxation which was not for legitimate governmental purposes. They denied the right and power of the Federal Government to impose tariff duties for the purpose of aiding individuals in their private enterprises.

I merely make the inquiry: Where is the power of the Federal Government to tax the people hundreds of millions of dollars to build a merchant fleet to carry the commerce of the people?

Of course, as a war measure the Government had the right to build ships to transport its troops and to aid in prosecuting the war. I appreciate the fact that many believe that under the commerce clause of the Constitution the Government may build and own and operate railroads and acquire and build ships for the purpose of carrying the products not only of Americans but of the nationals of other countries. But I do not intend to discuss the constitutional aspect of this question. It would not affect the result nor change one vote. This bill will pass with all of its imperfections and its dangerous features. It will bring comfort to many Socialists in our land, and will be received with joy by the bureaucratic agencies which are so powerful in the Federal Government. It will perpetuate in position thousands of Federal employees.

In my opinion, no Senator now in public life will ever see the Government free from the burdens which this bill imposes. We are entering into private business; the Government is entering into competition with the individuals who are engaged in ocean transportation; excuses and pretexts will be found to delay and ultimately to prevent the sale of ships now owned by the Government and those which will be acquired under this bill. Additional legislation will be enacted that will continue the Government in the carrying trade of the world. I will not pause to point out the evils that will result and the effect it will have upon the persons who would otherwise engage in constructing and operating ships or the deterring effect it will have upon private initiative and the building and operating of ships by private capital. I have briefly referred to the fact that this bill gives to the Shipping Board more than $3,000,000,000 in ships and other property and cash. The restrictions placed upon the board are not important. Indeed, in my opinion, the limitations in the bill are wholly inadequate. Three billions is a tremendous sum, and yet the Shipping Board with insufficient restrictions is authorized to handle this vast sum and to utilize the proceeds resulting from the sale of the ships and the earnings resulting from this huge investment with but slight limitations upon their discretion.

The VICE PRESIDENT. The question is on the amendment of the Senator from Utah [Mr. KING] to the amendment of the committee.

The amendment to the amendment was rejected.

Mr. KING. I now move to strike out all of section 11.

The VICE PRESIDENT. That is not the proper motion. The question now is on agreeing to the amendment as amended.

The amendment as amended was agreed to.

The VICE PRESIDENT. Now it is closed again.

Mr. KING. Do I understand that that precludes further amendments to this section?

The VICE PRESIDENT. Yes.

Mr. KING. I did not so understand. I wanted to offer an amendment on line 13 to strike out the word "two-thirds" and insert "one-half," so that no aid shall be for a greater sum than one-half of the cost of the vessel or vessels to be constructed.

The VICE PRESIDENT. Shall it be opened again? The Chair hears no objection. The question is on the amendment of the Senator from Utah to the amendment of the committee.

The amendment to the amendment was rejected.

Mr. KING. Mr. President, I move to strike out after the word "built" on line 19, page 15, all of the rest of the language on that page, consisting of lines 19 to 25, inclusive, and all of lines 1 to 6, inclusive, on page 16, the end of the section.

The VICE PRESIDENT. The question is on the amendment of the Senator from Utah to the amendment of the committee.

The amendment to the amendment was rejected.

Mr. KING. Mr. President, a parliamentary inquiry. Is a motion in order now to strike out the entire section or to disagree to the amendment?

The VICE PRESIDENT. If you beat the section now, you have it beaten.

Mr. KING. I know; but is it proper now to offer an amendment of that kind?

The VICE PRESIDENT. It is not in order to offer an amendment to strike out the entire section. If the Senate agree to it they say so, and if they do not it is out. The question simply has to be put in the affirmative; that is all. The question is on agreeing to the amendment as amended.

The amendment as amended was agreed to.

Mr. KING. I shall reserve a vote in the Senate on the entire section 11, and ask that it be rejected; that is, that the amendment offered by the committee, which is the entire section, be rejected.

Mr. NUGENT. Mr. President, do I understand that section 5 of the committee amendment has been agreed to, or is that still open to amendment in Committee of the Whole?

The VICE PRESIDENT. The amendments have been agreed to.

Mr. NUGENT. Has the section itself been agreed to?

The VICE PRESIDENT. The Chair is informed by the Secretary that everything that is in the bill has been agreed to up to the present time. There is nothing open.

Mr. KING. Mr. President, I desire to recur to section 1, page 2, after the words "United States," on line 1, and offer the following amendment——

Mr. JONES of Washington. Mr. President, I do not feel that I can consent, as far as I am concerned. If the Senate desires to reconsider all of this matter, and go back over it, well and good, but I shall not give my consent to it.

Mr. KING. I move that the Senate reconsider the vote by which the amendment known as section 1 was agreed to. I desire to offer an amendment by adding the following words after the words "United States":

Not later than five years from the date of the passage of this act.

So that it will read:

To be owned and operated privately by citizens of the United States not later than five years from the date of the passage of this act.

The purpose of the proposed amendment is to require the board to conclude its duties and wind up the corporation within five years from the date of the passage of the act. That is to say, the Shipping Board will be compelled to sell the vessels controlled by it and close up all the business of the board on or before five years from the date of the passage of this bill.

Mr. JONES of Washington. I will say that is a matter the committee thrashed out over and over again, and finally agreed on the section; and I think the amendment suggested would simply play into the hands of those who want to buy the ships. I oppose the motion to reconsider.

Mr. KING. In reply to the last statement, I think it would be just the reverse. I think the failure to adopt an amendment of this kind is to put the Government of the United States into the shipping business forever, and I make the prediction that if this bill shall pass in this form the Government of the United States will be out more than $3,000,000,000 during the next 10 years and will practically lose not only that which it has expended in acquiring its commercial fleet but be committed to the construction and operation of the transportation system upon the seas.

Moreover, it will have been so inextricably bound up in the transportation business—in the ownership and leasing of vessels, in the loaning of money to private individuals for shipping purposes, the holding of mortgages, stocks, and securities connected with ships—that it will be unable to throw off the shackels and will be bound to the rock of Government ownership and operation of ships.

The VICE PRESIDENT. The question is on the motion to reconsider.

The motion to reconsider was rejected.

The bill was reported to the Senate as amended.

The VICE PRESIDENT. The Senator from Utah has reserved a separate vote on section 11.

Mr. KING. Mr. President, let me say that it is so manifest that the Senate is committed to this bill, with all of its features, good, bad, and indifferent, that any further attack upon it would be futile. I shall not press the amendment I wished to offer in the Senate, but I can not but feel, expressing my

profound regret, that we do not enact a proper measure, that we are enacting legislation fraught with dangers. I regret that a measure more in harmony with our past policies and the spirit of our Constitution has not been prepared by the committee and presented for our consideration.

The VICE PRESIDENT. The question is on concurring in the amendments made as in Committee of the Whole.

The amendments were concurred in.

Mr. NUGENT. Mr. President, I offer the following amendment.

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 9, line 9, after the word "amended," strike out the period and insert a colon and the following:

Provided further, That deferred payments of purchase price of vessels under this section shall bear interest at the rate of not less than 5½ per cent per annum, payable semiannually.

Mr. JONES of Washington. I have no objection to that amendment.

The amendment was agreed to.

Mr. KING. Before the bill passes I wish to state that I have 15 more amendments which I consider vital and important, and which would materially improve this bill, in my opinion; but the Senate apparently is wedded to the bill, and Senators are disposed to follow the committee. So I shall pretermit the offering of those amendments.

Mr. NUGENT. I offer the same amendment to which the Senate has just agreed to section 6 of the bill, to be inserted after the word "sale," on line 24, page 9.

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 9, line 24, after the word "sale," strike out the period and insert a colon and the following:

Provided further, That deferred payments of purchase price of vessels under this section shall bear interest at the rate of not less than 5½ per cent per annum, payable semiannually.

The amendment was agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

Mr. WADSWORTH, Mr. KENYON, and Mr. JONES of Washington addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. JONES of Washington. Will the Senator from New York yield just a moment that I may ask for a conference?

Mr. WADSWORTH. I yield for that purpose.

Mr. JONES of Washington. I move that the Senate request a conference with the House on the bill and amendments, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JONES of Washington, Mr. CALDER, Mr. MCNARY, Mr. SIMMONS, and Mr. RANSDELL conferees on the part of the Senate.

ARMY APPROPRIATIONS.

Mr. WADSWORTH. Mr. President, I move that the Senate proceed to the consideration of the bill (H. R. 13587) making appropriations for the support of the Army for the fiscal year ending June 30, 1921, and for other purposes.

Mr. KENYON. Mr. President, the Senator from New York was recognized first, but I rose to move to proceed to the consideration of the bill (S. 3944) to create a Federal live-stock commission. I feel that we might just as well have a test of strength on the question, and I ask the Senator from New York if he will not defer his motion until to-morrow. If the Senate votes to take up the Army appropriation bill, we can not help it, but if the Senator persists in his motion to-night, I shall feel compelled to call for a quorum and make a test on the question.

Mr. WADSWORTH. With the understanding that the motion may be left pending——

Mr. KENYON. I do not know how it could be left pending, but if that can be done——

Mr. WADSWORTH. I would move to take a recess until to-morrow at a stated hour, and the question before the Senate at that time would be my motion.

Mr. KENYON. We will resist a motion for a recess. We have been chided in our discussion of this matter because we have not tried to bring up the packers' bill, and it has been given no place by the steering committee; and I have served notice, as far as I could, that we should endeavor to bring it up. Now, we ask for a test on that question; that is all. That seems to be fair.

Mr. WADSWORTH. Of course, it is entirely fair; there is no objection to it whatsoever; but I assume it would be very difficult to get a quorum here this evening.

The PRESIDING OFFICER. The Senator from New York moves that the Senate proceed to the consideration of House bill 13587, making appropriations for the support of the Army for the fiscal year ending June 30, 1921, and for other purposes.

Mr. WADSWORTH. I am not quite certain that I understood what the Senator from Iowa suggested.

Mr. KENYON. To let the matter go over until to-morrow.

Mr. WADSWORTH. In the form of a recess or an adjournment?

Mr. KENYON. No; an adjournment.

Mr. WADSWORTH. In any event, had we not better take a recess? What is the difference, as far as the purpose the Senator has in mind is concerned?

Mr. KENYON. I felt that after 1 o'clock we could move to take up Senate bill 3944 and in that way make a test.

Mr. WADSWORTH. Could we not have the test, so called, at 11 o'clock to-morrow, after a recess? My purpose, Mr. President, is to hasten the legislation which it is absolutely essential for the Senate to act upon. I have not the slightest disposition, of course, to prevent the Senator from Iowa, or any other Senator, from contending against my motion and endeavoring to have some other bill substituted as the unfinished business. My great hope is that we shall proceed as soon as possible, and that is why I ask for a recess until 11 o'clock to-morrow.

Mr. KENYON. Of course, there will be no chance to offer any substitute until after 1 o'clock.

The PRESIDING OFFICER. The Chair will state that the order will be a vote on the motion of the Senator from New York, and that under the procedure and the rules no substitute can be offered to this particular motion.

Mr. KENYON. I am not trying to take advantage of any situation, but to have a fair, square test on whether the packers' bill is to have any consideration at this session of the Senate. I realize that one bill after another will be brought in, so that it will be impossible ever to reach it in the ordinary course of business.

Mr. LENROOT. Mr. President, may I make a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state it.

Mr. LENROOT. I ask whether it would not be in order, if this motion does prevail, for the Senator from Iowa immediately after to move to take up his bill and displace the bill which the Senator from New York has in charge?

Mr. WADSWORTH. That can be done at any time by a majority vote.

Mr. KENYON. This afternoon?

Mr. WADSWORTH. No; to-morrow.

Mr. KENYON. It could not be done until after 1 o'clock.

Mr. LENROOT. If we take a recess it could be done immediately after the bill of the Senator from New York was taken up; the motion would then be in order.

Mr. KENYON. I believe that is true.

The PRESIDING OFFICER. The Chair will state that that is correct.

Mr. KENYON. Then, if the Senator from New York will move for a recess until 12 o'clock to-morrow, I will offer no objection.

Mr. WADSWORTH. It was my suggestion that the Senate should take a recess until 11 o'clock, but the Senator from Washington [Mr. JONES] reminds me that there is to be a majority conference to-morrow, which probably will make it impossible or inconvenient for us to meet at 11 o'clock. I therefore suggest 12 o'clock.

Mr. KENYON. Very well.

EXECUTIVE SESSION.

Mr. WADSWORTH. In view of the fact that there are a large number of nominations in the Army which should be disposed of, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

RECESS.

Mr. WADSWORTH. I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 6 o'clock p. m.) the Senate took a recess until to-morrow, Saturday, May 22, 1920, at 12 o'clock meridian.

NOMINATION.

Executive nomination received by the Senate May 21, 1920.

PROMOTION IN THE NAVY.

Lieut. Frank L. Lowe to be a lieutenant commander in the Navy for temporary service from the 26th day of November, 1919, to correct the date as previously nominated and confirmed.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 21, 1920.

CIVIL SERVICE COMMISSION.

Herbert A. Filer to be chief examiner of the Civil Service Commission.

COMMISSIONER OF IMMIGRATION.

Frederick A. Wallis to be Commissioner of Immigration at the port of Ellis Island, N. Y.

PROMOTIONS IN THE ARMY.

ORDNANCE DEPARTMENT.

To be colonels.

Lieut. Col. David M. King.
Lieut. Col. Tracy C. Dickson.

CHAPLAINS.

To be chaplains with the rank of captain.

Chaplain Alva J. Brasted.
Chaplain William A. Aiken.
Chaplain Ernest W. Wood.
Chaplain William R. Arnold.

CORPS OF ENGINEERS.

To be colonels.

Lieut. Col. Jay J. Morrow.
Lieut. Col. James B. Cavanaugh.
Lieut. Col. James P. Jervey.
Lieut. Col. George P. Howell.

To be lieutenant colonels.

Maj. Francis A. Pope.
Maj. Albert E. Waldron.
Maj. John R. Slattery.
Maj. Curtis W. Otwell.

To be majors.

Capt. Albert K. B. Lyman.
Capt. Creswell Garlington.
Capt. Daniel D. Pullen.
Capt. Carey H. Brown.
Capt. Oscar N. Solbert.
Capt. Beverly C. Dunn.

To be captains.

First Lieut. Ralph E. Cruse.
First Lieut. Lewis T. Ross.
First Lieut. Charles F. Baish.
First Lieut. Clarence L. Adcock.
First Lieut. Keryn ap Rice.
First Lieut. Charles S. Ward.
First Lieut. Henry M. Underwood.
First Lieut. James B. Newman, jr.
First Lieut. James M. Young.
First Lieut. James C. Marshall.
First Lieut. Walter E. Lorence.
First Lieut. Amos B. Shattuck, jr.
First Lieut. Leland H. Hewitt.
First Lieut. Michael C. Grenata.
First Lieut. Preston W. Smith.
First Lieut. Thomas F. Kern.
First Lieut. Hans Kramer.
First Lieut. Albert G. Matthews.

To be first lieutenants.

Second Lieut. Wilson G. Saville.
Second Lieut. Mark M. Boatner, jr.
Second Lieut. David A. D. Ogden.
Second Lieut. Frederick A. Platte.
Second Lieut. Karl B. Schilling.
Second Lieut. John H. Elleman.
Second Lieut. Elmer E. Barnes.
Second Lieut. William W. Wanamaker.
Second Lieut. Beverly C. Snow.
Second Lieut. Richard Lee.
Second Lieut. Howard L. Peckham.
Second Lieut. John S. Niles.
Second Lieut. Charles R. Bathurst.
Second Lieut. Wendell P. Trower.
Second Lieut. Robert G. Lovett.
Second Lieut. Cornman L. Hahn.
Second Lieut. Edwin P. Lock, jr.
Second Lieut. Morris W. Gilland.
Second Lieut. David T. Johnson.
Second Lieut. Edwin G. Shrader.
Second Lieut. Randolph P. Williams.
Second Lieut. Otto Praeger, jr.
Second Lieut. Allison Miller.
Second Lieut. Newell L. Hemenway.
Second Lieut. Archie T. Colwell.
Second Lieut. Arthur J. Sheridan.
Second Lieut. James G. Christiansen.
Second Lieut. Benjamin F. Chadwick.
Second Lieut. Charles D. Jewell.
Second Lieut. Heath Twichell.
Second Lieut. Joseph J. Twitty.
Second Lieut. Robert E. York.
Second Lieut. Chester K. Harding.
Second Lieut. William V. Hesp.
Second Lieut. William C. Bennett, jr.
Second Lieut. Claude H. Chorpening.
Second Lieut. Frank O. Bowman.
Second Lieut. James P. Jervey, jr.
Second Lieut. Joseph S. Gorlinski.
Second Lieut. George S. Witters.
Second Lieut. Albert Riani.
Second Lieut. Orville E. Walsh.
Second Lieut. Harvey D. Dana.
Second Lieut. Peter P. Goerz.
Second Lieut. John P. Dietrich.
Second Lieut. William A. Callaway.
Second Lieut. Howard V. Canan.
Second Lieut. Vere A. Beers.
Second Lieut. Doswell Gullatt.
Second Lieut. John B. Hughes.
Second Lieut. Eugene L. Vidal.
Second Lieut. L. George Horowitz.
Second Lieut. David A. Newcomer.
Second Lieut. Boyd W. Bartlett.
Second Lieut. Laurence Van D. Harris.
Second Lieut. Herbert B. Loper.
Second Lieut. Ivan C. Lawrence.
Second Lieut. Robert A. Hill.
Second Lieut. Sydney W. Gould.
Second Lieut. Fred W. Marlow.
Second Lieut. William J. Regan.
Second Lieut. Roy Green.
Second Lieut. Lester F. Rhodes.
Second Lieut. Don G. Shingler.
Second Lieut. John R. Hardin.

CAVALRY ARM.

To be lieutenant colonels.

Maj. Abraham G. Lott.
Maj. Ola W. Bell.

To be majors.

Capt. George B. Rodney.
Capt. Alexander H. Davidson.
Capt. Christian A. Bach.
Capt. Charles G. Harvey.

To be captains.

First Lieut. Harrie K. Dalbey.
First Lieut. John W. McDonald.
First Lieut. David H. Blakelock.
First Lieut. Rinaldo L. Coe.
First Lieut. Harold J. Duffey.
First Lieut. Jay K. Colwell.
First Lieut. Otis Porter.
First Lieut. Emory M. Mace.
First Lieut. Harry H. Dunn.
First Lieut. Renn Lawrence.
First Lieut. John L. Rice.
First Lieut. Nelson M. Imboden.
First Lieut. Randolph Dickins.
First Lieut. John N. Steele.
First Lieut. Eugene M. Dwyer.
First Lieut. Wharton G. Ingram.
First Lieut. Adrian St. John.
First Lieut. Robert M. Carswell.
First Lieut. Walter C. Merkel.
First Lieut. Julian W. Cunningham.
First Lieut. Sam G. Fuller.
First Lieut. Clinton A. Pierce.

First Lieut. Thomas M. Cockrill.
First Lieut. Delmore S. Wood.
First Lieut. Arthur Vollmer.
First Lieut. Otto B. Trigg.
First Lieut. George W. L. Prettyman.
First Lieut. Horace L. Hudson.
First Lieut. Lawrence C. Frizzell.
First Lieut. Robert F. White.
First Lieut. Henry D. Jay.
First Lieut. Ray L. Burnell.
First Lieut. Ray Harrison.
First Lieut. William F. Daugherty.
First Lieut. John T. Cole.
First Lieut. Stephen H. Sherrill.
First Lieut. Charles H. Gerhardt.
First Lieut. Herbert C. Holdridge.
First Lieut. Albert C. Smith.
First Lieut. Nicholas W. Lisle.
First Lieut. Percy G. Black.
First Lieut. Albert C. Stanford.
First Lieut. Louis LeR. Martin.
First Lieut. William K. Harrison, jr.
First Lieut. Josiah F. Morford.
First Lieut. Ernest N. Harmon.

To be first lieutenants.

Second Lieut. Clyde B. Bell.
Second Lieut. John M. Bethel.
Second Lieut. Francis P. Tompkins.
Second Lieut. Cornelius C. Jadwin, 2d.
Second Lieut. Donald Coray.

INFANTRY.

To be colonel.

Lieut. Col. John F. Madden.

To be lieutenant colonel.

Maj. Paul Giddings.

To be majors.

Capt. William H. Patterson.
Capt. Elliott M. Norton.
Capt. Roscoe H. Hearn.
Capt. Morris M. Keck.
Capt. Auswell E. Deitsch.
Capt. Joseph C. Kay.
Capt. Walter C. Jones.
Capt. La Vergne L. Gregg.

To be captains.

First Lieut. Lewis Perrine.
First Lieut. Clarke K. Fales.
First Lieut. Madison Pearson.
First Lieut. John M. Boon.
First Lieut. Roger Hilsman.
First Lieut. Holmes E. Dager.
First Lieut. James E. Allison.
First Lieut. Harry E. Fischer.
First Lieut. Charles E. Rayens.
First Lieut. Charles H. Jones.
First Lieut. Roger Williams, jr.
First Lieut. Harry B. Hildebrand.
First Lieut. William Hones.
First Lieut. Albert C. Anderson.
First Lieut. William H. Joiner.

COAST ARTILLERY CORPS.

To be lieutenant colonel.

Maj. James B. Mitchell.

To be major.

Capt. Edward D. Powers.

To be first lieutenant.

Second Lieut. Donald W. Sawtelle.

FIELD ARTILLERY ARM.

To be colonels.

Lieut. Col. Harrison Hall.
Lieut. Col. Wright Smith.

To be lieutenant colonel.

Maj. Augustine McIntyre.

To be major.

Capt. Walter S. Sturgill.

PORTO RICO REGIMENT OF INFANTRY.

To be captains.

First Lieut. Enrique Urrutia, jr.
First Lieut. Enrique de Orbeta.

To be first lieutenant.

Second Lieut. Antonio A. Vazquez.

POSTMASTERS.

COLORADO.

George Haver, Eckley.
Ernest E. Hufty, Paonia.

NEBRASKA.

Nora G. Johnson, Big Spring.
Laura M. Baird, Cairo.
Thomas J. Oberender, Chappell.
Claude A. Sheffner, Hay Springs.
Archie L. Smith, Imperial.
Lew E. Bartholomew, Ralston.

HOUSE OF REPRESENTATIVES.

FRIDAY, *May 21, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou God and Father of us all, who hast made us after Thine own image and likeness in the embryo, to be developed in the strenuous and complicated duties of life.

We are a great people numerically and in achievements, but a heterogeneous mass from every clime and people under the sun, with different traditions and conceptions of life. Teach us, we beseech Thee, how to live together in peace and harmony under American traditions, thoughts, and ideals. In the spirit of the Lord Jesus Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS.

Mr. KING. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. KING. Mr. Speaker, I desire to ask unanimous consent to extend my remarks in the RECORD by printing two short letters on the financial situation.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD by printing two letters on the financial situation. Is there objection?

Mr. BLACK. Mr. Speaker, I object.

CALL OF THE HOUSE.

Mr. GARD. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Ohio makes the point of order that there is no quorum present. In the opinion of the Chair there is no quorum present——

Mr. MONDELL. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Blackmon	Frear	Kitchin	Small
Booher	Gandy	Kreider	Smith, N. Y.
Brinson	Godwin, N. C.	Lankford	Smithwick
Britten	Goodall	Lesher	Snyder
Brumbaugh	Graham, Pa.	McDuffie	Steele
Caraway	Greene, Vt.	McPherson	Stevenson
Carter	Harrison	Merritt	Strong, Pa.
Clark, Fla.	Hastings	Montague	Sumners, Tex.
Cole	Hayden	Morin	Tillman
Costello	Heflin	O'Connor	Towner
Curry, Calif.	Hernandez	Rhodes	Vaile
Dominick	Hersman	Riordan	Venable
Dooling	Hoch	Rose	Ward
Doremus	Holland	Rowan	Wilson, Pa.
Drane	Hulings	Sabath	Zihlman
Drewry	Hutchinson	Scully	
Ellsworth	Jones, Pa.	Sears	
Elston	Kettner	Siegel	

The SPEAKER. On this roll call 361 Members have answered to their names. A quorum is present.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 13138. An act to amend section 8 of an act entitled "An act to supplement existing laws against unlawful restraints and

monopolies, and for other purposes," approved October 15, 1914, as amended May 15, 1916;

H. R. 11024. An act to amend an act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1914," approved June 30, 1913;

H. R. 10285. An act to authorize the purchase by the city of Myrtle Point, Oreg., of certain lands formerly embraced in the grant to the Oregon & California Railroad Co. and revested in the United States by the act approved June 9, 1916;

H. R. 13576. An act to authorize the Secretary of War to turn over to the Postmaster General without charge therefor a certain building, or buildings, now located at Watertown, N. Y.;

H. R. 13389. An act to authorize the Secretary of the Interior to dispose of at public sale certain isolated and fractional tracts of lands formerly embraced in the grant to the Oregon & California Railroad Co.;

H. R. 13274. An act to convey to the Big Rock Stone & Construction Co. a portion of the military reservation of Fort Logan H. Roots, in the State of Arkansas;

H. R. 13157. An act authorizing the issuance of patent to Johnson County, Wyo., of lands for poor-farm purposes;

H. R. 9825. An act authorizing certain railroad companies, or their successors in interest, to convey for public-road purposes certain parts of their rights of way;

H. R. 9781. An act to amend section 217 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909; and

H. R. 8440. An act to restore to the public domain certain lands heretofore reserved for a bird reservation in Siskiyou and Modoc Counties, Calif., and Klamath County, Oreg., and for other purposes.

PEACE WITH GERMANY.

Mr. PORTER. Mr. Speaker, I move to take from the Speaker's table House joint resolution 327, entitled "A joint resolution terminating the war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes," and I move to concur in the Senate amendments.

The SPEAKER. The gentleman from Pennsylvania moves to take from the Speaker's table and concur in the Senate amendments to the joint resolution, which the Clerk will report by title.

The Clerk read as follows:

House joint resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes.

Mr. FLOOD. Mr. Speaker, I would like to ask the gentleman if we can agree on some time for debate on this resolution?

Mr. PORTER. As I understand, we are limited to an hour, and I am perfectly willing to divide that time with the gentleman from Virginia.

Mr. FLOOD. We are not limited to an hour, I understand, unless the gentleman moves the previous question at the end of the hour.

Mr. PORTER. That is my intention, to close debate at the end of the hour.

Mr. FLOOD. We have a very considerable demand for time on this side, and I would like to ask the gentleman to agree not to move the previous question at the end of the hour.

Mr. PORTER. Well, Mr. Speaker, this resolution has been debated by the House upward of nine hours when it passed the House, and we do not think that the time for debate should be extended beyond the hour.

Mr. FLOOD. This resolution was debated in the Senate three or four or five days, but I will call the attention of the gentleman to the fact that it has not been debated here at all, and this is an entirely different resolution in many respects from the resolution which was adopted by the House.

Mr. PORTER. In reply I will say that the fundamentals of the resolutions are the same; they strive for the same object—peace.

Mr. FLOOD. This resolution does leave out some of the more obnoxious features of the House resolution, but there are a good many differences between this resolution and the House resolution.

SEVERAL MEMBERS. Regular order!

Mr. FLOOD. I hope the gentleman will let us have more time to debate it.

SEVERAL MEMBERS. Regular order!

Mr. PORTER. Mr. Speaker, I decline to yield any further time.

The SPEAKER. The Clerk will report the Senate amendments.

Mr. FLOOD. Mr. Speaker, I will ask the gentleman if this side is to have any of the hour the gentleman is going to allow for debate on this resolution?

Mr. PORTER. I stated to the gentleman it would be equally divided.

Mr. FLOOD. Will the gentleman please yield me 30 minutes now?

Mr. PORTER. I will yield 30 minutes to the gentleman from Virginia.

The SPEAKER. The Clerk will report the Senate amendments.

The Clerk read as follows:

Strike out the preamble.

Strike out all after the resolving clause and insert:

"That the joint resolution of Congress passed April 6, 1917, declaring a state of war to exist between the Imperial German Government and the Government and people of the United States, and making provisions to prosecute the same, be, and the same is hereby, repealed, and said state of war is hereby declared at an end: *Provided, however,* That all property of the Imperial German Government, or its successor or successors, and of all German nationals which was, on April 6, 1917, in or has since that date come into the possession or under the control of the Government of the United States or of any of its officers, agents, or employees, from any source or by any agency whatsoever, shall be retained by the United States and no disposition thereof made, except as shall specifically be hereafter provided by Congress, until such time as the German Government has, by treaty with the United States, ratification whereof is to be made by and with the advice and consent of the Senate, made suitable provisions for the satisfaction of all claims against the German Government of all persons, wheresoever domiciled, who owe permanent allegiance to the United States, whether such persons have suffered, through the acts of the German Government or its agents since July 31, 1914, loss, damage, or injury to their persons or property, directly or indirectly, through the ownership of shares of stock in German, American, or other corporations, or have suffered damage directly in consequence of hostilities or of any operations of war, or otherwise and until the German Government has given further undertakings and made provisions by treaty, to be ratified by and with the advice and consent of the Senate, for granting to persons owing permanent allegiance to the United States, most favored nation treatment, whether the same be national or otherwise, in all matters affecting residence, business, profession, trade, navigation, commerce, and industrial property rights, and confirming to the United States all fines, forfeitures, penalties, and seizures imposed or made by the United States during the war, whether in respect to the property of the German Government or German nationals, and waiving any pecuniary claim based on events which occurred at any time before the coming into force of such treaty, any existing treaty between the United States and Germany to the contrary notwithstanding.

"SEC. 2. That in the interpretation of any provision relating to the date of the termination of the present war or of the present or existing emergency in any acts of Congress, joint resolutions, or proclamations of the President containing provisions contingent upon the date of the termination of the war or of the present or existing emergency, the date when this resolution becomes effective shall be construed and treated as the date of the termination of the war or of the present or existing emergency, notwithstanding any provision in any act of Congress or joint resolution providing any other mode of determining the date of the termination of the war or of the present or existing emergency.

"SEC. 3. That until by treaty or act or joint resolution of Congress it shall be determined otherwise, the United States, although it has not ratified the treaty of Versailles, does not waive any of the rights, privileges, indemnities, reparations, or advantages to which it and its nationals have become entitled under the terms of the armistice signed November 11, 1918, or any extensions or modifications thereof or which under the treaty of Versailles have been stipulated for its benefit as one of the principal allied and associated powers and to which it is entitled.

"SEC. 4. That the joint resolution of Congress approved December 7, 1917, declaring that a state of war exists between the Imperial and Royal Austro-Hungarian Government and the Government and the people of the United States and making provisions to prosecute the same, be, and the same is hereby, repealed, and said state of war is hereby declared at an end, and the President is hereby requested immediately to open negotiations with the successor or successors of said Government for the purpose of establishing fully friendly relations and commercial intercourse between the United States and the Governments and peoples of Austria and Hungary.

"Amend the title so as to read: 'Joint resolution repealing the joint resolution of April 6, 1917, declaring that a state of war exists between the United States and Germany, and the joint resolution of December 7, 1917, declaring that a state of war exists between the United States and the Austro-Hungarian Government.'"

Mr. PORTER. Mr. Speaker, while House joint resolution 327 and the Senate substitute therefor differ materially in form, in effect they are substantially the same.

Section 1 of the Senate substitute, in addition to terminating the state of war between the Imperial German Government and the United States, repeals the resolution of April 6, 1917, declaring a state of war to exist between the two countries, and forbids the disposition of any property of the Imperial German Government or its nationals now in the possession of the United States until a treaty of peace has been ratified between the two Governments and full reparation is made to all persons owing permanent allegiance to the United States for loss, damage, or injury to their persons or property caused by the German Government or its nationals; in other words, section 1 suspends any disposition of the property of enemy aliens until a treaty of peace has been duly ratified and just compensation is made by the German Government to American citizens who have suffered

damages by reason of the wrongful acts of the German Government or its nationals.

Section 2, which provides for the termination of all war legislation, is identical with the same section in the House resolution.

Section 3 preserves all of the rights and advantages accruing to the United States under the armistice signed November 11, 1918, and the treaty of Versailles the same as if the United States had duly ratified said treaty. This section differs from section 5 of the House resolution only in wording. Both sections prevent the passage of this resolution from being construed as a waiver of any of the rights accruing to the United States by reason of its participation in the war.

Section 4 of the Senate substitute repeals the resolution of December 7, 1917, declaring a state of war between the Imperial and Royal Austro-Hungarian Government and the Government and the people of the United States and requests the President immediately to open negotiations for a treaty of peace with the successor or successors of said Government.

Section 3 of the House resolution, which allows reciprocal trade between the two countries upon certain conditions, and section 4, which provides a penalty for the violation of this section, have been stricken out.

It is unnecessary to remind the House that it is now upward of 19 months since the armistice was signed on November 11, 1918, and neither of the belligerents has indicated the slightest intention of resuming hostilities; on the contrary, the armies of both sides have been demobilized, commercial relations between the peoples of the United States and Germany have been partially resumed; all the nations associated with us in the war have formally ended it by treaty with Germany, and the Imperial German Government has been supplanted by a Republic. Germany has conceded our demands by the treaty of Versailles, and the only controversy remaining is the one between the Chief Executive and the Senate over the terms of the treaty. Under this state of facts, no reasonable mind can escape the conclusion that the war is long since terminated, and that our country is insistently demanding that the shadow which this technical state of war casts upon the rights and liberties of the American people shall be promptly removed. Congress, having exercised its power to declare war, to raise and support an army, to provide and maintain a navy, to reach into the homes of the rich and poor alike and take therefrom the sons and place them on the battle fronts, and to marshal all the resources of the Nation for the successful prosecution of the war, surely has the right to exercise the same power and vacate its official acts and thus restore the Nation to a state of peace. [Applause.]

The arbitrary position taken by the President in regard to the terms of the treaty with the Imperial German Government has prevented the making of peace in the usual way, which is by treaty; it therefore becomes the imperative duty of Congress to declare officially that the war is at an end. Under ordinary circumstances the differences between the two branches of Congress on a measure of this kind are settled in conference, but such action would delay the passage of the resolution and probably subject it to a filibuster in the Senate on the conference report. Your committee, therefore, being fully convinced that time is the essence of this legislation, we have moved to concur in the Senate amendments so that the measure shall promptly reach the President.

The passage of either resolution will require the President to state whether or not he intends to relinquish the extraordinary war powers vested in him by Congress, as all our former wartime Presidents have done after the termination of war, or if he intends to remain a dictator and use these drastic and obnoxious laws as a weapon to compel the Senate to desist from its efforts to Americanize the treaty of peace. The American people will await his answer with deep interest and grave concern. [Applause.]

Mr. Speaker, I reserve the remainder of my time.

Mr. FLOOD. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. CONNALLY], and, Mr. Speaker, I ask unanimous consent that those who speak on this resolution may be permitted to revise and extend their remarks.

The SPEAKER. The gentleman from Virginia asks unanimous consent that all who speak on this resolution may revise and extend their remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. CONNALLY. Mr. Speaker and gentlemen of the House, the action of the majority is rather amusing when it is remembered that on the 9th of April, H. J. Res. 327, an altogether different resolution from that now presented, passed this House and in due course went to the Senate. You will remember that it was current rumor all about this Capitol at that time and before that the resolution which was passed in the House had been drafted in conferences between Republican leaders of the House and leaders at the other end of the Capitol who had been directing the fight over the treaty for almost a year. Is it not remarkable that in view of such facts the Senate should strike from the House resolution every line and every word except the enacting clause and substitute wholly different provisions and language?

The action of the Senate leaders in inducing the House to pass a resolution so palpably unconstitutional and then abandoning the resolution for another of wholly different text can only be explained upon the hypothesis that the House was utilized as the victim of an experimental operation. With the House first acting senatorial spectators could gain a more impersonal and accurate estimate of the reception given it by the public and could better gauge the political aspects presented. The experimental operation was had. The public so skillfully sensed the futility and even the hypocrisy of the measure and so scorned the shameless and shocking defiance of constitutional limitations which it exhibited that those who had formerly secretly fathered it now renounced and repudiated their putative paternity. The nauseous dose was sweetened and softened and scented and is now presented to the House with directions on the bottle which will be faithfully followed. We now consider a resolution absolutely variant from that which was passed in the House, nothwithstanding the assurance of the chairman of the Committee on Foreign Affairs that it is practically the same.

To-day, though we are faced by a new situation, the majority is no less subservient to Senate suggestion and is no less willing to obey the behests of those who sit in another body and whose minds direct the action of this House on this resolution than on the 9th of April. The Washington Post of yesterday morning contained a statement entitled "House to pass Knox plan," and reading:

Republican leaders in the House agreed yesterday to accept the peace resolution as adopted by the Senate as a substitute for the House resolution and decided tentatively to call it up to-morrow for final action.

The Washington Star of May 19, 1920, contained a similar statement.

Now there are so many "Knox plans" and they change their minds and methods so often that to know exactly what is meant requires a perusal of the last edition of the paper. The resolution that you adopted on April 9 was a "Knox plan," but in the meantime something has modified the minds of the architects of that Knox plan and we now have another "Knox plan."

But, gentlemen, your attention is particularly called to the declaration of this resolution that a repeal is had of the declaration of war. This purported repeal of the declaration of war is inserted in the hope that it will fool somebody into the thought that by the repeal of the resolution declaring a state of war to exist a state of peace is restored.

It was incontestably established in the debate in the House that peace could only be restored by the joint action of the belligerents. Congress could repeal the act providing for the census of 1900, but its records would remain. It could repeal the act which made appropriations for the Post Office Department for the year 1908, but not a single dollar expended would return to the Treasury, and not a letter would return to the sender. Such repeals would be as effective as this. Allow me to suggest to the chairman that he ought to repeal the declaration of war against Great Britain in 1812. I understand it still stands on the statute books unrepealed, and I am reliably informed that the act of Congress declaring a state of war to exist with the Republic of Mexico in 1846 stands on the statute books unrepealed. Have you gentlemen overlooked the condition in which the country now stands? Do you realize you have not repealed the act declaring war with Spain in 1898?

Mr. PORTER. Will the gentleman yield?

Mr. CONNALLY. Yes.

Mr. PORTER. Do you not think the treaties of peace between Great Britain and the United States and the treaty of peace between the United States and Spain repealed the declaration of war?

Mr. CONNALLY. Certainly. And that is the method by which you should repeal this declaration of war. The only constitutional way to repeal it is by a treaty of peace. Everybody seems to know that except the majority on that side of the House. [Applause.]

The Senate resolution itself, perhaps unwittingly, admits that the repeal of the declaration of war does not legally restore

peace. If it did, there would be no necessity for adding at the end of the repealing clause the following language: "And said state of war is hereby declared at an end."

Mr. HARDY of Texas. Will the gentleman yield right there?

Mr. CONNALLY. I yield.

Mr. HARDY of Texas. And if a war is at an end the declaring of it at an end does not add anything to it?

Mr. CONNALLY. The gentleman is correct, of course.

Section 1 of this resolution provides what else? It provides there is peace, war is at an end, but we say to Germany and to the world that notwithstanding there is peace we propose to hold on to every dollar's worth of German property that is in possession of the United States until the negotiation and ratification of a treaty.

American seizure and possession of enemy property were authorized under international law by the existence of a state of war. But for such a state we should have transgressed treaties and the law of nations. Without an adjustment of such property rights it is urged that Congress terminate the status upon which our claims are founded and at the same time announce its retention of enemy property. If the resolution creates a status of peace will not the question at once arise as to the right of the United States to retain property whose seizure and possession were only justified by a state of war? May it not be contended by Germany, at the bar of the law of nations, that the resumption of peace automatically restores seized property to its former status in the absence of treaty stipulations? It was enemy property because it was owned by enemies; when peace is restored they will no longer be enemies but friends, and can it not be argued with much force that the character of the property is that of its owners? Property in itself has no nationality. It possesses no citizenship. It has not the power to express its preference of two flags. Cold, inanimate, bloodless, and passionless, it is thrilled neither by the strains of the Star-Spangled Banner nor by the chant of Deutschland Uber Alles. In war its flag is the flag of its conquering possessor; in peace its flag is the flag of its owner.

The Allies through the reparations commission are now arranging with Germany for the payment of indemnities under the treaty of Versailles, to which the United States is not a party, and through which she can claim no right until she becomes a ratifying party. Germany is in an international court of bankruptcy.

Large amounts of property claimed by her and her citizens and unquestionably theirs before the war are now in the possession of America. Germany's creditors under the treaty are interested in bringing into the bankruptcy court all of the debtor's estate to swell the fund to which they are looking for the discharge of their debts. If peace is declared by this resolution, does it require an elastic imagination to conceive a possible situation that might arise in which the Allies may question our right to retain German property, as against their claims?

To such a contention we should reply that during the existence of war, conformably to international usage and precedent, seizure had been made of the property as that of an enemy. Unless the British and French are less astute than they have heretofore shown themselves to be they would probably reply, "You had the right to seize the property and hold it during the war, and through your possession could have contracted with Germany by treaty for its permanent retention, under right superior to that of other nations and to their entire exclusion, but you have not so bargained with Germany. You have voluntarily restored the status of peace without a contract with Germany. By the coming of peace your war tenure ceased to exist. The property was seized in war but was released in peace. In the meantime we have made and sealed an agreement with Germany affecting this identical property and our rights have attached and are superior to those you voluntarily waived."

This suggestion is strengthened by the fact that under the treaty it is stipulated that at least a portion of such property is to be delivered to the reparations commission for the account of the Allies. It may be contended, however, that by an understanding the German ships in part were to be assigned by the Allies to the United States. That may be true. Yet the agreement was tentative. It was based upon an assumption that the United States would ratify in some form the treaty. Had it done so the tentative agreement would have been confirmed. But how can the United States demand of the Allies rights under a compact to which it is not a party and whose obligations it declines to assume? Our conduct must be squared by the standard of international law—a law that recognizes the claims of all nations and not alone those of the United States and Germany. By a mere ex parte declaration of an intention on our part to hold German property, as contained in the resolution, the legal and logical consequences that follow the restoration of peace or the ending of the war can not be avoided.

In section 3 a similar attempt is made to preserve to the United States rights under the armistice and the treaty by a declaration that such rights are not waived. No argument is needed to convince the slowest mind that peace terminates an armistice. Under the law of nations it is extremely doubtful if any rights existing by virtue of an armistice can be preserved by a simple assertion of nonwaiver when peace is actually reestablished.

In undertaking to secure American rights under the treaty the following language is employed:

> Rights—which under the treaty of Versailles have been stipulated for its benefit as one of the principal allied and associated powers, and to which it is entitled.

It is difficult to conceive why the words "and to which it is entitled" were added. If such rights must have been both stipulated in the treaty for the benefit of the United States, "and to which it is entitled," it would seem that unnecessarily a double chain of title is required. Ought it not be sufficient if such rights were stipulated in the treaty? Why attach as another condition "and to which it is entitled"? These terms are contradictory and confusing. Until the United States ratifies the treaty it can not become "entitled" to any rights based upon it. If the United States is already "entitled" legally to such rights upon any basis other than the treaty, no occasion exists that such rights should also be stipulated in the treaty. Neither in reason nor any species of logic can the double requirement that in order to be preserved such rights must both be stipulated in the treaty and be such as the United States is entitled to be justified. Either requirement should be sufficient.

The SPEAKER. The time of the gentleman has expired.

Mr. FLOOD. I yield two minutes more to the gentleman.

Mr. CONNALLY. I want to call your attention to the last section of this resolution, in which may be found one of its most amusing features. You will remember when the resolution passed the House no mention was made of the state of war existing between Austria and the United States.

The resolution sought to reestablish peace with Germany alone. During the debate the minority reminded gentlemen on that side that a state of war with Austria still existed. However, in order to prevent the resolution from doing violence to itself, in order to guarantee that the irresponsible majority might not mutilate the measure by amendment, lest the majority might not accept it just as presented, to prevent any independence of thought which might approve proper amendments, or lest the Democrats might offer an amendment that would appeal to the conscience of the Republicans, the Republican steering committee had placed the resolution in a parliamentary strait-jacket, under a rule denying opportunity to offer amendments. It could not be revised so as to include Austria. When it reached the Senate it was realized that a blunder had been made and section 4 was inserted, which repeals the declaration of war against Austria.

Though the resolution pretends to declare an end of war and to restore peace, the President is requested to immediately open negotiations for the establishment of friendly relations, and so forth.

Mr. BRITTEN. Mr. Speaker, will the gentleman yield?

Mr. CONNALLY. Not now. I have but a minute. Throughout this contest the Democrats have contended that Congress could not negotiate a treaty and our adversaries now confess their error. Why call on the President? Why not Congress complete the job? The most humiliating thing that the House and Senate as now composed must suffer is to admit at the end of this resolution their own lack of authority and to request the President: "Please enter into negotiations with Austria, Mr. President." This proud political party, in its partisan picture play, with its pretended puissance, has to finally admit that there are limitations to its power! Both Houses have solemnly said in a loud tone of voice, "Let there be peace," and there was not peace. [Applause on the Democratic side.]

Mr. PORTER. Mr. Speaker, I yield five minutes to the gentleman from Alabama [Mr. HUDDLESTON].

The SPEAKER. The gentleman from Alabama is recognized for five minutes.

Mr. HUDDLESTON. Mr. Speaker, the matter presented is substantially the same as was presented by the peace resolution adopted by the House on April 9. The Senate amendment to the peace resolution, which we are considering, substantially improves that measure, but on the whole the issue is the same. No change in principle has been made. In the brief time at my disposal I do not undertake to repeat the arguments which I then submitted. As to the situation politically and otherwise,

both foreign and domestic, there has been no change except that the President by his recent Hamaker telegram has further shown his unwillingness to accept any change in the treaty of Versailles and that he remains in hopeless deadlock with the Senate.

THE PRESIDENT'S POSITION.

The President of the United States, in his letter to Senator HITCHCOCK of March 8, referring to the covenant of the League of Nations, said:

I need not say, Senator, that I have given a great deal of thought to the whole matter of reservations proposed in connection with the ratification of the treaty, and particularly that portion of the treaty which contains the covenant of the League of Nations, and I have been struck by the fact that practically every so-called reservation was in effect a rather sweeping nullification of the terms of the treaty itself. I hear of reservationists and mild reservationists, but I can not understand the difference between a nullifier and a mild nullifier. Our responsibility as a Nation in this turning point of history is an overwhelming one, and if I had the opportunity I would beg everyone concerned to consider the matter in the light of what it is possible to accomplish for humanity rather than in the light of special national interests.

This letter can not be interpreted otherwise than as meaning that the President is determined not to accept any reservation, change, or amendment of substance to the covenant or treaty. This view of his position is confirmed by the President's letter upon the subject to Hon. Jouett Shouse, and also by his telegram of May 10 to G. E. Hamaker, chairman of the Democratic committee of Multnomah County, Oreg., in which he says:

The chief motives which led us to enter the war will be defeated unless that covenant is ratified and acted upon with vigor. We can not in honor whittle it down or weaken it, as the Republican leaders of the Senate have proposed to do. If we are to exercise the kind of leadership which the founders of the Republic looked forward to and which they depended upon their successors to establish, we must do this thing with courage and unalterable determination.

At no time has the President intimated that he will accept any amendment or reservation which changes the meaning of the covenant or treaty. On the other hand, all his expressions have been to the contrary, and there is no basis whatsoever upon which hope that the President would accept reasonable reservations may be founded.

MAKES THE LEAGUE A PARTY ISSUE.

It is clear from the President's expressions on the subject that he is unalterably determined upon the covenant and treaty without change of substance, and that he will agree to no reservation which means anything. Not only is this the President's position, but the Hamaker telegram shows him to be resolved upon projecting the issue upon the League of Nations into the coming political campaign. The telegram was in response to Hamaker's direct question to the President, by which he was asked "whether you consider it important to nominate candidates pledged to ratify Versailles treaty without Lodge reservations."

The President's answer to Hamaker's inquiry can not be interpreted otherwise than as strong in the affirmative. He is determined that the campaign shall turn upon the issue whether the League of Nations shall be approved as it is planned in the treaty or whether it shall be rejected in its entirety. He would make this the paramount issue of the campaign and would have the Democratic Party to stand or fall by it. He demands that the party platform when adopted at San Francisco shall declare unequivocally in favor of an unamended and unchanged covenant of the League of Nations and the treaty of Versailles just as he first submitted them to the Senate.

I protest against this position, and to make my protest more emphatic must vote for the pending resolution. I protest against an unyielding policy, a stubborn and uncompromising policy, which insists as the price of peace that the covenant be accepted without dotting an "i" or crossing a "t."

As an American citizen I protest against that policy, against the domestic strife and confusion that will flow from such an issue, against the turning aside from grave domestic questions into foreign complications which do not press for immediate decision.

AMERICA WANTS PEACE.

America wants peace. Its very interest demands it. We must have peace for the quiet it will bring, for the stilling of discontent and unrest, for the domestic security which we can have only through peace. We must have peace on such terms as can be put through, as are acceptable not only to the President but also to the Senate, which has a grave and important constitutional function to perform in regard to treaties.

Every interest of our country cries aloud for peace, the quiet and harmony of civil life, the solution of pressing public questions, the reconstruction of our country, the increase of production, the reduction of the prices of the necessaries of life, the resumption of industry and trade, the general restoration of our normal life. Harsh war laws are yet being harshly enforced. Their time of usefulness has passed. We need more of mutual confidence and good will among all classes and conditions of men. The resumption of a state of peace will promote all these desirable ends.

FATAL PARTY POLICY.

I protest against a stubborn and uncompromising policy upon the treaty, first, as an American citizen. I protest, second, as a Democrat who believes that the welfare of our country is bound up in the success of the political party of which I am a member. As a Democrat I protest against my party being committed to a policy of refusing all compromise and demanding that the League of Nations shall be accepted without reservation or change. The issue is not whether changes or reservations should be made in the covenant, nor whether the League of Nations ought to be approved without change. That is not the issue. The issue is whether, assuming that the League of Nations is proper in every respect, we should refuse to accept alteration or amendment thereof and demand of the country, as a condition of peace, that all views to the contrary be surrendered and the league be accepted without qualification. The American people will not approve such a stubborn and uncompromising policy. The people will not indorse either the public man or the political party which takes such an arrogant position. If such a program is fastened upon the Democratic Party at San Francisco, it is certain to carry us down into defeat and disaster. I protest against the threatened destruction of the Democratic Party, which I fear will follow if it is committed to any such dangerous and unpatriotic policy.

I protest against my party being sent down to defeat in the next election upon any such issue. To adopt such a policy will mean for it only ruin and defeat. If in obedience to the President's demand the Democratic convention at San Francisco shall adopt such a policy as its platform, then the logical thing is to put Mr. Wilson forward as our next candidate for President to run upon the platform of his dictation. If it is to be that upon Mr. Wilson's demand the Democratic horse is to be ridden to ruin, then let him take the saddle himself as the candidate.

Mr. PORTER. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. LONGWORTH].

The SPEAKER. The gentleman from Ohio is recognized for five minutes.

Mr. LONGWORTH. Mr. Speaker, the last time this resolution was before the House it received the votes of all but two gentlemen upon this side and the votes of all gentlemen upon that side who, like the gentleman from Alabama [Mr. HUDDLESTON], do some little thinking for themselves. [Applause on the Republican side.]

The Senate resolution differs from that not at all in principle or substance but only in some matters of detail. Frankly, I prefer the resolution as it passed the House, but I am delighted to vote to concur in the Senate amendments, because by doing so we shall bring as soon as possible the thing that Americans desire—the peace of the world. [Applause on the Republican side.]

This perhaps is not the best way to obtain peace, but it is the only way. [Applause on the Republican side.] The way to have obtained peace—the proper way—was for the Executive, who conducted the negotiations, to have brought back a real peace treaty without extraneous matter in it. [Applause on the Republican side.] And if such a treaty had been brought back to the American Senate it would have been ratified in two months. [Applause on the Republican side.] Yet the President insisted upon inserting and has since boastfully claimed that he had had inserted in that treaty his League of Nations, which 90 per cent of the American people disapproved [applause on the Republican side], because it sacrifices the fundamental principles for which all great American leaders have stood, which millions of American citizens have fought to preserve, and which, of all Presidents, Woodrow Wilson has been the first to abandon. [Applause on the Republican side.]

The international effect of our still being at war is not the only thing to be considered. We feel the effect here at home. To-day we are oppressed by war boards and war commissions beyond all patience, and that is because all war powers granted by Congress terminate at one fixed date, to wit, the date of the proclamation by the President that ratification of a peace treaty has been completed. Now, we all know, gentlemen, that termination of the war upon those terms can never come to pass so long as Wilson is President of the United States.

In our effort to economize in this Congress our greatest obstacle has been these vast numbers of useless employees and commissions, which exist only by virtue of the fact that this

country is still technically at war. The time has come to bring about the termination of the war, and the only way it is possible to bring that about is to pass this resolution. [Applause.]

Some say the President will veto it. That is his privilege. He has always been defiant of the will of Congress; but it may be that when he finds that the Congress, by a great majority in both its branches, has insisted by this resolution upon having peace, the veto will not be forthcoming. But if it does come, we at least will have the satisfaction of knowing that we have interpreted the will, as I believe, of the overwhelming majority of the American people that this technical state of war shall be declared to be over and done for. [Applause.]

Mr. FLOOD. Mr. Speaker, I yield three minutes to the gentleman from New York [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Speaker and gentlemen, the world wants peace. [Applause.] That is a very beautiful thought, and he would have to be utterly unregenerate who would refuse to assent to that sentiment. [Applause on the Republican side.]

You applaud, gentlemen, but does this resolution now before us mean peace? You know in your hearts that it does not. Peace means not only the cessation of hostilities, but the adjustment of mutual claims and antagonistic interests. It is a bilateral contract and can not be brought about by the mere ipse dixit of one side or the other. There is no virtue in simply saying that we are at peace. That declaration will add nothing to the President's assertion that the war is at an end.

This resolution proposes to repeal or rescind the joint resolution of Congress passed April 6, 1917, by which a state of war was declared to exist between the Imperial German Government and the people of the United States. I presume you will admit that this is the first time in the history of the United States, and perhaps in the history of the world, that such a thing has been attempted; particularly when actual hostilities have followed upon the declaration of war. I am not saying that for that reason it can not or should not be done now. In a meritorious case we might be justified in making a precedent. The fact, however, that it aims to do something which does not appear to have been contemplated by our Constitution and a thing which was never done before imposes upon us the duty of very rigid scrutiny. The Constitution of the United States prescribes the method of arriving at a state of peace. It provides for a formal treaty to be negotiated through the President with the Nation's enemies, and it specifically provides that that treaty shall be approved by the Senate before it may be proclaimed. Confessedly, then, this resolution stands in the guise of a subterfuge to circumvent the Constitution. It bears all the earmarks of the shrewd and technical lawyer.

I will not enter into the controversy as to whether or not the treaty should have been ratified with reservations, without reservations, or not at all. I may confess, however, in passing that I am not completely satisfied that the spirit in which it was rejected was wholly disinterested, humanitarian, or even American. It brought out an exhibition of partisanship that is unparalleled in our history. Consistency and sincerity were thrown to the winds and the lessons of history disregarded. While pretending to follow the teachings of Washington and Jefferson in the avoidance of entangling alliances with other nations, we have by strange paradox put ourselves in the position where we can never get rid of them. The men that shouted loudest for the League of Nations and urged the importance of acting in harmony with our late allies, so soon as it became obvious that political capital was to be made out of the situation executed a complete face about and preached an entirely different philosophy. For instance, the honorable gentleman who was among the most distinguished in the fight against the treaty and the League of Nations delivered a speech on December 21, 1918, in which he said:

> To attempt in any way to separate us from our allies now or to prevent perfect unity of action is as harmful as such efforts were when we were fighting in northern France and on the plains of Flanders.

He also said:

> If peace with Germany is to be durable, terms must be exacted which will make it, so far as human foresight goes, impossible for Germany to break out upon the world with a war of conquest.

Yet this gentleman is willing to sponsor a resolution declaring a state of peace with Germany in which no terms whatever are exacted and no guaranties required.

But he was even more insistent than that. He said:

> The peace must not only be made and agreed to, but it must be effective, and to render it effective there is much more to be done than can be done by ink and paper. Nothing can be accomplished unless we work in complete harmony with those who are associated with us in the war against the Central Powers.

"There is much more to be done than can be done by ink and paper." Yes; indeed! And it might be added, much more than can be done by the passage of this resolution. But swallowing one's own words seems to present no insuperable difficulty to the gentlemen who are striving so hard to make political capital for the presidential campaign out of the treaty situation. I do not complain about their individual change of front. That is their right. But, Mr. Speaker, they fly in the face of all of the traditions of their own party. The principle of arbitration in international disputes had its birth within the folds of the Republican Party. It was nurtured and brought to fruition under its ablest leaders. No one would ever charge Gen. Grant with sacrificing the interest of his country by entering into an international engagement to submit our disputes to a disinterested court, and yet to him must be given the credit for inaugurating the principle of arbitration in international disputes. When he put through his plan for the Geneva arbitration he was maligned and ridiculed and charged with departing from the ways established by the founders of our Republic. Yet to-day his principal claim for statesmanship is founded upon his humanitarian efforts to avert war and settle international disputes by arbitration. In an address at Birmingham during his trip around the world he said:

> Nothing would afford me greater happiness than to know that, as I believe will be the case at some future day, the nations of the earth will agree upon some sort of congress which will take cognizance of international questions of difficulty, and whose decisions will be as binding as the decisions of our Supreme Court are upon us. It is a dream of mine that some such solution may be.

From this prophecy, and from this gentle, kindly philosophy, the leaders of the Republican Party turn to-day to advocate the doctrines of Chinese exclusiveness. After exertions and sacrifices unparalleled in our history, they want us to declare peace and detach ourselves from our late associates in the World War without a modicum of effort to exact guaranties upon the issues for which we went to war. This, in my opinion, is the acme of folly. As matters stand to-day, the League of Nations is in existence. It is ratified by 28 powers of the world, and we stand outside the barriers—thrust into the cold by our own folly. We fought the war practically for the vindication of the right of neutrals to the freedom of the seas. To-day we are neutral; perhaps the only neutral in all the world; and yet there is no suggestion in this resolution that we shall require of our enemies any recognition of that principle for which we went to war.

Shocking as it may seem, paradoxical as it may seem, this resolution not only waives our national claims against Germany and Austria but plays us directly into England's hands. We have left her in complete mastery of the world situation. We have run away from our responsibilities and are leaving the British diplomats in complete, unquestioned, and secure control of the council of the League of Nations.

From the murmurs and questionings I hear on every side I think I can perceive a very pronounced turn in the tide of public opinion and a very marked sentiment of fear aroused that, in our desire to keep aloof from international affairs, we have scuttled so hastily out of our entanglements that we have refused all the power and all the influence which we ought of right to have wielded and committed it into the hands of the very nation for fear of which we hesitated to assume our just burdens in the world affairs. The British Empire now dominates the League of Nations and can, if the occasion demands, align the nations associated with it in the League of Nations against us. This I take it is a result far beyond the expectations of those who clamored loudest for our isolation.

Even on the Irish question the sentiment is growing and a profound conviction is settling on the minds of those most solicitous for Ireland's welfare that her future would be happier and her prospects brighter if the powerful influence of the United States were present at the council of the League of Nations to take up her cause and present her just claims to the nations of the world.

We bemoan the fate of Shantung. We deplore the conduct of England toward Egypt and India and Ireland. Yet what have we done to ameliorate their condition? We have resolutions in committee, but the silence of the tomb has crept over them. Upon these urgent matters no action is taken, and when action is taken they will have no more influence upon the powers now controlling the League of Nations than a scrap of paper blown in through the window by a puff of wind. Gentlemen, do not deceive yourselves. You can not pretend loyalty and sympathy and make political capital out of preambles and resolutions. Your whole course in this session has been one continual succession of artifices to alienate the sympathy of the people of the United States, in all its subdivisions, from the administra-

tion that conducted the greatest war in history to a successful and victorious conclusion. You have been in command of the legislative situation here for 15 months and you have done nothing except what was prompted by a keen yet uncanny solicitude for the presidential election. By this resolution you hope to propitiate the Germans; but your prewar history, as exhibited by the records of Congress and in your efforts to goad the administration into war before the occasion for war arose, belie your present protestations.

You know that the people of the United States are, as the gentleman from Ohio [Mr. LONGWORTH] has said, suffering from war bureaus and war conditions that are past all patience. True, so they are. If that is so, why do you not offer or act on the bills now in this House to repeal the war-time legislation? [Applause.] You will have our support without question in any serious effort that you may make to repeal these burdensome laws, but you have done absolutely nothing. Yet you think you can deceive the people of America by pretending that you are going to bring about peace by a mere resolution. You can make war by a resolution declaring war, but, gentlemen, you know very well that you can not make peace by rescinding that resolution. [Applause.]

Mr. PORTER. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER. The gentleman from Pennsylvania has used 16 minutes and the gentleman from Virginia [Mr. FLOOD] has used 14 minutes.

Mr. PORTER. Mr. Speaker, I yield three minutes to the gentleman from Minnesota [Mr. NEWTON].

Mr. NEWTON of Minnesota. Mr. Speaker, 6 weeks ago and 17 months after the signing of the armistice found the allied and associated powers, with one exception, at peace with Germany and the world. That exception was the United States. The President and the Senate, charged with joint responsibility in the making of treaties, were deadlocked. They could not agree. The President was still insisting upon the League of Nations as he wrote it. A majority of the Senate, carrying out the sentiment of a great majority of the American people, were insisting that if it was to be ratified at all it must first be Americanized by appropriate reservations. During all of this time the President continued to enjoy and exercise the extraordinary war powers that a willing people had conferred upon him for war purposes. He relinquished none. With the coming of peace the American people expected, and had a right to expect, a relinquishment of those powers by the President. The President thought differently. Finally, the people turned to Congress. Six weeks ago this House passed a peace resolution declaring the war at an end and repealing the war-time powers of the President and removing their burdensome restrictions.

You, my Democratic friends—or, rather, most of you—opposed this resolution. You claimed it was unconstitutional; that the Congress had no power to declare the war at an end. Did you really want to serve the country by ending the deadlock and ushering in peace? Were you in earnest in urging these constitutional objections? No. The debate here to-day proves it. In the preceding debate you admitted that Congress had the power to repeal the declaration of war and thereby end the war. We passed our resolution in spite of your objections and it was sent over to the Senate. The Senate adopted a peace resolution which is similar in substance but different in form. As for me, I am interested in the substance of this legislation. With vital questions at stake I am not inclined to quibble about matters of form. [Applause.] Neither are the people. They want results.

What does this Senate resolution do? Although there was nothing to your argument about the unconstitutionality of the House resolution, your objections in this connection are squarely met by the Senate resolution. It expressly repeals the act declaring war. If you really wanted to end these war-time powers and restrictions which hamper our trade, curtail production, and cause general discontent among our people you would stop your quibbling, forget your partisanship and the advice of one individual, and accept this resolution. Your specious pleading will not fool the people. With peace in Europe for our allies and associates, the people are demanding peace in America. The way is open and before us. Those who vote against it must be prepared to take the consequences they deserve.

SEVERAL MEMBERS. We will.

Mr. PORTER. Can the gentleman from Virginia use some of his time now?

Mr. FLOOD. How many more speeches is the gentleman going to have?

Mr. PORTER. Two.

Mr. FLOOD. I will be glad if the gentleman will have one more speech on that side before we go on.

Mr. PORTER. I yield five minutes to the gentleman from Ohio [Mr. FESS]. [Applause.]

Mr. FESS. Mr. Speaker and Members of the House, there has been some controversy over the merits of the two proposals by the two Houses. Speaking personally, I would have preferred that the Senate accept the House resolution. I thought it was a strong statement of our purpose. However, as was said by the chairman of the Committee on Foreign Affairs [Mr. PORTER], time is of the essence here. Everywhere we are told that the attenuated situation in the world, without anything definite stated as to the close of the war, has kept things in an unsettled state, which can not be relieved until war is technically ended.

Our purpose is to end the war, technically as it is actually, and I am not so much concerned about the particular form of the resolution, and I do not think either House should feel a pride of opinion as to which particular House initiated it. What we are concerned about is to bring peace to the world. [Applause.] Our concern—and it ought to be the concern of the Democratic Members as much as it is of the Republican Members—is to end this intolerable situation of a war actually ended but technically continuing, a situation in which our country finds itself through the willful determination of only one man, who is the one obstacle that stands in the way of peace. [Applause.] If men would say in public what they say privately, there would not be a dissentient voice from that statement nor a single vote against this resolution.

Our concern is also on this war-time legislation. Our concern is to take away the war powers placed in the hands of the President for war purposes and return to peace legislation. War legis lation still exists while technically war is not present. Everyone knows that the war is actually ended, but because it will not end upon the terms of a surrender of American sovereignty and independence preserved by the determination of the Senate, because it will not end technically except on that ground, we propose here to end it not only actually but technically and at the same time preserve American sovereignty and independence. [Applause on the Republican side.]

It is not the Republicans alone who want it; the Democrats want it as much as the Republicans, but they are in an embarrassing situation by being compelled to resist the position of the head of the party. Some of them have done it. Many more will do it. They did it in this House; they did it in the Senate; they did it in Georgia; they did it in Nebraska, in Minnesota, in Michigan, in Washington, in Idaho, in Wisconsin, the Dakotas; and they did it in nearly every State that has spoken, including Rhode Island and Massachusetts. Standing for peace, they will not allow one man because of his willful determination to continue war powers and embarrass the situation to the extent of refusing to make peace unless they can make it on the basis of the surrender of the sovereignty of the Nation and of its independence. The events in Europe speak loudly upon the wisdom of this flood of public protest in the country. Gentlemen, the thing to do is to pass this resolution now and end the war. [Applause.]

Mr. PORTER. Mr. Speaker, I yield the remainder of my time to the gentleman from Illinois [Mr. MASON]. [Applause on the Republican side.]

The SPEAKER. The gentleman from Illinois is recognized for six minutes.

Mr. MASON. Mr. Speaker, referring briefly to my good friend from Texas, Mr. CONNALLY—and he knows with what sincerity I say "my good friend"—I was struck by his proposition that we had yielded to the Senate. All legislation comes by consultation and compromise. I thought the better resolution was simply a declaration of peace with all the world. That resolution I introduced eight months ago. I yielded my judgment to better lawyers upon our committee and accepted the resolution. I stood for it when it passed the House. Realizing, however, that there have been some changes in matter of form but not in substance in the Senate resolution, I am very glad to give my vote in concurrence.

I was surprised and hurt when my friend from Texas [Mr. CONNALLY] called attention to the shocking fact that we had yielded our judgment in some matters of form to the Senate of the United States, which is the body having most to do with matters international, and I want to say to him that I am proud to be a member of a party that numbers among its membership men who are willing to do such a thing. I would much rather yield my judgment to a majority of Senators elected by the people of this country from a majority of the States of the Union than yield my judgment and my vote, as you have been doing, to one sick man at the other end of the Avenue. [Applause on the Republican side.]

Day after day, and you know it—perhaps it is political sense and political wisdom—the Democratic side of the House in the last Congress and in this has been the most subservient of any Congress that ever served in waiting for the White House to take snuff before you would condescend to sneeze. You have an idea that it is your duty. I am not complaining of you, but I beg of you not to complain of me or my party when we, anxious for peace, anxious to answer the cry of a hundred million people to give us peace, meet on common ground with Senators, agree to their suggestions, and carry out what the people of the country want—a declaration by the war-making power that we are at peace.

The gentleman from Texas [Mr. CONNALLY] says, "What will our allies say?" We have no allies. Get away from that doctrine. It came to you every hour from the White House. If you have read the armistice, you know that we have no allies. We were simply associated in that war. I will tell you, however, what they will say. They have horned us out of business in Germany. England established her commercial branch in Berlin in 10 days after the armistice was signed. If now, as an American merchant, you want to buy from Germany, you have to get a Frenchman or an Englishman to buy for you. That is what they are saying to us. They are saying to us, "Keep out of peace"—and they will horn out Uncle Sam—"give us the business, keep yourselves in a state of war, and we will get the business not only of Russia but of Germany."

Mr. FLOOD rose.

Mr. MASON. I can not yield in five minutes. That is what the Allies are saying. Ah, but one gentleman says, "Why have we not passed some laws"? This is the law that repeals the war laws. [Applause on the Republican side.] This is what you wanted. Ninety-five per cent of the war legislation ends with war. Ninety-five per cent of the legislation, the drastic legislation under which your President to-day is arresting men because they quit work, ends with the declaration of peace. We waited for the President and the Senate for a long year and a quarter to make a treaty of peace. We have now reached the time when we are going to repeal those laws; and, believe me, the Supreme Court of the United States will say that every one of those laws ended by the declaration of peace by the Congress of the United States. [Applause on the Republican side.]

The gentleman says that by accepting this amendment we admit that there is some limitation to congressional power. I wish to God the President had some such idea with regard to limitation of Executive power. There is a limitation of our power, it is quite true. You can not negotiate a treaty of peace, and neither can he make a treaty of peace unless it is ratified by the Senate. There is a limitation of power. I am glad for my party, if they have ever been guilty of forgetting the limitations of legislative and executive power, that we have come back to the old lines of Americanism where, as plain American Congressmen, we admit there is some limitation to legislative power. I wish the President had been born with that idea. If he had any idea of the limitation of Executive power, he never would have sent our troops into Siberia and northern Russia, there to fight his personal war for the collection of the debts of the people of ancient Russia to the bankers of France and Great Britain. If he had any idea of the limitation of Executive power, he would not keep the people of the United States to-day, the women and children, paying taxes on their shoes and stockings in order to maintain 15,000 men in Germany, after the treaty of peace has been rejected. We have no more business with our troops in Germany than we would have with them in Great Britain. He had the right to send them there after the signing of the armistice; he had the right to keep them there after the signing of the ancillary convention in June, 1919, a year after the armistice was signed. Now, when the treaty failed of ratification that power ceased. He has absolutely no idea of the limitation of the Executive power we conceded to him during the war. He now seeks by the control of his party organization to whip you into line—and you know it—to carry out his personal and selfish desire to continue in his hands the power he had during the war. [Applause on the Republican side.]

The SPEAKER. The time of the gentleman has expired.

Mr. PORTER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the Senate amendments.

The question was taken, and the Speaker announced the ayes seemed to have it.

Mr. LONGWORTH. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 228, nays 139, answered "present" 1, not voting 59, as follows:

YEAS—228.

Ackerman	Focht	Lampert	Ricketts
Anderson	Fordney	Layton	Riddick
Andrews, Md.	Foster	Lehlbach	Robsion, Ky.
Andrews, Nebr.	Frear	Little	Rodenberg
Anthony	Freeman	Longworth	Rogers
Ashbrook	French	Luce	Rowe
Bacharach	Fuller, Ill.	Lufkin	Sanders, Ind.
Baer	Gallivan	Luhring	Sanders, N. Y.
Barbour	Ganly	McArthur	Sanford
Begg	Garland	McCulloch	Schall
Benham	Glynn	McFadden	Scott
Bland, Ind.	Goldfogle	McKenzie	Sells
Boies	Good	McKiniry	Shreve
Bowers	Goodall	McKinley	Sinclair
Britten	Goodykoontz	McLane	Sinnott
Brooks, Ill.	Gould	McLaughlin, Mich.	Slemp
Brooks, Pa.	Graham, Ill.	McLaughlin, Nebr.	Smith, Idaho
Browne	Green, Iowa	MacCrate	Smith, Ill.
Burdick	Greene, Mass.	MacGregor	Smith, Mich.
Burke	Greene, Vt.	Madden	Snell
Burroughs	Griest	Magee	Stephens, Ohio
Butler	Hadley	Maher	Stiness
Caldwell	Hamill	Mann, Ill.	Strong, Kans.
Campbell, Kans.	Hamilton	Mapes	Sullivan
Cannon	Hardy, Colo.	Mason	Summers, Wash.
Carew	Harreld	Mead	Sweet
Chindblom	Haugen	Michener	Swope
Christopherson	Hawley	Miller	Tague
Classon	Hays	Monahan, Wis.	Taylor, Tenn.
Cooper	Hersey	Mondell	Temple
Copley	Hickey	Moore, Ohio	Thompson
Crago	Hicks	Moores, Ind.	Tilson
Cramton	Hill	Morgan	Timberlake
Crowther	Houghton	Mott	Tincher
Cullen	Huddleston	Mudd	Tinkham
Currie, Mich.	Hull, Iowa	Murphy	Towner
Dale	Husted	Nelson, Wis.	Treadway
Dallinger	Hutchinson	Newton, Minn.	Vaile
Darrow	Ireland	Newton, Mo.	Vare
Davis, Minn.	James	Nolan	Vestal
Dempsey	Jefferis	O'Connell	Voigt
Denison	Johnson, S. Dak.	Ogden	Walsh
Dickinson, Iowa	Johnson, Wash.	Olney	Walters
Dooling	Juul	Osborne	Wason
Dowell	Kahn	Paige	Watson
Dunbar	Kearns	Parker	Webster
Dunn	Keller	Peters	Wheeler
Dyer	Kelly, Pa.	Porter	White, Kans.
Echols	Kendall	Purnell	White, Me.
Edmonds	Kennedy, Iowa	Radcliffe	Williams
Elliott	Kennedy, R. I.	Ramsey	Wilson, Ill.
Emerson	Kiess	Ramseyer	Winslow
Esch	King	Randall, Wis.	Wood, Ind.
Evans, Nebr.	Kinkaid	Reavis	Woodyard
Evans, Nev.	Kleczka	Reber	Yates
Fairfield	Knutson	Reed, N. Y.	Young, N. Dak.
Fess	Kraus	Reed, W. Va.	Zihlman

NAYS—130.

Almon	Doremus	Lazaro	Raker
Aswell	Doughton	Lea, Calif.	Rayburn
Ayres	Dupré	Lee, Ga.	Riordan
Babka	Eagan	Linthicum	Robinson, N. C.
Bankhead	Eagle	Lonergan	Romjue
Barkley	Ferris	McAndrews	Rouse
Bee	Fields	McClintic	Rowan
Bell	Fisher	McDuffie	Rubey
Benson	Flood	McGlennon	Rucker
Black	Fuller, Mass.	McKeown	Sanders, La.
Bland, Mo.	Gallagher	Major	Sims
Bland, Va.	Gandy	Mann, S. C.	Sisson
Blanton	Gard	Mansfield	Smith, N. Y.
Box	Garner	Martin	Steagall
Brand	Garrett	Mays	Stedman
Briggs	Goodwin, Ark.	Milligan	Stephens, Miss.
Buchanan	Griffin	Minahan, N. J.	Stoll
Byrnes, S. C.	Hardy, Tex.	Moon	Sumners, Tex.
Byrns, Tenn.	Heflin	Mooney	Taylor, Ark.
Campbell, Pa.	Hersman	Moore, Va.	Taylor, Colo.
Candler	Hoey	Neely	Thomas
Cantrill	Holland	Nelson, Mo.	Upshaw
Carss	Hudspeth	Nicholls	Venable
Casey	Hull, Tenn.	Oldfield	Vinson
Clark, Mo.	Humphreys	Oliver	Watkins
Cleary	Igoe	Padgett	Weaver
Coady	Jacoway	Park	Welling
Collier	Johnson, Ky.	Parrish	Welty
Connally	Johnson, Miss.	Pell	Whaley
Crisp	Johnston, N. Y.	Phelan	Wilson, La.
Davey	Jones, Tex.	Pou	Wingo
Davis, Tenn.	Kelley, Mich.	Quin	Wise
Dewalt	Kincheloe	Rainey, Ala.	Woods, Va.
Dickinson, Mo.	Lanham	Rainey, H. T.	Wright
Donovan	Larsen	Rainey, J. W.	Young, Tex.

ANSWERED "PRESENT"—1.

Langley

NOT VOTING—58.

Blackmon	Dent	Hastings	Lankford
Booher	Dominick	Hayden	Lesher
Brinson	Drane	Hernandez	McPherson
Brumbaugh	Drewry	Hoch	Merritt
Caraway	Ellsworth	Howard	Montague
Carter	Elston	Hulings	Morin
Clark, Fla.	Evans, Mont.	Jones, Pa.	O'Connor
Cole	Godwin, N. C.	Kettner	Overstreet
Costello	Graham, Pa.	Kitchin	Platt
Curry, Calif.	Harrison	Kreider	Randall, Calif.

Rhodes	Sherwood	Steele	Volstead
Rose	Siegel	Steenerson	Ward
Sabath	Small	Stevenson	Wilson, Pa.
Scully	Smithwick	Strong, Pa.	
Sears	Snyder	Tillman	

So the Senate amendments were concurred in.

The Clerk announced the following pairs:

On this vote:

Mr. RHODES (for) with Mr. TILLMAN (against).

Mr. SIEGEL (for) with Mr. DREWRY (against).

Mr. CURRY of California (for) with Mr. HOWARD (against).

Mr. HOCH (for) with Mr. SCULLY (against).

Mr. MORIN (for) with Mr. MONTAGUE (against).

Mr. GRAHAM of Pennsylvania (for) with Mr. STEELE (against).

Mr. LANGLEY (for) with Mr. CLARK of Florida (against).

Mr. STRONG of Pennsylvania (for) with Mr. HARRISON (against).

Mr. WARD (for) with Mr. SABATH (against).

General pairs:

Mr. SNYDER with Mr. CARTER.

Mr. COLE with Mr. HAYDEN.

Mr. HERNANDEZ with Mr. HASTINGS.

Mr. ELSTON with Mr. DRANE.

Mr. VOLSTEAD with Mr. GODWIN of North Carolina.

Mr. STEENERSON with Mr. OVERSTREET.

Mr. MERRITT with Mr. LESHER.

Mr. ELLSWORTH with Mr. O'CONNOR.

Mr. JONES of Pennsylvania with Mr. SMALL.

Mr. HULINGS with Mr. DOMINICK.

Mr. COSTELLO with Mr. BLACKMON.

Mr. MCPHERSON with Mr. BRUMBAUGH.

Mr. PLATT with Mr. KITCHIN.

Mr. KREIDER with Mr. BRINSON.

Mr. ROSE with Mr. STEVENSON.

Mr. LANGLEY. Mr. Speaker, I voted "aye" on this roll call. I have a general pair with the gentleman from Florida, Mr. CLARK, who is absent, and I desire to withdraw my vote and answer "present."

The name of Mr. LANGLEY was called, and he answered "Present."

Mr. TINCHER. Mr. Speaker, my colleague, Mr. HOCH, is sick at home and can not attend and desires me to say that if present he would vote "aye."

The result of the vote was announced as above recorded.

On motion of Mr. PORTER, a motion to reconsider the vote by which the Senate amendments were concurred in was laid on the table.

WEST POINT MILITARY ACADEMY.

Mr. KAHN and Mr. LANGLEY rose.

The SPEAKER. The gentleman from California [Mr. KAHN] is recognized.

Mr. KAHN. Mr. Speaker, I ask unanimous consent to insert in the RECORD a letter from the Secretary of War regarding a West Point matter which was discussed in the newspapers recently.

The SPEAKER. The gentleman from California asks unanimous consent to insert in the RECORD a letter from the Secretary of War relative to West Point. Is there objection? [After a pause.] The Chair hears none.

The following is the letter referred to:

WAR DEPARTMENT,
Washington, May 17, 1920.

Hon. JULIUS KAHN,
Chairman Committee on Military Affairs,
House of Representatives.

MY DEAR MR. KAHN: I have received your letter of May 13 with regard to House resolution 551, introduced by the Hon. FRED A. BRITTEN, requesting that certain information be furnished to the House of Representatives.

The resolution recites certain statements attributed to Hon. Charles W. Eliot, president emeritus of Harvard University, which statements are said to have been made in an address before the Harvard Teachers' Association as well as in a letter to Brig. Gen. John W. Ruckman, commander of the North Atlantic Coast Artillery district.

I have not had any opportunity to see President Eliot's address before the Harvard Teachers' Association, nor have I as yet seen any letter from President Eliot to Gen. Ruckman or from Gen. Ruckman to President Eliot. The statements attributed to President Eliot, however, seem quite definite, and, for the information of the Committee on Military Affairs, I beg leave to recite the criticisms with certain corrective data and comments. Needless to say, the Military Academy at West Point is an institution of supreme national importance. If these criticisms or any other serious reflection upon its efficiency can be sustained, it is the joint duty of the Congress and the Secretary of War patiently and thoroughly to bring about all changes necessary to adapt the institution to its high public purpose.

I undertake to state separately the criticisms attributed to President Eliot.

1. "No American school or college intended for youths between 18 and 20 years of age should accept such ill-prepared material as West Point accepts."

Admission to West Point is extended to youths designated by Senators and Members of the House of Representatives under an apportionment plan. A certain number of appointments are at the disposal of the President, and these have for many years been restricted by Presidents to applicants who are the sons of Regular Army and Navy officers, for the reason that such boys have no fixed residence and are therefore not eligible to appointment by Senators or Representatives, whose appointees must, in the one case, be actual residents of the State, and, in the other, actual residents of the congressional district from which they are appointed.

For many years both Senators and Members of the House of Representatives have relied upon competitive examinations among the various boys desiring appointment to a vacancy. This practice is not universal but common. The result is that the candidates presenting themselves for admission to West Point are a cross section of the educated youth of the country; not, it is true, of any one district or section in which the educational facilities may be deemed especially excellent, but of the entire country; not often the sons of the rich, whose opportunities for special training are peculiar, but rather the talented sons of people of moderate circumstances, to whom education at the expense of the Government is an opportunity not otherwise obtainable, and to whom the rewards of Army service, though modest, are acceptable.

For more than 30 years I have been observing appointments to West Point. I have never known a school in which a dull boy was even permitted to try for the academy. On the contrary, in every school with which I have any acquaintance, unusually talented boys are selected by their masters as being probably able to get into West Point and to complete its course, and I think it may be fair to say that generally throughout the country secondary schools regard it as a distinction to have their graduates succeed in making West Point and being graduated by it.

The boys who seek these appointments, almost without exception, present to their Congressmen letters from their teachers setting forth their superior scholarship, and Congressmen are loath to appoint boys who may fail, both for the sake of the boys and for the good name of the educational facilities of their districts, in which they and their constituents have a deep interest.

When, however, by this process boys are appointed to the academy, they are received only upon presenting a certificate of successful graduation from an accredited high school, secondary school, or attendance in regular standing at a recognized college or university, or by passing an entrance examination, under Army supervision, or presenting a certificate of examination by the College Entrance Examining Board, as to all of which the standard 14 points of credit are required. These requirements are rigidly enforced by an academic board which is, by statute, independent of political control. Even the Secretary of War may not overrule the academic board, and while I have frequently heard criticism and complaint of the board, it has always been against the rigidity with which it adheres to a high academic standard. Certainly, since I have been officially connected with the War Department I have never heard from any quarter a suggestion that the board abated or moderated its requirements out of any consideration of personal favor, athletic eligibility, official or social prominence, or indeed any other reason.

From 1838 to 1915 the total number of candidates who have presented themselves for admission to West Point has been 17,919. Of these 8,352 have been admitted. Of the residue 4,220 were rejected for admission by the academic board; 2,746 failed to report; 921 were rejected by the medical board; 573 were rejected by the joint action of the academic board and the medical board; 698 passed, for whom no vacancies existed; 198 failed to complete the examination; 188 declined appointments after completing the examination, and 53 appointments were canceled.

It thus appears that the process of selection is countrywide; that the requirements, from a purely academic standpoint, are adequately high, and that the standards are rigidly enforced.

If the comment of President Eliot be based upon a belief that college entrance examinations in this country have blighted the usefulness of secondary schools by making ability to pass into college the objective, rather than the education of the pupils who attend secondary schools, I, of course, agree with him. While I think the evil is lessening, I still think that vast numbers of young men and women have in the past gotten out of high school only ability to pass into a college which they never expect to attend, rather than the degree of culture which the high school could have given had that been its main objective.

But taking American secondary education as it is, for rich and poor, in the city and in the country, East and West, I am persuaded that no college drawing its students from a wide geographical area compares with West Point in the quality of the material which it receives, and if more uniform excellence could be obtained by sectional or class selection, surely the exchange would be a bad one for the national constituency which the academy has always had.

2. "No school or college should have a completely prescribed curriculum."

I would not attach any value to any opinion I might express in the controversy between the prescribed curriculum and the free elective system of collegiate education. I am told by educators that the tendency is somewhat away from the degree of freedom at one time permitted in our greatest colleges, and that somewhat more supervision is being retained over students' election with a view to according recognition to special capacities but still requiring a balanced, if special, education at the end. Without entering that discussion, however, I venture to point out that it can not be conceded that West Point has a fixed, inelastic, and unchanging curriculum. In 1917 I appointed a board to examine the curriculum at the academy, recognizing that the relation of military art to science was constantly changing, and that the requirements of military men, both in their military and civil relations, were modified with every real change in scientific knowledge or social organization. The chairman of this board was Maj. Gen. Tasker H. Bliss, himself a West Point man, it is true, and a veteran soldier, but limited by no military traditions in the originality, fertility, and freedom of his intellect; a broadly cultured and scholarly man. America's entrance into the World War interrupted the immediate modification of the course and required an intensive devotion on the part of the academy to the rapid training of an increased number of officers. But the Bliss board was only one in a continuing series of investigations and inquiries, and since the termination of hostilities modifications have been made, and are being made with the object of adapting the instruction at the academy to the demands which this war has shown will be made upon military men, and to bring the spirit of the academy into the fullest harmony with the spirit of the country toward the Army, and, I may say, a most handsome and democratic spirit, as shown by our recent experience.

After all, West Point is a special school, as is the Naval Academy at Annapolis, as is any school of mines, or of chemistry, or of languages. This does not justify the turning out of soldiers, or mining engineers, or chemists, who know nothing else; but it does justify a course of instruction which emphasizes the specialty, while it produces an educated man. The purpose of West Point, therefore, is not to act as a glorified drill sergeant, but to lay a foundation upon which a career of growth in military knowledge can be based, and to accompany it with two indispensable additions; first, such a general training as educated men find necessary for intelligent intercourse with one another, and second, the inculcation of a set of virtues admirable always, but indispensable in the soldier. Men may be inexact, or even untruthful, in ordinary matters, and suffer as a consequence only the disesteem of their associates, or the inconveniences of unfavorable litigation, but the inexact or untruthful soldier trifles with the lives of his fellow men, and the honor of his Government, and it is, therefore, no matter of idle pride, but rather of stern disciplinary necessity that makes West Point require of her students a character for trustworthiness which knows no evasions.

I ought to point out that West Point is but the beginning of education in the Army. In each of the services there are continuation schools of growing breadth and usefulness, and the plan toward which Army education is tending will more and more seek only the fundamentals, both of education and character, at West Point, and look more and more to the special schools for the technical, scientific completion. This, I believe, is in harmony with the relation between the modern college and university, and it is already far advanced in practice. How much further it can go without sacrificing the necessary special or military training at West Point it is impossible to say, but military science is a varied and intricate body of learning, relating itself to all the sciences which deal with material things, and coupling them up with the subtler bodies of knowledge which control the actions of men singly and in the mass.

Army education, therefore, like the purpose for which armies are made, must concentrate on its objective, and however wide a field it covers, and however many elements it must comprehend, it can not be diffuse in its result.

A perfectly practical test can be challenged, I think, without fear by West Point. Its graduates will bear themselves as well in a mixed company of educated men as any other similar group from any other college in expression, comprehension, and that cultured restraint which characterizes the intercourse of educated men.

Another test may be appealed to with confidence. During the first hundred years (1802–1902) of its existence, 2,371 graduates of West Point left the Army to go into civil life. The occupations of these graduates are shown in the following table:

President of the United States	1
President of the Confederate States	1
Presidential candidates	3
Vice presidential candidates	2
Members of the Cabinet of the United States	4
Ambassador	1
Ministers of the United States to foreign countries	14
Charge d'affaires of the United States to foreign countries	2
United States consul generals and consuls	12
Members of Congress	24
United States civil officers of various kinds	171
Presidential electors	8
Governors of States and Territories	16
Bishops	1
Lieutenant governors	2
Judges	14
Members of State legislatures	77
Presiding officers of State senates and houses of representatives	8
Members of conventions for the formation of State constitutions	13
State officers of various grades	51
Adjutants, inspectors, and quartermaster generals, and chief engineers of States and Territories	28
Officers of State militia	158
Mayors of cities	17
City officers	57
Presidents of universities, colleges, etc	46
Principals of academies and schools	32
Regents and chancellors of educational institutions	14
Professors and teachers	136
Superintendent of Coast Survey	1
Surveyors general of States and Territories	11
Chief engineers of States	14
Presidents of railroads and other corporations	87
Chief engineers of railroads and other public works	63
Superintendents of railroads and other public works	62
Treasurers and receivers of railroads and other corporations	24
Civil engineers	228
Electrical engineers	5
Attorneys and counselors at law	200
Superior general of clerical order	1
Clergymen	20
Physicians	14
Merchants	122
Manufacturers	77
Artists	3
Architects	7
Farmers and planters	230
Bankers	18
Bank presidents	8
Bank officers	23
Editors	30
Authors	179

Not all of the foregoing occupations are significant of intellectual supremacy or necessarily superior training, but the list is one which could not have been made by a college with an inadequate or archaic system of education. These men have stepped out of West Point into civil life and qualified in large numbers for positions from the very highest within the gift of the people, in all walks of life; a list quite too large and imposing to represent the triumph of talent over obstruction.

3. "No school or college should have its teaching done almost exclusively by recent graduates of the same school or college who are not teachers and who serve short terms."

The special character of the education which West Point must give limits the field of selection of its teachers, but two observations can be made with regard to this criticism:

First. It is a very common practice among educational institutions of all grades and kinds in this country. Successful students are singled out and made instructors in our colleges and universities generally, and for very excellent reasons. Their loyalty to their alma mater makes them desire the distinction of being on her teaching staff; their talents have been under actual observation, and they are chosen on the basis of knowledge rather than reputation; they know the institution, its ideals, and its traditions, and they can be relied upon to maintain and improve the things which have been to them an inspiration.

And, second, there is much more permanency in the academic staff at West Point than is at all commonly supposed. Of the 12 heads of departments, 7 are permanent and 5 are detailed for periods of four years. Assistant professors are detailed from officers of the Army having had previous experience as instructors; instructors are detailed for periods of four years. Hence, a man does not become an assistant professor who has not had actual, successful teaching experience as an instructor; similarly men are not detailed as instructors immediately upon graduation, but must normally serve at least four years as officers before being considered as eligible to return to the academy. Under the Army system of education alluded to above, this means further study in higher schools and actual experience in the field in the application of that knowledge.

Two of the 12 department heads are nongraduates of the institution; some of the instructors are nongraduates. The whole system of instruction is under the direct, personal, and daily supervision of the department heads; classes are divided into sections, which are in turn supervised by the head of the department, and the number of instructors at the academy is in the ratio of 1 to each 6 cadets.

Whether or not it would be wise to bring in more nongraduates as instructors may be open to question, but it can not be fairly said of the academy that its teaching is done by recent graduates, or, to any large extent, by men who are not teachers, or by men who serve short terms.

4. "The graduates of West Point during the World War, both in the field and in business offices, did not escape, with few exceptions, from the methods which they had been taught and drilled in during peace. The methods of fighting were, in the main, new and the methods of supply and account ought to have been new. The red-tape methods prescribed to the American Regular Army officers of passing the buck were very mischievous all through the actual fighting and remain a serious impediment to the efficiency of the War Department to this day."

Nothing short of omniscience can analyze the intricate, multipled, and scattered activities of the War Department during the recent war at home and in the field, give just weight to the circumstances surrounding these activities, and apportion either the credit for success or the blame for mistake as between the persons engaged in those activities. The handful of West Point graduates, the larger handful of Regular Army officers drawn from civil life, reserve officers, officers of the National Guard, and the vastly larger body of officers hastily instructed in officers' training camps altogether comprised approximately 205,000 men, of whom the West Point graduates numbered 3,081. In the performance of their work these officers were aided by an immense body of civilians—captains of industry, masters of business; scientific, technical, commercial, industrial, and all other kinds of experts worked side by side. A substantial part of the purely military business of the Army was thus done by men fresh from civil life, while the business questions of Army supply—from the mining of ore and the raising of sheep to the bullet in the soldier's belt and the coat on his back—were subdivided into great departments, supervised by the most expert men in those subjects in the civil life of the country. Any enumeration of names, even of the most distinguished men of business who cooperated, either as appointees or "dollar-a-year" men or as volunteers in the reorganization of the Nation's industrial facilities around the Army, is unnecessary, for everybody knows them. There was no talent or capacity in this country not available to the Nation's service, and it is equally well known that these talents and capacities were used in places of influence and discretion. It is my settled conviction that the commercial and industrial organization of America during the war was a colossal success; but whether it was or not, the result was not an outcome of the system of education at West Point. The thing done was done by the Nation and all the varied processes by which our citizens are trained contributed.

The business of the Government of the United States and of its great executive departments is necessarily large. It is conducted under a system of statutes, supplemented by regulations, which, as the result of experience, undertake to fix the responsibility for official action to safeguard the Public Treasury and to provide for the orderly dispatch of public business. That this system may be slow at times may be conceded; it is constantly undergoing modification in the direction of simplicity, but considerations of public safety require that these transactions be matters of record and that the person who is responsible for a decision should make the decision. The consequence is that many persons, unfamiliar with the extent of the Government's business, become impatient at delay and characterize as "red tape" obstructions which stand in the way of the immediate dispatch of their business. Those who are familiar with the requirements of the Comptroller of the Treasury and the auditor, those who know what the statutes require and appreciate the sleepless vigilance necessary to protect the Public Treasury against improvident expenditures and unauthorized disbursements, have less sympathy with such a characterization.

In the same way this criticism speaks of a tendency to "pass the buck," which no doubt refers to the experience of those who approach a man in uniform, ask him to decide some question affecting their interests, and are referred by him to somebody else for a decision. The citizen naturally does not understand the distribution of responsibility in a great public department. He finds himself referred from one person to another and is both mystified and irritated. This was more especially true during the war than in ordinary times, and yet the explanation in both instances is simple: There is as to each question a proper person to decide it; to ask the wrong person can have but one or the other of two results, either to be referred to the right person or get an unauthorized answer. In the expansions and reorganizations entailed by the war subdivisions of functions and authority were multiplied, and often men in responsible places, busy about their own concerns, were uncertain as to the allocation of other functions, and consequently not helpful when they tried to refer questioners to others.

The War Department has been under continuous investigation by committees of the Senate and the House of Representatives from the day war was declared. These investigations have not been concerned, for the most part, with the result achieved but rather with the methods used. If so-called "red tape" had been thrown to the winds, shortcuts and direct approaches preferred, prudential considerations aban-

doned, and safeguards upon the Public Treasury neglected, it is impossible to say whether the war would have been shortened, but the inquiries of the Congress would have been shortened by the absence of records and of any sort of process by which responsibility could be fixed upon anybody for anything. As it is, as each transaction is inquired into, complete and detailed public records are supplied, and the persons produced who decided all questions upon which action was based. Large recoveries of public money have been effected, just settlements accomplished in thousands of complicated contracts, innocent persons protected against aspersion and calumny, and the public mind permitted to rest on evidence that vast expenditures were honestly made.

The statement to which this comment is addressed alleges that the methods of fighting were, in the main, new. Of course, the exact opposite is the fact. Methods of fighting were, in the main, old, and the success of the American Army lay in the fact that those who were responsible for it required it to be trained in accordance with fundamental military experience and knowledge. It is said that by reason of the tremendous emergency the British Army was for a time able to train its fresh levies only in the new kind of warfare, which grew up out of the trenches. But the final breaking of the lines and overthrow of the Germany Army was accomplished by men who had been taught not merely to hold a trench but to break a line and to maneuver in the open after the line had been broken.

The comment seems to imply a belief, on President Eliot's part, that graduates of West Point have not shown up well in the military history of the United States. It is incredible that he could really entertain this belief. In every war in which the United States has been engaged since the academy was established, its graduates have been conspicuous, alike for heroism and success. The following list is made up of names which illustrate American history. They are graduates of the Military Academy, and they are men whose memory we teach our children to revere:

Indian Wars: Custer, Crooke, Wright, Mackenzie, Cooke, A. S. Johnston, Jefferson Davis, Abercrombie, Casey, McCall, Canby, Rains.

Mexican War: Swift, Sherman, Totten, Bragg, R. E. Lee, McClellan, Beauregard, Huger, Reno, Grant, Jefferson Davis, Early.

Civil War: General officers in Union Army, 294; in Confederate Army, 151: Grant, Sherman, Sheridan, Schofield, Buell, Burnside, Gillmore, Halleck, Hancock, Heintzelman, Hooker, Howard, Humphreys, Kilpatrick, Lyon, Meade, Merritt, McClellan, McDowell, Ord, Pope, Porter, Reynolds, Rosecrans, Slocum, Thomas, Warren, Wright, Beauregard, Bragg, Cooper, Hood, A. S. Johnston, J. E. Johnston, R. E. Lee, Kirby Smith, Anderson, Buckner, Early, Ewell, Hardee, A. P. Hill, D. H. Hill, Holmes, Jackson, S. D. Lee, Longstreet, Pemberton, Polk, A. P. Stewart, Wheeler, Fitz. Lee, Lovell, Pickett, J. E. B. Stuart, Van Dorn.

Spanish War: Otis, King, Fitz. Lee, Wheeler, Bell, Pershing, Lawton, Barry.

Explorers, builders of railroads, canals, lighthouses, etc.: Swift, Totten, McClellan, Poe, Abbott, Warren, Humphreys, Talcott, Comstock, Bache, Wheeler, Wright, Whistler, Sidell, Porter, Wilson, Greene, Du Pont, Ludlow, Meigs, Griffin, Holden, Black, Goethals, Sibert, Gaillard, Casey, Hodges.

Public life: Grant, Polk, McClellan, Hancock, Porter, Buckner, Lee, Longstreet, Du Pont, Briggs.

World War: Pershing, March, Bliss, Bullard, Liggett, Goethals, Summerall, Jervey, Scott, Graves, Biddle, McAndrew, Black, Richardson, Connor, etc.

Only one other aspect of this particular criticism requires comment. It is plainly suggested that the Regular Army officers, and by inference especially West Point graduates, did not show up well in the business requirements of the war. Again the names of successful administrators in the Army would be too long for enumeration. But the Army's present difficulty is that its officers, having become known to the great business executives of the country who worked with them during the war, are now being eagerly sought for absorption into their enterprises to such an extent that it is difficult for us to retain their services in the Army. About 2,500 officers of the Regular Army have resigned since the armistice to accept invitations in industry and commerce. Most of these have been nongraduates of the Military Academy, upon whom no criticism is made, but the vast and uninspiring task of closing up the business of a great war has fallen upon the shoulders of those who remained, and they are performing it not merely with a willing spirit, but with competence and loyalty to the interests of the Government which are a credit alike to their character and to the training which has made them soldiers.

5. "The Regular Army ought to be abolished as soon as the United States becomes a member of the League of Nations. No nation should be allowed to maintain an army of the kind called regular; that is, an army all of whose officers are men who have embraced for life the profession of soldier."

It will be conceded that if we are to maintain any kind of an Army it ought to be efficient. It will further be conceded by those who know the facts that the essentials of military science can not be adequately conserved for the use of a country by the casual interest of unsystematized volunteer organizations. Some organization seems to be necessary to study, develop, and in time of necessity disseminate those effective principles which protect our own soldiers and citizens and give them maximum efficiency against the enemy. Whether this body be called a Regular Army or not is immaterial. Every humane and enlightened mind sympathizes with the aspiration of Dr. Eliot for the coming of the time when armament can be reduced and armies demobilized. I personally heartily agree with him that the League of Nations is the best hope of the world for the advancing of that time; indeed, I see no other way in which even partial disarmament can be secured except by international concert of opinion and power.

If this criticism, however, is to be taken to imply that a Regular Army in the United States is a menace to free institutions or is provocative of wars of aggression, I frankly challenge its historical truth. I know of no war in which America has been engaged, offensive or defensive, which was brought about by Army pressure or, indeed, stimulated by military desire, nor has there been within my lifetime or within the history of the country, so far as my knowledge of it goes, a time when the Army or Army opinion was in the slightest degree menacing to the liberties of the American people or insubordinate to civil control.

I regret to have trespassed to such an extent upon your time. The Military Academy at West Point has won the admiration of foreign soldiers and statesmen; its graduates have served the Nation in every crisis of war, as they have ornamented the life of the Nation in times of peace. Largely as the result of the war and the experiences engaged in it the whole Regular Army is becoming an educational institution; it is to-day the largest university in the world; more than 100,000 soldiers are being trained vocationally or educated in the Army, and recruits are flocking to it professedly to take advantage of its educational opportunities. That this opportunity for service to the public life of the country has been sympathetically received and is being energetically applied by the Regular Army officers would seem to be an additional indication of the liberality of mind which pervades the Army as an institution.

House resolution 551, upon which this letter comments, calls upon the Congress to cause an investigation to be made into the situation at the Military Academy. I respectfully call to your attention the fact that the Board of Visitors at the Military Academy, consisting of Members of the Senate and House of Representatives, annually visits the academy and keeps in close touch with its courses of instruction and all of its interests and activities, and I do not believe any further investigation can add anything to the knowledge already in the possession of your committee and of the Congress generally.

Respectfully, yours,

NEWTON D. BAKER,
Secretary of War.

RELIEF OF SNAKE RIVER SETTLERS.

Mr. SINNOTT. Mr. Speaker, I move to take from the Speaker's table the bill H. R. 12626 and agree to the Senate amendment.

The SPEAKER. The gentleman from Oregon asks unanimous consent to take from the Speaker's table a bill which the Clerk will report and agree to the Senate amendment.

The Clerk read as follows:

A bill (H. R. 12626) for the relief of certain persons to whom, or their predecessors, patents were issued to public lands along the Snake River, in the State of Idaho, under an erroneous survey made in 1883.

The SPEAKER. The Clerk will report the Senate amendment.

Mr. BLANTON. A point of order, Mr. Speaker. Unanimous consent has not been granted yet, has it?

The SPEAKER. No unanimous consent has been asked.

Mr. BLANTON. It is necessary in order to take it from the Speaker's table?

The SPEAKER. It is not.

Mr. WALSH. It is a Senate amendment.

Mr. BLANTON. Oh!

The Clerk read the Senate amendment, as follows:

Page 1, lines 5 and 6, strike out "not less than."

Mr. SINNOTT. Mr. Speaker, the House bill reported by the committee provided that the Secretary of the Interior might sell these lands at $1.25 an acre to these settlers who have been on the lands for some 30 years. It seems that on account of an erroneous survey the lands which they have been living on for years are not the lands described in the patents. And the House committee bill provided that on the payment of $1.25 for these lands they may secure patent to the same. And then an amendment was put in in the House to make the price not less than $1.25 an acre. That was stricken out in the Senate for the reason that the Department of the Interior holds that the phrase "not less than" $1.25 an acre would require the appraisal of these lands, and the men who have been living on the lands would have to pay the appraised price. Some of these lands are worth $150 and $300 an acre. These men have been living on the land for some 30 years. Very valuable orchards and very valuable improvements are upon the lands in question.

Mr. MANN of Illinois. Mr. Speaker, as I understand, this bill was under consideration in the House, and the House amended it by inserting the language "not less than." After consideration the bill passed by unanimous consent. The gentlemen in charge of the bill blithely consent to put in this amendment, and then walk over to the Senate and allow it to be struck out.

Mr. SMITH of Idaho. I want to say that the bill was reached on the Unanimous Consent Calendar, and one of the conditions that the bill should be considered was to accept the amendment.

Mr. MANN of Illinois. I say that they blithely accept the amendment in the House and walk over to the Senate and ask some interested Senator to strike out the language, and then walk into the House at this stage of proceedings and blithely ask the House to accept the Senate amendment. That is not good faith to the House, in my opinion.

Mr. SMITH of Idaho. The statement of the gentleman is unwarranted by the facts.

Mr. MANN of Illinois. I did not state anything that was not a fact.

Mr. SMITH of Idaho. The gentleman certainly intimated that we had not acted in good faith with the House. When this amendment was accepted in the House we supposed it was harmless, but after the bill was passed the legal officer of the Department of the Interior stated that the words "not less than," if left in the bill, would, under an opinion rendered in connection with the use of the same words in the coal-land law, require an appraisal of the land. That statement was made to the chairman of the Senate Committee on Public Lands, and it is made to this House in absolutely good faith, and the gentle-

man from Illinois or no other Member of Congress has any right to impute any wrong motives to any Member of the House unless he has good reason for it.

Mr. MANN of Illinois. I am not imputing wrong motives. But I say that it is unfair to the Members of the House to come here and ask us to pass bills on the Unanimous Consent Calendar, and agree to the amendment at the time, and then go to the Senate and have that amendment stricken out and ask that the House agree to the Senate amendment without consideration.

Mr. BLANTON. Will the gentleman yield?

Mr. MANN of Illinois. I have not the floor.

Mr. SMITH of Idaho. I want to make this statement: While I have not served in the House as long as the gentleman from Illinois, I will leave it to the Members whether I am not as honorable and frank in the consideration of legislation as is the gentleman from Illinois. I consider his insinuation a direct insult to me and the other members of the Public Lands Committee, and I resent it.

Mr. MANN of Illinois. I do not care whether the gentleman resents it or not. I am not trying to reflect on the honorableness of the gentleman from Idaho. I am calling the attention of the House to the fact what when unanimous consent is given to the consideration of a bill and we agree to the amendment in the House, they go straight to the Senate and ask that it be stricken out, and then come back and ask the House to consider the amendment of the Senate.

Mr. OLIVER. Was there anything that indicated that the House desired these men to pay more than the dollar and a quarter at the time the amendment was accepted?

Mr. SMITH of Idaho. Absolutely not. The gentleman from Ohio [Mr. GARD] said that he did not think they should pay anything, but the bill was drawn by the department and the price fixed at $1.25 per acre, and we consented to the amendment of the bill.

Mr. BLANTON. The reason the gentleman from Illinois was giving the gentleman from Idaho a little chastisement was for not knowing the reason for this amendment when he permitted it to go on the bill.

Mr. MANN of Illinois. I did not know that the gentleman from Idaho was the author of the bill.

Mr. SMITH of Idaho. It is an Idaho matter.

Mr. MANN of Illinois. There is nothing here to indicate it. It does not make any difference. It is not fair to the House.

Mr. SMITH of Idaho. I will leave it to the membership of this House whether it is not fair to consider the Senate amendment after explaining the facts to the House.

Mr. GARD. Mr. Speaker, the amendment which the Senate has stricken out in this bill was offered in the House by me and accepted by those who had charge of the bill. Now, the gentleman from Idaho [Mr. SMITH] said that he accepted it because he thought the amendment was harmless, but I am sure I offered it because I thought the amendment might be of some public benefit.

Mr. SMITH of Idaho. May I ask the gentleman a question?

Mr. GARD. Yes.

Mr. SMITH of Idaho. Did not the gentleman say in the debate that he did not believe these settlers should be required to pay anything, because they had been living on the land for 30 years and had a patent to it, and supposed it belonged to them?

Mr. GARD. I do not know.

Mr. SMITH of Idaho. The RECORD will show it.

Mr. GARD. I am willing to stand by the RECORD. I do not recall what I did say. What I say in regard to this amendment is this, that the amendment had been accepted by those in charge of the bill. Then we had word—so I get it from those now in charge of the bill—that some one in the Department of the Interior said it would be necessary to have an appraisement of this land if the amendment of the House were not stricken out. I do not see that very much harm would result either way. I maintain the position I took in the House before, that if these people had the land and thought they had the land and had it rightfully, but could not acquire it legally under an erroneous survey, then I am in favor of seeing that they get the land they should have, whether they pay $1.25 an acre for it or whether they do not pay anything for it. I want to do entire justice to these people who had the land, but I do not see how harm would come from the appraisement of this land at this time, because the bill still would provide that the Department of the Interior could sell it to the people who were entitled to it—assuming that they are entitled to it by their previous occupation—for not less than $1.25 per acre.

Now, the only dispute is about the words "not less than." If you make it "$1.25 an acre," they can make the transfer without any appraisement. On the other hand, if that language remains in, then they do require an appraisement. I do not see that any harm results; but, in fact, some good may result to the great body of the people of the United States in knowing the value of the land, because the only criticism I have regarding matters of this kind is that we do not have as much information about them as we should have. That may be a criticism upon myself individually, but I am sure the membership of the House generally are not as well informed on these matters of public lands as they should be, and are obliged to take the word of the gentlemen of the committee, and therefore we should have a full and fair and frank discussion always by members of the committee in informing us just what the conditions are.

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. GARD. Yes.

Mr. SUMNERS of Texas. Is not this the practical difficulty: If these people had gotten the lands which they supposed they were getting, they would have gotten them at $1.25? Now, an error is discovered in the survey, and these people have established their homes there and planted their orchards and put improvements on the land, which have brought up its value, and under appraisement the lands might be shown to be worth two or three hundred dollars an acre.

Mr. GARD. That would not make any difference. Still under the bill they would get the land for $1.25.

Mr. SUMNERS of Texas. But suppose under the appraisement these lands were shown to be worth $300 an acre, and the man would be compelled perhaps to pay $300 an acre, and much of that $300 an acre has resulted from his own industry after he has gotten this land which he expected to get, and which he did not eventually get by reason of a mistake for which he was not responsible, and for which he would have only paid $1.25 an acre. Is not that the situation?

Mr. GARD. The gentleman apparently does not understand the bill, because the bill provides in its present form that under the direction of the Department of the Interior these lands may be properly adjusted on the basis of not less than $1.25 per acre.

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman yield again?

Mr. GARD. Yes.

Mr. SUMNERS of Texas. I understand from gentlemen in charge of the bill that if these lands are appraised and the appraisement shows that they are worth around $300 an acre, then the Secretary of the Interior is under obligation to get about that figure.

Mr. GARD. Oh, no. There is nothing of that kind in the bill. They say the Secretary of the Interior, under an old ruling, when it is necessary to appraise them shall appraise them.

Mr. SUMNERS of Texas. What is the use in appraising them?

Mr. GARD. Let us have them appraised.

Mr. LINTHICUM. Mr. Speaker, will the gentleman yield?

Mr. GARD. Yes.

Mr. LINTHICUM. Suppose the appraisement shows that they are worth what the gentleman says, $300 an acre. Do you think any department official would undertake to sell them for $1.25? Do you not think he would be open to public censure if he attempted to do that?

Mr. GARD. No. The facts are that these people are occupying lands which they thought they legally owned. Owing to an error in the survey it has developed that they do not own that land in the bottoms, but land up on the mountain side. It is really an adjustment of survey lines. That is what it amounts to.

Mr. LINTHICUM. Yes; but the gentleman has no doubt heard many statements brought in here and charges against public officials for selling things for less than they are worth, such as trucks and automobiles and things like that. Does the gentleman think they ought to put up this land and sell it for less than the appraised value?

Mr. GARD. No. My own position would be that if it were thoroughly established that these men had lived on the land and cultivated it and improved it, they should have it without the payment of any money. That would be my own opinion.

Mr. BLAND of Indiana. Mr. Speaker, will the gentleman yield?

Mr. GARD. Yes.

Mr. BLAND of Indiana. Your position is that if this land is appraised at $150, the Secretary of the Interior can still sell it for $1.25 an acre?

Mr. GARD. Absolutely.

Mr. BLAND of Indiana. That is not my understanding of the law. If it is appraised by the Secretary of the Interior he must sell it at the appraised value.

Mr. GARD. No. It was in the bill "not less than $1.25."

Mr. BLAND of Indiana. It requires them to have it appraised, and the gentleman says that under the law they have to have it appraised. What do they have it appraised for? Simply in order to determine its value, and they must get that value for it in the Government's behalf.

Mr. GARD. There is no such contention. The only contention is that it is necessary to appraise it.

Mr. TINCHER. Mr. Speaker, will the gentleman yield?

Mr. GARD. Yes.

Mr. TINCHER. What possible good could come from the appraisement of this land?

Mr. GARD. The only possible good to come of it would be the information, as I assume Members of Congress generally want to find out the value of public lands that they are acting upon.

Mr. TINCHER. As we passed the bill, and as I understand the gentleman himself says it should be passed, they would pay only $1.25. If they do, what is the use of that appraisement? It would be just the cost of that thrown away.

Mr. GARD. No. The records of the appraisement would remain in the Department of the Interior as a guide as to the value of land in that vicinity. That would be the effect of it.

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman again yield?

Mr. GARD. Yes.

Mr. SUMNERS of Texas. If you appraised the lands and by reason of the fact that the settlers had planted orchards on those lands and made them worth $300 an acre, if the Secretary of the Interior acts upon that information, he does an injustice to the man who has honestly tried to comply with the contract with the Government, and if you do not act upon that appraisement you will be spending the public money for no good. But if you do not act on the information you have spent the money to no good end, as it looks to me.

Mr. GARD. There is no great expenditure of public money in that, as far as I can see.

Mr. FRENCH. Will the gentleman yield?

Mr. GARD. I yield to the gentleman.

Mr. FRENCH. Let me give an illustration. Suppose the Government should sell and deed to some one here in the city of Washington a few lots supposedly down in Potomac Park near the river and in the course of a few years it should develop that the purchaser, who perhaps had erected a manufacturing plant on the land that had been sold, found when he turned to his deed that it described land not in the former park site but in the middle of the river itself. Would there be any good or any justice in requiring an appraisement of the lands that were sold in order to correct the deed? Surely the Government would not ask the purchaser to pay for the lands over again even if in 30 or 40 years they had increased in value. Now, that is exactly a parallel case. The Government issued patents to lands to these settlers under the homestead laws. The settlers built their homes on what was supposed to be the lands. They cultivated the lands, they put out orchards. Those lands have increased in value until perhaps they are worth $150 an acre. I do not know what they are worth.

Mr. GARD. That is the point. None of us know, and that is the only reason for the appraisement, to ascertain the value.

Mr. FRENCH. But the gentleman does not follow me.

Mr. GARD. I think I do.

Mr. FRENCH. The Government issued patents to lands on the canyon sides. The settlers took the patents and the settlers and the Government have assumed that they described the bottom lands, and it had been so supposed for 30 or 40 years. Now, according to certain surveys, it develops that the lands actually described are on the mountain or canyon side. I submit that no good could come from having a new appraisement, any more than if the city of Washington should sell lots in Potomac Park and it should develop later that the description in the deeds placed the lots in the Potomac River. No good could come from appraising the lots again, and no good or benefit to anyone could come from having an appraisement of the lands in question, and it would mean added expense to the Government.

Mr. GARD. The only suggestion that came from the department.

Mr. SMITH of Idaho. Mr. Speaker, I move the previous question. Has the gentleman from Ohio finished?

Mr. GARD. No; I had not finished.

Mr. SMITH of Idaho. I thought the gentleman had finished.

Mr. GARD. I do not care to pursue it any further. If the gentleman wants to move the previous question when I am making a statement, he can do so.

Mr. SMITH of Idaho. I thought the gentleman had finished.

Mr. GARD. Go ahead. I do not care to speak any further.

The SPEAKER. The gentleman from Idaho moves the previous question.

The previous question was ordered.

The SPEAKER. The question is on concurring in the Senate amendment.

The Senate amendment was concurred in.

HOSPITAL FOR SOLDIERS, SAILORS, AND MARINES IN THE DISTRICT OF COLUMBIA.

Mr. LANGLEY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 13627) to amend paragraph (e) of section 7 of the act approved March 3, 1919, entitled "An act to authorize the Secretary of the Treasury to provide hospital and sanatorium facilities for discharged sick and disabled soldiers, sailors, and marines."

The SPEAKER. The gentleman from Kentucky asks unanimous consent for the present consideration of H. R. 13627, which the Clerk will report by title.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. WALSH. The bill ought to be reported.

Mr. LANGLEY. Let the bill be reported, Mr. Speaker.

The SPEAKER. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That paragraph (e) of section 7 of the act approved March 3, 1919, entitled "An act to authorize the Secretary of the Treasury to provide hospital and sanatorium facilities for discharged sick and disabled soldiers, sailors, and marines," is hereby amended to read as follows:

"(e) The sum of $550,000 is hereby authorized for the purchase of the land and buildings of the National School of Domestic Arts and Science, located at 2650 Wisconsin Avenue, in the District of Columbia, now under lease to the United States Government as a hospital, and for the construction of such additions and improvements thereto as may be necessary to suitably adapt them to the needs and purposes of the Public Health Service: *Provided*, That the purchase price of said land and buildings shall not exceed $460,000: *Provided further*, That in addition to the $550,000 hereby authorized, the sum of $250,000 from the amount appropriated by section 5 of the act hereby amended and of $6,000 and of $154,000 from the amounts appropriated by section 6, paragraphs 1 and 2, respectively, of said act, are hereby made available for the above-mentioned purposes and shall remain available until expended."

Mr. WALSH. Mr. Speaker, reserving the right to object, this seems to be a rather important matter, and apparently involves the expenditure of some money, a part of which or all of which has been appropriated heretofore, but I do not think we ought to take up a matter like this by unanimous consent without any notice. I object.

The SPEAKER. Objection is made.

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a privileged report from the Committee on Rules.

The SPEAKER. The gentleman from Kansas submits a report from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

House resolution 536.

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 13627) to amend paragraph (e) of section 7 of the act approved March 3, 1919, entitled "An act to authorize the Secretary of the Treasury to provide hospital and sanatorium facilities for discharged sick and disabled soldiers, sailors, and marines," and after general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided between those for and against the bill, the bill shall be read for amendment under the five-minute rule; that at the conclusion of the consideration of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been agreed to, when the previous question shall be considered as ordered on the bill and amendments to final passage without intervening motion, except one motion to recommit.

Mr. CAMPBELL of Kansas. Mr. Speaker, the resolution just read merely provides for the consideration of the bill for which unanimous consent has just been refused. The rule provides for not to exceed an hour of general debate and the reading of the bill for amendment.

There is need for additional hospital facilities in the District of Columbia. Indeed, the law already provides for such a hospital, but need for this legislation has been found to enable those in charge to purchase the hospital in question.

Mr. BANKHEAD. Is this a unanimous report from the Committee on Rules?

Mr. LANGLEY. It is.

Mr. CAMPBELL of Kansas. It is a unanimous report from the Committee on Public Buildings and Grounds, and also from the Committee on Rules.

Mr. WALSH. Will the gentleman yield?

Mr. CAMPBELL of Kansas. For a question.

Mr. WALSH. What kind of a hospital is this to be?

Mr. CAMPBELL of Kansas. A hospital for the disabled soldiers, sailors, and marines of the late war—a general hospital.

Mr. WALSH. How does it come to be reported by the Committee on Public Buildings and Grounds?

Mr. CAMPBELL of Kansas. It provides for the purchase of buildings.

Mr. WALSH. I grasp that from having heard the bill read.

Mr. CAMPBELL of Kansas. For the reason that the purchase of buildings is provided for, and by the rules of the House such a bill goes to the Committee on Public Buildings and Grounds.

Mr. LANGLEY. Let me say for the information of the gentleman that this seeks to amend an act which was reported from the Committee on Public Buildings and Grounds in the last session.

Mr. WALSH. Perhaps that is where the committee gets jurisdiction, because the bill amends something.

Mr. LANGLEY. It has jurisdiction of all these buildings. This is to provide hospital facilities for soldiers of the late war.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move the previous question on the resolution.

The question was taken; and on a division there were 57 ayes and 8 noes.

Mr. WALSH. Mr. Speaker, we ought to have a quorum here to consider a matter of this importance, and I make the point of no quorum.

The SPEAKER. The gentleman from Massachusetts makes the point of no quorum. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 339, nays 0, answered "present" 1, not voting 87, as follows:

YEAS—339.

Ackerman	Dempsey	Hull, Tenn.	Mead
Almon	Denison	Humphreys	Michener
Anderson	Dewalt	Husted	Miller
Andrews, Md.	Dickinson, Iowa	Hutchinson	Milligan
Andrews, Nebr.	Dickinson, Mo.	Igoe	Minahan, N. J.
Ashbrook	Donovan	Ireland	Monahan, Wis.
Aswell	Dooling	Jacoway	Mondell
Ayres	Doremus	James	Moon
Babka	Doughton	Jefferis	Mooney
Bacharach	Dowell	Johnson, Ky.	Moore, Ohio
Baer	Dunbar	Johnson, Miss.	Moore, Va.
Bankhead	Dunn	Johnson, Wash.	Moores, Ind.
Barbour	Dupré	Johnston, N. Y.	Morgan
Barkley	Dyer	Juul	Mott
Bee	Eagan	Kearns	Mudd
Begg	Eagle	Keller	Murphy
Bell	Echols	Kelly, Pa.	Neely
Benham	Elliott	Kendall	Nelson, Mo.
Black	Emerson	Kennedy, R. I.	Newton, Minn.
Bland, Ind.	Evans, Mont.	Kiess	Newton, Mo.
Bland, Mo.	Evans, Nebr.	Kincheloe	Nolan
Bland, Va.	Fairfield	King	O'Connell
Blanton	Ferris	Kinkaid	O'Connor
Boies	Fess	Kleczka	Ogden
Bowers	Fisher	Knutson	Oldfield
Box	Flood	Kraus	Olney
Brand	Focht	Lampert	Osborne
Briggs	Foster	Langley	Overstreet
Brooks, Ill.	Frear	Lanham	Paige
Brooks, Pa.	Freeman	Larsen	Park
Browne	French	Layton	Parker
Buchanan	Fuller, Ill.	Lazaro	Parrish
Burdick	Fuller, Mass.	Lea, Calif.	Pell
Burke	Gallagher	Lehlbach	Peters
Burroughs	Gallivan	Linthicum	Phelan
Butler	Gandy	Little	Platt
Byrnes, S. C.	Ganly	Lonergan	Pou
Byrns, Tenn.	Gard	Longworth	Purnell
Caldwell	Garland	Luce	Quin
Campbell, Kans.	Garner	Lufkin	Radcliffe
Campbell, Pa.	Garrett	Luhring	Rainey, Ala.
Candler	Glynn	McAndrews	Rainey, H. T.
Cannon	Goldfogle	McArthur	Rainey, J. W.
Cantrill	Good	McClintic	Raker
Carew	Goodwin, Ark.	McCulloch	Ramsey
Carss	Goodykoontz	McDuffie	Ramseyer
Chindblom	Graham, Ill.	McFadden	Randall, Calif.
Christopherson	Green, Iowa	McGlennon	Randall, Wis.
Clark, Mo.	Greene, Mass.	McKeown	Rayburn
Cleary	Griest	McKiniry	Reavis
Coady	Hadley	McKinley	Reber
Collier	Hamilton	McLane	Reed, N. Y.
Connally	Hardy, Colo.	McLaughlin, Mich.	Reed, W. Va.
Cooper	Hardy, Tex.	McLaughlin, Nebr.	Ricketts
Copley	Harreld	MacCrate	Riddick
Crago	Hawley	MacGregor	Robinson, N. C.
Cramton	Heflin	Madden	Robsion, Ky.
Crisp	Hersey	Magee	Rodenberg
Crowther	Hersman	Maher	Rogers
Cullen	Hickey	Major	Romjue
Currie, Mich.	Hicks	Mann, Ill.	Rouse
Dale	Hill	Mann, S. C.	Rowan
Dallinger	Holland	Mansfield	Rowe
Darrow	Houghton	Mapes	Rucker
Davey	Huddleston	Martin	Sanders, Ind.
Davis, Minn.	Hudspeth	Mason	Sanders, La.
Davis, Tenn.	Hull, Iowa	Mays	Sanford
Schall	Stephens, Ohio	Tinkham	Welling
Scott	Stiness	Towner	Welty
Sells	Stoll	Treadway	Whaley
Sherwood	Strong, Kans.	Upshaw	Wheeler
Shreve	Sullivan	Vaile	White, Kans.
Sims	Summers, Wash.	Vare	White, Me.
Sinclair	Sumners, Tex.	Venable	Williams
Sinnott	Sweet	Vestal	Wilson, Ill.
Sisson	Swope	Vinson	Wilson, La.
Slemp	Tague	Voigt	Wingo
Smith, Idaho	Taylor, Colo.	Volstead	Winslow
Smith, Ill.	Taylor, Tenn.	Walsh	Wood, Ind.
Smith, Mich.	Temple	Walters	Woods, Va.
Smith, N. Y.	Thomas	Wason	Woodyard
Snell	Thompson	Watkins	Wright
Steagall	Tilson	Watson	Young, N. Dak.
Steenerson	Timberlake	Weaver	Young, Tex.
Stephens, Miss.	Tincher	Webster	

NAYS—0.

ANSWERED "PRESENT"—1.

Griffin

NOT VOTING—87.

Anthony	Esch	Jones, Tex.	Rose
Benson	Evans, Nev.	Kahn	Rubey
Blackmon	Fields	Kelley, Mich.	Sabath
Booher	Fordney	Kennedy, Iowa	Sanders, N. Y.
Brinson	Godwin, N. C.	Kettner	Scully
Britten	Goodall	Kitchin	Sears
Brumbaugh	Gould	Kreider	Siegel
Caraway	Graham, Pa.	Lankford	Small
Carter	Greene, Vt.	Lee, Ga.	Smithwick
Casey	Hamill	Lesher	Snyder
Clark, Fla.	Harrison	McKenzie	Stedman
Classon	Hastings	McPherson	Steele
Cole	Haugen	Merritt	Stevenson
Costello	Hayden	Montague	Strong, Pa.
Curry, Calif.	Hays	Morin	Taylor, Ark.
Dent	Hernandez	Nelson, Wis.	Tillman
Dominick	Hoch	Nicholls	Ward
Drane	Hoey	Oliver	Wilson, Pa.
Drewry	Howard	Padgett	Wise
Edmonds	Hulings	Porter	Yates
Ellsworth	Johnson, S. Dak.	Rhodes	Zihlman
Elston	Jones, Pa.	Riordan	

So the previous question was ordered.

The following additional pairs were announced:

Until further notice:

Mr. ANTHONY with Mr. KITCHIN.

Mr. EDMONDS with Mr. CASEY.

Mr. FORDNEY with Mr. RUBEY.

Mr. BRITTEN with Mr. WISE.

Mr. ESCH with Mr. FIELDS.

Mr. JOHNSON of South Dakota with Mr. OLIVER.

Mr. NELSON of Wisconsin with Mr. LEE of Georgia.

Mr. CLASSON with Mr. WILSON of Pennsylvania.

Mr. ZIHLMAN with Mr. EVANS of Nevada.

Mr. GOODALL with Mr. PADGETT.

Mr. YATES with Mr. SMITHWICK.

Mr. KENNEDY of Iowa with Mr. HOEY.

Mr. ELLSWORTH with Mr. NICHOLLS.

Mr. SANDERS of New York with Mr. HAMILL.

Mr. GOULD with Mr. TAYLOR of Arkansas.

Mr. PORTER with Mr. STEDMAN.

Mr. MCKENZIE with Mr. RIORDAN.

Mr. HAUGEN with Mr. SEARS.

Mr. GREENE of Vermont with Mr. JONES of Texas.

Mr. HAYS with Mr. CARAWAY.

Mr. KELLEY of Michigan with Mr. BENSON.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

The SPEAKER. The question is on agreeing to the rule.

The resolution was agreed to.

Mr. LANGLEY. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13627, and pending that I ask unanimous consent that one half of the time be controlled by the gentleman from Texas [Mr. MANSFIELD] and the other half by myself.

The SPEAKER. Is the gentleman from Texas opposed to the bill? The rule provides that one-half the time shall be controlled by those opposed to the bill.

Mr. LANGLEY. There being apparently no one against the bill, I ask that the gentleman from Texas control it.

Mr. GARD. Mr. Speaker, I will claim the right to control the time.

The SPEAKER. Is the gentleman from Ohio opposed to the bill?

Mr. GARD. Yes.

Mr. CAMPBELL of Kansas. The rule says that those opposed to the bill shall control one-half of the time.

The SPEAKER. But the rule does not say who shall control the time in opposition.

Mr. LANGLEY. Mr. Speaker, I ask for a vote on my motion.

The SPEAKER. The question is on the motion of the gentleman from Kentucky that the House resolve itself into the

Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13627.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13627, with Mr. GREEN of Iowa in the chair.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (e) of section 7 of the act approved March 3, 1919, entitled "An act to authorize the Secretary of the Treasury to provide hospital and sanatorium facilities for discharged sick and disabled soldiers, sailors, and marines," is hereby amended to read as follows:

"(e) The sum of $550,000 is hereby authorized for the purchase of the land and buildings of the National School of Domestic Arts and Science, located at 2650 Wisconsin Avenue, in the District of Columbia, now under lease to the United States Government as a hospital, and for the construction of such additions and improvements thereto as may be necessary to suitably adapt them to the needs and purposes of the Public Health Service: *Provided*, That the purchase price of said land and buildings shall not exceed $460,000: *Provided further*, That in addition to the $550,000 hereby authorized, the sum of $250,000 from the amount appropriated by section 5 of the act hereby amended and of $6,000 and of $154,000 from the amounts appropriated by section 6, paragraphs 1 and 2, respectively, of said act, are hereby made available for the above-mentioned purposes and shall remain available until expended."

Mr. LANGLEY. Mr. Chairman, I shall detain the committee for only a few minutes. I have always had a reverential admiration for our soldiers who fought in all our wars. From my boyhood they have stood apart in my estimation as the real heroes of the Republic. [Applause.] I think everyone will concede that we can never pay fully the debt of gratitude that we owe to them. I am in favor of giving them all as liberal consideration and aid as the finances of our country will permit. I think also you will concede that our first and highest duty is to provide proper hospital facilities for the sick, injured, and wounded soldiers. [Applause.] That is the purpose of this bill, as far as it goes. Our committee has had extensive hearings on the general hospital situation, and I think these hearings will show that we have fully developed all the material facts bearing upon the situation. The Secretary of War, the Secretary of the Treasury, the Director of the War Risk Bureau, the Surgeon General of the Public Health Service, and several subordinate officials, Gen. Wood, chairman of the Board of Managers of the National Home for Disabled Volunteer Soldiers, famous experts on mental and nervous diseases and tuberculosis and their treatment, and many others have all been heard. We discovered during our investigation that there are a good many thousands—I believe about 16,000—of our returned disabled soldiers, sailors, and marines who are without proper hospital treatment. We ascertained that there were available in the national homes for disabled volunteer soldiers something over 9,000 vacant beds. At one hearing we had before us the Surgeon General of the Public Health Service and other officials of that bureau.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. LANGLEY. In a moment. We had also Gen. Wood, chairman of the board of directors of the national homes, and others, all participating in the hearing and debating the matter fully. They reached the conclusion, and so did we, that those beds could be made available for the treatment of these soldiers. That will still leave several thousand more not properly provided for.

We requested the Secretary of War to appear before our committee a second time, which he did, with a view to determining if we could not obtain space in the unoccupied Army posts so as to further curtail the authorizations which the Secretary of the Treasury and the Public Health Service were asking for. Secretary Baker explained the situation quite fully, and the most that he would consent to was to give us a revocable permit to admit our returned disabled soldiers of the World War into the hospitals attached to these posts, which meant that he could at any time order the patients removed so that these posts could be used for military purposes, for which they were originally intended; and he added the further condition that no tubercular patients were to be admitted to these post hospitals. He explained that if the Mexican situation cleared up it would be necessary for the department to have these posts reoccupied, although at least two of them have not, I am informed, been used for several years, except for housing a sufficient number of persons to look after the buildings. The committee reached the conclusion that it was not wise to undertake to utilize these unoccupied posts for hospital purposes under the circumstances.

This bill is only a step in the direction of providing proper hospital facilities for these men. The committee is now engaged in the consideration of additional legislation, with a view to establishing other hospitals in other sections of the country, particularly for tubercular and mental and nervous diseases, or neuropsychiatric cases, as the doctors call them. We hope to be able to report that bill to the House with a unanimous recommendation and at a very early date. Now, I yield to the gentleman from Texas.

Mr. HUDSPETH. Mr. Chairman, I think the gentleman has just stated the matter I was about to inquire respecting, and that is relative to tubercular patients. Does this bill provide for that also?

Mr. LANGLEY. It is to be a general hospital. The purpose of the Health Service is to segregate tubercular patients as much as possible. That will all be embodied, as I have already indicated, in a bill that we will report at an early date—within the next few days, I hope.

I yield 20 minutes to the gentleman from Nebraska [Mr. ANDREWS], who is the chairman of the subcommittee appointed by the chairman of the committee to investigate the question, and who has well and faithfully performed that duty. [Applause.]

Mr. ANDREWS of Nebraska. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ANDREWS of Nebraska. Mr. Chairman, on the 5th of last December the Secretary of the Treasury submitted a letter to the Speaker of the House with memoranda covering what was supposed to be needs for proper hospitalization for our disabled soldiers, sailors, and marines of the World War. By reference to House Document No. 481 you will find that the Director of the Bureau of War Risk Insurance states that there are 641,000 soldiers, sailors, and marines discharged from the service with some degree of disability. Under the law it becomes the duty of the Director of the Bureau of War Risk Insurance to cause a medical examination of the applicants for aid. When the examination discloses a disability exceeding 10 per cent the applicant is regarded as entitled to the provisions of the law for hospitalization.

You will find that under the act of March 3, 1919, certain sums of money were set apart to be used, at the discretion of the Secretary of the Treasury, for the purpose of caring for such cases. Paragraph (e), section 7, of that act reads as follows:

(e) The sum of $550,000 is hereby authorized for the construction, on land owned by the Government, on a site to be selected by the Secretary of the Treasury, with the approval of the President, of a hospital plant complete in the District of Columbia or vicinity.

That money stands at the discretion of the Secretary, to be used by him under the limitations imposed in the paragraph. A diligent search was made by the department for a suitable site on Government ground in the District. They failed to find one that was satisfactory. Consequently no action was taken toward the construction of the buildings. The money, therefore, remains intact, still to be used by the Secretary under these limitations as he may see fit. When the report of the Secretary of December 5 came before your committee for investigation, this appropriation was brought under consideration in the hearings. It occurred to your committee that it would be wise for us to confer with the Surgeon General and the Secretary of the Treasury in the hope that some agreement might be reached on the lines of practical economy and efficiency for the service. That conference led to the conclusion that the property in question ought to be secured for the benefit of the service.

An explanation now in regard to the property: This property was developed for educational purposes by the School of Domestic Arts and Science. When the war came the girls went into the war work and the school closed.

The buildings were then leased for hotel purposes and were in use as such for some months. The Secretary of the Treasury afterwards leased the property for hospital purposes, as he had full authority to do under other provisions of the act of March 3, 1919, and since the 10th of June, 1919, it has been used by the Public Health Service for the benefit of disabled soldiers, sailors, and marines of the World War. When your committee visited the institution they had about 80 or 85 patients. We found upon examination that this, as stated by the Secretary, is an ideal location for a hospital. After proper negotiations by the Treasury Department a price was agreed upon, $460,000, for the purchase of the buildings and grounds. All of the sewer, water, and lighting facilities are complete, in good order. The four stone buildings are comparatively new, and the architect's inspection shows that the value of the improvements on the property is $289,000, in round numbers.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of Nebraska. Yes.

Mr. McKEOWN. Does the gentleman know what it is assessed for in the District of Columbia, for the purpose of taxes?

Mr. ANDREWS of Nebraska. I can not answer that question. I did not inquire.

Mr. LAYTON. Where is this property situated?

Mr. ANDREWS of Nebraska. At 2650 Wisconsin Avenue, in the vicinity of the Naval Observatory.

Mr. LAYTON. Is it on elevated ground?

Mr. ANDREWS of Nebraska. We are informed that the second story of the main buildings is almost on a level with the top of the Washington Monument, and that is about as good as you are going to get. There is a beautiful view from the buildings overlooking the city, attractive in every particular. Property in that locality is selling at from 75 cents to $1.25 per square foot.

The price, after deducting the value of the improvements, will leave the cost of the land at about 34 or 35 cents per square foot. We find that upon the basis of cost we are well within the limits of practical economy. This, perhaps, will answer in part the inquiry made by the gentleman a moment ago. The patients, about 80 or 85 in number, seem to be in cheerful spirits and express great satisfaction because of the favorable location. Now, the Secretary recommends that, in addition to this $550,000, the amount of $410,000 from that same act shall be set apart and used for the enlargement of the institution, which, when so enlarged, will accommodate approximately 300 patients.

Mr. RAKER. Will the gentleman yield right there?

Mr. ANDREWS of Nebraska. I will.

Mr. RAKER. Just for two questions. Can the gentleman tell the committee about what we are paying per month now for this property?

Mr. ANDREWS of Nebraska. Three thousand dollars per month.

Mr. RAKER. One other question: Is that the building that is there where the street car comes along; does that belong to the property?

Mr. ANDREWS of Nebraska. The frame building?

Mr. RAKER. Yes, sir.

Mr. ANDREWS of Nebraska. Yes, sir.

Mr. RAKER. So the property comes clear to the street where the street car line runs?

Mr. ANDREWS of Nebraska. Yes, sir.

Mr. RAKER. This property was known a year ago as the Mount Alto Hotel?

Mr. ANDREWS of Nebraska. Exactly.

Mr. MACGREGOR. Will the gentleman yield?

Mr. ANDREWS of Nebraska. I will.

Mr. MACGREGOR. What is supposed to be the average cost of a building to accommodate one patient?

Mr. ANDREWS of Nebraska. Well, I can not answer that. I can simply answer in these terms: We will have this property at $460,000, 11½ acres of ground; $500,000 for enlargement of the institution, which, according to the estimate of the Surgeon General, would accommodate 300 patients.

Mr. MACGREGOR. That is $3,200 per man.

Mr. ANDREWS of Nebraska. That is the ordinary estimate given by the hospital service in computing the cost of a building, but I might say to the gentleman he will be greatly surprised when he finds in many instances in the construction of hospitals that the price may run from $3,500 to $4,000 per bed. Your committee has tried to adopt a plan by means of which that item will be reduced, and we hope we will be successful.

Mr. LAYTON. Will the gentleman excuse me for saying that I wish he would take out of the RECORD the word "plant." I do not like to hear the word "plant" used in connection with a hospital where people may die, and it may look like we were planting them.

Mr. ANDREWS of Nebraska. Accepting the suggestion of the medical authority from the "empire" of Delaware, I would be glad to change to any word he suggests——

Mr. LAYTON. Institution.

Mr. ANDREWS of Nebraska. Institution, and I will ask the reporter to so record it. Let me invite your attention to this paragraph of the Sweet bill, which is a reproduction and a slight enlargement upon the provisions of the original war-risk act of October 6, 1917:

Paragraph 6 of section 302 of the Sweet bill (Public, No. 104, 66th Cong.) contains the following:

"(6) In addition to the compensation above provided, the injured shall be furnished by the United States such reasonable governmental medical, surgical, and hospital services, and with such supplies, including wheeled chairs, artificial limbs, trusses, and similar appliances as the director may determine to be useful and reasonably necessary, which wheeled chairs, artificial limbs, trusses, and similar appliances may be procured by the Bureau of War Risk Insurance in such manner, either by purchase or manufacture, as the director may determine to be advantageous and reasonably necessary."

The certifications thus made by the Director of the Bureau of War Risk Insurance impose upon the Government the duty of furnishing adequate hospital facilities.

Mr. Chairman, let me ask the members of the committee to pause for a moment and meditate upon that provision of law. There is the foundation of the liability of the Government for the work of hospitalization. Now, when your committee was called upon by that communication from the Secretary of the Treasury on December 5, 1919, to provide hospital facilities to the extent of $85,000,000 we thought we had a tremendous problem before us, and so we did. We have reviewed all the facilities of Army posts and cantonments; we have reviewed those services; and we have found that they were not properly supplied with the facilities to meet the permanent necessities resulting from chronic cases. Note for a moment: Out of that 641,000 cases of disability discharged from service, 155,000 applicants have been examined and found entitled to the benefits of the service. One hundred and twelve thousand of that 155,000, having been analyzed carefully, show 15,000 seriously affected with mental trouble, 15,000 and a little more with tubercular troubles, and 81,000 cases of general disability. There is our problem. The certifications are increasing at the rate of 1,200 per month. We have assumed the liability. Under the law we are obligated to meet that, and more than that. We stop not to plead the law, but we stand in recognition of the fact that our first and imperative duty is to provide for the disabled soldiers, sailors, and marines to the best possible advantage. [Applause.] Now, when these cases appear these certifications are made by the director, and we are under obligation to find the hospital facilities. Sixteen thousand patients are now under the charge of the Public Health Service alone. The State hospitals and private hospitals in various communities are also used to the limit. Some provision is being made, however imperfect it may be now and then, for all thus far. But here are chronic cases, here are the general disabilities in the numbers I have indicated. How are we providing for them? We must make that provision.

The sundry civil bill recently passed by the House aided your committee very materially in the solution of its problem. Forty-six million dollars was carried by that act to be distributed at the discretion of the Director of the Bureau of War Risk Insurance, and therefore the national home for soldiers came more readily into service than any other institution we might find, and the director now makes the distribution. In the use of that fund he can utilize every Government facility for the care of those men and thus avoid additional expense and the construction of buildings to meet the exigencies. There are 9,000 vacant places in those homes. We bring the boys to fill the places and we may find that the space is then inadequate, and it will be comparatively inexpensive to add new units to those institutions and increase the hospital facilities, the heating plant and overhead charges already being provided for. With that fund your committee can solve that part of its problem easily and well and economically. Moreover, we not only have these tubercular cases and mental cases in the numbers I have indicated, but I am sure that if each one of you will take those figures and the report of the hearings and study them you will find that a large number of chronic cases are there to be provided for during the lifetime of the men.

Mr. MCKEOWN. Will the gentleman yield?

Mr. ANDREWS of Nebraska. Yes.

Mr. MCKEOWN. I understood the gentleman to say that the Government was now paying $3,000 a month rental for this property. How many beds does that provide for at that rental?

Mr. ANDREWS of Nebraska. They have about 80 or 85 patients there now.

Mr. MCKEOWN. How long is this contract made for?

Mr. ANDREWS of Nebraska. That contract ends as soon as the bill passes. The Government takes the property. And if we refuse to do that, then on the call of the individual who owns the property. He has already called it.

Mr. MCKEOWN. The contract was entered into for the purpose of selling the property at the time?

Mr. ANDREWS of Nebraska. No, sir. The Secretary of the Treasury practically took charge of it. Not because the owner of the property was hunting for a tenant; he had one. The Government wanted the property and found it best adapted of anything available and practically went in and took it. That is the reason we are there. Let me call your attention to this fact, that the Secretary of the Treasury—and his letter is in the report—the Surgeon General, and the Committee on Public Buildings and Grounds are unanimous in their indorsement of this proposition and urge its acceptance as promptly as it can be made.

Mr. RAKER. Will the gentleman yield?

Mr. ANDREWS of Nebraska. I will.

Mr. RAKER. Practically all the facilities provided for the disabled ex-service men are now occupied? Is that correct?

Mr. ANDREWS of Nebraska. Yes, sir; and we are crowded and troubled at every meeting to find increased facilities. I am

told that 500 of these soldiers are in St. Elizabeths. They and their friends are pleading that they may be removed to some place where they will not be mingling with people from all conditions and walks of life.

Mr. RAKER. The idea is to take these men entirely away?

Mr. ANDREWS of Nebraska. By and by.

Mr. RAKER. The gentleman thinks that ought to be done?

Mr. ANDREWS of Nebraska. Yes; I certainly do.

Mr. RAKER. At what particular place now are they providing for the tuberculosis patients?

Mr. ANDREWS of Nebraska. They are scattered hither and yon, and they can not be put together.

Mr. RAKER. At what particular point are they providing for the temporary insane?

Mr. ANDREWS of Nebraska. As I say, there are 500 here. Those at St. Elizabeths would come in from the ordinary hospitals, or institutions, or any place else.

The appropriations made by the present Congress for the disabled soldiers, sailors, and marines approximate $300,000,000 for compensation, vocational education, medical and hospital care and treatment. The building of a few hospitals for chronic cases is absolutely necessary.

Without taking the time to review in detail the hearings in relation to individual plants, I may invite attention again to the provision carried in the last sundry civil bill for an appropriation of $46,000,000 to be placed under the control of the Director of the Bureau of War Risk Insurance. That appropriation and the methods of its use will aid the Committee on Public Buildings and Grounds very materially in the solution of their problems. It will furnish the method by means of which all of the agencies now owned and controlled by the Government suitable for hospital purposes can be used harmoniously and in the line of practical economy. For instance, the national homes for disabled soldiers of prior wars have at this time about 9,000 beds that can be used to assist in caring for the soldiers of the recent World War. Adjustments can be made at this time whereby the soldiers of the World War may have their quarters and suitable hospital provisions without interfering with those who are already in the homes. If hospital facilities at any one of those homes should not be adequate for the enlarged demands placed upon it, it will be a comparatively inexpensive and easy matter to erect a building or buildings to meet such needs. Thus the overhead charges can be avoided and practical economy exercised with respect to grounds and buildings as well as overhead charges. In other words, the board of governors of the soldiers' homes can proceed with their management without interference, and the Public Health Service can be furnished space in which to prosecute its work without interference from other sources.

As the law makes the Director of the Bureau of War Risk Insurance the responsible agent to ascertain who are entitled to hospitalization, it follows naturally that he is the person to make the distribution of the patients where institutions with suitable accommodations can be furnished. As experience will point the way, particular classes of cases can be segregated wisely and assigned where specialization can be properly given.

Two other distinct lines should be carefully studied to provide for those who are suffering from mental troubles and those who are afflicted with tuberculosis. The horrors resulting from the poison gases and the terrible experiences of the war are revealed in most forcible form in many of those cases. From the 15,000 already mentioned who are afflicted with tuberculosis there will be a considerable number of chronic cases. Of the 15,000 afflicted with mental troubles a considerable number may never regain the power of reason. It is therefore very evident that we must make suitable provision for those two classes without delay. The duty is upon us. While financial pressure is tremendous from every direction this demand stands first and is imperative.

I am sure there is no division of opinion at this point. I will not pursue it further at this time.

Your committee will submit very soon definite recommendations in regard to these cases.

The study of this question grows with intensity as we come in contact with the boys who have sacrificed even more than life for their country. As we have mingled with a few of the men in the hospitals that we have visited we have been deeply impressed with the frightful horrors of war. But out of it all there comes a refreshing suggestion in the thought that a kind and overruling Providence has used this chastisement toward the development of a stronger bond of union among the people of the United States of America. The boys from the southland, the northland, the eastland, and the westland, all together making an American land, have united the people of America in bonds of union, in fraternal ties, which we hope will never be broken. They bring our boys from all sections of the country with oneness of purpose, and with a patriotic devotion to the flag, the Constitution, and the Union which none can sever.

Mr. GARD. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. GARD. To ask what has been the amount of time consumed by the gentleman from Kentucky?

The CHAIRMAN. The gentleman from Kentucky has consumed altogether 25 minutes and has 5 minutes remaining. In case there is any gentleman opposed to the bill, then that gentleman will be recognized at the conclusion of 30 minutes.

Mr. LANGLEY. A parliamentary inquiry. If there is no one that announces he is opposed to the bill——

Mr. GARD. When the Speaker was in the chair he propounded the question, and I announced I was opposed to some of the provisions in the bill, and I understood that the gentleman from Kentucky controlled one-half hour and that I should control one-half hour.

Mr. LANGLEY. I do not think the RECORD will show that. I merely withdrew the request.

Mr. GARD. That is my understanding of what the RECORD shows.

Mr. LANGLEY. I want to be right about it, of course.

The CHAIRMAN. The Chair will state the parliamentary situation. Under the rule there was one hour of time, to be equally divided between those in favor of and those opposed to the bill. The gentleman from Kentucky asks unanimous consent that he control 30 minutes of the time, and I think it also included the request of the gentleman from Ohio.

Mr. LANGLEY. I also coupled with that request that the gentleman from Texas [Mr. MANSFIELD] control the other half, and the point was raised that he was not opposed to the bill, and I renewed that part of my request.

The CHAIRMAN. The whole point is that no agreement was reached, but if the gentleman from Ohio [Mr. GARD] is opposed to the bill, then, when the gentleman from Kentucky has exhausted his time, the gentleman from Ohio will be entitled to recognition.

Mr. GARD. I so stated to the Speaker, and I understood the time was allotted to me.

The CHAIRMAN. The gentleman from Kentucky has five minutes more at his disposal.

Mr. LANGLEY. I reserve that.

Mr. KINCHELOE. Will not the gentleman yield one minute more to the time of the gentleman from Nebraska?

Mr. LANGLEY. I can not do that.

The CHAIRMAN. Does the gentleman from Ohio [Mr. GARD] desire to be recognized?

Mr. GARD. Yes; I claim recognition. I yield five minutes to the gentleman from Oklahoma [Mr. MCKEOWN]. [Applause.]

Mr. MCKEOWN. Mr. Chairman and gentlemen of the committee, I am frank to say that when this bill was first read from the Clerk's desk I thought it was a bad policy to launch upon. Since I have heard these gentlemen explain it and since I have talked with a number of members of the committee, it seems that this property is well situated and well adapted for hospital purposes. But the thing I want to call attention to is that this ought not to be a precedent. I have supported legislation to take care of our wounded soldiers. I voted for the Speedway Hospital at Chicago because I believed it was modern, that it was up to date, that it was the best of its kind in the country, and that is the kind of building I want the United States Government to put its money into when it goes to building hospitals. And I do not want to set a precedent here of buying old buildings or buying buildings that have been constructed that are not modern and not up to date, and will not make suitable hospitals for the future years.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. MCKEOWN. I will.

Mr. ANDREWS of Nebraska. I will say that the Surgeon General said to us that he could not construct more suitable buildings for hospital purposes than these are now, and that is the reason he took them. They are fireproof and modern.

Mr. MCKEOWN. As I said at the outset, I am not complaining about this particular building, because I do not know anything about it, and I put my confidence in the good judgment of this committee. But I do say it is not good policy to follow up this plan of buying buildings that are not suitable for hospital purposes, not saying that this is not suitable for those purposes, but the policy of spending your money for anything but the very best hospitals.

Mr. LANGLEY. Will the gentleman yield at that point?

Mr. MCKEOWN. I yield.

Mr. LANGLEY. I desire to assure the gentleman that such is not the policy of the Committee on Public Buildings

and Grounds. It is not intended to buy any unsuitable buildings.

Mr. McKEOWN. I am glad to have the assurance of the chairman of that committee. But, gentlemen, there is something else I want to call your attention to. There seems to be a disposition to concentrate these hospitals all around Washington.

Now, gentlemen, here is what we find from our experience: The soldier boy improves more quickly in the neighborhood of his own State or in the vicinity of his home. I have had boys that were brought down in North Carolina and in Georgia in the hospitals write me that they would just as soon be dead as to stay there, and we have had those boys transferred out West, where they came from, and it was but a short time before they were out on the street walking, and they immediately improved. I say it is not right and it is not fair to locate all the hospitals here in the city of Washington, in the District of Columbia. Let us scatter them throughout the United States and put these boys nearer where their relatives live. [Applause.]

Mr. ANDREWS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. ANDREWS of Nebraska. This law provides—the act of March 3, 1919—for the building of the hospital here. We have left that stand as it is. The need is clearly defined. It is clear that we need an institution here. The program of the committee runs all the way from Oklahoma to California and to the Atlantic coast. Now we have got Oklahoma in line.

Mr. McKEOWN. I am glad that the gentleman has not overlooked that good State, because it has always been hooked up hitherto with the State of Texas, or else they have gone out farther West. If they have got to go to any Southwestern State, Texas is all right; I have no fault to find with the Lone Star State, but feel that Oklahoma is entitled to consideration. Gentlemen, you will make a serious mistake if you permit all the hospitals to be located here in the District of Columbia. The patients ought to be sent out so that they will be within reach of their relatives when they are being taken care of in the hospitals. [Applause.]

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. GARD. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, I wish to disclaim at the outset any attitude of opposition to the spirit of this bill. I rise rather for the purpose of making an honest inquiry. I take it for granted that we are all in sympathy with such proper efforts as are being made to get suitable and adequate accommodations and hospital facilities for the wounded and disabled soldiers. If further accommodations of this character be needed here, in that same spirit we are willing to establish them here.

Mr. MacGREGOR. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I have only five minutes. I should like to complete my statement before I yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. LANHAM. I notice that the report of this committee says:

> This property consists of four new fireproof and two wood-frame buildings, located on a very desirable site containing 11½ acres of ground, unusually well adapted to hospital purposes. It is estimated, as of June 10, 1919, that the buildings and other improvements were worth $289,920. It appears that unimproved lots in that immediate locality have been selling recently at prices ranging from 75 cents to $1.25 per square foot. It is also stated that these grounds contain 500,940 square feet. At the minimum price of 75 cents per square foot the value of the land alone would be $375,705. Deducting the value of the improvements from the proposed purchase price the actual cost of the land would be $170,080.

Now, adding those two sums, $289,920 and $375,705, for the buildings and the grounds, respectively, we find that in the opinion of the committee the property is worth $665,625. In other words, we are geting it here under this bill at a bargain of $460,000, or approximately $200,000 less than its real worth.

Now, I do not mean to criticize the committee, nor do I mean to criticize the assessor of property for taxes in the District, but I took occasion to inquire of the assessor as to the value of this property. It is assessed for taxes, as you all know, upon a two-thirds valuation. The full value, according to the assessment of 1920, is $183,376, covering both the land and the improvements. In other words, if the statement of the committee be correct as to the value of these buildings and this ground, subtracting the full value as per the 1920 assessment from the full value as estimated here we find a discrepancy of $481,749.

Now, I say I have no disposition to criticize either the committee or the assessor, and I rise simply in order to ask for accurate information. We are living at a time when economy is necessary. We are studying about it and preaching it day and night, and very properly, because the taxpayers are overburdened. We see a great deal in the newspapers of Washington to the effect that the people who reside in the District of Columbia can not afford a substantial raise in their tax rate. They are paying now very much less proportionately than the people in the respective States. And yet, if the committee estimate be correct, the full value of this property, according to the 1920 assessment for taxes, is very much less than one-third of its actual value. It does seem to me that if the committee is correct in its figures and if this case is indicative of the general situation here the people of Washington are not paying their proportionate part for the support of their Government. If the assessor is correct in his figures, then we are paying an exorbitant price for this property.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. Yes.

Mr. CHINDBLOM. I think it should be stated in justice to the owners of this property that their first price for the sale of the property to the Government, as I recall it—and I am sure I am correct—was $500,000, and then $475,000, and finally they agreed to accept $460,000. In other words, the owners of the property themselves have never asked $650,000 for it. The report says that property in that vicinity has been sold recently at prices ranging from 75 cents to $1.25 per square foot.

Mr. LANHAM. I will say for the information of the gentleman——

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. LANHAM. Can the gentleman give me more time?

Mr. GARD. Will the gentleman put in the RECORD the respective assessed value of the land and the buildings?

Mr. LANHAM. I have that according to the report of 1918.

Mr. GARD. Mr. Chairman, I yield to the gentleman two minutes more.

The CHAIRMAN. The gentleman from Texas is recognized for two minutes more.

Mr. LANHAM. The assessment for 1918 shows the improvements assessed at $83,700 and the land assessed at $25,127, making a total of $108,827. That being two-thirds of the real value, then the real value in accordance with the figures of the assessor in 1918 was $162,941. Now, I have not the respective amounts assessed on improvements and lands for 1920, but the full valuation for 1920 is $183,876, and, of course, taxes are paid upon two-thirds of that.

Mr. HUDSPETH. Does the gentleman know whether the property here is assessed for half its value?

Mr. LANHAM. It is assessed presumably at two-thirds of its value; but in this case, if the figures of the committee be correct, it is assessed for less than one-third of its value.

Mr. CHINDBLOM. Does not the gentleman think the fact that it was first used for a girls' school, and in some measure at least for a public institution, may have had some influence upon the placing of the valuation on the property?

Mr. LANHAM. I can not say as to that; but I do know this, that in 1910, 8 acres of this property, with the main frame building on it, sold for about $28,500.

Mr. GARD. Mr. Chairman, I ask to be admonished when I have used 10 minutes of my time.

Mr. Chairman and gentlemen of the committee, H. R. 13627 is founded on a bill approved March 3, 1919, to authorize the Secretary of the Treasury to provide hospital and sanatorium facilities for discharged sick and disabled soldiers, sailors, and marines.

I am sure every one here would wish to afford every possible facility for the best possible care and treatment of all the disabled and wounded soldiers of the Great War, and in saying what I do about this bill I call attention to some of its provisions rather for information than for the purpose of opposition, so that we all may know just what the bill means.

The original law in section (e) provided that the sum of $550,000 was authorized for the construction, on land owned by the Government on a site to be selected by the Secretary, of a hospital plant complete in the District of Columbia. Now, what I have observed regarding this, as well as the matter we had up yesterday, is that we are facing a tendency to expend great amounts of public money lightly and without consideration.

The time is now here when public expenditures must be looked after and considered in the light of their reason and of their necessity. If they be reasonable and necessary, I am sure there can be no objection. But here, under the guise of building a hospital for $550,000 on land owned by the Gov-

ernment, the committee now come in with a proposition to amend that so as to provide for the purchase of outside land in the District of Columbia.

Mr. ELLIOTT. Will the gentleman yield?

Mr. GARD. I can not yield just at this time. It is proposed to take with this land not facilities for hospital purposes but facilities at their best for school purposes, and, of course, the two are not at all consistent. What is sought to be done now under the authorization of $550,000 is to spend $460,000 for an additional site, ground in the District of Columbia, and on top of that the proposition is to spend $90,000 in addition, to take up the full appropriation of $550,000, and then to take from other authorizations in the bill, in section 5, $250,000, and in section 6, paragraphs 1 and 2, $6,000 and $154,000, all for these purposes, which together make up the sum of $910,000.

I am not criticizing any of the real estate transactions in this case. I do not care to comment upon the report of the appraiser or the assessor and on what you are proposing to pay for the land, but I am commenting upon this proposition that no sooner does Congress give an authorization for certain purposes, such as affording a modern, up-to-date hospital at a cost of $550,000 on Government-owned land for disabled and sick soldiers of the late war, than the Treasury Department comes in and wishes to expend an increased amount. We all recognize what the departments do. There is a strife in every department to make itself bigger, to get more things under its jurisdiction. So the Treasury Department now says that it can not find any place in the District of Columbia where land owned by the Government is a proper hospital site, and therefore we must buy new land, and that is what is proposed here.

Mr. LANGLEY. Will the gentleman yield?

Mr. GARD. Yes; I yield to the gentleman.

Mr. LANGLEY. I wish to state that the committee has for several months been engaged in holding hearings having for their primary purpose the cutting down of the expenditures and estimates that were presented to us and urged by the Public Health Service and the Secretary of the Treasury. If we had followed these we would have asked for a much larger authorization than this bill does. Furthermore, the estimates of the value of the property and the additional amounts required are based upon the recommendation submitted to the committee in detail by the department.

Mr. GARD. I do not dispute that the committee has been endeavoring to cut down these appropriations.

Mr. LANGLEY. A total of over $8,500,000 was asked.

Mr. GARD. But the first evidence of it is that they not only do not cut down the appropriation, but they go outside and recommend additional appropriations. Here is what we are doing: Section 5 provides that the sum of $300,000 be appropriated for a contract with any existing hospital or sanatorium. Out of that $300,000 we take $250,000 for this bill.

Section 6 provides for $150,000 for emergency needs of the Public Health Service. We take $6,000 of that. It provides $1,500,000 for emergency fund for the purchase of lands and buildings. We take $154,000 of that for this purpose, going outside of that which Congress has heretofore authorized, because when Congress appropriated $550,000 it was supposed that that would erect here in the District of Columbia a splendid hospital building, put up for hospital purposes. Instead of that we now acquire for $460,000 an old schoolhouse building site, and on top of that we propose to expend nearly $500,000 in order to get the thing in shape.

Mr. CHINDBLOM. Will the gentleman yield for a question?

Mr. GARD. If I have the time I will.

Mr. CHINDBLOM. Has the gentleman seen this "old schoolhouse building site"?

Mr. GARD. Yes; I have.

Mr. CHINDBLOM. Your committee have been there and examined it in detail.

Mr. GARD. Yes; I know that. I appreciate that you have, and I do not refer to it in any offensive sense. I referred to it as an old schoolhouse building site, and that is what it was, because it belonged to this domestic-science school.

Mr. BROOKS of Illinois. Will the gentleman state when these buildings were built?

Mr. GARD. I do not know. My recollection is that I was up there at one time when it was called the Mount Alto Inn, I believe. My recollection is that there are three or four stone buildings up there that look like they have been there a long time. I do not know. They are not new buildings; they are old buildings.

Mr. BROOKS of Illinois. They were built probably three or four years ago.

Mr. CHINDBLOM. If the gentleman means that the site is old, I think he is correct, but the buildings are not old.

Mr. GARD. I will accept the judgment of the gentleman from Illinois.

Mr. MANSFIELD. Will the gentleman yield?

Mr. GARD. Yes.

Mr. MANSFIELD. I will state that the buildings are modern, fireproof, and that the partitions have already been rearranged until they are absolutely suitable for hospital purposes. I went all through them a week ago.

Mr. GARD. This is the point that I desire to call attention to. We appropriated $550,000 in the act of March, 1919, a year ago, for a most excellent purpose, and now we are asked to advance that $550,000 close up to the one million dollar mark. We are leaving our construction of the building on Government property and buying new property and not doing as we were instructed, constructing a new hospital, but revamping a school building more or less old for hospital purposes.

Mr. BROOKS of Illinois. Will the gentleman yield?

Mr. GARD. Yes.

Mr. BROOKS of Illinois. Will the gentleman tell us if the United States has any Government-owned land in the District of Columbia suitable for hospital purposes?

Mr. GARD. I do not know.

Mr. BROOKS of Illinois. The Government owns land down by the navy yard and around the Mall, which is all low land.

Mr. GARD. I am not conversant with the fact, but of course am willing to take the opinion of medical men. But this is not confined to the District of Columbia. It provides for a hospital plant in the District of Columbia or vicinity. In section (e), which the gentleman has before him, the sum of $550,000 is appropriated for the construction on land owned by the Government of a hospital plant complete "in the District of Columbia or vicinity."

Now, my objection, if it be an objection, and I would not have it characterized as an objection if it hindered the bringing of remedial care to any soldier of the Great War, but what I desire to call attention to the membership of the committee and the House and of the country is that it seems to be the policy of the administrative function of this Government to crowd in everything they can; once getting the camel's nose under the tent, there is no question of the amount they seek to claim. That is what they are doing in this case. The appropriation of $550,000 is changed in its meaning and intent and purpose. We leave all that now, buy new land, more land, which we possibly do not need, more room to expend money, put up more buildings, fix up the schoolhouse building, build it according to the latest standard, and possibly tear down some, and all under the guise of an appropriation which we now abandon and wholly change.

Mr. Chairman, I reserve the balance of my time, and I yield five minutes to the gentleman from New York [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Chairman, I would like to correct the impression which might possibly arise from the criticism of the gentleman from Ohio, who has so kindly yielded me time. In reference to his construction of the purpose of the bill, I would like to assure the Members of the House, and the gentleman from Ohio in particular, that it was never the intention of the committee in drafting this bill to give the Public Health Service any power to buy additional land other than that which is acquired under this act.

The paragraph of the bill on page 2 provides that the sums of $250,000, of $6,000, and of $154,000 appropriated under section 5 of the act of March 3 are specifically limited to the improvement of this particular tract of land. There is no authority in this bill giving the Public Health Service or the Secretary of the Treasury any power to buy land outside.

Mr. GARD. It is the intention of the bill to give outside of the $550,000 the sum of $250,000 and $6,000 and $154,000 for the hospital improvements at Mount Alto.

Mr. GRIFFIN. That is the purpose of the bill, but I think the gentleman will admit that his comments would lead to a misapprehension as to the purpose of the bill. The money must be expended on these premises under the terms of the bill.

Mr. LAYTON. Will the gentleman yield?

Mr. GRIFFIN. Yes.

Mr. LAYTON. Has the committee made any effort to secure a proper site outside of the District of Columbia where land can be had very much cheaper?

Mr. GRIFFIN. No; under the act of March 3 we were specifically confined to Government-owned land.

Mr. LAYTON. I understood the gentleman from Ohio to say that you were not.

Mr. GRIFFIN. The gentleman from Ohio is wrong if he said that. Under section (e) of the act of March 3 the Public Health Service is required to build a hospital within the District of Columbia on Government-owned land.

Mr. LAYTON. Will the gentleman allow me to read the provision?

Mr. GRIFFIN. Yes.

Mr. LAYTON (reading):

(e) The sum of $550,000 is hereby authorized for the construction, on land owned by the Government, on a site to be selected by the Secretary of the Treasury, with the approval of the President, of a hospital plant complete in the District of Columbia or vicinity.

Mr. GRIFFIN. The Secretary of the Treasury has construed that to mean the District of Columbia. The term "vicinity" really gave no latitude, because the Government owns no land in the vicinity that is not preempted for other purposes. The search for a suitable site, however, embraced both the District and vicinity. The Government-owned land, for instance at Tacoma, was reserved and occupied for hospital purposes by the War Department for the benefit of men in the service. The Public Health Service can only extend its beneficence to the discharged soldier.

Mr. CHINDBLOM. Did not the fact that these buildings are ready for occupancy at once enter into the consideration?

Mr. GRIFFIN. Yes; they are occupied, and I will say that that fact made this project appeal to us as a purely business proposition. The Secretary of the Treasury could not secure a tract of land on which a hospital could be constructed in the District of Columbia or in the immediate vicinity. He did find this tract of land upon which there were buildings already erected which can be used for hospital purposes. He acquired the property by lease and immediately put it into good use. By this act of forethought he was able to give hospital accommodation to discharged soldiers a full year ahead of the time in which a complete hospital structure could be erected.

Now, as to the price to be paid for the land and buildings. This committee felt that it could not afford to assume any responsibility on that head and refused to dicker with the owner as to price. We put it up to the Secretary of the Treasury to arrange the terms of the deal and advise us of the result of his negotiations, with his recommendations. His report, as contained in his letter of March 23, 1920, to the chairman of our committee, was couched in the following language:

And concurring in the statements of the Surgeon General of March 23, hereto attached, I have the honor to transmit herewith a proposal from the National School of Domestic Art and Science (Inc.) to sell to the Government their property now under lease to the United States for the sum of $460,000, and to recommend that the legislation providing for a hospital within the District be so amended as to permit the purchase of this property and the further extension and improvement of the accommodations thereon as may be necessary to meet the needs of the Public Health Service for hospital accommodations in the District of Columbia.

Respectfully, D. F. HOUSTON, *Secretary.*

I wish to add further that his recommendation was based upon no idle or hasty assumption. He had the architect of the Public Health Service make a very careful and painstaking appraisal and estimate of the cost of reproducing the structures as they stood. His appraisal showed that it would cost $289,920 to reproduce the buildings and equipment as they stood, taking into account all proper deductions for depreciation. This left the demand for the land $170,080. Whether this is too high or not I do not pretend to know. We purposely kept our hands off that question, preferring to leave it to the discretion and judgment of the highest financial officer in our Government. His estimate is good enough for me, and the fact that he thinks it fair and reasonable entitles his recommendation to respect. And I would not set up against his judgment the fact that the property happened in 1918 to have been assessed for the amount mentioned by the gentleman from Texas [Mr. LANHAM]. We can all take judicial notice of the fact, I venture to say, that real estate assessors in the District of Columbia have been more than commonly indulgent to landlords, much more so than they have been either to their tenants or intending purchasers.

Mr. LANGLEY. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LANGLEY. I yield five minutes to the gentleman from Kansas [Mr. TINCHER].

Mr. TINCHER. Mr. Chairman and gentlemen of the committee, I am somewhat impressed with the statements of the gentleman from Ohio [Mr. GARD]. Of course, no one is going to vote against this bill, because it provides for the purchase of a hospital. The men in charge of the department have said that we must have it for the use of the soldiers, and we will all vote for it, but to the extent of these departments wedging in when you give them a chance, I agree with the gentleman from Ohio. I do not believe that we have any better example of that, or ever will have, than what has recently happened here in the city of Washington. In April the Secretary of War appeared before the Committee on Military Affairs and recommended that the surplus of the nitrate of soda then on hand in possession of the Government—100,000 tons—be loaned to the trust. I was in the Committee on Agriculture at the time that happened, when members from the Committee on Military Affairs came into the Committee on Agriculture and asked us what we knew about it, that being a product which is used in the manufacture of fertilizer. The gentleman from New Jersey [Mr. HUTCHINSON], a member of that committee, knew all about it. He said, "You do not want to do that," and he took his lead pencil and fixed the resolution so that it was all right, because it provided that the Government should sell the nitrate now, at a time when the price for it is higher than it has ever been or ever will be again. He said, "We either ought to reduce the price and sell to the farmers at a reasonable rate, or, looking at it from a commercial standpoint, sell it for what it is worth and put the money into the Treasury." The resolution provided that we should not loan it but should sell it in lots of not less than 1 ton or more than 100 tons. What has the War Department done? They have entered into a written agreement with the trust, the three men, by which they have sold it to them ostensibly at a rate of $80 per ton, allowing them $890,000 for handling it, but they have not sold it to them, because they have bought it back next June, a year from this, for $80 a ton. They are making the trust a present of $4,000,000 based on any reasonable hypothesis as to what this nitrate will be worth at that time. Every man knows that, and the department has just simply ignored the act of Congress and ignored our rights to pass laws, has violated its obligations, if it has any, toward the people, toward the Government, and is standing in with that profiteering combination, and in my remarks I shall name them, and in my remarks I shall print a copy of the contract and I shall call upon the Department of Justice of the United States to bring action to nullify the contract and prevent this fraud on our Government. That contract was entered into on the 11th day of this month, and it can still be stopped.

If the Department of Justice is against profiteering and against the trust and for the people and for the Treasury, if the things that department says are not idle words, then that action will be brought. There is not a lawyer in this House who, if this would happen in his State and he held a prosecuting office, would bring suit and stop that unfaithful officer, such as the Secretary of War—this conscientious Secretary of ours. He would stop him from absolutely doing what he wanted to and what the law we passed says he shall not do. Some may say that it has nothing to do with profiteering. Let me tell you. He has set the price of this product that goes into fertilizer, for one year from now, at $80 a ton, a higher price than ever was paid. He has fixed that price. That price fixing has only one equal in history, and that is the price fixing by the Department of Justice on sugar. It is in the interest of the profiteers, against the people, against the Government, against the taxpayers, and I call upon the Department of Justice, if there is one iota of sincerity in the make-up of that department, to bring action to prevent this nefarious fraud upon the people. I propose to put all of these documents into the RECORD. [Applause.]

The copy of the resolution passed by Congress is in the contract. The three firms are Wessel Duval, 28 Broad Street, New York; W. R. Grace & Co., New York; and J. H. Baker & Bro., New York.

These three firms get the 100,000 tons. Congressman HUTCHINSON performed a good service for the farmer and his country. The Secretary of War stood against him, and, with the three companies having a monopoly on this product, they have nullified the law and acted for the profiteers.

A copy of the contract follows:

[War–Ord–O–PM–13–146–a. Wessel Duval & Co. and United States of America. Ordnance Department, United States Army. Contract for the sale of nitrate of soda under Senate joint resolution No. 180, and the replacement thereof. Dated May 10, 1920. RHH: mch.]

This agreement, entered into this 10th day of May, 1920, by and between Wessel Duval & Company, a copartnership, having its general office at No. 25 Broad Street, New York City, New York (hereinafter called the contractor), party of the first part, and the United States of America, acting through and represented by R. H. Hawkins, lieutenant colonel, Ordnance Department, United States Army (hereinafter called the contracting officer), acting under the authority of the Secretary of War and by direction of the Chief of Ordnance, United States Army, party of the second part,

Witnesseth:

Whereas the Congress of the United States has enacted and the President has approved as of April 23, 1920, a Senate resolution No. 180, which provides:

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That in order to meet the existing emergency in the shortage of fertilizers the Secretary of War is hereby authorized to sell for cash at the prevailing market price, at the time of the sale thereof, to such distributors or users thereof in the United States as shall request the same and in such quantity to each, not less than one ton nor more than one hundred tons to any purchaser as he shall see fit, not to exceed in the aggregate one hundred thousand tons of nitrate of soda now held as a reserve supply of

the War Department, the proceeds of such sale to be repaid to the proper item of the current appropriations originally made for such purposes: *Provided*, That the Secretary of War shall report to Congress not later than December 6, 1920, the names of all purchasers of said nitrate of soda, together with the prices for which sold."

Whereas by direction of the Secretary of War and through circular advertisements for proposals, persons, firms, corporations were invited to submit proposals for the sale to distributors and users prior to October 1, 1920, in amounts not to exceed one hundred (100) tons or less than one (1) ton, to any purchaser, a supply of nitrate of soda belonging to the United States, not to exceed one hundred thousand tons (of 2,000 lbs. per ton), and to replace the amount so sold subsequent to December 1, 1920, and prior to June 30, 1921; and

Whereas the lowest and best bids were submitted by Wessel Duval and Company, W. R. Grace and Company, and H. J. Baker & Brothers, as per copy of proposal dated May 6, 1920, hereto attached and made a part hereof, marked Exhibit "A"; and

Whereas in accordance with said invitation and proposal an award for the furnishing of the services and the delivery of the materials has been made to Wessel Duval & Company, W. R. Grace & Company, and H. J. Baker & Brother, as per copy of notice addressed to the said bidders under date of May 8, 1920, copy of which notice is hereto attached and made a part hereof, marked Exhibit "B."

Now, therefore, under the laws of the United States in such cases made and provided, and particularly under the provisions of the Senate resolution hereinbefore recited, and in consideration of the mutual agreements herein contained, the said parties have agreed as follows:

ARTICLE I. The contractor agrees that it will, acting as agent for the United States, sell nitrate of soda for cash and dispose of the same prior to October 1, 1920, at the prices hereinafter specified, to such distributors and users of nitrate of soda in the United States as shall request the same (selling, however, not less than one ton nor more than one hundred tons to any purchaser). The contractor shall not sell or dispose of any amount which, together with the amount to be disposed of by W. R. Grace & Company and H. J. Baker & Brother, shall exceed an aggregate of one hundred thousand tons of nitrate of soda. The contractor shall not be required to sell and dispose of more nitrate of soda than is requested by the respective distributors and users who shall apply for or request the delivery of nitrate of soda within the meaning of Senate joint resolution No. 180, and within the terms and meaning of this contract. The contractor shall sell for cash, nitrate of soda at a selling price of $88.90 per ton of 2,000 lbs., f. o. b. cars at warehouse. It is understood that the nitrate of soda available for sale and disposition under the terms of the said Senate joint resolution is available as and when released by the office of the Chief of Ordnance at the points mentioned below and in the amounts enumerated below, although the amounts are stated without exactness, but only in approximate figures. The said points and approximate amounts are as follows:

	Pounds.
Nitro, West Virginia	36,252,000
Brunswick, Georgia	7,356,000
Hopewell, Virginia	114,000,000
Fernandina, Florida	3,828,000
Galveston, Texas	4,928,000
Jacksonville, Florida	22,780,000
Little Rock, Arkansas	17,000,000
Mobile, Alabama	11,356,000
Mt. Union, Pennsylvania	6,216,000
Pensacola, Florida	15,616,000
Tampa, Florida	8,840,000

No warranty or representation is or shall be made as to the condition or quality of the nitrate of soda to be sold to distributors or users.

ARTICLE II. The contractor shall, in the first instance, assume and pay all necessary cost for bagging, weighing, reconditioning, shipping, and similar incidental expense (including clerical work) of placing nitrate of soda so sold on board cars at the respective points of present storage. It is estimated that the cost for bagging, weighing, reconditioning, shipping, etc., will be approximately $0.0033 per pound, but this estimate shall be subject to modification by written notice from the contracting officer as the estimate needs or requires modification in the light of experience. The United States shall (by credit or payment as provided in Article VIII hereof) reimburse the contractor for the proper items of expense for such bagging, weighing, reconditioning, shipping, etc., in the amount actually expended therefor, as determined by an audit and investigation, to be conducted on behalf of the United States, of the books, accounts, invoices, and vouchers of the contractor, and the contractor agrees to keep and preserve for such audit all books, accounts, invoices, and vouchers necessary for the proper determination of such cost.

ARTICLE III. The United States shall pay to the contractor for its services as agent in so selling and disposing of nitrate of soda a fee or commission of 2½% computed on the selling price f. o. b. cars at warehouse. The price or sum of $88.90, mentioned in Article I, is hereby fixed as the price at which nitrate of soda shall be sold to the distributors and users until such time as the contractor shall be notified in writing by the contracting officer that a different sum is to be charged for nitrate of soda sold thereafter to distributors or users.

ARTICLE IV. Title to nitrate of soda so sold to distributors and users shall pass upon loading f. o. b. cars at warehouse as evidenced by invoices, shipping receipt, or bill of lading, and the quantity shall be determined by the weights appearing on such invoices, bill of lading, or shipping receipt.

ARTICLE V. The contractor agrees that as a part of the consideration to sell and deliver to the United States the United States agrees to buy, receive, and pay for nitrate of soda of equal quality and nitrogen content in an amount equivalent to the nitrate of soda sold by the contractor to users and distributors in accordance with the said Senate resolution, to the end that all nitrate of soda sold prior to October 1, 1920, by the contractor shall be replaced by nitrate of soda of equal quality and nitrogen content. The nitrate of soda so replaced shall be delivered ex vessel or ex store at Mobile, Alabama, subsequent to December 1, 1920, and prior to June 30, 1921. The contractor shall pay and assume all expenses, including demurrage, accruing prior to delivery, ex vessel or ex store. The said replacement nitrate of soda shall be sacked in customary bags. The United States shall pay to the contractor as a just and fair compensation for such replacement nitrate of soda, four dollars ($4.00) per hundred pounds, ex vessel or ex store, Mobile, Alabama, and payment shall be made upon the usual Government voucher for deliveries as made from time to time.

ARTICLE VI. The contractor shall not be held responsible for delays in delivery of replacement nitrate of soda in the event of the closing of the Panama Canal by slides or otherwise, and the delivery time shall be extended by a time equivalent to the number of days the Panama Canal may be closed to navigation through the period extending from November 15, 1920, to June 15, 1921.

ARTICLE VII. The contractor shall require each person, firm, or corporation applying for nitrate of soda to certify that the aggregate amount of nitrate of soda requested, together with the amount theretofore sold, to such person, firm, or corporation out of the United States reserve stock does not exceed one hundred tons.

ARTICLE VIII. The contractor shall submit a weekly report to the Office of the Chief of Ordnance setting forth the name and address of each purchaser of nitrate of soda to whom nitrate of soda has been sold under the provisions of this contract, together with the amount of nitrate of soda so sold and the price at which sold, and the designation of the point from which shipment or delivery was made.

The contractor shall make payment to such officer or agent as the Chief of Ordnance or as the contracting officer shall designate in writing on or before the twentieth day of each month and in funds acceptable to the United States at Washington, D. C., for the amount of nitrate of soda sold during the preceding month. Such payment shall be at the rate of four dollars ($4.00) per hundred pounds of nitrate of soda sold, and payment shall be made to the order of the Treasurer of the United States for deposit to the credit of the appropriation designated "Armament of fortifications 'C'," no year. As soon as practicable after October 1, 1920, the contractor shall make a complete detailed report of all expenses incidental to the sale of the nitrate of soda for bagging, weighing, reconditioning, shipping, and similar items referred to in Article II of this agreement, and if the amount of such items or expenditures shall be less than the amount retained by the contractor (exclusive of the fee or profit of 2½%) the contractor shall refund and repay to the United States the amount of such excess in funds acceptable as aforesaid and payable as aforesaid, and in the event that the amount actually expended for said items (plus the fee or profit of 2½%) is in excess of the said retained amount, the United States will pay to the contractor the amount of such excess.

ARTICLE IX. The contractor shall give a proper surety bond conditioned upon the full and faithful performance by the contractor of all of the terms and conditions upon its part to be kept and performed under the terms of this contract, and conditioned particularly upon the payment to the United States of the proceeds of the sale of nitrate of soda, and further conditioned particularly upon the replacement of the nitrate of soda. The bond shall be in such form and with such sureties as shall be approved by the contracting officer, and shall be in the penal sum of fifty thousand dollars ($50,000.00). The contractor may, with the approval of the contracting officer, deposit so-called Liberty bonds issued by the United States in par or face value of $50,000.00, and these bonds shall remain as a pledge or security for the faithful performance by the contractor, and such Liberty bonds, if deposited, shall be taken and considered in lieu of surety upon said performance bond, and such Liberty bonds shall be returned to the contractor upon the contracting officer's certificate in writing that the contractor has performed the terms and conditions of this contract.

ARTICLE X. No Member of or Delegate to Congress, or Resident Commissioner, is or shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom; but this article shall not apply to this contract so far as it may be within the operation or exceptions of section 116 of the act of Congress approved March 4, 1909 (35 Stats., 1109).

ARTICLE XI. Neither this contract, nor any interest herein, shall be transferred by the contractor to any other party, except to the extent permitted by section 3477, United States Revised Statutes.

ARTICLE XII. Except as herein otherwise specifically provided, any doubts or disputes which may arise under this contract or as to its performance or nonperformance shall be referred to the Chief of Ordnance for determination. If the contractor shall feel aggrieved at his decision, it shall have the right to appeal to the Secretary of War, whose decision shall be final.

ARTICLE XIII. The members of the copartnership of Wessel, Duval & Company are George L. Duval, Teodosio F. Bridge, Robert Jaffrey, Guillerino E. Purcell, Harry L. Wessel, Thomas Peake, Paul W. Alexander, Edmundo Eastman, Anson McLoud, Pedro M. Wessel, Elizabeth F. Parker. This contract shall, however, bind and benefit the present firm and its successors regardless of any change in the membership thereof, as well as the individual members of said firm and their legal representatives and assigns.

ARTICLE XIV. Whenever in this contract the words hereinafter enumerated are used, they shall mean what is set opposite them:

Contractor: The party of the first part and its legal representatives, successors, and assigns.

Chief of Ordnance: The Chief of Ordnance, the Acting Chief of Ordnance, or any duly authorized representative of either.

Contracting Officer: The officer in whose name this contract is executed, his successor or successors, his or their duly authorized agent or agents, and any one from time to time designated by the Chief of Ordnance to act as contracting officer.

In witness whereof, the parties hereto have caused this contract to be executed in quadruplicate, and the firm of Wessel, Duval & Company has caused this to be executed by a member of the firm duly authorized, and the United States has caused this contract to be executed by its contracting officer, the day and year first above written.

Signatures:

WESSEL, DUVAL & COMPANY,
By _____, *Member of Firm.*
UNITED STATES OF AMERICA,
By _____,
R. H. HAWKINS,
Lt. Col. Ord. Dept., U. S. A., Contracting Officer.

Witnesses:
_____.
_____.

EXHIBIT A.

NEW YORK, *May 6, 1920.*

COMMANDING OFFICER,
Ammunition Division, Ordnance Department,
Room 6-300, Building B, Sixth and B Streets NW.,
Washington, D. C.

Attention Col. J. H. Pelot.

DEAR SIR: The undersigned offer to act severally as agents of the United States to distribute for its account not to exceed 100,000 tons, or any part thereof, of nitrate of soda to which reference is made in circular advertisement and proposal published by you as of May 1, 1920, under the following terms and conditions.

We will endeavor to dispose of the entire quantity of 100,000 tons, but assume no obligation to distribute all or any part thereof, nor responsibility for inability to sell at the price and terms fixed by the United States.

The nitrate of soda distributed by us is to be sold at a price to be published by the War Department; in fixing the selling price it is understood the department proposes to take the cost of replacement as hereinafter named by us and add thereto the cost to the Government for bagging, reconditioning, shipping, and contingent expenses, amounting to 33 cents per pound plus the successful bidder's commission as agent. It is understood that sales are to be made to distributors and users desiring same prior to October 1, 1920, in amounts not to exceed 100 tons, or less than 1 ton to any purchaser. The title to nitrate shall pass on loading as evidenced by bill of lading, and the Government selling price to be basis f. o. b. cars. The Government is to allow the successful bidded 33 cents per pound on all nitrate sold to cover cost of weighing, bagging, reconditioning, etc., but any cost in excess of this amount is to be absorbed by the agent.

We are to receive a commission of 2½ per cent on all nitrate of soda sold by us hereunder. As a part of our understanding we offer to replace ton for ton of nitrate of soda of equal quality and nitrogen content, any nitrate so sold and distributed by us individually; in other words, replacement is to be made by us individually and separately, in proportion, quality and quantity equal to the amount sold and distributed for the Government by each of us. Replacement is to be made at $4 per hundred pounds, ex-vessel or ex-store, Mobile, Ala., subsequent to December 1, 1920, and prior to June 30, 1921. In the event of the closing of the Panama Canal by slides or otherwise the delivery time to be extended for a time equal to the number of days canal is closed to navigation.

Very truly, yours,

W. R. GRACE,
By ———.
H. J. BAKER & BRO.,
By ———.
WESSEL DUVAL & CO.,
By ——— ———.

EXHIBIT B.

Messrs. WESSEL, DUVAL & CO.,
H. J. BAKER & BRO.,
W. R. GRACE & CO.,
New York City.

Subject: Ordnance proposal 13–13, nitrate of soda.

GENTLEMEN: 1. I am directed by the chief of manufacture to advise you that ordnance proposal 13–13, known as agency proposal for the sale and replacement of not more than 100,000 tons of subject material, was opened at the hour advertised, and it has been tentatively decided to name you to act severally as agents of the United States, to distribute for its account the said amount of nitrate of soda, conditioned on the approval of the action taken by this division of the advisory purchase board of the Ordnance Department.

2. It is further understood that the amount of 33 cents per pound is a handling cost, used solely for the purpose of arriving at a selling price to be published by the War Department. If the actual cost of weighing, reconditioning, loading, and contingent expenses at any point is less than 33 cents per pound, the Government is to receive the benefit of any saving effected at such point; on the other hand, if said costs exceed the figure, then the Government will absorb same.

3. Should a contract be placed with you severally, paragraph 3 of your letter of May 6 is to be incorporated in same and to form a part of said contract.

4. This letter is not to be construed as authority to proceed as agents, and you are advised that any expense to which you may go prior to receipt of a contract from the contract section of the Ordnance Department is to be at your own risk.

Respectfully,

(Signed) J. H. PELOT,
Colonel, Ordnance Department, United States Army,
Chief Ammunition Division.
By J. H. HUNTER,
Major, Ordnance Department, United States Army,
Chief Explosives Section.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That paragraph (e) of section 7 of the act approved March 3, 1919, entitled "An act to authorize the Secretary of the Treasury to provide hospital and sanatorium facilities for discharged sick and disabled soldiers, sailors, and marines," is hereby amended to read as follows:

"(e) The sum of $550,000 is hereby authorized for the purchase of the land and buildings of the National School of Domestic Arts and Science, located at 2650 Wisconsin Avenue, in the District of Columbia, now under lease to the United States Government as a hospital, and for the construction of such additions and improvements thereto as may be necessary to suitably adapt them to the needs and purposes of the Public Health Service: *Provided*, That the purchase price of said land and buildings shall not exceed $460,000: *Provided further*, That in addition to the $550,000 hereby authorized, the sum of $250,000 from the amount appropriated by section 5 of the act hereby amended and of $6,000 and of $154,000 from the amounts appropriated by section 6, paragraphs 1 and 2, respectively, of said act, are hereby made available for the above-mentioned purposes and shall remain available until expended."

Mr. ELLIOTT. Mr. Chairman, I move to strike out the last word. I am a member of the Committee on Public Buildings and Grounds, which has had the handling of this bill. I am not in favor of locating all of the public institutions of this country within the District of Columbia, but this institution is one that will have to be located in the District because it is needed here and has nothing whatever to do with the hospitals that we will have to build in other parts of the country to take care of the soldiers of the late war.

I am unacquainted with the value of real estate in the District of Columbia. I have an idea, however, that this land is being sold to the Government for all it is worth. Notwithstanding that fact, I believe it is about as good a proposition as we can get for a hospital in the District. The Secretary of the Treasury looked all over the District and said that he could not find any land owned by the Government which was suitable as a site for a hospital for these soldiers. He found this proposition and recommended that it was the best that he could do.

Mr. NOLAN. Mr. Chairman, will the gentleman yield?

Mr. ELLIOTT. Yes.

Mr. NOLAN. Some time ago—a couple of years ago—we bought a considerable lot of land out there close to the Walter Reed Hospital for hospital purposes. Is it not possible that we could enter into some arrangement with the War Department, that has control of that property, to get enough of it to locate this hospital upon it.

Mr. ELLIOTT. In answer to the gentleman from California I will say this: Whenever you start to encroach on any bureau or department of this Government you have a fight on your hands. The Secretary of the Treasury had the right to utilize any property inside of the District of Columbia that he could get hold of for the use of this hospital, and he comes back and reports to this committee that he can find no Government-owned land that is suitable for it. I do not know whether he tells the truth or not, but I presume that that is his judgment upon it.

Mr. NOLAN. If anybody goes out to the Walter Reed Hospital and goes over that land, sizes up the situation, then he knows that we have got to get rid of a lot of those shacks that we built during the war, and also that we have hundreds of acres of land out there available for hospital purposes.

And if it is a question of going into this thing as between department and department and bureau and bureau, then we ought to have something to say when it comes to a matter of almost a million dollars.

Mr. ELLIOTT. I agree with the gentleman from California that we ought to get these departments by the ears and crack their heads together [laughter], but we have not time to do it with this proposition. This hospital is needed for the care of these boys, and needed at once, and it is ideally located, and the buildings are now being used for hospital purposes and it can be easily enlarged to make it an ideal hospital.

Mr. LANGLEY. I was just going to call attention to the fact that in connection with the difficulty of attempting to intrench upon the jurisdiction of different departments the gentleman will recall that Secretary Baker was before our committee and his attention was called to the fact that there were several unoccupied Army posts, and we endeavored to get permission from him, or rather from his department, to use some of them for these disabled soldiers, and we were unable to make any progress with him except to get a revokable permit, and that on the condition that no tubercular patients should be put in there.

Mr. ELLIOTT. That is right.

Mr. LANGLEY. That is one of the difficulties we have encountered in reference to this question.

Mr. ELLIOTT. We have run up against all sorts of difficulties in the handling of this hospital proposition. We had the Secretary of War before the committee——

Mr. LANGLEY. Two or three times.

Mr. ELLIOTT. And we tried to get him to consent to the use of two abandoned Army posts, Fort McKenzie and Fort Meade, two posts which cost this Government millions of dollars to build and are located in such places that the surroundings are healthy, with a vast amount of land surrounding them for grazing purposes, and all we could get out of him was this, that under this new Army reorganization bill all of this space will have to be utilized to take care of the soldiers that we would have under this new Army reorganization, and the only thing they could do would be to give to the Public Health Service a revokable permit to use this. In other words, it is a permit that they could take away from them the next day after they got started. And I want to say those two Army posts have been lying vacant for years with nobody there looking after them except a few soldiers as caretakers. But that has nothing to do with this proposition. We need this hospital in the District, and need it right here, and it is as good a site as there is in the District of Columbia, so far as I know.

Mr. MANN of Illinois. Will the gentleman yield for a question?

Mr. ELLIOTT. Yes.

Mr. MANN of Illinois. Did the gentleman's committee have this property appraised as to its value?

Mr. ELLIOTT. It did not; not that I know of.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ELLIOTT. I ask for two more minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. ANDREWS of Nebraska. If the gentleman will permit, that point was laid with the Secretary of the Treasury as the executive officer to make the negotiations in regard to the purchase of the property, and upon his recommendation, as stated in the communication here, your committee based its action after ascertaining that this was the most economical proposition in sight.

Mr. MANN of Illinois. That does not control, of course.

Mr. ANDREWS of Nebraska. I understand.

Mr. MANN of Illinois. The statement is made here that the appraised value of their property is less than $200,000. Of course, any investigation made by the Secretary of the Treasury was made by the Public Health Service, and unless they got some experts I have my doubt as to their special qualifications for judging the value of the property, and I inquire whether there was any actual valuation made of this property by anybody who knew the value of the property?

Mr. ELLIOTT. The question of what the property was assessed at for taxation cuts very little figure in regard to its actual value. I have a piece of property of my own that was assessed at $3,500, and I have refused $7,000 for it.

Mr. MANN of Illinois. I know; but the gentleman knows the value of his property.

Mr. ELLIOTT. And all the property right in the neighborhood was assessed the same way, but that does not control as to value. I do not know whether this property is worth this much, and I do not pretend to know.

Mr. MANN of Illinois. The gentleman does not know, and I think we are entitled to know something as to whether somebody who does know the value of the property has made the appraisement of its value.

Mr. ELLIOTT. They have not, as far as I know.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BLANTON. Mr. Chairman, I move to strike out the last two words in order to get the floor. I do this for the purpose of getting some information, if possible, from the gentleman from Kansas [Mr. TINCHER]. I remember when this nitrate bill was before the House on April 10 there was insistence made by a number of us, including the gentleman from Delaware [Mr. LAYTON], the gentleman from South Carolina [Mr. BYRNES], the gentleman from Mississippi [Mr. QUIN], and others, to put into that bill certain safeguards that would protect the individual farmer in getting this nitrate in small quantities at a reasonable price. If the gentleman from Kansas who brings this criticism against the War Department will say that such a contract has been entered into right in the teeth of the legislation passed by this House, why I would join with the gentleman in the criticism; but I would like to know whether the gentleman from Kansas can advise the House whether there is any farmer who has ever applied to the War Department for any nitrate under the provisions of this act whose request was turned down and refused?

Mr. TINCHER. Yes, sir; a Member of Congress, one of my colleagues, wrote a letter May the 6th trying to buy the limit of 100 tons of nitrate from the department, and the department did not answer the letter until the 11th, and answered that on the 8th they had sold all to the trust——

Mr. BLANTON. Well, I can understand——

Mr. TINCHER. That is one case I know of.

Mr. BLANTON. I can understand why the Secretary of War turned down the request of a Member of Congress to buy 100 tons of nitrate from the Government, because a Member of Congress did not have any right to do it. We can not take advantage of legislation that we pass here ourselves, and we ought not to try to do it——

Mr. TINCHER. The gentleman asked——

Mr. BLANTON. I want to ask if the farmers over the country, for whose benefit we passed that legislation—have they ever made any application to buy a ton or more and been turned down by the War Department?

Mr. TINCHER. Well, the gentleman knows I have been here, and I have not been with the farmers; but I do know gentlemen insisted on this safeguard in respect to buying the small amount of 1 ton and that there could not be over 100 tons sold to any one man.

Three companies or three disbursers have bought 100,000 tons of it, and they got a contract, and I have a copy of the contract that the Government should take it back.

Mr. BLANTON. I hope the distinguished gentleman from Kansas, who is a member of the Agricultural Committee, which stands here as a protector of the farmers' interests of this country, will take some steps through his party, which has charge of the legislation of this country at this time, to stop such an unlawful contract, if such a one exists.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent for two minutes more.

Mr. LAYTON. Mr. Chairman, I ask that the gentleman's time be extended five minutes.

The CHAIRMAN. The gentleman from Delaware asks unanimous consent that the gentleman from Texas be permitted to proceed for five more minutes. Is there objection?

Mr. LANGLEY. Mr. Chairman, I am not going to object, but I want to finish this bill as soon as we can. A member of the committee wants to talk for a few minutes, and I want to ask unanimous consent to close debate on this paragraph in 10 minutes, 5 of it to be consumed by the gentleman from Texas.

The CHAIRMAN. The gentleman from Kentucky prefers a unanimous-consent request that the debate on this paragraph close in 10 minutes.

Mr. LANGLEY. And amendments thereto, five of which shall be used by the gentleman from Texas [Mr. BLANTON] and five by the gentleman from Texas [Mr. MANSFIELD].

Mr. McKEOWN. Reserving the right to object, does that cut off debate on any additional amendment?

The CHAIRMAN. The Chair will state that it will not cut off offering an amendment, but it will cut off further debate.

Mr. McKEOWN. I have an amendment to offer to the paragraph, and I would like to have two or three minutes to explain it. I do not care to take up the time of the committee at all.

Mr. LANGLEY. I will modify that and make it 15 minutes.

Mr. CROWTHER. Make it 25 minutes.

Mr. LANGLEY. I will make it 20 minutes, then.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that the debate on this paragraph and all amendments thereto close in 20 minutes. Is there objection?

Mr. CROWTHER. I object.

Mr. LANGLEY. If the gentleman insists upon being heard, I will make it 25 minutes. I will amend the request.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that all debate on this paragraph and amendments thereto close in 25 minutes. Is there objection?

Mr. LANGLEY. The time to be controlled by the Chair.

The CHAIRMAN. The Chair hears no objection.

Mr. BLANTON. Mr. Chairman, just a moment. I promised first to yield to the gentleman from Kansas [Mr. TINCHER] and then to the gentleman from Delaware [Mr. LAYTON].

Mr. TINCHER. The gentleman hopes that as a member of the Agricultural Committee I will try to remedy this wrong. I want to call the gentleman's attention to this, that we have the law, and I am a little out of the practice of law, but I would give anything if I could step into the Department of Justice, as crude as I am, and bring an action against the Secretary of War for violating the law, squandering the people's money, and encouraging the profiteers.

Mr. BLANTON. The gentleman can go into the courts as a citizen of this country and ask that any department be enjoined from making an illegal contract—restrain the carrying out of an unlawful contract.

Mr. LAYTON. Now, there are some of us that stood here in the interests of agriculture, and the gentleman from Texas [Mr. BLANTON] is one of them.

Mr. BLANTON. I mentioned that a moment ago. I mentioned that the gentleman from Delaware [Mr. LAYTON], and the gentleman from South Carolina [Mr. BYRNES], and the gentleman from Mississippi [Mr. QUIN], and several others, sought to protect the farmers with this measure when it was before the House.

Mr. LAYTON. We sat here to protect the farmer at a time when production was being lessened, and when we were all interested in increasing production, for the reason that everybody knows. But I want to ask the gentleman this question, namely: Why is it that he eternally and constantly blames the Republican side of this House when we pass laws and when the administration here will not execute the laws, but stands silent and allows the laws to be absolutely nullified?

Mr. BLANTON. I will answer the gentleman. I said a moment ago that if the Secretary of War has disobeyed the mandate of Congress with respect to this nitrate bill and has made this unlawful contract he ought to be condemned for it, and if such were the fact that I would join in the criticism. But in answering the other part of the question of the gentleman from Delaware, I am not in favor of the Congress continually "passing the buck." Whenever there is a question that involves our

action, whereby we can protect the people's rights by proper action, I do not believe we ought to sit here like a bunch of ninnies and not do our duty and criticize somebody else.

Mr. LAYTON. Just a moment. I do not understand the logic by which you assume that this body here has got both legislative power and executive power.

Mr. BLANTON. Well, we could have put some directory provisions in that bill.

Mr. LAYTON. We put every directory provision in it that we thought necessary.

Mr. BLANTON. There were one or two proposals that were not looked upon with favor.

Mr. TINCHER. We did not "pass the buck" this time.

Mr. MANSFIELD. Mr. Chairman and gentlemen of the committee, I have not had occasion recently to make any investigation of fertilizers, but I have had some occasion to look into this question of hospitals, which our wounded and diseased soldiers are now very much in need of. The buildings that are proposed to be purchased by this bill are located upon the highest point in the city of Washington, a place that the Surgeon General of the Public Health Service informed the committee was an ideal spot in point of public health for the location of such an institution. It would be a crime for this Congress to locate hospitals for the care of our sick soldiers and put them down here upon the swamps simply because the Government now owns the land there.

Mr. HUDSPETH. Will the gentleman yield there?

Mr. MANSFIELD. Certainly.

Mr. HUDSPETH. I agree with my colleague this hospital ought to be established, but I want to ask him if there is any special reason why it should be established here in the District of Columbia, where the land costs an excessive price, it seems to me?

Mr. MANSFIELD. I will state to the gentleman that the price contemplated by this bill includes five first-class stone buildings, already completed, now occupied, and soon will be open for several hundred more patients—buildings that were erected before the war-time prices prevailed. I doubt seriously if you can construct buildings such as these to-day, under the prices of material and the cost of labor that now prevail in this city and around here, for the money that is provided for in this bill, even on land owned by the Government.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield for a suggestion?

Mr. MANSFIELD. Certainly.

Mr. GRIFFIN. The reason why the proposed hospital is to be in the District of Columbia is due to the fact that Congress has already directed the placing of it there under the act of March 3, 1919.

Mr. LANGLEY. Yes; and the money can not be expended anywhere else under that act.

Mr. MURPHY. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. Yes.

Mr. MURPHY. Are these stone buildings constructed in accordance with the latest developed ideas with reference to taking care of tubercular patients?

Mr. MANSFIELD. It is not to be a tubercular hospital, but these buildings have the approval of every physician connected with the Public Health Service. I can only take their word. I think perhaps they know more about it than I do or than any other layman does. The surgeons of the Public Health Service and every physician connected with that service, including Col. Rucker, the public-health adviser connected with the War Risk Insurance Bureau, approve of this as an ideal group of buildings and an ideal location for the purpose. They are all arranged with proper accommodations, and the construction is fireproof, and these buildings are absolutely suitable for hospital purposes.

Mr. LAYTON. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. Certainly.

Mr. LAYTON. I am not opposed, of course, to this measure, but did the committee as a matter of fact look outside of the city of Washingotn, where prices are very high, to find a site for this hospital?

Mr. LANGLEY. The law confines it to the District of Columbia.

Mr. LAYTON. Is that the law? If so, I did not read it correctly. It says "in the District of Columbia or vicinity." Now, "in the vicinity" of the District of Columbia is not necessarily in the city of Washington.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I do.

Mr. GRIFFIN. If the gentleman will permit for a moment, in answer to the gentleman's question, the burden was not on the committee to look for a hospital site in the District of Columbia or vicinity. That burden was placed upon the Secretary of the Treasury, and it was only on his announcement to the effect that he was unable to find a site in the District of Columbia or the vicinity that we assented to this proposal. The burden was on the Secretary of the Treasury under the act of March 3, 1919.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. McKEOWN. Mr. Chairman, I have offered an amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Oklahoma [Mr. McKEOWN].

The Clerk read as follows:

Amendment offered by Mr. McKEOWN: Page 2, line 14, after the word "expended," insert "*And provided further*, That said buildings shall be appraised by the Secretary of the Treasury, and the price to be paid shall not exceed the appraised value of the buildings plus $175,000 for the land."

Mr. McKEOWN. Mr. Chairman and gentleman, I do not know whether this amendment would do any good or not. The value of this land as fixed by the report of the committee is about $175,000, if I recall the report correctly. I understand the report says that we will be able to get this land at a value not to exceed $175,000.

Mr. ANDREWS of Nebraska. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Oklohama yield to the gentleman from Nebraska?

Mr. McKEOWN. Yes.

Mr. ANDREWS of Nebraska. Referring to the amendment, let me call attention to this fact, that an option was offered for 30 days from the time it was given—which was passed some time ago—and at the request of the Assistant Secretary the owners of the property made another stipulation, that time should be given to make the appropriation—a reasonable limit—and if that was not done it should be understood that the owner would withdraw the offer to sell at $460,000. Now, the result of this amendment will be that if it is adopted the option by the owners of the property to the Government will be set aside and we lose the chance of getting the hospital.

Mr. McKEOWN. I just yielded to the gentleman for a question.

I take it that property in the District of Columbia is now at the highest price that it will be for years to come. Right now everything is at the pinnacle. It is as high as it can possibly be. You have a limitation in here that the purchase price shall not exceed $460,000. I am simply trying to safeguard it and place on it a further limitation, that the buildings shall be appraised by the Treasury Department, which can be done by the Supervising Architect of that department; to appraise the value of the buildings as they are now and $170,000 for the land, and that ought to be all that that property is worth.

Mr. ANDREWS of Nebraska. Let me say that the department did the very thing that the gentleman is now suggesting. The committee not being in a position to go and negotiate with real estate men, that being a function belonging to the executive branch of the service, we left it with the Secretary of the Treasury, who did the very thing that the gentleman is now suggesting.

Mr. McKEOWN. I understood one of the members of the committeee, in answer to the question of the gentleman from Illinois [Mr. MANN], to state that they had not had this property appraised.

Mr. LANGLEY. We did not feel that it was in the province of the committee under the peculiar conditions existing to take that step.

Mr. McKEOWN. How does the Secretary of the Treasury arrive at the value of this property?

Mr. ANDREWS of Nebraska. Just exactly as he does in determining upon a site for a public building anywhere. An appropriation may be made for $5,000 or $10,000 or $500,000, and the Secretary goes and determines the value.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired. The question is on the amendment offered by the gentleman from Oklahoma [Mr. McKEOWN].

The question being taken, on a division (demanded by Mr. McKEOWN) there were—ayes 13, noes 21.

Accordingly the amendment was rejected.

Mr. CROWTHER. Mr. Chairman, first I wish to say that I am heartily in favor of this bill and in favor of anything for the relief of the boys who bore the burden of the war. After the boys came back one of the saddest sights was to see those out here at St. Elizabeths, just gazing off into vacancy. Those

who have seen them realize that they paid a greater price, as did their fathers and mothers, than those who lost their lives on the other side.

In regard to the nitrate situation, I want to say that after the bill was passed by the Senate and House and signed by the President I tried very hard to get 20 tons of nitrate from the storage warehouse in Schenectady, my home town, for the use of the farmers in my district. I went down to the War Department and was sent to a Mr. Shults, who, I had been informed officially, was holding a hearing that afternoon with some manufacturers or agriculturists in regard to the dispotion of the nitrate. Although the meeting had been scheduled for 4 p. m. and I appeared at 4.15, nobody else appeared to attend said hearings. I asked him if he knew anything about it, and he said no. He then sent me to a lieutenant colonel on the fourth floor, who sent me to a major on the third floor, who recommended me to another major at the corner of Sixth and B Streets, a mile away. None of these various officials could give me definite information on the subject. I finally gained the information that the War Department desired to distribute this from plants where the Government was paying storage upon the nitrate instead of from where it was stored in one of the Government-owned buildings. The result was that we were unable to get the nitrate for the farmers in my district in time for it to be of any value to them. And I say it was an injustice and absolutely unfair to the farmers, who, greatly handicapped by the lack of farm labor, are making every effort for a maximum production. These farmers would have driven their wagons or trucks there and backed up to the door of the warehouse and taken it away themselves without the expense of a penny for delivery or handling. This is but another example of binding up the wounds of necessity with departmental red tape, so pronounced under the present administration.

And I am glad the gentleman on the other side of the House [Mr. LANHAM] made the speech he did in regard to the assessed value of property here in Washington. I think it is a crying shame, the small valuation that is put on property in Washington for assessment purposes. Why, these high-binding, high-handed, hold-a-pistol-to-your-head people here charge $40 a month for a single room. How can a girl live in Washington and pay $40 a month rent for a room? People here charge as much rent for one room as they pay for the whole house. They build a garage across the back end of the yard and charge $240 a year for a $400 building and get a 60 per cent dividend on the investment. I voted to sustain these dormitories down here in order that the girls working in the departments here for small salaries might have a place where they could live and get a room and board for $45 a month and as a protest against the high-binding, high-handed tactics of the profiteers of the city of Washington. [Applause.]

Mr. McDUFFIE. Mr. Chairman——

Mr. LANGLEY. Mr. Chairman, how much time is remaining under the agreement?

The CHAIRMAN. Five minutes, which the Chair understood was allotted to the gentleman from Ohio [Mr. MURPHY] if he cared to use it.

Mr. MURPHY. I do not care to use the time.

Mr. McDUFFIE. Mr. Chairman, a very serious charge has been made here by the gentleman from Kansas [Mr. TINCHER], and although I hold no brief for the War Department or the Secretary of War on this particular matter, I can not and do not believe that the Secretary of War has sold the nitrate of soda to three big corporations. I want some evidence from the gentleman. I called up the department myself, and I want to tell the gentleman from New York [Mr. CROWTHER] and the gentleman from Kansas that if they will write or have their constituents write to Maj. J. H. Hunter, Ordnance Department, Sixth and B Streets, he will place the order with the proper authorities and have the nitrate delivered to their constituents when called for.

Mr. CROWTHER. Will the gentleman yield?

Mr. McDUFFIE. No; the gentleman would not yield to me, and I do not want to talk about dormitories or girls either. [Laughter.] I will yield in a minute to the gentleman; that was in a spirit of fun. You say the nitrate of soda has been sold to these companies. I think that on examination you will find that they have made a contract with them to handle the nitrate of soda. They simply agreed upon a small fee for the handling, on the theory that these companies are in a position to handle it better and more cheaply than is the War Department. The War Department would have to have an extra clerical force and additional help, and these companies have that help and can more easily carry out the plan of delivering it to the farmer. I will not believe the War Department has intentionally done wrong in this matter.

Mr. CROWTHER. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. CROWTHER. That was in direct contradiction to the statement that they made to me. They said they wanted to deliver it but instead of that they put it into the hands of the importers. They had it in storage where a man could drive right up and get his load without costing a cent.

Mr. CHINDBLOM. Mr. Chairman, as a member of the committee which brought in this bill, I want to say that there is no nitrate of soda on the hospital site of Wisconsin Avenue. [Laughter.]

Mr. McDUFFIE. I am glad to hear that. [Laughter.]

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. GARD. Mr. Chairman, I offer the following amendment on page 2, line 8.

The Clerk read as follows:

Page 2, beginning with line 8, strike out the remainder of the section.

Mr. GARD. Mr. Chairman——

The CHAIRMAN. All debate is closed.

Mr. GARD. I ask unanimous consent to discuss my amendment for five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. GARD. Mr. Chairman, this bill is complete in so far as the original authorization of the $550,000 is concerned without the proviso beginning on line 8. The original bill provided, in section 5, that $300,000 is appropriated for an existing hospital and of this amount $250,000 is taken by this bill. It provided in section 6 that $150,000 is to be had for emergency in the Public Health Service to purchase a site to build hospital facilities at Corpus Christi, Tex., and $6,000 is taken from that and put in this bill. It says: Provided $1,500,000 is to be held as an emergency fund for the purchase of land and buildings and $154,000 is taken from that sum and put in this building.

Mr. LANGLEY. I want to call the gentleman's attention to the fact that the amount to which he refers has been transferred by the Secretary of the Treasury as set out in the report of the committee.

Mr. GARD. What I am calling attention to is the original purpose of the appropriation as made by Congress and its diversion from its original purpose to the use contemplated in this bill.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. GARD. Yes.

Mr. ANDREWS of Nebraska. To strike out that portion included in the gentleman's amendment will make it impossible to enlarge the present facilities for the boys, and the owners of the property will demand possession.

Mr. GARD. I am not concerned about the owners of the property demanding possesssion. They are getting good compensation for the property. What I am concerned about is to show the diversion from the original appropriation. It is a diversion of the appropriation when there has been no investigation in the vicinity of the District of Columbia, no appraisal of property in the Virginia or Maryland hills, nothing to satisfy the public mind that a real hospital may not be built in the vicinity of the city of Washington for $550,000.

Mr. LANGLEY. May I interrupt the gentleman a moment?

Mr. GARD. Certainly.

Mr. LANGLEY. I want to say that this was the exercise of an executive function of the Secretary of the Treasury under the act of March 3, 1919. He had the right to do that and to distribute the funds carried by the act.

Mr. GARD. What I am seeking to convey is that Congress appropriated money for certain purposes—$550,000 for a hospital in the District of Columbia or vicinity. That we go beyond that, we do not look around the vicinity, do not appraise the property, do not try, but buy something at practically the owner's own terms. Then we divert a part of it that was for emergency cases where they may be actually needed, and take about $410,000 away from their emergency fund.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken, and the amendment was rejected.

Mr. LANGLEY. Mr. Chairman, I move that the committee do now rise and report the bill to the House with the recommendation that it do pass.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 45, noes 0.

So the motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GREEN of Iowa, Chairman of the Com-

mittee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 13627, and had directed him to report the same back to the House without amendment with the recommendation that the bill do pass.

Mr. LANGLEY. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. LANGLEY, a motion to reconsider the vote by which the bill was passed was laid on the table.

CALL OF THE HOUSE.

Mr. BLANTON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Baer	Dyer	Kitchin	Siegel
Benson	Echols	Kraus	Slemp
Blackmon	Edmonds	Kreider	Small
Bland, Ind.	Elston	Lankford	Smith, N. Y.
Booher	Ferris	Lee, Ga.	Smithwick
Bowers	Fess	Lesher	Snell
Brinson	Fields	Little	Snyder
Burke	Frear	Longworth	Stedman
Butler	Garrett	McArthur	Steele
Cannon	Godwin, N. C.	McCulloch	Stevenson
Cantrill	Goldfogle	McKenzie	Stiness
Caraway	Good	McPherson	Strong, Pa.
Carter	Graham, Pa.	Madden	Sullivan
Casey	Greene, Mass.	Martin	Summers, Wash.
Clark, Fla.	Hamill	Merritt	Thomas
Cole	Harrison	Milligan	Tillman
Copley	Hastings	Monahan, Wis.	Towner
Costello	Hayden	Montague	Treadway
Cramton	Hernandez	Moon	Vare
Curry, Calif.	Hoch	Morin	Voigt
Denison	Hoey	Porter	Ward
Dent	Howard	Pou	Wheeler
Dominick	Hulings	Reavis	White, Kans.
Dooling	Hull, Iowa	Rhodes	Williams
Doremus	Hull, Tenn.	Rose	Wilson, Pa.
Drane	Jones, Tex.	Rubey	Winslow
Drewry	Kelley, Mich.	Rucker	Yates
Dunbar	Kennedy, Iowa	Scully	
Dunn	Kettner	Sears	

The SPEAKER. On this call 324 Members have answered to their names, a quorum.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had insisted upon its amendments to the bill (H. R. 11892) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. JONES of Washington, Mr. MCNARY, and Mr. RANSDELL as the conferees on the part of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills and joint resolution of the following titles, when the Speaker signed the same:

H. R. 14100. An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes;

H. R. 13665. An act granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River, between sections 16 and 21, township 15 north, range 19 east, in the State of Oklahoma;

H. R. 7629. An act to amend the penal laws of the United States;

H. R. 12044. An act to accept the cession by the State of California of exclusive jurisdiction of the lands embraced within the Yosemite National Park, Sequoia National Park, and General Grant National Park, respectively, and for other purposes;

H. R. 5163. An act authorizing certain tribes of Indians to submit claims to the Court of Claims, and for other purposes;

H. R. 13666. An act granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River in section 18, township 12 north, range 21 east, in the State of Oklahoma;

H. R. 10072. An act to provide for the punishment of officers of United States courts wrongfully converting moneys coming into their possession, and for other purposes; and

H. J. Res. 351. Joint resolution extending the provisions of an act amending section 32 of the Federal farm-loan act approved July 17, 1916, to June 30, 1921.

HAWAIIAN HOMES COMMISSION.

Mr. CAMPBELL of Kansas. Mr. Speaker, I present a privileged report from the Committee on Rules, which I send to the desk and ask to have read.

The Clerk read as follows:

House resolution 540.

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 13500) to amend an act entitled "An act to provide a government for the Territory of Hawaii, approved April 30, 1900, as amended, to establish a Hawaiian homes commission, and for other purposes"; and, after general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided between those favoring and those opposing, the bill shall be read for amendment under the five-minute rule; that at the conclusion of the consideration of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been agreed to, when the previous question shall be considered as ordered on the bill and amendments to final passage without intervening motion, except one motion to recommit.

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask unanimous consent that general debate upon the bill, provided for in the rule, be limited to 30 minutes instead of 2 hours.

The SPEAKER. The gentleman from Kansas asks unanimous consent that the rule be amended by limiting the general debate to 30 minutes. Is there objection?

Mr. WALSH. Mr. Speaker, is it expected to complete the consideration of the measure to-night?

Mr. CAMPBELL of Kansas. Oh, I do not know. We would like to run until 5.30 at least, if it can be done.

Mr. WALSH. I did not catch the reading of the rule. What situation does it leave the bill in, provided consideration of the bill is not concluded to-night?

Mr. CAMPBELL of Kansas. The rule provides that it shall be in order to move to go into Committee of the Whole House on the state of the Union upon the adoption of the rule, so that the bill will have a privileged status.

Mr. WALSH. Is it a continuing order?

Mr. CAMPBELL of Kansas. Yes, sir.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, if the gentlemen of the Rules Committee wanted two hours' debate, why is the chairman seeking now by unanimous consent to change their action of passing legislation by rule?

Mr. CAMPBELL of Kansas. The Rules Committee did not want the two hours' debate. The rule as introduced provided for that, and by consulting Members on this floor who are interested in the bill they thought they could get on with less time for debate.

Mr. BLANTON. I would like for the gentleman to cut it down to five minutes.

The SPEAKER. Is there objection?

Mr. GARD. Mr. Speaker, reserving the right to object, is it the intention to begin the discussion to-night?

Mr. CAMPBELL of Kansas. Yes; and to run for a time.

Mr. DOWELL. If this can be limited to 30 minutes, general debate can be closed to-night.

Mr. GARD. It is seemingly a very important bill.

Mr. WALSH. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. CAMPBELL of Kansas. Mr. Speaker, the rule provides for the consideration of a bill of very great importance to the native Hawaiians. There are no people under the flag more loyal to it, more interested in it, more devoted to it, than the people of Hawaii. They are so far out in the Pacific that sometimes they think that we forget that they have interests to which we should give attention, and it is for the purpose of considering a matter of very great importance to those people, who never miss an opportunity to show their devotion to our country, that this rule has been brought forth.

Mr. Speaker, I move the previous question on the adoption of the rule.

The question was taken, and the previous question was ordered.

The SPEAKER. The question is on the adoption of the rule.

Mr. GARD. Mr. Speaker, a parliamentary inquiry?

The SPEAKER. The gentleman will state it.

Mr. GARD. Is it meant that the previous question is ordered on the adoption of the rule as amended as suggested it be amended by unanimous consent?

Mr. CAMPBELL of Kansas. Oh, yes.

Mr. GARD. I think that had better be included.

The SPEAKER. The question is on agreeing to the rule as amended.

The question was taken, and the resolution as amended was agreed to.

Mr. DOWELL. Mr. Speaker, before going into the discussion I want to ask unanimous consent, if there is no objection, that the time be divided equally between myself and the gentleman from Louisiana [Mr. WATKINS].

The SPEAKER. The gentleman from Iowa asks unanimous consent that the 30 minutes for general debate be divided equally, half of the time to be controlled by himself and half by the gentleman from Louisiana. Is there objection. [After a pause.] The Chair hears none.

Mr. DOWELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the purpose of considering the bill H. R. 13500.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13500, with Mr. SANFORD in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13500, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13500) to amend an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended, to establish a Hawaiian homes commission, and for other purposes."

Mr. DOWELL. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. DOWELL. Mr. Chairman, the legislation under consideration has some very important provisions. First, and most important, the provisions creating the Hawaiian homes commission, which has supervision over the homesteading of certain lands by the Hawaiian people; second, amendments to the Hawaiian organic act relating to homesteading and the leasing of public lands.

This proposed legislation grew out of the recommendations of a legislative commission of the Territory of Hawaii, which came to Washington some months ago and presented resolutions adopted by the Hawaiian Legislature relative to proposed changes in the Hawaiian homestead laws and suggested the plan of homesteading presented in this bill for the rehabilitation of the native Hawaiians. This legislative commission was composed of C. J. McCarthy, governor; Harry Erwin, attorney general; Robert W. Shingle, member of the senate; John H. Wise, member of the senate; W. T. Rawlins, member of the house of representatives; and Henry J. Lyman, member of the house of representatives.

The commission appeared before the Committee on the Territories early in February, and in the extensive hearings held the commission presented a state of facts existing in the Territory showing that the Hawaiian people are fast declining as a race and the lands in the Territory are rapidly getting into hands of others than Hawaiians. The members of the commission, after setting forth the facts, presented their views as to the solution of the many problems confronting the people of the islands. The most important legislation suggested by the commission, and which is the basis of this legislation, was the plan known as the "Senator Wise plan for the rehabilitation of the Hawaiians" by restoring them to the lands.

The commissioners made a strong showing before the committee in the hearings in favor of this general plan. When this matter was first presented to the committee the details of the plan had not been carefully worked out, but the general purposes and intent of the plan were thoroughly and carefully presented. Senator Wise went into the plan of this legislation in minute detail and gave interesting and important information concerning the Hawaiian people and their history. He set forth facts and conditions existing in the islands upon which the proposed legislation is based. I will not attempt to go into the history of this people nor the facts concerning the previous divisions and land distributions in the Territory. The Hawaiian Delegate [Mr. KALANIANAOLE], who is quite familiar with these facts, will be able to give to you this information and this interesting history.

I desire, however, to refer briefly to these conditions, and I quote from a statement of Senator Wise before the committee:

I would like to have the committee just pause for a moment and look back at the Hawaiians, a noble race, who in 1778, according to Cook's estimate, were 400,000 individuals. Allowing that Capt. Cook's estimate was much too high, the first official census was taken in 1832 and the number was placed at 113,319. The estimated population in 1919 was 22,600 pure Hawaiians and 16,660 part Hawaiians.

This statement of Senator Wise clearly indicates the entire disappearance of the Hawaiian race in the not distant future. Senator Wise further stated, and I quote from the hearings before the committee:

The Hawaiian people are a farming people and fishermen, out-of-door people, and when they were frozen out of their lands and driven into the cities they had to live in the cheapest places, tenements. That is one of the big reasons why the Hawaiian people are dying. Now, the only way to save them, I contend, is to take them back to the lands and give them the mode of living that their ancestors were accustomed to, and in that way rehabilitate them.

Secretary Lane, who has given to this matter careful consideration, appeared before the committee in behalf of this legislation. He visited the islands and became interested in this people. I wish to quote briefly from his statement before the committee:

The land was owned by the King originally, and they had in 1848 what they called a mahele, in which there was a division. As a result of that, and legislation that passed subsequently, we have approximately 1,600,000 acres of public lands in the islands. Most of that land is not suitable for making homes. Large bodies of it are lava land or grazing land. Some of it is the very finest quality of land, perhaps 120,000 acres approximately. * * * In my judgment, from the limited knowledge I have of the history of the islands, those people, the natives, were not treated fairly in the division of the lands that was made in 1848. At any rate, they are a problem now and they ought to be cared for by being provided with homes out of the public lands; but homes that they could not mortgage and could not sell. They are a most lovable people, a kindly people and a generous people. They have arts of their own which endear them to the people who visit the islands. It is not altogether the beauties of the islands that attract people there. It is the spirit that they see and the old civilization that they meet. There is a thriftlessness among those people that is characteristic among people that are raised under a communist or feudal system. They do not know what the competition system is and they will get rid of property that is given them. They do not look forward. They can not see to-morrow. Therefore, they should be given as close identification with their country as possible, and yet be protected against their own thriftlessness, and against the predatory nature of those who wish to take the land from them, and who have in the past.

The statement of Secretary Lane gives to you in a concise way the conditions existing in the islands and the history and characteristics of the Hawaiian people. All of the evidence before the committee clearly demonstrated that if this race of people is to be protected and perpetuated, the strong arm of the Government must, in the very near future, in some way protect and rehabilitate this splendid race.

Your committee has been convinced that what is known as the Wise plan will do something, and we hope will do much, to aid in the rehabilitation of this race. There are to-day on the islands, as estimated June 30, 1919:

Japanese	110,000
Portuguese	25,000
Hawaiians:	
Full-blood	22,600
Part-blood	16,600
Chinese	22,800
Filipinos	22,000
Porto Ricans	5,400
Spanish	2,400
Caucasians, other than specified	31,000
All others	5,806
Total	263,666

This estimate of the population in 1919 perhaps is a little large, as the results of the census for 1920, just announced, show the total population of the Territory at 249,992.

The hearings before the committee indicate that a great many of these lands homesteaded by this people have been lost, and too frequently the lands have fallen into the hands of the corporations and wealthy classes. The tax returns for 1919 in the Territory of Hawaii show that only about 6.23 per cent of the property of the islands is held by native Hawaiians. The tax returns show the following:

Taxpayers.	Number of taxpayers.	Valuation of personal property.	Number of taxpayers.	Valuation of personal property.	Total valuation.	Percentage.
Corporations, firms, etc.	783	$88,909,410	1,023	$96,715,185	$185,624,595	74.09
Anglo-Saxons	3,312	26,656,188	3,499	4,723,276	31,379,464	12.53
Hawaiians	5,878	13,670,508	1,913	1,934,609	15,605,117	6.23
Portuguese and Spanish	2,665	5,619,076	1,622	917,411	6,536,487	2.61
Chinese	1,631	3,140,305	1,367	1,656,250	4,796,555	1.91
Japanese	1,183	1,897,764	3,461	4,684,364	6,582,128	2.63
Total	15,452	139,893,251	12,885	110,631,095	250,524,346	100.00

The tax returns for 1919 show the total value of the real property owned in the Territory to be $139,893,251; that the lands owned by 783 corporations, firms, and so forth, is valued at $88,909,410; that native Hawaiians, 5,878 in number, own lands only of the value of $13,670,508. These facts show that in the short time these islands have been populated by other races, out of land worth approximately $140,000,000, the native Hawaiians are now in possession and control of only about $13,000,000 in value.

It is clearly demonstrated by these facts what has happened in the Territory and what will continue to happen unless Congress by legislation makes provision for this race. The Government has now the title to approximately 1,600,000 acres of land in the Territory, and it is with these lands that this legislation is intended to deal. The legislation proposed contemplates the return to the lands of at least a number of the Hawaiian people, and certain parts of these lands are set aside for that purpose.

The bill under consideration provides for the establishment of a commission in the Territory to be known as the Hawaiian homes commission, this commission to be composed of five members appointed by the governor of the Territory, with the consent of the senate of the legislature of the Territory, with the governor as chairman of the commission. At least two of the appointed members must be native Hawaiians.

The Hawaiian home lands, which are particularly described in the bill, consist of approximately 185,000 acres of the Government lands. It is provided in the bill that these lands are to be given, or rather leased, only to native Hawaiians in homesteads of not less than 20 acres nor more than 80 acres of agricultural lands, or not less than 200 nor more than 500 acres of first-class pastoral lands, or not less than 500 nor more than 1,000 acres of second-class pastoral lands, the title to the lands so leased to remain in the United States.

The bill further provides that each lease shall contain the following provisions:

The lessee shall be a native Hawaiian. He shall pay $1 per year rental, and the term of the lease shall be 99 years.

The lessee shall occupy and commence to use or cultivate the lands as his own within one year after the lease is made.

The lessee shall occupy and use said lands for at least a part of each year, as the commission may prescribe.

The lessee shall not in any manner transfer or mortgage to any person, except a native Hawaiian, his interest in the lands, and that only upon the approval of the commission.

The lessee shall pay all taxes provided by law and perform such other conditions as the commission may prescribe.

Provision is made for the forfeiture of the lease, after a full hearing, in the event the lessee fails to comply with the provisions of the law.

The commission is authorized to return any of these lands not used for homesteading by native Hawaiians to the commissioner of public lands, to be leased temporarily until they are needed for homesteading, at which time they are to be returned to the Hawaiian homes commission for that purpose.

It was clearly shown in the hearings that the mere turning over of these homesteads, so called, to the Hawaiian people will not serve the best purpose without further legislation to assist them in improving and cultivating the lands. Most of the Hawaiians who will likely avail themselves of this homestead right have not sufficient means to provide a home and to make necessary preparations for the cultivation and improvement of the ground. It, therefore, is necessary to make provision for the financing of these homesteaders to assist them in improving their homesteads.

The bill provides for the establishment in the treasury of the Territory of Hawaii a revolving fund, to be known as the Hawaiian home-loan fund, this fund to be raised by the leasing of the highly cultivated lands of the Territory and from water licenses of the Territory, as hereinafter explained.

Under the original organic act, as amended in 1910, it is provided in section 73 that further leases of agricultural lands shall not be made without the inclusion of what is known as the withdrawal clause, which provides that the lands may be withdrawn from the lessee when petition is properly filed of 25 or more who desire to homestead the land. Under this system of leasing, where the leases may be withdrawn at any time, it has been shown that the rentals from these lands have been very small.

The legislation proposed provides that the commissioner of public lands may, with the approval of the governor and at least two-thirds of the land board, lease the sugar-cane lands in the future without the withdrawal clause. The evidence before the committee shows that the estimated value of these cane lands is from $200 per acre to $1,000 per acre, and it is estimated that if these lands are leased without the withdrawal clause the rental will be much larger than has been received under the present plan. The bill merely authorizes the land commissioner, as indicated, when he deems it advantageous to the Territory of Hawaii, thus leaving it to the commissioner of public lands and the land board to meet conditions as they exist or may arise from time to time.

The present annual rental for the agricultural and pastoral lands is about $154,600. It is estimated that these lands, without the withdrawal clause, will bring a rental of approximately $400,000 per annum. In addition to this the annual receipts from water licenses will approximate $123,000. In this bill it is provided that 30 per cent of the Territorial receipts derived from the leasing of sugar-cane and agricultural lands and from water licenses shall be covered into the Hawaiian home-loan fund. From this fund the commission is authorized to make loans to the Hawaiian homesteaders for the following purposes:

For the erection of a dwelling and other permanent improvements.

For the purchase of live stock and farm implements.

And for otherwise assisting in the development of the lands.

These loans are to be made on certain conditions, some of which are as follows:

The amount of the loan not to exceed $3,000.

The loan to be paid upon an amortization plan in annual installments within an agreed period not exceeding 30 years.

The commission to have a lien upon the lessee's interest in the improvements, and so forth, to the amount of the loan.

The commission is further authorized to undertake general water and other developments in respect to the Hawaiian home lands, and the Territory is authorized to issue bonds therefor. Provision is also made for the commission to use surplus waters and government-owned waters for certain purposes in connection with carrying out the homestead provisions.

This, in brief, is a general outline of the legislation proposed. This legislation has received the careful consideration of the committee. Perhaps there is no precedent for this legislation, and no legislation of a similar character has been adopted by this Congress. It differs materially from the general plan adopted in this country for homesteading, but the evidence submitted to the committee set forth a state of facts which justify the legislation proposed. It was the unanimous opinion of the committee that if this legislation is to be effective the lessees or homesteaders of these lands should not receive a title that can be disposed of, and should not have a homestead they are not able to personally occupy or cultivate.

I think your committee began this investigation with much doubt as to its propriety, but I am pleased to say that at the conclusion of the investigation and after a full and thorough consideration of the whole matter your committee is unanimous in its recommendation that the legislation proposed be adopted. [Applause.]

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. DOWELL. Mr. Chairman, I desire now to yield——

Mr. WATKINS. Mr. Chairman, before the gentleman from Hawaii begins I wish to say that whatever time he needs from this side will be accorded to him, and when he has finished, if he has not consumed all the time, then I will utilize the remainder of my time; and in this connection, Mr. Chairman, I would like the privilege, if all the time is consumed without my having an opportunity of making a few remarks, to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Louisiana asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. DOWELL. Mr. Speaker, I now yield the balance of my time to the Delegate from Hawaii [Mr. KALANIANAOLE].

Mr. WATKINS. And I yield to the gentleman as much of my time as he desires to use.

Mr. KALANIANAOLE. Mr. Chairman and gentlemen, before going into Titles II and III of this bill, I feel constrained to say a few words on Hawaii, its history, and its achievements.

Twenty-one hundred miles southwest from San Francisco, between 154° 40′ and 162° west longitude and between 19° and 23° north latitude, below the Tropic of Cancer, lies the Territory of Hawaii. A glimpse at the map of the world will instantly reveal the strategic position these islands occupy.

The Territory of Hawaii consists of a group of islands, eight of which are inhabited, having an area of approximately 6,449 square miles and a population of about 250,000.

They were discovered January 17, 1778, by Capt. James Cook, an English navigator. At the time of the discovery Capt. Cook

wrote them down as the Friendly Islands, and spoke of the people as highly civilized, classed them as the most industrious, and labeled them as few would object to be labeled, as being stalwart, manly, upright, straightforward, fearless, candid, and open-minded. [Applause.]

The civilization of the islands in the early period was of an exceptionally high standard. Their games were planned to make men of them. The Hawaiians, from the very nature of the life they lived, were great athletes. The training of a boy in those days was to make him excel in feats of great strength and to be skillful in the arts of warfare. Running, wrestling, boxing, sled riding, swimming, surf riding, diving under water, disk throwing, javelin throwing, and the handling of a canoe were taught every boy in those days. One's education was not considered complete unless he could stand up to the hardest of these exercises. To-day a Hawaiian boy in the great schools on the mainland can hold his own in any sport requiring skill and strength, and this after many years of neglect from the games that were so indispensable to the make-up of his forefathers. In the great World War we are told that the athletes made the best soldiers. Surely the Hawaiians must have had a high standard of civilization. Even their business was so planned. We speak of the splendid navigation of men like Columbus, and we speak of the splendid navigation of the men of to-day, but the Hawaiian, starting out with his double canoe, sailed the length and breadth of the broad Pacific, over tempestuous seas, with only the sun and stars as guides, proving that they had some knowledge of astronomy. They had an advanced knowledge of medicine, knowing every bone, muscle, and nerve of the body and its structure, and the treatment given for certain ailments then is still recognized by the medical profession of to-day.

It was a time of industrial enterprise and peaceful and prosperous growth; arts and crafts developed to a very high standard. Their feather helmets and capes and the method of their manufacture are still a wonder to the scientific world. Great engineering enterprises were undertaken, irrigation systems and fish ponds were constructed. The land boundaries established during this period are recognized by the engineers and surveyors of to-day.

The religion of my early people was also highly developed. Every act and deed performed was for the glory of their god and for the benefit of humanity.

All laws were edicts of the King, commonly called tabus, and the breaking of them was punishable.

The tabu was, in fact, the ancient law of the Hawaiians. There were religious tabus, there were tabus which prohibited certain acts, such as the killing of man, the eating together of husband and wife, the eating of certain fish, the eating of certain fruits by women—these were the King's tabus. Then there were certain tabus which went with the land; for instance, the right to fish was recognized as a public right by the natives, the fish being the property of all, still the occupier of land upon the seashore had the privilege of naming certain fish in the adjacent waters as his own property. Any person could fish upon the fishing grounds, but was forbidden to catch the fish named as the tabu fish. This system of the tabu runs all through history, and is sacred to them. Even to-day, if you were to go down to the seashore while the Hawaiians are bringing in their nets, you would be entitled to a share of the catch, the natives still maintaining the old custom that the fish, except the tabu fish, belonged to all.

The population increased and colonies were established. Men who were accomplished in science as well as in warfare became chiefs of these colonies. As time passed, in order to effect a more stable government, the chief gathered about him powerful retainers for military service and protection against invasion, and in return for such service the chief granted them large tracts of land, which the subchiefs in turn subinfeudated to their followers. Thus a system remarkably like the old feudal system of Europe developed and continued to the time of Kamehameha I.

Prior to the reign of Kamehameha I each island had its own King. The King of the largest island—Hawaii—left half of the island to his son and the other half to his nephew, Kamehameha. This naturally brought about ill feeling between the cousins, and war was soon declared; Kamehameha, the greater strategist, being the victor, became King of the whole island.

He then conquered Maui, Molokai, and later arrived on Oahu, landing at Waikiki beach, drove the natives through Nuuanu Valley and over the Pali. Thus, after long and desperate fighting, he succeeded in amalgamating the islands into one kingdom, and by a treaty of annexation with King Kamualii, of Kauai, whom he met at sea and asked Kamehameha that if he waited until the black tapa covered him he could have the island, became, by virtue of his conquest and treaty, the supreme monarch of all the islands.

Though Kamehameha I may have appeared to be a heathen to the outside world, yet during his long and vigorous reign there was manifest in everything that he did a superior intelligence and deep reverence for a power greater than his. With such an influence governing his life, he ruled his people, even those whom he had conquered, with justice.

He it was who established the independence of the individual by that oral decree which reads:

> The old and feeble man and woman and the small child may walk and rest unharmed on the public highways of my kingdom, and no one shall molest them. Death shall be the penalty.

He followed the example of his predecessors and divided the lands among his chiefs and followers, retaining, however, a portion to be cultivated by his own servants and attendants, who were considered as having rights in the lands so cultivated or the productions thereof. The proportions were not clearly defined but nevertheless universally recognized.

He recognized the benefits of trading with the outside world, and the immense sandalwood traffic with China which later developed was inaugurated by him.

Seeing the ill effects from the use of alcohol upon his people, he proclaimed the first prohibitory law against the liquor traffic ever promulgated by any Government. [Applause.] The earnest reformers of America, who may have taken to themselves the credit of having accomplished an almost unbelievable phenomenon, may be astonished to learn that this great monarch, the unifier of his people, and farsighted statesman, sometimes called the Napoleon of the Pacific because of his military genius and leadership, had that law enforced a century before.

Education during his time was advanced, even though their language had not been reduced to writing. The high priests took the young and in song and story related to them the history of their ancestors and the principles of medicine and science.

His ability and sense of justice have been an inspiration down through the years; and even to-day the Hawaiian people, as well as those of other nationalities who have lived in the islands and have learned to know and to love the memory of this great man, gather on his natal day to do him honor.

During his reign Opukahaia, after seeing both of his parents slain in war, then a boy of 12, determined to run away to some other country. About this time a ship arrived from New York, Capt. Brentnall, master, and anchored a short distance from shore. The boy swam out to the ship, and when the captain was ready to leave the Hawaiian signified that he did not wish to go ashore. The captain, who had taken a fancy to him, consented to his going with him, taking along also another young Hawaiian, Thomas Hopu. After leaving the islands the ship sailed to the Seal Islands, off the coast of Alaska, thence to China, and around to New York by way of the Cape of Good Hope, arriving there in the year 1809.

Opukahaia and Hopu went to Cornwall, Conn., where they attended school, and were joined later by John Honolii, William Kenui, and George Kaumualii, and other Hawaiian boys.

After they learned the English language they often spoke of their home country, and especially the needs of their people. This unusual bit of information thus coming to the attention of the American Board of Foreign Missions influenced it, and by the appeal of these Hawaiians the board decided to send a band of missionaries to the islands.

Opukahaia, who was a member of the Foreign Missions School, had translated in his native language a portion of the Bible, having finished the Book of Genesis and made considerable progress toward completing a grammar, a dictionary, and a spelling book, as well as a translation of the Hebrew Bible, when he became ill and died in February, 1818. From the start that he had made in his translations the missionaries were enabled to have books already printed in the Hawaiian language when they arrived in Hawaii in April, 1820.

The missionaries, accompanied by J. Honolii, Thomas Hopu, William Kenui, and George Kaumualii, upon their arrival in the islands did not find what they expected. They landed upon an island not infested with savages, but by a people who prior to their arrival had overthrown their gods, burned their temples, and destroyed the tabu, the ancient and terrible power of the priesthood, the king and chiefs over the common people, all of this being done by their own act, and with that behind them the islanders stood ready and welcomed the new religion. [Applause.]

The first education was undertaken by the missionaries soon after their arrival in 1820. There was a passion exhibited for education. The chiefs themselves put the innovation to a test. "If learning is bad, we will keep the people from it," they said,

and added, "If it is good, we will share it with all." The desire for learning was so widespread that at the end of five years the number of pupils were 20,000, and at the end of 10 years the number had increased to 53,000, out of an estimated population of 130,000. This large number of pupils necessitated the establishment of a high school. In June of 1831 Lahainaluna School was established to educate teachers for the common schools and prepare young men for vocational pursuits. This school is still maintained by the Territorial Government as a vocational institution.

Boki, a high chief, and Liliha, his wife, observing the benefits derived by their people through education, gave a vast tract of land in Punahou, near Honolulu, to the missionaries, in order that they might further the cause of education, and Oahu College was thus created, which is the oldest educational institution west of the Missouri River. It was to this institution in the early forties that the young men and women of California sought their education.

Following the precedent set by Boki and Liliha, Princess Bernice Pauahi left her entire estate, worth millions, to establish and maintain the Kamehameha Schools, an institution for Hawaiians, where they may secure an education in academic subjects, as well as in agricultural and industrial pursuits.

I might also add here that besides these educational institutions charitable institutions were established by the chiefs, who were ever ready to assist in the uplift of their people. Lunalilo Home for the aged Hawaiians was established by King Lunalilo, leaving his entire estate for that purpose; the Queen's Hospital, where Hawaiians receive treatment free of charge, by Kamehameha IV and his consort, Queen Emma; and the Kapiolani Maternity Home, also where Hawaiians receive treatment gratis, by King Kalakaua and Queen Kapiolani; and the estate of Queen Liliuokalani was left to establish an orphanage. This she was able to do even though she was dethroned. Besides these named, numerous others gave to the cause of religion.

From the start made then, practically 100 years ago, we have our present school system, modeled after the best American schools, and embracing grammar, trade, industrial, and high schools, and ending with the University of Hawaii. [Applause.]

A larger percentage of Hawaii's wealth has been expended for education than has been done in almost any State of the Union. So widespread was the desire for learning among the Hawaiians, and so generally have both the rich and poor availed themselves of our educational privileges, that to-day the percentage of illiteracy among our Hawaiian and Anglo-Saxon population is practically nil.

During Kamehameha I's long reign affairs became settled to an extent to which the country had not been accustomed. Long and undisturbed possession of their lands by chiefs was a preparation for the development of a sentiment favorable to permanent individual rights in land, and such a sentiment had become well defined in the mind of Kamehameha before his death, and may be regarded as the seed germ of a system of land tenures which afterwards developed.

After the death of King Kamehameha I his son, Liholiho, came to the throne as Kamehameha II. He was then not of age. The administration of the Government was under the regency of Queen Kaahumanu. She was the premier or minister having a veto on the King's acts and Kamehameha's widow, a woman of great force of character. Right here I might call the attention of the Members of the House to the fact that the Hawaiian women of noble birth, as many as six at one time, sat as members of the House of Nobles—equivalent to the Senate—and assisted in solving the problems of the country and in making Hawaii what it is to-day. [Applause.] Thus, Hawaii was far in advance of the mainland in having women in its national council. Even to-day, we must appeal to the Hawaiian women if we intend to be successful in our campaigns, even though the right of suffrage has not yet been extended to them.

When Kamehameha II reached his majority and became King, it was his desire to make a redistribution of the lands of the realm according to custom, but Queen Kaahumanu was opposed to it, and her influence was too strong for him, and beyond a few assignments among his intimate friends he relinquished his purpose. The distribution of lands, therefore, by Kamehameha I remained for the most part as a permanent settlement of the landed interests of the kingdom, to be afterwards modified in favor of the common people but never ignored.

I might also note that the King, being much impressed by what he had heard of the reforms introduced in Tahiti by the London Missionary Society, resolved to take a trip to England, so in November, 1823, the King and his Queen and a strong delegation sailed for England to educate themselves and to see whether there were other teachers equally capable or possibly better, and other religions more ancient and very likely more satisfying to the hungry soul than the one so lately taken in 1820, and on the day of his departure asked his people to continue in this new faith until his return to the islands, but both the King and his Queen died shortly after their arrival in London, and their remains were brought back by Lord Byron on the British frigate *Blonde*.

In 1833, Kamehameha III, known to the Hawaiians as Kamehameha the Good, then 20 years old, assumed the throne, and soon became deeply interested in public affairs. In many ways the unsatisfactory status of land matters was pressed upon his attention. The growing sentiment toward permanence in tenure powerfully influenced the situation. The defenseless and wretched condition of the common people in regard to their holdings appealed to his sense of humanity and to his sense of responsibility as their ruler. The inconsistency of his sovereign control of all the lands of the kingdom with any progress based upon the incoming tide of civilization became more and more evident every day.

The King consulted the great chiefs of the realm, who were in favor of permanence in tenure, and in 1839, on the 7th day of June, he proclaimed a bill of rights which has made his name illustrious and the day on which it was announced worthy of being forever commemorated by the Hawaiian people. It is especially interesting and impressive as the Hawaiian Magna Charta, which was not wrung from an unwilling sovereign by force or arms, but the free surrender of despotic power by a wise and generous ruler, impressed and influenced by the logic of events, by the needs of his people, and by the principles of the new civilization that was dawning on his land.

The following is a translation of this enlightened and munificent royal grant:

God has made of one blood all nations of men to dwell upon the earth in unity and blessedness. God has also bestowed certain rights alike on all men and on all chiefs and all people of all lands.

These are some of the rights which He has given alike to every man and every chief of correct deportment: Life, limb, liberty, freedom from oppression, the earnings of his hands, and the productions of his mind—not, however, to those who act in violation of the laws.

God has already established government and rule for the purpose of peace, but in making laws for the nation, it is by no means proper to enact laws for the protection of the rulers only, without also providing protection for their subjects; neither is it proper to enact laws to enrich the chiefs only, without regard to enriching their subjects also and hereafter there shall by no means be any laws enacted which are at variance with what is above expressed, neither shall any tax be assessed, nor any service or labor required of any man in a manner which is at variance with the above sentiments.

The above sentiments are hereby proclaimed for the purpose of protecting alike both the people and the chiefs of all these islands while they maintain a correct deportment; that no chief may be able to oppress any subject; but that chiefs and people be able to enjoy the same protection under one and the same law.

Protection is hereby secured to the persons of all people, together with their lands, their building lots, and all their property, while they conform to the laws of the kingdom, and nothing whatever shall be taken from any individual except by express provision of the laws. Whatever chief shall act perseveringly in violation of this declaration shall no longer remain a chief of the Hawaiian Islands, and the same shall be true of the governors, officers, and all land agents. But if anyone who is disposed shall change his course and regulate his conduct by law, it shall then be in the power of the chiefs to reinstate him in the place he occupied previous to his being disposed.

It will be seen that this bill of rights left much to be done in defining the rights in land granted by it. It appears by the constitution enacted by the King, the kuhina nui, or premier, and the chiefs the following year, that the feudal right of controlling transfers was still retained in the sovereign in the following words:

Kamehameha I was the founder of the kingdom, and to him belonged all the land from one end of the islands to the other, though it was not his own private property. It belonged to the chiefs and the people in common, of whom Kamehameha I was the head, and had the management of the landed property. Wherefore there was not formerly, and is not now, any person who could or can convey away the smallest portion of land without the consent of the one who had or has the direction of the kingdom.

During these years of undefined rights the common people were protected in their holdings by law to a certain extent. The question of proportionate interests of the King, the chiefs, and the common people in the lands of the kingdom was one of great difficulty. The constitution of 1840 distinctly recognized such a community of interest, but Hawaiian precedents threw no light upon the problem of division. It had been a new departure to admit that the people had any inherent right to the soil, and now to carry out that principle required the adoption of methods entirely foreign to the traditions of Hawaiian feudalism.

During this transition period the necessity of an organized government separate from the person of the King became apparent to the chiefs, and this was carried out by three comprehensive acts in 1845, 1846, and 1847. The first, "to organize the executive ministry of the Hawaiian Islands"; the second, "to organize the executive departments of the Hawaiian Islands";

and, third, "to organize the judiciary department of the Hawaiian Islands." As soon as the existence of a responsible government detached from the person of the King became an accepted feature of the political system, it was felt that in some way or other the Government ought to have public lands and become the source of land titles.

The act creating the executive department contained a statute establishing a board of royal commissioners to quiet land titles. This board considered the claims of various tenants and its decision was binding upon the Government.

This board decided that there were but three classes of vested or original rights in land, which were in the King or Government, the chiefs, and the common people, and these three classes of interest were about equal in extent.

Later in 1848 the great mahele or division was made, setting apart the land in three portions. The King and chiefs received for their portion 1,619,000 acres; the Government, 1,505,460 acres; the balance, amounting approximately to 984,000 acres, was not conveyed to the common people but reverted to the Crown.

The common people, being left out in the division after being recognized as owners of a third interest in the Kingdom, believing that new methods had to be adopted to place them in possession, assumed that these lands were being held in trust by the Crown for their benefit. What the trust was and whether or not it was performed is not clear. However, the lands were not reconveyed to the common people, and it was so held by each monarch from the time of the division in 1848 down to the time of the dethronement of Queen Liliuokalani in 1893.

Having shown the history of our land system and the injustice done the common people by those in power, I will now relate incidents showing the troublous times the Hawaiian Kingdom had from time to time with foreign powers, principally growing out of the selfish greed of individuals of those several Governments who had taken up residence in Hawaii, including the incidents whereby these same lands came into the possession of the United States Government.

The first foreigners to give the islands concern were the Russians. Gov. Baronoff, of Alaska, in pursuance of a determined design to establish a Russian colony in the islands sent the ship *Bering* in the year 1814 on a cruise to the islands. This ship was wrecked, but was followed soon after by three other vessels. The Russians constructed a fort at what is now Honolulu and mounted cannon there. This resulted in great excitement amongst the inhabitants and caused Kamehameha I to build a fort on Punchbowl, directly back of the city of Honolulu, and ordered the Russians to leave the islands. They did so without resistance, and subsequently the King received a communication from the Russian Government assuring him that the action of the Russians had been wholly without the consent of the Russian Government.

Upon the arrival in Honolulu of Mr. Richard Charlton, the British consul, in 1825, began a policy of diplomatic interference with Hawaiian affairs and harassed the Government continually, causing friction between the Hawaiian people and the British subjects. So in 1829 the King issued a proclamation over his name and that of Kaahumanu and 10 others of the highest chiefs, in which he declared that the laws of his country forbade murder, theft, licentiousness, the retailing of ardent spirits, Sabbath breaking, and gambling; and that these laws were in force against foreigners residing on the islands as well as his own people. The English consul threatened them with vengeance of Great Britian if they should presume to make any laws without first obtaining the sanction of his Government. The King replied that the law applied to the British consul as well as to the humblest native.

This continued until the year 1843, when Lord George Paulet arrived in Honolulu and immediately made harsh demands upon the King, at the same time clearing his ship for action in case the demands were not complied with. To forestall him and to avoid any further difficulty the islands were conditionally ceded to Great Britain, a commission being dispatched to take up the matter with the British Government. His act was condemned by his Government, and on July 25 of the same year Rear Admiral Thomas, commanding the British fleet in the Pacific, arrived in Honolulu and issued a proclamation restoring the monarchy.

Likewise the little island kingdom had its troubles with France, growing out of similar disregard of the Hawaiian law. France insisted on importing and selling intoxicating liquor within the kingdom. Trouble continued, and the King was forced to dispatch a commission to France. The King, seeing the insistance with which the French violated the local law regarding the selling of ardent spirits, formed the first temperance league ever known in an endeavor to curtail the illicit traffic, and which was composed of himself and his chiefs, the resolution adopted being as follows:

> We will not drink ardent spirits for pleasure.
> We will not traffic in ardent spirits for gain.
> We will not engage in distilling ardent spirits.
> We will not treat our relatives, acquaintances, or strangers with ardent spirits except with the consent of a temperate physician.
> We will not give ardent spirits to workmen on account of their labor.

This unsettled condition remained until 1857, when matters were finally adjusted satisfactorily.

The American residents, seeing the possibility in sugar-cane growing and the manufacture of sugar, developed the industry to some extent, but it did not reach its height until King Kalakaua made a personal visit to Washington, and in 1876 a reciprocity treaty was negotiated and ratified by both the United States and Hawaiian Kingdom.

This prosperity lasted until 1890, the year the United States Congress passed the McKinley tariff bill, placing sugar on the free list and giving the American producer a bounty of $40 per ton. This act took from Hawaii all of the advantages it had enjoyed under the reciprocity treaty. The McKinley bill and the anxiety of those who had invested money in sugar production and the ever-present Japanese bugaboo furnished the necessary excuse for the overthrow of the Queen.

In 1893 the monarchy was overthrown. On the face of things it appeared as though the monarchy was overthrown from within by the people residing in the islands, but as a matter of fact the monarchy was overthrown by the superior forces of the United States, who landed marines from the U. S. S. *Boston* without permission or request of the Hawaiian Government and took their position between the palace and the Government building. At this time the most friendly relations existed between the United States and the Hawaiian Kingdom, dating from the first treaty made on December 23, 1826. On this particular day business of all kinds was being carried on as usual without interruption. Perfect quiet and good order existed throughout the city, there being not even a suggestion of disorder or danger to the life or property of either citizen or alien.

On the following day, nearly 24 hours after the landing of the American troops, on my way to the palace I saw a dozen or so foreigners, who had been previously assured of a recognition by the United States minister as soon as a provisional government was proclaimed, proceed to the Government building, where the leader read a proclamation deposing the Queen and establishing a provisional government. The only audience to this function that I could see besides their own number was the native janitor.

The marshal and the commander of the Queen's troops were ready and anxious to proceed immediately to take the Government building and arrest the parties in possession, but the presence of the American troops and certain rumors with regard to the attitude of the American minister caused the Queen's cabinet to confer with him officially before taking any action. They learned from the American minister in writing that he had recognized the provisional government and would support it with the United States troops.

As any action on the part of the Hawaiian officials meant a collision with the United States troops, the Queen decided, upon the advice of her cabinet, to surrender to the superior forces of the United States and await a settlement of the case on a presentation of the facts to the authorities in Washington.

The provisional government thus created, later made a protectorate of the United States, was then succeeded by a republic.

I mention these troublous times not with any malice toward either those who established the provisional government or toward the United States. My one desire is to point out how these lands, which we are now asking to be set aside for the rehabilitation of the Hawaiian race, in which a one-third interest of the common people had been recognized, but ignored in the division, and which had reverted to the Crown, presumably in trust for the people, were taken over by the Republic of Hawaii by an article of the constitution of the Republic of Hawaii, which reads as follows:

> ART. 95. That portion of the public domain known as Crown lands is hereby declared to have been heretofore and now to be the property of the Hawaiian Government and to be free and clear from any trust of or concerning the same and from all claim of any nature whatsoever, upon the rents, issues, and profits thereof. It shall be subject to alienation and other uses as may be provided by law. All valid leases thereof now in existence are hereby confirmed.

By annexation these lands became a part of the public lands of the United States, and by the provisions of the organic act are under the custody and control of the Territory of Hawaii.

The tillable lands given to the Government at the time of the mahele or division of 1848 had practically all been disposed of prior to this time. So as soon as the Crown lands were available for purchase or settlement by virtue of article 95 of the constitution, as noted above, large areas were disposed of by the Government, and had it not been for the long-term leases made by King Kalakaua, which were extant at the time the constitution of the Republic of Hawaii was adopted, and which were recognized therein, the area of Crown lands at the time of annexation would have been considerably reduced.

The lands mentioned in this bill, which are to be set aside and leased for 99 years at a nominal rental to those of Hawaiian blood, are principally Crown lands on which the Kalakaua leases made 30 years ago are about to expire. I feel that as the United States came into possession of these lands after they had been confiscated by successful revolutionists, with the aid of the United States minister, Congress in its wisdom will recognize our claims.

Some of the Hawaiians who occupied lands at the time of the division as tenants by filing their claims obtained an allodial title to the land occupied. The total area received by them through this method was approximately 28,000 acres, and this area was divided among 3,000 families, while on the other hand 33 missionary families received 41,000 acres.

It is regrettable, however, that from the very beginning the missionaries did not use their influence to safeguard the title to this land, making it inalienable in years to come, as they had, no doubt, used their influence to have the division made on the plea that it would assist in Christianizing the islands, for, as time showed, the shrewd newcomer, who saw far ahead the industrial possibilities of the islands, outwitted the Hawaiian, who for generations had looked only upon the land as a means of producing his sustenance. Gradually the land passed away from him and in many cases the land went without hardly any return. Hence to-day the great majority of the Hawaiian people own no land.

The Hawaiian race is passing. And if conditions continue to exist as they do to-day, this splendid race of people, my people, will pass from the face of the earth. At the time of the discovery, in 1778, Capt. Cook estimated the population at 400,000, which he probably overestimated. Two hundred and fifty thousand would be about the correct number. The official census taken in 1832, 54 years later, revealed the fact that there were 130,319 Hawaiians, and to-day only 20,000 pure Hawaiians are left and an equal number of part Hawaiians.

The legislation proposed seeks to place the Hawaiian back on the soil, so that the valuable and sturdy traits of that race, peculiarly adapted to the islands, shall be preserved to posterity.

I think a situation is presented here that can be distinguished from any other. Perhaps we have a legal right, certainly we have a moral right, to ask that these lands be set aside. We are not asking that what you are to do be in the nature of a largesse or as a grant, but as a matter of justice—belated justice—and extend at least a helping hand, without cost to the Government of the United States, to the Hawaiians in their endeavor to rehabilitate themselves, a people who are thoroughly loyal to the Government of the United States.

It is a subject in comparison with which all others sink into insignificance, for our first and great duty is that of self-preservation. Our acts are in vain unless you can stay the wasting hand that is destroying my people. I feel a heavy and special responsibility resting upon me in this matter, but it is one in which you all must share; nor shall we be acquitted by man or our Maker of a neglect of duty if we fail to act speedily and effectually in the cause of my people.

Title III of this bill provides for amendments to the Hawaiian organic act.

In order to meet the increase in expense of the legislators who have come from the outside islands to attend the sessions of the legislature, it is provided by section 310 of this bill that the salary of the members of the legislature be increased from $600 for any regular session to $1,000 and from $200 for each special session to $500. The amendment also increases the mileage from 10 to 20 cents per mile for each member of the legislature in coming to and departing from the sessions. This is paid out of funds in the Territorial treasury.

Section 302 of this bill provides for the amendment to section 55 of the Hawaiian organic act whereby it is sought to permit the Territory to extend its indebtedness to 10 per cent of the assessed value of the property of the Territory. The Territory has found it necessary to extend its indebtedness in order to carry out projects in the course of construction and in contemplation.

I beg to call the attention of Congress to the fact that a good part of the then income necessary to meet the current expenses of former governments was derived from the customs receipts, post-office receipts, and postal savings bank, but by annexation we lost this revenue, which amounted at that time to half of the income of the Hawaiian Government. To meet that loss the Territory is forced to raise the taxes and issue bonds.

Hawaii has expanded rapidly in an industrial way since annexation, and the needs for public improvements to keep pace with this expansion have been great, far greater than could be provided by revenues from taxation alone, and in order to meet this vast outlay we have been compelled to issue bonds. While we have been running into debt consistently, we have been left out of consideration in the many bills enacted into law wherein the Federal Government assists the various States. Take, for example, the so-called good-roads act, passed in 1914. We do not benefit even though we have expended millions of dollars on the construction and maintenance of roads, which in a very large measure are used by the military forces located in the islands, and because of that it necessitates the building of a road of different type from that which our needs demand—a wider and heavier foundation of concrete.

Likewise, Hawaii was ignored in the last session of the last Congress, when by a rider on the Post Office bill a large expenditure of money was authorized for road construction in conjunction with the States, primarily to give employment to discharged soldiers, sailors, and marines.

Mr. Chairman and gentlemen, the mainland can point with pride to Hawaii and her participation in the great world conflict in the interests of humanity. Before and at the time of the declaration of war by the United States, Hawaii had already her full quota of 8,000 men in her National Guard. Before the draft law came into effect, our boys were already serving in great numbers in the allied armies. Besides these, many volunteered and served their country overseas. Later five of these Hawaiian boys were numbered among the first to give up their lives for their country and flag. [Applause.]

Still we were eliminated from participation in legislation beneficial to discharged soldiers and sailors. I might also add that not only did Hawaii go over the top in man power, but in addition oversubscribed its quota in each of the five Liberty loans and with the exception of the State of Nebraska was the only one of the States or Territories to oversubscribe its quota in war savings stamps. [Applause.] In addition we oversubscribed our quota in all the Red Cross drives and the united welfare campaign.

I want to call the attention of this House to the fact that some of the Members of Congress perhaps have the impression that Hawaii is foreign territory, not only in its institutions but also its people, somewhat in the same category as Porto Rico and the Philippines. Far from it, gentlemen. Hawaii came into the fold of this country not by conquest but by a treaty of annexation approved and ratified by both this country and the Government of Hawaii. By that treaty Hawaii was made a full-fledged Territory of the United States.

For 60 years prior to annexation Hawaii had a constitutional form of government, recognized by all the great powers of the world.

The system of government then was similar to that of this country. The American influence coupled with the natural love of liberty and justice among the Hawaiians brought about a system that needed very little adjustment in order to become an American Territory. The organic act provides that all Hawaiian laws not inconsistent with the Constitution and laws of the United States and the organic act should continue in force. This conclusion was reached after an investigation by a congressional commission who satisfied themselves that the dominating American influence for 75 years prior to annexation had resulted in a Government so like that of the United States that few changes were necessary. Among some of the laws repealed were the postal-savings law and the bankruptcy law, yet 10 years later Congress passed identically the same laws which Hawaii had before annexation and which the commission had repealed. The American flag in Hawaii floats over schools that have been essentially American for a hundred years and in which only the English language is taught. [Applause.]

It floats over the courts of justice conducted under the American system of jurisprudence, presided over by judges and impleaded by lawyers trained in the law schools of America. But we are not only Americans in our institutions and education, but also in the scientific development of our agriculture, the extent of our shipping, and most of all in our heavy payments to the National Treasury.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. KALANIANAOLE. I will.

Mr. JOHNSON of Washington. It might be of interest to the membership to know that the first printing press in the State of Washington came from Hawaii. [Applause.]

Mr. KALANIANAOLE. Our commerce has expanded with our industries. For the year 1919 our exports amounted to $88,000,000 and our imports to $55,000,000. Our shipping has also expanded from 1,800,000 tons in 1902 to 5,000,000 tons in 1914.

Hawaii, since annexation, has been and is contributing annually $3,000,000 into the National Treasury. I might also add that for the fiscal year ending June 30, 1918, the Territory of Hawaii paid $9,000,000 into the Treasury and she stood thirty-fourth amongst the States and Territories, including the District of Columbia, in internal revenue and returns. Bear in mind, gentlemen, this sum is over and above all expenses that the Federal Government incurs. We gladly contribute our share of the burden to the Federal Government the same as any other State does, but we do object emphatically in the rank discrimination in legislation wherein the Federal Government assists the various States and where we are left out. We have been and are continually burdening ourselves with indebtedness in the building and upkeep of our roads, which in a large measure are used by the military. We have our own workmen's compensation law, our vocational training law, and our farmer's loan law, besides expending over a million dollars a year in educating our alien population. In making these laws we never intended that the Federal Government should aid us in carrying them out, but if the Government wishes to assist the States in these laws, then why is Hawaii excluded from such benefits? [Applause.]

We do not ask for any favors, but we do object to having our citizens taxed for the benefit of the citizens of other States. All we ask is justice.

The Pacific every day comes more to the fore in our national affairs. Hawaii must be made easy of access from the mainland. Our harbors must be improved and our improvement projects must be carried out. If this extension of limit of indebtedness is permitted and our projects carried out, Hawaii will become not only in theory but in reality the crossroads and paradise of the Pacific.

It strikes me that when Congress passed the organic act it intended to permit the Territory to bond itself up to 10 per cent. Besides permitting the Territory to bond itself up to 7 per cent of the assessed value of property, it permitted the various counties to bond themselves up to 3 per cent. To date nearly 50 per cent of the money secured through bonds have been advanced to the counties, and they have not, on account of the credit extended by the Territory, issued any bonds.

Notwithstanding all this Hawaii still goes on and by the patriotic impulse of its citizens burdens itself with taxation and indebtedness so that Hawaii may still continue to be the paradise of the Pacific.

Section 303 of this bill seeks to amend section 66 of the organic act by making the governor a bona fide citizen and resident of the Territory. Section 311 seeks to place the same qualifications on the other appointees. Section 312 of the bill seeks to increase the salaries of the Territorial officials.

The governor, the secretary of the Territory, the supreme and circuit judges are appointed by the President of the United States, all of whom must be citizens of the Territory. By this bill it is sought to make them, besides being citizens, bona fide residents of the Territory, making them, in order to qualify, be residents of the Territory three years next preceding their appointment. The judges of the United States district court, the United States attorney, and the United States marshal are also appointed by the President, and it is sought by this bill to make them comply with the same condition. Under the present law there is no restriction as to residence within the Territory prior to appointment of the United States district judges, the attorney, and marshal. As a result many appointees were sent from the mainland. While in the main we have been fortunate in having men who were easily adaptable to our conditions, still I am a strong believer in the policy of home rule. We have men in Hawaii, born and raised there, who are capable of filling any Federal position, and, being familiar with the customs and conditions of our people, would make equally good and, I have no doubt, even better officials of the Government than those who are sent to Hawaii from the mainland.

I might add here that none of those officials are receiving salaries commensurate with their duties and responsibilities. The governor, particularly, is the first representative of the President of the United States to be met by the foreign traveler from the Orient or the Antipodes. He must maintain the traditional hospitality of the United States upon his comparatively small salary. I might also say right here that the Territory itself is paying its attorney general a larger salary than the Federal Government pays the governor.

Now, gentlemen, our Territorial judges are underpaid, and in order to secure the best of the legal profession we must allow them increased compensation. Take the United States district judges for example, who preside over our Federal court, the jurisdiction of which is very limited, having jurisdiction only over the military reservations and violations of Federal statutes and in admiralty. The great bulk of justice is dispensed in our circuit courts. Fully five times as much work is done by any one of the circuit judges as by the United States district judges. Litigation involving enormous sums of money come before our circuit courts. They have jurisdiction in all criminal and civil cases and matters in equity, and yet the Federal judges receive an annual salary of $7,500 and our circuit judges only receive $4,000. Even our police magistrate for the city of Honolulu receives more. This bill asks for proper adjustment of these salaries.

Section 313 of this bill provides a new section to the organic act dealing with the employment of citizen labor on Federal work in the islands. Let me call your attention to the existing labor conditions and the opportunity of skilled and unskilled labor in the Territory. You are more or less familiar with the fact that the Army and Navy maintain posts on the island of Oahu. Considerable construction work has been carried on in the past and still is being carried on by the Government on the military and naval reservations there. Upon this work the Government has been and still is employing cheap coolie labor who are not citizens and are ineligible to become citizens of the United States, and only because their labor is cheap.

In the efforts to Americanize the Territory and to induce Americans to come from the mainland and to assist the citizens to compete with this cheap alien labor, the Territory has laws which make it compulsory that citizen labor only be employed on all governmental work, either done by the Territory itself or by contractors for the Territory. [Applause.]

The American Legion of Hawaii is working diligently to the end that Hawaii become thoroughly Americanized. It has passed resolutions in favor of this provision, and also a resolution whereby it is sought to have the business houses of the Territory give preference to citizens in employment, and are seeking to have the business houses follow the resolutions to the letter. I call this fact to your attention, gentlemen, to show how every effort is being bent to bring about good results along this line, and I also bring this matter to the attention of Congress so that the people of the Union will be cognizant of the actions of this patriotic body of Hawaiians who served in the late war.

Mr. Chairman, I congratulate the American Legion of Hawaii for its patriotic stand in this regard. [Applause.]

The provision in this bill, if enacted into law, requiring the United States Government to do likewise, will have a beneficial effect, and if there is not a sufficient amount of a certain type of skilled labor within the Territory they will be attracted there by virtue of the fact that they are more or less assured steady employment, and thereby materially assist the Hawaiians to build up an American community. [Applause.]

The so-called supremacy of the alien labor in Hawaii is not solely due to the failure of the Federal Government in employing citizen labor. The Hawaiian Sugar Planters' Association has not aided and assisted along this line by giving preferential employment to citizens. In former years skilled citizen labor was employed on the plantations, but as the coolie or alien became well enough acquainted with the workings of the mill he supplanted the citizens. I regret that some of the plantations in the islands have placed their desire for increased return above the duty to Americanize the Territory. [Applause.] Had the plantations given preference to citizens in the skilled and semiskilled positions in the mills, pumps, shops, and so forth, and the Federal Government employed citizen labor, there would not have been the exodus of American citizen skilled labor to the mainland of the United States which has occurred ever since annexation. The Hawaiians, who for the love of their islands will not leave it, are compelled to remain under conditions adverse to their best interest and eke out an existence as best they can.

I feel very strongly that if Congress makes it mandatory that only citizen labor be employed on Federal work within the Territory, gradually the skilled labor from the mainland will come to the islands, and the Hawaiians and other citizens will

return to their former trades from which they were driven by the alien, and thereby make Hawaii an American community. [Applause.]

As conditions have made the sugar plantations prosperous, and as the alien labor have clearly shown their atttiude in the recent strike, they would, I am sure, having seen the result of their former action, employ citizen skilled labor wherever possible.

Although Hawaii is paying more, yet the War Department objects to this section on the ground that it would make construction on the Army posts more expensive, as it would be necessary to hire citizen labor. What is a few dollars, gentlemen, when you consider citizenship and patriotism and the alien menace nursed and fostered in Hawaii by the Government itself?

Ever since annexation the Hawaiian people have been insistent that the policy of the Federal Executive and of Congress be to develop Hawaii as speedily as possible as an American community, still it must be evident to all that it will be impossible to build up an American community in those isolated islands in the mid-Pacific if the policy of the Government continues as it has since annexation.

Not only have the Hawaiian people been discouraged in their attempt to better their condition and to Americanize Hawaii under American rule but also have been deprived of the benefits of Americans visiting our fair isles.

We are entitled to the benefits which accrue from such travel, and we have hopes of attracting by that means settlers who will become a part of our community.

From the very foundation of the Government one of the fundamental principles of our Nation has been freedom of intercourse and commerce between the several States and Territories. That principle is written into the Constitution itself and has been elaborated upon in countless laws and court decisions. And yet, after 20 years of earnest effort since annexation, we still find Hawaii denied freedom of travel to and from the mainland through the application of a law never designed to apply to an insular Territory. [Applause.]

Mr. ALMON. Will the gentleman yield?

Mr. KALANIANAOLE. Yes.

Mr. ALMON. Has Alaska the benefit of our law for national aid to roads? I do not remember.

Mr. KALANIANAOLE. No.

Mr. JOHNSON of Washington. That is just the trouble. The Territories Committee has endeavored to have this aid to the States extended to Hawaii, but has not been able to succeed.

Mr. KALANIANAOLE. The principal amendment to section 73 of the organic act is the proviso which allows the land commissioner, with the approval of the governor and at least two-thirds of the members of the land board of the Territory, to make leases of cultivated sugar-cane lands and to omit the withdrawal provisions, wherein these lands may be taken for homesteading purposes whenever he deems it advantageous to the Territory so to do. By this it is not the intention to abandon homesteading or to throttle it in any way. At the hearing before the committee on territories of the house of the Hawaiian Legislative Commission it was brought out that much of this land would bring $1,000 per acre were it possible for the Territory to sell it at public auction. It is safe to say that the average price on the whole area involved would be from four to five hundred dollars per acre. The committee did not think it expedient to release these valuable lands for homesteading purposes.

The leases on these lands which are about to expire were made about 30 years ago, without any reference to cane-land valuation, as the industry was small at that time and very little development had been made. The committee did not deem it fair to the Territorial government at this time, when these renewals can be made more advantageously and at a time when money is needed for schools and health, for harbor, road, and other improvements. They did not deem it sound judgment to turn over at a small fraction of its value all of this land at this time to homesteaders.

I have always been a consistent believer in homesteading, and all during my public career have sought to have the public lands cut up and given as homesteads to the people. However, when the Legislature of Hawaii was considering these highly cultivated lands, the leases of which were about to expire, they determined to lease one-fifth of them and approached Congress with such a resolution. The Legislature of Hawaii passed two conflicting resolutions—house concurrent resolution 28 and senate concurrent resolution 2. To avoid the conflict house concurrent resolution 28 provided "after adequate provision has been made by the Congress aforesaid to accomplish the purpose set forth in senate concurrent resolution 2." This clause gave the rehabilitation scheme the preference, and in order to properly provide for such a measure it was found necessary to lease the highly cultivated lands, and the committee having determined to assist in the rehabilitation of the Hawaiian race, as provided in senate concurrent resolution 2, decided to leave the proportion to the Territorial officials, in favor of the policy of home rule, which I have always backed. The present Territorial administration, I may frankly say, is the best that we have had, and no doubt they will arrange an amicable adjustment of these highly cultivated lands.

The area of these highly cultivated lands as compared with the total area of Government public land is very small, and as the success of the rehabilitation of the Hawaiian race depends largely upon the money raised from the leases of these lands, I am sure that the officials will weigh well the claims of the Hawaiian on the one hand and the homesteader who would benefit from the homesteading of these lands on the other.

I am a believer in giving the small man a piece of land and assisting him to become a prosperous member of the community. There is no patriotism so great as that which is rooted in the soil. I am a believer in and have been consistent in the policy of home rule, and I feel that this question should be settled by the Territory itself.

We have reached a point, gentlemen, where it is necessary to administer our land laws, particularly the homesteading law, for the benefit of the greatest number. It is useless under the peculiar conditions obtaining in Hawaii to cut up land and hold drawings if after the successful applicants go upon their land they are not assured financial assistance and such other help from the Government as would assist them in making a firm start. I believe that the idea as laid out in title 2 of this bill to assist those of Hawaiian blood in the Territory will be successful and will stand as an example to the homesteading of that large area of Government land which up to this time has only been used for pastoral purposes, but which, I am sure, can be made as fruitful as other lands of the Territory.

Charges were made by my opponents in the last election that if the Federal farm loan act should be so amended as to include Hawaii the homesteader would thereby be benefited and enabled to borrow Federal money to develop his homestead. Knowing that this was impossible under the provisions of the Federal farm loan act, for the reason that while the homesteader is in the process of proving up and securing title to his allotment he has no security to offer, I therefore urged upon Territorial Senator Wise that proper legislation be passed by the Hawaiian Legislature which would enable the homesteader particularly to borrow Government money and thus assist him in his efforts to make good on the land. Yet when this bill was before the House of Representatives of Hawaii it was so amended that it took away most of the benefits that were originally in the Wise bill, called the farmers' loan act.

Much has been said concerning the failure of homesteading in Hawaii, and the claim has been made that those who applied for homes on Government land were principally speculators, who were desirous of obtaining title to the land as quickly as possible, as easily as conditions would permit, and at a valuation which would be less than the actual value of the land itself. The governmental policy is to appraise land for homesteading purposes at less than the actual value. As soon as they obtained title they would sell their holdings and receive the actual value.

In my opinion one of the vital troubles in regard to homesteading in the past has been the hostility of the plantations to the homesteaders and the lack of interest and support of former Government administrations. Some of the Government lands have been cut into lots so small that it was absolutely impossible for a man to establish a home upon them and make a living for himself and family. These conditions, I am glad to say, are being remedied somewhat, but there is still much to be done.

The homesteader who draws a lot upon which cane has been growing naturally desires to continue the cultivation of cane, and as his cane is useless to him unless taken by the neighboring mill and converted into sugar his success or failure is entirely in the hands of the mills. Many of the contracts for looking after and grinding the homesteader's cane are such that it is impossible for him to make more than a bare living, and often when the crop is matured and is turned over to the plantation a debit balance is carried over against his next crop. This has a tendency to discourage the homesteader, and very often as soon as he acquires title he disposes of his holding.

Homesteading on other than cane land has not been a success for varying reasons. If it is possible to grow vegetables, fruits, and so forth, which could be profitably sold in Honolulu and other centers of population, freight rates have eaten up the

profits. In the past considerable tracts of public land which the plantations could not cultivate for sugar have been opened to homesteading; much of it has been land which was more or less inconveniently situated and without roads and transportation facilities. In case the homesteader on this sort of tract did grow something for market, he would be doomed to failure before he started.

Mr. Chairman and gentlemen, having explained the bill as fully as possible in the limited time granted me, I respectfully ask that the bill do pass as submitted. [Loud applause, the Members rising.]

The CHAIRMAN. The time of the gentleman has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc.,

TITLE I.—DEFINITIONS.

SECTION 1. This act may be cited as the "Hawaiian homes commission act, 1920."

SEC. 2. When used in this act the term "Hawaiian organic act" means the act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended.

Mr. DOWELL. Mr. Chairman——

Mr. RAKER. Mr. Chairman, I move to strike out the last word. Is the committee going to rise?

Mr. DOWELL. Yes. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SANFORD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 13500) to amend an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended, to establish an Hawaiian homes commission, and for other purposes, and had come to no resolution thereon.

ADDITIONAL CLERKS, COMMITTEE ON ENROLLED BILLS.

Mr. IRELAND. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which I send to the Clerk's desk.

The SPEAKER. The gentleman from Illinois asks unanimous consent for the present consideration of a resolution, which the Clerk will report.

The Clerk read as follows:

House resolution 567.

Resolved, That the chairman of the Committee on Enrolled Bills be, and he is hereby, authorized to employ such additional clerks as may be necessary during the remainder of this session of Congress, the payment of services not to exceed $100, to be paid out of the contingent fund of the House.

The SPEAKER. Is there objection to the present consideration of the resolution? [After a pause.] The Chair hears none. The Clerk will report the resolution.

The resolution was again read.

Mr. IRELAND. Mr. Speaker, this is a resolution that is always passed just prior to the adjournment of Congress and is anticipatory to an adjournment or recess, and this permits the Committee on Enrolled Bills to employ additional help, which they need owing to the congestion just as this time.

Mr. CLARK of Missouri. Can the gentleman tell us when we are going to recess or adjourn?

Mr. IRELAND. I am very sorry that I am unable to do so. I wish I might.

Mr. PARRISH. I understand that there are some three or four other bills that have been reported by the Committee on Accounts, and I wish to ask the chairman if he can give me any idea when those bills will be put before the House for action?

Mr. IRELAND. I can not.

Mr. PARRISH. Can the gentleman refer me to anybody who can?

Mr. IRELAND. I am sorry to say I can not.

Mr. BLANTON. Will the gentleman yield?

Mr. IRELAND. Certainly.

Mr. BLANTON. The gentleman intimated that the necessity for the passage of this resolution arises from the fact that it is the usual resolution which is passed just before adjournment or recess. That would carry with it that we are going to adjourn or recess. The gentleman would not make that statement without he has some foundation for it?

Mr. IRELAND. The gentleman knows nothing about what action the House may take.

Mr. BLANTON. The gentleman from Wyoming [Mr. MONDELL] has notified the gentleman that he has changed his plans differently from what he intimated some time ago?

Mr. IRELAND. No, sir.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

USE OF ARMY TRANSPORTS TO OLYMPIC GAMES.

Mr. SANFORD. Mr. Speaker, I ask unanimous consent for the present consideration of Senate joint resolution 179.

The SPEAKER. The gentleman from New York asks unanimous consent for the present consideration of Senate joint resolution 179, which the Clerk will report.

The Clerk read as follows:

Joint resolution (S. J. Res. 179) authorizing use of Army transports by teams, individuals, and their equipment representing the United States in Olympic games and international competitions.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Resolved, etc., That authority be, and is hereby, given to the Secretary of War to use such Army transports as may be available for the free transportation of teams, individuals, and their equipment representing the United States in Olympic games and other international competitions.

With committee amendments, as follows:

First committee amendment. Insert the following preamble:

"Whereas many of the teams now planning to go to Europe to participate in the Olympic games and international competitions are members of the Army and Navy and Marine Corps; and

"Whereas one of the objects of these games and competitions is to stimulate interest in marksmanship and rifle practice; and

"Whereas there is a scarcity of shipping facilities, and it is impossible for the teams going from the United States to secure privately owned steamships: Therefore be it."

And the second committee amendment: Strike out all after the resolving clause and insert in lieu thereof the following: "That authority be, and is hereby, given to the Secretary of War, under such rules and regulations as he may prescribe, to use such Army transports as may be available for the transportation of teams, individuals, and their equipment, representing the United States in Olympic games and other international competitions during the present year."

Mr. BEE. Mr. Speaker, will the gentleman yield?

Mr. SANFORD. I will be glad to.

Mr. BEE. How many does this resolution contemplate will go?

Mr. SANFORD. If the House will let me make a brief statement, I will say that the committee has been considering this matter for a long time. The Committee on Military Affairs has reported it. It has the earnest approval of the Secretary of War. Altogether there will be probably about 300 men in the party, of which number about one-third are members of the Army and Navy. Both the Army and Navy desire to send shooting teams to the Olympic games.

Mr. BEE. Is it contemplated that the transports shall go for this specific purpose, whether or no?

Mr. SANFORD. No; the committee would never have reported this resolution if it were not for this situation. On account of the steamship situation it is absolutely impossible for these men to get transportation abroad on privately owned steamers. We have investigated that matter and have taken it up with all of the steamship companies in New York, and unless we do this we can not have an American team take part this year in the Olympic games.

The Secretary of War says that it would be desirable for the American teams to compete. The Army and Navy both will send shooting teams, and, so far as we can see, it will not cost the Government a penny to carry on the transports the others who are not in the Army or Navy. It need not necessarily be considered as a precedent.

Mr. BLANTON. The gentleman spoke of the 300 men from the Army and Navy, and if 500 were transported that would leave 200 not accounted for; and that fact, following the suggestion of a recess or adjournment, might be considered significant. Can the gentleman tell us whether any of our colleagues are going on this summer trip?

Mr. SANFORD. I do not understand so. This resolution does not authorize any of our colleagues to go unless they qualify on the Olympic teams. If we have any sprinters or jumpers among us, perhaps they might go. [Laughter.]

Mr. BLANTON. All the expenses are to be paid by the Government?

Mr. SANFORD. The Government pays no expense, and the regulations of the Secretary of War will be such as are usual on such occasions, that each man will pay for his board on the ship. The resolution provides that the transports are to be furnished under such regulations as the Secretary of War shall prescribe.

Mr. BLANTON. But the other people who will go on this trip will undoubtedly involve some expense, will they not?

Mr. SANFORD. Of course, the Army can send its own men and the Navy can send its own men without this regulation.

Mr. BLANTON. But when they eat the food on the ship the people of the United States will have to pay for that food, at

a time when we are not now raising more than a minimum amount of it.

Mr. SANFORD. The Secretary of War will by this resolution create no charge against the Government of the United States.

Mr. BLANTON. I will not consent to the passage of this resolution without the presence of a quorum. I wish the gentleman would follow a good suggestion I heard a while ago. If the gentleman will send these 300 men down to the farms in Texas, they might produce something worth while.

Mr. SANFORD. These boys will come from all over the United States, from the teams in the various States in the country, and the Army and the Navy are interested in the matter on account of the athletic features involved. We want these boys to compete in the service in order to hold up the name of America in these Olympic games this year. The committee has gone into it very carefully and has agreed to bring this out.

Mr. BLANTON. Well, Mr. Speaker, I will follow the gentleman's advice and withdraw the point of order.

Mr. SISSON. Mr. Speaker, I make the point that no quorum is present.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 1 minute p. m.) the House adjourned until to-morrow, Saturday, May 22, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the War Department for payment of additional claims for damages to private property growing out of fire and explosion at Morgan, N. J. (H. Doc. No. 777); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, together with report of Maj. Charles T. Leeds, Engineers, also report of Maj. Frederick B. Downing, Corps of Engineers, on a preliminary examination and survey, respectively, of Moro Bay, Calif.; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. JOHNSON of Mississippi, from the Committee on the Public Lands, to which was referred the bill (H. R. 12045) to provide for the conveyance of lots on the low grounds of Washington, D. C., reported the same without amendment, accompanied by a report (No. 1019), which said bill and report were referred to the House Calendar.

Mr. FORDNEY, from the Committee on Ways and Means, to which was referred the bill (H. R. 14157) to provide adjusted compensation for veterans of the World War, to provide revenue therefor, and for other purposes, reported the same without amendment, accompanied by a report (No. 1020), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KING: A bill (H. R. 14173) to reduce the high cost of necessities of life; to the Committee on Banking and Currency.

By Mr. IRELAND: A bill (H. R. 14174) authorizing a preliminary survey to be made of certain portions of the Illinois River and its tributaries; to the Committee on Rivers and Harbors.

By Mr. KREIDER: A bill (H. R. 14175) authorizing the Secretary of War to donate to Shade Post, No. 399, of Gratz, Pa., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. FORDNEY: A bill (H. R. 14176) authorizing the Secretary of War to make donation of condemned German cannon to the city of Alma, Mich.; to the Committee on Military Affairs.

By Mr. MAPES (by request of the Commissioners of the District of Columbia): A bill (H. R. 14177) to amend an act entitled "An act to provide for the support and the maintenance of bastards in the District of Columbia"; to the Committee on the District of Columbia.

Also (by request of the Commissioners of the District of Columbia), a bill (H. R. 14178) to amend an act entitled "An act making it a misdemeanor in the District of Columbia to abandon or willfully neglect to provide for the support and maintenance by any person of his wife or his or her minor children in destitute or necessitous circumstances"; to the Committee on the District of Columbia.

Also (by request of the Commissioners of the District of Columbia), a bill (H. R. 14179) to amend an act entitled "An act to create a juvenile court in and for the District of Columbia"; to the Committee on the District of Columbia.

By Mr. FORDNEY: Resolution (H. Res. 566) providing for the consideration of House bill 14157; to the Committee on Rules.

By Mr. GARLAND: Resolution (H. Res. 568) providing for the consideration of H. R. 13091; to the Committee on Rules.

By Mr. GRIFFIN: Joint resolution (H. J. Res. 360) authorizing the Postmaster General to allow and pay to the employees of the Postal Service a flat increase of 25 per cent on all basic salaries pending the report of the Joint Congressional Post Office Salaries Reclassification Commission and legislation carrying same into effect; to the Committee on the Post Office and Post Roads.

By Mr. ESCH: Memorial of the Legislature of the State of New Jersey, for the furtherance of a national system of highways in cooperation with the various States of the Union; to the Committee on Roads.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DYER: A bill (H. R. 14180) granting an increase of pension to John Condon; to the Committee on Pensions.

By Mr. HERSEY: A bill (H. R. 14181) granting a pension to George F. Phillips; to the Committee on Invalid Pensions.

By Mr. HUSTED: A bill (H. R. 14182) for the relief of the White Plains Agricultural and Fair Association; to the Committee on War Claims.

By Mr. KAHN: A bill (H. R. 14183) granting an increase of pension to Matilda E. Ames; to the Committee on Pensions.

By Mr. KELLY of Pennsylvania: A bill (H. R. 14184) granting a pension to Rachel Tweedle; to the Committee on Invalid Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 14185) granting a pension to Samuel H. Neese; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14186) granting a pension to John Hill; to the Committee on Invalid Pensions.

By Mr. OLDFIELD: A bill (H. R. 14187) granting a pension to William W. Moore; to the Committee on Pensions.

By Mr. SNELL: A bill (H. R. 14188) granting a pension to Viola Lawrence; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14189) granting a pension to Lucy Esterbrooks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14190) granting a pension to Thomas Debuke; to the Committee on Invalid Pensions.

By Mr. STINESS: A bill (H. R. 14191) granting an increase of pension to Emilyn L. Bennett; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 14192) granting a pension to Cena M. Maples; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14193) granting a pension to James Cantrell; to the Committee on Pensions.

By Mr. WEBSTER: A bill (H. R. 14194) granting an increase of pension to William Sondergaard; to the Committee on Pensions.

By Mr. WHITE of Maine: A bill (H. R. 14195) granting a pension to Mary E. Wells; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3786. By the SPEAKER (by request): Petition of Brightwood Citizens' Association, of Washington, D. C., favoring the emergency relief of a $500 bonus for teachers in the District of Columbia; to the Committee on Appropriations.

3787. Also, petition of sundry citizens of Massachusetts, favoring increased pay for postal employees; to the Committee on the Post Office and Post Roads.

3788. Also, petition of the Private Soldiers' and Sailors' Legion, favoring $500 cash bonus for service men; to the Committee on Ways and Means.

3789. By Mr. ASHBROOK: Petition of 44 members of Clerfork Grange, of Butler, Ohio, protesting against the passage of the Nolan bill, H. R. 12397; to the Committee on Ways and Means.

3790. By Mr. CULLEN: Petition of the Merchants' Association of New York and the Brooklyn Chamber of Commerce, opposing blanket bonus to veterans; to the Committee on Ways and Means.

3791. Also, petition of the Twentieth Assembly Republican Club of New York, relative to increased pay for postal employees; to the Committee on the Post Office and Post Roads.

3792. Also, petition of the Cloak and Suit Tailors' Union, Local 9, New York, favoring amnesty for political prisoners; to the Committee on the Judiciary.

3793. By Mr. DARROW: Petition of the Philadelphia Board of Trade, protesting against general cash bonus; to the Committee on Ways and Means.

3794. By Mr. DYER: Petition of 13 individuals or corporations of St. Louis, Mo., in connection with soldiers' bonus legislation; to the Committee on Ways and Means.

3795. Also, petition of six individuals and associations of St. Louis, Mo., in connection with postal matters; to the Committee on the Post Office and Post Roads.

3796. Also, petitions of the St. Louis Chamber of Commerce against, and the Inland Machine Works in favor of, the adoption of the metric system; to the Committee on Coinage, Weights, and Measures.

3797. Also, petition of three individuals of St. Louis, Mo., opposing proposed patent legislation; to the Committee on Patents.

3798. Also, petition of the Missouri Branch, American Legion, in connection with various legislation affecting soldiers; to the Committee on Ways and Means.

3799. Also, petition of the St. Louis executive committee, American Legion, protesting against House resolution 549; to the Committee on the Judiciary.

3800. Also, petition of the Amalgamated Sheet Metal Workers of Springfield, Mo., favoring amnesty to political prisoners; to the Committee on the Judiciary.

3801. Also, petition of the Advertising Club of St. Louis, Mo., protesting against proposed tax on advertising; to the Committee on Ways and Means.

3802. Also, petition of the Western Coal & Mining Co., of St. Louis, Mo., against seasonal freight rates for coal; to the Committee on Interstate and Foreign Commerce.

3803. By Mr. ESCH: Petition of the board of managers of the New York Produce Exchange, in opposition to bonus legislation; to the Committee on Ways and Means.

3804. Also, petition of Local Union No. 310, International Molders' Union, of Racine, Wis., favoring release of political prisoners and the repeal of the espionage act; to the Committee on the Judiciary.

3805. By Mr. FULLER of Illinois: Petition of the Chamber of Commerce of the United States, opposing a cash bonus to ex-service men; to the Committee on Ways and Means.

3806. Also, petition of the Woelfel Leather Co., of Morris, Ill., opposing a tax on sales of certificates of indebtedness; to the Committee on Ways and Means.

3807. Also, petition of Barnhart Bros. & Spindler, of Chicago, Ill., opposing retroactive tax on industries; to the Committee on Ways and Means.

3808. Also, petition of Frank W. Thomas, of Chicago, and the Chicago Board of Trade, opposing tax on transactions of boards of trade and produce exchanges; to the Committee on Ways and Means.

3809. Also, petition of Col. Foreman, of Chicago, commander American Legion, favoring fourfold plan for optional beneficial legislation for ex-service men; to the Committee on Ways and Means.

3810. By Mr. JOHNSTON of New York: Petition of the Brooklyn Chamber of Commerce, New York, and Manufacturers and Dealers' League, favoring increased pay for postal employees; to the Committee on the Post Office and Post Roads.

3811. By Mr. MAHER: Petition of sundry citizens of Brooklyn, N. Y., favoring an increase in salaries for postal employees; to the Committee on the Post Office and Post Roads.

3812. By Mr. MONAHAN of Wisconsin: Petition of people of the district for passage of House bill 3259; to the Committee on Interstate and Foreign Commerce.

3813. By Mr. O'CONNELL: Letters and resolutions from sundry citizens of New York, opposing the proposed bonus for soldiers plan; to the Committee on Ways and Means.

3814. Also, sundry letters and petitions from citizens of New York, favoring increased compensation for postal employees; to the Committee on the Post Office and Post Roads.

3815. Also, petition of the Cloak and Suit Tailors' Union of New York City, favoring the passage of Senate joint resolution 171 and Senate bill 1233; to the Committee on the Judiciary.

3816. By Mr. PAIGE: Evidence in support of House bill 14169, granting a pension to Adelia J. Fiske; to the Committee on Invalid Pensions.

3817. By Mr. RAKER: Petition of C. S. Foster, president B. of R. T. Lodge 458, of Dunsmuir, Calif., protesting against the passage of the Army reorganization bill and urging its defeat; to the Committee on Military Affairs.

3818. Also, petition of 600 railroad shop employees of Dunsmuir, Calif., opposing the passage of the Army reorganization bill; to the Committee on Military Affairs.

3819. By Mr. RIORDAN: Petition of sundry citizens of New York, opposing stock-sales tax; to the Committee on Ways and Means.

3820. By Mr. ROWE: Petition urging the passage of H. R. 13334; to the Committee on the Merchant Marine and Fisheries.

3821. By Mr. SNELL: Petition of sundry citizens of the counties of Clinton, Essex, and Franklin, N. Y., protesting against the deferred payment of the interest due on loans made to Great Britain; to the Committee on Foreign Affairs.

3822. Also, petition of sundry citizens of the counties of Clinton, Essex, and Franklin, requesting the passage of the Mason bill, for recognition of the Irish republic by the United States; to the Committee on Foreign Affairs.

3823. By Mr. TAGUE: Petition of the Industrial Accident Board of Boston, Mass., favoring the industrial vocational training bill, H. R. 4438; to the Committee on Education.

3824. By Mr. TINKHAM: Petition of the Aero Club of Boston, Mass., favoring separate air service for Army and Navy; to the Committee on Military Affairs.

3825. Also, petition of the Housekeepers' League of Boston, Mass., protesting against profiteering; to the Committee on the Judiciary.

SENATE.

SATURDAY, *May 22, 1920.*

(Legislative day of Friday, May 21, 1920.)

The Senate met at 12 o'clock noon, on the expiration of the recess.

NATIONAL PROHIBITION (S. DOC. NO. 277).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting a supplemental estimate of appropriation in the sum of $1,500,000, required by the Bureau of Internal Revenue for the employment of guards and watchmen, and other expenses necessary in the prevention of violations of the "national prohibition act," being for the fiscal year 1921, which, with accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House agrees to the amendments of the Senate to the joint resolution (H. J. Res. 327) terminating the state of war declared to exist April 6, 1917, between the Imperial German Government and the United States, permitting on conditions the resumption of reciprocal trade with Germany, and for other purposes.

The message also returned to the Senate, in compliance with its request, the bill (S. 4332) to exchange the present Federal building and site at Gastonia, N. C., for a new site and building.

The message further announced that the House agrees to the amendment of the Senate to the bill (H. R. 12626) for the relief of certain persons to whom, or their predecessors, patents were issued to public lands along the Snake River in the State of Idaho under an erroneous survey made in 1883.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 13558. An act for the purpose of improving the facilities and service of the Bureau of War Risk Insurance, and of further amending and modifying the war-risk insurance act, as amended; and

H. R. 13627. An act to amend paragraph (e) of section 7 of the act approved March 3, 1919, entitled "An act to authorize

the Secretary of the Treasury to provide hospital and sanatorium facilities for discharged sick and disabled soldiers, sailors, and marines."

The message further announced that the Speaker of the House had signed the following enrolled bills and joint resolution, and they were thereupon signed by the Vice President:

H. R. 5163. An act authorizing certain tribes of Indians to submit claims to the Court of Claims, and for other purposes;

H. R. 7629. An act to amend the penal laws of the United States;

H. R. 10072. An act to provide for the punishment of officers of United States courts wrongfully converting moneys coming into their possession, and for other purposes;

H. R. 12044. An act to accept the cession by the State of California of exclusive jurisdiction over the lands embraced within the Yosemite National Park, Sequoia National Park, and General Grant National Park, respectively, and for other purposes;

H. R. 13665. An act granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River between sections 16 and 21, township 15 north, range 19 east, in the State of Oklahoma;

H. R. 13666. An act granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River in section 18, township 12 north, range 21 east, in the State of Oklahoma;

H. R. 14100. An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes; and

H. J. Res. 351. Joint resolution extending the provisions of an act amending section 32 of the Federal farm loan act approved July 17, 1916, to June 30, 1921.

PETITIONS AND MEMORIALS.

Mr. NELSON presented a petition of sundry citizens of Fairfax, Minn., praying for an investigation into the present sugar situation, which was referred to the Committee on Agriculture and Forestry.

Mr. CAPPER presented resolutions adopted at a mass meeting of citizens of Topeka, Kans., favoring the independence of the republic of Ireland, which were referred to the Committee on Foreign Relations.

He also presented a petition of the Rotary Club of Dodge City, Kans., praying for the enactment of legislation providing for physical education, which was referred to the Committee on Education and Labor.

He also presented a memorial of Local Union No. 1571, Farmers' Educational and Cooperative Union of America, of Odessa, Kans., remonstrating against the enactment of legislation providing for a tax on land values, which was referred to the Committee on Finance.

He also presented a petition of Local Union No. 1571, Farmers' Educational and Cooperative Union of America, of Odessa, Kans., praying for the enactment of legislation granting the right of collective bargaining to farmers, which was referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the joint resolution (H. J. Res. 336) authorizing the Secretary of War to loan to the Albert Sidney Johnston Camp, United Confederate Veterans, No. 1820, Fort Worth, Tex., 100 cots and blankets for the use of Confederate veterans at the reunion of said camp June 24 to 27, inclusive, 1920, reported it with amendments and submitted a report (No. 620) thereon.

Mr. SPENCER, from the Committee on Claims, to which was referred the bill (S. 2929) for the relief of Capt. Edward T. Hartmann, United States Army, reported it with amendments and submitted a report (No. 621) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment, and submitted reports thereon:

H. R. 2396. An act for the relief of John A. Gauley (Rept. No. 622);

H. R. 6198. An act authorizing payment of compensation to Swanhild Sims for personal injuries (Rept. No. 623); and

H. R. 9048. An act for the relief Catherina Rea, administratrix of the estate of John Rea (Rept. No. 624).

Mr. SPENCER, from the Committee on Claims, to which was referred the bill (S. 2926) for the relief of Capt. Frank B. Watson, United States Army, reported adversely thereon and the bill was postponed indefinitely.

He also, from the same committee, to which was referred the bill (S. 2927) for the relief of Capt. James Ronayne, United States Army, reported adversely thereon and the bill was postponed indefinitely.

He also, from the same committee, to which was referred the bill (S. 2928) for the relief of Capt. Frederick G. Lawton, United States Army, reported adversely thereon and the bill was postponed indefinitely.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

A bill (S. 4434) for the relief of contributors of the Ellen M. Stone ransom fund; to the Committee on Foreign Relations.

By Mr. HALE:

A bill (S. 4435) to authorize officers of the naval service to accept offices with compensation and emoluments from Governments of the Republics of South America; to the Committee on Naval Affairs.

By Mr. McLEAN:

A bill (S. 4436) to amend the act approved December 23, 1913, known as the Federal reserve act; to the Committee on Banking and Currency.

HOUSE BILLS REFERRED.

H. R. 13558. An act for the purpose of improving the facilities and service of the Bureau of War Risk Insurance and of further amending and modifying the war-risk insurance act as amended, was read twice by its title and referred to the Committee on Finance.

H. R. 13627. An act to amend paragraph (e) of section 7 of the act approved March 3, 1919, entitled "An act to authorize the Secretary of the Treasury to provide hospital and sanatorium facilities for discharged sick and disabled soldiers, sailors, and marines," was read twice by its title and referred to the Committee on Public Buildings and Grounds.

THE MEAT-PACKING INDUSTRY.

The VICE PRESIDENT. The pending question is the motion of the Senator from New York [Mr. WADSWORTH] that the Senate proceed to the consideration of the bill (H. R. 13587) making appropriations for the support of the Army for the fiscal year ending June 30, 1921, and for other purposes.

Mr. KENYON. I think the motion is debatable.

The VICE PRESIDENT. It is a debatable motion.

Mr. KENYON. Mr. President, this matter arose last night and I asked that it might go over until to-day, and announced that at that time I thought we might as well make a test as to whether or not the bill (S. 3944) to create a Federal live-stock commission should be brought up. A number of Senators have spoken to me and stated that they feel such an effort at this time would not be best, because they do not want to be put in the position of voting against the consideration of the Army appropriation bill, even though they favor bringing up the packers' regulation bill. I think there is a good deal of force in that statement, and the full strength of those who are in favor of bringing up the packers' legislation and having it considered would not be fairly shown in a vote as against the consideration of an appropriation bill.

On yesterday the Senator from North Carolina [Mr. SIMMONS], in the course of the able address of the Senator from Wyoming [Mr. KENDRICK], said:

> I am very glad to have heard the remarks of the Senator, and I think he can safely state that every Senator on this side of the Chamber would support him in a motion to take up the bill; and if there is any trouble about time, I feel equally as secure in saying that every Senator on this side of the Chamber would support a proposition on his part to fix a day for a vote upon the bill.

The Senator from Wyoming [Mr. KENDRICK] in his address said:

> While I have no authority for such a statement, I feel justified in the assertion that every Democratic Senator in this Chamber would be willing and ready to vote to take up this measure and consider it before adjournment.

I think with those statements and the fact that there are a number of Senators on this side of the Chamber who will vote with the Senator from Wyoming to take up Senate bill 3944, if he should make the motion, or the Senator from North Dakota [Mr. GRONNA] if he should make the motion, or with myself if I should make the motion, it will insure bringing up the bill before adjournment.

Under those circumstances, speaking only for myself and perhaps a few others, we will do everything we can to expedite the passage of the appropriation bills, but at any time when appropriation bills are not before the Senate, we shall attempt to bring up this particular bill.

Mr. KENDRICK. Mr. President, I wish to say to the Senator from Iowa that in order to avoid any delay of legislation that is absolutely essential, as we all know, I should like to defer any effort to call up Senate bill 3944 until the appropriation bills are out of the way, and then when a motion is made to take up the bill, I should like to have it made so as not to interfere with other bills on the calendar, but ask for unanimous consent for a vote upon the legislation, and either accept it or reject it within a given length of time. I would be perfectly willing to see the discussion of it reduced to two days, or three days, or even, if thought best, to one day.

Mr. GRONNA. Mr. President, the Senator from Iowa [Mr. KENYON] and the Senator from Wyoming [Mr. KENDRICK] have done more work on Senate bill 3944, which is now on the calendar, providing for the control and regulation of the packing industry, than any other two Senators or any other two men. I shall, of course, defer to their wishes with respect to making a motion to take up the bill. I was in hopes, however, that we could make it the unfinished business and then lay it aside whenever an appropriation bill or a conference report was ready for consideration.

Mr. President, I think there is a great deal of misinformation as to the provisions of the packing bill in the form it has been reported to the Senate. I assume that a vast majority of the Senators were opposed to the first draft of the bill because it provided for a licensing system. There is absolutely nothing in the bill which compels any one engaged in that industry to take out a license. It is true there is a provision in the bill for voluntary registration, but as I understand the disposition, while I do not want to make any misstatement with reference to any of the Senators, they are willing to let that provision go out.

Mr. President, what is there left in the bill that is objectionable to anyone? If I were a stockholder in a packing industry I would welcome this legislation. Without the voluntary system for a license there is nothing in the bill which will injure any of the packing concerns. I believe it would be a helpful condition for those engaged in the industry if this legislation were passed. It merely provides for the appointment of a commission, and it only gives that commission authority to make inspections and to make reports. Certainly no honest business, and I class the packers' business with honest business, ought to be opposed to a scheme of that sort.

What does the bill provide? I do not intend to take more than a few moments on it. The principal duties imposed on the agencies by the proposed legislation are:

(a) They are prohibited from engaging in unfair, unjustly discriminatory, or deceptive practices in interstate commerce;
(b) They are prohibited from buying or selling live stock in such manner as to apportion the supply, unreasonably affect the price, or create a monopoly;
(c) They are prohibited from dealing in foodstuffs other than live-stock products where the result is to lessen competition;
(d) They are prohibited from apportioning territory or purchases or arranging or agreeing to control prices;
(e) They are prohibited from agreeing or arranging among themselves to prevent any other person from carrying on any business which competes with them;
(f) They are required within two years after the act becomes effective to dispose of their ownership or interest in stockyards unless this time is extended for good cause.

As to the latter provision, I understood those who testified before the Committee on Agriculture and Forestry with regard to the bill were not opposing the idea of divorcing the stockyards from the packing industry. The stockyards were only set up for the convenience of the packers. Certainly there ought to be no objection to any item in the bill, especially if the volunteer licensing system is eliminated.

Mr. President, why should Congress refuse to at least take a vote on this legislation which has been pending before Congress for years? I shall not make any statement which will reflect on anyone engaged in the packing industry. I believe there are honest men engaged in the packing industry. There are many of them who are what we call small packers. Certainly there is no reason why the big five packers should make this tremendous fight against the legislation. The American people have been tolerant with those people.

I ask unanimous consent to have printed in the RECORD without reading a statement which shows the profits and the condition of all the big five packers since the beginning of their business, showing their stock, their increased capitalization, their surplus, and their dividends. I do this in order to give information to the Senate and the country. This statement was prepared by the Federal Trade Commission.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Original investment, growth in capitalization, profits, and dividends, five great packers.

	Original investment.		Capital stock outstanding.			Profits and dividends.		
	Date.	Amount.	Stock sold for cash or equivalent.	Stock dividends paid or equivalent.	Outstanding November, 1918.	Period.	Reported profits.	Dividends and drawings.
Armour & Co.	1868	$160,000	$3,725,000	$100,000,000	[1] 103,725,000	From 1869 to 1918, 50 years	$179,270,000	$29,866,000
Swift & Co.	1885	300,000	100,000,000	[2] 50,000,000	[1] 150,000,000	From 1896 to 1918, 23 years	214,249,000	[3] 84,157,000
Cudahy Packing Co.	1888	750,000	7,224,000	12,776,000	[1] 20,000,000	From 1888 to 1918, 31 years	37,695,000	13,542,000
Wilson & Co.	1857	Unknown.	[4] 10,476,000	20,000,000	30,476,000	From 1894 to 1918, 25 years	44,390,000	6,358,000
Morris & Co.	1853	Unknown.	Unknown.	Unknown.	3,000,000	From 1909 to 1918, 10 years	28,694,000	4,090,000

[1] Includes original investment.
[2] Stock dividends were in reality somewhat more than this, in that very high dividends were declared in early years with express purpose of providing cash for purchase of new stock. Exact amount so converted can not be determined.
[3] Does not include cash dividend of $25,000,000 used for purchase of new stock.
[4] Includes original corporation capitalization, which undoubtedly was largely made up of earnings of old partnership.

Mr. SHERMAN. Mr. President, I ask unanimous consent to make some remarks touching the same subject.

Mr. LODGE. Mr. President——

Mr. SHERMAN. Does the Senator wish to interrupt me?

Mr. LODGE. I only want to say a word, but I will wait until the Senator has finished.

Mr. SHERMAN. I yield to the Senator from Massachusetts.

Mr. LODGE. I do not desire to debate it at all.

Mr. SHERMAN. I do not desire to debate it.

Mr. LODGE. I only wish to say that I am very glad that the Senator from North Dakota, the Senator from Wyoming, and the Senator from Iowa have taken the ground they have in regard to the supply bills. I am very anxious, and I think we all ought to be very anxious, to get the great supply bills of the Government through. There is no intention on my part, at least, to try to shut out any bill. If a majority of the Senate desire to consider the packers' bill, I am perfectly willing. I have no objection to make to it at all; but I do think that we ought to dispose of the great supply bills as rapidly as possible. I am very glad indeed that the Senators agree with me about that.

Mr. SHERMAN. Mr. President, the Senator from North Dakota [Mr. GRONNA] has inserted in the RECORD certain alleged facts relating to the Chicago meat packers. They are but a repetition of what has been for long time persistently thrust before the public by the Federal Trade Commission; it is but

When the Senator says that it provides for a voluntary system of registration, I remind him that a glance at the bill will show, as will be demonstrated, before the discussion ends in saying in other words, using snynonymous language, practically the same thing that has been said since their report of a year or two ago, which constituted a concentrated attack upon the industry. The bill pending here is a bill reported by the Committee on Agriculture and Forestry of the Senate, of which the Senator from North Dakota is the chairman. He alleges that the bill is entirely harmless; that it contains nothing that would be at all obstructive or embarrassing to any of the different packing concerns of the country. The Senator from North Dakota may think so, but if he does he is seemingly a bland innocent. I will concede for the purposes of discussion that he sincerely thinks this is a perfectly innocent measure, but he has been led into grievous error if he has arrived at and adheres to that conclusion. After he shall have discovered the reach of this bill, thereafter it will be wholly with malice aforethought if its passage is insisted on.

The Senator has, in a general way, remarked, as did the Senator from Wyoming [Mr. KENDRICK] yesterday, on the purposes and contents of this bill. Neither of them seems to grasp

what it will do or what its authors, the responsible gentlemen who wrote it, had in their minds it should do; because I can not think it was written altogether in the Committee on Agriculture; I think its inspiration came from some place else.
this Chamber, that the voluntary registration system is an involuntary one unless it is proposed to suffer the penalties that are to be inflicted by the bill.

I do not intend, Mr. President, under the tolerance given me by the Senate, to discuss the merits of the bill, but only such matters as have been referred to this morning.

The bill, however, first confers upon the live-stock commission the same power which is conferred by the act of Congress upon the Federal Trade Commission. Going further, it confers upon them all the power of the Bureau of Markets of the Department of Agriculture. That is provided in a title of the bill preceding Title V, respecting the voluntary registration of packers and stockyards. The portion of the bill referring to voluntary registration provides for a standardized system of packing plants, and provides for collecting information. The Bureau of Markets already collects information on a great variety of subjects relative to the production of food. Under the present law both animal and vegetable foods, as well as market conditions, are covered by the Bureau of Markets. Those functions are now proposed to be taken over by the live-stock commission, so far as relates to meat products. It is then proposed, in section 5, that all who do not register shall be discriminated against; that the live-stock commission may deny to nonregistrants all of the governmental information which is collected in the bureau.

In a preceding section the live-stock commission is given the power generally to legislate on this subject—not Congress but the live-stock commission—to make such rules for the regulation of the business as it sees fit; and the bill provides penalties for the nonobservance of the rules which are made by the live-stock commission. It is a voluntary abdication of the powers of legislation and the enactment of penalties and putting them in the hands of an appointive body.

When the Senator makes an appeal that the public shall be informed upon this question, I desire to say that I shall take care in this Chamber that they are fully informed upon the iniquity which is proposed and the precedent which is sought to be created for every line of industry in the country.

The bill is not sponsored by its original creators in good faith. The Senators who present it are in good faith, but the malevolent outfit back of it and of the agitation for the last five or ten years in this country is made up of a gang of the most arrant demagogues that ever infested any community. I know them of old. They have imposed upon the Senate committee; they have imposed upon Senators; they are mere agitators and destroyers; and for them I have a supreme contempt, while highly respecting the Senators who have unwittingly lent themselves to their sinister designs. They never created anything. No industry has arisen from their efforts. No pay rolls ever follow their footsteps save that imposed on the Public Treasury.

Mr. GRONNA. Mr. President, will the Senator from Illinois yield?

Mr. SHERMAN. Certainly.

Mr. GRONNA. I do not want to prolong this discussion, Mr. President——

Mr. SHERMAN. I will prolong it in due season. We may just as well reach it now and let the inflammation out.

Mr. GRONNA. But I wish to say to the Senator from Illinois that the Committee on Agriculture and Forestry, while some of us unfortunately or fortunately are not lawyers——

Mr. SHERMAN. So much the better.

Mr. GRONNA. Have given the matter consideration, and we have used our own judgment as to the provisions of the present bill.

The Senator from Illinois refers to voluntary registration. The provision in reference to that matter is incorporated solely for the purpose of encouraging cooperative marketing. The Senator is well informed not only with reference to legislation in the United States but in foreign countries as to what cooperative marketing means; and I will say to the Senator in good faith that is all that the provision with reference to voluntary registration is intended to accomplish.

Let me say further to the Senator that the meat industry amounts in volume to more than the railroad industry, to more than the business of the railroads. We have an Interstate Commerce Commission looking after the railroads; and I say to the Senator in all seriousness and good faith that I believe it would be beneficial to the packing industry of the country—and I refer now to no particular packers—I believe it would be beneficial to the entire packing industry of the country if legislation of this kind were enacted, because under present conditions, as the Senator knows, throughout the entire country the people are making charges of all sorts against the industry. If the proposed commission were created and good men were appointed, who, as provided in the bill, shall not be allowed to engage in any other business, but shall devote all their time to this particular business, confidence would be created in the business, and it would afford protection to the packing industry instead of doing the industry an injury.

Mr. SHERMAN. Mr. President, the people who have spread the information are Mr. Burke, Mr. Lassiter, and Mr. Kent, if I must give names, who began as live-stock producers on a ranch in Nebraska, say, and various other western points, and have branched out and created a National Live Stock Association and have spread persistently, in season and out of season, the matter referred to by the Senator from North Dakota that has aroused a certain portion of the population.

There are less than $900,000,000 of capital and surplus actually engaged in the packing business, while there are $20,000,000,000 engaged in the railroad business—twenty times as much and more—and the Senator, well informed as he is, knows it as well as I do. The packing business does not rank with the steel industry. There is more money invested in the poultry business than there is in the entire capital stock of the packing industry, which is attacked by this bill. Let us have a poultry commission, in order to inspect and encourage hens in due season and to mitigate the fervor of the opposite sex. [Laughter.] Where will it all end? There are enough roving commissions going around now over the country drawing salaries from the burdened Treasury.

Mr. GRONNA. Mr. President, I know the Senator does not wish to minimize the chicken or poultry industry. It is greater than the wheat industry; it ranks next to the corn crop. I will say to the Senator.

Mr. SHERMAN. The corn crop is the largest one agricultural industry in the United States, taking into account its legitimate uses since the country went dry and taking also into account what used to be wasted for bread. [Laughter.]

Mr. GRONNA. I do not want the Senator to discuss the capitalization of the industry; I want him to discuss the entire industry. I had reference to the industry as a whole.

Mr. SHERMAN. I will discuss the entire industry, if the Senator desires, at some opportune time. The difficulty is that the Senator does not distinguish at present, with the information he has from the constituency referred to, who are spreading misinformation over the country, the difference between invested capital and capital stock. The inventory values are a part of the working capital of every successful concern in the packing business in Chicago. Their inventory values fluctuate from day to day and from month to month.

Mr. GRONNA. Mr. President, the Senator did not understand me. I said to the Senator that we ought to discuss the entire industry and not the capitalization of the industry. I referred only to the amount of business done by the stock industry; the Senator did not hear me.

Mr. SHERMAN. The Senator has in mind the volume of business?

Mr. GRONNA. The volume of business; yes.

Mr. SHERMAN. When we undertake to measure our activities and the profits by the volume of business, then the Federal Trade Commission says we are in error; that our bookkeepers are dunces and that we are thieves. That is their report. When they try to base their profits earned on the volume of business, showing 1.6 cents on every dollar's worth of turnover for every 12 months, the Federal Trade Commission repudiates the method. Under the regulations of a paternal Government limiting our profits to 2 per cent and our dividends on invested capital to 9 per cent, then we are attacked, and Mr. Hoover, for whom nobody can accuse me of having any predilection, is attacked because he fixed that rate of income or profit during the war. If the Senator from North Dakota refers to the volume of business, I am willing to discuss the question on that basis at a fit time, but the Senator will find himself involved in a lasting controversy with the Federal Trade Commission, and especially with its chairman, who in his last report takes considerable umbrage because the packers insist on estimating their profits on the volume of business and show how much they earn every 12 months on a dollar's worth of business.

The distinguished gentlemen on the Federal Trade Commission have a system of accounting that but few accountants in the civilized world ever heard of or ever practiced, and which no successful business men ever put into operation and long remain solvent. That is the kind of stuff that is scattered out to the dear American public in order to inflame them, and cause

the agitation that these gentlemen, with their ears constantly to the ground, mistake for the voice of the people.

I have seen a good many people with their ears to the ground, right up close to it, mistake the rumble. Instead of being the advancing onset of a majority, it has often turned out to be a minority after the ballots got into the box. Probably one of my political crimes is supporting for many years the direct election of Senators. I think it has converted us into a coterie of Congressmen at Large sitting in this body, and robbed the Senate of its original functions as it was designed by the fathers who framed the Constitution. Most of us always have our ears to the ground. A man who can not sometimes, on a principle of right, face an angry multitude is not fit to sit in this body. If you can not take your political life in your hands once in a while and go out on a question of governmental righteousness and instruct men who know nothing about what they are preaching to you, then you are unfit to hold a seat in this body. If I had my way about it, I would limit the legislative functions of this body as it has grown to be now. Why, under the new system of elections there are two Congressmen at Large from every State with not a Senator.

In every large State, look at the results of this agitation in every large stock-raising or food-producing center. Here is a comparative handful made up of two or three hired attorneys lending themselves to this agitation. When it comes to a question of lawyers, I never knew a case or a question, right or wrong, that could not hire two or three distinguished lawyers on either side to keep up the agitation. So they have their attorneys employed, paid for by the Government. They have gone on with their system of spreading misinformation, and some of it, unwittingly, has been inserted in the CONGRESSIONAL RECORD.

In due season, Mr. President, if it is insisted that it be done at this session of Congress, before we separate here, whether it be a recess or an adjournment, I shall take up these matters in detail; and I will say this, with all due respect to the Federal Trade Commission: They have a very erroneous conception of the laws of their country. They have no conception of the Constitution of the country, and less respect for the courts, and less knowledge of actual business. To them the Constitution is a collection of obstacles, a thing to be denounced because it was written a long time ago, and anything that is ancient is to be condemned.

These gentlemen have produced report after report, agitation following upon agitation every year. They are here in Congress. They are not lobbyists—certainly not. They are distinguished statesmen, promoting the public welfare.

If a packer in Chicago were to run for the Senate, become a member of the Committee on Agriculture and Forestry, frame a bill, or have somebody else frame it, that would put all the stock-raising industry, the cattlemen, under the control of a commission on the pasturage, the range, the price of cattle, how they should be sold, and how they should be raised and bred, and fix the age at which every calf should be slaughtered, and destroy the production of veal, and provide that every calf when it got to be 2 years old had to be slaughtered, and a packer were to come in here and sit in the Senate in his seat and promote such legislation as that, there would be a mighty caterwaul of rage going up from these Senators that would rend the very heavens. It would even be said that they were unfit to grace a seat in this Chamber; and still there are Senators, whose names I will forbear to mention, who are here, by this identical legislation, promoting their business as cattle raisers. Why can one occupation elect those in it to Congress to promote that pursuit and be crowned with a halo of civic virtue and a packer be denounced as a private citizen for defending himself from ruin?

If a packer sat here and did what cattle raisers do in this Chamber these saints would be smitten dumb with horror.

What is the difference between a cattle raiser and a packer? I knew slightly the elder Armour. He came down from Milwaukee in earlier days. When the firm started business in Chicago in 1867 it had $160,000 in money, and that is all Philip Armour had in the world, except his ability to do business. It has grown, but its capital stock has not multiplied as much as that of my neighbor in the corn belt who entered his land at $1.25 an acre in his lifetime, and to-day it is worth $460. He, too, is drawing interest on watered stock, but as long as it is the calloused-handed producer back of the plow handles everybody shouts "amen," and the Senator from North Dakota, of course, will say with me that it is thrice blessed that it is so.

Mr. GRONNA. Mr. President, will the Senator yield?

Mr. SHERMAN. With great pleasure.

Mr. GRONNA. Does the Senator undertake to say that the lands he refers to in Illinois pay the same rate of dividends upon the amount he names that the packers have received in dividends upon their capital stock?

Mr. SHERMAN. No; I did not say that.

Mr. GRONNA. I think the Senator ought to discuss that subject.

Mr. SHERMAN. I will discuss it in due time.

Mr. GRONNA. Some day when we are not so anxious to adjourn I shall be very glad to discuss it with the Senator from Illinois.

Mr. SHERMAN. If the Senator wants to stay all summer, as long as I have got to stay here, he will have ample time both to hear from me and to respond. I have made up my mind that if I have to stay here through the summer I will stay, but I shall furnish such entertainment as I am able during that time. I am not a candidate for office, thank Heaven. I shall not be on the ticket, for which I again return thanks; and there is nobody so well equipped as I am to stay here through midsummer and until the black haws are ripe in the Wabash country. We will let the G. O. P. save itself. We will remain and discuss the question of answering the demands of a few vociferous cattlemen by proxy. Few of them raise cattle. Some who are in official stations are large producers of cattle. I could incidentally remark here—I will get to the market some time when we are discussing this question, Mr. President—that one of them received the highest price for cattle in the Chicago market that he ever received in his life, in this same market that he is now trying to destroy. I state this measure will destroy the live-stock markets in the principal parts of the country, those of Kansas City, Omaha, Chicago, St. Louis, and such other points in the West and Southwest as can be included in that classification.

I do not wish to cover these questions now. It is only because of the questions asked that I have been led off into this digression. I was speaking of the bill. This voluntary registration provision is framed with the deliberate purpose of making outlaws of all those that do not register and bringing upon them a Government boycott, denying them information from the Bureau of Markets, putting them upon the prohibited list, rendering them subject to the surveillance and suspicion of every sleuth bearing a Government commission that is turned out of this Capital to prey upon the legitimate industries of this country. That is what this section of the voluntary registration bill will do. It makes outlaws of all who do not register; and then, to confound the thing still worse, it undertakes to establish a standardized packing house.

Why, I would just as lief, for my part, undertake to standardize an undershirt. Everybody has his own choice on that, according to his ability and his physial condition. Standardize a packing house! Well, you will standardize the breeding of cattle, the handling of chickens, the cutting of side meat. Standardize accounts! Of course, arithmetic is arithmetic. It has been from the time the Arabs invented it. The laws are the same. They are like the laws of nature. We do not change that; but the methods of applying it in bookkeeping are infinite. They propose to establish a uniform system; and then turn back to the title preceding that. It was quite innocently, and wholly by mischance, of course, that this evidence taken by the live-stock commission should be taken under the powers of the Federal Trade Commission.

What has the Federal Trade Commission done under the exercise of those powers? I know there is a weak denial proceeding from hesitating lips when they are charged with it and brought to book. These investigations are ex parte. No opportunity is given to cross-examine witnesses.

The days of the Inquisition never saw such narrow, unjust, illegal examination of witnesses as that before the Federal Trade Commission. It is a disgrace to the name of Government—an ex parte hearing, the entire ransacking of everybody's desk, his books, papers, and correspondence. Letters running back for 25 years were sought to be taken, without a search warrant describing them, by breaking into the office, by opening the vaults, by prying up the lids of roll-top desks and taking away what they pleased; and it was only halted by an application to the Federal courts that stopped them and delivered an opinion that this provision of the bill was wholly beyond the Constitution. Then Mr. Colver turned around and anathematized the Constitution as an ancient, antique document that is designed as a sheltering place of rogues. It is such a pass that affairs in this country have reached.

Why, the packers were indicted; Mr. Armour was indicted in Chicago about 1905 or 1906. My distinguished friend and very able lawyer from Iowa [Mr. KENYON], who is absent, was a

Government attorney in that prosecution. A jury was had—12 good and lawful men, the peers of the defendants. Who were they—bankers, millionaires, stockbrokers, members of bond houses, and so forth? No; they were the same kind of constituents that these gentlemen now say are in an astonishing uproar urging them into this legislation. They were farmers, nearly all of them. One of them I served with in the legislature was an actual farmer. He was a successful farmer, stock raiser, cattleman, hog producer, member of the State board of agriculture, and was at every State agricultural fair and exhibit there was in Illinois. He was, with others like him, on the jury, and they lived within the destructive jaws of the market arrangements that are anathematized by these reports of the Federal Trade Commission. They heard all the evidence and acquitted the packers—a jury of farmers did.

Mr. GRONNA. Mr. President——

Mr. SHERMAN. Just a moment. Six years ago I asked the promoters of this legislation if they did not agree with me, and they said they had no explanation to make of the vagaries of juries. A sense of justice, the administration of law, the finding of the defendant not guilty by a jury of his peers, is a vagary of a jury. I yield to the Senator.

Mr. GRONNA. The Senator from Illinois is always fair, and I know he wants to be fair in this matter. I hope he will not make it appear that the members of the committee have drawn the bill based upon anything other than what has absolutely been done by some commission. The Senator, of course, knows that Mr. Armour, Mr. Swift, and a great many of those prominent men were before our committee for a number of days, and we had testimony from their own lips in reference to many of these matters. I do not think we disagree as much as the Senator imagines on some of the provisions of the bill.

The Senator referred to the matter of bookkeeping. To show the Senator that we are not trying to discriminate, I will state that we are trying to standardize the bookkeeping of the farmers, and there is a provision in the last Agricultural appropriation bill appropriating a small amount of money, in the office of Farm Management and Farm Economics, to have the farmers keep books, to standardize the bookkeeping of the farmers. I simply mention it to show that we are not only legislating against the packers; we are acting in the interest of the farmers in trying to standardize their business.

Mr. WADSWORTH. Mr. President, will the Senator from Illinois permit me to ask a question of the Senator from North Dakota?

Mr. SHERMAN. Certainly.

Mr. WADSWORTH. Surely the Senator did not mean to say that there was a provision in the Agricultural bill to compel farmers to keep books?

Mr. GRONNA. No.

Mr. SHERMAN. It would not be compulsory.

Mr. GRONNA. There is nothing compulsory about it. It is just as compulsory as any provision in this bill.

Mr. SHERMAN. The farmer can absorb the information or can reject it with scorn, as he sees fit. That is correct, is it not? This bill forces packers to accept Government bookkeeping. I will just put that alongside of the provision for cottage cheese, and for smoking out rats in a barn when you do not want to burn the barn down to get the rats, and for a host of noxious, predatory, herbaceous, and carnivorous insects of various kinds which have been discovered by salaried job holders to be very hurtful to the farmer. If there has been any scheme presented in this Chamber, if there has been some unholy, hoary relic of prejudice generated by these quick-spawned statesmen on commissions and bureaus going about over the country, if there is some indefensible raid upon the Treasury, some fresh burden to be saddled upon the taxpayer, some fresh way of evading constitutional government, of assaulting legitimate business under the name of reform—if it has not been produced here and been stalked out in this Chamber in the name of something the farmer needed, I have not yet the memory to recall it, and my memory is fairly good.

Everything for the farmer! If this Government and the Capitol would leave the farmer alone, he would get along pretty well.

Mr. GRONNA. Mr. President, but in the face of all that discrimination in favor of the farmer, the Senator knows that a large percentage are leaving the farms. It is not so in the packing business.

Mr. SHERMAN. The Senator does not see anything but the successful packer. I can call the roll of the packing companies, and it is like the roll of those who succeed in mines out in the Rockies. We hear of the Strattons about Colorado Springs, and we hear of successful men up and down the range all the way from the Mexican border to Canada, but you do not hear of the bankrupt ones. I do, and anybody who has been about the courts for 40 years knows something about it. You never hear of the man who never strikes a good vein, but you hear of the successful ones, and where there is a successful packer the whole beach of modern business for the last 30 years is strewn with stranded packing concerns, reaching all the way from San Francisco, over the range, through Omaha and Lincoln, back to Council Bluffs and Sioux City. I can call the roll, and I can get more of them.

The packers are like other people—they do business upon correct principles or they fail. Men are not leaving farms because of packers. It is the faulty standards of life adopted by a generation who prefer pleasure to profit.

As to these matters which are for the benefit of the farmer, 99 out of 100 of them are a detriment. The farmer's name is used in vain, blasphemously and sacrilegiously, by somebody who has an ax to grind for his own selfish purposes.

I have never been deceived about these self-styled farmers' associations, with offices in Chicago and in the National Capital, threatening you daily with the combined destructive force of all the farmers in the country if you do not answer their demands and legislate more money out of the Treasury to keep them alive. I have heard that for a long time, and I never have been frightened by any of these self-created farmers' associations yet. I know what the real farmer is and what the real association is. I never have taken any orders from these gentlemen with soft hands and still softer heads, sitting around the city telling my farmer constituents what to do; and yet they are all found joining in the hue and cry for this bill.

It was a mere misadventure, of course, that when courts were to be invoked—and it is the only time the Federal Trade Commission ever conceded that there was a court in this country that had any jurisdiction over anything they got after—they dodged the trial courts. There is no jury, there are none of the general powers of the equity side of the court, none of the ordinary jurisdiction, either of common law or chancery, found in the court where they go. They have gone to a court of appeals. Of course, there was a sort of a weak, half-hearted admission yesterday that there would be no objection to that being amended by the individual Senators making the statement, but it is very evident that the court of appeals was sought out because it is not a trial court. I know the Senator from North Dakota has not measured the drift of this bill, and the matter I now call his attention to I shall go into at some length later when it is properly before the Senate, and when I am not here merely talking by the good nature of the Senate.

Here is a provision as to what the commission shall do after it has heard the evidence—as it pleases. It is a law unto itself; it makes no rule it does not want to make; it follows no rule governing the admission or exclusion of testimony. Colver never heard of Greenleaf or Wigmore in his life. He would not know what either of them was. He would not know whether he was a fisherman or a poultryman. But with an entire happy disregard of the laws of evidence they hear a complaint, either on behalf of some individual or on their own motion. They have original jurisdiction to try suits before themselves. They are like the old justice of the peace in the New England township in the early history of my State. He was always a collecting agent, and he started suits himself before his own court, and of course judgment was always rendered for the plaintiff. The mere fact that a defendant was sued was enough to put him at fault, and a finding was had accordingly. Here they can initiate suits themselves before their own body and hear them, and that is all the evidence in the case. All you can do, if you offer evidence and it is not admitted, is to make a tender of what you expect to prove and then go to the circuit court of appeals for the district in which the hearing is had and endeavor to have the scope of the evidence enlarged. That is the only way; and then there comes in a very singular provision, which was written in not by a layman—because a layman would never struggle into such an unhappy state of affairs—but by some lawyer who has spent his time trying to get away from the Constitution. I know lawyers whose entire profession is trying to avoid the Constitution. It is not merely those who are advisers of corporations, either. It is those who are baiting corporations, who are just as bad. I know others who on the platform spend the most of their time denouncing the Constitution.

If there is anything that has ever shown the wisdom of the men who made it in Philadelphia, it is the strain it has been under in the last five or six years, especially since the war broke out and those vast powers were given to the Executive. The fact that it has survived and that there is in the hearts

of men yet a respect and a reverence for constitutional government is the best recommendation of the work of the fathers in Philadelphia. It was not made there. It is a thousand years old.

Still these gentlemen on the Trade Commission and their attorneys are trying to avoid some of the most salutary provisions found in American constitutional government.

What does this mean? The court of appeals "may affirm or set aside the order of the commission or may direct the commission to modify its order. No such order of the commission shall be modified or set aside by the circuit court of appeals unless it is shown by the packer or operator that the order is unsupported by evidence;" not unsupported by the evidence in the case, but unsupported by ex parte evidence, just taking it on one side. If you consider the evidence and, as in the case of a grand jury in returning an indictment, if you can find anything to support it, the vote will be to sustain the findings of the live-stock commission. That is why it was drawn in that way. Senators probably do not perceive the drift of it; but the attorneys whose eyes scanned the sections I am referring to knew precisely what they were undertaking to do. They proposed to avoid not only the trial courts but to have an ex parte hearing in the court of appeals, with the order to be sustained unless it is unsupported by evidence. If it is supported by evidence on one side of the contention, it is to be sustained, and that is the purpose of that section.

Mr. President, I do not wish to let go unchallenged some of the matters which were put into the CONGRESSIONAL RECORD this morning. I am very loath to mention it without going into it at some length, but I do not wish to impose upon the Senate for that purpose. These statements made by the Federal Trade Commission of colossal dividends, of great stock dividends distributed as paid-up stock to stockholders, have been sent out as evidence of the packers being the cause of the high price of meat to the consumer; that when it reaches your table and mine they are responsible for round steak at 46 cents, for porterhouse at 69 cents, for pork at the various prices at which it has sold.

Mr. President, let me take one specific statement in the Federal Trade Commission's report that Armour & Co. declared a stock dividend of 400 per cent, about 1900 I think it was. I am trusting now entirely to my memory. I will correct it if necessary when I go into it at some further hearing and produce the Federal Trade Commission's report on the subject. As a matter of fact, there was not a dollar to speak of in the treasury when the stock dividend was declared. The Armour Co. up to that time had been entirely a family corporation. Philip Armour meanwhile had died, after some years of successful effort in the business and seeing it grow from the $160,000 with which he started. The branch house in Chicago, a branch house of Plankinton & Armour in Milwaukee, grew to be the principal concern. They did not distribute the profits of the business. It was a partnership of individuals. The dominant spirit in the Chicago packing house, now known as Armour & Co., in the earlier days was Philip Armour.

There were small dividends declared after 1900. It was incorporated in 1900. In the 14 years preceding the war down to 1914, of all the earnings of the business of Armour & Co. nearly 87 per cent were retained of the net earnings and the balance was distributed in dividends. I do not mean 87 per cent on the capital stock. I am speaking now of dividends; I am speaking of total dividends, that for that period of time, from 1900 down to 1914, 87 per cent of all dividends earned were kept in the treasury in the form of buildings, brick and mortar, of machinery, physical equipment, or inventoried perishable merchandise in some form, either canned, pickled, smoked, or preserved meats, or fresh meats in transit to the market. Ordinarily fresh meats can not be kept over seven days, even with modern methods of chilling.

The result was they had accumulated a surplus, and they kept it and reinvested it in the business instead of issuing bonds or borrowing at the bank. From 1868 up to 1900, during the period of all those years, they had pursued the same policy before incorporation. They paid out only a small part in dividends. Up to 1900 it was purely an affair of the Armour family.

Between 1914 and 1917—that is, from the year when the war began up to the time we entered the war in 1917—they kept 88 per cent of their earnings either in buildings, in merchandise, inventory value, or in some kind of property necessary to the packing business, and the other, less than 12 per cent, 11 and a fraction per cent, they distributed in dividends through the three years. From 1917 up to 1919 they kept 91 per cent in their treasury.

When they incorporated in 1900 is the time about which our friends, the Federal Trade Commission, made complaint that there was a stock dividend of 400 per cent. As a matter of fact, I wish the public to know that this stock dividend represented the savings of 50 years in the Armour family. In 1900 it was incorporated. Of course, my dear friends, the Federal Trade Commission, and some of these professional agitators who have a steer some place and a cow some place else, and call themselves cattlemen, could not refrain from taking the last cent of dividend and the last dollar out of any corporate treasury that they had anything to do with or had any stock in. They would be clamoring for dividends. They can not understand how anyone would ever have any thrift, and when they find anybody that wishes to keep the affair solvent they want to penalize it. That is what they are trying to do in this bill, and in their misleading and mischievous reports that have gone out to the public about great stock dividends.

In private conversation I have had some complaint made about Libby, McNeill & Libby, one of the small packers of Chicago, who put up a great deal in the way of food lines and send them out—apple butter, jams, jellies, preserves, dried and evaporated fruits, and so forth—as well as meat products. It is an old concern that has not heretofore been very much in the public eye. A majority of the stock was for a time owned by the Swifts. It was a subsidiary or affiliated company with Swift & Co. It has been segregated. Recently it declared a stock dividend about which considerable vicious criticism occurred in certain magazines and newspapers. The stock dividend of $12,800,000 does not exist. Six million four hundred thousand dollars of it is actual cash stock given to the old stockholders with the option of paying for it in cash one hundred cents on the dollar. They are given $6,400,000, or a little less, in paid-up stock, and that a little cash in the treasury, because there is no cash in the treasury except a mere working balance. The actual property represented by the paid-up stock of the smaller men, by the $6,400,000, is the inventoried value of merchandise on hand, together with additions to the plant of buildings, machinery, equipment, and the like, required in the conduct of their business, with stock offered employees. Therefore these inventory values are a large accumulation of past years and these inventory values depend upon the rise and fall of the market.

They accumulated large stocks during war times and have not yet disposed of them. They are putting them on the market and the market is absorbing them as rapidly as possible, but their warehouses are filled yet with large stocks. They must go on and fill in, for the market as it presents itself, such live stock, and such fruits, before the decree was entered inhibiting them from selling other than meat foods; they must go on and fill in, so they helped to buy, on the Chicago market or elsewhere, their share of live stock as they can get it under their bids.

The inventoried value of this property depends upon the rise and fall of the market whether there is a stock dividend sufficiently backed by values to pay it up.

If Senators have followed the course of live-stock markets and the sale of meats at the jobbers' prices, they will readily appreciate the fact that this inventory value of a company is the most precarious thing in the world. If falling prices come, these values will drop, and instead of having paid-up stock with value behind it, you will have paid up only in part, except for such losses as occur, only the value of your property equal to that shrunken valuation that comes from the market.

These things the public do not know. These things Senators seem not to know. Much less does the Agricultural Committee seem to have given due weight to them in the vast clamor, that came before the meetings of that committee, of those gentlemen who were interested in promoting this legislation from a purely private point of view.

These war stocks depend upon the market. The Federal Trade Commission, among other things, in this matter of bookkeeping which they propose to compel them to do, compels every packer to keep books in a certain way, and upon their methods of taking their inventory values at actual cost and not upon market value. There is not a large corporation in the United States whose operations run up into anything like one-tenth of the volume of the five packers who conduct their bookkeeping on that basis. The entire method of bookkeeping of the successful business world in the United States is diametrically opposite to that proposed by the Federal Trade Commission.

If the cost price is taken, one can see in a moment why the Federal Trade Commission wishes it. The meat animal on the hoof is turned into meat by the packer. It has to be taken at

cost. The actual cost of the animal, taking the per cent of the weight which can be turned into edible products, making due allowance for inedible products and by-products, charging them against the finished products of the animal all around, is to be the cost, including everything from hide and horns to the glue and bones and to the small hair cut out of the ear of the steer and used in making paint brushes for artists and for other fine work where line tracing is required.

They insist that that be taken at cost and that all that shall constitute the inventory value. When they have it in their warehouses, on their shelves, in transit, or at their branch houses in the United States there is one way to consider taking an inventory value, say, on the 1st day of January, 1920, and that is at the quotable market prices found in the principal markets of the United States at that time. There is no other way for a successful concern to inventory its merchandise. That is one of the methods sought to be corrected by this bill, and it is the ground of great complaint.

I know why the Federal Trade Commission wish that basis changed. If they take actual cost, then if the earnings happen to be high it will show on that low cost a much larger per cent of earnings to gross, correspondingly, and a much larger complaint by the Federal Trade Commission. If it be taken at actual market values in selling the product on the market, they go up and down; they are high at some periods; and if on the 1st day of January the market price of these products is a given figure, then in estimating the profits, either by volume of business or on the net worth of the capital and surplus, it shows a correspondingly smaller per cent of dividends if it be taken at market price, and that is the milk in the coconut of my dear friends of the Federal Trade Commission. They do not want to take the ordinary way in which all the business concerns of the country are conducting their business and estimate their dividends on whether they are making or losing money.

I wish the public to know this alongside of the misleading reports that have gone out from the Federal Trade Commission. To-day the packers are loaded up with accumulated war stocks; the market is falling. If they had not had the foresight to prepare for the bad years and for the readjustments that would come, the whole live-stock market of the United States would be paralyzed in 30 days. It is only the long habit of foresight and self-restraint and leaving earnings in the treasury and not distributing any dividends, never to be recalled, that has made it possible for the four or five large packers of the country now to approach the period of readjustment with absolutely no fear of disturbing the live-stock market.

There are but four packers in Chicago who buy on that market. Cudahy does not buy in the Chicago market. For many years, for more than 20 years, Michael Cudahy was an employee of the elder Armour, and finally bought a small packing plant in Omaha and developed it and has now become one of the leading packers.

But these gentlemen prepared themselves for this slump in value. Inevitably it is so.

"Well," some one says, "it costs me just as much in my kitchen for meat products as it did before there was a selling price." I have heard that a number of times. Last August the Senate Committee on the District of Columbia conducted an investigation. I know the price at which refrigerated meats in their cars were delivered last week and this morning in the District of Columbia to the local meat-market men. Let me say for the benefit of that distinguished gentry that they are making from 60 to 140 per cent on every pound of meat that they get out of a refrigerator car from the big packers, and no one says a word.

A Senator told me a few days ago that some Member of Congress—I do not know of which body—went into a shoe shop here to buy a pair of shoes. They asked him $20 for the pair he wanted. That is here in Washington. It is a shop directly east of Woodward & Lothrop's department store. I will identify it that much so that it can be located without a search warrant. He did not buy them, but he wrote to the manufacturer of the shoes and wanted to know what they were jobbed for to this dealer. They were jobbed to this distinguished retail merchant, this great light of the commercial world in Washington, at $8.

The packers made 1.6 per cent on their entire volume of business, which my friend from North Dakota says he will accept as the basis of calculation. I know he is a very sensible and a very fair man and will conduct the discussion in that way. In a year when by the Food Administration, under the war powers of the President, the profits were limited to 9 per cent in the edible products of the animal, they made 5 and a little less than six-tenths per cent on their net worth, including capital and surplus. They handle green hides, which eventually go into shoes, and they are handling them on a very narrow margin. I will at some time go into the leather business and show how the packers became interested in tanyards; but the leather that made the pair of shoes to which I have referred returned to the packer an exceedingly small per cent of profit on the investment. The retail dealer in Washington, however, wants 250 per cent on the retail price to the man who wears the shoes.

There is nobody apparently who wants the retail dealer put under the Federal Trade Commission or under a boot and shoe commission; nobody wants to hang him to a lamp-post because of the price at which he is retailing footgear. The truth is that some of the most annoying, the most heartless, profiteering in this country is by the retail dealers.

Everybody knows why prices are cut now and why a general reduction has swept from Washington clear to the Pacific coast. It shows me I was right some years ago when I voted against the Federal reserve bank act. The Federal reserve banks have ordered all the member banks to curtail credits. In plain English, that means to the borrower from the bank, "come in and pay up; we can not carry you any longer; we will forfeit your collateral or we will sue you or do something else"; and the profiteering merchant, who has been loaded up with merchandise and has had his shelves groaning with these 250 per cent profit goods, is shoving them out on the market and trying now to attract the wary consumer to purchase, but the wary consumer is going back to his old shoes which he has had cobbled over; he is not buying any tailor-made or ready-made suits, but is hauling out of the closet his old ones, taking a club and beating the moths out of them, having them cleaned, and putting them on. It added to my tie of friendship for the Senator from Colorado [Mr. THOMAS] when he said a day or two ago that he was wearing patched clothes. I expect to do the same thing, for the next suit I get out, I think, will need it. The power to control credits now lies in the hands of the Federal reserve bank.

All of these causes combined have stopped purchasing. Then, on top of that, the banks are curtailing credits. The merchant has to sell to get money to pay up his loans, and, of course, is now offering his wares at a 25 per cent reduction and in some places at a reduction of 40 per cent. It is a deathbed repentance, but it is better than none, and I presume that some souls have gone to immortal glory on that kind of a bill of health. Let them go. I should, however, like to see some of these distinguished gentlemen like Mr. Burke, Mr. Lassitter, Mr. Kent, and others who are groaning over the fate of the ultimate consumer and his woes—I should like to see them get after some of the real offenders; not the men who are making 5.6 per cent on the net worth of the capital invested in the business and 1.6 per cent on their volume of business, but those who are taking all the way from 40 to 140 or 250 per cent in the footgear business and see what they do with them.

Once in a while an isolated cry goes up here to the effect that the situation I have described ought to be attended to, and we all with one accord say, "Yes; yes"; and we breathe privately our maledictions upon the profiteer in the retail business, and then we go directly off and forget all about it. But the agitation against the packers, like the poor, we always have with us, and I suppose from now until corn-shucking time out West every day that the Senate is in session some distinguished statesman who hungers for a headline in the press will rise and make a speech about the packers. That is to be expected. I do not know whether it hurts the packers or not, because, probably, they have got to survive at last under the constitutional rights of person and property; but it creates some trouble, and when they get through, and all of this elaborate machinery is imposed upon the business, in all human probability the cost of meat will go up like everything else.

We have now under Government control, administered by means of rather elaborate machinery, street cars in the city of Washington; and the fare has been increased from six tickets for a quarter very recently up to four tickets for 30 cents now. About the same proportion will hold good as to meat products when the proposed live-stock commission is authorized to regulate the packers' business.

I shall conclude in a moment, and do not intend at this time to make any extended comment upon this matter; but later I expect to take it up and to trace the history of the development of the packing industry and their methods of doing business, and expose some of what I believe to be manifest errors of the Trade Commission in what they have reported at divers times about the packing business.

About a year ago next July I made some remarks about the chairman of the board, Mr. Colver. He vociferously traveled about over the United States a good deal, inviting various people to debate with him. He invited the packers to debate; but they are business men, and not verbal disturbers, and, as if I were in that class, he invited me to debate with him. Well, when I

have nothing to do but go out and debate with Brother Colver, I trust that I shall be taken to an asylum for the feeble-minded. He receives attention only when he is found spreading official inaccuracies. I shall pay my respects to him later. He has been thirsting for information which I have, and I will give it to him in due season—when the packing bill comes up here and requires discussion.

But before I conclude I wish to say a few words further. The Senator from North Dakota said that there were very extended hearings before the committee. There were packers large and small. I think there are about 200 of them collected now in the American Institute of Meat Packers. Of course, that is a very iniquitous organization, but they are there and seem to be getting along very happily, the big ones and the little ones. A great many of them appeared before the committee and gave evidence; and I challenge the committee or the trade commission to produce to exceed two small packers—and I do not know whether there were any—who appeared before the committee and complained of the competition and the method of doing business they met at the hands of the big packers. They stated uniformly that they were making money, that they were getting along, and that they had no complaint to make, about the packers. In the very report of the Federal Trade Commission, I wish to remind the Senator from North Dakota, so that it may go along with what he has put in the RECORD, of the fact that the 60 small packers are admitted to be making as large dividends, or larger, than the five big packers. Now, what complaint is there about it? The only complaint is because they have grown large as the result of successful business management.

I have given expression, Mr. President, to these few cursory remarks only following what was offered by the Senator from North Dakota, and as a partial explanation of what he incorporated in the RECORD. I had not expected to take the question up to-day, but if this bill is to come up each morning until we merge into the December session I will have time, I trust, to go somewhat into the bill and analyze it, together with the gentlemen who originally proposed it—not in the committee, but elsewhere—who, I think, are well worthy of some analysis and attention. When that time shall arrive, I intend to take up the packing business and this bill at some length. This morning I forbear. I thank the Senate for their kindness in granting me the time I have consumed.

ARMY APPROPRIATIONS.

The VICE PRESIDENT. The question is on the motion of the Senator from New York that the Senate proceed to the consideration of the Army appropriation bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 13587) making appropriations for the support of the Army for the fiscal year ending June 30, 1921, and for other purposes, which had been reported from the Committee on Military Affairs with amendments.

Mr. WADSWORTH. Mr. President, I understand it is the intention of another Senator to suggest the absence of a quorum in a moment, but before that is done I desire to make a request for unanimous consent for the printing in the RECORD of a letter which I have addressed to Mr. Samuel Gompers in reply to a letter which I received from him two days ago, and which was placed in the RECORD yesterday by the Senator from North Dakota [Mr. GRONNA].

Mr. SMOOT. Will the Senator read the letter? It is not very long, and I should like to have him read it or to have the Secretary read it.

Mr. WADSWORTH. Very well; I will ask that the Secretary read the letter.

The VICE PRESIDENT. Without objection, the Secretary will read as requested.

The Assistant Secretary proceeded to read the letter.

Mr. SMOOT. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Reading Clerk called the roll, and the following Senators answered to their names:

Beckham	Henderson	New	Spencer
Borah	Jones, N. Mex.	Norris	Stanley
Brandegee	Jones, Wash.	Nugent	Sterling
Capper	Kellogg	Overman	Trammell
Curtis	Kendrick	Page	Underwood
Dial	Keyes	Sheppard	Wadsworth
Dillingham	Lenroot	Sherman	Walsh, Mass.
Edge	McCumber	Simmons	Walsh, Mont.
Fernald	McKellar	Smith, Ariz.	Warren
Gay	McLean	Smith, Ga.	
Glass	McNary	Smith, Md.	
Hale	Nelson	Smoot	

Mr. McKELLAR. The Senator from Oregon [Mr. CHAMBERLAIN], the Senator from California [Mr. PHELAN], the Senator from Nevada [Mr. PITTMAN], and the Senator from Arkansas [Mr. ROBINSON] are absent on official business.

The VICE PRESIDENT. Forty-five Senators have answered to the roll call. There is not a quorum present. The Secretary will call the names of absent Senators.

The Reading Clerk called the names of the absent Senators, and Mr. TOWNSEND answered to his name when called.

Mr. KNOX, Mr. POMERENE, Mr. SWANSON, Mr. MCCORMICK, Mr. FALL, Mr. WATSON, Mr. FRANCE, Mr. HARRIS, Mr. HARDING, Mr. GRONNA, Mr. KING, Mr. LODGE, Mr. THOMAS, Mr. WILLIAMS, Mr. HITCHCOCK, Mr. HARRISON, Mr. CULBERSON, and Mr. ROBINSON entered the Chamber and answered to their names.

The VICE PRESIDENT. Sixty-four Senators have answered to the roll call. There is a quorum present. The Secretary will continue the reading of the letter presented by the Senator from New York.

The Assistant Secretary resumed and concluded the reading of the letter, which is as follows:

MAY 22, 1920.

SAMUEL GOMPERS, Esq.,
President American Federation of Labor,
Washington, D. C.

DEAR SIR: I am in receipt of your letter of May 19 regarding that feature of pending Army reorganization legislation which provides for the immediate application of the selective draft in the event of a national emergency, declared by the Congress and proclaimed by the President. I have read your criticisms of these provisions with great care and am convinced that they are based upon a misconception of the meaning and purpose of the language employed.

The first criticism has to do with the phrase "national emergency," and you contend that the use of that phrase would permit the drafting of citizens into the service of the Federal Government in peace as well as in war, and that it would result in the "conscription of workers in industry" and in subjecting them to "involuntary servitude." Needless to say, nothing of the sort is intended. The term "emergency" was employed by the Senate committee as descriptive of a state of war of the first magnitude, constituting a national emergency. The same term was used in several of the war-time enactments as descriptive of the war in which we were then engaged. The Senate committee had no other thought in mind than that the term "national emergency" would be taken to mean a state of war involving grave danger. And it should not be forgotten that whatever the crisis confronting the country it must first be declared a national emergency by the Congress, composed of Representatives of the people, and proclaimed by the President.

At the time of the passage of the bill in the Senate it did not occur to anyone that the expression "national emergency" would be subject to doubt as to its meaning. Three or four weeks ago some doubt was expressed upon this point, and, as a result, the managers on the part of the Senate, who are now sitting in conference with the managers of the House, suggested that the expression "national emergency" be replaced by the words "state of war constituting a national emergency." It is the intention of the Senate managers to continue to urge such an amendment, in order that there may be no doubt of the intention of the Congress; and, likewise, an amendment providing that the Congress may place a limitation upon the numbers to be drafted.

Your next criticism has to do with the provision of the legislation which, in section 70, places in a deferred class those "who are needed in occupations of importance in the maintenance of the national interest during the emergency, so long as they regularly and in good faith continue in such occupations." You construe this provision to mean that the persons referred to may be drafted into industry under penalties of military law. The wording of the whole section shows very clearly that instead of drafting these persons into industry under military law, they are to be placed in a deferred class and to that extent made exempt from being drafted into the military service. This provision is in effect merely a repetition of the corresponding provision of the selective-draft law and its accompanying regulations as they stood during the war with Germany. There is no new principle involved.

In your next criticism of the bill you seek to connect the provision which I have explained above with the provisions of article 28 of chapter 2 of the bill, which revises the Articles of War. You quote the following language of that chapter:

> Any person subject to military law who quits his organization or place of duty with the intent to avoid hazardous duty or shirk important service shall be deemed a deserter.

And you contend that this provision could be used to punish as a deserter, under military law, a worker who saw fit to leave the occupation in which he was engaged and for engag-

ing in which he had received deferred classification. It is apparent that you have not read article 2 of chapter 2 of this bill. In that article you will find a definition of the term "persons subject to military law." This definition is exceedingly clear in that it includes only officers and soldiers of the Regular Army, volunteers, persons called, drafted, or ordered into the military service, cadets, officers, and soldiers of the Marine Corps under certain conditions, and camp retainers and other persons accompanying or serving with the armies of the United States. In other words, only members of the military service and persons accompanying the Army can fall under the penalties prescribed in article 28 of chapter 2, to which you refer. It is utterly impossible for this penalty to apply to the workers in industry as you suggest.

I think I ought to tell you the purpose which the Senate committee had in mind when it framed and reported this legislation to the Senate. We thought it was very generally conceded that the selective-draft law had operated with marked success during the war; that, as its provisions were put into effect, they were received with an ever-increasing degree of approval by the people; that under its provisions the burden of the great effort was distributed fairly and scientifically; that without such an equal and democratic distribution of the burden it would have been impossible for the United States to have achieved such a glorious result in such a short space of time. The committee felt that were the Nation ever compelled to meet a similar crisis in the future, the public would demand and the Congress would enact a selective-draft law as the first weapon of defense. It is true that the Congress might enact such a law after the declaration of war, as was done six weeks after the declaration of a state of war with Germany, but the delay involved might very well be exceedingly dangerous. Furthermore, the placing of such a law upon the statute books in time of peace, ready for operation when Congress gives its consent, makes it possible for the Government to prepare plans in advance to meet any crisis—plans involving not only the mobilization of our armies but also the coordination of all those activities which experience shows are so necessary in the successful conduct of a great war. With such plans ready at hand, the Government could act with great speed the instant the Congress authorized the setting in motion of the machinery.

Then, too, the Committee believed that the enactment of such a provision would serve as a strong deterrent to any nation or group of nations contemplating an attack upon the United States. If the world understands that it is the declared policy of the United States to employ its full strength in men and resources the instant it is attacked, the prospect of such an attack is exceedingly remote.

I have written you at considerable length because this is a subject which should be considered by every citizen upon its merits, without misconception or misunderstanding of the motives behind it.

Very sincerely, yours, J. W. WADSWORTH, Jr.

Mr. WADSWORTH. I ask that the formal reading of the bill be dispensed with and that we proceed to the reading of the bill for action on the committee amendments.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and the bill will be read for action on the committee amendments.

Mr. SMITH of Georgia. Mr. President, I have been away. Is this the bill to which the letter just read refers?

Mr. WADSWORTH. No.

Mr. SMITH of Georgia. I thought we had already acted on that bill and that it was in conference.

Mr. WADSWORTH. That is true, Mr. President. I will say to the Senator from Georgia that the letter which has just been read is a reply to a letter written by Mr. Samuel Gompers to me, which letter was placed in the RECORD yesterday by the Senator from North Dakota [Mr. GRONNA].

Mr. SMITH of Georgia. And it has really no reference to the matter we have before the Senate?

Mr. WADSWORTH. Nothing at all.

Mr. SMITH of Georgia. That bill is still in conference?

Mr. WADSWORTH. It is.

Mr. SMITH of Georgia. And there is no conference report before us?

Mr. WADSWORTH. Not as yet.

Mr. SMITH of Georgia. I thank you.

The Assistant Secretary proceeded to read the bill.

The first amendment of the Committee on Military Affairs was, under the head of "Secretary of War," subhead "Contingencies of the Army," on page 2, line 16, after the word "posts," to strike out "$150,000" and insert "$400,000"; in line 17, after the word "exceed," to strike out "$100,000" and insert "$350,000"; and, in line 21, after the word "claims," to insert "*Provided further*, That the Secretary of War be, and he is hereby, authorized, in his discretion, to sell to any State or foreign Government with which the United States is at peace, upon such terms as he may deem expedient, any matériel, supplies, or equipment pertaining to the Military Establishment as or may hereafter be found to be surplus, which is not needed for military purposes and for which there is no adequate domestic market," so as to make the clause read:

For all contingent expenses of the Army not otherwise provided for and embracing all branches of the military service, including the office of the Chief of Staff; for all emergencies and extraordinary expenses, including the employment of translators and exclusive of all other personal services in the War Department or any of its subordinate bureaus or offices at Washington, D. C., or in the Army at large, but impossible to be anticipated or classified; to be expended on the approval and authority of the Secretary of War, and for such purposes as he may deem proper, including the payment of a per diem allowance not to exceed $4, in lieu of subsistence, to employees of the War Department traveling on official business outside of the District of Columbia and away from their designated posts, $400,000: *Provided*, That not to exceed $350,000 of the money herein appropriated shall be expended for the payment of salaries of civilian employees connected with the sale of war supplies and the adjustment of war contracts and claims: *Provided further*, That the Secretary of War be, and he is hereby, authorized, in his discretion, to sell to any State or foreign Government with which the United States is at peace, upon such terms as he may deem expedient, any matériel, supplies, or equipment pertaining to the Military Establishment as or may hereafter be found to be surplus, which is not needed for military purposes and for which there is no adequate domestic market: *Provided further*, That none of the funds appropriated or made available under this act shall be used for the payment of any salary in excess of $12,000 per annum to any civilian employee in the War Department.

The amendment was agreed to.

The next amendment was, on page 3, line 8, to strike out the headline "Office of the Chief of Staff."

The amendment was agreed to.

The next amendment was, under the head "Contingencies, Military Intelligence Division," subhead "Office of Chief of Staff," on page 4, line 12, after the word "War," to strike out "$100,000" and insert "$400,000," so as to make the clause read:

For contingent expenses of the Military Intelligence Division, General Staff Corps, including the purchase of law books, professional books of reference; subscription to newspapers and periodicals; drafting and messenger service; and of the military attachés at the United States embassies and legations abroad; the cost of special instruction at home and abroad, and in maintenance of students and attachés; and for such other purposes as the Secretary of War may deem proper; to be expended under the direction of the Secretary of War, $400,000: *Provided*, That section 3648, Revised Statutes, shall not apply to subscription for foreign and professional newspapers and periodicals to be paid for from this appropriation.

The amendment was agreed to.

The next amendment was, under subhead "Expenses, military observers abroad," on page 4, line 19, after the word "States," to strike out "at war," so as to make the clause read:

For the actual and necessary expenses of officers of the Army on duty abroad for the purpose of observing operations of armies of foreign States, to be paid upon certificates of the Secretary of War that the expenditures were necessary for obtaining military information, $25,000.

The amendment was agreed to.

The next amendment was, under subhead "United States service schools," on page 5, line 20, after the words "Secretary of War," to strike out "$75,000" and insert "$100,000," so as to make the clause read:

To provide means for the theoretical and practical instruction at the Army service schools (including the General Staff School, the School of the Line, and the Signal Corps School at Fort Leavenworth, Kans., the Army Field Service School and Correspondence School for Medical Officers, at Washington, D. C., the Cavalry School at Fort Riley, Kans., the Field Artillery Schools at Fort Sill, Okla., and at Camp Zachary Taylor or Camp Knox, Ky., and for the Infantry School at Camp Benning, Ga.) by the purchase of textbooks, books of reference, scientific and professional papers, the purchase of modern instruments and material for the theoretical and practical instruction, employment of temporary, technical, or special services, and for all absolutely necessary expenses, to be allotted in such proportion as may, in the opinion of the Secretary of War, be for the best interests of the military service. Not exceeding $400 per month may be used for the payment of $100 per month each to a translator at the Army Service Schools, Fort Leavenworth, Kans., Field Artillery School, Fort Sill, Okla., the Infantry School, Camp Benning, Ga., and the Cavalry School, Fort Riley, Kans., to be appointed by the commandants of the schools named, with the approval of the Secretary of War, $100,000.

The amendment was agreed to.

The next amendment was, under the head of "The Adjutant General's Department," subhead "Completion and preservation of the selective-service records and the preparation of statements of service for adjutants general of States," on page 7, line 14, after the word "records," to insert "and for the employment of clerical help required to furnish to the adjutants general of the several States statements of service of all persons from those States who entered the military service during the war with Germany, is hereby reappropriated and made available for the fiscal year 1921, for all expenses, including the employment of clerical and other help in the office of The Adjutant General of the Army, necessary for the completion and

preservation of the selective-service records and the completion of the work of furnishing statements of service to adjutants general of States: *Provided*, That this appropriation shall be disbursed by such officer as may be designated by the Secretary of War for the purpose," so as to make the clause read:

The unexpended balance of the $3,500,000, reappropriated in the Army appropriation act for the fiscal year 1920, approved July 11, 1919, for the completion, preservation, and transportation of the records pertaining to the draft under the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, including the employment of the necessary clerical and other help for duty in the office of The Adjutant General of the Army in connection with the arrangement, operation, and maintenance of the files of those records, and for the employment of clerical help required to furnish to the adjutants general of the several States statements of service of all persons from those States who entered the military service during the war with Germany, is hereby reappropriated and made available for the fiscal year 1921, for all expenses, including the employment of clerical and other help in the office of The Adjutant General of the Army, necessary for the completion and preservation of the selective-service records and the completion of the work of furnishing statements of service to adjutants general of States: *Provided*, That this appropriation shall be disbursed by such officer as may be designated by the Secretary of War for the purpose.

Mr. SMOOT. I would like to ask the Senator having the bill in charge if he knows the amount of money that is available for the fiscal year 1921?

Mr. WADSWORTH. Out of what fund?

Mr. SMOOT. This amendment provides that "for the employment of clerical help required to furnish to the adjutants general of the several States statements of service of all persons in those States who entered the military service during the war with Germany, is hereby reappropriated and made available for the fiscal year 1921, for all expenses, including the employment of clerical and other help in the office of The Adjutant General of the Army."

Mr. President, this same question arose in the Committee on Appropriations and there was a certain amount of money appropriated in the legislative, executive, and judicial appropriation bill for The Adjutant General's office. The statement was made, as I remember it, that a part of the additional amount was for this very purpose and other purposes, but particularly this purpose was mentioned. The Committee on Appropriations of the Senate increased the appropriation for the War Department about $500,000, and the Secretary of War allotted to The Adjutant General's Department even more than the House gave it, and, as I understand it, gave them that increase to accomplish this very work. I would like to know something about the reason why now this same subject is brought into this bill.

Mr. WADSWORTH. Mr. President, $3,500,000, as the Senator knows, was appropriated for this current fiscal year, and it was the intention of The Adjutant General to finish the work within the year. There seemed, however, to have been some failure to secure an appropriation sufficient to hire a sufficient number of clerks to do the listing and collating of these records.

According to the testimony of The Adjutant General, there has been expended or obligated up to March 15 of this year $1,750,071.83, leaving a balance as of that date of $1,749,928.17.

Then he goes on to say:

I anticipate we will expend, between now and June 30, $950,000, so that the probable unexpended balance on June 30 will be $799,928.17.

In other words, in round figures, $800,000 will be left unexpended, which will be reappropriated by the language of this bill.

Mr. SMOOT. I did not know the exact amount, but I knew it was the purpose of the amendment to give whatever amount was unexpended on June 30 of this year to The Adjutant General's office to be expended the coming fiscal year. If I am not mistaken, Mr. President, this very question was taken care of in the legislative appropriation bill; and if so, this is simply a duplication of an appropriation amounting to $800,000 which should not be granted.

Mr. WADSWORTH. Mr. President, I feel quite certain that the Senator is mistaken. This Senate committee amendment, as printed on page 7, is the exact language which was reported from the House Committee on Military Affairs and stricken out upon the floor of the House on a point of order.

Mr. SMOOT. That may be.

Mr. WADSWORTH. Not on the ground that it was not estimated for. It was not criticized, as I recollect it, because it was taken care of in another appropriation, but because the person making the point of order had the idea that it was new legislation; and it was stricken out in such a way that if the Senator will read the complete section he will find that it leaves the section meaning nothing at all. When we were informed of this error, an obvious error, the Senate committee restored the language.

I have in my hand a copy of the hearings on the Army appropriation bill. On page 242 there is printed a letter from the Secretary of War, addressed to me as chairman of the committee, in which letter there is contained a portion of a letter which the Secretary of War addressed to Mr. GOOD, the chairman of the Committee on Appropriations of the House. It is written under date of January 26, 1920, and a portion of it reads as follows:

Gen. Harris, The Adjutant General, has advised me that, at his hearing before your committee on the 2d instant, you expressed the opinion that it would be inadvisable to increase his clerical force by bringing into this city additional clerks to complete before June 30 the statements of service for the various State adjutants general of the men from their respective States who served in the World War, and suggested that it would be more economical and better in every way for Congress to make the unexpended balance of the appropriation for that purpose available during the next fiscal year. I heartily agree with you in this, and have directed Gen. Harris to confine his efforts in the future to increasing his force by the employment of only such clerks as may be released from other bureaus or departments in this city.

Had it not been for my compliance with the suggestion of Mr. GOOD, a sufficient clerical force would have been employed by The Adjutant General to finish this work before June 30.

The Adjutant General appeared before the Senate committee and told us that if this amendment was not made the whole work would have to stop because there was no other appropriation anywhere to take care of these people, and apparently Mr. GOOD must have had that understanding as a result of the letter written to him by the Secretary of War.

Mr. SMOOT. What was the date of that letter?

Mr. WADSWORTH. January 6, 1920.

Mr. SMOOT. The legislative appropriation bill was passed after that date.

I want to call the Senator's attention to the fact that in the legislative appropriation bill there was an appropriation made for temporary employees, and the House provided $2,500,000. The Adjutant General, as well as the Secretary of War, appeared before the Appropriations Committee of the Senate and asked that that amount be increased to $4,000,000, and of the $4,000,000 they asked that The Adjutant General's office be given $2,000,000. Out of the appropriation of $2,500,000 the House gave The Adjutant General's office $1,850,000 and the Senate increased the amount to $2,000,000.

Mr. President, as I remember the testimony—I have not a copy of it here—the very reason assigned at that time for the increased appropriation is covered in this amendment, together with other items which I do not recall. When the bill went to conference the conferees compromised and appropriated $3,000,000, and out of that $3,000,000 The Adjutant General's office was given $1,850,000.

Of course, I do not like to say that this is going to be spent without any returns whatever, but I think that wherever there is an appropriation made which falls within one appropriation bill it ought to be made within that particular appropriation bill and not be divided between two appropriation bills. The temporary employees of the War Department fall in the legislative appropriation bill, and the members of the Appropriation Committee thought they had taken care of the situation. The conferees compromised on $500,000 more than the House was willing to give, and it was for the purpose of taking care of temporary employees, among other things, to do the work which is provided for in this amendment. I know the Senator from New York would not want to make two appropriations, and I ask the Senator from New York if this amendment was put in as a result of the letter of January 6?

Mr. WADSWORTH. No, Mr. President; it was put in this bill by the Senate committee on the direct testimony of The Adjutant General, who said that if he did not have it the work of completing these draft records would stop. He appeared in person, pointed out what had happened on the floor of the House, and how the House committee had put in this same language. They apparently had been persuaded that there was no duplication and that it was absolutely necessary.

Mr. SMOOT. The legislative appropriation bill was not put upon the calendar of the Senate until May 14 of this year, and I am fearful that this is a duplication of an appropriation.

Mr. WADSWORTH. Of course, I will not contradict the Senator, though I am convinced he is mistaken. To me it is inconceivable that The Adjutant General of the Army would come before the Committee on Military Affairs, knowing this matter was being taken up by the Committee on Appropriations, and ask the Committee on Military Affairs to give him more money. I can not believe that he would do it.

Mr. SMOOT. It has been done right along. If they can not get it on one appropriation bill, they will try to get it on another.

Mr. WADSWORTH. I wonder if the Senator quite understands the meaning of his statement.

Mr. SMOOT. Yes; I do understand it. I do not say that The Adjutant General has done it in this case, but if the Senator wishes I can call attention to similar cases time and time again.

Mr. WADSWORTH. I have merely this to say about it: I do not believe Gen. Harris would do a thing like that in order to deceive the Military Affairs Committee. I can not believe it.

Mr. SMOOT. I do not now say that Gen. Harris has done so.

Mr. WADSWORTH. He was the only witness.

Mr. SMOOT. But I do say that Gen. Harris appeared before the Committee on Appropriations and asked for an appropriation for the employment of temporary employees, and I do say that the Senate Committee on Appropriations, on his testimony and that of the Secretary of War, increased the appropriation $1,500,000; and it is true that in conference we had to agree to $3,000,000 instead of $4,000,000, as the Senator knows.

Mr. CURTIS. I suggest that the amendment go over until the secretary of the committee can telephone and find out about it.

Mr. WADSWORTH. I have already sent a message to The Adjutant General to find out if such a thing is possible. If it is, I shall be exceedingly disappointed.

Mr. SMOOT. The Senator knows this, does he not, that these employees are provided for in the legislative appropriation bill?

Mr. WADSWORTH. No. There were a great many employees who were not provided for in the legislative appropriation bill, which I shall point out later on.

Mr. SMOOT. Temporary employees?

Mr. WADSWORTH. Temporary employees, large numbers of them.

Mr. SMOOT. Then they are added to this bill.

Mr. WADSWORTH. No; they are not added to this bill. The Senator is mistaken. The Committee on Appropriations, when it drafted that provision in the legislative, executive, and judicial appropriation bill, forgot completely that there was an Air Service in the Army and that it was not authorized by statute, and it failed utterly to take care of the employees in the office of the Director of the Air Service. If it goes into law without amendment, every employee in the city of Washington working in the Air Service or in the construction division must be discharged.

Mr. SMOOT. I will say that there was no one representing the Air Service or the War Department who ever called attention of the Appropriations Committee to it.

Mr. WADSWORTH. They had no notice whatsoever that any such provision was contemplated.

Mr. SMOOT. Does the Senator think that the War Department does not know what is in the legislative appropriation bill when it passes the House? It was before the committee, and we had before the committee men representing every division of the War Department.

Mr. WADSWORTH. Whether they had notice or not, I have described accurately the effect. They will all have to be discharged, every civilian employee in the Air Service, every one in the construction division, every one in any bureau or branch of the War Department who has not heretofore been authorized to exist by statute. Furthermore, no salary can be paid to any of them over $1,800. Every draftsman will have to be discharged, and every designer of aircraft. They are temporary civilian employees.

Mr. SMOOT. They would have been provided for if any estimate had come to the Committee on Appropriations. It would have been put in the proper appropriation bill. I am not objecting where a failure has been made on the part of officials of the War Department to call it to the attention of the Appropriations Committee, but I do think the time will come when we will have to know where the appropriations are to be made and in what appropriation bill they are to be included, and that when the bill is presented to Congress they must be made in the proper bill and not have one appropriation bill carry one amount and the same department of the Government have the same purpose provided for in two or three bills.

Mr. WADSWORTH. I am in entire sympathy with the Senator from Utah in the suggestion which he has just made. We ought to get these things straightened out, but the Senator must remember that the Army is in a state of flux; that the war-time organization, which is a temporary organization under the provisions of the Overman Act, is still in existence. Many branches and services of the Army are temporary from the legal standpoint. It became absolutely incumbent upon the Committee on Military Affairs, when it was informed of the action of the Committee on Appropriations, to try to do something to save the civilian employees in the temporary branches of the Army. That has been attempted in this bill. Much as we regret it, we had to make a proposal which would violate the very healthy principle which the Appropriations Committee inserted in their bill; but, unfortunately, this is a perfect instance illustrating the necessity of some decently contrived budget system.

Here is the great Committee on Appropriations, charged with the duty of viséing the appropriations to pay the civilian employees of the War Department and all the other departments here in Washington. The Committee on Military Affairs is charged with viséing the appropriations for the support of the Army as such, exclusive of the civilian employees employed in the War Department by the Army. The Overman Act comes along as a war measure and makes it absolutely impossible to do anything except to employ these temporary civilian employees under the appropriations of the Military Affairs Committee. The Committee on Appropriations never hears of them; the Committee on Military Affairs never hears of what the Appropriations Committee has done; and the result is utter confusion; and here the Senator from Utah and the Senator from New York myself have stood and tried to straighten it out. I wish we had a system where we would never get into such a mess.

Mr. SMOOT. I wish to say that if we ever have a reorganization of the different departments of the Government, among other things just such things as this will be straightened out. All I am interested in is that there shall not be two appropriations for the same purpose. If Congress has placed that amount in the appropriation bill for The Adjutant General's office, through the legislative appropriation bill, The Adjutant General ought to know it and does know it. Then to have him come to the Committee on Military Affairs and ask for what the Appropriations Committee had turned down seems to me to be out of place.

This may not be such a case, but it does look to me that it is. I will say, by the way, the first time I noticed it was when it was read from the desk. If it turns out to be such a case, I am quite sure the Senator from New York will let it go out.

Mr. WADSWORTH. Certainly. Let the amendment be passed over, Mr. President.

The PRESIDING OFFICER (Mr. NEW in the chair). The amendment will be passed over.

The next amendment was, under the head of "Chief of Coast Artillery," subhead "Coast Artillery School, Fort Monroe, Va.," on page 8, line 17, after the word "specialists," to strike out "$10,540" and insert "$15,000," so as to make the clause read:

For purchase of engines, generators, motors, machines, measuring instruments, special apparatus, and materials for the division of enlisted specialists, $15,000.

The amendment was agreed to.

The next amendment was, under the head of "Office of the Chief Signal Officer," subhead "Signal Service of the Army," on page 9, line 21, after the word "officer," to insert "and the Signal Corps School, Camp Alfred Vail, N. J.," so as to read:

Telegraph and telephone systems: Purchase, equipment, operation, and repair of military, telegraph, telephone, radio, cable, and signaling systems; signal equipments and stores, field glasses, telescopes, heliographs, signal lanters, flags, and other necessary instruments; wind vanes, barometers, anemometers, thermometers, and other meteorological instruments; photographic and cinematographic work performed for the Army by the Signal Corps; motor cycles, motor-driven and other vehicles for technical and official purposes in connection with the construction, operation, and maintenance of communication or signaling systems, and supplies for their operation and maintenance; professional and scientific books of reference, pamphlets, periodicals, newspapers, and maps for use in the office of the Chief Signal Officer and the Signal Corps School, Camp Alfred Vail, N. J.; telephone apparatus, including rental and payment for commercial, exchange, message, trunk-line, long-distance, and leased-line telephone service at or connecting any post, camp, cantonment, depot, arsenal, headquarters, hospital, aviation station, or other office or station of the Army, excepting local telephone service for the various bureaus of the War Department in the District of Columbia, and toll messages pertaining to the office of the Secretary of War.

The amendment was agreed to.

The next amendment was, under the head of "Air Service," on page 11, line 20, before the word "officers," to strike out "aviation"; on page 12, line 19, after the word "employees" to strike out "outside" and insert "within"; line 20, after the word "Columbia," to insert "and elsewhere," so that the sentence will read:

Salaries and wages of civilian employees within the District of Columbia and elsewhere as may be necessary, etc.

Mr. WADSWORTH. I see that the Senator from Kansas [Mr. CURTIS] is present. Here is the case to which I referred a moment ago. I want to be fair with the members of the Committee on Appropriations and indicate to them just what this supposedly small amendment does.

On page 12, line 19, the Senator will note the language is to be made to read "salaries and wages of civilian employees within the District of Columbia and elsewhere." This is under the head of Air Service, and it is to make it possible for the money in this appropriation to be used to pay the temporary civilian employees in the Air Service who otherwise could not be paid owing to a provision in the legislative, executive, and judicial appropriation bill.

Mr. CURTIS. I wish to ask the Senator if the committee took into consideration the provision made in the legislative appropriation bill for that purpose?

Mr. WADSWORTH. There is no provision in the legislative appropriation bill for these employees.

Mr. CURTIS. Then, so far as the committee is concerned, of course we could not have any objection to it here; but if it is to be continued every year, it ought to go in the legislative appropriation bill instead of this bill.

Mr. WADSWORTH. The point is that when we get the Army reorganized, though I do not know when it will be, we will have established under the law an air service in the Army. We have not got it now.

Mr. CURTIS. I was not on the subcommittee having charge of the legislative appropriation bill, and therefore have no knowledge as to whether the question was considered. I wish to ask the Senator if he knows whether the item for this work was submitted to the Appropriations Committee by the department, or did they rely wholly upon placing it in the Army appropriation bill?

Mr. WADSWORTH. They relied entirely upon the Army appropriation bill, because that is the only way they have been paid in the past. The Air Service is a war-time temporary organization.

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. WADSWORTH. Certainly.

Mr. KING. My attention has been called during the past few days—and I am asking now for information—to a proposition which it was alleged existed to deny the Navy the right to control its Air Service, and to consolidate under the control of the Army the Air Service of the Army and the Air Service of the Navy. Does this bill effectuate that purpose?

Mr. WADSWORTH. There is a provision which has something to do with the subject to which the Senator alludes, but let me say to him that the danger of the death of naval aviation is greatly exaggerated. That item will be reached in just a short time. It is not nearly as bad as the first reports indicated.

Mr. CURTIS. While on that point, I wish to ask in behalf of the Senator from Massachusetts [Mr. LODGE] that the item on page 14 may go over until he returns to the Chamber. I think that is the item the Senator refers to.

Mr. WADSWORTH. I have already made an agreement with the Senator from Massachusetts that when that is reached it will be passed over until he returns.

Mr. KING. May I inquire of the Senator why the amount for the Air Service was raised from $27,250,000 to $40,000,000?

Mr WADSWORTH. I may say at this point that the bill as reported from the Senate committee carries a total of $418,000,000, as contrasted with the estimates of the department amounting to $982,000,000. It is less than half the amount asked for by the War Department. The House passed the bill carrying an appropriation total of $376,765,824. We have added $42,153,317, making a total carried in the bill, as presented to the Senate, of $418,919,141. The principal elements in the increase in the bill over the House figures are this aviation item and the appropriations for the pay of the Army.

Briefly, this is the situation with respect to the aviation item. The Senator from Utah will probably remember the extended debate we had on the Army appropriation bill for the current fiscal year, and that, as a result of the conference between the two Houses on that bill, the Army aviation got a $25,000,000 appropriation, and the same amount was given to the Navy, although the Army aviation is four times as large, or it should be. With that $25,000,000 given to the aviation branch of the Army this year that service has been able to maintain itself as to the fields and the training schools, the research and engineering work largely done at Dayton, experimental work on machines, the pay of civilian employees, draftsmen, engineers, experts, and other ordinary maintenance items and has also been able to secure the manufacture of the impressive number of five airplanes, on an experimental model, one each.

With the exception of those five—and they are experimental—all the airplanes now in the possession of the Army of the United States are two years old. Most of them are De Haviland 4's which were manufactured during the war, which proved to be of bad design, and several of which have been remodeled as to the placing of the seats in the fusilage, in order that the American flier, if he comes to grief in the machine, may have some show for his life. Those machines, as I have said, are all two years old; they are out of date as compared with the machines of other countries.

We also have a few German Fokkers, which constitute our share of the division of the airplanes which the German Government surrendered under the armistice. We also purchased at the end of the war a few British SE–5's. All those machines are two years old; comparatively they are out of date. The best testimony that the Military Affairs Committee can get is that by the end of another year they will all be worn out and will not be safe for flying, and by that time the Army of the Republic will have no airplanes at all worthy of being called serviceable and up to date.

The Aviation Service have asked for an appropriation of $60,000,000.

The PRESIDING OFFICER. The Chair ventures to remind the Senator from New York that they asked for an appropriation of $83,000,000 last year.

Mr. WADSWORTH. The Senator from Indiana [Mr. NEW], the present occupant of the chair, reminds me that their request for the current year was for $83,000,000; but for next year they have asked for $60,000,000. The House of Representatives gave them $27,000,000. They came before the Military Committee and showed us, as we think conclusively, that if they are confined to an appropriation of $27,000,000 they will not be able to produce a single airplane type during the next fiscal year, and that, as a result, at the end of the next fiscal year the fliers of the United States Army will have to walk on the ground. They said that, with an appropriation of $60,000,000, they expected to build and would build 600 airplanes of four or five different types—the five types to which I referred a moment ago—of the most modern up-to-date machines, all of which have now been approved. Those types of machines were tested out at Dayton not long ago with eminent success; indeed, I have heard flying officers say that those machine types are as good as anything in the world, and they performed some rather remarkable feats in the test.

The committee of the Senate believed that we owed it to the country to see to it that the American Air Service had machines in which to fly. We did not give them the $60,000,000 they desired, but we propose to give them $40,000,000. We figured roughly that instead of 600 machines, which they said they wanted to build with the $60,000,000, they could build two or three hundred machines with the $40,000,000, and we propose to the Senate to appropriate a sufficient sum of money to let the Air Service of the Army of the United States have two or three hundred airplanes at the end of the next fiscal year.

Mr. KING. Mr. President, I hesitate to criticize provisions of this bill which have received the attention of the Senator from New York. It is not unduly complimentary to say of him that he has given earnest and devoted service to the work of the Military Affairs Committee, and, with a desire to secure the best for the country, he has submitted measures only after the fullest examination of the provisions and items therein. However, I do want to submit this observation: There was appropriated for the fiscal year ending June 30, 1920, more than $36,000,000 for the aviation branch of the Army. Notwithstanding this large appropriation, there seem to be no results or any sort of a record of achievement. Millions were expended and not a machine constructed. When the war ended there were, I am advised, supplies, machinery, and so forth, on hand and under the control of the aviation branch of the War Department worth hundreds of millions of dollars. Millions were expended during the war for the construction of machines and to acquire machinery, factories, and other construction instrumentalities. Notwithstanding the stupendous appropriations made during the war and the large appropriations made to the War Department for aviation purposes after the war, we are advised that the aviation section is practically broken down, and that there are but few machines suitable or available for the service. It seems incredible that this great organization created during the war should be disintegrated and that the millions which it expended should have brought no results. It would seem that there has been great waste and extravagance in the administration of the funds and in expending the appropriations made. I am afraid that there have been too many

officers in the service, too many employees, too many alleged experts, too many persons who absorbed the funds appropriated but produced no results. If ten or fifteen millions of dollars had been placed with some competent business organization, I believe it would have produced a number of machines suitable for the Air Service. And yet, with an appropriation many times that amount since the war, there are still no machines.

I remember reading some months ago figures showing the personnel of the Air Service, and I felt at the time there was too much machinery, too much administration, and too much bureaucratic inefficiency. What has become of the millions appropriated? Certainly some machines should have been built, and yet we are told there are no machines, that no machines have been constructed, and that the Air Service is in a chaotic condition.

I believe, Mr. President, that an examination of the records of the War Department will furnish convincing proof that the overhead expenses, if I may be permitted to use such a phrase, of the department are too great and the returns much too small for the huge sums invested. Thirty-six to forty millions of dollars seems small as those figures are measured by the more than one billion appropriated for the Air Service during the war, but in these days of peace that amount should bring results. The trouble with too many officials of the Government is that they talk in hundreds of millions of dollars instead of hundreds of thousands of dollars. They feel that unless they have millions nothing can be done. I am afraid that there is an indifference upon the part of public officials to the value of money. There is not that conservation and economy that should exist. If thirty-six millions produced no machines, it is a question in arithmetic to determine how much money will be required to produce one machine. It was expected that the large sum of money appropriated for the current fiscal year would have brought some results. It is regrettable that it seems to have brought only ruin. The record submitted is not a very creditable one, and unless there is prompt and radical change it would seem the part of wisdom to take away from the War Department any duty whatever of providing aircraft. If the millions appropriated are to be expended in overhead charges and otherwise, it would be far better to select some other agency to provide aircraft needed by the Government. No adequate explanation has been offered for the apparent maladministration in the Aircraft Service. It was inefficient in war. It seems to be inefficient in peace.

The PRESIDING OFFICER. There being no objection, the amendment offered by the committee is agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Military Affairs was, on page 13, line 19, after the words "Air Service," to insert "for printing and binding, including supplies, equipment, and repairs for such Air Service printing plants at stations outside of the District of Columbia as may be authorized in accordance with law; for publications, station libraries, special furniture, supplies, and equipment for offices, shops, and laboratories; for special services, including the salvaging of wrecked planes."

Mr. KING. Mr. President, I should like to inquire of the chairman of the committee what is the necessity of appropriating for the establishment of printing plants? Does the Aircraft Service conduct a printing business?

Mr. WADSWORTH. No, Mr. President. If the Senator will take a copy of the bill in his hand and look at it he will observe that the language which appears in the Senate committee amendment on the bottom of page 13 is the language which is stricken out from the middle of page 14. It is merely a transposition of the same provision from page 14 to page 13, in order to make sense in the context of the whole section. As passed by the House, through some error, the sentence did not connect up at all. We have simply made a transposition of the provision. The printing to which the Senator refers is blue printing of designs and sketches of airplanes and engines.

The PRESIDING OFFICER. Without objection, the amendment reported by the committee is agreed to.

The reading of the bill was resumed.

The next amendment was, on page 14, line 1, after the word "planes," to strike out "$27,255,000" and insert "$40,000,000"; and in line 11, after "$150,000," to strike out "for printing and binding, including supplies, equipment, and repairs for such Air Service printing plants at stations outside of the District of Columbia as may be authorized in accordance with law; for publications, station libraries, special furniture, supplies, and equipment for offices, shops, and laboratories; for special services, including the salvaging of wrecked planes."

The amendment was agreed to.

The next amendment was, on page 14, line 23, after the word "fleet," to insert "including fleet shore bases," so as to read:

And provided further, That hereafter the Army Air Service shall control all aerial operations from land bases, and that Naval Aviation shall have control of all aerial operations attached to a fleet, including fleet shore bases.

Mr. LODGE. Mr. President, the last proviso on page 14, which has just been read, is a very important one, and there are several Senators who desire to discuss it. The Senator from Washington [Mr. POINDEXTER] has just told me that he hopes it may be allowed to go over until Monday, and I should be very glad to have that course taken, for, I repeat, several Senators wish to discuss it, and I know there is great opposition to it.

Mr. WADSWORTH. I have no objection to its going over until Monday, but before it goes over I merely wish to say that the amendment as printed in the bill is not the committee amendment, which I am authorized to offer, and that at the proper time——

Mr. LODGE. Perhaps the Senator has had the proposed new amendment printed.

Mr. WADSWORTH. No; it has not been printed.

Mr. LODGE. The Senator probably can have it printed, so that we may see it.

Mr. WADSWORTH. I will read it, so that it will go into the RECORD in that way, and, if it is necessary to have it printed, I ask that that may be done. At the end of line 23, after the word "fleet," it is proposed to add "including shore station whose maintenance is necessary for operations with the fleet, for construction and experimentation and for the training of personnel."

That language, I am absolutely sure, will not interfere with anything the Navy wants to do. I have that assurance from the head of the Naval Aviation Service.

Mr. POINDEXTER. Mr. President, I ask the chairman of the committee to have this amendment passed over for the time being, and allow it to come up on Monday in order that we may confer in regard to the proposed change.

Mr. WADSWORTH. I have no objection to that.

Mr. POINDEXTER. The entire subject matter was introduced in the bill, really without consultation with the Navy Department, and without any hearing before the Naval Committee. It affects very vitally the Naval Aviation Service. I am very much obliged to the chairman of the committee for allowing it to go over.

The PRESIDING OFFICER. Without objection, the amendment will be passed over until Monday.

The reading of the bill was resumed.

The next amendment of the Committee on Military Affairs was, on page 15, after line 3, to insert:

That piece of land reclaimed and to be reclaimed now the property of the United States Government known as Bolling Field, sections A and B, in the District of Columbia, on the east side of the Anacostia River extending from the Giesboro Point upstream to the outfall sewer at Poplar Point lying between the Anacostia River sea wall and the original high-water shore line on the east, is hereby set aside for use as a military reservation to be used for aviation purposes: *Provided*, That funds heretofore appropriated for the reclamation of this area shall remain available for this purpose.

Mr. JONES of Washington. Mr. President, I ask the Senator in charge of the bill where the land referred to in the amendment is located with reference to the present Bolling Field?

Mr. WADSWORTH. It is Bolling Field.

Mr. JONES of Washington. It is what is now known as Bolling Field, and includes the land upon which the hangars are built, and so on.

Mr. WADSWORTH. Yes; it is all Government land. I think at present it is under the jurisdiction of the Commissioners of the District of Columbia, and the object of the amendment is to transfer it to the War Department.

Mr. JONES of Washington. I know there is some additional land being reclaimed further on, and I thought probably the amendment included that land. I wanted to know why it was necessary to include additional land, but, as I understand from the Senator, it includes the land that is now known as Bolling Field.

Mr. WADSWORTH. The land known as Bolling Field; and may I say that this provision was submitted to the District Commissioners, and apparently met with their approval in its descriptive language.

Mr. JONES of Washington. I thought it was including additional land in Bolling Field. I supposed that the Army already controlled Bolling Field. I have no objection to this transfer of jurisdiction.

Mr. WADSWORTH. The Navy is there also. Why there should be two overheads on one field I never have been able to understand.

Mr. JONES of Washington. I am glad the Senator is putting it under one. I think that is far better.

Mr. WADSWORTH. I suggest that the Senator study the amendment which has gone over until Monday on that very ground—of stopping duplication.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Military Affairs was, on page 15, after line 13, to insert:

That the military reservation known as Chapman Field, now under the control and jurisdiction of the War Department, lying on the western side of the Biscayne Bay, near Miami, Fla., is hereby transferred to and placed under the control and jurisdiction of the Navy Department for the use of the Naval Service.

The amendment was agreed to.

The next amendment was, on page 15, after line 19, to strike out:

For the acquisition, by purchase, condemnation, or otherwise, of 640 acres of land, more or less, and the appurtenances thereunto belonging, situate in Macomb County, State of Michigan, now occupied by the Air Service of the Army as an aviation station, and known as Selfridge Field, not to exceed $190,000.

Mr. WADSWORTH. Mr. President, the Senator from Michigan [Mr. TOWNSEND] is interested in this item, and I think I assured him that I would ask that it be passed over if he should be absent from the Chamber when it came up. I do not see him here. I ask, therefore, that it may be passed over for the present.

The PRESIDING OFFICER. The amendment will be passed over.

The reading of the bill was resumed.

The next amendment of the Committee on Military Affairs was, on page 16, line 1, to strike out the headline "Quartermaster Corps."

The amendment was agreed to.

The next amendment was, under the head of "Pay, and so forth, of the Army," subhead "Pay of officers," on page 16, line 4, after the word "line," to strike out "$18,265,230" and insert "$25,000,000," so as to make the clause read:

For pay of officers of the line, $25,000,000.

Mr. WADSWORTH. Mr. President, I think it is due to the Senate for me to make a statement in connection with this matter of pay.

The House, in passing this bill, estimated for an Army of an average strength of 175,000 enlisted men during the next fiscal year. It is true, of course, that the authorized strength of the Army would be a good deal more than 175,000 men, but it is apparent from the recruiting figures and the statistics indicating the number of discharges which are daily or weekly taking place in the Army that we will not have in the Regular Army during the next fiscal year much more than 175,000 enlisted men on an average, so the House appropriations were supposed to be sufficient to pay for an Army of 175,000 men. As a matter of fact, the House appropriations would not pay for an Army of 175,000 men by some millions. The House simply cut the amount underneath that, even; but since the House passed this bill the Congress has passed and the President has signed the new Army and Navy increased-pay bill, so it became incumbent upon the Military Affairs Committee of the Senate to meet the new obligation arising from the new pay law. It has been necessary, therefore, for the Senate committee to increase the appropriations of the House in order to pay, or come within shooting distance of paying, 175,000 men and the appropriate complement of officers for the next fiscal year at the new rates of pay; and may I say to the Senate that the figures submitted by the Senate committee are themselves insufficient to pay 175,000 men at the new rates for the next year, although they are very close to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Military Affairs was, on page 16, line 6, after the word "department," to strike out "$12,294,915" and insert "$18,000,000," so as to make the clause read:

For pay of the officers of staff corps and departments, $18,000,000.

The amendment was agreed to.

The next amendment was, under the subhead "Pay of enlisted men," on page 16, line 17, after the word "line," to strike out "$54,889,391" and insert "$62,000,000," so as to make the clause read:

For pay of enlisted men of the line, $62,000,000.

The amendment was agreed to.

The next amendment was, on page 16, line 20, after the word "departments," to strike out "$16,512,405" and insert "$19,000,000," so as to make the clause read:

For pay of enlisted men of the staff corps and departments, $19,000,000.

The amendment was agreed to.

The next amendment was, under the subhead "Pay of Army field clerks and civil-service messengers at headquarters of the several territorial departments, Army and corps headquarters, territorial district, tactical divisions and brigades, service schools, camps, and ports of embarkation and debarkation," on page 19, line 20, after the word "light," to strike out "$310,705" and insert "$400,000," so as to make the clause read:

For commutation of quarters and of heat and light, $400,000.

The amendment was agreed to.

The next amendment was, on page 19, line 23, after the words "Quartermaster Corps," to strike out "$79,668" and insert "$100,000," so as to read:

For commutation of quarters and of heat and light for field clerks, Quartermaster Corps, $100,000: *Provided*, That said clerks, messengers, and laborers shall be employed and assigned by the Secretary of War to the offices and positions in which they are to serve: *Provided further*, That no clerk, messenger, or laborer at headquarters of tactical divisions, military departments, brigades, service schools, and office of the Chief of Staff shall be assigned to duty in any bureau of the War Department.

The amendment was agreed to.

The next amendment was, under the head of "General appropriations, Quartermaster Corps," subhead "Subsistence of the Army," on page 22, line 20, after the word "including," to insert "warrant officers of the Mine Planter Service"; and on page 23, line 25, after the word "including," to insert "warrant officers of the Mine Planter Service," so as to read:

Purchase of subsistence supplies: For issue as rations to troops, including warrant officers of the Mine Planter Service, enlisted men of the Regular Army Reserve and retired enlisted men when ordered to active duty, members of the Reserve Officers' Training Corps at camps, civil employees when entitled thereto, hospital matrons, nurses, applicants for enlistment while held under observation, general prisoners of war (including Indians held by the Army as prisoners, but for whose subsistence appropriation is not otherwise made), Indians employed with the Army as guides and scouts, and general prisoners at posts; for the subsistence of the masters, officers, crews, and employees of the vessels of the Army Transport Service; hot coffee for troops traveling when supplied with cooked or travel rations; meals for recruiting parties and applicants for enlistment while under observation; for sales to officers, including members of the Officers' Reserve Corps while on active duty, and enlisted men of the Army: *Provided*, That the sum of $12,000 is authorized to be expended for supplying meals or furnishing commutation of rations to enlisted men of the Regular Army and the National Guard who may be competitors in the national rifle match: *Provided, further*, That no competitor shall be entitled to commutation of rations in excess of $1.50 per day, and when meals are furnished no greater expense than that sum per man per day for the period the contest is in progress shall be incurred. For payments: Of commutation of rations to the cadets of the United States Military Academy in lieu of the regular established ration, at the rate of $1.08 per ration; of the regulation allowances of commutation in lieu of rations to enlisted men on furlough, enlisted men and male and female nurses when stationed at places where rations in kind can not be economically issued, including warrant officers of the Mine Planter Service, enlisted men of the Regular Army Reserve and retired enlisted men when ordered to active duty, and when traveling on detached duty where it is impracticable to carry rations of any kind, enlisted men selected to contest for places or prizes in department and Army rifle competitions while traveling to and from places of contest, male and female nurses on leave of absence, applicants for enlistment, and general prisoners while traveling under orders.

The amendment was agreed to.

The next amendment was, under the subhead "Regular supplies," on page 27, line 10, after the word "reports," to strike out "$28,000,000" and insert "$32,000,000," and in line 11, after "$32,000,000," to strike out "*Provided*, That not to exceed $52,230 may be used in the erection and completion of an ice and cold-storage plant at Schofield Barracks," so as to make the clause read:

Regular supplies of the Quartermaster Corps, including their care and protection; construction and repair of military reservation fences; stoves and heating apparatus required for the use of the Army for heating offices, hospitals, barracks and quarters, and recruiting stations, and United States disciplinary barracks; also ranges, stoves, coffee roasters, and appliances for cooking and serving food at posts, in the field, and when traveling, and repair and maintenance of such heating and cooking appliances; and the necessary power for the operation of moving-picture machines; authorized issues of candles and matches; for furnishing heat and light for the authorized allowance of quarters for officers, including members of the Officers' Reserve Corps when ordered to active duty, and enlisted men, warrant officers, and field clerks, including enlisted men of the Regular Army Reserve and retired enlisted men when ordered to active duty; contract surgeons when stationed at and occupying public quarters at military posts; for officers of the National Guard attending service and garrison schools, and for recruits, guards, hospitals, storehouses, offices, the buildings erected at

private cost, in the operation of the act approved May 31, 1902, and buildings for a similar purpose on military reservations authorized by War Department regulations; for sale to officers, and including also fuel and engine supplies required in the operation of modern batteries at established posts; for post bakeries, including bake ovens and apparatus pertaining thereto and the repair thereof; for ice machines and their maintenance where required for the health and comfort of the troops and for cold storage; ice for issue to organizations of enlisted men and officers at such places as the Secretary of War may determine, and for preservation of stores; for the construction, operation, and maintenance of laundries at military posts in the United States and its island possessions; for the authorized issues of laundry materials for use of general prisoners confined at military posts without pay or allowances, and for applicants for enlistment while held under observation; authorized issues of soap, toilet paper, and towels; for the necessary furniture, textbooks, paper, and equipment for the post schools and libraries, and for schools for noncommissioned officers; for the purchase and issue of instruments, office furniture, stationery, and other authorized articles for the use of officers' schools at the several military posts; for purchase of relief maps for issue to organizations, commercial newspapers, market reports, etc.; for the tableware and mess furniture for kitchens and mess halls, each and all for the enlisted men, including recruits; for forage, salt, and vinegar for the horses, mules, oxen, and other draft and riding animals of the Quartermaster Corps at the several posts and stations and with the armies in the field, and for the horses of the several regiments of Cavalry and batteries of Artillery, and such companies of Infantry and Scouts as may be mounted; for remounts and for the authorized number of officers' horses, including bedding for the animals; for seeds and implements required for the raising of forage at remount depots and on military reservations in the Hawaiian and Philippine Islands, and for labor and expenses incident thereto, including, when specifically authorized by the Secretary of War, the cost of irrigation; for straw for soldiers' bedding, stationery, typewriters and exchange for same, including blank books and blank forms for the Army, certificates for discharged soldiers, and for printing department orders and reports, $32,000,000.

The amendment was agreed to.

The next amendment was, under the subhead "incidental expenses," on page 28, line 13, after the words "Quartermaster Corps," to insert "and finance service," so as to read:

Postage; cost of telegrams on official business received and sent by officers of the Army, including members of the Officers' Reserve Corps, when ordered to active duty; extra pay to soldiers employed on extra duty, under the direction of the Quartermaster Corps, in the erection of barracks, quarters, and storehouses, in the construction of roads, and other constant labor for periods of not less than 10 days; as additional school-teachers during the school term at post schools, and as clerks for post quartermasters at military posts, and for overseers of general prisoners at posts designated by the War Department for the confinement of general prisoners, and for the United States disciplinary barracks guard; of extra-duty pay at rates to be fixed by the Secretary of War for mess stewards and cooks at recruit depots who are graduates of the schools for bakers and cooks, and instructor cooks at the schools for bakers and cooks; for expenses of expresses to and from frontier posts and armies in the field; of escorts to officers or agents of the Quartermaster Corps to trains where military escorts can not be furnished; hire of laborers in the Quartermaster Corps, including the care of officers' mounts when the same are furnished by the Government, and the hire of interpreters, spies, or guides for the Army; compensation of clerks and other employees of the Quartermaster Corps and finance service, and clerks, foremen, watchmen, and organist for the United States disciplinary barracks, and incidental expenses of recruiting.

The amendment was agreed to.

The next amendment was, under the subhead of "Transportation of the Army and its supplies," on page 29, line 6, after the word "including," to insert "the warrant officers of the Mine Planter Service"; on page 30, line 18, after the word "paid," to insert "for the purchase and hire of draft and pack animals in such numbers as are actually required for the service, including reasonable provision for replacing unserviceable animals; for the purchase, hire, operation, maintenance, and repair of such harness, wagons, carts, drays, other vehicles, and motor-propelled and horse-drawn passenger-carrying vehicles as are required for the transportation of troops and supplies and for official, military, and garrison purposes; for drayage and cartage at the several depots; for the purchase and repair of ships, boats, and other vessels required for the transportation of troops and supplies and for official, military, and garrison purposes; for expenses of sailing public transports and other vessels on the various rivers, the Gulf of Mexico, and the Atlantic and Pacific Oceans"; on page 31, line 7, after the word "Oceans," to strike out "$38,000,000" and insert "$45,000,000"; on page 32, line 15, after the word "acts," to strike out "for the purchase and hire of draft and pack animals in such numbers as are actually required for the service, including reasonable provision for replacing unserviceable animals; for the purchase, hire, operation, maintenance, and repair of such harness, wagons, carts, drays, other vehicles, and motor-propelled and horse-drawn passenger-carrying vehicles as are required for the transportation of troops and supplies and for official, military, and garrison purposes, provided," and insert "*Provided further*, That"; in line 24, after the word "expended," to strike out "for the purchase of any motor-propelled vehicles nor"; on page 33, line 3, after the word "use," to insert "except such use as is prescribed by order for the transportation of Army personnel in connection with the recreational activities of the Army"; and in line 5, after the word "Army," to strike out "or for any purpose except for military and official business; for drayage and cartage at the several depots; for the purchase and repair of ships, boats, and other vessels required for the transportation of troops and supplies and for official, military, and garrison purposes; for expenses of sailing public transports and other vessels on the various rivers, the Gulf of Mexico, and the Atlantic and Pacific Oceans," so as to read:

For transportation of the Army and its supplies, including transportation of the troops when moving either by land or water, and of their baggage, including the warrant officers of the Mine Planter Service, members of the Officers' Reserve Corps, enlisted men of the Enlisted Reserve Corps, and retired enlisted men when ordered to active duty, including the cost of packing and crating; for transportation of recruits and recruiting parties, of applicants for enlistment between recruiting stations and recruiting depots; for travel allowance to officers and enlisted men on discharge; for payment of travel allowance as provided in section 126 of the act approved June 3, 1916, to enlisted men of the National Guard on their discharge from the service of the United States, and to members of the National Guard who have been mustered into the service of the United States and discharged on account of physical disability; for payment of travel pay to officers of the National Guard on their discharge from the service of the United States, as prescribed in the act approved March 2, 1901; for travel allowance to discharged prisoners and persons discharged from the Government Hospital for the Insane after transfer thereto from such barracks or place to their homes (or elsewhere as they may elect), provided the cost in each case shall not be greater than to the place of last enlistment; of the necessary agents and other employees including per diem allowances in lieu of subsistence not exceeding $4 for those authorized to receive the per diem allowance; of clothing and equipage and other quartermaster stores from Army depots or places of purchase or delivery to the several posts and Army depots and from those depots to the troops in the field; of horse equipment; of ordnance and ordnance stores, and small arms from the foundries and armories to the arsenals, fortfications, frontier posts, and Army depots; for payment of wharfage, tolls, and ferriages; for transportation of funds of the Army; for the payment of Army transportation lawfully due such land-grant railroads as have not received aid in Government bonds (to be adjusted in accordance with the decisions of the Supreme Court in cases decided under such land-grant acts), but in no case shall more than 50 per cent of full amount of service be paid; for the purchase and hire of draft and pack animals in such numbers as are actually required for the service, including reasonable provision for replacing unserviceable animals; for the purchase, hire, operation, maintenance, and repair of such harness, wagons, carts, drays, other vehicles, and motor-propelled and horse-drawn passenger-carrying vehicles as are required for the transportation of troops and supplies and for official, military, and garrison purposes; for drayage and cartage at the several depots; for the purchase and repair of ships, boats, and other vessels required for the transportation of troops and supplies and for official, military, and garrison purposes; for expenses of sailing public transports and other vessels on the various rivers, the Gulf of Mexico, and the Atlantic and Pacific Oceans, $45,000,000: *Provided*, That such compensation shall be computed upon the basis of the tariff or lower special rates for like transportation performed for the public at large, and shall be accepted as in full for all demands for such service: *Provided further*, That in expending the money appropriated by this act a railroad company which has not received aid in bonds of the United States and which obtained a grant of public land to aid in the construction of its railroad on condition that such railroad should be a post route and military road, subject to the use of the United States for postal, military, naval, and oher Government services, and also subject to such regulations as Congress may impose restricting the charge for such Government transportation, having claims against the United States for transportation of troops and munitions of war and military supplies and property over such aided railroads, shall be paid out of the moneys appropriated by the foregoing provisions only on the basis of such rate for the transportation of such troops and munitions of war and military supplies and property as the Secretary of War shall deem just and reasonable under the foregoing provision, such rate not to exceed 50 per cent of the compensation of such Government transportation as shall at that time be charged to and paid by private parties to any such company for like and similar transportation; and the amount so fixed to be paid shall be accepted as in full for all demands for such service: *Provided further*, That nothing in the preceding provisos shall be construed to prevent the accounting officers of the Government from making full payment to land-grant railroads for transportation of property or persons where the courts of the United States have held that such property or persons do not come within the scope of the deductions provided for in the land-grant acts: *Provided further*, That no money herein appropriated shall be expended for the hire, operation, maintenance, or repair of any motor-propelled vehicle, which shall be employed wholly or in part for personal, social, or similar use, except such use as is prescribed by order for the transportation of Army personnel in connection with the recreational activities of the Army.

The amendment was agreed to.

The next amendment was, on page 33, after the words just stricken out, to insert:

Provided further, That hereafter when, in the opinion of the Secretary of War, accommodations are available, transportation on Army transports may be provided for the members and employees of the Porto Rican Government and their families without expense to the United States: *Provided further*, That in the discretion of the Secretary of War, and when space is available, civilian passengers and shipments of commercial cargo may be transported on Army transports at rates not less than those charged by commercial steamship companies, between the same ports, for the same class of accommodations, the receipts from which shall be covered in the Treasury of the United States to the credit of miscellaneous receipts.

Mr. EDGE. Mr. President, I regret to interfere with the orderly procedure in disposing of this important measure; but, very frankly, I feel that it is a mistake in any event to include what I think must be admitted to be general legislation on an appropriation bill, and in this particular case a type of

general legislation that directly affects a policy which the Senate only yesterday practically agreed to in the passage of the merchant marine bill; in other words, to endeavor to encourage the establishment of a merchant marine and its development, and gradually to get it into the hands of private initiative and private energy. Now, we come along and add to an Army appropriation bill a proviso that transports in the Army service shall engage in regular commercial business, carrying passengers and shipments of cargo from islands in the Caribbean to American ports. In other words, we are practically running a merchant marine in two departments of the Government, not to speak at all of the question which it seems to me should be given careful consideration by Congress, that of governmental competition with private interests already engaged in conducting steamship routes in that same territory.

I have here a letter from a well-known American company from which I will read just a few lines for the information of the Senate. This letter is from the A. H. Bull Steamship Co., having a fleet of, I think, some 12 or 15 ships, conducting a regular weekly service between New York and Porto Rico, the island that is involved in this amendment:

> Previous to the war we gained a place in the transportation between this island and the United States by the hardest kind of work and the keenest kind of competition. The Government then requisitioned all our ships, and we had to take, as all lines did, such vessels as were allocated to us to maintain more or less of a service. The service was not adequate, but it was a war emergency, and could not be avoided. However, many shippers in the island of Porto Rico did not appreciate this. Others at the different ports have clamored for Shipping Board vessels, and lines have been started to the island from Baltimore, Jacksonville, and the Gulf. In no way are they creating new business, but are simply taking from the lines that operated there previous to the war, and we do not believe they are operating on a paying basis. The Army now comes along and wishes to make further competition. We do not believe it is right that they should be permitted to do a commercial business, and we look with apprehension on this continued attempt to interfere with private transportation companies. We can not conceive how we can go to a banker and negotiate loans to operate passenger steamers if we have to admit that the United States Army Transport Service is to be a competitor.

I think the merit of the case will itself appeal to the Senate; but outside of that, or attempting to create a division as to the question of governmental competition, the strong point, I think, is the one that I have already alluded to—that we are attempting through the merchant-marine bill to establish and develop generally a merchant marine, and all of our energy from a governmental standpoint should be confined to that particular branch of the service. But I shall not bring up the question to have it decided from either standpoint, because I think a simple point of order is quite sufficient to remove it from the bill. I again express regret to interfere in any way with the passage of this bill, but I am sure the chairman will admit and agree with me that that particular provision has no relation to the necessary appropriations for the Army and is general legislation of a character that at its best is doubtful.

Mr. WADSWORTH. I ask the Senator from New Jersey to withhold the point of order for a moment.

Mr. EDGE. I will be very glad to.

Mr. WADSWORTH. I appreciate that it probably will be regarded as well taken, but I would like to say something about this matter.

Mr. EDGE. I shall be very glad to withhold it.

Mr. KING. Will the Senator permit me to make a suggestion? I would like to have him answer it, and it is cognate to the point the Senator from New Jersey has been discussing. If I may be permitted to ask it, he may answer them both while he has the floor. Complaints have been made to me that the War Department, in the utilization of its transport system, has sent boats to various parts of the United States and to its insular possessions loaded very slightly, at tremendous cost. If a few soldiers or a few officers were to be transported or a few tons of freight were to be carried, the Government, at great expense, would employ a transport. It could have at one-tenth of the expense employed private boats which were plying between the points in question and have gotten the same results. I have no knowledge whatever of the complaints. There may be absolutely no foundation to those complaints, but they have been made to me repeatedly, and if the Senator knows anything in regard to the matter I should be very glad to hear his explanation.

Mr. WADSWORTH. Mr. President, these two amendments, printed in italics on page 33, are a genuine effort to save some money for the Government of the United States, and I think it is high time that we took a little thought on that question.

The Senator from Utah has just referred to what I believe to be a fact, that certain Army transports sail only partly loaded with cargo and partly used for passengers. That, under the present situation, is inevitable; it can not be prevented, because it is absolutely necessary for the War Department to run a regular transport service. The ships must sail on a certain day, and they must reach the end of their voyage upon a certain day or thereabouts, in order that certain types of supplies may go forward and reach their destination.

For example, we have 17,000 officers and men on the Rhine. Antwerp is the terminal at which our transports unload the supplies destined for our troops on the Rhine, and from Antwerp they are taken up the river by barge, as I understand it. Of course, it will be seen right away that it is absolutely necessary for the War Department to run a regular service back and forth across the Atlantic, keeping in touch with that force, and it is perfectly true that at times the cargoes do not fill the holds of the vessels; and yet what is put in the vessel has to be taken, and it is perfectly true that many of the cabins are empty because there is not personnel being sent across sufficient to fill the cabins.

This legislation is meant to authorize the Secretary of War to make use of that vacant cargo space and that vacant passenger space in transporting civilian commercial cargo and civilian passengers at the same rates charged by commercial steamship companies, and to try to get some return for the taxpayers, who have paid for the transports and who pay for their operation.

It is not meant to compete with commercial lines, because it is especially provided that they must charge as much as commercial lines charge. The operation of these transports, it is hoped, will not continue long. It is not conceivable that we will maintain an army upon the Rhine indefinitely. They may return within the year; they may be there for two years or three years; no one can tell. As soon as our troops on the Rhine return our operation of transports across the Atlantic ceases; but while they are being operated, I say, for heaven's sake let us get some return from them.

The chief of transportation, Gen. Hines, is firmly convinced that a most substantial revenue can be brought into the Treasury of the United States if this provision remains in the bill. I shall regret exceedingly if the Senator from New Jersey shall press the point of order. He says that it has nothing to do with the appropriation of funds for the support of the Army. Technically that is true; but it has something to do with the saving of the very funds that the bill deals with.

The first of these two amendments relates only to transports touching at Porto Rico, and let me say just a word about that. It will be noted that the first amendment reads that—

> Hereafter when, in the opinion of the Secretary of War, accommodations are available, transportation on Army transports may be provided for the members and employees of the Porto Rican Government and their families without expense to the United States.

What is the situation? There are a considerable number of school-teachers in Porto Rico who make it a custom to visit the United States every summer. They go to summer schools here, they spend their vacations here as a relief from their work in that tropical climate. Word comes from them, through the Governor of Porto Rico, that the commercial steamers touching at Porto Rico bound for the United States are so packed with passengers, and the space in them reserved so far ahead, that these poor people have very little chance of reaching the United States at all this year. It is a provision intended to permit those school-teachers to get to the United States this summer. And they pay their own way. It is to be without expense to the United States.

Of course, the Senator from New Jersey can raise the point of order against both these amendments, but I submit, Mr. President, if he does so, he does more harm than good.

Mr. EDGE. Mr. President, I have not the slightest objection to the first provision in the amendment—the provision which the Senator has just discussed—on the contrary, I approve of it. It provides that members and employees of the Porto Rican Government and their families may be transported without expense to the United States in Army transports. That is a very small matter. It is too small a matter to make a question about, and I intended to differentiate between the two provisions of the amendment.

But the other portion of the amendment I must most respectfully insist is unfortunate and is unwise, and puts the Government in direct competition with established business of the country, which we encourage. We ask in every way that American capital and American initiative engage in this enterprise, and especially in view of the fact that we are now——

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

Mr. EDGE. I will yield just as soon as I am through with this statement. I say we are now attempting to centralize our whole commercial merchant marine activity in one department, which we have authorized by a bill which passed only yester-

day, an extensive department. If the transports are to be used, and it is deemed wise that they should be used, in some sections of the world for cargoes or passengers, then I feel it should come through the Shipping Board, and that two departments of the Government should not attempt in a way——

Mr. WADSWORTH. How can the Shipping Board run an Army transport?

Mr. EDGE. I do not think they can. For that reason I am making the point of order. But I do not think two departments of the Government should be engaged in this same general activity, when one department is trying to organize and establish it on a firm basis.

Mr. WADSWORTH. The Senator does not mean to say that it would be a general activity on the part of the Army transports?

Mr. EDGE. I do not know. I am not sure.

Mr. WADSWORTH. I described the situation. I am sorry I have not succeeded in persuading the Senator. I venture to say that the gentleman who wrote him takes a mighty selfish view of the situation. It is not in the slightest degree the purpose of the Federal Government, as that letter apparently seeks to convey, to compete with commercial lines. These Government boats must sail full or empty; it makes no difference; they must go; and this provides that when they go half filled with Government cargo the Government can take in some commercial cargo to fill the remaining space and charge the prevailing commercial rates, and those only.

May I say to the Senator from New Jersey that a bill has already passed the Senate, a separate measure, providing essentially for this very same thing?

If the Senator will permit me, I am going to put into the RECORD the names of these transports, their tonnage, their capacity, and whatever information is available, because I want this matter understood.

Mr. ROBINSON. Will the Senator yield to me for a brief statement?

The PRESIDING OFFICER. Will the Senator from New Jersey yield for a question?

Mr. EDGE. I will yield for a question or a brief statement. I do not want to yield the floor.

Mr. ROBINSON. If the Senator will withhold his point of order, I want to make a brief statement.

Mr. EDGE. I am going to finish my remarks in just a few minutes, principally in answer to the last suggestion of the Senator from New York.

I am fundamentally opposed to the Government being in business, to start with. Whether this individual case is one of merit or not I personally do not know, but the general policy of the Government engaging in private business in competition with the business interests of the country I am opposed to, whether it happens to be a small matter or a large matter. In my judgment the sooner the Government disengages itself from private business and uses the great functions of Government, the great power of Government, to cooperate with business, the better the country will be as a result. So, for that reason, I felt it very unwise, without consideration, to make such a departure and to incorporate that type of general legislation in an appropriation bill. I am fundamentally opposed to the principle and shall be until I am strongly convinced to the contrary.

Mr. POMERENE. I want to ask the Senator one question.

Mr. EDGE. I shall be very glad to answer it.

Mr. POMERENE. Does not the Senator from New Jersey think it would be very bad policy for the Government, owning and operating as it does these transports, to continue to operate them at a greater expense, when, if they were permitted to use them temporarily for the purposes indicated by the committee amendment, they could be operated at a less expense?

Mr. WADSWORTH. And it is only for a few months, or a year, at the most.

Mr. EDGE. As the Senator from Ohio propounds the question, considering it directly from the particular interest involved as explained by the Senator from New York, I answer yes. But I am speaking of the general principle, and if we are going to amend that general principle and still engage in business activity on the part of the Government, I want to do it through the consideration of a separate measure, which will give us the opportunity to properly qualify it by amendment, or at least to give it some consideration. I am opposed to this type of important legislation going through Congress on an appropriation bill.

Mr. WADSWORTH. It has already passed the Senate in a separate bill.

Mr. ROBINSON. Mr. President, there is another feature of the subject which I think requires attention. The Senator from New York has stated the case as it relates to passengers from Porto Rico. That condition exists at many Central American and South American ports, and it is noticeably true of the Panaman ports. There are perhaps 500 to 1,000 persons on the Isthmus of Panama who have been seeking passage to the United States for some weeks, and many of them for some months. How can the Senator from New Jersey justify striking this provision from the bill when the ships which are now plying to those ports are inadequate to accommodate the passengers who have applied for transportation?

Mr. EDGE. Mr. President, since I am asked the question——

Mr. ROBINSON. The Senator declined to yield to me, but I shall be glad to yield to him——

Mr. EDGE. Let the Senator finish his statement.

Mr. ROBINSON. The condition I have referred to as prevailing in Panama exists in Haiti. Haiti has never had adequate passenger transportation. So, considering the fact that this provision merely warrants the use to their fullest capacity of facilities which must be used by the United States, facilities which will be operated probably at an expense any way, it does seem to me that the Senator ought to be induced not to make the point of order.

The people who are seeking passage would be glad to procure it from private companies or on ships privately operated, but, as I have already stated, those facilities are inadequate and there is no prospect in the immediate future that the accommodations will be sufficient to meet the requirements of the traveling public. Then why in the name of reason should these passengers not be permitted to travel on these transports, since they must be operated, as the Senator from New York has already pointed out?

Mr. EDGE. Mr. President, I do not propose to prolong the discussion, but I wish just briefly to answer the Senator from Arkansas. We have some 2,000 ships to-day, I understand, owned by the Federal Government and under the control of the Shipping Board. Within that tonnage there is almost every type and description of ship.

I have understood, through attending various hearings of the Committee on Commerce, that we are particularly oversupplied with what are known as ships built originally for or suitable at least for coastwise transportation; in other words, they have so many of them that I think it is common knowledge that the Shipping Board has already accepted offers from aliens to sell some of the ships, because they could not find any way to use them on this side.

The Shipping Board under a bill recently passed is going to endeavor to establish lines, encourage new lines, allocate ships to existing lines, and do everything possible to meet any business situation where the possibilities of business would be sufficient to warrant such a service. I feel that they should have an opportunity to carry that out.

The Government has invested over $3,000,000,000 in these ships, and I do not feel that it is good business suddenly to give almost unlimited powers, resting simply on a decision of the Secretary of War, to use our transport service in any way that he may wish, in passenger or cargo traffic. It goes even further than the Senator from Arkansas states.

Therefore until a bill comes before us in a way that we can at least qualify it, discuss it, amend it, or give it that consideration which the importance of the measure would warrant, I must insist upon the point of order.

Mr. JONES of Washington. Before the Senator insists upon the point of order, I wish to call attention to the fact that the bill which the Senate passed September 8, 1919, with reference to this matter lays down in considerable detail, over two pages of the bill, the conditions upon which the Secretary of War may allow the use of the transports. That bill has been favorably acted upon by the House committee, with some amendments that were suggested, and is now on the House Calendar.

Mr. WADSWORTH. It has been passed by the Senate.

Mr. JONES of Washington. It occurs to me that it would be well to allow this matter to take the regular course and be acted upon in the regular bill instead of trying to put it into the Army appropriations bill, without the limitations and directions and restrictions that the Senate put in the bill when it passed it and to which the House has agreed.

Mr. WADSWORTH. Would the Senator from New Jersey be willing to accept the bill passed by the Senate instead of the amendment printed in the Army appropriation bill?

Mr. EDGE. Speaking personally, I have not the bill before me——

Mr. WADSWORTH. Here is a copy of it.

Mr. EDGE. And I have not had an opportunity to study it. It is a bill that requires considerable consideration. I want to be courteous to the Senator from New York, the chairman of the committee, because I recognize his interest in the whole subject. The very best I can do for him under the circumstances, I think, is to allow the point of order to go over and the amendment to be passed over until we have some opportunity to study the bill that has already passed the Senate on the same subject.

Mr. WADSWORTH. It is presumed the Senator studied the bill at that time.

Mr. EDGE. If the Senator will allow me to withhold the point of order temporarily, with the understanding that we shall come back to it when we finish the other portions of the bill, I shall be very glad to do that.

Mr. WADSWORTH. Very well.

Mr. President, I desire to place in the RECORD some testimony on this subject, so that it will appear in the proceedings in a consecutive manner. I read from the testimony of Gen. Hines, Chief of Transportation, before the Senate Committee on Military Affairs:

> The matter is simply this: To-day the transport frequently has to sail with passenger space and cargo space not completely filled. There are hardly sufficient commercial vessels in operation, at least at this time, and perhaps within the next year, to take care of all the commercial needs, and it seems the part of wisdom, at least good business, for the Government to utilize completely all the space on these vessels as long as we are compelled to operate them.

He continues:

> Gen. HINES. We have no desire to compete with commercial companies; we have no desire to go out and advertise for business, but when cargo is waiting and passengers are unable to get commercial accommodations and are willing to take the class of accommodations that we have, it seems to me that we should be authorized to utilize that space.
>
> Senator CHAMBERLAIN. Have you made any estimate of what that revenue would be?
>
> Gen. HINES. Yes, I have. I estimate, if we are permitted to do this, that we will at least derive a revenue of $3,000,000 on the Atlantic.

That is, this next summer. The point of order suggested by the Senator from New Jersey is to deprive the people of this country of $3,000,000 of revenue. I interject that as a part of the testimony of Gen. Hines.

Mr. ROBINSON. Will the Senator yield?

Mr. WADSWORTH. Certainly.

Mr. ROBINSON. In addition to that, ships privately owned and operated are carrying their fullest capacity. The effect of the point of order will be to deprive those desirous of securing passage of the opportunity to do so.

Mr. WADSWORTH. Commercial ships, passenger and commercial, are crammed to the gunwales to-day. There are people of my personal acquaintance who have been trying to get passage to Europe for weeks and they can not get a reservation.

What have we on the Atlantic in the way of Army transports? I will continue reading from the testimony of Gen. Hinds:

> Senator CHAMBERLAIN. You are only using the residue, always providing for the Government needs?
>
> Senator THOMAS. Surplus accommodations?
>
> Gen. HINES. Yes; surplus accommodations. Of course, at this time on the Atlantic that would probably be going to Europe, because we are utilizing most of the space coming back for our own needs, in returning the 10,000 Polish-Americans that are to come out of Danzig.

The Senator will remember, doubtless, that I introduced and secured the passage of a bill in the Senate, which later passed the House, authorizing the War Department to use its Army transports in bringing home the Polish-Americans who went abroad as members of the famous Polish Legion and fought with the allied armies, who later were sent to Poland and who assisted in the defense of Poland against her many enemies, and who finally, with their service expired, had no way of getting back to America. Our Army transports are now bringing them back. Sixteen hundred of them have been brought back, and there are now about 8,000 more of them to bring.

Then the chairman of the committee asked Gen. Hinds:

> The CHAIRMAN. How many ships are you operating regularly on the Atlantic, trans-Atlantic?
>
> Gen. HINES. I think I will put this in the record, Mr. Chairman.
>
> The CHAIRMAN. Is it in the House record?
>
> Gen. HINES. I will put it in the record here. We have seven in the straight trans-Atlantic service and two in the canal service; that is, one running from New York to the Panama Canal, and one from New Orleans to the Panama Canal. The one from New York is a cargo and passenger ship and the one from New Orleans is utilized principally in transferring cargo from the Army base to the Canal, to give them the reserve that they need down there. The fleet on the Atlantic is made up of the smaller of the ex-German vessels, of the *Antigone* and the *Pocahontas* class.

Then follows a table showing the names of the vessels, their tonnage, and their cargo capacity. In the Atlantic there are 11 vessels that run from 4,500 dead-weight tons up to 15,000, the smallest being the old *Kilpatrick* and *Buford*, and the largest being the *Nansemond*. Their capacity in cargo runs from 1,500 tons to 8,400 tons. Each of those vessels in the next year may make five or six or seven trips. It is the purpose of the provision to permit them to earn a little money and save the taxpayers of the country what they are able to earn.

I ask unanimous consent that the table printed at the bottom of page 350 of the hearings before the Senate Committee on Military Affairs be printed in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

Daily bulletin of Army transport operations.

Name.	T. D. W.	Passenger capacity.			Ship will carry with troops—	
		1 Cl.	2 Cl.	3 Cl.	Refrigerator cargo.	General cargo.
					40 cubic feet.	*Tons.*
Atlantic:						
Antigone	11,000	128	.....	2,793	148	2,714
Buford	6,000	64	18	970	261	1,500
Kilpatrick	4,529	62	36	947	175	1,751
Mercury	10,350	100	.....	2,572	553	2,037
Nansemond	15,002	9	.....	.....	450	8,495
Pocahontas	10,550	253	.....	1,877	416	1,500
Princess Matoika	10,300	155	8	2,376	319	1,275
Total	67,731	771	62	11,535	2,322	19,273
Panama:						
Northern Pacific	6,000	141	.....	2,316	323	500
Santa Leonora	5,325	81	.....	1,377	37	2,000
Total	11,325	222	.....	3,693	360	2,500
Pacific:						
Crook	.....	64	16	1,247	.....	3,500
Dix	9,939	[1] 527	.....	.....	.....	[2] 6,839
Great Northern	6,000	165	.....	2,941	179	1,000
Logan	5,327	209	84	1,684	407	1,696
Marica	12,100	41	.....	.....	30	9,075
Sherman	5,227	216	84	1,715	456	1,567
South Bend	12,000	40	.....	.....	30	9,075
Thomas	5,280	280	84	1,876	460	1,650
Total	55,873	1,015	268	9,463	1,562	34,402

[1] Animals. [2] Without animals.

Mr. WADSWORTH. I understand there is no point of order raised against the amendment authorizing the transportation of the Porto Rican school-teachers? There are two separate amendments.

Mr. EDGE. There is absolutely no point of order against the first half of the suggested amendment.

Mr. WADSWORTH. There are two separate amendments.

The PRESIDING OFFICER. The Chair understands that there is no point of order raised on the first proviso and that the point of order raised against the second proviso is temporarily withheld by the Senator from New Jersey. The RECORD will so show.

EX-PRESIDENT TAFT'S VIEW ON BONUS BILL.

Mr. THOMAS. Mr. President, the Philadelphia Ledger of to-day published an article upon the bonus from the pen of ex-President Taft, and I desire to impose upon the patience of the Senate long enough to read it into the RECORD. The heading is:

BONUS BILL SHOULED BE ALLOWED TO DIE—IT IS CONTEMPTIBLE POLITICS TO PRESS IT WHEN A PRESIDENTIAL VETO IS PRACTICALLY ASSURED.

(By William Howard Taft. Copyright, 1920, by Public Ledger Co.)

"It is to be hoped that the Republicans of prominence who met to consider the platform in Washington exercised a useful influence upon the Congressmen and Senators, and made them to know how unwise is the plan to vote a cash bonus to 4,000,000 ex-service men. There is substantially no demand for the bonus except from those who are to receive it; it is doubtful whether a majority of them favor it. The pinch of the high cost of living makes everyone else except the beneficiary of the bonus impatient at the thought of this very heavy additional burden to be put upon the people.

"The slumping Government bonds, the tenseness of the situation produced by the obstruction to interstate commerce, the tightness of money, the continued high cost of living, and all the uncertainties due to threatened strikes should give our legislators at Washington pause.

"Hundreds of thousands of men and women were induced through patriotic appeals to subscribe to Government bonds at an interest rate much too low and have been compelled to sell them at a heavy sacrifice. They will certainly have a right to complain if conditions now are to be made worse for them in the cost of living and greater taxation by the bonus project. The times are critical, and the voluntary assumption of this ad-

ditional and unnecessary load is foolishness in the extreme. It is politics gone mad.

"The Republican Party has been most emphatic in denouncing wasteful extravagances on the part of the Democratic administration and has urged the necessity for a change in government in order to secure economy and retrenchment. With what sincerity can the party make this appeal if it becomes responsible for the unnecessary expenditure of $1,500,000,000 or $2,000,000,000?

"All but the ex-service men and a great many of those will hope, if the bill passes the two Houses, that the President will veto it, as he ought. If we may judge from the evidence of the Secretary of the Treasury he will advise the President to do so.

"Can it be that those who are pressing this bill are themselves hoping that by pushing it through they can secure the favor of the beneficiaries and then by the veto can avoid its burden, putting the political responsibility for its defeat on the administration? Such politics would be contemptible; such a theory is incredible; but the Republicans who favor the bonus will expose themselves to such a charge in the face of the present financial and business crisis. The majority party in each House should do the right and the just thing and let the bonus bill die."

It is to be hoped, Mr. President, that the House of Representatives will take to heart this warning from one of the most eminent Republican statesmen of the age and follow the advice thus given.

TEACHERS—THEIR IMPORTANCE—THEIR COMPENSATION—THEIR FUTURE.

Mr. SPENCER. Mr. President, I call the attention of the Senate to a situation in this country in regard to teachers that ought to be generally known, for when it is once known the unfortunate condition which now prevails throughout the entire United States in regard to the education of our children will be speedily remedied. If there is one thing upon which the American people are united, it is their determination to provide increasingly adequate educational facilities through every grade.

There are now 647,172 teachers in the United States. Of this number, 562,184 are teachers in the elementary grades and 84,988 are teachers in the high schools. In a very real sense this body of patriotic Americans are the guardians of the Nation's future. They have to do with the American sovereignty of to-morrow.

To-day they are the mighty instruments in the formation of the character and ideals and efficiency of the coming men and women who to-morrow will govern for weal or for woe these United States.

Every instinct of national self-preservation as well as every reason of justice to teachers themselves, and of expediency and wisdom for the welfare of the Nation, demands two things:

First, that there be provided sufficient teachers who are competent, well trained, and well paid to instruct American boys and girls. The very future of our country is at stake. The responsibility placed upon these teachers is too great to permit of any but the best, the most skilled, the most efficient, in training potential American citizens.

Second, that there be provided for these teachers adequate training and adequate facilities in buildings and equipment whereby to perform their high duty, and that there be no failure to recognize the necessity of providing satisfactory living conditions for teachers and for their recreation and recuperation.

In a peculiar sense teachers in their work give themselves; it is a part of their own personality that is expended each day in the classroom. They must not be allowed to grow stale. They must be so situated that, not only in physical vitality but in mental and nerve force, they may build up what their day's work is constantly tearing down.

The teacher in a sense is an illustration of the very principle which was so manifest upon the battle line of the Great War: Those who were in the very pressure of the fight, though uninjured, were always found to need, after a comparatively few days of such intense activity, the recuperating effect of a longer time far back of the fighting line.

A recent report concerning the faculty of Yale University, situated in a great city where music and drama and pictures are available, both for education and recreation, found that the average faculty family of four people were financially able to spend but 65 cents a week for recreation. This is not only a personal deprivation, it is a blow to the efficiency of education. Books and magazines and music and art are as necessary food to sustain the teacher's strength as wrestling and boxing and running are for the athlete.

This need for well-trained, well-paid teachers and adequate facilities for their work and recreation are not merely desirable things; they are absolutely essential in this Republic.

Every American boy and girl, whether on the farm or in the more sparsely settled parts of the country, or in the city, is entitled to receive, and alike for their own sakes and for the welfare of the Nation must receive, that education which will fit them for citizenship.

If there is one place where well-trained, well-paid teachers are more necessary than another place it is with the younger children in the formative years of their lives.

At this time of life the boy and girl must come in contact with a master mind who can not only instruct in the curriculum of the school but which can by example and personal influence as well as by precept stamp upon the imagination of the growing child those great lessons of patriotism and right living and right thinking, both in relation to God and to man, that, once learned by the child, can never be entirely forgotten.

To the consuls of the Empire of Rome there was sent out the mandate that was not only an order but was well known to carry with it dire punishment in case of failure, and it always read, "You are responsible; look to it that the Republic comes to no harm." The same message is the mandate of this country to the great teaching force of the Nation, and that mandate must be accompanied by the compensation and the facilities and the encouragement which make its realization possible.

The tyrannical requirement of the children of Israel that the full quota of bricks should be made without straw must not be repeated in the relation of the United States to their teaching force.

The compensation of teachers is pitifully insufficient. The average salary for elementary teachers in 1918 was $606 a year; the average salary for high-school teachers was $1,031. The reports from 47 States in 1919–20 indicate that the average salary of all teachers in rural schools, including both elementary and high-school teachers, was $633.96.

White men teachers received on an average $711.68; white women teachers received on an average $629.96; negro men teachers received on an average $372.64; negro women teachers received on an average $358.84. In one State the average of the teaching force received but $351 a year, and in one State the average salary for teachers in negro schools was $179 per annum, and the highest average in any State for the rural teachers was $1,026.

This information is substantially up to date and includes all the increases which have come in the various States up to and including this year. The following table of 1,203 men teachers and 6,758 women teachers, taken from every part of the country, is most suggestive.

I ask that the table referred to be incorporated in the RECORD without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to is as follows:

Average rural salaries for all States.

White.	Men.	Women.	Total.
Less than $500	292	1,608	1,900
Over $500—less than $1,000	707	4,925	5,632
Over $1,000—less than $1,500	170	213	383
Over $1,500	34	12	46
Total	1,203	6,758	7,961

Mr. SPENCER. A study of camparative compensation of teachers and their occupation in California as of 1915 is illuminating, but the inequality is more manifest to-day, for the increase in compensation in every trade and occupation has been proportionately advanced far more than in regard to teachers.

If there is no objection, Mr. President, I submit that table in connection with what I am speaking and ask that it be printed without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to is as follows:

Building trades.	Average compensation.
Carpenters	$1,232
Plumbers	1,296
Painters	1,299
Masons	1,820
Cement	1,288
Plasterers	1,960
Average	1,467
Shipbuilding trades.	
Foremen	$2,352
Ship fitters	2,240
Punch operators	2,016
Plate hangers	1,960
Helpers	1,680
Journeymen	2,240
Average	2,081

Other selected occupations.

Machinists	$1,134
Sheet metal	1,456
Shipwrights	1,260
Blacksmiths	1,120
Milkman	840
Mailman	1,000
Compositors	1,190
Policeman	963
Foremen	952
Average	1,102

California teachers' salaries.

Elementary:		
Men	$1,050	------
Women	------	$746
Secondary:		
Men	1,456	------
Women	------	1,331
Principals:		
Men	1,295	------
Women	------	1,272
Average	1,267	1,116

Average for all, $1,550.

In many places the janitor of the school building receives more compensation than the teacher in the lower grades of instruction. Anywhere it costs more than $100 a month to employ a man fitted to train a horse, and yet in many places the teacher competent to train the child is not paid $50 a month.

The Chicago Tribune not long ago reported that hod carriers had been awarded $8 a day in Chicago. This is five times the average salaries paid to elementary school-teachers, and is more than twice the average salary paid to high-school teachers.

There have been indications of betterment throughout the country, but the need is not so much for a readjustment of salaries as it is for an immediate doubling or trebling of existing compensation, with corresponding requirements as to the qualifications on the part of the teacher.

The result of this indifference to the compensation and welfare of the teachers is precisely what might be expected. In New York City during the month of March, 1920, 115,000 children were sent home because there were no teachers available for their instruction. Last year 143,000 teachers in the United States were forced by insufficient compensation to quit teaching and take up better-paid work. A general condition like this makes the very foundation of the Government tremble.

The supply of scholars is constantly increasing. The supply of teachers is constantly decreasing. On February 13 of this year the Commissioner of Education stated that 18,279 schools were closed because there were no teachers available, and that in addition 41,900 schools were taught by teachers whom he characterized as being "below standard, but taken on temporarily in the emergency."

The State normal schools report a diminished enrollment amounting to between 25 to 50 per cent.

It is estimated that the total graduates of all schools, universities, and normal schools which train for elementary teachers will not exceed 30,000 during this next year, and there are 120,000 positions in the elementary schools which must be filled.

Thirty thousand teachers will be needed for the high schools, and, so far as can be estimated, the total number of graduates from schools and universities who are preparing to teach will not exceed 10,000.

The question is not only a local or State question; it is a national question, because the lack of education in any part of the country affects the entire Nation, and some parts of the country are not able to provide for adequate education except by placing upon themselves an unfair financial burden.

The following table will illustrate this point. I ask also to have the table printed in the RECORD in connection with my remarks without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to is as follows:

	Taxable wealth.	Average attendance.	Taxable wealth divided by average attendance.
Maine	$1,030,266,547	114,865	9,057
Massachusetts	5,735,230,115	506,910	11,116
New York	21,912,629,507	1,288,047	17,012
Michigan	5,169,022,582	532,362	9,709
Iowa	7,437,094,834	391,132	19,014
Maryland	12,002,216,720	167,931	11,923
North Carolina	1,745,233,696	410,140	4,256
Alabama	2,050,014,767	292,864	7,000
Kentucky	2,152,097,565	308,277	6,981
California	8,023,435,581	393,088	20,411

Mr. SPENCER. The above table shows, for example, that in order to have North Carolina, with a taxable wealth of $4,256 for each school attendant, have as good schools as California it would be necessary to impose a tax in North Carolina five times as great as in California, because California has a taxable wealth of $20,411 for each school attendant.

The inability of any State to provide absolutely necessary educational advantages for its children is no reason why those educational advantages should be denied, because every child in this Nation is not alone a citizen of an individual State, but is an essential part of the Nation itself, and the education of every child in the most remote part of the country has its direct influence upon the national welfare.

All that is necessary in connection with the entire subject of efficient education is that the people of these United States shall understand the condition as it is and realize that our very civilization is in the balance.

An intelligent, well-informed, patriotic American citizenship is the only solution of every problem—racial, industrial, or individual—that confronts this Nation, and such a citizenship is only possible as the result of adequate and efficient educational facilities.

Mr. KING. Mr. President, I have listened with interest to the eloquent appeal just made by the Senator from Missouri [Mr. SPENCER] in behalf of the teachers of the public schools in the various States. No one can differ with the statements which he has made that the school-teachers of the United States have been inadequately compensated. No words of eulogy are superfluous which describe the importance of the teachers' work and the great obligations of the people to the teachers for their splendid services.

The founders of this Republic were greatly interested in education. When the Colonies were formed provision was made for education, notwithstanding the vicissitudes and hardships incident to the founding of Commonwealths in the New World. The paramount importance of education was always in the minds of the American people. Indeed, the fathers of this Republic conceived that liberty could not endure except among an enlightened and progressive people. Wherever the pioneer has gone in the building of the New World the schoolhouse and the church immediately followed. No doubt the record shows that in many instances communities made provision for the education of their children before they had suitably cared for their pressing necessities.

The record of the States along educational lines is one of which every American should be proud. Even the States whose population is insignificant and whose wealth is unimportant have ungrudgingly submitted to heavy taxation for the maintenance of a high standard of education. No State, however great its wealth, can claim marked superiority over other States in the splendid rivalry existing for educational and intellectual advancement. The people have felt that the safety of the Nation rested upon the intelligence of their inhabitants and have sought to spread the knowledge that the intellectual leaders of the world possessed.

Every great movement is not uniform in all sections. One Commonwealth will be interested in some important social problem and make greater progress in its solution within a given period than other Commonwealths; and they, in turn, will within a like period give greater emphasis to some moral movement or some educational reform. But it may be said without successful contradiction that the general movement along educational lines and intellectual progress and development throughout the United States has been persistent and its results have been of the highest and most gratifying character. The States have a pride in their schools and in all movements leading to a higher standard of civilization. They can be trusted to do their duty and to carry forward the cause of education. They are not beggars and are not dependent upon the Federal Government for appropriations to support their schools and colleges.

The war brought profound disturbances to our social and economic structure. Dislocations in business, in trades, and in all avenues of human activity and endeavor resulted, and situations which call for relief and conditions demanding amelioration have been and are being brought to the attention of communities and States. We have not always approached the consideration of these questions and problems with that calm and temperate attitude that should characterize the peoples of the mighty Commonwealths within this Republic. There have been evidences of hysteria and unwarranted and dangerous emotionalism. There have been many fadists and extremists who have had impractical and chimerical schemes to meet evils existent and fanciful evils for which no basis is to be found. One of the most characteristic manifestations of the distemper of the people was found, and it still persists, in the contention

that the Government, and by that I mean the Federal Government, can cure all political, social, and economic infirmities and ailments.

There have been too many charlatans and quacks who have sought to administer governmental nostrums as a palliative, if not a permanent remedy, for the inequalities and evils and mistakes found to exist in various parts of the land. It is somewhat remarkable that in a Republic such as ours, with the history and traditions of the past and with the unmistakable lessons which the past has taught, there should be so large a number who accept the dangerous and destructive view of the autocrats and bureaucrats of the past, whose remedy for all the ills of the world was the assertion of greater power by rulers and the creation of more governmental agencies with augmented power and authority.

Accordingly a multitude of good Americans, particularly since the war, have turned to the Federal Government and insisted that it usurp the rights of the people and the powers and functions of the States. The movement seems to be to destroy the States and build up a consolidated and centralized Federal Government. This movement also disregards the Constitution and the limitations and restrictions therein contained. It seeks the destruction of local self-government and aims at the consummation of an absorptive policy which merges States into a consolidated National Government, unhampered, unrestrained, unlimited in its power and authority. It is alleged that the Great War was waged among other things to secure the right of communities to govern themselves, and to prevent the triumph of these consolidating forces which merge commonwealths into one hugh autocratic and centralized government, and force people of different races and nationalities into one devouring social and political organism. We profess devotion to the theory of the right of self-determination, and proclaim that the happiness of the people would best be promoted by permitting the organization of small States, particularly where ethnic and geographic lines were favorable to such end.

But we are now met with a reverse movement in our own land. Communities are to be swallowed up in more powerful political organizations, and States are to be overwhelmed in the great tidal movement which carries all the interests of the people and of the States into one voracious and destructive Frankenstein. There was a time when the States gloried in their independence. They were "sovereign" States and exercised the powers of sovereigns. They had granted by the Constitution some of their sovereignty to the Federal Government and constituted it their agent and servant with respect to certain national and international concerns. But in their domestic and internal and local affairs and problems they were nations; they were republics; they were clothed with the power and dignity and honors of sovereign and indestructible States. They assumed with pride the responsibility that devolved upon independent and sovereign States. The police powers were jealously guarded. They regarded with suspicion any encroachment by the Federal Government upon their sovereignty. Each State had its own history, its own characteristics, interests, and eccentricities, and felt that while it was a part of the Federal Union it nevertheless was not to be merged into a collodial mass, losing its identity and its freedom and independence and its high station. The manifold differences among the States made for strength and progress. Uniformity does not necessarily mean advancement. The law of progress is correlated with the law of variation.

These observations are germane to the subject discussed by the Senator from Missouri. There is a propaganda, nation wide, to further weaken the States by transferring to the Federal Government the duty and responsibility resting upon the States of educating all within their borders. It is unquestionably the attribute of a sovereign State to provide the educational system for its inhabitants. It is an invasion of the rights of the States to have some other Government superimpose its educational system upon the people therein or control in any manner the action of such States in relation to the subject.

Certain officials of the Government are engaged in an effort to establish a department of education and to bring under the control of this department the entire educational system of all of the States. Appeals are made to the teachers throughout the land, that if the Federal Government take control of education their salaries will be increased and the educational system will be greatly improved. Of course, I deny the right of the Federal Government to take over the educational systems of the States. It is not its function, and such a plan would be a dangerous assault upon the States and in the end would be an impairment of the freedom of the people.

It is an enticing picture to place before the people and before the teachers, wherein the States are promised large sums of money from the Federal Treasury for educational purposes. It is appealing to many, and they willingly extend their hands for the gratuity. They do not stop to think that before the Federal Government can make appropriations to the States for educational or any other purpose it must reach out its powerful hand and by exercising its taxing power take money from the pockets of the people within the States. They do not pause to reflect that thousands and tens of thousands of Federal employees would be required to gather the taxes and then to expend them within the States. They close their eyes to the evils of departmental government and the dangers flowing from a bureaucracy which is already a menace to the Republic. Bureaus have so multiplied and Federal officials have so increased that even now it can be asserted that this is a bureaucratic Government.

Those who approve this plan do not stop to consider what the effect of such a precedent may be, and refuse to perceive that if the Federal Government may control the education within the States and take over these domestic and local powers it may and doubtless will extend its power to still greater lengths, so that in the end there will be no "indestructible States of an indestructible Union," but an autocratic, tyrannous, paternalistic Government functioning at Washington, with a thousand arms extending to the confines of every precinct and community, and asserting its authority and power over individuals and political subdivisions and States throughout the land.

Of course, we all agree that the work of the teacher is of supreme importance; that his mission is of the highest character, and his influence and service essential to the progress of the people. I have felt for many years that the teachers were not sufficiently appreciated and the importance of their calling not fully understood. It has been my pleasure to advocate upon many occasions important increases in compensation for teachers.

I have no doubt but that the people of the United States will address themselves with increased interest to the question of education and to the compensation of teachers.

While it is true that teachers have not been sufficiently paid, so it may be said of some other professions. A few years ago I remember reading that the annual earnings of the lawyers of the United States averaged less than $700 per capita, and it is a notorious fact that the preachers of the United States have been paid even less than lawyers and teachers. Persons engaged in clerical work and in many other important vocations have received but meager salaries.

I have sometimes thought that we are laying too much emphasis upon the question of wages, as if high wages would prove a sure cure for all the evils that now exist. Statements are constantly made that people are leaving their positions in every profession and calling and industry, and entering into some other line of employment, because of the small compensation received. I have no doubt that in many business enterprises, where the profits demand that higher salaries be paid, great injustices are perpetrated upon the employees. In many industries profits are enormous and large salaries are paid, and there is a marked shifting by employees from one industry to another. This condition always follows a great war, and is sure to become more acute where there has been a conflict of such tremendous consequences as the World War through which we have just passed. There is no doubt but what wages have been unequal and that there have been inequalities in compensation which can not be justified. Teachers must be paid more. And there is no doubt but what their just demands will be recognized by the people within the various States.

But because there are inequalities in compensation and because some trades and industries pay large salaries, while others pay too little, that does not justify Federal control or Federal intervention. Because one State may be richer than another is no reason why the sovereignty of that State should be attacked, or the power of the Federal Government be increased by an encroachment upon the States or the reserved powers residing within the people. The Senator has referred to the fact that the hod carrier receives $7 or $8 per day. I have no doubt that wages of persons engaged in the building trades have been much greater than the salaries of most teachers, and certainly they have greatly exceeded the compensation paid the clerical help and those engaged in other useful and indispensable pursuits. I want to add, however, that the day is at hand when the man who labors with his hands must be accorded greater recognition in the economic, social, and political life of the communities and States than he has heretofore received. It may be that some who belong to the professional class or the so-called capitalistic class have attempted to arrogate to themselves a superiority over the "man with the hoe" and the toiler,

whose bent form is a protest against injustices. But in this Republic there is political equality, and there must be no social gulfs created based upon professions or callings or trades or character of labor. The man with the trowel or the plane, the man who builds and toils and labors for the production of the commodities which sustain life, must be accorded a high place in our industrial, political, and social organism. There must be more democracy, more equality, more fraternity, more of the genuine spirit of Christian brotherhood.

Mr. President, I join with the Senator in his eloquent tribute to the work of the teacher, and so far as I have any influence I shall exert it among the people within the States in behalf of the teachers and their further advancement and welfare. But I sound a note of warning against the consolidating tendencies of the hour, against the nation-wide propaganda to atrophy the States and to cause to be surrendered to an omniverous and centralizing power the functions and responsibilities and obligations which under our dual form of Government rest, and properly rest, upon the States and upon the people within the States.

JOINT POSTAL COMMISSION.

Mr. McKELLAR. Mr. President, to-day the Joint Postal Commission completed its labors, and work has now begun in the preparation of a report and a bill.

So many inquiries have come to me in the last few days about this report, and so many demands for immediate action, that I feel that I ought to say that the commission this morning agreed to recommend that whenever the bill shall pass, whether before July 1, 1920, or after, the new schedule of salaries shall go into effect as of date July 1, 1920. Of course, Mr. President, I agreed to that resolution of the committee, and at the same time I insisted that the recommendations of the commission should be reported out immediately and that they should be considered before any recess or adjournment. I understand that the Republican steering committee has not put this legislation on its program to be acted on before a recess shall be taken. In this I think the steering committee has made an error and one that I hope it will correct. We Democrats are not only willing but desirous of having action before any recess is taken, and I shall insist that action be not delayed. A very great injustice is being done these employees of the Government, an injustice that should be corrected without further delay.

I want to say if action is not had it will not be the fault of the commission, but the fault of the Republican managers. The members of the commission have worked early and late on this matter. They have postponed other important duties, they have made personal sacrifices, to expedite this work. It has proved a tremendous task, and it is hoped and believed that the work will be satisfactory to the employees and to the Government. I hope the Republican steering committee will reconsider its action and include this legislation in its prerecess program.

Mr. SMOOT. Mr. President, I should like to ask the Senator from Tennessee when the bill to which he refers was introduced?

Mr. McKELLAR. The bill has not been introduced.

Mr. SMOOT. Yet the Senator is complaining that the Republican steering committee has not acted upon it.

Mr. McKELLAR. I think the Republican steering committee ought to have included the proposed legislation in its program, because it has been known for quite a while that the Joint Postal Commission had about completed its work, and there is no reason in the world why it should not be acted upon.

Mr. SMOOT. Mr. President, it seems to me this is the smallest, cheapest example of petty politics that I have ever seen brought before the Senate, that a bill should be included for consideration that has not even been introduced in the Senate in connection with a subject that was before a commission and about which nobody knows whether the commission will report on it by June 5 or before the Senate shall adjourn or take a recess.

Mr. WADSWORTH. Let me ask the Senator how long the commission has had the matter under consideration?

Mr. SMOOT. I do not know just the number of months.

Mr. McKELLAR. The commission had the matter under consideration for several months. The task was a large one; the questions involved have been gone into carefully, accurately, and vigorously, and the commission is ready to report its conclusions to the Senate.

Mr. SMOOT. Is it a unanimous recommendation?

Mr. McKELLAR. The report is unanimous. Mr. President, it has been stated on the floor time and time again that the legislation proposed by the Joint Postal Commission should be acted upon, and yet there has been no arrangement for it, and I think the steering committee ought to have included it in its program.

Mr. SPENCER. Mr. President——

The PRESIDING OFFICER (Mr. McNARY in the chair). Does the Senator from Tennessee yield to the Senator from Missouri?

Mr. McKELLAR. I yield the floor. I have said all I desire to say about the matter.

Mr. SPENCER. May I ask the Senator from Tennessee whether he is a member of that commission?

Mr. McKELLAR. I am a member of that commission.

Mr. SPENCER. And do I understand from the Senator from Tennessee that the commission of which he is a member has not yet reported?

Mr. McKELLAR. It has not yet reported, but its report is ready.

Mr. SPENCER. Do I understand that the Senator from Tennessee is criticizing because no action is taken in regard to a report that it has not yet made to the Senate?

Mr. McKELLAR. I do. I say that the steering committee ought to have included this particular legislation, which everybody concedes should be passed, in its program for action before a recess.

Mr. WADSWORTH. Mr. President, if this report is ready, as the Senator says, why does he not put it in?

Mr. McKELLAR. The Senator will have to ask his colleagues on the commission. One of his colleagues is chairman of the commission.

Mr. SMOOT. Mr. President, the Senator from Tennessee was so anxious to make the announcement that the commission had concluded its labors that he could not wait for the chairman of the commission to report. I think I have written 500 letters to all parts of this United States, in which I have assured the writers of the letters I was answering that the commission was doing everything in its power to bring the hearings to a conclusion, and that I knew from the expression of every one on the commission to whom I had spoken that the commission would make a report just as soon as possible, and I had not any doubt but that legislation would be passed in conformity with the recommendations of the commission.

Mr. McKELLAR. Why not put it on the program, then?

Mr. SMOOT. So far as a program is concerned, there is no program, and if there was it would be foolish to include something not before the Senate.

Mr. McKELLAR. I go by the papers, which say that there is a program, and I have heard every Senator say that there is. I remember a complaint of the Senator from Iowa [Mr. KENYON] that his bill was not on the program. He said so here. I take his word for it.

Mr. SPENCER. Mr. President, may I ask the distinguished Senator from Tennessee who is the chairman of that commission?

Mr. McKELLAR. The Senator from South Dakota [Mr. STERLING].

Mr. WADSWORTH. Mr. President, I do not think we need be very much disturbed about this situation. The most eloquent portion of the speech of the Senator from Tennessee is the phrase "we Democrats."

Mr. McKELLAR. I did not hear what the Senator said.

Mr. WADSWORTH. It is not worth repeating.

Mr. McKELLAR. I think not.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the Speaker of the House had signed the following enrolled bill and joint resolutions:

H. R. 12626. An act for the relief of certain persons to whom, or their predecessors, patents were issued to public lands along the Snake River in the State of Idaho under an erroneous survey made in 1883;

S. J. Res. 189. Joint resolution authorizing and directing the accounting officers of the Treasury to allow credit to the disbursing clerk of the Bureau of War Risk Insurance in certain cases; and

H. J. Res. 327. Joint resolution repealing the joint resolution of April 6, 1917, declaring that a state of war exists between the United States and Germany, and the joint resolution of December 7, 1917, declaring that a state of war exists between the United States and the Austro-Hungarian Government.

AGRICULTURAL APPROPRIATIONS—CONFERENCE REPORT.

Mr. GRONNA. I ask the Senator from New York if he will kindly allow the appropriation bill to be laid aside temporarily so that I may submit a conference report. If any debate should develop, I agree not to press it.

Mr. WADSWORTH. I have no objection under those conditions, Mr. President.

Mr. GRONNA. I am directed by the conferees on the part of the Senate to submit a conference report on the Agricultural appropriation bill.

The conference report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 116, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 249, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert: "*Provided*, That the amendments relating to cotton provided for in section 6 of the act known as the wheat guaranty act approved March 4, 1919, are hereby recognized and declared to be permanent legislation"; and the Senate agree to the same.

On the amendment of the Senate numbered 93 the committee of conference have been unable to agree.

A. J. GRONNA,
G. W. NORRIS,
Managers on the part of the Senate.
G. N. HAUGEN,
J. C. MCLAUGHLIN,
GORDON LEE,
Managers on the part of the House.

Mr. GRONNA. I will state that the House conferees receded from amendment numbered 116, the grazing amendment. The Senate conferees receded from amendment numbered 249, the Comer cotton amendment, with an amendment making the present law a permanent law. On the free-seed amendment numbered 93 we were unable to agree. I ask that the Senate agree to the conference report, and I will then move that the Senate further insist upon amendment numbered 93 and that the Chair appoint conferees on the part of the Senate.

The report was agreed to.

Mr. GRONNA. I move that the Senate further insist upon its amendment numbered 93, on which the committee of conference have been unable to agree, request a further conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. GRONNA, Mr. NORRIS, and Mr. GORE conferees at the further conference on the part of the Senate.

COMMISSION ON THE RACIAL QUESTION.

Mr. SPENCER. Mr. President, I have introduced for the consideration of the Senate a bill known as S. 4267, which is now before the Committee on the Judiciary. I ask unanimous consent that the bill may be incorporated in what I am about to say.

The PRESIDING OFFICER. If there is no objection, it will be so ordered.

The bill (S. 4267) introduced by Mr. SPENCER April 21, 1920, and referred to the Committee on the Judiciary, is as follows:

Be it enacted, etc., That a commission of nine persons, citizens of the United States, be, and is hereby, created to be known and designated as the Commission on the Racial Question in the United States of America.

The commission shall be composed of three white men from the South, three white men from the North, and three colored men.

SEC. 2. That said commission shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and shall be divided into three groups of three men in each group, two white and one colored; that the term of the first group shall be for one year, the second group for two years, and the third group for three years.

SEC. 3. That the commission shall have authority to inquire into and thoroughly investigate the conditions surrounding the colored people in the United States, ascertain, if possible, the cause of the unrest among them, and, if there be racial friction, the cause of the same, and to suggest such remedies as they may deem best calculated to relieve the situation and to bring about harmonious relations between white and colored Americans.

They shall have power to send for persons and papers, administer oaths and affirmations, employ experts, and, when necessary, travel from place to place in order to ascertain the true conditions affecting the interests of the colored people in different sections of the United States.

SEC. 4. That the expense of the commission shall not exceed the sum of $50,000 for any one fiscal year; to include compensation of the commissioners when engaged in actual service of the commission not exceeding $15 per day; rental of quarters if not otherwise provided for; traveling expenses; clerk hire, and all other necessary expenses connected with the work of the commission.

The expenses of each commissioner, when in active service of the commission, shall not exceed the sum of $7 per diem.

SEC. 5. That the commission shall report to Congress, at the beginning of each session in December, the findings of the commission for the year in which the report is made, and shall also give an itemized account of the expense of the commission during that year.

SEC. 6. That the commission shall have the power to fix the compensation of a secretary, not exceeding $3,600 per year, and to make rules governing the procedure and workings of the commission.

SEC. 7. That the commission shall be under the supervision of the Secretary of the Interior, who shall approve all drafts upon the Treasury, made by the authority of the commission, before they are allowed.

Mr. SPENCER. Mr. President, this bill relates to one of the emergency problems with which our country has to do, one that involves alike our national welfare and that fundamental justice which has so signally characterized our history.

There are approximately 12,000,000 of the negro race in the United States. In mere numbers, as in efficiency and patriotism, they are an essential part of American life. In some parts of the Union they outnumber the white race. The absolute necessity of mutual confidence and understanding and cooperation between the white race and the colored race needs only to be stated in order to be at once recognized by both alike.

The fundamental basis upon which the race question must be considered and determined is that the colored man of the United States is a citizen precisely as the white man of the United States is a citizen. Each is an American; each has proved his loyalty to the principles for which our flag stands; each has fought its battles and shared in its victories; and each is entitled to the equal protection of the law in his life, in his property, and in his liberty. Any attempt to deny this equal right before the law is more of a disgrace to those who attempt it than it is to those who suffer by it.

On December 18, 1865, there was finally adopted the thirteenth amendment to the Constitution of the United States, which provided that—

Neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction.

Congress shall have power to enforce this article by appropriate legislation.

The first State to ratify this amendment was the Republican State of Illinois, which ratified it on the same day on which it was submitted to the States by Congress—February 1, 1865—and there followed in rapid succession a number of Republican States. The last State to ratify it was Georgia, on December 9, 1865, though six States ratified it after it had become a part of the Constitution.

THE NEGRO AS THE OWNER OF PROPERTY.

Since that time the negroes of the United States have acquired property worth more than $1,000,000,000.

They have acquired lands exceeding 21,000,000 acres, an area greater than the entire State of South Carolina, and cultivate an equal amount in addition, owning or renting approximately two-thirds of the cultivated land of the South. The 50 years of progress of the negro race in the United States has surpassed any progress under any like circumstances in the history of the world.

When the Russian serfs were emancipated in 1861, they had in 50 years accumulated approximately $36 for each individual, amounting in the aggregate to perhaps a half a billion dollars. The negroes, in the first 50 years of their freedom, acquired nearly double that amount—$70 for each individual, with an aggregate of $700,000,000.

The real estate which the negro has acquired is a permanent investment.

The negro is a home-acquiring race. The census of 1910 shows that 506,590 homes were owned by negroes, of which 221,535 were farm houses and 285,055 were homes in the city.

The census of 1920, following the same ratio as in previous years, will undoubtedly show more than 600,000 homes owned by negroes.

The negro has established more than 50,000 successful business enterprises. One hundred insurance companies are owned by negroes. Banks doing an annual business of $20,000,000 and with a capitalization of nearly $2,000,000 mark their activity in finance.

THE NEGRO IN WAR.

In the war, of men selected by the draft, 74.60 per cent of the negroes were accepted, and 69.71 per cent of the whites were accepted. The first soldiers of the American Army decorated for bravery were two negroes, Henry Johnson and Needham Roberts, of the Three hundred and sixty-ninth Infantry, which was formerly the Fifteenth New York National Guard.

Four whole negro regiments, the Three hundred and sixty-ninth, Three hundred and seventieth, Three hundred and seventy-first, and the Three hundred and seventy-second, and the First Battalion of another negro regiment, the Three hundred and sixty-seventh, were awarded the croix de guerre for heroism in action. In addition, there were some 400 individual medals of honor granted to negroes for bravery in action. This statement, made by Robert R. Moton, principal of Tuskegee Institute, at the American Sociological Congress, in May, 1920, gives striking evidence of the patriotism and loyalty which has so nobly characterized this part of our citizenship.

The negroes provided $225,000,000 for Liberty loan and war-work activities. There was a contribution of $100,000 by a wealthy negro farmer, David R. Raines, of Louisiana. There was one contribution of 15 cents, which was the entire worldly wealth of Gilbert Denham, an 87-year-old negro of Greenville, Ala.

Three hundred thousand negroes, with cheerfulness and efficiency and with songs and laughter, worked long hours and oftentimes in mud up to their knees as stevedores, unloading and transmitting supplies and ammunition without which the American Army could not have existed.

THE NEGRO IN EDUCATIONAL AND PROFESSIONAL LIFE.

In education, 300 counties are employing colored supervising industrial teachers with an annual pay roll of $292,752 fitting teachers to take care of the small country school.

In 1910 there were 29,727 negro teachers, 34,962 negro ministers, 3,409 physicians and surgeons, 478 dentists, and 7,056 in other occupations, making a total of over 70,000 in professional life. To-day more than 40,000 teachers are presiding over schools, in which 2,000,000 negro children are enrolled.

In the ministry their eloquence in the preaching of their gospel and their fidelity to the exacting duties of this high office is perhaps best illustrated by the confidence and reverence of the constantly increasing number to whom they minister. More than $68,000,000 have been, with much sacrifice, invested in permanent church property.

In law every large community recognizes and appreciates the existence and the exceeding helpfulness in the administration of the law of the negro lawyer who with the years acquires greater confidence and cooperation in the profession.

In medicine, not alone in the general practice among their race in the alleviation of the suffering and the remedying of disease and injury, but as well in the fields of research and medical literature the negro has taken a place of prominence almost incredible in its importance when it is remembered the comparatively short time in which this as well as other avenues of professional life have been freely and fully opened to him.

More than 1,000 patents have issued to him and speak with no uncertainty of his part in that inventive genius which has so conspicuously been manifested in the history of our country.

Five hundred newspapers and periodicals are edited and published by negroes in an ever-enlarging determination to keep their race informed of current events and of governmental and general principles with which every citizen ought to be familiar.

The race problem is no more the negro problem than it is the white man's problem. It affects both alike, and upon its right solution depends the welfare of each race, as well as in no small degree the stability of our Nation. It is not the problem of the South any more than it is the problem of the North. The mere fact that a large majority of the colored population of the country live in the South does not in any sense make it a southern problem.

If disease and lawlessness and ignorance are allowed to exist in one part of the country, its contagion will rapidly spread to all parts of the country. No section of the United States can permit a recognized wrong to exist without affecting the whole Nation as well as itself.

Every time a negro is treated unjustly, precisely as is true when a white man is treated unjustly, it affects the whole body politic, and if that injustice spreads and becomes a habit, it presents a serious national problem.

The inequality in the provision for the education of the two races in some sections of the country is appalling. In 1911 and 1912 the figures which I have been able to obtain indicate that the average amount spent in the South for education of children between the ages of 6 and 14 was $10.32 for white children and $2.89 for black children. The greatest discrepancy was in Louisiana, where $13.73 was spent for every white child and only $1.31 for each black child.

The report of the United States Commissioner of Education for 1916 shows that 87.2 per cent of the amount spent for agricultural and vocational training in the South was used for white men, and but 12.8 per cent to increase the working efficiency of the negro.

The result in illiteracy is to be expected; 48.4 per cent of the colored population is illiterate, against 14.4 per cent of illiteracy among the white population, and yet in the half century just past the general per cent of illiteracy among the negro race in the United States has been reduced from 95 per cent to about 30 per cent.

Education, fair labor conditions, and full opportunity for personal development, together with condemnation and prevention of lynching, protection of the home, and of the ballot are the fair demands of the negro.

The same method of reformation and opportunity should be opened to the younger colored boy and girl, who offends for the first time against the law, as is open to the white boy or girl under similar circumstances.

Equality of opportunity, equality before the law, equality in the sight of God, and not equality in social relationship, is the demand and the right of the colored man.

The intelligent colored man is as much determined to preserve the integrity of his race as is the intelligent white man.

Undoubtedly there are radical, hate-engendered utterances made by colored men in the excitement of race discrimination, but they are no more indicative of the sentiment of the great body of the negro people than are the same kind of utterances of which we read with indignation and anxiety when uttered by white men. There must be a recognition of the rights of the colored man as a condition to the fair and permanent solution of the race question.

The church, the school, the development of industrial and agricultural life, the playgrounds for colored children, and the legitimate recreations for colored adults are factors neither to be overlooked nor hampered.

As Bishop Calloway once stated:

> The race question is not a question for small politicians, but for broad-minded patriotic statesmen. It is not for theorists, but for clear-visioned humanitarians. All our dealings with the negro should be in the spirit of the Man of Galilee.

The race question is not a political question; it is an American question.

The railroads have no more right to furnish to negro patrons at precisely the same cost per mile of travel accommodations of an inferior quality than that which they furnish to a white man than the grocer or druggist has to furnish to the colored man at precisely the same price an inferior article to that which he sells to the white man. Equal accommodation, not joint use of cars, is the demand.

The colored boy has precisely the same right to an education that the white boy has.

His treatment in the courts, both by trial and by punishment, ought to be influenced alone by the same considerations as are used in connection with the trial and punishment of white men.

There is a need and a place for the colored man on the farm, in the shop, in the school. There is a need of the colored doctor, the colored lawyer, the colored minister, the colored teacher, the colored professional man in every vocation of life precisely as there is a need of white men in similar occupations.

You can not make the white man happy by making the negro unhappy, nor can you safeguard the virtue of one race by destroying the virtue of another. You can not deal unjustly with the black man without an equally deteriorating effect upon the white man.

The negro is essentially religious and patriotic and in these two approaches is the path to the solution of the race question. There is equality in the sight of God and there is equality before the law, and neither of these opens the door in the slightest way to an impairment of the integrity of either the white or the colored race.

The colored man has a pride in his race, in its history, and in its achievement, and a hope and confidence for its future which is, and by right ought to be, the equal of the pride of the white man in his race and in the hope of its future.

Brute force or superiority in numbers furnishes no basis for a violation of the rights of the weak or of the minority. We must consider the negro as an American, with constitutional guaranties of life, liberty, and the pursuit of happiness, precisely equal to those same guaranties in the case of the white man.

Punishment for wrongdoing ought to be as prompt and severe with the colored wrongdoer as with the white wrongdoer, but there is no justification either in history or in result for lawless punishment of either white or black any more than there is any justification for either a direct or a camouflaged violation of the constitutional right which the colored man has to vote and to have his vote counted.

If the colored man is deemed worthy to carry a rifle in the defense of his country and to risk his life for the honor of his

nation, who shall say that he is unworthy to cast a ballot in the government of that nation whose life he has helped to preserve?

These principles lie at the foundation of the consideration and determination of the racial question in the Nation. It is a question that must be settled, and it must be settled right.

More than 1 out of every 10 in the United States is a colored individual, and every reason of national welfare demands a fair, sane consideration of the question. It is useless to close our eyes to the fact that there is a widespread feeling of discontent and of hatred in the hearts of the colored citizens of the United States. Much of this is occasioned by misunderstanding; some of it is entirely well founded.

The question can never be adequately solved without representation of the white man of the South in its solution. The white man of the South has been longest identified with the colored man, is more familiar with his characteristics, and when he approaches the solution of the question, apart from prejudice, he is apt to propose the wisest and sanest plan.

In any body that deals with the question there must, of course, be the representatives of the colored race itself. By every right of representation, by every recognition of educational advancement, by every reason of common fairness they should and they must have a part in the consideration and determination of the question which has to do with their own race.

The white man of the North, while lacking in experience in the question, has the advantage of a certain impartiality, and the combination of the white man of the South and the white man of the North and the colored man produces the commission which ought to consider this question. It is precisely such a commission that is provided for in the Senate bill.

ARMY APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13587) making appropriations for the support of the Army for the fiscal year ending June 30, 1921, and for other purposes.

Mr. EDGE. Mr. President, in connection with the point of order that I have raised covering a portion of the amendment on page 33, I have conferred with the chairman of the Committee on Military Affairs, and desire to suggest adding to the amendment certain words which I believe will meet in great part the objection that I have had. The suggestion that I have made, I believe, meets with the chairman's approval.

On page 33, line 18, after the word "the," I move to amend by inserting the word "joint," so that it will read "That in the joint discretion." On the same line, after the word "War," I move to insert the words "and chairman of the Shipping Board," which will make the clause read:

Provided further, That in the joint discretion of the Secretary of War and chairman of the Shipping Board, and when space is available—

And so forth. My object in that is very obvious. I believe that we should encourage cooperation between departments, especially when they are apparently, as provided in this section, engaged in similar and cognate responsibilities.

I believe that the objection I made will be obviated if the Secretary of War confers with the chairman of the Shipping Board, because if the Shipping Board are conducting a service there that is adequate he will make it known. If not I have no objection whatever to having the Transport Service of the United States furnish any service that may be lacking. I wish to repeat, however, that I am fundamentally opposed to the Government entering into business that can be taken care of by the private business interests of our country.

Mr. WADSWORTH. Mr. President, I have no objection to the amendment.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The READING CLERK. On page 33, line 18, in the committee amendment, before the word "discretion," it is proposed to insert the word "joint," and after the word "war" it is proposed to insert the words "and chairman of the Shipping Board."

The amendment to the amendment was agreed to.

Mr. EDGE. Now, Mr. President, I withdraw the point of order.

The PRESIDING OFFICER. The point of order is withdrawn. The question is on the committee amendment as amended.

The amendment as amended was agreed to.

Mr. NEW. Mr. President, I send to the desk, in order that it may be printed, an amendment which I propose to offer to the bill now under consideration.

The PRESIDING OFFICER. It will be printed and lie on the table. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment was of the Committee on Military Affairs, under the subhead of "Clothing and camp and garrison equipage," on page 35, line 8, after the words "due to," to insert "warrant officers of the Mine Planter Service and to," and in line 21, after the word "exceeding," to strike out "$25" and insert "$40," so as to make the clause read:

For cloth, woolens, materials, and for the purchase and manufacture of clothing for the Army, including retired enlisted men when ordered to active duty; for members of the Reserve Officers' Training Corps; for issue and for sale at cost price according to the Army regulations; for payment for clothing not drawn due to warrant officers of the Mine Planter Service and to enlisted men on discharge; for altering and fitting clothing and washing and cleaning when necessary; for equipment and repair of equipment of laundries, dry-cleaning plants, salvage and sorting storehouses, hat repairing shops, shoe repair shops, clothing repair shops, and garbage reduction works; for equipage, including authorized issues of toilet articles, barbers' and tailors' materials, for use of general prisoners confined at military posts without pay or allowances and applicants for enlistment while held under observation; issue of toilet kits to recruits upon their first enlistment, and issue of housewives to the Army; for expenses of packing and handling and similar necessaries; for a suit of citizen's outer clothing, to cost not exceeding $40, to be issued to each soldier discharged otherwise than honorably; to each enlisted man convicted by civil court for an offense resulting in confinement in a penitentiary or other civil prison; and to each enlisted man ordered interned by reason of the fact that he is an alien enemy, or, for the same reason, discharged without internment; for indemnity to officers and men of the Army for clothing and bedding, etc., destroyed since April 22, 1898, by order of medical officers of the Army for sanitary reasons, $19,000,000.

The amendment was agreed to.

The next amendment was, on page 36, after line 6, to insert:

That all the money hereinbefore designated under the titles "Subsistence of the Army," "Regular supplies, Quartermaster Corps," "Incidental expenses, Quartermaster Corps," "Transportation of the Army and its supplies," "Water and sewers at military posts," "Clothing and camp and garrison equipage" shall be disbursed and accounted for as "General appropriations, Quartermaster Corps," and for that purpose shall constitute one fund.

The amendment was agreed to.

The next amendment was, under the subhead "Horses for Cavalry, Artillery, Engineers," etc., on page 37, line 9, before the words "a maximum," to strike out "at" and insert "within," so as to read:

For the purchase of horses of ages, sex, and size as may be prescribed by the Secretary of War for remounts for officers entitled to public mounts for the Cavalry, Artillery, Signal Corps, and Engineers, the United States Military Academy, service schools, and staff colleges, and for the Indian Scouts, and for such Infantry and members of the Medical Department in field campaigns as may be required to be mounted, and the expenses incident thereto, $1,500,000; *Provided*, That the number of horses purchased under this appropriation, added to the number now on hand, shall be limited to the actual needs of the mounted service, including reasonable provisions for remounts, and unless otherwise ordered by the Secretary of War, no part of this appropriation shall be paid out for horses not purchased by contract after competition duly invited by the Quartermaster Corps and an inspection under the direction and authority of the Secretary of War. When practicable, horses shall be purchased in open market at all military posts or stations, when needed, within a maximum price to be fixed by the Secretary of War.

The amendment was agreed to.

The next amendment was, under the head of "Barracks and quarters," on page 39, line 17, after the words "United States," to strike out "$10,000,000" and insert "$7,500,000," so as to read:

For barracks, quarters, stables, storehouses, magazines, administration and office buildings, sheds, shops, and other buildings necessary for the shelter of troops, public animals, and stores, and for administration purposes, except those pertaining to the Coast Artillery; for construction or reclamation plants; for constructing and repairing public buildings at military posts; for hire of employees; for rental of the authorized allowance of quarters for officers, including members of the Officers' Reserve Corps when ordered to active duty, on duty with the troops at posts and stations where no public quarters are available; of barracks or authorized allowance of quarters for noncommissioned officers and enlisted men, men on duty where public quarters are not available, including enlisted men of the Regular Army Reserve, retired enlisted men, and members of the enlisted Reserve Corps when ordered to active duty; for grounds for cantonments, camp sites, and other military purposes, and for buildings or portions of buildings for occupation by troops, for use as stables, storehouses, and offices, and for other military purposes; for the hire of recruiting stations and lodgings for recruits; for such furniture for the public rooms of officers' messes and for officers' quarters at military posts as may be approved by the Secretary of War; for wall lockers in permanent barracks and refrigerators in barracks and quarters; for screen doors, window screens, storm doors and sash, and window shades for barracks, offices and quarters, and for flooring and framing for tents, and for the National Guard when called or drafted into the service of the United States, $7,500,000.

The amendment was agreed to.

The next amendment was, on page 39, line 17, after the figures "$7,500,000," to strike out the following provisio: "*Provided*, That not to exceed the following sums may be used in the erection and completion of buildings enumerated at the places named—$404,256 for motor-training school buildings at Fort Leavenworth, Kans.; $600,000 for construction of officers' and noncommissioned officers' quarters, and the repair and remodeling of such existing buildings as may be available for such quarters at Fort Leavenworth, Kans."

Mr. CURTIS. I ask that the amendment striking out the proviso on page 39 may be passed over.

The PRESIDING OFFICER. Without objection, the amendment will be passed over.

The reading of the bill was continued.

The next amendment was, under the head of "Military post exchanges," on page 41, line 3, after the words "Secretary of War," to strike out "$400,000" and insert "$600,000," and in the same line, after "$600,000," to strike out "*Provided*, That of the unexpended balance remaining June 3, 1920, allotted to 'Military post exchanges' for continuing the construction, equipment, and manitenance of suitable buildings at military posts and stations for the conduct of the post exchange, school, library, reading, lunch, amusement rooms, and gymnasium under an act making appropriations for the support of the Army for the fiscal year ending June 30, 1919, approved July 9, 1918, there is hereby reappropriated and made available until June 30, 1921, for the completion of a Liberty theater at Camp Knox, Ky., the sum of $78,000," so as to make the clause read:

For continuing the construction, equipment, and maintenance of suitable buildings at military posts and stations for the conduct of the post exchange, school, library, reading, lunch, amusement rooms, and gymnasium, including repairs to buildings erected at private cost, in the operation of the act approved May 31, 1902, for the rental of films, purchase of slides, supplies for and making repairs to moving-picture outfits and for similar and other recreational purposes at training and mobilization camps now established, or which may be hereafter established, and for such purposes not enumerated above as the Secretary of War may deem advisable, to be expended in the discretion and under the direction of the Secretary of War, $600,000.

The amendment was agreed to.

The next amendment was, under the head of "Barracks and quarters, Philippine Islands," on page 41, line 23, after the word "China," to strike out "$250,000" and insert "$300,000," so as to make the clause read:

Continuing the work of providing for the proper shelter and protection of officers and enlisted men of the Army of the United States lawfully on duty in the Philippine Islands, including repairs and payment of rents, the acquisition of title to building sites, and such additions to existing military reservations as may be necessary, and including also shelter for the animals and supplies, and all other buildings necessary for post administration purposes, and for shelter and repair thereof, and rentals for the United States troops in China, $300,000: *Provided*, That no part of said sum shall be expended for the construction of quarters for officers of the Army the total cost of which, including the heating and plumbing apparatus, wiring, and fixtures, shall exceed in the case of quarters of a general officer the sum of $8,000; of a colonel or officer above the rank of captain, $6,000; and of an officer of and below the rank of captain, $4,000.

The amendment was agreed to.

The next amendment was, under the head of "Roads, walks, wharves, and drainage," on page 42, line 11, after the word "*Provided*," to strike out "That not to exceed $100 may be used for the purchase of land near terminal of bridge at Deer Island, Boston Harbor, Mass.: *Provided further*," so as to make the clause read:

For the construction and repair by the Quartermaster Corps of roads, walks, and wharves; for the pay of employees; for the disposal of drainage; for dredging channels; and for care and improvement of grounds at military posts and stations, $3,000,000: *Provided*, That none of the funds appropriated or made available under this act shall be used for the permanent construction or repair of any roads, walks, or wharves connected with any of the National Army cantonments or National Guard camps.

The amendment was agreed to.

The next amendment was, under the head of "Shooting galleries and ranges," on page 44, line 13, after "$50,000," to strike out "*Provided*, That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $88,880 for the acquisition of land as an addition to the Leon Springs Military Reservation in Texas, heretofore authorized, and now in use as a target range for Camp Travis, Tex.," so as to make the clause read:

For shelter, grounds, shooting galleries, ranges for small-arms target practice, machine-gun practice, field-artillery practice, repairs, and expenses incident thereto, including flour for paste for making targets, hire of employees, such ranges and galleries to be open as far as practicable to the National Guard and organized rifle clubs under regulations to be prescribed by the Secretary of War, $50,000.

The amendment was agreed to.

The next amendment was, under the subhead "Rent of buildings, Quartermaster Corps," on page 45, line 10, after "1921," to strike out "$200,000" and insert "$212,796," so as to make the clause read:

For rent of buildings and parts of buildings in the District of Columbia for military purposes during the fiscal year 1921, $212,796: *Provided*, That this appropriation shall not be available if space is provided by the Public Buildings Commission in Government-owned buildings.

The amendment was agreed to.

The next amendment was, under the head of "Vocational training," on page 45, line 15, after the word "trades," to insert "and for the payment of their traveling expenses, as authorized under existing law"; in line 19, after the words "purchase of," to strike out "material" and insert "materials, live stock (including fowls)"; on page 46, line 8, after the words "mechanic arts," to strike out "$2,000,000" and insert "$5,000,000"; and, in line 12, after the word "instructors," to insert: "*Provided further*, That farm products and the increase in live stock (including fowls) which accrue as incidental to vocational training in agriculture and animal husbandry may, notwithstanding any restrictions of existing laws, be sold under such regulations as the Secretary of War may prescribe; and the profits thereof shall continue to be available for the purchase of materials, live stock (including fowls), and other supplies for the instruction of soldiers in agriculture and animal husbandry," so as to make the clause read:

For the employment of the necessary civilian instructors in the most important trades, and for the payment of their traveling expenses, as authorized under existing law; for the purchase of carpenter's, machinist's, mason's, electrician's, and such other tools and equipment as may be required, including machines used in connection with the trades; for the purchase of materials, live stock (including fowls), and other supplies necessary for instruction and training purposes and the construction of such buildings needed for vocational training in agriculture; for shops, storage, and shelter of machinery as may be necessary to carry out the provisions of section 27 of the act approved June 3, 1916, authorizing, in addition to the military training of soldiers while in the active service, means for securing an opportunity to study and receive instruction upon educational lines of such character as to increase their military efficiency and enable them to return to civil life better equipped for industrial, commercial, and general business occupations, part of this instruction to consist of vocational education either in agriculture or the mechanic arts, $5,000,000: *Provided*, That whenever possible officers, warrant officers, noncommissioned officers, or other enlisted men shall be detailed as instructors in vocational training in the most important trades in lieu of civilian instructors: *Provided further*, That farm products and the increase in live stock (including fowls) which accrue as incidental to vocational training in agriculture and animal husbandry may, notwithstanding any restrictions of existing laws, be sold under such regulations as the Secretary of War may prescribe, and the profits thereof shall continue to be available for the purchase of materials, live stock (including fowls), and other supplies for the instruction of soldiers in agriculture and animal husbandry.

The amendment was agreed to.

The next amendment was, under the head of "Quartermaster supplies and services for rifle ranges for civilian instruction," on page 47, line 18, after "$80,000," to insert: "*Provided further*, That hereafter members of civilian rifle teams may, in the discretion of the Secretary of War, be paid, as commutation of traveling expenses, at the rate of 5 cents per mile for the shortest usually traveled route from their homes to national matches, when authorized to participate therein by the Secretary of War, and for the return travel thereto: *Provided further*, That the payment of travel pay for the return journey may be made in advance of the actual performance of travel," so as to make the clause read:

To establish and maintain indoor and outdoor rifle ranges for the use of all able-bodied males capable of bearing arms, under reasonable regulations to be prescribed by the National Board for the Promotion of Rifle Practice and approved by the Secretary of War; for the employment of labor in connection with the establishment of outdoor and indoor rifle ranges, including labor in operating targets; for the employment of instructors; for clerical services; for badges and other insignia; for the transportation of employees, instructors, and civilians to engage in practice; for the purchase of materials, supplies, and services, and for expenses incidental to instruction of citizens of the United States in marksmanship, and their participation in national and international matches, to be expended under the direction of the Secretary of War, and to remain available until expended, $100,000: *Provided*, That out of the said sum of $100,000 there may be expended for the payment of transportation, for supplying meals, or furnishing commutation of subsistence of civilian rifle teams authorized by the Secretary of War to participate in the national matches, not to exceed $80,000: *Provided further*, That hereafter members of civilian rifle teams may, in the discretion of the Secretary, be paid, as commutation of traveling expenses, at the rate of 5 cents per mile for the shortest usually traveled route from their homes to national matches, when authorized to participate therein by the Secretary of War, and for the return travel thereto: *Provided further*, That the payment of travel pay for the return journey may be made in advance of the actual performance of travel.

The amendment was agreed to.

The next amendment was, under the head of "Quartermaster supplies, equipment, etc., Reserve Officers' Training Corps," on page 48, line 10, after the word "institutions," to insert "and training camps"; in line 22, after "1916," to strike out "$2,500,000" and insert "$3,000,000: *Provided*, That so much of section 48 of the act of June 3, 1916, entitled 'An act for making further and more effectual provisions for the national defense, and for other purposes,' as relates to the transportation of members of the Reserve Officers' Training Corps attending summer camps be, and the same is hereby, amended so as to provide that such members of the Reserve Officers' Training Corps shall be paid as traveling allowances 5 cents per mile for the distance by the shortest usually traveled route from the places from which they are authorized to proceed to the camp and for the return travel thereto: *Provided further*, That the payment of travel pay for the return journey may be made in advance of the actual performance of travel: *Provided further*, That the Secre-

tary of War may, in his discretion and under such regulations as he may prescribe, permit such institutions to furnish their own uniforms and receive as commutation therefor the sum allotted by the Secretary of War to such institutions for uniforms," so as to make the clause read:

For the procurement and issue, under such regulations as may be prescribed by the Secretary of War, to institutions at which one or more units of the Reserve Officers' Training Corps are maintained, such public animals, uniforms, equipment, and means of transportation as he may deem necessary, and to forage at the expense of the United States public animals so issued; for transporting said animals and other authorized equipment from place of issue to the several institutions and training camps and return of same to place of issue when necessary; for the maintenance of camps for the further practical instruction of the members of the Reserve Officers' Training Corps, and for transporting members of such corps to and from such camps, and to subsist them while traveling to and from such camps and while remaining therein so far as appropriations will permit; for the payment of commutation of subsistence to members of the senior division of the Reserve Officers' Training Corps, at such rate, not exceeding the cost of the garrison ration prescribed for the Army, as authorized in the act of Congress approved June 3, 1916, $3,000,000: *Provided*, That so much of section 48 of the act of June 3, 1916, entitled, etc.

The amendment was agreed to.

The next amendment was, under the head of "Inland and port storage and shipping facilities," on page 50, line 5, after the word "employees," to strike out "$10,000,000" and insert "$100," so as to make the clause read:

For inland and port storage, including all necessary buildings, docks, tracks, handling, and other facilities for Government supplies, including rentals and hire of the necessary employees, $100.

The amendment was agreed to.

The next amendment was, under the head of "Bureau of Insular Affairs," subhead "Care of insane Filipino soldiers," on page 52, line 24, after "1908," to strike out "$1,500" and insert "$2,000," so as to make the clause read:

For care, maintenance, and treatment at asylums in the Philippine Islands of insane natives of the Philippine Islands cared for in such institutions conformable to the act of Congress approved May 11, 1908, $2,000.

The amendment was agreed to.

The next amendment was, under the head of "Engineer Department," subhead "Engineer School," on page 53, line 24, after the word "models," to insert "boats," on page 54, line 1, after the word "and," to strike out "for" and insert "to provide means for the theoretical and practical"; in line 2, after the word "Engineer," to insert "officers and"; in line 4, after the words "binding of," to insert "scientific and"; in line 5, after the word "works," to insert "papers"; in the same line, after the word "periodicals," to strike out "of recent date"; in line 6, before the word "engineering," to strike out "and civil"; in the same line, before the word "scientific," to strike out "kindred"; in line 7, after the word "subjects," to insert "textbooks and books of reference"; and in line 17, after the word "allowances," to strike out "and to provide means for the theoretical and practical instruction at the Engineer School by the purchase of textbooks, books of reference, scientific and professional papers," so as to make the clause read:

Equipment and maintenance of the Engineer School, including purchase and repair of instruments, machinery, implements, models, boats, and materials for the use of the school and to provide means for the theoretical and practical instruction of Engineer officers and troops in their special duties as sappers and miners; for land mining, pontoniering, and signaling; for purchase and binding of scientific and professional works, papers, and periodicals treating on military, engineering, and scientific subjects, textbooks, and books of reference for the library of the United States Engineer School; for incidental expenses of the school, including chemicals, stationery, hardware, machinery, and boats; for pay of civilian clerks, draftsmen, electricians, mechanics, and laborers; compensation of civilian lecturers and payment of tuition fees of student officers at civil technical institutions; for unforeseen expenses; for travel expenses of officers on journeys approved by the Secretary of War and made for the purpose of instruction, $40,000: *Provided*, That the traveling expenses herein provided for shall be in lieu of mileage and other allowances, and for other absolutely necessary expenses: *Provided further*, That section 3648, Revised Statutes, shall not apply to subscriptions for foreign and professional newspapers and periodicals to be paid for from this appropriation.

The amendment was agreed to.

Mr. REED. Mr. President, by the courtesy of the chairman of the committee I am permitted to interrupt and offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. It is proposed by the Senator from Missouri to insert at the end of the bill the following:

That the Secretary of the Treasury be, and he is hereby, authorized to pay to Blanche Winters, widow of Charles F. Winters, of Kansas City, State of Missouri, out of any moneys in the Treasury of the United States not otherwise appropriated, the sum of $25,000 as compensation and relief for the loss, by death, on January 11, 1918, at Camp Funston, in the State of Kansas, of her husband, Charles F. Winters, who, while engaged in the discharge of his duty, in conducting the camp bank at Camp Funston, in the State of Kansas, and in protecting the money and funds of the Government of the United States of America and of the soldiers of the United States Army, was killed by Louis R. Whistler, a commissioned officer and captain of Company E, Three hundred and fifty-fourth Infantry Regiment, Eighty-ninth Division, of the Army of the United States.

Mr. WADSWORTH. May I ask the Senator from Missouri whether it is intended that the amendment shall carry a $25,000 appropriation?

Mr. REED. It ought to do so; but if the chairman of the committee thinks that is too large I am so anxious to get something for this widow that if he suggests a reduction I will accept it.

Mr. WADSWORTH. The matter might be adjusted in conference. I would suggest $15,000 instead of $25,000.

Mr. REED. If the Senator suggests $15,000, it may go at that.

The PRESIDING OFFICER. The amendment will be so modified.

The amendment as modified was agreed to.

The next amendment of the Committee on Military Affairs was, under the head of "Engineer equipment of troops," on page 55, line 8, after the word "equipment," to strike out $150,000" and insert "$300,000: *Provided*, That the services of skilled draftsmen, civil engineers, and such other services as the Secretary of War may deem necessary may be employed only in the office of the Chief of Engineers to carry into effect the various appropriations for 'Engineer equipment of troops,' 'Engineer operations in the field,' and other military appropriations, to be paid from such appropriations: *Provided further*, That the expenditures on this account for the fiscal year 1920 shall not exceed $225,000. The Secretary of War shall each year, in the annual estimates, report to Congress the number of persons who are employed, their duties, and amount paid to each," so as to make the clause read:

For pontoon materials, tools, instruments, supplies, and appliances required for use in the engineer equipment of troops, for military surveys, and for engineer operations in the field, including the purchase, maintenance, operation, and repair of the necessary motor cycles; the purchase and preparation of engineer manuals and procurement of special paper for same, and for a reserve supply of above equipment, $300,000: *Provided*, That the services of skilled draftsmen, civil engineers, and such other services as the Secretary of War may deem necessary may be employed only in the office of the Chief of Engineers to carry into effect the various appropriations for "Engineer equipment of troops," "Engineer operations in the field," and other military appropriations, to be paid from such appropriations: *Provided further*, That the expenditures on this account for the fiscal year 1920 shall not exceed $225,000. The Secretary of War shall each year, in the annual estimates, report to Congress the number of persons who are employed, their duties, and amount paid to each.

Mr. WADSWORTH. I desire to perfect the amendment by making certain changes in line 17 of the printed amendment. I move to strike out the numerals "1920" and insert "1921," and in the same line I move to strike out the numerals "$225,000" and insert "$175,000."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, under the head of "Engineer operations in the field," on page 56, line 13, after the word "field," to insert "*Provided further*, That so much of this appropriation as is necessary to provide facilities for engineer training of troops may be expended for military construction work at camps and cantonments and in training areas," so as to make the clause read:

For expenses incident to military engineer operations in the field, including the purchase of material and a reserve of material for such operations, the construction or rental of storehouses within and outside the District of Columbia; the operation, maintenance, and repair of horse-drawn and motor-propelled passenger-carrying vehicles, and such expenses as are ordinarily provided for under appropriations for "Engineer depots," "Civilian assistants to engineer officers," and "Maps, War Department," $500,000: *Provided*, That when to the interest of the Government funds appropriated under this head may be used for the purchase of options on material for use in engineer operations in the field: *Provided further*, That so much of this appropriation as is necessary to provide facilities for engineer training of troops may be expended for military construction work at camps and cantonments and in training areas.

The amendment was agreed to.

The next amendment was, under the head of "Construction and maintenance of military and post roads, bridges, and trails, Alaska," on page 57, line 13, after the word "available," to strike out "$150,000" and insert "$422,200," so as to make the clause read:

For the construction, repair, and maintenance of military and post roads, bridges, and trails, Territory of Alaska, to be immediately available, $422,200.

The amendment was agreed to.

The next amendment was, under the head of "Ordnance department," subhead "Ordnance service," on page 57, line 24, after the word "stores," to insert "for instruction purposes," and on page 58, line 5, after the word "vehicles," to strike out

"$4,000,000" and insert "$6,000,000," so as to make the clause read:

For the current expenses of the Ordnance Department in connection with purchasing, receiving, storing, and issuing ordnance and ordnance stores, comprising police and office duties, rents, tolls, fuel, light, water, and advertising, stationery, typewriters, and adding machines, including their exchange, and office furniture, tools, and instruments of service; for incidental expenses of the Ordnance Service, and those attending practical trials and tests of ordnance, small arms, and other ordnance stores; for instruction purposes; for publications for libraries of the Ordnance Department, including the Ordnance Office; subscriptions to periodicals, which may be paid for in advance; and payment for mechanical labor in the office of the Chief of Ordnance; and for maintenance, repair, and operation of motor-propelled or horse-drawn passenger-carrying vehicles, $6,000,000: *Provided*, That no money appropriated herein shall be expended for maintenance, repair, or operation of any motor-propelled passenger-carrying vehicle employed wholly or in part for personal, social, or other similar use, or for any use except for military and official business: *Provided further*, That all material purchased under the appropriations in this act for the Ordnance Department of the United States Army shall be of American manufacture, except in cases when, in the judgment of the Secretary of War, it is to the manifest interest of the United States to make purchases abroad, which material shall be admitted free of duty.

The amendment was agreed to.

The next amendment was, under the subhead of "Ordnance stores and supplies," on page 59, line 26, after the word "troops," to strike out "$1,000,000" and insert "$590,055," so as to make the clause read:

For the manufacture, test, purchase, and maintenance of sighting devices for airplane bombs, of carrying and releasing devices for airplane bombs; for overhauling, cleaning, repairing, and preserving ordnance and ordnance stores in the hands of troops and at the arsenals, posts, and depots; for purchase and manufacture of ordnance stores to fill requisitions of troops, $590,055.

The amendment was agreed to.

The next amendment was, under the head of "Automatic machine rifles," on page 60, line 19, after the word "manufacture," to insert "to remain available until June 30, 1922," so as to make the clause read:

For the purchase, manufacture, test, repair, and maintenance of automatic machine rifles, or other automatic or semiautomatic guns, including their mounts, sights, and equipments, and the machinery necessary for their manufacture, to remain available until June 30, 1922, $500,000.

The amendment was agreed to.

The next amendment was, under the head of "Tanks," on page 60, line 23, after the word "vehicles," to insert "to remain available until June 30, 1922," so as to make the clause read:

For the purchase, manufacture, test, maintenance, and repair of tanks and other self-propelled armored vehicles, to remain available until June 30, 1922, $500,000.

The amendment was agreed to.

The next amendment was, at the top of page 61, to insert:

That the Secretary of War is hereby authorized to dispose, by sale, of the cannon-finishing plant known as the Erie Howitzer Plant, at Erie, Pa., and to use not to exceed $950,000 of the proceeds of the sale of said plant for the erection, at Watervliet Arsenal, Watervliet, N. Y., on Government-owned land, of a plant for machining and assembling medium-caliber types of field cannon and to remove to Watervliet Arsenal the machinery and equipment now installed or stored at the Erie Howitzer Plant; and that all the proceeds of sale of the Erie Howitzer Plant in excess of $950,000 shall be deposited in the Treasury of the United States to the credit of "Miscellaneous receipts."

The amendment was agreed to.

The next amendment was, on page 61, after line 12, to insert:

That the Secretary of War is hereby authorized to establish an arsenal to be known as the Aberdeen Ammunition Arsenal on land owned by the United States, situate in the county of Harford, State of Maryland, and within the tract now designated as the Aberdeen Proving Ground Reservation; to erect such permanent buildings as may be required for the establishment of that arsenal; to acquire by purchase or condemnation such additional lands or interests therein, including riparian rights, easements, and rights of way, and other rights as may be necessary to provide an adequate water supply for said arsenal; all at a total cost, exclusive of material and machinery now owned by the Government, of not to exceed $5,500,000, to be paid from the net proceeds derived from the disposition by sale or otherwise of such parts of the Government plants, surplus supplies, and equipment, except land at Tullytown, Pa., Amatol, N. J., and Jacksonville, Tenn., as are not required; the money thus obtained to be immediately available and to continue available until expended.

The amendment was agreed to.

The next amendment was, under the head of "Chemical Warfare Service," on page 62, line 12, after "1921," to strike out "for the purchase of material, plant and machinery, the employment of labor, and other operations connected therewith, for the manufacture of defensive equipment and matériel for chemical warfare purposes, $1,500,000," and insert "for the purchase, manufacture, and test of chemical warfare gases or other toxic substances, gas masks, or other offensive or defensive materials or appliances required for gas warfare purposes, including all necessary investigation, experimentation, and operations connected therewith, construction and repair of buildings and equipment and the machinery therefor, expenses incidental to the organization and training of gas troops not otherwise provided for, $2,000,000: *Provided*, That mileage to officers and actual traveling expenses to civilian employees of the Chemical Warfare Service, traveling on duty in connection with that service, shall be paid from the appropriation for the work in connection with which the travel is performed," so as to make the clause read:

That of the unexpended balance remaining June 30, 1920, allotted to the Chemical Warfare Service under the appropriation "Medical and Hospital Department, 1919," there is hereby made immediately available and to remain available during the fiscal year ending June 30, 1921, for the purchase, manufacture, and test of chemical warfare gases or other toxic substances, gas masks, or other offensive or defensive materials or appliances required for gas warfare purposes, including all necessary investigation, experimentation, and operations connected therewith, construction and repair of buildings and equipment and the machinery therefor, expenses incidental to the organization and training of gas troops not otherwise provided for, $2,000,000: *Provided*, That mileage to officers and actual traveling expenses to civilian employees of the Chemical Warfare Service, traveling on duty in connection with that service, shall be paid from the appropriation for the work in connection with which the travel is performed.

The amendment was agreed to.

The next amendment was, under the "Civilian military training camps," on page 67, line 10, to strike out:

For arms and ordnance equipment, including overhauling and repairing of personal equipments, machine-gun outfits, horse equipment; ammunition, targets, and other accessories for target practice; and for overhauling and repairing arms for issue and use in connection with training camps for civilians in pursuance of the provisions of section 54 of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, $250,000: *Provided*, That the funds herein appropriated shall be used for the training of those persons only who are between the ages of 21 and 45 years.

And insert:

For the expense of maintaining, upon military reservations or elsewhere, camps for military instruction and training of such citizens as may be selected and under such regulations as may be prescribed by the Secretary of War pursuant to section 54 of the act of June 3, 1916, as amended by the act of May 12, 1917, and for furnishing said citizens at the expense of the United States, uniforms, subsistence, and transportation by the most usual and direct routes within said limits as to territory as may be prescribed; for such expenditures as are authorized by said section and may be necessary for the establishment and maintenance of said camps; for furnishing such equipment, tentage, field equipage, and transportation belonging to the United States as may be necessary; for arms and ordnance equipment, including overhauling and repairing of personal equipment, machine-gun outfits, horse equipment, ammunition, targets and their accessories for target practice, and for overhauling and repairing arms for issue and use in connection with said camps, $250,000.

The amendment was agreed to.

The next amendment was, under the head of "Tank Service," on page 69, line 16, after the word "units," to strike out "$50,000" and insert "$79,000," so as to make the clause read:

For payment of the necessary civilian employees to assist in handling the clerical work in the office of the Chief of Tank Corps, the various Tank Corps organization headquarters, and Tank Corps schools; and for the payment of the necessary mechanics to assist in repairing and preserving tanks in the hands of Tank Corps units, $79,000.

The amendment was agreed to.

The next amendment was, on page 73, after line 9, to insert:

PURCHASE OF ARMY STORES BY DISCHARGED RECEIVING TREATMENT FROM THE PUBLIC HEALTH SERVICE.

That hereafter honorably discharged officers and enlisted men of the Army, Navy, or Marine Corps who are being cared for and are receiving medical treatment from the Public Health Service shall, while undergoing such care and treatment, be permitted to purchase subsistence stores and articles of other authorized supplies, except articles of the uniform, from the Army, Navy, and Marine Corps at the same price as charged the officers and enlisted men of the Army, Navy, and Marine Corps.

Mr. WADSWORTH. I desire to perfect this amendment. In line 10, after the word "discharged" in the title of the subsection or paragraph, I move to insert the words "officers and enlisted men," so it will read "Purchase of Army stores by discharged officers and enlisted men receiving treatment from the Public Health Service."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 73, after line 20, to insert:

REPAIRING ROAD DAMAGED BY GOVERNMENT MOTOR TRUCKS, TENAFLY, N. J.

That the Secretary of War be, and he is hereby, authorized and directed to enter into a contract with the borough of Tenafly, of the county of Bergen, and State of New Jersey, whereby the said borough shall undertake to grade and pave that portion of Hickory Avenue lying between Knickerbocker Street and Jefferson Street in said borough for the purpose of completing the grading and paving on said Hickory Avenue begun but not completed by the Government during the war with Germany. Such contract shall provide that the said borough will bear one-half or more of the cost of the above work and the Government shall bear not over one-half of the cost of said work: *Provided*, That the share to be borne by the Government shall not exceed $5,200, and there is hereby appropriated the sum of $5,200 for said work, to be paid on completion of the work and to be available until expended: *Provided further*, That the said borough shall in said contract assume to pay and discharge all claims arising out of the present uncompleted condition of said Hickory Avenue.

The amendment was agreed to.

The next amendment was, on page 74, after line 17, to insert:

RIFLES AND ACCESSORIES FOR POSTS OF THE AMERICAN LEGION.

That the act entitled "An act authorizing the Secretary of War to loan Army rifles to posts of the American Legion, approved February 10, 1920," be, and the same is hereby, amended to read as follows:

"That the Secretary of War is hereby authorized, under rules, limitations, and regulations to be prescribed by him, to loan obsolete or condemned Army rifles, slings, and cartridge belts to posts of the American Legion for use by them in connection with the funeral ceremonies of deceased soldiers, sailors, and marines, and for other post ceremonial purposes; and to sell to such posts blank ammunition in suitable amounts for said rifles at cost price, plus cost of packing and transportation: *Provided, however,* That not to exceed 10 such rifles shall be issued to any one post."

The amendment was agreed to.

The next amendment was, on page 75, after line 8, to insert:

That the President be, and he is hereby, authorized to appoint Col. William C. Brown, United States Army (retired), to the position and rank of brigadier general on the retired list.

Mr. JONES of Washington. I should like to ask the Senator to state briefly why that amendment with reference to Col. Brown is put in the bill. He is on the retired list now, and the amendment authorizes the President to appoint him a brigadier general on the retired list. Is there any especial reason why that should be done?

Mr. WADSWORTH. I prefer that the Senator from Washington should take that question up with the Senator from Colorado [Mr. THOMAS], who is familiar with it. I may say, and I think I ought to say, that a majority of the members of the Senate Military Committee indicated their wish that this amendment be attached to the bill, and the majority rules. I was in the minority, I may say.

Mr. JONES of Washington. I thought there might be some especial reason for the proposed action.

Mr. WADSWORTH. An inference might be drawn from the remarks which I just made which might be unfair to Col. Brown. My remark was not meant to be taken to intimate that Col. Brown's case is not a worthy one. I imagine, so far as special items of private legislation promoting retired Regular officers from one grade to a higher grade are concerned, this is probably one of the most meritorious.

Mr. JONES of Washington. We do not usually attach them to appropriation bills, however, do we?

Mr. WADSWORTH. We do not usually do so; but it has been done. I have never been enthusiastically in favor of such a practice.

Mr. WARREN. Mr. President, while I know little in regard to the insertion of the amendment, I may say that Col. Brown was in command of the regiment of Cavalry which pursued Villa in connection with the punitive expedition into Mexico. Although I did not propose the amendment, I know from letters which I have received that Gen. Scott, the former Chief of Staff, and others are backing Col. Brown strongly. Of course, he did make that ride of sixty-odd miles with the first regiment on the first day of the expedition; and undoubtedly he was an excellent officer and performed good service as such on the active list.

Mr. WADSWORTH. I warn the Senator from Washington that there are going to be quite a number of such items offered to this bill, and if all go in the bill it will cease to be a military appropriation bill; it will not be even an omnibus bill, but will be a moving van.

Mr. JONES of Washington. That is what I thought. If we start putting such provisions in this bill, there will be a flood of them not only at this session but hereafter.

Mr. SMOOT. Mr. President, I wish to ask the Senator from New York if it would not be well to let this item go over, allow the Senate to adjourn, and take up the amendments passed over the first thing on Monday morning?

Mr. WADSWORTH. Certainly; I think that would be an excellent proceeding.

Mr. SMOOT. I ask that the amendment go over.

The PRESIDING OFFICER. Without objection, the amendment will be passed over.

Mr. McKELLAR. I was about to make the request that the amendment go over. The Senator from Colorado is not here, and I think it should go over on his account, as he is a member of the committee. I myself am opposed to promoting officers on the retired list, and expect so to vote; but I think it is only fair to the Senator from Colorado that he should be given an opportunity to be heard.

Mr. LENROOT. Mr. President, I offer an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 22, after line 16, it is proposed to insert:

That warrant officers of the Army Mine Planter Service shall receive the same pay and increases as now are or hereafter may be prescribed for warrant officers in the Navy.

Mr. LENROOT. Mr. President, in the bill increasing Army and Navy pay the warrant officers referred to in the amendments were inadvertently omitted, and the amendment merely puts them upon the same basis as other warrant officers.

Mr. WADSWORTH. I am in hearty sympathy with the purpose of the amendment, and so far as it is in my power I accept it on behalf of the committee. Then when it goes to conference any little kink there may be about their pay adjustment can be straightened out.

Mr. LENROOT. Very well.

The PRESIDING OFFICER. Without objection the amendment is agreed to.

Mr. LENROOT. I inquire if the amendment on page 61 was agreed to with reference to arsenals?

Mr. WADSWORTH. Yes. Would the Senator like to have them go over?

Mr. LENROOT. I would just as lief talk about them now.

The PRESIDING OFFICER. The Chair will state to the Senator from Wisconsin that they were agreed to.

Mr. LENROOT. I should like to discuss the amendments to some extent.

Mr. WADSWORTH. Does the Senator desire to discuss them now or on Monday?

Mr. SMOOT. I suggest that they be taken up on Monday. The Senator can ask unanimous consent to reconsider the votes by which they were agreed to.

Mr. LENROOT. I ask unanimous consent that the votes whereby the amendments on page 61 down to line 6, on page 62, were agreed to may be reconsidered and that the amendments go over.

The PRESIDING OFFICER. Without objection, the votes whereby the amendments were agreed to are reconsidered, and the amendments will be passed over.

Mr. WADSWORTH. Mr. President, I have several amendments which I should like to offer, to one of which I should like to call the attention of Senators, because it is of some importance. The others are not so important. On page 6, line 13, after the word "department," I move to insert the word "armies."

The amendment was agreed to.

Mr. WADSWORTH. At the end of the same line, after the word "tactical," I move to insert the word "corps."

The amendment was agreed to.

Mr. WADSWORTH. On line 22, after the word "districts," I move to insert the word "armies."

The amendment was agreed to.

Mr. WADSWORTH. Now, I send to the desk an amendment, which I ask the Secretary to read. I call the attention of the Senator from Washington [Mr. JONES] to the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 34, line 1, after the word "receipts," it is proposed to insert:

Provided further, That authority is hereby granted the Secretary of War to sell or otherwise dispose of in accordance with law and regulations the United States Army transports *Sherman, Sheridan, Thomas, Logan, Buford, Kilpatrick, Crook,* and *Warren: And provided further,* That $2,400,000 of the sum derived from such sale may be used for the purpose of reimbursing the United States Shipping Board for necessary improvements and alterations to the 12 transports now being constructed by the United States Shipping Board for the use of the War Department as permament transports to replace the aforementioned United States Army transports of which the sale is authorized herein.

Mr. WADSWORTH. Mr. President, just a word of explanation. I think there will be no objection to the amendment, as the transports named in the amendment are all 20 years old or more. The Government acquired them during the Spanish-American War. I know something about their age and their type, as I have traveled on three of them. They have performed a remarkable service, I may say, but they are worn out, and it costs an extraordinary sum of money to keep them in repair. Every time they finish a long trip there is a big repair bill. They are also out of date.

During the war with Germany the Shipping Board made arrangements with the War Department to include in its shipbuilding program the construction of some modern transports for the Army's use. Those ships—12, I think, in number—are nearly finished. It is proposed in this amendment to sell these old Army transports. They will fetch a reasonably good sum, I think, although they are old, because the demand—at least for ships of their tonnage—is very heavy; and from the proceeds of the sale it is proposed that the War Department shall reimburse the Shipping Board in the amount necessary to complete the new model transports which the Shipping Board is now building for the War Department. I think it is a good business proposition to get rid of those old ships just as soon as possible.

Mr. JONES of Washington. Are they foreign-built ships?

Mr. WADSWORTH. I think all, or nearly all, of them are foreign built. I know the *Sherman*, the *Sheridan*, and one other are, for they are sister ships, and were built at Belfast, as I happen to remember.

Mr. JONES of Washington. The reason I asked the question is this: In the shipping bill as we passed it there is a provision authorizing the sale of any foreign-built ships owned by the Navy Department; and if after such sale they are owned wholly by citizens of this country they can be used in the coastwise trade. There was no suggestion that the Army had any vessels which they desired to sell; and it occurred to me that it would be wise to put a similar provision in the amendment with reference to the Army transports which it is proposed to sell.

Mr. WADSWORTH. The amendment provides that the transports shall be sold "in accordance with law and regulations."

Mr. JONES of Washington. Of course, under the law now, if a ship is foreign built, it can not be used in the coastwise trade; and the transports referred to would bring a better price, very likely, if they could be sold with that privilege. Their number is small and they are of comparatively low tonnage; and I think it would be well to put a provision in the bill with reference to them similar to the provision that we adopted with reference to the naval vessels authorizing such ships, when sold and wholly owned by American citizens, to be used in the coastwise trade. I suggest that the amendment go over until Monday.

Mr. WADSWORTH. The Senator believes that without such a provision in the proposed amendment the transports, when sold, could not be used in the coastwise trade?

Mr. JONES of Washington. I think not.

Mr. WADSWORTH. I know at least three of them were foreign built.

Mr. WARREN. I think that was because America had no shipping in those days.

Mr. WADSWORTH. We certainly had not. They were purchased from the Atlantic Transport Line, and were built at Belfast, Ireland.

Mr. JONES of Washington. I ask that the amendment may go over until Monday so that provision may be made as I have indicated, in which event, I think, the ships will bring more money.

Mr. WADSWORTH. Very well, I will not press the amendment. I ask to have it printed and lie on the table, and I shall call it up again.

Mr. SHEPPARD. Mr. President, may I ask the Senator in charge of the bill what action was taken on the amendment on page 44, lines 13 to 19?

Mr. WADSWORTH. It was adopted, there having been no objection to it. Does the Senator want to have it go over?

Mr. SHEPPARD. In view of the fact that a similar amendment as to land in Michigan has gone over, I ask that the vote whereby the amendment on page 44 was agreed to be reconsidered, and that the amendment go over.

The PRESIDING OFFICER. Without objection, the vote whereby the amendment was agreed to is reconsidered, and the amendment will be passed over.

Mr. WADSWORTH. I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 32 minutes p. m.) the Senate adjourned until Monday, May 24, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, *May 22, 1920.*

The House met at 12 o'clock noon.

Rev. Edward Lawrence Hunt, pastor of the Roosevelt Church, memorial to America's legions of the World War, offered the following prayer:

Our Father God, fountain of life and truth, from whom are derived all our powers and faculties, bless, we beseech Thee, the labors of Thy servants in this place. Endow them richly with wisdom and courage, with a love of righteousness and truth.

In this exceeding high mountain, with outlook upon all the nations of the earth, when the tempter who came to the Son of Man comes to them with the old mammon temptation, "All these things will I give thee if Thou wilt fall down," may Thy grace be sufficient for them that they may stand with the Son of God as sons of God.

And in the war still raging more alarmingly now than on the battle fields of France—against the spiritual hosts of wickedness in high places—may grace conquer greed; may Calvary conquer Kultur. Lead our Congressmen to victory in this strategic center of the world, as Thou didst lead our boys over there.

In the riches of Thy grace help any who may have fallen down into bondage to mammon to rise and reign with God upon the earth. So may they inspire every citizen in this Kingdom of God to hold fast that which he has (or may have) that no one take his crown of life.

"Great God our King," we thank Thee for giving us a part in making this Government of God a model for the world.

Help these servants of America to but keep God's model safe that other nations may rise from chaos or despotism to take the mold. Help them on earth's highest hill to be faithful to hold high the banner all of whose ample folds are blazing with the holy light of ordered liberty under Thy law—every star shining as the Star of Bethlehem, mankind's morning star of hope, herald of the dawn.

Guide our people to walk and work in its light. So may nations come to our light that Thy way may be known upon earth, Thy saving health among all nations—as Thou dost bless us and cause Thy face to shine upon us in the face of Jesus Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS.

Mr. MCARTHUR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a report of the United States attorney at Portland, Oreg., in the matter of the investigation of the case of Max H. Houser, the district head of the United States Grain Corporation at Portland, Oreg.

The SPEAKER. Is there objection?

Mr. KNUTSON. Mr. Speaker, reserving the right to object, is the gentleman prepared to give any other evidence in favor of Mr. Houser than that of the district attorney?

Mr. MCARTHUR. Mr. Speaker, I am prepared to give the evidence submitted by the United States attorney to the Department of Justice. It is a very conclusive and complete vindication of Mr. Houser from the unfounded and unwarranted attacks made upon him through the baseless accusations of the Federal grand jury at Spokane. Mr. Houser is one of the leading citizens of my community.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, will the gentleman also put in a few remarks about the great victory for clean government that has just been had in Oregon through the reelection of the distinguished gentleman from Oregon [Mr. MCARTHUR] in spite of the vicious and unwarranted fight made there against him?

Mr. MCARTHUR. Oh, that is beside the issue.

Mr. BLACK. Mr. Speaker, reserving the right to object, how long a document is this?

Mr. MCARTHUR. It will occupy about a page and a half in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

PERSONAL EXPLANATION.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to address the House for not to exceed five minutes.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, upon what subject?

Mr. COOPER. Mr. Speaker, it is a matter that amounts almost to a question of personal privilege.

Mr. WALSH. I withdraw my reservation of the right to object.

The SPEAKER. Is there objection?

There was no objection.

Mr. COOPER. Mr. Speaker, a few weeks ago the Grand Army of the Republic, the Spanish-American War Veterans, and the American Legion extended to me an invitation to make a Memorial Day address on May 31 at Ashtabula, Ohio. I accepted this invitation to be present upon that occasion. The Ashtabula Star-Beacon, which is the paper of that community, published a notice that I would make the memorial address, which was to be held in the cemetery among the graves of the dead heroes. I have here the official organ of the Plumb Plan League, a newspaper called Labor, published here at Washington. In the edition of that paper dated May 22, 1920, I find the following article:

SPEAK GENTLY, BROTHER, THE FUNERAL IS PASSING.

"Not long ago," writes H. E. Hammond, of Ashtabula, Ohio, "Congressman JOHN C. COOPER, of this district, sang his swan song by attacking labor and ignoring his protestations of loyalty. Now, please note that his death as a Representative is to be fittingly observed by

an address he is to make in this city this month, in a cemetery among the other dead ones. Mr. COOPER was to make a speech in this city about 30 days ago, but he sounded out this railroad town and it was canceled. It seems that he is not afraid of the cemetery engagement."

Mr. Speaker, if there is one day above all others which has a significance separate and apart from other days, it is Memorial Day, which we have set aside in sacred honor and memory of our soldier dead. [Applause.] And on that day as we gather together and place the wreath and flower upon the graves hallowed by the heroes of a common cause, dedicated and consecrated as a common shrine of American patriotism, no selfish or personal thoughts should disturb us. Therefore, Mr. Speaker, it is not my intention at this time to answer the writer of this letter relative to my work in Congress, but a little later on at a more appropriate time I will answer the statements which he makes.

But, Mr. Speaker, I can not let go by unchallenged the contemptible insult and slur cast upon our brave soldiers who gave their all in order that we might live and enjoy the freedom and privileges we have to-day. [Applause.] I am very sorry, indeed, that a citizen of my district, with almost ghoulish glee, attempts through narrow political prejudice to refer to our honored soldier dead as something of the past, forgotten by all. Surely, Mr. Speaker, no true, patriotic American would get so low down in the mire as to insult and slur our brave boys who gave their all for us.

No, in a sense these brave boys are not dead. Their earthly remains may crumble in the dust, and the flowers upon their graves may bloom and die, but the memory and the spirit of these heroes will ever remain in the hearts of the American people to inspire us to fight on and on for those great cardinal principles for which they sacrificed to the utmost. [Applause.]

EXTENSION OF REMARKS.

Mr. McCULLOCH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the soldiers' bonus bill.

The SPEAKER. Is there objection.

There was no objection.

Mr. CALDWELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on Memorial Day.

The SPEAKER. Is there objection.

There was no objection.

Mr. CARSS. Mr. Speaker, I ask unanimous consent to place in the RECORD testimony as to the character of my late friend and colleague, Carl C. Van Dyke.

The SPEAKER. Is there objection.

There was no objection.

PAY OF ARMY, NAVY, AND MARINE CORPS PERSONNEL.

Mr. CRAGO. Mr. Speaker, I ask unanimous consent to have stricken from the calendar two bills—H. R. 11731, being 181 on the Union Calendar, together with the report thereon, and S. 3383, 204 on the same calendar, together with the report thereon—and that the bills be laid on the Speaker's table, legislative action having already been taken upon this matter.

Mr. GARD. Let them be reported. I do not know what they are.

Mr. CRAGO. These two bills refer to increased pay for the Army, Navy, and Marine Corps, and the conference report having been adopted and the bill gone to the President and signed by him, I thought it was useless to carry these two bills on the calendar.

Mr. GARD. These bills have been included in legislation which has passed the House—the substance of them?

Mr. CRAGO. The purport of these two bills has been included in that legislation, and it is not likely that either of them will ever be considered again. It is just to clean up the calendar.

The SPEAKER. Without objection, the request of the gentleman will be granted.

There was no objection.

FEDERAL FARM-LOAN ACT.

Mr. PLATT. Mr. Speaker, by direction of the Committee on Banking and Currency I move to take from the Speaker's table the bill (S. 3897) to amend section 16 of the act of Congress approved July 17, 1916, known as the Federal farm-loan act, and that it be put upon its passage, an identical House bill having been reported by the Banking and Currency Committee of the House.

Mr. WALSH. Let it be reported.

The SPEAKER. The gentleman from New York moves to take from the Speaker's table S. 3897, a House bill of like tenor having been previously reported from the Commtitee on Banking and Currency. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That section 16 of the act of Congress approved July 17, 1916, known as the Federal farm-loan act, be amended by adding thereto the following:

"Any joint-stock land bank organized and doing business under the provisions of this act may go into voluntary liquidation by making provision, to be approved by the Federal Farm Loan Board, for the payment of its liabilities: *Provided*, That such method of liquidation shall have been duly authorized by a vote of at least two-thirds of the shareholders of such joint-stock land bank at a regular meeting, or at a special meeting called for that purpose, of which at least 10 days' notice in writing shall have been given to stockholder.

"For the purpose of assisting in any such liquidation duly authorized as in the preceding paragraph provided, any Federal land bank may, with the approval of the Federal Farm Loan Board, acquire the assets and assume the liabilities of any joint-stock land bank, and in such transaction may waive the provisions of this act requiring such land bank to acquire its loans only through national farm-loan associations, or agents, and those relating to status of borrower, purposes of loan, and also the limitation as to the amount of individual loans.

"No Federal land bank shall assume the obligations of any joint-stock land bank in such manner as to make its outstanding obligations more than twenty times its capital stock, except by the creation of a special reserve equal to one-twentieth of the amount of such additional obligations assumed."

Mr. PLATT. Mr. Speaker, I do not think any extended debate on this bill is necessary. It was unanimously reported from the Committee on Banking and Currency. It does not require any of these associations to liquidate, but merely gives them an opportunity to do so if they wish to. It supplies a deficiency in the original Federal farm-loan act. The act now contains no provision for voluntary liquidation of the joint-stock land banks.

Mr. CANNON. Will the gentleman yield for a question?

Mr. PLATT. Certainly.

Mr. CANNON. In a hasty reading of the bill I am not able to get correct information about it. I understand the bill has passed the Senate?

Mr. PLATT. It is a Senate bill which has passed the Senate, and an identical bill has been reported by the House committee.

Mr. CANNON. Can a joint-stock bank make any arrangement with the farm-loan bank by which it can rid itself of its liability for the bonds it issues and put that liability upon the Federal farm-loan bank?

Mr. PLATT. This bill gives the Federal land banks authority to take over the assets of a joint-stock land bank.

Mr. CANNON. But when those assets are taken over who would pay the obligations of the joint-stock land bank?

Mr. PLATT. I think it would be considered a corporation in liquidation. The Federal land bank would pay them, but they would be paid out of the assets of the joint-stock bank.

Mr. CANNON. The gentleman is sure about that?

Mr. PLATT. Yes. This has been submitted to the lawyers of the Federal Farm Loan Board, and they all agree to it, and I think there is no doubt about it. I am satisfied of it.

Mr. CANNON. The assets of the joint-stock bank would be liable for the obligations of that joint-stock bank?

Mr. PLATT. Yes; certainly.

Mr. CANNON. The gentleman is sure of that?

Mr. PLATT. Yes; I am sure of that.

Mr. CANNON. Without assuming any liability for the Federal land-bank obligations?

Mr. PLATT. The gentleman means without increasing the obligations of the Federal land banks?

Mr. CANNON. Yes.

Mr. PLATT. Yes; I think that is a safe statement to make, though if a Federal land bank takes over the assets of a joint-stock bank of course it takes over also the liabilities. There would be an increase in that sense of obligations, but at the same time a greater increase of assets—a profit for the land banks.

Mr. WINGO. Will the gentleman yield, to allow me to make a suggestion to the gentleman from Illinois?

Mr. PLATT. Certainly.

Mr. CANNON. Yes.

Mr. WINGO. I do not think the liquidation would relieve the stockholders from the primary obligation, which would be resorted to only in the event that the assets taken over were insufficient to meet the outstanding bonds. Even if they did liquidate the corporation, the stockholders would still be liable, unless the holders of the bonds were to release them.

Mr. CANNON. They would not do that unless they should convert, and take the other bonds.

Mr. WINGO. Certainly.

Mr. CANNON. The reason I make the inquiry is that I am under the impression that there are many joint-stock banks that have been very careful indeed in guarding the security for the bonds that they have issued. Now, one for all and all for

one. You get rid of that obligation when the joint-stock bank liquidates. You can not hold them for any shortage there might be, can you?

Mr. WINGO. I think you can. I think it would be like any other corporation going into liquidation. Nobody would be bound by that liquidation except parties to the liquidation. The creditors would not be bound by it unless it was in the form of a court proceeding and they came in and presented their claims.

Mr. CANNON. The owner of a joint-stock bond is now sure of its payment, provided the funds of the joint-stock bank do not go into the general funds of the Federal loan bank proper. I am assuming that he is sure of it.

Mr. WINGO. Here is the situation, I will suggest to the gentleman: The holders of the joint-stock land bank bonds have certain securities; first of all, the farmers' land, upon which a mortgage is given and against which the bonds are issued. Of course, that liability can be enforced against the land if it were not paid off. If they are paid off under the loan itself, to a mathematical certainty, these payments will retire the bonds. If any default should be made, then the farm is liable and there would be a primary liability upon the stockholders of those banks only in the event that the farms should sell for less than the debt, then, of course, the creditors of the corporation could go upon the stockholders to the extent of their capital stock. But unless the holders of the bonds agree or unless the liquidation goes to the court and notice given and they are brought in and submit their claims and the assets are subject to the demands of the claims, then, of course, they are not bound. I think there is no danger. We anticipated the very question which the gentleman asks and went into it, and I do not think there is any danger. It is proposed to put in what was not in the original law, a plan by which the corporation may liquidate upon a two-thirds vote of its stockholders, upon a plan to be approved upon the Federal Loan Board, and any Federal land bank, if it desires, on the approval of the Federal Farm Loan Board. might take over the assets of any one of these banks on terms agreed upon. Now, of course, those assets are of the same character as the assets of the farm-loan banks; the bonds are issued under the same limitations, against the same class of securities, which were rigidly inspected, and that is the reason why some of the joint-stock banks would liquidate, because they are held to a pretty strict regulation, and they have come to the conclusion they can not make as much profit out of it as they first thought they could, and for that reason they are willing to get out.

Mr. CANNON. Then I understand the stockholders of the joint land banks will not be relieved by virtue of any legislation until the bonds are paid?

Mr. WINGO. That is my opinion, as a lawyer. Congress can not abrogate that contract.

Mr. CANNON. And they would be personally liable in the event the bonds were not fully——

Mr. WINGO. That is provided in the original act to the extent of the capital stock of the bank just like the holder of national-bank stock is liable for debts of his corporation to the extent of his stock.

Mr. MORGAN. Mr. Speaker, I would like to know about the bill in this particular. As I understand this bill any Federal land bank on the order of the Farm Loan Board would be required to aid in liquidation of a joint-stock bank. Is that true?

Mr. PLATT. No; that is not strictly true.

Mr. MORGAN. Would it be optional with the Federal land bank?

Mr. PLATT. Any Federal land bank may, with the approval of the Federal Farm Loan Board, take over the assets, but they are not required to do so.

Mr. MORGAN. It is optional with the Federal land bank, and even if the bank wanted to do it, it would have to have the approval of the Federal Farm Loan Board?

Mr. PLATT. Yes. I will say to the gentleman it is expected, inasmuch as these are usually loans of a larger amount than Federal land banks loan, it is expected this will be a rather profitable business to the Federal land banks during the period when they are unable to do any other business, because of the hold-up of the Supreme Court in reference to the rehearing of the case as to its constitutionality.

Mr. MORGAN. The Federal land bank would assume all liabilities of the joint-stock land banks. Is that true?

Mr. PLATT. With the approval of the Federal Farm Loan Board; yes.

Mr. MORGAN. And the Federal land banks, which are stronger institutions probably than the joint-stock banks, would then assume the liability, would they not?

Mr. PLATT. It would take over the assets and liabilities if they wanted to, but they are not compelled to do so. Of course, the gentleman knows not many of the joint-stock land banks are likely to take advantage of this, but after a joint-stock land bank has loaned, perhaps, eight or ten times its capital it becomes a very profitable institution.

Up to that time it is not profitable. It has assets and mortgages taken, but it has cost a good deal of money to investigate and appraise that land, and its bonds have not yet gotten thoroughly to selling, but they have gotten to a point where it becomes profitable. Only a few of the more recently started—about 10, I think—would probably liquidate.

Mr. MORGAN. As I understand, the joint-stock land banks issue a bond as a rule which bears one-half of 1 per cent interest more than the bonds issued by the Federal land banks. Is that true generally?

Mr. PLATT. The joint-stock land-bank bonds bear 5 per cent, whereas the Federal land-bank bonds are issued at 4½ per cent, except one issue, which was at 5 per cent also.

Mr. MORGAN. This will not authorize the Federal land banks to issue any new bonds?

Mr. PLATT. Oh, no.

Mr. MORGAN. They simply assume these liabilities and go through the administrative features of collecting these interest payments and payments on the principal and close out the business?

Mr. PLATT. Certainly. Of course, the gentleman understands that the Federal land banks can keep on issuing bonds if they can sell them. There is nothing in the act we have passed to prevent that.

Mr. MORGAN. Does the gentleman mean to say the Federal land banks could take charge of the corporation of one of the joint-stock land banks and go on and operate it and contract and make loans and issue new bonds?

Mr. PLATT. Well, since the uncertainty created by the fact that the Supreme Court has directed a reargument the system is not able to sell its bonds bearing the same rate of interest as before. Whether they can sell its bonds at a higher rate of interest, I do not know.

Mr. MORGAN. They would sell their own bonds. They would not sell joint-stock bonds?

Mr. PLATT. Certainly not. In liquidation they could not do that.

Mr. MORGAN. This bill is not compulsory on any joint-stock bank?

Mr. PLATT. No. They have to go on the votes of two-thirds of the stockholders. The whole thing is optional all the way through. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

USE OF ARMY TRANSPORTS TO OLYMPIC GAMES.

Mr. SANFORD. Mr. Speaker, I call up the unfinished business, Senate joint resolution 179.

The SPEAKER. When the House adjourned last night it was considering a joint resolution, which the Clerk will report.

The Clerk read as follows:

Joint resolution (S. J. Res. 179) authorizing use of Army transports by teams, individuals, and their equipment, representing the United States in Olympic games and international competitions.

Mr. BLANTON. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. I make the point of order that unanimous consent is necessary to take this up, and it has not been given.

The SPEAKER. Unanimous consent was given last night. It is under consideration. The gentleman from New York [Mr. SANFORD] is recognized.

Mr. SANFORD. Mr. Speaker, I do not know that it will be necessary to go into this matter any further. I think the House last night was pretty well convinced that this ought to be done. I do want to make clear, however, that it will not cost the Government one penny. The proposal is to allow the American Olympic team, which is to compete in Europe in July, to use an Army transport for the purpose of going over there.

Mr. BLANTON. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. I make the point of order that where unanimous consent is given for the present consideration of a matter on one legislative day and that legislative day closes without the previous question having been ordered, it is not in order, except by unanimous consent or by rule, to take that legislation up on a succeeding legislative day. I make the point of order

that this legislation is not in order unless it is taken up by unanimous consent or by rule.

Mr. SANFORD. This bill was being considered in the general legislative time of the House.

The SPEAKER. The Chair overrules the point of order.

Mr. SANFORD. Mr. Speaker, the Military Committee gave careful and long consideration to this matter and would not have brought this bill in except in the present emergency. The situation is that the boys who were going over there to compete with others in these Olympic games can not go unless they go on Army transports. We have gone to the length of examining each steamship company, and we find that every steamship company has a long waiting list, and the 200 or more boys who would go absolutely can not go on these steamships. The result would be that America would not compete in the first Olympic after the war.

Now, Gen. Bullard of the Army and Commander Mayo of the Navy and the Secretary of War himself all earnestly hope that the American team will be allowed to compete. It will not cost the Government anything, and under the regulation of the Secretary of War these boys would pay for their food. I want to emphasize the fact that the committee would not bring this in and make a precedent except in this emergency.

Mr. KAHN. Will the gentleman yield?

Mr. SANFORD. I yield.

Mr. KAHN. Of course, the gentleman does not anticipate that special transports will be sent out to carry these men. The transports will sail anyhow, whether these men are on them or not.

Mr. SANFORD. Of course, that is the fact. These transports are going over, and it is proposed to have these men use them.

Mr. EDMONDS. Will the gentleman state where these games are to be held?

Mr. SANFORD. In Antwerp.

Mr. EDMONDS. Is it supposed that you are to fill the transport with these men and run it to Antwerp, or are they to be taken there by piecemeal?

Mr. SANFORD. These men are to go under direction of the Secretary of War, on a steamer that would land, in any event.

Mr. KAHN. All transports land at Antwerp.

Mr. SANFORD. All our transports do land at the very port where these boys want to go.

Mr. JUUL. Will the gentleman yield for a question?

Mr. SANFORD. I yield.

Mr. JUUL. What American could possibly be against our being represented in Europe in these games?

Mr. SANFORD. I think all will be for it when they understand it.

Mr. JUUL. I think we ought to take pride in being represented over there.

Mr. SANFORD. I think so. And I think this work is clearly allied to the work of the Army and Navy. I did say last night that the Army and Navy together will send a shooting team of about 100 men; and if we let the Army and Navy go alone these teams can not in any event win the Olympic, because they can not win points enough to do so. They will only have a chance to win in the shooting.

Mr. CRAMTON. Can the gentleman state whether it is contemplated and whether it will be possible for anyone to be included under this resolution who does not actually compete, or go over for the purpose of competing, in the Olympic events?

Mr. SANFORD. It will only include those who are going for the purpose of managing and competing in the Olympic games. I think some men will go as trainers who will not actually compete.

Mr. CRAMTON. And is it definitely understood that the number of managers shall be limited to two or three?

Mr. SANFORD. I wish to say that this is under the leadership of high-minded men——

Mr. CRAMTON. The gentleman can see, though, that it opens the door to "managers," and abuses may creep in; and I think the House is entitled to an assurance, if the resolution does permit it, that it will not be abused and that not over two or three or half a dozen managers will be permitted.

Mr. SANFORD. I think the House can have that assurance, and can leave the matter safely to the regulation of the Secretary of War.

Mr. CRAMTON. The gentleman, of course, understands that the permission will be abused if a large number of managers are permitted to go.

Mr. WALSH. Will the gentleman yield?

Mr. SANFORD. I yield.

Mr. WALSH. This is a Senate resolution, I understand?

Mr. SANFORD. Yes.

Mr. WALSH. And the Military Affairs Committee have amended it by inserting a preamble?

Mr. SANFORD. Yes.

Mr. WALSH. That is a most unusual thing. Has the gentleman any objection to that preamble being eliminated? We do not amend bills by inserting preambles; we almost invariably eliminate them. If we have got to put preambles on the legislation coming before the Committee on Military Affairs in order to explain it, perhaps the committee would be placed in an embarrassing position.

Mr. SANFORD. The committee appreciated the rule and inserted the preamble in the hope that it would appear by that more clearly that the committee did not desire by this to establish any precedent, but in very brief language to notify the House of the exact emergency that made it necessary, and we would be glad to have the preamble voted down.

Mr. WALSH. If the gentleman will permit, I am glad to say that the gentleman's explanation has made the matter much clearer than the reading of the preamble did, because there were only a few Members who had copies of the resolution.

Mr. KAHN. Mr. Speaker, will the gentleman yield?

Mr. SANFORD. Certainly.

Mr. KAHN. Of course, there is a law forbidding the use of any Government transports for the purpose of carrying any individual who is not connected with the Army or the Navy or with the departments of our Government. The law was passed because of the abuses that existed. People took advantage of the fact that we owned the transports and, through influential friends, got permits to take joy rides across the Pacific Ocean. It was not the desire of the Committee on Military Affairs to open that subject again. We think the law is an excellent one. But, due entirely to the peculiar conditions that exist in connection with trans-Atlantic passenger service, the committee decided to make one exception, and we thought that possibly by putting the preamble in the resolution it would give notice to the House, in case any other bills are offered, as to why we made the exception at this time. I am sure the committee is not wedded to the preamble and will have no objection to voting it down.

Mr. MANN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. KAHN. Yes.

Mr. MANN of Illinois. As I understand the position of the Committee on Military Affairs it is this, that though they will not make a precedent they do at once make a precedent.

Mr. SANFORD. Only on account of the emergency that makes it impossible for these teams to go unless we do pass this resolution.

Mr. MANN of Illinois. The gentleman knows as well as I do that there will always be an emergency if we leave it to the people wanting transportation furnished. This is a precedent. What is the use of saying it is not?

Mr. SANFORD. Mr. Speaker, in that connection I think perhaps the House should know that the English team will go to Antwerp at the expense of and supported by the British Government, and the French team is supported by the French Government, and all the expenses will be borne by the Governments of those countries for their respective teams until the contest is over. The American Government does not intend to contribute, and has not, in fact, ever contributed, to the support of our teams, and this measure is suggested merely because of the emergency.

Mr. MANN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. SANFORD. Yes.

Mr. MANN of Illinois. Is it any worse for the Government to transport these people on this trip than it is to transport this junketing congressional party that proposes to go at Government expense and take a nice little holiday trip to the Orient?

Mr. BLANTON. That has all been knocked out.

Mr. SANFORD. The gentleman will permit me to leave that question unanswered. I think the situation with respect to it is perfectly clear.

Mr. MANN of Illinois. I am glad to know it has been knocked out. It is a disgraceful proposition.

Mr. BEE. Mr. Speaker, will the gentleman yield?

Mr. SANFORD. Yes.

Mr. BEE. Is it not true that in these international contests a man must first have been entered as a contestant?

Mr. SANFORD. Yes. They can only go when they have competed in the contests heretofore held here.

Mr. BEE. They have all been selected?

Mr. SANFORD. Yes; they have all been selected.

Mr. BEE. And only those are going who have been selected?

Mr. SANFORD. Yes; only those are going who have been selected, and I suppose the Secretary of War would allow their managers to go.

Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

The SPEAKER. The gentleman from Texas is recognized for 10 minutes.

Mr. BLANTON. Mr. Speaker, under ordinary circumstances, with the country under normal conditions I would not object to a measure of this kind; but if there ever was a good season for objection, I think that time is now. I am in favor of encouraging athletics in every school, city, town, hamlet, and village in this Nation. But what are we proposing to do? To authorize 300 men to go on Government Army transports to Antwerp to engage in athletic contests across the ocean in foreign lands, at a time when we have just finished the waging of battle there, where strength was tested and proven beyond doubt. Is it any time now to exhibit further prowess and physical strength and endurance of American youth when our young men have just recently returned from Europe after having demonstrated there to the highest degree our physical fitness and prowess in every respect? Our Government is facing an indebtedness now of $28,000,000,000. Is not this a time for us to stop and pause and consider respecting these further expenses that are proposed almost daily from the floor of this House?

My colleagues say, "Oh, it is not going to cost anything for 300 men to be transported to Antwerp from America." One of my distinguished colleagues said it would not take an additional pound of coal. That shows how little thought he has given the matter. Government transports are to be used. For each and every one of these 300 men it is going to cost the Government at least $100 at the lowest possible estimate, even if they do pay something for meals. There is a certain overhead.

Mr. JUUL. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I can not yield just now.

The SPEAKER. The gentleman declines to yield.

Mr. BLANTON. I am sure my colleagues who took advantage of the situation in going to Europe during the war—some of you did—on Army transports; you may imagine that it did not cost the Government anything. I am here to tell you that every space occupied by an individual on a Government ship, every meal that that individual eats on that ship, is costing this Government something every time he goes. I am here to tell you that if you leave it to your constituents as to whether or not it is costing the taxpayers of this country anything for 300 men to go from this country to Antwerp on a Government transport, they are going to tell you that they know that it does cost the Government money, and that all of these junketing trips should stop, and I want to register my feeble but solemn protest against the passage of this measure at this time when we are in debt. I want to tell you that the only safe position for Congress to take when this Government is in debt almost hopelessly is for the Government to stop this indiscriminate spending of public money.

Mr. RAKER. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I regret that I can not. I have not the time. I am going to tell you something about this legislation that you are proposing to pass hurriedly without thought or consideration.

Some gentleman spoke of the eastern trip that had been planned by some Congressmen. Why, I thought when the newspapers made that junketing scheme public, every man would have sense enough to drop that matter and stay at home. Here is one Congressman who is not going east on any junketing trip. If we ever adjourn, I am going down home to see my people, and that is what you ought to do. You ought to go home and get better acquainted with your people, and find out what they are thinking about during this day of rehabilitation and reconstruction. You ought to get out of this extravagant atmosphere of Washington and all go home. I may be the only Congressman to vote against this measure, but I am going to be one. I am not afraid to vote by myself when I believe I am right. My colleagues may think it is safe to vote always with the majority. I know it is usually safer to do that than to vote in a minority, but I want to tell you that sometimes your constituents appreciate your voting in the minority, and I am going to vote against this proposition. It is an awfully bad precedent to set. It is one that will be hard to set aside in the future. It is going to cost this Government a lot of money.

Mr. JONES of Texas. Will the gentleman yield?

Mr. BLANTON. I yield to my colleague.

Mr. JONES of Texas. I should like to know if the gentleman knows whether these Olympic games are always held in Europe, or if they are ever held over here?

Mr. BLANTON. They never have been held over here, but always abroad, as my other colleagues know very well.

Mr. SANFORD. It is expected that probably the next Olympic games will be held here.

Mr. BLANTON. If that were assured and not merely a futile expectation, it would not change me. I am not against athletics. My colleague [Mr. JONES of Texas], who is a graduate of the same institution that I am in my home State, if he is familiar with its athletic history there, knows that I was one of the first students years ago to join in a movement to install a gymnasium and an athletic club in the University of Texas. There was none there until a bunch of us got together and installed a gymnasium, just like a bunch of the Members of the House got together and recently put a gymnasium in the House Office Building at our own expense. I am in favor of athletics. We need athletics, but we do not need participation in these Olympic games in Antwerp this year, when our Government owes $28,000,000,000 and has no way to pay the interest except by taxing the people. The gentleman from Illinois [Mr. JUUL] wanted me to yield a moment ago, and I yield to him now.

Mr. JUUL. I want to say to the gentleman that I did not go to Europe at Government expense, but I am told that no Congressman went to Europe unless the transport was going to the port where he wanted to go and that he paid his board. I think the gentleman might be fair enough to state that, instead of saying that the meals cost the Government money. We ought to be fair with our brethren here.

Mr. BLANTON. Well, I am fair. Many went at only nominal expense. Some, of course, may have paid full fare.

Mr. JUUL. And there is one form of athletics that some gentlemen use entirely too much in this House, and that is the athletic stunt of throwing the bull. [Laughter.]

Mr. BLANTON. Sometimes it is necessary to throw the bull when there are targets present that ought to receive it. I have had some of my colleagues tell me that they went to Europe and that the expense of the round trip over there and back did not exceed $200. Let them try to go over there and back on a private ship for $200! Figure it up and you will find out how much this junketing costs the Government.

Mr. SANFORD. I yield five minutes to the gentleman from Massachusetts [Mr. GALLIVAN].

Mr. WINGO. I would like to ask a question.

Mr. GALLIVAN. Certainly, if it is not taken out of my time.

Mr. WINGO. In these Olympic games is there a lung contest? [Laughter.]

Mr. SANFORD. I am not sure, but I think there is.

Mr. MANN of Illinois. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MANN of Illinois. How does the gentleman from New York [Mr. SANFORD] get any time to yield?

The SPEAKER. He has charge of the bill.

Mr. MANN of Illinois. This bill is on the Union Calendar. Unanimous consent was given for its consideration. It is being considered in the House as in Committee of the Whole under the five-minute rule. There is no general debate. No one has charge of the time.

Mr. SANFORD. I think that is true.

The SPEAKER. The gentleman is correct.

Mr. GALLIVAN. I ask to be recognized for five minutes.

Mr. MANN of Illinois. I am not objecting to that.

The SPEAKER. The gentleman from Massachusetts is recognized for five minutes.

Mr. GALLIVAN. Mr. Speaker, I introduced this bill some weeks ago, and at the same time a similar bill was introduced in the other branch of Congress by the senior Senator from the State of New York. I have asked for congressional action for two reasons: First of all, because of my lifelong love for athletics; and, secondly, because I know something of the difficulties which have confronted the managers of the various athletic teams in arranging for overseas transportation. I can truthfully say to this House that the three hundred and odd representative athletes of America who will be selected to participate in the Olympic games, because they are the very best in their individual lines of competition, will not be able to go to Antwerp unless they have a helping hand from Uncle Sam.

Let it be understood now that the expenses incurred by the American teams will be met by a popular subscription. For instance, $50,000 is New England's quota, and my people are only too happy to make their contribution to help pay for the expenses of their athletic youth.

I take exception to what my friend from Texas [Mr. BLANTON] says about there being a heavy burden of expense upon the Government in connection with the sustenance of these boys aboard ship. Of course, he knows all about athletes and athletics, because he tells us he does; but these boys are going to Antwerp as the pride of their individual communities; they are nonpareil in their lines of athletic activity. When they go aboard ship a training table is established for every group of athletes; they are permitted to eat only certain things; each article of food and whatever liquids they use are selected by their trainers, and every such thing is paid for out of the general funds subscribed by the American people. [Applause.]

Mr. BEE. Will the gentleman yield?

Mr. GALLIVAN. Certainly.

Mr. BEE. Is it not true that they are also going as the selected representatives of the American people to represent America in these world Olympic games?

Mr. GALLIVAN. That is absolutely true. They are selected as the result of competitions held in the various sections of the country; and when they achieve victory, as we expect them to achieve it, the glory will not be theirs, but will be that of the United States of America. [Applause.] Let me say to my good friend from Texas [Mr. BLANTON] that when the winners are picked in each event they are announced to the assembled throng by throwing out to the breeze the flag of the country whose chosen representative has won the event, and, of course, we want to see the Stars and Stripes flying aloft as often as possible. [Applause.] These boys can not go in the numbers necessary to this competition unless we pass this bill.

Mr. TREADWAY. Will the gentleman yield?

Mr. GALLIVAN. I yield to my colleague.

Mr. TREADWAY. The gentleman speaks of the flag being thrown to the breeze. Is it not a fact that the emblem these athletes wear on their breasts is the emblem of our national colors?

Mr. GALLIVAN. It is the shield of our country. For instance, if they represent Harvard College or Yale College or the University of Texas, they do not wear the emblem of their university; they wear on their athletic shirts the shield of the Stars and Stripes of America.

Mr. BEE. Will the gentleman yield?

Mr. GALLIVAN. I will.

Mr. BEE. Would not the fact that they go over on an Army transport add color and dignity to the fact that they truly represent America? [Applause.]

Mr. GALLIVAN. Absolutely so. I sincerely hope that as this bill passed elsewhere unanimously there will be no objection on the part of any other Member of this House to its adoption.

Do not forget that practically all of the American representatives will be either men now in the Army or Navy or men who saw service in the Army and Navy of our country in the recent war. As I have said, our Olympic team will be made up of men from all over the country, representing affiliated bodies whose membership is country wide and every contestant is a simonpure amateur. I recall hearing Commander Mayo, in charge of the morale division of the Bureau of Navigation, make the statement that the appropriation for his bureau read "For the health, comfort, contentment, and recreation of the Navy," and he stated that he had found that one of the greatest agencies for the promotion of morale was athletics. He has brought men from all over the world in preparation for the competitions, and he has them at this moment in training at the Great Lakes Naval Training Station and the Naval Academy at Annapolis. Every midshipman who qualifies in the tryouts is going overseas, and the magnificent eight-oared crew which represents the academy at Annapolis is also going overseas because it has won out from the other crews in America.

The American Olympic committee want to send these athletes in one great party. They want to include the Army men and the Navy men with the men from civil life who have been successful in the preliminary competitions, and it is the belief of Army and Navy leaders that anything which brings the young men still in the service of their country into closer contact with the young men from civil life will be of immense benefit to the morale of the Army and Navy.

Mr. Speaker, it is true that all of the big steamship lines are fully booked for the summer months, and on several lines there is a waiting list of hundreds of people. It was clearly demonstrated to the committee which has this bill in charge that our American athletes can not get bookings on privately owned ships. Unless this resolution is passed the American teams will not be able to compete in this the first Olympic since the World War, and I for one believe that this would not only be a misfortune but almost a disaster. With this statement I appeal to the House to vote overwhelmingly in favor of the adoption of my resolution, and I do so with confidence. [Applause.]

Mr. PELL. Mr. Speaker, it seems to me that this resolution should pass. This country has been well and successfully represented at all of the Olympic meets since they were first revived in 1896. The success of our countrymen has been a legitimate source of pride to us, and I can not help believing that it has had a beneficial effect on the community at large. Athletic games are a good thing for us all, morally and physically. Boys and men learn to take care of themselves, to preserve their health and vigor, and those lessons are remembered and valued long after the ambition to become a great athlete has passed away.

Everyone will be interested in those games, and in the end that interest will benefit all, and especially men like ourselves, who lead rather sedentary lives. None of us have left the hope of ever running a mile in record time, but all business and professional men will be benefited by the shock when they discover that they can not run even half a mile at all. The last 20 or 30 years has shown a great improvement in the popular attention to physical health, which has been of great profit to the individual and to the Nation. Anything we can do to foster this interest will be a good thing.

Mr. FIELDS. Mr. Speaker and gentlemen of the House, I think we might well give some consideration to the precedent that we establish if we pass this resolution. This resolution or a similar resolution was considered by the Committee on Military Affairs of the House, and after the most thorough consideration it was rejected by that committee.

Now, what are we doing? If we give this organization free transportation on an Army transport, we establish a precedent that will call for the admission of other organizations of this country to the Army transports. The international peace delegation, the delegates to conventions of the International Church Association, and hundreds of other organizations will ask for the same benefit, and they are just as patriotic as this organization and their work is as important. I would not say one word disparagingly of this organization. I have no quarrel with it personally about its asking for this favor. But I am talking about your duty and mine. If we establish this precedent, what argument have we against extending the same favor to other organizations who come to Congress and ask for it? Where will it lead to? Where will it stop? It will lead so far that no man can figure the effect of its results, and if the Congress grants this special favor I shall contend for the same favor for other organizations.

As I said, the Military Committee of the House studied this proposition most carefully, and decided that it would be a dangerous precedent to establish, and for that reason rejected the bill in committee. I therefore hope that the House will not take the unwise step of establishing the precedent that this bill will establish, but, on the contrary, will defeat the bill. Gentlemen, if this resolution is enacted into law, we will never hear the last of it in the House and the Senate of the United States. [Applause.]

Mr. BOX. Will the gentleman yield?

Mr. FIELDS. Yes.

Mr. BOX. I wish to call attention to the fact that the resolution provides that the Secretary of War may permit the use of transports. Does not that authorize the selection of a transport for that trip for that special purpose?

Mr. FIELDS. There is no question about it, there is no limitation on the Secretary of War, and in the event that other organizations come to Congress and ask for a similar favor what are you going to say to them?

Mr. BANKHEAD. Will the gentleman yield?

Mr. FIELDS. Yes.

Mr. BANKHEAD. How many Army transports are there lying idle subject to the direction of the Secretary of War?

Mr. FIELDS. I have not the figures on that, but it costs something to send a transport across the sea.

Mr. KNUTSON. Is it not a fact that we are sending a transport once or twice a month to Antwerp?

Mr. FIELDS. That is true, but when we admit these men free of cost to the transport you have no argument against extending to other organizations the same favor. The time will come ere long when every organization that wants to go abroad to participate in some exercises in foreign countries will come to Congress and ask for this same favor, and there will be no reason why they are not as much entitled to it as these men. Gentlemen, you can not justify your action if you extend this favor to these men and reject other organizations.

Mr. BLAND of Indiana. Will the gentleman yield?

Mr. FIELDS. Yes.

Mr. BLAND of Indiana. Is there any reason why an organization that wants to represent the American people in Europe should not go on an American transport if they pay their own board?

Mr. FIELDS. Then let the gentleman introduce a bill general in its terms applying to all organizations and have it considered by Congress. Let him introduce a general bill and not a bill extending this special favor to an individual organization.

Mr. KAHN. Mr. Speaker, what the gentleman from Kentucky said about the resolution is absolutely true. But later it developed that a strike in France took off the French lines of ocean steamers across the Atlantic. Some of these athletes had taken passage on the steamers which were to sail. The passage had to be canceled. There was no other way to get across the Atlantic Ocean than by allowing them to go on the transports. The transports go practically empty in the passenger service. They carry supplies for the soldiers in Germany. The mere fact that they can take over a certain number of men will not consume space that would be wanted by anybody else.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. KAHN. Certainly.

Mr. NEWTON of Minnesota. I would like to know whether the athletes are representatives of the Army or the Navy or a private club.

Mr. KAHN. There are about 100 of them in the Army and the Navy and the National Guard of this country. Some of them are members of athletic organizations recognized in this country.

Mr. FIELDS. Will the gentleman yield?

Mr. KAHN. Yes.

Mr. FIELDS. The gentleman will agree that the passage of this resolution will establish an undesirable precedent.

Mr. KAHN. It will not establish such a precedent as I am afraid of, because we show the peculiar conditions that make this legislation advisable and desirable at this time.

Mr. FIELDS. Will the gentleman further yield?

Mr. KAHN. Yes.

Mr. FIELDS. If other organizations ask the same favor in the future, can Congress consistently refuse them?

Mr. KNUTSON. If they ask for them under similar conditions.

Mr. KAHN. It rests entirely with Congress and the conditions that exist when the request is made. I for one am ready to go on record at any time. Mr. Speaker, I move the previous question.

The SPEAKER. The gentleman from California moves the previous question.

The previous question was ordered.

The SPEAKER. The question now is on the committee amendment to the resolution.

Mr. WALSH. Mr. Speaker, I ask unanimous consent that the committee amendment be again reported.

The SPEAKER. Without objection, the Clerk will again report the committee amendment.

There was no objection, and the Clerk again reported the committee amendment.

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the third reading of the Senate joint resolution.

The joint resolution was ordered to a third reading.

The SPEAKER. The question is on agreeing to the preamble.

The preamble was rejected.

The joint resolution was read a third time.

The SPEAKER. The question is on the passage of the joint resolution.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 104, noes 33.

Mr. BLANTON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Evidently no quorum is present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll. The question is on agreeing to the Senate joint resolution.

The question was taken; and there were—yeas 259, nays 79, answered "present" 2, not voting 87, as follows:

YEAS—259.

Ackerman	Baer	Bland, Ind.	Burdick
Anderson	Bankhead	Bland, Mo.	Burroughs
Andrews, Nebr.	Barbour	Boies	Butler
Anthony	Barkley	Brooks, Ill.	Byrnes, S. C.
Ashbrook	Bee	Brooks, Pa.	Campbell, Kans.
Ayres	Begg	Browne	Campbell, Pa.
Babka	Benham	Brumbaugh	Cannon
Carew	Griffin	MacGregor	Rubey
Carss	Hadley	Madden	Sanders, Ind.
Casey	Hamill	Magee	Sanders, N. Y.
Chindblom	Hamilton	Maher	Sanford
Christopherson	Hardy, Colo.	Major	Schall
Clark, Mo.	Harrison	Mapes	Scott
Classon	Haugen	Martin	Shreve
Cleary	Hawley	Mays	Sinclair
Coady	Hays	Mead	Sinnott
Cooper	Hersey	Michener	Smith, Idaho
Crago	Hersman	Miller	Smith, Ill.
Cramton	Hickey	Milligan	Smith, Mich.
Crowther	Hicks	Minahan, N. J.	Smith, N. Y.
Cullen	Hoey	Monahan, Wis.	Snell
Currie, Mich.	Holland	Mondell	Stedman
Dale	Houghton	Mooney	Stephens, Ohio
Dallinger	Humphreys	Moore, Ohio	Stiness
Darrow	Husted	Moores, Ind.	Strong, Kans.
Davey	Igoe	Morgan	Sweet
Davis, Minn.	Ireland	Mott	Swope
Dempsey	James	Mudd	Tague
Denison	Johnson, Wash.	Nelson, Mo.	Taylor, Colo.
Dewalt	Juul	Nelson, Wis.	Taylor, Tenn.
Dickinson, Mo.	Kahn	Newton, Minn.	Temple
Dickinson, Iowa	Kearns	Newton, Mo.	Thompson
Donovan	Keller	Nolan	Tilson
Doremus	Kelley, Mich.	O'Connell	Timberlake
Doughton	Kelly, Pa.	O'Connor	Tincher
Dowell	Kennedy, Iowa	Ogden	Tinkham
Dunn	Kennedy, R. I.	Oliver	Towner
Dupré	Kiess	Osborne	Treadway
Dyer	King	Padgett	Upshaw
Eagan	Kinkaid	Parker	Vaile
Emerson	Kleczka	Pell	Venable
Esch	Knutson	Peters	Vestal
Evans, Mont.	Kreider	Phelan	Voigt
Evans, Nebr.	Lampert	Platt	Volstead
Fairfield	Langley	Pou	Walsh
Fess	Layton	Purnell	Walters
Fisher	Lea, Calif.	Radcliffe	Ward
Flood	Lehlbach	Rainey, H. T.	Wason
Focht	Linthicum	Rainey, J. W.	Watson
Fordney	Little	Raker	Weaver
Frear	Lonergan	Ramsey	Webster
Freeman	Longworth	Ramseyer	Welling
French	Luce	Randall, Calif.	Whaley
Fuller, Ill.	Lufkin	Randall, Wis.	Wheeler
Fuller, Mass.	Luhring	Reavis	White, Kans.
Gallagher	McAndrews	Reber	White, Me.
Gallivan	McArthur	Reed, N. Y.	Williams
Ganly	McDuffie	Reed, W. Va.	Wilson, Ill.
Garland	McFadden	Ricketts	Wilson, Pa.
Garrett	McGlennon	Riordan	Winslow
Glynn	McKiniry	Robinson, N. C.	Woods, Va.
Goldfogle	McKinley	Robsion, Ky.	Woodyard
Gould	McLane	Rodenberg	Young, N. Dak.
Graham, Ill.	McLaughlin, Mich.	Rowan	Zihlman
Green, Iowa	MacCrate	Rowe	

NAYS—79.

Almon	Fields	Lanham	Sherwood
Aswell	Foster	Larsen	Sims
Bell	Gandy	Lee, Ga.	Sisson
Black	Garner	McClintic	Steagall
Bland, Va.	Goodwin, Ark.	McKeown	Steenerson
Blanton	Greene, Mass.	Mann, Ill.	Stevenson
Box	Greene, Vt.	Mann, S. C.	Stoll
Brand	Hardy, Tex.	Mansfield	Summers, Wash.
Briggs	Harreld	Moon	Sumners, Tex.
Buchanan	Heflin	Oldfield	Taylor, Ark.
Byrns, Tenn.	Howard	Overstreet	Thomas
Candler	Huddleston	Park	Vinson
Collier	Hudspeth	Parrish	Watkins
Connally	Hull, Tenn.	Quin	Welty
Crisp	Jacoway	Rainey, Ala.	Wilson, La.
Davis, Tenn.	Johnson, Ky.	Rayburn	Wingo
Dominick	Johnson, Miss.	Riddick	Wise
Dunbar	Jones, Tex.	Rouse	Wright
Eagle	Kincheloe	Rucker	Young, Tex.
Edmonds	Kraus	Sanders, La.	

ANSWERED "PRESENT"—2.

Echols	Goodykoontz

NOT VOTING—87.

Andrews, Md.	Elliott	Jones, Pa.	Rhodes
Bacharach	Ellsworth	Kendall	Rogers
Benson	Elston	Kettner	Romjue
Blackmon	Evans, Nev.	Kitchin	Rose
Booher	Ferris	Lankford	Sabath
Bowers	Gard	Lazaro	Scully
Brinson	Godwin, N. C.	Lesher	Sears
Britten	Good	McCulloch	Sells
Burke	Goodall	McKenzie	Siegel
Caldwell	Graham, Pa.	McLaughlin, Nebr.	Slemp
Cantrill	Griest	McPherson	Small
Caraway	Hastings	Mason	Smithwick
Carter	Hayden	Merritt	Snyder
Clark, Fla.	Hernandez	Montague	Steele
Cole	Hill	Moore, Va.	Stephens, Miss.
Copley	Hoch	Morin	Strong, Pa.
Costello	Hulings	Murphy	Sullivan
Curry, Calif.	Hull, Iowa	Neely	Tillman
Dent	Hutchinson	Nicholls	Vare
Dooling	Jefferis	Olney	Wood, Ind.
Drane	Johnson, S. Dak.	Paige	Yates
Drewry	Johnston, N. Y.	Porter	

So the joint resolution was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. GRAHAM of Pennsylvania with Mr. STEELE.

Mr. MORIN with Mr. MONTAGUE.

Mr. ELSTON with Mr. DRANE.
Mr. HERNANDEZ with Mr. HASTINGS.
Mr. COLE with Mr. HAYDEN.
Mr. SNYDER with Mr. CARTER.
Mr. RHODES with Mr. TILLMAN.
Mr. SIEGEL with Mr. DREWRY.
Mr. ANDREWS of Maryland with Mr. SULLIVAN.
Mr. GOODALL with Mr. NICHOLLS.
Mr. GOOD with Mr. FERRIS.
Mr. MCPHERSON with Mr. DENT.
Mr. HUTCHINSON with Mr. SEARS.
Mr. YATES with Mr. BOOHER.
Mr. ELLIOTT with Mr. ROMJUE.
Mr. JEFFERIS with Mr. LAZARO.
Mr. HOCH with Mr. CLARK of Florida.
Mr. MURPHY with Mr. BLACKMON.
Mr. JOHNSON of South Dakota with Mr. GARD.
Mr. VARE with Mr. CANTRILL.
Mr. GRIEST with Mr. LANKFORD.
Mr. PAIGE with Mr. OLNEY.
Mr. ROGERS with Mr. SMALL.
Mr. MASON with Mr. STEPHENS of Mississippi.
Mr. JONES of Pennsylvania with Mr. KITCHIN.
Mr. BURKE with Mr. LESHER.
Mr. CURRY of California with Mr. KETTNER.
Mr. STRONG of Pennsylvania with Mr. BENSON.
Mr. MCKENZIE with Mr. EVANS of Nevada.
Mr. BACHARACH with Mr. SCULLY.
Mr. WOOD of Indiana with Mr. CARAWAY.
Mr. BOWERS with Mr. SABATH.
Mr. SELLS with Mr. BRINSON.
Mr. MCLAUGHLIN of Nebraska with Mr. MOORE of Virginia.
Mr. ROSE with Mr. GODWIN of North Carolina.
Mr. COPLEY with Mr. SMITHWICK.
Mr. MERRITT with Mr. NEELY.
Mr. KENDALL with Mr. DOOLING.
Mr. MCCULLOCH with Mr. JOHNSTON of New York.
Mr. PORTER with Mr. CALDWELL.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

On motion of Mr. SANFORD, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

Mr. FIELDS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. GALLIVAN. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection?

There was no objection.

CONFERENCE REPORT—SIOUX TRIBE OF INDIANS.

Mr. DALLINGER. Mr. Speaker, I desire to submit a conference report on the bill (H. R. 400) authorizing the Sioux Tribe of Indians to submit claims to the Court of Claims.

The SPEAKER. The gentleman from Massachusetts submits a conference report on the bill the title of which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 400) authorizing the Sioux Tribe of Indians to submit claims to the Court of Claims.

The SPEAKER. Ordered printed under the rule.

TO ESTABLISH A HAWAIIAN HOMES COMMISSION.

Mr. DOWELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13500.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13500, with Mr. SANFORD in the chair.

The CHAIRMAN. The House is in committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13500, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13500) to amend an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended, to establish a Hawaiian homes commission, and for other purposes.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE II.—HAWAIIAN HOMES COMMISSION.

SEC. 201. (a) When used in this title—
(1) The term "commission" means the Hawaiian homes commission;
(2) The term "public land" has the same meaning as defined in paragraph (3) of subdivision (a) of section 73 of the Hawaiian organic act;
(3) The term "fund" means the Hawaiian home loan fund;
(4) The term "Territory" means the Territory of Hawaii;
(5) The term "Hawaiian home lands" means all lands given the status of Hawaiian home lands under the provisions of section 204 of this title;
(6) The term "tract" means any tract of Hawaiian home lands leased as authorized by section 207 of this title or any portion of such tract; and
(7) The term "native Hawaiian" means any descendant of not less than one thirty-second part of the blood of the races inhabiting the Hawaiian Islands previous to 1778.
(b) Any term defined or described in section 347 or 351 of the Revised Laws of Hawaii of 1915, except a term defined in subdivision (a) of this section, shall, whenever used in this title, have the same meaning as given it by such definition or description.
SEC. 202 (a) There is hereby established a commission to be known as the "Hawaiian homes commission" and to be composed of five members as follows:
(1) The governor of the Territory, and
(2) Four citizens of the Territory to be appointed by the governor, by and with the advice and consent of the senate of the legislature of the Territory. At least two of the appointed members of the commission shall be native Hawaiians.
(b) Any vacancy in the office of an appointed member shall be filled in the same manner and under the same limitations as the original appointment.
(c) The governor of the Territory shall be chairman of the commission. The commission shall designate one of its members to serve as the executive officer and secretary of the commission. The executive officer and secretary shall receive such annual salary, not to exceed $6,000, as the commission may determine. The members of the commission, except the executive officer and secretary, shall receive an annual salary of $500. Of the original appointed members of the commission, one shall be appointed for a term of one year, one for two years, one for three years, and one for four years. Their successors shall hold office for terms of four years, except that any member appointed to fill a vacancy shall be appointed only for the unexpired term of the member whom he succeeds. A member may after due notice and public hearing be removed by the governor for neglect of duty or malfeasance in office, but for no other cause.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman of the committee a question in reference to this: This commission that is appointed is supposed to administer the provisions of this law, I presume?

Mr. DOWELL. That is correct.

Mr. WALSH. Will there be duties conflicting in any way, or has provision been made in this bill for any possible conflict between the duties to be performed by this commission and any other governmental agency either of the Territory of Hawaii or the Government of the United States? As I understand, these are public lands, in a sense. Now, is there provision in the bill which will prevent any possibility of a conflict?

Mr. DOWELL. I am very glad the gentleman has submitted that question. There is a public-land commissioner in Hawaii whose duty it is to have charge of the public lands. Under this bill certain specific lands are withdrawn from his jurisdiction and from the jurisdiction of every commission except the special one to have charge of these specific lands described in the bill, and these lands are exclusively by the terms of the bill under the control of this commission. There is a provision, permit me to say, that if the lands under the control of this commission are not homesteaded and are not needed for the purpose of homesteading they may be released and turned back to the land commissioner who may dispose of them temporarily under a lease until they may be needed by this Hawaiian homes commission.

Mr. WALSH. If the gentleman will permit, if I understand correctly, some of these lands are already under the jurisdiction of the existing land commissioner?

Mr. DOWELL. All of them are.

Mr. WALSH. Now, some of these restrictions end his jurisdiction, and power over them is vested in this new commission——

Mr. DOWELL. That is correct.

Mr. WALSH. For the purposes of this act. Now, who is to determine when and for how long these lands are to be under the supervision of this newly created commission in case there may be some conflicting claims in reference to lease or the actual use of it, or the continued use? Who will have the power of the determination of that?

Mr. DOWELL. This law, when enacted, will immediately place the lands described in the bill under the jurisdiction of this commission.

Mr. WALSH. They can determine finally and definitely all questions arising with reference to those lands?

Mr. DOWELL. So far as they are legally within their jurisdiction; but the law specifically places all of these lands within the jurisdiction of this commission?

Mr. WALSH. The gentleman has referred to leases, and under section 204 it provides, in reference to leases expired, that the lease shall be transferred to the new jurisdiction; but suppose the lease contains a withdrawal clause and this commission gives notice that it desires the land, and the land commissioner declines to withdraw it or to exercise the power he has, and there is a contention between this commissioner and the land commission as to whether these lands are proper lands to be utilized for this purpose; how is any such question as that to be finally and definitely determined?

Mr. DOWELL. I assume it is the intention of this bill to take the jurisdiction away from every commission except the Hawaiian homes commission. Now, if there is a controversy in reference to it, it would then, I assume, have to be determined by a court.

Mr. WALSH. But these leases may contain a withdrawal clause, and the commissioner of public lands may not think that it is proper for him to exercise the withdrawal. Now, this says that if the Hawaiian homes commission should require that these lands be withdrawn the public land commissioner must exercise that withdrawal.

Mr. DOWELL. No; that relates to the land that is turned over to the commissioner by this Hawaiian homes commission and has nothing whatever to do with the general land laws of the Territory.

Mr. WALSH. Well, what is the Hawaiian organic act?

Mr. DOWELL. That is the general law adopted in 1900, which has a provision for all of the homesteading and care of the public lands in connection with other matters. It is the organic law of the Territory.

Mr. WALSH. Some of the leases which have been taken under that act contain a withdrawal clause?

Mr. DOWELL. Yes. The organic law has a provision that states specifically how these lands may be taken from a lease where the withdrawal clause is in the lease.

Mr. BLANTON. Mr. Chairman, I ask that this colloquy be extended for another hour, so they can thrash it out between themselves.

Mr. WALSH. Well, Mr. Chairman, I make the point of order that the gentleman from Texas is not in order. Neither of us yielded to the gentleman. If he has no interest in this information that is being elicited, he had better go out and get his usual file of newspapers and read them.

Mr. BLANTON. Mr. Chairman, the point of order I was trying to make was that the colloquy has extended over a period of considerable longer time than usually allowed under the rule.

Mr. WALSH. The gentleman from Texas is not occupying the chair, and he does not control the time.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WALSH. Mr. Chairman, I think I was recognized. I ask that the gentleman from Iowa [Mr. DOWELL] may now have five minutes. I desire to ask him a question.

The CHAIRMAN. Does the gentleman desire recognition, or does he make a request? The Chair understood the gentleman from Massachusetts had the floor.

Mr. DOWELL. The gentleman from Massachusetts asked a question, and I was answering to the best of my ability. I desire to ask for time in my own right.

The CHAIRMAN. The gentleman from Iowa is recognized in opposition to the pro forma amendment.

Mr. HUMPHREYS. Will the gentleman yield for a moment?

Mr. DOWELL. I yield to the gentleman.

Mr. HUMPHREYS. In this withdrawal clause you are speaking of there and that you are being asked about, on line 10, page 4, you will notice that if this land is under lease—any sort of a lease—it is excepted from the land that is now turned over to the homes commission. Now, under the general law the leaseholder takes it subject to the right of the homesteader. Twenty-five homesteaders can petition the land commissioner to withdraw certain parts of the lease and subject that to homestead laws. In this withdrawal mentioned here later on in this act the homes commission, when they have got more land than they can use, turn it over to the land commissioner, and he must take it subject to the limitations of this law, which is that he must lease it only temporarily and hold it at the will of the Hawaiian homes commission. Of course, if a controversy arises between them, there is no way to settle except through a court.

Mr. WALSH. If the gentleman will permit, that is what I had in mind, namely, that this apparently permits this new Hawaiian homes commission to impose its will upon the public land commissioner as to lands which are under lease and subject to withdrawal.

Mr. HUMPHREYS. No. That is where the gentleman is mistaken.

Mr. WALSH. On page 6, line 3, it says:

> If the land is covered by a lease containing a withdrawal clause * * * the commissioner of public lands shall withdraw such lands from the operation of the lease whenever the commission gives notice to him that the commission is of the opinion that the lands are required by it for leasing as authorized by the provisions of section 207.

Now, section 207 is a section which authorizes it to be leased to the native Hawaiians, and so forth, and designates the tract and contains provisions in reference to the application.

Mr. DOWELL. In other words, in a lease containing a withdrawal clause, this commission may require the turning over of the land described in this bill to the Hawaiian homes commission to be used for the native Hawaiians. That is the plain language of the law.

Mr. WALSH. That is the situation. Now, then, suppose there may be good reason why the land should not be withdrawn and why the public land commissioner in his judgment ought not to take advantage of the withdrawal clause, and he gets this request of the Hawaiian homes commission to withdraw these lands, and he says, "Gentlemen, I have got your request, and the bill gives me no option, but I think it is a very great mistake to withdraw these lands," and he should refuse to withdraw them?

Mr. HUMPHREYS. This says, as I understand it:

> Such withdrawal shall be held to be for a public purpose within the meaning of that term as used in subdivision (b) of section 73 of the Hawaiian organic act.

That, as I understand, would give this homes commission the right to proceed against him and make him do it. The land commissioner now must exercise the right of withdrawal if 25 homesteaders petition. In addition to that, he must exercise it if this homes commission asks him to do it.

Mr. WALSH. Suppose, for instance, he has an application from 25 Hawaiians under the homestead provision which would happen to be pending at the time this should become a law, and he may have given them assurance that this was going to be withdrawn. Now, along comes this act and, as I understand, abrogates all provisions in reference to that, so that if the homesteaders desire to avail themselves of this land they would then have to proceed under the provisions of this bill.

Mr. DOWELL. That is the intention of the legislation.

Mr. WALSH. Has the committee given careful consideration to that situation, as to whether it is wise to so limit the operation of the organic act as to——

The CHAIRMAN. The time of the gentleman has expired.

Mr. WALSH. Mr. Chairman, I ask for two additional minutes.

I will ask the committee if they have given it such consideration and have looked into what the effect would be on the operations and whether they believe that is the more advantageous way for this matter to be handled to protect the rights of all concerned?

Mr. DOWELL. I will say to the gentleman the committee has examined this question very thoroughly. We had a commission before us from Hawaii presenting this very point, and it was thought by the commission, and your committee have unanimously agreed with the commission, that this should be turned over to the Hawaiian homes commission, because otherwise it has been shown that these lands are fast disappearing from the homesteader, and this act was intended to create a condition which would prevent the homesteader from the disposal of the property and to retain the homestead for the use of the homesteader and his family.

Mr. WALSH. Well, I withdraw the pro forma amendment.

The CHAIRMAN. The Clerk will read.

Mr. PELL. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on Senate joint resolution 179, just passed.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none. The Clerk will read.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. ACKERMAN having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had requested a conference with the House of Representatives on the amendments of the Senate to the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes, and had appointed Mr. JONES of Washington, Mr. CALDER, Mr. MCNARY, Mr. SIMMONS, and Mr. RANSDELL as the conferees on the part of the Senate.

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 3852. An act for the relief of the Garden City (Kans.) Water Users' Association, and for other purposes.

TO ESTABLISH A HAWAIIAN HOMES COMMISSION.

The committee resumed its session.

The Clerk read as follows:

> SEC. 203. All public lands of the description and acreage as follows, excluding (a) all lands within any forest reservation, (b) all cultivated sugar-cane lands, and (c) all public lands held under a certificate of

occupation, homestead lease, right of purchase lease, or special homestead agreement, are hereby designated, and hereinafter referred to, as "available lands":

(1) On the Island of Hawaii: Kamaoa-Puueo (11,000 acres, more or less), in the district of Kau; Puukapu (12,000 acres, more or less), Kawaihae I (10,000 acres, more or less), and Pauahi (750 acres, more or less), in the district of South Kohala; Kamoku-Kapulena (5,000 acres, more or less) and Nienie (7,350 acres, more or less), in the district of Hamakua; 53,000 acres to be selected from the lands of Humuula Mauka, in the district of North Hilo; 2,000 acres of agricultural lands to be selected by the commission from the lands of Piihonua, in the district of South Hilo; and 2,000 acres to be selected by the commission from the lands of Kaohe-Makuu, in the district of Puna;

(2) On the Island of Maui: Kahikinui (25,000 acres, more or less) in the district of Kahikinui; and the public lands (6,000 acres, more or less) in the district of Kula;

(3) On the Island of Molokai: Palaau (11,400 acres, more or less), Kapaakea (2,000 acres, more or less), Kalamaula (6,000 acres, more or less), Hoolehua (3,500 acres, more or less), Kamiloloa I and II (3,600 acres, more or less), and Makakupaia (2,200 acres, more or less);

(4) On the Island of Ooahu: Nanakuli (3,000 acres, more or less) and Lualualei (2,000 acres, more or less), in the district of Waianae; and Waimanalo (4,000 acres, more or less), in the district of Koolaupoko, excluding therefrom the military reservation and the beach lands; and

(5) On the Island of Kauai: Upper lands of Waimea, above the cultivated sugar-cane lands, in the district of Waimea (15,000 acres, more or less); and Moloaa (2,500 acres, more or less) and Anahola and Kamalomalo (5,000 acres, more or less).

Mr. HICKS. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from New York moves to strike out the last two words.

Mr. HICKS. I do so for the purpose of asking a question of the gentleman from Iowa. As I understand the report of the committee, this provides that these lands shall be leased for so much to anybody who desires to take out the lease?

Mr. DOWELL. That is correct. The bill provides for the nominal amount of $1 a year.

Mr. HICKS. In case these lands are settled up—and some of them, of course, are on the windward side, and some on the leeward side of the island, and those on the leeward side would have to be irrigated to make them productive—under what provisions of any law can these people take advantage of the irrigation ditches that are there already?

Mr. DOWELL. I will say to the gentleman that this bill provides for the placing of water on these tracts under certain conditions, and it provides for the issuing of bonds by the Territory of Hawaii, through legislation for that purpose in order that the water may be placed on certain of these tracts not containing water.

Mr. HICKS. Then these people who take out their land allotments in addition to $1 a year will pay for the water rights?

Mr. DOWELL. That is not correct exactly as to the water rights. Of course, whatever there is of rental they will have to pay. The securing of water and the expense of getting it there will be paid for by the Territory of Hawaii.

Mr. HICKS. The expenses will be paid?

Mr. DOWELL. Yes.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 204. Upon the passage of this act all available lands shall immediately assume the status of Hawaiian home lands and be under the control of the commission to be used and disposed of in accordance with the provisions of this title; except that—

(1) In case any available land is under lease at the time of the passage of this act such land shall not assume the status of Hawaiian home lands until the lease expires or the commissioner of public lands withdraws the land from the operation of the lease. If the land is covered by a lease containing a withdrawal clause as provided in subdivision (d) of section 73 of the Hawaiian organic act, the commissioner of public lands shall withdraw such lands from the operation of the lease whenever the commission gives notice to him that the commission is of the opinion that the lands are required by it for leasing as authorized by the provisions of section 207, or for a community pasture as provided in section 211, of this title. Such withdrawal shall be held to be for a public purpose within the meaning of that term as used in subdivision (d) of section 73 of the Hawaiian organic act.

(2) In case any land is to be selected by the commission out of a larger area of available lands, such land shall not assume the status of Hawaiian home lands until the commission makes the selection and gives notice thereof to the commissioner of public lands. The commission shall give such notice within two years after the first meeting of the commission. Any such notice given thereafter shall be deemed invalid and of no effect.

Mr. WALSH. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Massachusetts moves to strike out the last word.

Mr. WALSH. Page 6, line 11, says "Such withdrawal shall be held to be for a public purpose within the meaning of that term as used in subdivision (b) of section 73 of the Hawaiian organic act." Can the gentleman say how that term is defined in that act?

Mr. DOWELL. As I understand it, that was for the purpose of making this a public purpose; that they would have similar power to what they would have to condemn for any public purpose.

Mr. WALSH. But this commission would not have any jurisdiction over land withdrawn for a public purpose for a water corporation or a gas or electric-light plant?

Mr. DOWELL. They have power in one provision of the bill even to condemn water rights to get water.

Mr. WALSH. Yes; but that does not apply, if I understand it correctly, to land which they oblige the public land commissioner to withdraw, which is held under lease.

Mr. DOWELL. This is the power to withdraw the lands that are under a lease, and this provision was added making it a public purpose, so that the question could not arise that they had no power to cancel the previous lease. In other words, there was a question as to the power of this commission to cancel a lease in existence, and this provision was added making it a public purpose so that they might have that power.

Mr. WALSH. Then, if I understand the gentleman correctly, this is a precautionary clause which will prevent any possible contention over the question of authority between the public land commissioner and this commission by declaring that the withdrawals shall be for public purposes?

Mr. DOWELL. Yes; and also as to any persons who held a lease.

Mr. WALSH. Yes. Now, with reference to the second paragraph of this section, which says that this land is selected "out of a larger area of available land," does that mean larger areas than those set forth in section 203?

Mr. DOWELL. I will say to the gentleman that this is the situation: In two or three of these tracts the commission, for instance, was permitted to take 2,000 acres of a tract of land of some fifteen or twenty thousand acres. They were to select the 2,000 acres from that tract. This gives the commission the power to select any 2,000 acres of the described tract, and then there is a further provision that the commission must do this within a certain time in order to retain their right to withdraw.

Mr. WALSH. I would like to ask the gentleman to state just how this particular 2,00-acre tract can be identified.

Mr. DOWELL. The commission is authorized to make this selection.

Mr. WALSH. Yes.

Mr. DOWELL. And they will survey and take from that tract the amount described in the bill.

Mr. WALSH. Will it involve a new survey or a new platting?

Mr. DOWELL. No; not necessarily; but they will necessarily have to make the designation and give notice as provided in this section.

Mr. WALSH. If I understood the gentleman from Iowa or the gentleman from Mississippi [Mr. HUMPHREYS], in response to the inquiry of the gentleman from Texas [Mr. BLANTON], there are existing surveys and plats?

Mr. DOWELL. There are.

Mr. WALSH. Of all these tracts mentioned in section 203?

Mr. DOWELL. There are.

Mr. WALSH. And they might desire to withdraw a particular 2,000-acre tract out of a larger tract? Will they be able to designate with sufficient accuracy for the purpose of identification this particular 2,000 acres without having an entirely new survey made and a new plat made of that tract?

Mr. DOWELL. I think there will be no necessity of an entirely new survey of the tract, because the bill permits them to make a selection of any 2,000 acres within the tract. But it may be necessary, and it may become necessary, to survey or at least in some manner to designate the actual 2,000 acres, or whatever amount they take from the tract.

Mr. WALSH. Just one other question: Why is this power of withdrawal or selection limited to two years?

Mr. DOWELL. Because if they were not limited the commission might make no selection whatever. The land under these conditions could not be used because the amount designated would always be subject to withdrawal by this commission, and it could not be leased or utilized by the commissioner of public lands until it was known whether or not the Hawaiian homes commission would take this part designated in the bill.

Mr. WALSH. But it would still be subject to the homestead laws, would it not?

Mr. DOWELL. Yes; but it would not be subject to the laws under the homes commission.

Mr. WALSH. Does the gentleman think this is giving ample time for the people there who desire to utilize the land for the purposes set forth in this bill to acquire it and make all the necessary arrangements, within the two years?

Mr. DOWELL. It was the opinion of the committee, and it was the opinion of the commission who came here, I think, that two years would give ample time for this commission to know exactly the land that is desired to be separated from these larger tracts. In fact I think there are only two or three in the entire description that come within this provision, and it was

thought that two years was ample time; and in view of the fact that the entire tract would be withheld from use for other purposes until this selection had been made, we thought it should be done as early as the commission could conveniently do it.

Mr. WALSH. I thank the gentleman for the information and I withdraw the pro forma amendment.

The Clerk read as follows:

SEC. 205. Available lands shall be sold or leased only (1) in the manner and for the purposes set out in this title, or (2) as may be necessary to complete any valid agreement of sale or lease in effect at the time of the passage of this act; except that such limitations shall not apply to the unselected portions of lands from which the commission has made a selection and given notice thereof, or failed so to select and give notice within the time limit, as provided in paragraph (2) of section 204 of this title.

Mr. WALSH. I move to strike out the last word, for the purpose of asking a question with reference to this section. Will the gentleman explain the limitation—

Except that such limitations shall not apply to the unselected portions of lands from which the commission has made a selection and given notice thereof, or failed so to select and give notice within the time limit as provided in paragraph (2) of section 204 of this title.

If they select 2,000 acres out of a 15,000-acre tract and give the notice within the two years, and then within the two years take no steps toward setting apart the other 13,000 acres, at the end of two years that is open to operation under the supervision of the public land commissioner, is it?

Mr. HUMPHREYS. Yes. The situation is this, that there are large areas of land there, involving many thousands of acres, and there will be a little spot over here that the Hawaiian homes commission will think available for homestead purposes, and there will be 100 acres over yonder, and another 100 acres somewhere else. The whole tract has been made available for that purpose. There may be other uses to which this big area could be put. Some man might want it for a pasture. It might be second-class pasture land, requiring many more acres than it does in this country to feed one animal, for instance. They will say, "You have the right to select 2,000 acres out of this big tract, but you must do it right away." They thought two years would be ample. We were very careful about that; asked them very carefully. They said there would be no trouble about making these selections. Now, they do not have to lease the land as soon as they select it, you understand, but they can designate it. This is for future use under the provisions of this bill, for what is called the rehabilitation of the Hawaiian people. As soon as the two years are up all the land that they have not designated can then be leased to other people for other purposes.

Mr. WALSH. If there is a 15,000-acre tract, or an 11,000-acre tract, or a 3,000-acre tract, the designation must be made within the two years. Now, what I desire to know is this: Is the jurisdiction of the public land commissioner, at the expiration of the two years, and when all the designations have been made, identified, and filed, in any way curtailed or abrogated as to the remainder of the land that has not been affected by selection?

Mr. HUMPHREYS. No; not at all. There are, as I recall, 190,000, or perhaps 195,000 acres, involved in this that we call available land, and probably not more than 30,000 acres, or at most a very small portion, is thought to be suitable for homesteading under the provisions of this act. This commission are allowed to go in there and make these selections out of this great body of land, but they are to do it at once. They said they could do it easily within two years. I think they could do it in less than two years, but we wanted to give them ample time. They can go in there and make their selections, and after they have made their selections of what land they want, then the rest of it can be disposed of as it can now under the general law.

Mr. WALSH. Perhaps I have expressed myself rather clumsily. This limitation says:

Available lands shall be sold or leased only (1) in the manner and for the purposes set out in this title, or (2) as may be necessary to complete any valid agreement of sale or lease in effect at the time of the passage of this act.

And that such limitations shall not apply to the unselected portions of lands.

Mr. HUMPHREYS. Yes.

Mr. WALSH. Suppose there is a 13,000-acre tract and 3,000 acres have been selected and 10,000 acres remain. Does the public land commissioner then have jurisdiction and supervision over the remaining 10,000 acres, or is his power and jurisdiction broadened in any way?

Mr. HUMPHREYS. No; it is not affected at all. It is just relieved from the limitations. The 10,000 acres remain in statu quo. They are not subject to the limitations put on the other.

Mr. WALSH. So it could be sold or leased in a manner not necessary to complete any agreement?

Mr. HUMPHREYS. Not necessary for the purposes set out in this title.

Mr. WALSH. I see. I withdraw the pro forma amendment.

The Clerk read as follows:

SEC. 207. (a) The commission is authorized to lease to native Hawaiians the right to the use and occupancy of a tract of Hawaiian home lands within the following acreage limits:

(1) Not less than 20 nor more than 80 acres of agricultural lands, or

(2) Not less than 200 nor more than 500 acres of first-class pastoral lands, or

(3) Not less than 500 nor more than 2,000 acres of second-class pastoral lands.

(b) The title to lands so leased shall remain in the United States. Applications for tracts shall be made to and granted by the commission under such regulations not in conflict with any provision of this title as the commission may prescribe. The commission shall, whenever tracts are available, enter into such a lease with any applicant who, in the opinion of the commission, is qualified to perform the conditions of such lease.

Mr. WALSH. I think it would be of benefit if the gentleman from Iowa [Mr. DOWELL] would explain for the purposes of the RECORD by whom these pastoral lands are classified and what is embraced within the two classes.

Mr. DOWELL. I will say to the gentleman that they are divided under an act of the Territorial Legislature of Hawaii, and are described and defined in the first part of the bill, which defines what they are and refers to them under the title and section of the act of the Territorial legislature.

Mr. WALSH. Is it because of the difference in the value or the availability that there is such a difference in the amount that the person may acquire between the two classes?

Mr. DOWELL. All the difference in the world. Heretofore a homestead has been something like 10 acres, which the commission said was not sufficient to maintain a family. It was thought by the commission and by your committee that the agricultural lands should be leased in not less than 20 acres, depending on their locality, up to 80 acres. The pastoral lands are divided into two classes and are used exclusively for pasture and not in any sense for agriculture. The best of these are well defined and well known and designated as first class. These will maintain a certain number of head of stock, and the less valuable a greater number of acres is required, because it would be necessary to have a larger tract to maintain the same number of stock.

Mr. WALSH. Can the gentleman state about how much agricultural land there is and how much pastoral land in the tract that is going into operation?

Mr. DOWELL. I will say to the gentleman that in the tract designated in the bill the agricultural lands aggregate about 40,000 acres. The other is all pastoral land.

Mr. WALSH. The gentleman from Mississippi stated there were about 93,000 acres made available.

Mr. DOWELL. About 190,000 acres. That is the aggregate—between 185,000 and 200,000 acres.

Mr. WALSH. According to the report there are 169,000 acres of first-class pastoral lands, 316,000 second-class, and 50,000 of agricultural lands, of which 659,000 is sugar-cane land.

Mr. DOWELL. I think that is the entire land owned by the Government. The aggregate Government land is 1,600,000 acres in round numbers. This is a part of the entire tract. There are some 78,970 acres of agricultural lands owned by the Government, and only a part of this comes within the jurisdiction of this commission.

Mr. HUMPHREYS. I will read from the hearings:

Mr. HUMPHREYS. That is not what I have in mind, though. How much land is there in the Hawaiian Islands out of these 33,000 acres of highly improved land that could be reclaimed by irrigation or otherwise so as to become suitable for homestead entries?

Mr. SHINGLE. There would be at least 43,850 acres of the agricultural irrigable land.

Mr. HUMPHREYS. That would be 43,000 acres outside of the 32,000? That would be enough, then, to give each of the 1,500 entrymen a homestead of sufficient size, in your opinion?

Mr. SHINGLE. I should think so.

Mr. EVANS of Nebraska. Will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. EVANS of Nebraska. I notice on page 7 that you make the requirement that under class 3 these second-class pastoral lands shall not be less than 500 acres.

Mr. DOWELL. That is correct.

Mr. EVANS of Nebraska. And under the section which follows, which relates to the descent of these lands, it goes in accordance with the law. Can the gentleman give us any information as to what the provisions of law are with reference to

the descent of lands or interest in lands? What I have in mind is this: Does this provision conflict with what might be the law of descent of Hawaii?

Mr. DOWELL. No. There is a provision that if it is inherited by any other than by a native Hawaiian it must be disposed of within a limited time and kept within the ownership of those of Hawaiian blood.

Mr. EVANS of Nebraska. The following section also touches this matter, and I will ask the question now—your lease terminates in 99 years?

Mr. DOWELL. That is correct.

Mr. EVANS of Nebraska. Does that abrogate all rights of the lessee, or does he have some right or advantages by reason of being the occupant?

Mr. DOWELL. There is no provision in the bill extending the lease beyond the 99 years. It was assumed by your committee that long before that time the problem would be worked out. If the Hawaiians have been reasonably successful there would be a provision adopted giving them title to the land long before that time. If they are successful in homesteading under this provision, long before the lease expires the land could be turned over to these lessees.

Mr. EVANS of Nebraska. I withdraw the pro forma amendment.

The Clerk read as follows:

SEC. 208. Each lease made under the authority granted the commission by the provisions of section 207 of this title and the tract in respect to which the lease is made, shall be deemed subject to the following conditions, whether or not stipulated in the lease:

(1) The lessee shall be a native Hawaiian.

(2) The lessee shall pay a rental of $1 a year for the tract and the lease shall be for a term of 99 years.

(3) The lessee shall occupy and commence to use or cultivate the tract as his home or farm within one year after the lease is made.

(4) The lessee shall thereafter, for at least such part of each year as the commission shall by regulation prescribe, so occupy and use or cultivate the tract on his own behalf.

(5) The lessee shall not in any manner transfer to, or mortgage, pledge, or otherwise hold for the benefit of, any other person, except a native Hawaiian and then only upon the approval of the commission, or agree so to transfer, mortgage, pledge, or otherwise hold, his interest in the tract. Such interest shall not, except in pursuance of such a transfer, mortgage, or pledge to or holding for or agreement with a native Hawaiian, be subject to attachment, levy, or sale upon court process. The lessee shall not sublet his interest in the tract or improvements thereon. Upon the death of the lessee his interest in the tract and improvements thereon shall vest under the limitations provided for homesteads in section 403 of the Revised Laws of Hawaii of 1915.

(6) The lessee shall pay all taxes assessed upon the tract and improvements thereon within 60 days after they become delinquent. If the lessee fails so to pay, the commission shall thereupon pay the taxes and have a lien therefor, as provided in section 216 of this title.

(7) The lessee shall perform such other conditions, not in conflict with any provision of this title, as the commission may stipulate in the lease.

Mr. EVANS of Nebraska. Mr. Chairman, I move to strike out the last word. I call attention to the subdivision No. 6. What is the ultimate result to come from a failure to pay taxes? You will note that they have a lien thereon.

Mr. DOWELL. The commission pays the taxes and holds that as a lien against the lessee.

Mr. EVANS of Nebraska. Suppose he continues indefinitely not to pay the taxes?

Mr. DOWELL. Under certain conditions, after a certain time, if the commission sees that he is not performing the conditions of the lease, upon full hearing by the commission they can cancel the lease and evict the tenant.

Mr. EVANS of Nebraska. The taxes are not collected except by forfeiture of his rights, there is no sale of the land to any person.

Mr. DOWELL. No; the commission pays the taxes and takes care of it and holds it as a lien against the lessee.

Mr. EVANS of Nebraska. What is the result of successive failures to pay the taxes?

Mr. DOWELL. The commission may, if it determines that he is not a proper person and that the conditions of the lease have been forfeited, evict the tenant. That is one of the conditions in the lease, that he must pay the taxes. The specifications are placed in the lease, and if they are not kept, the lease is forfeited or canceled.

Mr. EVANS of Nebraska. I withdraw my pro forma amendment.

Mr. WALSH. Mr. Chairman, I move to strike out the last two words. I would like to ask where this interest in the land goes if the lessee should die?

Mr. DOWELL. To his widow and children.

Mr. WALSH. The same as other property would.

Mr. DOWELL. Yes; the intent was that this should be inherited the same as any other property.

Mr. HUMPHREYS. Subject to the limitations prescribed here. If it should go to anyone not within the thirty-second degree of Hawaiian blood, he can not hold it longer than two years.

Mr. DOWELL. I think that is correct.

Mr. HUMPHREYS. The heir to the Hawaiian takes his rights. If the heir happens not to be a Hawaiian, he must dispose of this with the permission of the commission.

Mr. WALSH. Within two years?

Mr. HUMPHREYS. Within a certain time. I do not recall exactly what it is, but I think it is two years.

Mr. WALSH. He must dispose of it to a native Hawaiian.

Mr. HUMPHREYS. Yes; with the consent of the homes commission.

The Clerk read as follows:

SEC. 213. There is hereby established in the treasury of the Territory a revolving fund to be known as the "Hawaiian home-loan fund." The entire receipts derived from any leasing of public lands under the provisions of section 212 of this title and 30 per cent of the Territorial receipts derived from the leasing of cultivated sugar cane lands under any other provision of law or from water licenses shall be covered into the fund until the total amount of the moneys paid therein equals $1,000,000.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. The 30 per cent of Territorial receipts derived from the leasing of sugar-cane lands or from water licenses is to be put into this revolving fund. That, of course, comes from the receipts paid into the Territorial treasury by others than native Hawaiians, I assume.

Mr. DOWELL. That is correct.

Mr. WALSH. Will taking such a large share of the receipts for this purpose in any way hamper the Territory?

Mr. DOWELL. Further on in the bill there is an explanation of this. It is the purpose of this bill, if enacted into law, that the lands shall bring in, perhaps, three times as much income as is now derived from these lands. We have provided further in the bill for an amendment to the organic act giving the power to withhold the withdrawal clause from the lease, which it is estimated by the commission who testified before the committee will increase this from about $150,000 up to four or five hundred thousand dollars per annum.

Mr. WALSH. The receipts from the land leased under the provisions of this act will be very small, I suppose—a dollar a year.

Mr. DOWELL. That is negligible.

Mr. WALSH. The receipts from the leasing of public lands under section 212—that is, lands which will be leased by the public lands commission, which do not come under the provision of this act—will amount to how much? Does the gentleman think the revenue derived from that will be greater after the passage of this act than it has been heretofore?

Mr. DOWELL. If the commission exercises the option authorized in this bill, the rentals will amount to some three times as much as they are now receiving. In other words, if the land commissioner leases the cane lands, some 32,000 acres now under lease, for what they are actually worth, and if the Territory receives the amount that the leases should bring, the estimate is that the Territory will receive some $400,000, minimum, annually, and probably a very much greater sum than that.

Mr. WALSH. Then the balance, of course, will have to be made up from water licenses and cultivated sugar-cane lands.

Mr. DOWELL. Yes. This fund comes from two sources, from the lease of sugar-cane lands and water licenses, and the 30 per cent that is taken for this purpose will leave a much greater sum in the Treasury than is now collected by the commissioner for the rental of all of the valuable cane lands and water licenses.

Mr. WALSH. How does the gentleman figure that out?

Mr. DOWELL. Because they have been leased at a much less rental than they are actually worth.

Mr. WALSH. Are they going to terminate those leases?

Mr. DOWELL. They do terminate, beginning, I think, the 1st of June of this year, and next year on June 1, I think, another large number of leases expire.

Mr. WALSH. And the rental will be so increased that the application of the 30 per cent will be more than taken care of?

Mr. DOWELL. Yes. As I understand it, it is the purpose of this legislation to authorize the leasing of these lands for a definite term of years and to secure for them the actual rental value. That is the purpose of enacting this legislation and amending the organic act.

Mr. WALSH. How long will it be before the revolving fund equals the sum of $1,000,000?

Mr. DOWELL. A number of years, I have not estimated how many. It will be a number of years before the 30 per cent will aggregate $1,000,000.

Mr. WALSH. If the amount comes in $400,000 from the leasing of public lands and 30 per cent of the water licenses and the sugar-cane land, and the sugar-cane lands rental is to be increased, it ought not to take so very long.

Mr. DOWELL. They are unable to receive more than $1,000,000.

Mr. HUMPHREYS. Mr. Chairman, I will state that 30 per cent of the $500,000, and that is a low estimate, of the rental from these places would leave $350,000 to go into the Territorial treasury. In other words, 70 per cent of the rent that they will be able to collect from these leases hereafter will be twice as much, and perhaps nearly three times as much, as 100 per cent is now. The 70 per cent that is left to the Territory will be very much more than they are now receiving, when they are getting 100 per cent.

Mr. WALSH. How long does the gentleman think it will be before the revolving fund reaches the $1,000,000 mark?

Mr. HUMPHREYS. I think five or six years, at least. One hundred and fifty thousand dollars a year for five years is $750,000. To that must be added what they get for water licenses. It will be six or seven years.

Mr. WALSH. Does the gentleman think that this language in the bill will permit any of this fund to be used for the purpose of making loans before it reaches the million-dollar mark?

Mr. HUMPHREYS. It is our intention that it should. We intend they shall have the right to make loans, and it is our expectation they will do it as soon as they get the first $150,000.

It is thought that there probably will not be more than 1,500 or 2,000 of these Hawaiian families who would want to take advantage of this law.

Mr. WALSH. It says that there is established a revolving fund, and then goes on to say how it shall be made up until the total amount of money paid in equals $1,000,000, and I was wondering whether this language in that section would permit any of this fund to be used before the revolving fund amounts to a million dollars.

Mr. HUMPHREYS. Well, I think so. Our thought was that a million was simply a limitation upon the total amount that can be paid into this fund and that that would permit it to operate right from the start.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 214. The commission is hereby authorized to make loans from the fund to the lessee of any tract or the successor to his interest therein. Such loans may be made for the following purposes:

(1) The erection of dwellings on any tract and the undertaking of other permanent improvements thereon;

(2) The purchase of live stock and farm equipment; and

(3) Otherwise assisting in the development of tracts.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. This prescribes the purposes for which these loans may be utilized. What is the intention of the committee in using the term "farm equipment"? What would that embrace?

Mr. DOWELL. Mr. Chairman, I think that has quite a definite meaning.

Mr. WALSH. It may out in the gentleman's country, and I assume perhaps it has.

Mr. DOWELL. I suppose in Massachusetts they may not use them extensively, but I think it has a very definite meaning.

Mr. WALSH. Would it include seed or cuttings of plants?

Mr. DOWELL. I think not. This is merely equipment for farm purposes.

Mr. WALSH. Tools?

Mr. DOWELL. Tools.

Mr. WALSH. Cultivators, tractors; would it include live stock?

Mr. DOWELL. Anything that can be used for cultivating the land. I do not think——

Mr. WALSH. Would it include live stock, does the gentleman think?

Mr. DOWELL. I think not. There is a provision here specifically——

Mr. WALSH. Purchase of live stock and farm equipment.

Mr. DOWELL. Farm equipment, I think, has a generally understood meaning.

Mr. WALSH. What is the third subdivision, where you say "otherwise assisting in the development of tracts"?

Mr. DOWELL. I will say to the gentleman that that has a very indefinite meaning, and it was only placed there because the committee believed the commission ought to have some little latitude in the way of these loans, and there might be instances where the homesteader would need funds in order to cultivate the land that would not come within the provisions of the two former divisions, and it was only a saving clause to give this commission an opportunity if a case developed where some money should be loaned that was not covered by the other provisions.

Mr. WALSH. Well, would that permit the installation of an irrigation station?

Mr. DOWELL. Oh, I think not. There is a specific provision in the bill for that purpose.

Mr. WALSH. How otherwise would they permit this money to be utilized for assisting in the developing of tracts?

Mr. DOWELL. As I have stated, it is indefinite; but there may be conditions arising where it would be necessary to make these loans. As it is only for the purpose of starting the homesteader in his work, some condition may arise where the loan will be very beneficial to the homesteader and very advantageous to the commission in getting a good homesteader upon the land who could not otherwise go upon the land. That is the purpose of this provision, though, as I stated, it is quite indefinite.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WALSH. I ask for two minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none.

Mr. WALSH. But the gentleman would agree, I assume, under his definition, that all that would be necessary would be to boil this section down to one authorization, to make loans for that specific purpose, for assisting in developing tracts, and that would include everything?

Mr. DOWELL. Possibly the gentleman's interpretation is correct.

Mr. WALSH. Well, does not the gentleman believe that is rather a broad discretion to vest in this commission, after detailing two specific purposes for which this money might be utilized, and then say, if necessary in any other way they wanted to use it?

Mr. DOWELL. I concede it is a broad and a very generous provision for the commission and that they can go some distance under this general authorization, but believing as we do that this commission would have one purpose and that is to get a homesteader who was properly equipped and suited to build a homestead, we felt we could trust the commission to protect the Treasury and at the same time assist the homesteader to get a start on his homestead.

The CHAIRMAN. The time of the gentleman has again expired.

The Clerk read as follows:

SEC. 215. Each contract of loan with the lessee or the successor to his interest in the tract shall be held subject to the following conditions, whether or not stipulated in the contract of loan:

(1) The amount of loans to any one borrower outstanding at any one time shall not exceed $3,000.

(2) The loans shall be repaid upon an amortization plan by means of a fixed number of annual installments sufficient to cover (a) interest on the unpaid principal at the rate of 5 per cent per annum, and (b) such amount of the principal as will extinguish the debt within an agreed period not exceeding 30 years. The moneys received by the commission from any installment paid upon such loan shall be covered into the fund. The payment of any installment due may, with the concurrence therein of at least four of the five members of the commission, be postponed in whole or in part by the commission for such reasons as it deems good and sufficient and until such later date as it deems advisable. Such postponed payments shall continue to bear interest at the rate of 5 per cent per annum on the unpaid principal and interest.

(3) In case the borrower's interest in his tract or his successor's interest therein is transferred to or mortgaged, pledged, or otherwise held for the benefit of any native Hawaiian, or agreed so to be transferred, mortgaged, pledged, or otherwise held, as permitted by paragraph (5) of section 208 of this title, the commission may at its option declare all annual installments upon the loan immediately due and payable or permit the successor to the borrower's interest in the tract to assume the contract of loan. In case of the borrower's death, the commission shall permit the successor to the borrower's interest in the tract to assume the contract of loan.

(4) No part of the moneys loaned shall be devoted to any purpose other than those for which the loan is made.

(5) The borrower or the successor to his interest in the tract shall comply with such other conditions, not in conflict with any provision of this title, as the commission may stipulate in the contract of loan.

(6) The borrower or the successor to his interest in the tract shall comply with the conditions enumerated in section 208, and with the provisions of section 209, of this title in respect to the lease of the tract.

Mr. CRAMTON. Mr. Chairman, when I heard the very able and interesting statement of the Delegate from Hawaii on yesterday in reference to this measure I realized the desirability of the legislation, but I had not realized until to-day its great importance. There were some of us who had anticipated that to-day would be given up to a consideration of the so-called adjusted compensation legislation for the benefit of the World War veterans. However, this legislation before us seems to have been of sufficient importance to have displaced that program. I feel that this legislation is of such great im-

portance that we should have a larger membership here to give it consideration, and I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Michigan makes the point of order that there is no quorum present. The Chair will count. [After counting.] Forty-one gentlemen are present, not a quorum, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Andrews, Md.	Echols	Jones, Pa.	Radcliffe
Ayres	Elliott	Kelley, Mich.	Reber
Bacharach	Ellsworth	Kelly, Pa.	Rhodes
Baer	Elston	Kendall	Riordan
Bee	Ferris	Kennedy, Iowa	Robinson, N. C.
Benson	Flood	Kettner	Rodenberg
Black	Frear	Kiess	Rose
Blackmon	Gard	King	Rowan
Booher	Godwin, N. C.	Kitchin	Rowe
Bowers	Goldfogle	Kleczka	Rucker
Brinson	Good	Kreider	Scully
Britten	Goodykoontz	Lanham	Sears
Brumbaugh	Graham, Pa.	Lankford	Sells
Burke	Greene, Vt.	Lesher	Shreve
Butler	Griest	Longworth	Siegel
Caldwell	Griffin	McClintic	Slemp
Cantrill	Hamill	McCulloch	Small
Carter	Hamilton	McKenzie	Smithwick
Clark, Fla.	Hastings	McPherson	Snyder
Cole	Hayden	MacCrate	Steele
Collier	Hays	Mansfield	Stephens, Miss.
Costello	Hernandez	Mason	Stevenson
Crowther	Hersey	Merritt	Strong, Pa.
Curry, Calif.	Hill	Montague	Sullivan
Dallinger	Hoch	Moore, Va.	Taylor, Ark.
Dent	Hulings	Morin	Tillman
Dewalt	Hull, Iowa	Mott	Vare
Donovan	Husted	Neely	Walters
Dooling	Hutchinson	Nicholls	Ward
Doremus	James	Olney	White, Me.
Drane	Jefferis	Padgett	Winslow
Drewry	Johnson, S. Dak.	Porter	Wood, Ind.
Dunn	Johnston, N. Y.	Pou	Young, N. Dak.

Thereupon the committee rose; and the Speaker having resumed the chair, Mr. SANFORD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill H. R. 13500, finding itself without a quorum, the roll was ordered called, and that 295 Members, a quorum, had answered to their names, and that he presented a list of the absentees for insertion in the Journal and RECORD.

The committee resumed its session.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 216. The commission may require the borrower to insure, in such amount as the commission may by regulation prescribe, all live stock and dwellings and other permanent improvements upon his tract, purchased or constructed out of any moneys loaned from the fund; or in lieu thereof the commission may directly take out such insurance and add the cost thereof to the amount of the annual installments payable under the amortization plan. Whenever the commission has reason to believe that the borrower has violated any condition enumerated in paragraphs (2), (4), (5), or (6) of section 215 of this title, the commission shall give due notice and afford opportunity for a hearing to the borrower or the successor to his interest in the tract, as the case demands. If upon such hearing the commission finds that the borrower has violated the condition, the commission may declare all annual installments immediately due and payable, notwithstanding any provision in the contract of loan to the contrary. The commission shall have a lien upon the borrower's or lessee's interest in his tract, dwellings and other permanent improvements thereon, and his live stock to the amount of all annual installments due and unpaid and of all taxes upon such tract and improvements paid by the commission. Such liens shall have priority over any other obligation for which the tract, dwellings, other improvements, or live stock may be security. The commission may, at such time as it deems advisable, enforce any such lien by declaring the borrower's interest in his tract or his successor's interest therein, as the case may be, together with the dwellings and other permanent improvements thereon and the live stock, to be forfeited, and the lease in respect to such tract canceled, and shall thereupon order the tract to be vacated and the live stock surrendered within a reasonable time. The right to the use and occupancy of the Hawaiian home lands contained in such tract shall thereupon revest in the commission, and the commission maye take possession of the tract and the improvements thereon: *Provided*, That the commissoin shall pay to the borrower any difference in his favor between (1) the fair value of the live stock and any improvements in respect to the tract made by the borrower or any predecessor to his interest in the tract and (2) the amount of the lien.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman in reference to the language contained on page 15, lines 7 to 11, on the revesting in the commission of these lands after failure to pay interest. Under those circumstances, what will the commission do with the land? Can they reassign it?

Mr. DOWELL. The commission will reassign it as though no transfer had been made.

Mr. WALSH. For another term of 99 years?

Mr. DOWELL. For another term of 99 years.

Mr. WALSH. Can they handle these lands that have reverted in any different manner than the original tracts so selected?

Mr. DOWELL. The bill provides they are to be handled precisely as they were originally.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 221. (a) When used in this section—

(1) The term "water license" means any license issued by the commissioner of public lands, granting to any person the right to the use of government owned water; and

(2) The term "surplus water" means so much of any Government-owned water covered by a water license, or so much of any privately owned water, as is in excess of the quantity required for the use of the licensee or owner, respectively.

(b) All water licenses issued after the passage of this act shall be deemed subject to the condition, whether or not stipulated in the license, that the licensee shall, upon the demand of the commission, grant to it the right to use, free of all charge, any water which the commission deems necessary adequately to supply the live stock or the domestic needs of individuals upon any tract.

(c) In order adequately to supply live stock or the domestic needs of individuals upon any tract, the commission is authorized (1) to use free of all charge Government-owned water not covered by any water license or covered by a water license issued after the passage of this act, or covered by a water license issued previous to the passage of this act but containing a reservation of such water for the benefit of the public, and (2) to contract with any person for the right to use, or to acquire, under eminent-domain proceedings similar, as near as may be, to the proceedings provided in respect to land by sections 667 to 678, inclusive, of the Revised Laws of Hawaii of 1915, the right to use any privately owned surplus water or any Government-owned surplus water covered by a water license issued previous to the passage of this act but not containing a reservation of such water for the benefit of the public. Any such acquirement shall be held to be for a public use and purpose. The commission may institute the eminent-domain proceedings in its own name.

(d) The commission is authorized, for the additional purpose of adequately irrigating any tract, to use, free of all charge, Government-owned water upon the island of Molokai and Government-owned surplus water tributary to the Waimea River upon the island of Kauai, not covered by a water license or covered by a water license issued after the passage of this act. Any water license issued after the passage of this act and covering any such Government-owned water shall be deemed subject to the condition, whether or not stipulated therein, that the licensee shall, upon the demand of the commission, grant to it the right to use, free of all charge, any of the water upon the island of Molokai and any of the surplus water tributary to the Waimea River upon the island of Kauai, which is covered by the license and which the commission deems necessary for the additional purpose of adequately irrigating any tract.

(e) All rights conferred on the commission by this section, to use, contract for, or acquire the use of water, shall be deemed to include the right to use, contract for, or acquire the use of any ditch or pipe line constructed for the distribution and control of such water and necessary to such use by the commission.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. Under what jurisdiction are these water licenses, the licenses to use surplus water, now? Are they under the public land commissioner, or do they have a——

Mr. DOWELL. Mr. Chairman, the commissioner of public lands now issues the leases to these water companies.

Mr. WALSH. Then I would like to ask the gentleman about subparagraph (b). It says:

All water licenses issued after the passage of this act—

That is, issued by the public land commissioner—

shall be deemed subject to the condition, whether or not stipulated in the license, that the licensee—

The person to whom the license runs—

shall, upon demand of the commission, grant to it the right to use, free of all charge, any water which the commission deems necessary adequately to supply the live stock or the domestic needs of the individuals upon any tract.

Does not that involve conflict of jurisdiction there?

Mr. DOWELL. I think not, because it would only be reserved when this license is granted—the use of so much of the water as may be necessary for the domestic use of the homesteader. It was not intended that this should go beyond that point, because it might take more than could be secured in certain licenses; but it was thought that the land could not be used at all unless there could be water furnished for domestic use.

Mr. WALSH. They get this water for domestic use and for live stock without additional charge?

Mr. DOWELL. Without additional charge. And it would go in the granting of the license. In other words, the license would not be granted except with this reservation.

Mr. WALSH. But on these tracts that are occupied by native Hawaiians—who will pay for installing the water on them?

Mr. HUMPHREYS. That would not involve any ditching. This is not for anything except domestic use and the use of the live stock. It simply means practically taking a pipe and tapping a main wherever the supply is for domestic use and the use of live stock. There would be no ditching.

Mr. WALSH. Subparagraph (e) says that the rights conferred on the commission to acquire the use of water shall include the right to use, contract for, or acquire the use of any ditch or pipe line constructed for the distribution and control

of such water and necessary for the use of the commission. They can not use it for irrigation purposes?

Mr. HUMPHREYS. Nothing except as provided there in subparagraph (e) in Molokai and on the Waimea River, on the island of Kauai. With that exception they can not use the water except for domestic purposes and for live stock. In Molokai the homes commission has not established water works. On the Waimea River they can take the surplus water, water that other people do not use, if more than necessary, and the commission, when it does that, can have the right to condemn.

Mr. WALSH. This did not involve the installation of irrigation works there and having the cost of it imposed on the people who occupy these tracts?

Mr. HUMPHREYS. No. They are authorized to do that by another section here.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 304. The first, second, and third paragraphs of section 73 of the Hawaiian organic act are hereby amended to read as follows:

"SEC. 73. (a) That when used in this section—

"(1) The term 'commissioner' means the commissioner of public lands of the Territory of Hawaii;

"(2) The term 'land board' means the board of public lands, as provided in subdivision (1) of this section;

"(3) The term 'public lands' includes all lands in the Territory of Hawaii classed as Government or Crown lands previous to August 15, 1895, or acquired by the Government upon or subsequent to such date by purchase, exchange, escheat, or the exercise of the right of eminent domain, or in any other manner, except (1) lands designated in section 203 of the Hawaiian Homes Commission act, 1920, (2) lands set apart or reserved by Executive order by the President, (3) lands set aside or withdrawn by the governor under the provisions of subdivision (g) of this section, (4) sites of public buildings, lands used for roads, street landings, nurseries, parks, tracts reserved for forest growth or conservation of water supply, or other public purposes, and (5) lands to which the United States has relinquished the absolute fee and ownership, unless subsequently placed under the control of the commissioner and given the status of public lands in accordance with the provisions of this act, the Hawaiian Homes Commission act, 1920, or the Revised Laws of Hawaii of 1915; and

"(4) The term 'person' includes individual, partnership, corporation, and association.

"(b) Any term defined or described in section 347 or 351 of the Revised Laws of Hawaii of 1915, except a term defined in subdivision (a) of this section, shall, whenever used in this section, if not inconsistent with the context or any provision of this section, have the same meaning as given it by such definition or description.

"(c) The laws of Hawaii relating to public lands, the settlement of boundaries, and the issuance of patents on land-commission awards, except as changed by this act, shall continue in force until Congress shall otherwise provide. Subject to the approval of the President, all sales, grants, leases, and other dispositions of the public domain, and agreements concerning the same, and all franchises granted by the Hawaiian government in conformity with the laws of Hawaii between the 7th day of July, 1898, and the 28th day of September, 1899, are hereby ratified and confirmed. In said laws 'land patent' shall be substituted for 'royal patent'; 'commissioner of public lands' for 'minister of the interior,' 'agent of public lands,' and 'commissioners of public lands,' or their equivalents; and the words 'that I am a citizen of the United States' or 'that I have declared my intention to become a citizen of the United States, as required by law,' for the words 'that I am a citizen by birth (or naturalization) of the Republic of Hawaii' or 'that I have received letters of denization under the Republic of Hawaii' or 'that I have received a certificate of special right of citizenship from the Republic of Hawaii.'

"(d) No lease of agricultural land or of undeveloped arid public land which is capable of being converted into agricultural land by the development, for irrigation purposes, of either the underlying or adjacent waters, or both, shall be granted, sold, or renewed by the government of the Territory of Hawaii for a longer period than 15 years. Each such lease shall be sold at public auction to the highest bidder after due notice as provided in subdivision (h) of this section and the laws of the Territory of Hawaii. Each such notice shall state all the terms and conditions of the sale. The land, or any part thereof so leased, may at any time during the term of the lease be withdrawn from the operation thereof for homestead or public purposes, in which case the rent reserved shall be reduced in proportion to the value of the part so withdrawn. Every such lease shall contain a provision to that effect: *Provided*, That the commissioner may, with the approval of the governor and at least two-thirds of the members of the land board, omit such withdrawal provision from the lease of any lands suitable for the cultivation of sugar cane whenever he deems it advantageous to the Territory of Hawaii. Land so leased shall not be subject to such right of withdrawal.

"(e) All funds arising from the sale or lease or other disposal of public lands shall be appropriated by the laws of the government of the Territory of Hawaii and applied to such uses and purposes for the benefit of the inhabitants of the Territory of Hawaii as are consistent with the joint resolution of annexation, approved July 7, 1898.

"(f) No person shall be entitled to receive any certificate of occupation, right of purchase lease, cash freehold agreement, or special homestead agreement who, or whose husband or wife, has previously taken or held more than 10 acres of land under any such certificate, lease, or agreement made or issued after May 27, 1910, or under any homestead lease or patent based thereon; or who, or whose husband or wife, or both of them, owns other land in the Territory the combined area of which and the land in question exceeds 80 acres; or who is an alien, unless he has declared his intention to become a citizen of the United States as provided by law. No person who has so declared his intention and taken or held under any such certificate, lease, or agreement shall continue so to hold or become entitled to a homestead lease or patent of the land unless he becomes a citizen within five years after so taking.

"(g) No public land for which any such certificate, lease, or agreement is issued after May 27, 1910, or any part thereof or interest therein or control thereof, shall, without the written consent of the commissioner and governor, thereafter, whether before or after a homestead lease or patent has been issued thereon, be or be contracted to be in any way, directly or indirectly, by process of law or otherwise, conveyed, mortgaged, leased, or otherwise transferred to or acquired or held by or for the benefit of any alien or corporation; or, before or after the issuance of a homestead lease or before the issuance of a patent, to or by or for the benefit of any other person; or, after the issuance of a patent, to or by or for the benefit of any person who owns, holds, or controls, directly or indirectly, other land or the use thereof the combined area of which and the land in question exceeds 80 acres. The prohibitions of this paragraph shall not apply to transfers or acquisitions by inheritance or between tenants in common."

Mr. DOWELL. Mr. Chairman, in line 16, page 25, after the word "from," I move to strike out the comma.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. DOWELL moves to amend, on page 25, line 16, after the word "from," by striking out the comma.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. BLANTON. Mr. Chairman, I ask for a division in order to check up.

The committee divided; and there were—ayes 48, noes 0.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 306. The sixth paragraph of section 73 of the Hawaiian organic act is hereby amended to read as follows:

"(j) The commissioner, with the approval of the governor, may give to any person (1) who is a citizen of the United States or who has legally declared his intention to become a citizen of the United States and hereafter becomes such, and (2) who has, or whose predecessors in interest have, improved any parcel of public lands and resided thereon continuously for the 10 years next preceding the application to purchase, a preference right to purchase so much of such parcel and such adjoining land as may reasonably be required for a home, at a fair price, to be determined by three disinterested citizens to be appointed by the governor. In the determination of such purchase price, the commissioner may, if he deems it just and reasonable, disregard the value of the improvements on such parcel and adjoining land. If such parcel of public lands is reserved for public purposes, either for the use of the United States or the Territory of Hawaii, the commissioner may, with the approval of the governor, grant to such person a preference right to purchase public lands which are of similar character, value, and area, and which are situated in the same land district. The privilege granted by this paragraph shall not extend to any original lessee or to an assignee of an entire lease of public lands."

Mr. WATSON. Mr. Chairman, I move to strike out the last word, in order to obtain information. What is the number of acres that is considered to be a reasonable amount of land for a home?

Mr. HUMPHREYS. To what line does the gentleman refer?

Mr. WATSON. In line 24, which provides that the commissioner shall parcel out the amount of land deemed necessary for a home. I was wondering how many acres it would require.

Mr. HUMPHREYS. I will state to the gentleman that is the present law, which we do not change in that respect in this bill. But for first-class agricultural land about 10 or 15 acres, and sometimes 20.

Mr. WATSON. Not as much as in this country, of course?

Mr. HUMPHREYS. No. It is a very small acreage.

Mr. WATSON. What is raised upon such small plats to enable the natives to make a living?

Mr. HUMPHREYS. They raise pineapples, and sugar beets, and various vegetables. They can raise hay, but they can not cure it.

Mr. WATSON. Can they grow sufficient produce to provide for their subsistence.

Mr. HUMPHREYS. Yes. It is not limited to 10 acres. It can go higher. Ordinarily they can. This taro that they speak of is what the ladies make their poi out of. It is the favorite dish. They can grow that on a small acreage. They all have fishing rights. They can get along very well on 10 or 20 acres of land, provided it is agricultural land.

Mr. WATSON. I thank the gentleman. Mr. Chairman, I withdraw my pro forma amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

(e) Whenever after the passage of this amendatory act, there first occurs a vacancy in the office of district judge, such office is abolished and the district court shall thereafter consist of one district judge. Such judge shall, in addition to the powers and duties incident to his office as district judge, exercise all the powers and perform all duties previously incident to the office so abolished.

Mr. CRAMTON. Mr. Chairman, this is a very valuable discussion, but I make the point of order that there is no quorum present.

Mr. BLANTON. I do not want the gentleman to assume my prerogatives over there. [Laughter.]

Thes CHAIRMAN. The gentleman from Michigan makes the point that there is no quorum present. The Chair will count.

Mr. CRAMTON. Mr. Chairman, I withdraw the point of no quorum.

The CHAIRMAN. The gentleman from Michigan withdraws the point of no quorum. The Clerk will read.

SEC. 312. Section 92 of the Hawaiian organic act is hereby amended to read as follows:

"SEC. 92. That the following officers shall receive the following annual salaries to be paid by the United States: The governor, $8,000; the secretary of the Territory, $4,500; the chief justice of the supreme court of the Territory, $7,500; the associate justices of the supreme court, $7,000 each; the judges of the circuit courts, $6,000 each; the United States district attorney, $5,000; the United States marshal, $4,000. The governor shall receive annually from the United States, in addition to his salary, (1) the sum of $1,000 for stationery, postage, and incidentals, and (2) his traveling expenses while absent from the capital on official business. The governor is authorized to employ a private secretary who shall receive an annual salary of $3,000, to be paid by the United States."

Mr. DOWELL. Mr. Chairman, I desire to offer a committee amendment.

The CHAIRMAN. The gentleman from Iowa offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. DOWELL: Page 33, line 12, after the word "of," strike out the figures "1,000" and insert in lieu thereof "$1,000."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read.

Mr. WALSH. I should like to ask the members of the committee how much the United States marshal out there gets now.

Mr. DOWELL. Three thousand dollars.

Mr. WALSH. It seems to me that these are rather extraordinary increases to all these Government officials there. We have United States marshals in some of the largest States who are not getting over $3,000, and I understand that all these salaries in this paragraph have been increased practically $1,000. Is that so?

Mr. DOWELL. From $500 to $1,000, I think.

Mr. WALSH. Certainly the cost of living has not borne down as severely on the inhabitants of this Territory as it has in this country. I can not quite understand why the committee have been so generous in this matter. What testimony did they have as to the necessity for granting the thousand-dollar increase?

Mr. KALANIANAOLE. Mr. Chairman, we have a peculiar situation there. I can readily understand that some of the Members here may wonder why larger salaries should be paid to the officials in Hawaii than you pay in some of your States. You must understand that Hawaii is a Territory which has a commerce back of it of $150,000,000. That fact alone shows that it is not a one-horse Territory and deserves consideration. You pay the Federal judges in Hawaii $7,500 a year, while our circuit judges are getting only $4,000, and any one of our circuit judges does five times as much work as the Federal judges in Hawaii do. Our Territory recognizes the worth of even police magistrates. We pay our police magistrates in Honolulu more than you pay our circuit judges. We pay our attorney general more than you pay the governor. It is not easy to get good men to serve in these places. To get good men you must have salaries commensurate with the positions that they hold. You speak of high cost of living. Why, in Hawaii we import most of our food products from the mainland. If it is true of the profiteering that is going on here, imagine, gentlemen, what it costs us to live in far-off Hawaii.

Mr. WALSH. It is estimated that you have only 260,000 people there in the Territory, a much less number than in most of the States.

Mr. KALANIANAOLE. That is true, so far as population goes, but when you consider our commerce and our contributions to the National Treasury, you will find that we are warranted in asking for this increase.

Take the case of the marshal. In order to properly carry out his duties, it is necessary that he travel from one island to the other, necessitating long ocean voyages, and as the islands are volcanic, in some sections he must travel on horseback. A salary of $3,000 does not seem sufficient for a good man in such a position.

Mr. WALSH. You have been able to get them heretofore at the salaries paid, have you not? You have had no difficulty in filling these positions at the salaries that have been paid?

Mr. KALANIANAOLE. Oh, we have had difficulty in getting good men. We have had difficulty in getting good men for our judges.

Mr. WALSH. I am glad that this is a Territory, and that this bill is reported from the Committee on the Territories, because if it were reported from an ordinary committee we would not stop increasing salaries at a thousand dollars a clip. I shall make no more objection than what I have said, and thank the gentleman for the information.

The CHAIRMAN. The time of the gentleman has expired. The Clerk will read.

The Clerk read as follows:

SEC. 401. All acts or parts of acts, either of the Congress of the United States or of the Territory of Hawaii, to the extent that they are inconsistent with the provisions of this act, are hereby repealed.

Mr. ALMON. Mr. Chairman, I intended to make some remarks in support of this bill under general debate, but only a short time was allowed for general debate, and I yielded to the Delegate from Hawaii [Mr. KALANIANAOLE] the time that was offered to me.

The legislative commission of the Territory of Hawaii which visited Washington in the month of February last, consisting of Gov. McCarthy, Attorney General Irwin, Senator Shingle, Senator Wise, and Representatives Rawlings and Lyman, of the Hawaiian House of Representatives, were given a hearing before the Committee on the Territories of the House, of which I have the honor of being a member. The facts brought out in said hearings, especially the information furnished by the members of the legislative commission, are most interesting and instructive. I invite the attention of Members of the House to those hearings, because they not only give a history of the Hawaiian Islands but a very accurate and interesting account of the islands and those good people at this time. The members of this commission are all high-class and intelligent gentlemen, and made a most favorable impression on the committee.

This commission brought the expression of the Legislature of the Hawaiian Islands recommending that such legislation as is incorporated in this bill be enacted by Congress.

The committee was unanimous in reporting the bill, and very few amendments have been made. I am glad that the time has come when it can be passed. I am sure it is just and right and in the interest of those good people, and I trust it will pass by unanimous vote. [Applause.]

The Clerk resumed and completed the reading of the bill.

Mr. DOWELL. I move that the Committee do now rise and report the bill to the House with the amendments, with the recommendations that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SANFORD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 13500) to amend an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended, to establish an Hawaiian homes commission, and for other purposes, had directed him to report the same back to the House with sundry amendments with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. Under the rule the previous question is ordered. The question is on the amendments. Is a separate vote demanded on any amendment? If not, the Chair will put the amendments in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time.

Mr. CRAMTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CRAMTON. If the House adjourns at this point the passage of this bill on Monday will be in order, will it not?

The SPEAKER. The Chair thinks so.

Mr. CRAMTON. I make the point of order that there is no quorum present.

The SPEAKER. Will the gentleman withhold that a moment to allow a report from the Committee on Enrolled Bills?

Mr. CRAMTON. I withhold it for a moment.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill and joint resolutions of the following titles, when the Speaker signed the same:

H. J. Res. 327. Joint resolution repealing the joint resolution of April 6, 1917, declaring that a state of war exists between the United States and Germany, and the joint resolution of December 7, 1917, declaring that a state of war exists between the United States and the Austro-Hungarian Government; and

H. R. 12626. An act for the relief of certain persons to whom, or their predecessors, patents were issued to public lands along

the Snake River in the State of Idaho under an erroneous survey made in 1883.

The SPEAKER announced his signature to an enrolled joint resolution of the following title:

S. J. Res. 189. Joint resolution authorizing and directing the accounting officers of the Treasury to allow credit to the disbursing clerk of the Bureau of War Risk Insurance in certain cases.

CALL OF THE HOUSE.

Mr. HAUGEN. Mr. Speaker, I desire to present a conference report for printing under the rule.

The SPEAKER. The Chair thinks he must recognize the gentleman from Michigan, if he wishes to be recognized.

Mr. CRAMTON. I must insist on the point that there is no quorum present.

The SPEAKER. The gentleman from Michigan makes the point of order that no quorum is present. The Chair will count. There is no quorum present.

Mr. DOWELL. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Iowa moves a call of the House.

The question being taken, on a division (demanded by Mr. DOWELL) there were—ayes 57, noes 0.

Accordingly a call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Andrews, Md.	Drewry	Kennedy, R. I.	Rose
Bacharach	Dunn	Kettner	Rowan
Barkley	Dyer	Kiess	Rowe
Bell	Echols	Kitchin	Rucker
Benson	Ellsworth	Kleczka	Sanders, N. Y.
Black	Elston	Kreider	Scully
Blackmon	Ferris	Lampert	Sears
Bland, Ind.	Frear	Langley	Sells
Booher	Freeman	Lanham	Shreve
Bowers	Fuller, Ill.	Lankford	Siegel
Brinson	Fuller, Mass.	Lazaro	Slemp
Britten	Ganly	Lesher	Small
Brooks, Ill.	Gard	Longworth	Smith, N. Y.
Browne	Glynn	McCulloch	Smithwick
Brumbaugh	Godwin, N. C.	McKenzie	Snyder
Buchanan	Goldfogle	McKiniry	Steele
Burke	Good	McPherson	Stephens, Ohio
Butler	Goodykoontz	MacCrate	Strong, Pa.
Caldwell	Graham, Pa.	Madden	Sullivan
Campbell, Kans.	Griest	Mann, Ill.	Sumners, Tex.
Cantrill	Hamill	Mason	Tague
Carew	Hamilton	Merritt	Thomas
Carter	Hastings	Montague	Tillman
Clark, Fla.	Hayden	Moore, Va.	Tilson
Cole	Hays	Morin	Towner
Collier	Hernandez	Nicholls	Treadway
Cooper	Hill	Nolan	Vaile
Copley	Hoch	Olney	Vare
Costello	Hulings	Parker	Voigt
Crowther	Hull, Iowa	Phelan	Walters
Curry, Calif.	Husted	Porter	Ward
Dallinger	Hutchinson	Pou	Wheeler
Davis, Minn.	James	Radcliffe	Wilson, Ill.
Denison	Jefferis	Rainey, Ala.	Wood, Ind.
Dent	Johnson, S. Dak.	Reavis	Woodyard
Dewalt	Johnston, N. Y.	Reber	Yates
Donovan	Jones, Pa.	Reed, W. Va.	Young, N. Dak.
Dooling	Kelley, Mich.	Rhodes	
Doremus	Kelly, Pa.	Riordan	
Drane	Kendall	Rodenberg	

The SPEAKER. Two hundred and seventy Members have answered to their names. A quorum is present.

Mr. DOWELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. CRAMTON) there were 220 ayes and 14 noes.

So the bill was passed.

On motion of Mr. DOWELL, a motion to reconsider the vote whereby the bill was passed was laid on the table.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921, had further insisted upon amendment numbered 93 to the bill, and had asked a further conference with the House, and had appointed Mr. GRONNA, Mr. NORRIS, and Mr. GORE as the conferees on the part of the Senate.

AGRICULTURAL BILL.

Mr. HAUGEN, chairman of the Committee on Agriculture, presented a conference report on the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921, for printing under the rule.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. EVANS of Nevada, for several weeks, on account of the serious illness of his mother and important business.

To Mr. LARSEN, for three days, on account of attending the meeting of the board of trustees of the Georgia Normal School.

HOUSE OF BURGESSES AND LANDING OF THE PILGRIM FATHERS.

Mr. FESS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an address on the significance of the three hundredth anniversary of the House of Burgesses and the landing of the Pilgrim Fathers.

The SPEAKER. The gentleman from Ohio asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. BLANTON. Reserving the right to object, whose address is it?

Mr. FESS. It is signed by the Vice President of the United States, ex-President Taft, three or four members of the Cabinet, and others.

The SPEAKER. Is there objection?

There was no objection.

AMERICAN MERCHANT MARINE.

Mr. GREENE of Massachusetts. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, disagree to the Senate amendments, and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to take from the Speaker's table the bill of which the Clerk will read the title.

The Clerk read as follows:

H. R. 10378. An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and to provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes.

The SPEAKER. Is there objection?

There was no objection.

The Chair appointed as conferees on the part of the House Mr. GREENE of Massachusetts, Mr. EDMONDS, Mr. ROWE, Mr. HARDY of Texas, and Mr. LAZARO.

EXTENSION OF REMARKS.

Mr. DOWELL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on this bill just passed.

The SPEAKER. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD on the Hawaiian bill. Is there objection?

There was no objection.

Mr. JOHNSON of Washington. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection?

There was no objection.

Mr. GARNER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by publishing a letter written by Secretary Houston to the chairman of the Ways and Means Committee in response to a letter written to him.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The letter is as follows:

MAY 18, 1920.

DEAR MR. FORDNEY: I received your letter of May 1, with the inclosed copies of bills H. R. 13798, introduced by Mr. JOHNSON, and H. R. 13799, introduced by Mr. RAINEY, to provide for the payment of adjusted compensation to the veterans of the World War. Both bills impose an 80 per cent war-profits tax.

The most serious aspect of this compensation matter, as I pointed out when I had the honor of appearing before the committee, is the proposal greatly to add, especially at this time, to the present grievous burdens resting upon the people of the Nation and upon the Treasury. The method of financing the proposal raises grave problems, but is secondary. The very heavy burdens which will rest upon the Treasury by reason of laws already enacted, including particularly the recent railroad laws, which it is estimated will entail an expenditure of approximately $1,000,000,000, and also by reason of the delay in making provision to realize upon the Government's investments in railroads and ships, taken in connection with the existing credit situation, suggest the need of grave consideration of the question whether, quite aside from and in addition to any taxation which it might be necessary to impose in order to pay a bonus to the soldiers, it may not be necessary to provide for meeting the necessities of the Government in larger measure from taxation. The total indebtedness of the Government maturing within three years, represented by Treasury certificates, war savings certificates, and Victory notes, is in the neighborhood of $8,000,000,000. It is no longer possible to finance the current needs of the Government in part by the issue of Treasury certificates except on onerous terms, which reflect upon the value of the Government's long-time bonds and depreciate them in the market. Furthermore, it would appear to be bad economy and bad finance for the Government to borrow money on short-term certificates of indebtedness (maturing within three to six months) to be invested for a term of years in railroads and ships.

It is a matter of serious concern to have the Government appearing in the market every few weeks for loans. Certainly nothing ought to be done to add to existing credit expansion that can possibly be avoided. The result would be to increase prices and to make a difficult situation less satisfactory. In the circumstances obviously the Government ought to appear in the market for loans as infrequently as possible and for the lowest sums. Additional taxes are also undesirable, but they may be less undesirable than borrowing. They would at least have the effect in part of enforcing economies. The first thing to do, I am sure you will agree, is to keep Federal expenditures down to the minimum, and it is obvious also that other governmental jurisdictions and private individuals should do likewise.

I beg to submit to your committee for its serious consideration the question whether, all things considered, it would not now be advisable to seek out additional sources of revenue to meet the current requirements of the Government over and above any additional revenue which would be necessary if the soldier-bonus plan is determined upon, in order to obviate the necessity of continuing in considerable measure to meet them by borrowing. Having these things in mind, I hesitate to express an opinion concerning the bills which you have submitted to me, taken by themselves. There are many grave objections, both to the proposed new war-profits tax and to the alternative measure—a sales tax—which, I understand, your committee is considering. If, in view of the urgent needs of the Government for money to meet its requirements, your committee concludes that it will be wise to raise a larger amount by taxation and desires any suggestions from the Treasury, I shall be glad to have the experts place themselves at its disposal. In the meantime I refrain from making any further comment on either proposal.

For the reasons indicated, and for other reasons, I think it would be highly unfortunate for any new obligations to be placed upon the Treasury through the enactment of the bonus proposal in any form, however financed.

Very truly, yours, D. F. HOUSTON.

Hon. JOSEPH W. FORDNEY,
Chairman Committee on Ways and Means,
House of Representatives.

REPORT FROM WAYS AND MEANS COMMITTEE.

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent to report, at any time before midnight to-night, two bills unanimously approved by the Ways and Means Committee.

The SPEAKER. The gentleman from Iowa asks unanimous consent to report before midnight two bills unanimously agreed upon by the Committee on Ways and Means. Is there objection?

Mr. BLANTON. What kind of bills are they?

Mr. GREEN of Iowa. One relates to administration measures and one refers to personal service corporations, the tax of which as now levied is cut out by the Supreme Court.

Mr. BLANTON. Neither of them is a tariff bill?

Mr. GREEN of Iowa. No.

The SPEAKER. Is there objection?

Mr. CRAMTON. Reserving the right to object, does either of the reports have reference to stock dividends?

Mr. GREEN of Iowa. Not at all.

The SPEAKER. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. DOWELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p. m.) the House adjourned until Monday, May 24, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting a supplemental estimate of appropriation required for contingent expenses of the Independent Treasury for the fiscal year 1920 (H. Doc. No. 778); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of State submitting a supplemental and deficiency estimate of appropriation required by the State Department for expenses of foreign intercourse for the fiscal year 1921 and prior years (H. Doc. No. 779); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Treasury, transmitting a supplemental estimate of appropriation required by the State Department for an increase in salary of the United States representative to the International Institute of Agriculture at Rome, Italy, for a secretary to the representative, and for traveling and miscellaneous expenses (H. Doc. No. 780); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of the Interior submitting a deficiency estimate of appropriation required by the Interior Department for Freedmen's Hospital, fiscal year 1920 (H. Doc. No. 781); to the Committee on Appropriations and ordered to be printed.

5. A letter from the Secretary of War, transmitting a tentative draft of legislation for the adjustment of claims under the act of March 2, 1919, for relief in cases of contracts connected with the prosecution of the war, and for other purposes (H. Doc. No. 782); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. GREENE of Massachusetts, from the Committee on the Merchant Marine and Fisheries, to which was referred the bill (H. R. 14074) to amend the shipping act, 1916, as amended, reported the same without amendment, accompanied by a report (No. 1026), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. DYER, from the Committee on the Judiciary, to which was referred the bill (H. R. 14097) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching, reported the same without amendment, accompanied by a report (No. 1027), which said bill and report were referred to the House Calendar.

Mr. SMITH of Idaho, from the Committee on Irrigation of Arid Lands, to which was referred the bill (S. 2188) to amend section 3 of an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1902, and for other purposes," approved March 3, 1901 (31 Stat. L., p. 1133), reported the same with amendments, accompanied by a report (No. 1028), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. GREEN of Iowa, from the Committee on Ways and Means, to which was referred the bill (H. R. 14197) to amend the personal service corporation provisions of the revenue act of 1918, and for other purposes, reported the same without amendment, accompanied by a report (No. 1034), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 14198) to amend and simplify the revenue act of 1918, reported the same without amendment, accompanied by a report (No. 1035), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. PETERS, from the Committee on Naval Affairs, to which was referred the bill (H. R. 853) for the relief of Miles Swift, reported the same with an amendment, accompanied by a report (No. 1023), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. WELTY: A bill (H. R. 14196) to amend the acts of February 5, 1917, June 29, 1906, February 18, 1875, and May 6, 1882, creating an immigration board, providing for the regulation of immigration, raising the standards of naturalization, extending its privileges to all who qualify, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. GREEN of Iowa: A bill (H. R. 14197) to amend the personal service corporation provisions of the revenue act of 1918, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 14198) to amend and simplify the revenue act of 1918; to the Committee on Ways and Means.

By Mr. SCHALL: Joint resolution (H. J. Res. 361) providing for a recommendation of pardon and amnesty for all military offenders whose military offenses do not involve moral turpitude and were committed between April 6, 1917, and January 1, 1920; to the Committee on the Judiciary.

By Mr. McGLENNON: Memorial of the Legislature of the State of New Jersey in furtherance of a national system of highways in cooperation with the various States of the Union; to the Committee on Roads.

By Mr. LUFKIN: Memorial of the Legislature of the State of Massachusetts relative to the official recognition by the powers of the right of the Jewish people to a national existence in Palestine; to the Committee on Foreign Affairs.

By Mr. O'CONNELL: Memorial of the Legislature of the State of New Jersey in furtherance of a national system of highways in cooperation with the various States of the Union; to the Committee on Roads.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HULL of Tennessee: A bill (H. R. 14199) granting an increase of pension to George W. Roberts; to the Committee on Invalid Pensions.

By Mr. LAMPERT: A bill (H. R. 14200) granting a pension to August Koeser; to the Committee on Invalid Pensions.

By Mr. LESHER: A bill (H. R. 14201) granting an increase of pension to Clara Larish; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14202) granting a pension to Ellen Jefferson; to the Committee on Invalid Pensions.

By Mr. MILLIGAN: A bill (H. R. 14203) granting a pension to Benjamin E. Mosby; to the Committee on Invalid Pensions.

By Mr. QUIN: A bill (H. R. 14204) for the relief of the heirs of William August Ahrend, deceased; to the Committee on War Claims.

By Mr. SNELL: A bill (H. R. 14205) granting an increase of pension to Mary Polo; to the Committee on Invalid Pensions.

By Mr. WILSON of Illinois: A bill (H. R. 14206) granting a pension to Charles Hoffman; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3826. By the SPEAKER (by request): Petition of Institute of American Meat Packers, of Chicago, Ill., protesting against the baseless charges of profiteering made against the small packers; to the Committee on the Judiciary.

3827. By Mr. CARSS: Petition of a mass meeting of workers at Virginia, Minn., favoring the immediate release of all political prisoners and favoring the printing of papers in foreign languages; to the Committee on the Judiciary.

3828. By Mr. CASEY: Petition of Private Soldiers and Sailors' Legion, in connection with the bonus, signed by Anthony Visoski and 86 other residents of Luzerne County, Pa.; to the Committee on Ways and Means.

3829. Also, three petitions by the Private Soldiers and Sailors' Legion, in connection with a $500 bonus for ex-service men, signed by Mike Shugkys and 75 others; Evan J. Williams and 96 others; Harry Winters and 90 others, all residents of Luzerne County, eleventh congressional district, Pa.; to the Committee on Ways and Means.

3830. By Mr. CRAGO: Petition of shoe retailers of Connellsville, Uniontown, and Brownsville, Pa., protesting against the enactment of the so-called Federal branding legislation; to the Committee on the Judiciary.

3831. By Mr. CULLEN: Petition of Bakers' Union, Local 163, Brooklyn, N. Y., favoring the passage of Senate joint resolution 171 and Senate bill 1233; to the Committee on the Judiciary.

3832. Also, petition of New York Produce Exchange and the William E. Blaisdell Post 328, American Legion, of New York, opposing the bonus bill; to the Committee on Ways and Means.

3833. By Mr. ESCH: Petition of Chamber of Commerce, La Crosse, Wis., favoring early report of Joint Commission on Postal Salaries; to the Committee on the Post Office and Post Roads.

3834. Also, petition of Chamber of Commerce of La Crosse, Wis., in connection with location of a fish hatchery at that city; to the Committee on the Merchant Marine and Fisheries.

3835. By Mr. FULLER of Illinois: Petition of Chamber of Commerce of the United States of America, favoring suffrage and representation in Congress for citizens of the District of Columbia; to the Committee on the Judiciary.

3836. Also, petition of East St. Louis (Ill.) Lumber Co. and H. F. Drobisch, of Peoria, Ill., opposing delay or postponement of the zone postal rates going into effect; to the Committee on the Post Office and Post Roads.

3837. By Mr. GALLIVAN: Petition of J. B. Noyes, of Boston, Mass., favoring early report of the Joint Commission on Postal Salaries; to the Committee on the Post Office and Post Roads.

3838. Also, petition of J. B. Murray and others urging early and favorable report by postal commission; to the Committee on the Post Office and Post Roads.

3839. Also, petition of president of American Federation of Labor, in connection with House bill 12775; to the Committee on Military Affairs.

3840. Also, petition of Addison C. Getchell & Son, of Boston, Mass., protesting against proposed tax on advertising; to the Committee on Ways and Means.

3841. By Mr. HUDSPETH: Petition of Wade Hampton Chapter, No. 1658, United Daughters of the Confederacy, relative to the omission of Lee and Jackson from the memorial columns of the Memorial Amphitheater, in Arlington; to the Committee on Public Buildings and Grounds.

3842. By Mr. JOHNSTON of New York: Petition of the Merchants' Association of New York and the New York Produce Exchange, of New York, protesting against the passage of the bonus bill and the proposed method of taxation; to the Committee on Ways and Means.

3843. By Mr. KAHN: Petition of Private Soldiers' and Sailors' Legion of the United States of America, urging favorable consideration of House bill 10375, providing a bonus of $500 for all who served in the World War; to the Committee on Ways and Means.

3844. Also, papers to accompany H. R. 14183, granting an increase of pension to Matilda E. Ames; to the Committee on Pensions.

3845. By Mr. McGLENNON: Petition of five branches of Friends of Irish Freedom, in connection with the recognition of Ireland; to the Committee on Foreign Affairs.

3846. Also, petition of Council of the town of Kearny, N. J., in connection with postal salaries; to the Committee on the Post Office and Post Roads.

3847. Also, petition of two church clubs of Montclair, N. J., favoring loan for relief of central Europe; to the Committee on Foreign Affairs.

3848. By Mr. MACGREGOR: Petition of Typothetæ of Buffalo, N. Y., protesting against proposed tax on advertising; to the Committee on Ways and Means.

3849. Also, petition of Wolanski Post, No. 707, American Legion, Buffalo, N. Y., favoring fourfold bonus plan; to the Committee on Ways and Means.

3850. By Mr. NEWTON of Missouri: Petition of Wilfred G. Albert and Miss Ottilie Blumenthal, Republican committee women, both of St. Louis, Mo., protesting against the manner in which the St. Louis post office is being conducted; to the Committee on the Post Office and Post Roads.

3851. By Mr. O'CONNELL: Petition of Robert Gair Co., of Brooklyn, N. Y., opposing the passage of House bill 13874; to the Committee on Ways and Means.

3852. Also, petition of Corporal John Ruoff Post, No. 632, American Legion, Ozone Park and Woodhaven, Long Island, favoring bonus for soldiers, and William E. Blaisdell Post, No. 238, American Legion, and sundry other citizens, opposing the bonus bill; to the Committee on Ways and Means.

3853. By Mr. OSBORNE: Petition of 250 members of Private Soldiers' and Sailors' Legion, Los Angeles, Calif., in favor of House bill 10373; to the Committee on Ways and Means.

3854. By Mr. RAKER: Two petitions favoring passage of House bill 1112; to the Committee on the Judiciary.

3855. Also, petition of T. F. Perry, post commander, American Legion Post, of Colfax, Calif., and the Private Soldiers' and Sailors' Legion of the United States, in connection with the bonus; to the Committee on Ways and Means.

3856. Also, petition of Commercial Club of Independence, Calif., urging that the Lee Vining Creek Falls on the Tioga Road leading into Yosemite Valley be preserved in all their present scenic beauty; to the Committee on the Public Lands.

SENATE.

MONDAY, *May 24, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we thank Thee for a religious experience that gives to us broadness of mind, purity of intent and purpose, an ever-enlarging sympathy, and love, and hope. Herein Thou dost set us free from the domination of the passing circumstance of life. Thou dost give to us visions of the larger life that touch upon the great issues of life eternal. Draw us near to Thyself. Give us ever the light of Thy presence upon our pathway. May our hearts be constantly in attune with the Divine. We ask it for Christ's sake. Amen.

The Reading Clerk proceeded to read the Journal of the proceedings of the legislative day of Friday, May 21, 1920, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALLING THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Reading Clerk called the roll, and the following Senators answered to their names:

Ashurst	Edge	McLean	Smith, Ga.
Ball	Fernald	McNary	Smith, Md.
Borah	Harding	Moses	Smith, S. C.
Brandegee	Henderson	New	Smoot
Capper	Jones, Wash.	Norris	Sterling
Comer	Kellogg	Nugent	Thomas
Culberson	King	Page	Townsend
Curtis	Lenroot	Robinson	Underwood
Dial	Lodge	Sheppard	Warren

The VICE PRESIDENT. Thirty-six Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Reading Clerk called the names of the absent Senators, and Mr. HALE, Mr. HARRISON, Mr. HITCHCOCK, Mr. JONES of New Mexico, Mr. KEYES, Mr. KNOX, Mr. NELSON, Mr. OVERMAN, Mr. SHERMAN, Mr. SPENCER, Mr. WADSWORTH, and Mr. WALSH of Massachusetts answered to their names when called.

Mr. SPENCER. May I announce that the Senator from Missouri [Mr. REED], the Senator from Iowa [Mr. KENYON], and the Senator from Ohio [Mr. POMERENE] are engaged in business of the Senate in committee?

Mr. WALSH of Montana, Mr. GAY, Mr. STANLEY, Mr. TRAMMELL, Mr. KENDRICK, Mr. MCKELLAR, Mr. SIMMONS, Mr. PHELAN, Mr. BECKHAM, Mr. SWANSON, Mr. GLASS, Mr. MYERS, Mr. SMITH of Arizona, and Mr. WATSON entered the Chamber and answered to their names.

Mr. MCKELLAR. The Senator from Georgia [Mr. HARRIS], the Senator from Oregon [Mr. CHAMBERLAIN], and the Senator from Nevada [Mr. PITTMAN] are absent on official business.

The VICE PRESIDENT. Sixty-two Senators have answered the roll call. There is a quorum present.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED.

The VICE PRESIDENT announced his signature to the following enrolled bill and joint resolutions, which had previously been signed by the Speaker of the House of Representatives:

H. R. 12626. An act for the relief of certain persons to whom, or their predecessors, patents were issued to public lands along the Snake River in the State of Idaho under an erroneous survey made in 1883;

S. J. Res. 189. Joint resolution authorizing and directing the accounting officers of the Treasury to allow credit to the disbursing clerk of the Bureau of War Risk Insurance in certain cases; and

H. J. Res. 327. Joint resolution repealing the joint resolution of April 6, 1917, declaring that a state of war exists between the United States and Germany, and the joint resolution of December 7, 1917, declaring that a state of war exists between the United States and the Austro-Hungarian Government.

PERSONAL EXPLANATION—UTAH-IDAHO SUGAR CO.

Mr. SMOOT. Mr. President, I ask unanimous consent at this time to present a question that has particular reference to myself. I will say to Senators that it will not take more than 15 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Utah will proceed.

Mr. SMOOT. Mr. President, we all recognize the extreme sugar shortage in the United States as well as in all the world, and the serious consequences following such a shortage; and no one can object to any action that can be taken to control or regulate the lawful distribution of the same, but when any department of our Government undertakes to secure the defeat or the election of a United States Senator through an investigation of the affairs of a sugar company it is time that such a contemptible practice be called to the attention of the public.

I am positive the honest people of this country will not approve of any such rotten politics. This very thing is taking place in the State of Utah, and to prove this statement I have but to recite what has in the past and is taking place to-day.

In the first place, I wish to go back some months when this unthinkable proposition was first brought to my attention by Gen. Richard W. Young, during his visit to Washington as the attorney of the Utah-Idaho Sugar Co. He was here to learn, if possible, if there was any truth in the rumor that the Federal Trade Commission was going to make an investigation of the affairs of the Utah-Idaho Sugar Co.; and if so, upon what basis and for what reason. Think of my surprise when he told me that he had no doubt the investigation would be made some time before the next election, and among other causes assigned was the one that it would help to defeat me for reelection. I could not see how any investigation could possibly affect me, for I have never been an officer of the company; I have nothing to do with its management; I have never done anything for the company that I would not willingly have done for any other business organization in the United States; that I own but 440 shares of the capital stock of the company, valued even to-day at $9 per share, and the same came to me through the purchase at public sale of about 76 shares of the stock once owned by my father's estate, and the balance of my present holdings came to me by my subscribing $1,500 to build a sugar factory at Dewey, Idaho, which proved a failure and was dismantled and removed to Utah by the Utah-Idaho Sugar Co., after which I received stock in the Utah-Idaho Sugar Co. for my stock invested in the sugar factory at Dewey, Idaho; that I never bought a share of the stock other than the 76 shares already mentioned; that I have never sold a share of the stock of the company in my life; and that the dividend I receive from the company is $22 per month.

So, under these conditions I paid no more attention to the matter until yesterday, when I received information of a telegram that had been sent from Salt Lake City by one George E. Sanders to Attorney H. W. Beer, of the Federal Trade Commission, at Rigby, Idaho, to which I will call the Senate's attention later. Senators will remember that last December I called the attention of the Senate to the fact that the Attorney General had fixed the price at which the producers of beet sugar could sell their sugar at 10½ cents per pound, while at the same time he allowed the cane-sugar producers of Louisiana to sell their sugar at 17 cents per pound.

The beginning of this year the sugar situation became alarming. The President had refused, upon the advice of Dr. Taussig and against the advice of the other members of the Sugar Equalization Board, to purchase the Cuban crop at 5¾ cents for Cuban raws, and shortly following that decision wild speculation in Cuban sugars began and prices advanced rapidly. The beet-sugar producers considered the situation intolerable, and the officers of the Utah-Idaho Sugar Co. decided to request that I take up the question with the Attorney General, and following is the part, and the only part, that I have taken in which the price of sugar was involved.

On January 7 I received a telegram signed by officials of the Utah-Idaho Sugar Co. reading as follows:

Please see Attorney General and secure modification of his telegram dated October 18, wherein he said, in brief: "The Department of Justice will treat as an unjust charge any price in excess of the United States Equalization Board's basis for beet-sugar sales and consider such a charge a violation of section 4 of the Lever food-control act." Competitors here have sold sugars at prices ranging from 14 to 20 cents, and are competing with us for next season's beets in same fields, and we, under threat of prosecution, are maintaining Government's price of ten-fifty. Is this fair, reasonable, right, or just? Government has allowed Michigan beet to be sold at 12 cents without prosecution, and Louisiana situation is well known. To fix price for one factory or locality on basis of cost means favoring the inefficient and slothful and penalizing the thrifty and prudent. Can not the Department of Justice recognize world's market price, somewhere near 14 or 15 cents New York, and instruct district attorney here to institute proceedings only if we sell above such figure? Situation intolerable, and our directors feel that conditions warrant and justify a price in excess of a ten-fifty price. Couldn't you get district attorney here instructed to institute proceedings only if we sell above 14 cents? Parties here from East bidding for our sugar at 20 cents f. o. b. factory. Have information that thousands of tons are being sold by refiners in New York at 15 cents and above.

Immediately upon receipt of the telegram I took the subject matter up with the Attorney General's office. The Attorney General advised me that he was not familiar with the details of the sugar situation, but would instruct Mr. Garvan to come to my office the following morning for the purpose of holding a conference on the question of the future price of beet sugar. I then answered the telegram as follows:

Attorney General has instructed Mr. Garvan to hold conference with me this afternoon on question of price of sugar. Presented your telegram to the Attorney General, and he did not see his way clear under the law to pass upon the question with the information he has at hand. Will report result of conference as soon as possible.

Mr. Garvan failed to come to my office on the 9th, but the Attorney General sent Mr. A. H. Riley, of the Bureau of Investigation, Department of Justice, to see me on the morning of January 10. After a two hours' conference with Mr. Riley I sent the following telegram:

Held two hours' conference with Riley, sugar man, Department of Justice. Believe he will recommend to Attorney General Monday to allow beet sugar to be sold on basis of 12 cents, increase of 1½ cents per pound. Will advise me Monday and I will telegraph you results.

On January 12 I sent the following telegram:

Riley and Garvan prefer to wait until Wednesday to consult Attorney General, who is out of town, before deciding on subject matter of your telegram relative to sugar prices.

On January 14 I received the following night lettergram:

We thank you very much for your splendid work on sugar matter. This morning American Sugar Refining Co. announces price 15 cents New York, and this afternoon C and H make same price San Francisco. In normal times these two concerns virtually make sugar market for United States based on Cuban and Hawaiian raw sugars, respectively. Doubtless you have presented to Department of Justice the impracticability of ultimate consumer receiving benefit of ten and a half price in Utah when sugar is bringing 15 to 20 cents retail in eastern markets. From information received through our brokers we are convinced that little or no sugar is reaching the consumer based on a ten and a half price, hence the ridiculousness of a situation that compels one or two companies in Colorado and Utah to continue selling sugar on such a basis. As an example of the unbearable condition here speculators are buying our sugars in five and ten bag lots, assembling same into carloads, shipping to Chicago, where they net six or seven dollars per bag profit, and should we attempt control situation by withholding sugars from market would likely be charged with hoarding as we were in Northwest recently. Since previous telegram, Gunnison, Rigby, and other producers, who have accepted higher prices than Government allowed for sugars, are bidding $12 for beets in our fields, while we can not afford to go higher than $10 account having sold our sugar on 10½-cent basis. Telegraph us something definite tomorrow if possible. Our directors feel situation intolerable.

After the receipt of the above telegram and a conference with Mr. Riley I sent a telegram, dated January 15, as follows:

Wire me immediately number of tons of beet sugar that can be shipped East within 30 days from all factories in Colorado and Utah, Idaho, Montana, or factories controlled by sugar companies within those States providing price paid is on 12-cent basis.

To that telegram I received the following answer:

Fifty-five million one hundred thousand pounds all companies allotment to March 1, based on 12 cents seaboard basis, but none of this to be shipped east of Chicago, as we are obliged to take care of our trade in our eastern territory on monthly allotments.

Shortly after the receipt of this telegram I held another conference with Mr. Riley, following which I sent, on January 16, the following telegram:

Am directed to notify you that sugar companies named in my telegram, dated January 15, may ship 55,100,000 pounds beet sugar between January 17 and March 1, at 12 cents seaboard basis, but none of it to be shipped east of Chicago. Each shipment with amount, name of purchaser, and destination to be sent daily by letter direct to A. W. Riley, Bureau of Investigation, Department of Justice, Washington, D. C. Please make best possible distribution. Letter will follow.

I received in answer to this telegram on January 17 a wire as follows:

We wish to express to you our thanks for the quick action you have secured in relation to sugar matters. As a consequence the different sugar companies have practically arrived at the conclusion that they will announce a $12 price per ton for beets in 1920. Inasmuch as New York and San Francisco basic price 15 cents, why is it Government continues to try to hold down price of beet sugar, in which farmers of all these States so greatly interested?

After consultation with Mr. Riley on January 19 I sent the following telegram:

Read your telegram January 17 to Riley, Department of Justice, and he thinks if all beet sugar now on hand is sold at 12 cents announcement should be made that companies will pay $12 per ton for 1920 beets. If sugar is sold at 15 cents, undue profits would follow and would lead to prosecution under existing law.

I wired the Utah-Idaho Sugar Co. on January 20, after receiving a telephone message from Mr. Riley, as follows:

Reported to Department of Justice you have withdrawn sugar from sale. Wire facts in case.

I received an answer to that telegram January 24 reading as follows:

Report of our withdrawal from market absolutely untrue. More than 40,000 bags now rolling to eastern territory, and in addition have invoiced 158,000 bags so far this month. Total amount of new sugar shipped 670,000 bags out of this season's production, or more than 50 per cent of total sugar produced to date, as compared with less than 35 per cent sold same date last year.

On January 17 I received a telegram from Mr. W. L. Petrikin, of the Great Western Sugar Co., Denver, Colo., as follows:

In conformity with your telegram to Nibley, dated January 16, regarding distribution of sugar to March 1, it is our intention to cooperate to full extent, and we will immediately arrange to distribute as early as possible the quantity reported on 12-cent seaboard basis.

On January 19 I directed a letter to Mr. Petrikin, in which I inserted a copy of my telegram of January 19 to the manager of the Utah-Idaho Sugar Co.

This is the full and true account of every action of mine in connection with the price at which sugar was to be sold. I read every telegram I received and every telegram I sent on this subject to Mr. Riley, of the Department of Justice, and every one of them met his approval.

From the Salt Lake City daily papers I learned that recently the Utah-Idaho Sugar Co. has advanced the price of beet sugar to the market price of sugar at New York and San Francisco, and the only reasons assigned for so doing that I am aware of are announced by the company in advertisements in the Salt Lake papers. Following is an extract from one of the advertisements received by me this day:

The business of this company is to manufacture and sell sugar. It has been in business for almost 30 years. Its commodity until the beginning of the war was always sold at the market price, based on supply and demand. Prices sometimes have been up and sometimes have been down. Many years have been lean years from a profit standpoint. Others have been profitable. The company's sales for the fiscal year ending February 28, 1920, amounted to 1,756,834 bags, on which it made a profit of $1.02 per bag. There is not a fair price committee in the land that has named as low a price for the wholesaler or retailer. Even the Attorney General of the United States in his latest statement says that the retailer is entitled to a margin of $2 per bag for handling sugar. From the standpoint of fair play, isn't the manufacturer of sugar entitled to as much profit as the middleman who distributes his goods?

The Utah-Idaho Sugar Co. has always been fair with the people of Utah. During the past six months it has sacrificed a lot of money in order to retain sufficient sugar for home consumption. Had it not done so, sugar to-day might have been selling in Utah at 30 to 32 cents wholesale and from 33 to 35 cents retail, as it is in scores of cities in the land. During the past year it has distributed in this intermountain country more than 600,000 bags of sugar, or nearly one-half of its entire production. In ordinary times it has never been able to sell in this market more than 15 per cent of its output, which demonstrates beyond question of cavil that in spite of all the Government's efforts thousands and thousands of bags of sugar have been picked up at the prevailing low price in Utah and shipped to eastern markets, where the manipulators have enjoyed a profit of from $5 to $10 per bag. Failure of the Government to prevent this sort of profiteering made the recent advance necessary in order to stop the drain on intermountain sugar supplies. Hence the advance in price to the prevailing eastern and western wholesale market. The Utah-Idaho Sugar Co. has been charged by the Department of Justice with profiteering, and yet this company has never exacted one penny more than the prevailing market price, which is and always has been established by New York, New Orleans, and San Francisco markets.

I am not defending the action of the company nor am I responsible in any way for the advanced price of sugar, nor am I complaining of the Federal Trade Commission making an investigation of the affairs of the company; but I do object to the program and object to the investigation as outlined in the following telegram to one George E. Sanders, an ordinary financial crook, so demonstrated in his swindling deal in promoting a paper sugar factory at Hamilton, Mont., from Attorney W. H. Beer, of the Federal Trade Commission, who has the investigation of the company in charge, and Sanders's answer to the same:

RIGBY, *13, 1920.*

GEORGE SANDERS,
Care of Dr. Snow, 60 First Avenue, Salt Lake City, Utah:

Expect to close; leaving here Saturday. What do you intend to do regarding Medford and Grants Pass proposed hearing? Wire me collect.

BEER,
Federal Trade Commissioner.

(Gov. rates, 23222 Fed. Trade Comm.)

SALT LAKE CITY, UTAH, *May 13, 1920.*

HENRY W. BEER,
Special Counsel, Federal Trade Commission,
Rigby, Idaho:

Do not know what to advise you about proposed hearing at Grants Pass. Think you ought to have about three weeks from now. One of your investigators should be there a week in advance lining up witnesses. Do not be in too big hurry to finish your case, as public sentiment is fast changing and almost entirely for Government prosecution. Sugar magnates anxious for you to get through. Palmer should keep you on job. If you keep a going for two months, it will cost SMOOT his Senate seat. Better kill some time with Washington authority. Ogden to-morrow.

G. E. SANDERS.

9059, May 14, 1920.

Mr. President, this is the program, and I shall wait and see whether it meets with the approval of the members of the Federal Trade Commission or has received the sanction of the Attorney General. It begins to look to me as if Gen. Richard W. Young knew what he was talking about when shortly before his death he informed me what he heard was to take place in connection with an investigation of the Utah-Idaho Sugar Co. Gen. Young was one of the leading Democrats, if not the leading Democrat, in my State. Shame upon officials of a department of the Government if they have lent themselves to such action! I think I know the people of Utah well enough to know that this sort of politics will never be countenanced, and if the officials of Washington are acting in this matter upon the advice of politicians of the State of Utah their action will not assist in any way in my defeat or their success.

Mr. THOMAS. Mr. President, I should like to ask the Senator a question before he takes his seat.

The Senator has referred to this man Sanders in somewhat emphatic terms. Will the Senator inform me whether his record is such that it should have been known to the authorities employing him for this work?

Mr. SMOOT. Why, Mr. President, I can not conceive that it would not be known. It is known by everybody in Utah. It is known by everybody who has suffered from his speculations. That is the most modest term by which I can characterize his activities.

Mr. THOMAS. Mr. President, it is to the interest of the public service that the Senator should have made this statement on the floor. While I am not in political sympathy with the Senator, I fully share his condemnation of the use of any public official agency either to promote or to prevent the reelection of any man in public life, if that has been done.

JOINT POSTAL COMMISSION.

Mr. STERLING. Mr. President, I desire to call attention to and correct a statement made by the Senator from Tennessee [Mr. MCKELLAR] on Saturday in regard to the work of the Joint Commission on Postal Salaries—a statement which I did not hear and of which I did not know until my attention was called on yesterday afternoon to the statement as found in the CONGRESSIONAL RECORD. I want to say, Mr. President, that the statement is misleading, to say the least, and in some respects quite contrary to the facts.

The Senator from Tennessee—and I regret that he is not present—begins his statement with the following announcement on page 7480 of the RECORD:

Mr. President, to-day the Joint Postal Commission completed its labors, and work has now begun in the preparation of a report and a bill.

That statement is prematurely made. The commission had not at the time the statement was made nor has it yet quite concluded its labors. There are at least two schedules of salaries yet to be finally passed upon by the commission. It is hoped, of course, that yet this week the commission may be able to make its report to both Houses of Congress, and that the report will be unanimous, but there are still some slight differences of opinion between members of the commission in regard to some of these salaries, especially the two schedules to which I refer, and no vote has yet been taken upon any schedule but that is open to reconsideration by the commission before the final report is made.

Mr. President, I have nothing to say in regard to what the steering committee should do in including the postal salary matter in its program, save that I can hardly see reason for the implied criticism of the committee by the Senator from Tennessee for not including in its program something that has not yet been reported to the Senate, especially when there is yet some uncertainty as to the time when the report will be made.

But, Mr. President, the Senator from Tennessee did not quite stop with the announcement that the commission is engaged in the preparation of a report and a bill. On page 7480, the Senator from Missouri [Mr. SPENCER] asked the following question:

And do I understand from the Senator from Tennessee that the commission, of which he is a member, has not yet reported?

To which the Senator from Tennessee made the following response:

It has not yet reported, but its report is ready.

Mr. President, after the commission has concluded its work and agreed upon a schedule of salaries for the various classes of postal employees, it will require a few days, at least, of hard work, of most intensive work, to prepare such a report as should be submitted to the two Houses of Congress.

This is a matter of great importance and I call attention to it, Mr. President, in order that no unjust or improper inference may follow from the statement made by the Senator from Tennessee in regard to this report.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. STERLING. I yield to the Senator from Wisconsin.

Mr. LENROOT. I should like to ask the Senator if it is the expectation of the commission that the report will be presented to Congress in time for action before the recess on June 5?

Mr. STERLING. I will say to the Senator from Wisconsin that it is the expectation and the strong hope that the report will be presented to the Senate and to the House during the present week. I want to say, further, that when presented I hope we may have the cooperation of the steering committee, as well as of the Senators generally, in the speedy consideration of the report.

Mr. THOMAS. Mr. President, the subject to which the Senator from South Dakota [Mr. STERLING] has just called the attention of the Senate justifies a reference to a nation-wide and apparently thoroughly organized and apparently effective propaganda now being conducted in favor of this proposed measure.

I presume mine is the common experience of every Senator. My mail is loaded to the guards with letters, telegrams, petitions, requests, and entreaties from all sorts and conditions of people—black, white, Jews, gentiles, Americans, foreigners, everybody—organizations, social and industrial, the constituents of the American Federation of Labor being particularly active in the campaign.

I present to the view of the Senate a full-page advertisement taken from yesterday's New York Times, and purporting to be reprinted from the May 27 issue of the Literary Digest, and am informed that similar editorials are appearing all over the country, which indicates that these gentlemen, so anxious for relief from Congress, must have large funds somehow, somewhere, in order to meet the enormous cost of this sort of advertisement.

These gentlemen may need, and greatly need, relief from the United States Treasury. The commission in all probability will ascertain that fact; but I am reaching a point where my interest is aroused by these continuing and repeated organized demands upon the Treasury of the United States, and I shall therefore demand a full consideration of the report of the committee report, in view of the matters to which I have just called attention.

Mr. LENROOT. Mr. President, just a word in reference to some observations made by the Senator from Colorado [Mr. THOMAS], wherein he assumes that all of the letters we are receiving with reference to the increase of pay of postal employees are inspired propaganda upon the part of the postal employees. I am very certain that is not true, and if the Senator from Colorado should visit his own State, as I visited mine for a few days two or three weeks ago, I am very sure that he would find, as I found, that the great business and commercial interests, the heavy patrons of the Postal Service, are interested in this increase, not primarily as a matter of justice to post-office employees, but because they believe that the entire postal system, bad as it is now, will be utterly broken down through wholesale resignations from the service, and that the employees will seek more profitable employment elsewhere unless Congress very speedily takes action, giving them such recompense as will make it to their interest to remain in the service rather than to leave.

So, I am very sure that the hundreds of letters we are now receiving constantly from the business interests of the country, asking for action, are not inspired by the employees, but are inspired by the self-interest of the writers of the letters.

Mr. THOMAS. Mr. President, I am, of course, aware of the fact that many business interests are identifying themselves with this movement, and no doubt for the reasons, among others, which have just been stated by the Senator from Wisconsin; but of course they know, they must know, that increase of salaries has been a policy of the Congress for the last four or five years, which increases, instead of improving, have had little effect upon the efficiency of the service, for the very good reason that prices move upward out of proportion to these increases, thus leading to new demands; and such, in my judgment, will be the result of this increase if it shall be made.

I do not want the Senator to understand that I will oppose a favorable consideration of this measure. I do say, however, that in view of what seems to be an abnormal activity in behalf of it, we should give it full consideration before disposing of it.

I confess, Mr. President, that the service is not efficient at present. That is largely true of many other branches of the public service. But it will continue so until normal conditions are resumed all over the country. I can well understand—indeed, I applaud—the man in any branch of the public service who, having opportunity for private employment, wants to avail himself of it. I do not know of any greater misfortune that could overtake a friend or a relative of mine than his entry into permanent service for the Government. He may be able to make some slight advance in life; he may secure a promotion here or there; his compensation may be increased somewhat, perhaps materially, but he has placed himself in a rut; he has a certain routine of duty; he ceases to be self-reliant as the years pass; his energy and his enterprise are sapped by the dull and dry round of official life, and therefore many, perhaps a majority, of those who have spent half of their active lives in the public service, realize, and realize more fully than myself, because theirs is the experience, that the principal good fortune coming to a public employee is an opportunity to engage in the activities of private life. If I have any friends in the service—and I think I have quite a number—I would say to them that now is the opportunity to leave this dull, hidebound, chrysalis condition and expand themselves in private activities, for there, and there only, can their full ambitions have opportunity for realization.

SIGNAL CORPS SCHOOL—CAMP ALFRED VAIL, N. J. (S. DOC. NO. 278).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Secretary of War, submitting a supplemental estimate of appropriation in the sum of $1,500,000 required by the War Department for beginning construction of the Signal Corps School at Camp Alfred Vail, N. J., being for the fiscal year 1921, which, with accompanying papers, was referred to the Committee on Military Affairs and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the bill (S. 3897) to amend section 16 of the act of Congress approved July 17, 1916, known as the Federal farm-loan act.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H. R. 10378) to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. GREENE of Massachusetts, Mr. EDMONDS, Mr. ROWE, Mr. HARDY of Texas, and Mr. LAZARO managers at the conference on the part of the House.

The message further announced that the House had passed the joint resolution (S. J. Res. 179) authorizing use of Army transports by teams, individuals, and their equipment representing the United States in Olympic games and international competitions, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 13500) to amend an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended, to establish an Hawaiian homes commission, and for other purposes, in which it requested the concurrence of the Senate.

The message further announced that the House insists upon its amendments to the bill (S. 2789) for the consolidation of forest lands in the Sierra National Forest, Calif., and for other purposes, disagreed to by the Senate, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. SINNOTT, Mr. SMITH of Idaho, and Mr. TAYLOR of Colorado managers at the conference on the part of the House.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921, further insists on its disagreement to the amendment of the Senate numbered 93 to the bill; agrees to the further conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. HAUGEN, Mr. MCLAUGHLIN of Michigan, and Mr. LEE of Georgia managers at the further conference on the part of the House.

UNITED STATES PILGRIM TERCENTENARY COMMISSION.

The VICE PRESIDENT. By the enactment of a joint resolution of the Congress of the United States authorizing an appropriation for the participation of the United States in the observance of the three hundredth anniversary of the landing of the Pilgrims at Provincetown and Plymouth, Mass., there has been created what is known as a commission to be known as the United States Pilgrim Tercentenary Commission, and the President of the Senate is, by the terms of said joint resolution, authorized to appoint four Senators as members of that commission.

In accordance with the authority thus vested in me, I appoint as members of the said commission the senior Senator from Massachusetts [Mr. LODGE], the junior Senator from Massachusetts [Mr. WALSH], the Senator from Ohio [Mr. HARDING], and the Senator from Alabama [Mr. UNDERWOOD].

PETITIONS AND MEMORIALS.

Mr. LODGE. I present an order adopted by the House of Representatives of the Commonwealth of the State of Massachusetts relative to the official recognition of the powers of the right of the Jewish people to a national existence in Palestine, which I ask to have printed in the RECORD.

There being no objection, the order was ordered to be printed in the RECORD, as follows:

THE COMMONWEALTH OF MASSACHUSETTS, *1920.*

An order relative to the official recognition by the powers of the right of the Jewish people to a national existence in Palestine.

Ordered, That the Massachusetts House of Representatives greets with profound satisfaction the official recognition by the powers of the right of the Jewish people to a national existence in Palestine, and that it deeply rejoices to see the national liberation of the children of Israel, who will once more shed luster on our civilization; that it hails the Jewish national restoration to the ancestral soil as a triumph of justice for which all mankind should be grateful; that it urges the Government of the United States of America to use its best endeavors to facilitate the speedy development of Palestine into a Jewish national homeland, for only on its own soil can the Jewish people live its own life and make, as it has made in the past, its characteristic and specific contribution to the spiritual treasure of humanity; and be it further

Ordered, That copies of this order be forwarded by the secretary of the Commonwealth to the President of the United States, to the Senators and Representatives in Congress from this Commonwealth, and to the Zionist organization of America.

In the house of representatives, adopted May 5, 1920.

A true copy. Attest:

ALBERT P. LANGTRY,
Secretary of the Commonwealth.

Mr. LODGE presented resolutions adopted by the American Women's Emergency Committee of New York City, N. Y., favoring the reestablishment of trade relations with Russia, which were referred to the Committee on Foreign Relations.

Mr. CAPPER presented a petition of Local Union No. 470, International Brotherhood of Boilermakers and Iron Ship Builders, of Marysville, Kans., praying for the parole of Federal prisoners, which was referred to the Committee on the Judiciary.

He also presented a petition of Lamoreux Local Union, No. 1961, Farmers' Educational Cooperative Society, of Stafford County, Kans., praying for the enactment of legislation to reimburse farmers for losses sustained when the Government fixed the price of wheat, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of the Gleaners Class of the Meadow Brook Church of the Brethren, of Westminster, Md., and a petition of sundry citizens of Glendale, Ariz., praying for the enactment of legislation providing for physical education, which were referred to the Committee on Education and Labor.

Mr. PHELAN presented a memorial of the Los Angeles Audubon Society of California, remonstrating against the enactment of legislation authorizing the granting of certain irrigation easements in the Yellow Stone National Park, which was referred to the Committee on Forest Reservations and the Protection of Game.

Mr. ROBINSON presented sundry papers to accompany the bill (S. 4414) granting a pension to Georgia E. McKimmey, which were referred to the Committee on Pensions.

REPORTS OF COMMITTEES.

Mr. NELSON, from the Committee on the Judiciary, to which was referred the bill (S. 1255) authorizing the Texas Co. to bring suit against the United States, reported it without amendment.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 4400) to amend an act entitled "An act to incorporate the Masonic Mutual Relief Association of the District of Columbia," approved March 3, 1869, as amended (Rept. No. 631); and

A bill (S. 4310) to amend an act entitled "The New Mexico enabling act" (Rept. No. 630).

Mr. TRAMMELL, from the Committee on Claims, to which was referred the bill (S. 3031) to appropriate $1,189.35 for the relief of Southern Iron & Metal Co., Jacksonville, Fla., for salvage material consisting of submarine cable purchased from the War Department, reported it without amendment and submitted a report (No. 625) thereon.

ROCK RIVER BRIDGE.

Mr. EDGE. From the Committee on Commerce I report back favorably without amendment the bill (S. 4431) authorizing the construction of a bridge across the Rock River in Lee County, Ill., at or near the city of Dixon, in said county, and I submit a report (No. 629) thereon. I ask unanimous consent for the present consideration of the bill.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the Illinois Central Railroad Co., a corporation organized under the laws of the State of Illinois, its successors and assigns, be, and they are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Rock River at a point suitable to the interests of navigation, at or near the city of Dixon, in Lee County, Ill., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CHATTAHOOCHEE RIVER BRIDGES.

Mr. EDGE. From the Committee on Commerce I report back favorably without amendment the bill (S. 4427) granting the consent of Congress to the city of Columbus, in the State of Georgia, to construct a bridge across the Chattahoochee River, and I submite a report (No. 628) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of Columbus, in the State of Georgia, and its successors and assigns, to construct or rebuild, maintain, and operate a bridge and approaches thereto across the Chattahoochee River at a point suitable to the interests of navigation at or near and between and connecting Fourteenth Street, in said city of Columbus, in the county of Muscogee, in said State of Georgia, and Broad Street, in the town of Phoenix, in the county of Lee and State of Alabama, and the town of Girard, in the county of Russell and State of Alabama, and being the same points between which said city of Columbus, Ga., now maintains a bridge, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. EDGE. From the Committee on Commerce I report back favorably with amendments the bill (S. 4402) granting the consent of Congress to Troup County, Ga., to construct a bridge across the Chattahoochee River near West Point, Ga., and I submit a report (No. 626) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate as in Committee of the Whole proceeded to consider the bill.

The amendments were, on page 1, line 3, to strike out the words "consent of Congress" and insert the word "authority," in line 4 to strike out "and Chambers County, Ala.," and, in lines 7, 8, and 9, to strike out the words "the cities of West Point, Ga., and Lanett, Ala., on the boundary line between Georgia and Alabama," and insert "and between and connecting Montgomery and Perry Streets in the city of West Point, in the county of Troup, in the State of Georgia, so as to make the bill read:

Be it enacted, etc., That the authority is hereby granted to Troup County, Ga., to construct, maintain, and operate a bridge and approaches thereto across the Chattahoochee River at a point suitable to the interests of navigation, at or near and between and connecting Montgomery and Perry Streets, in the city of West Point, in the county of Troup, in the State of Georgia, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill authorizing Troup County, Ga., to construct a bridge across the Chattahoochee River near West Point, Ga."

BRIDGE ACROSS THE RED RIVER OF THE NORTH.

Mr. EDGE. From the Committee on Commerce I report back favorably without amendment the bill (S. 4411) granting the consent of Congress to the counties of Pembina, N. Dak., and Kittson, Minn., to construct a bridge across the Red River of the North at or near the city of Pembina, N. Dak., and I submit a report (No. 627) thereon. I ask unanimous consent for the immediate consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the counties of Pembina, N. Dak., and Kittson, Minn., to construct, maintain, and operate a bridge and approaches thereto across the Red River of the North at a point suitable to the interests of navigation at or near the city of Pembina, N. Dak., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KING:

A bill (S. 4437) for the relief of Max B. Baldenburg; to the Committee on Military Affairs.

A bill (S. 4438) for the relief of Fred A. Davey; to the Committee on Naval Affairs.

By Mr. CAPPER:

A bill (S. 4439) to regulate the sale of bonds, stocks, and other evidences of interest in or indebtedness of corporations or associations in interstate commerce, and to amend an act approved October 15, 1914, entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes"; to the Committee on Interstate Commerce.

By Mr. CURTIS:

A joint resolution (S. J. Res. 203) authorizing the Secretary of War, in his discretion, to turn over to the county commissioners of Dickinson County, Kans., a suitable amount of pontoon equipment for temporary use across the Smoky Hill River, at Chapman, Kans.; to the Committee on Military Affairs.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. HENDERSON submitted an amendment providing for the construction of drainage facilities in connection with the Newlands reclamation project in the State of Nevada, intended to be proposed by him to the sundry civil appropriation bill, which was ordered to lie on the table and be printed.

Mr. CAPPER submitted an amendment authorizing the widow of an officer or enlisted man of the Army, Navy, and Training Corps, while she remained unmarried, to purchase for cash for her personal use Government subsistence stores at the price charged officers and enlisted men, etc., intended to be proposed by him to the Army appropriation bill, which was ordered to lie on the table and be printed.

GOVERNMENT OF ITALY.

Mr. KING. I offer a resolution which I ask may be read, and I shall ask for its adoption unless there is objection to it.

The resolution (S. Res. 372) was read, as follows:

Whereas upon the 24th day of May, 1915, Italy declared war upon Austria-Hungary for the redemption of her people who had for centuries been under the Austrian yoke; and

Whereas the armies of Italy with unexampled fortitude and sacrifice, and in the face of unparalleled obstacles, battled heroically and persistently throughout the war, and upon the 24th day of October, 1918, initiated the gigantic offensive which expelled the vanquished armies of the enemy from Italian soil, caused the collapse of the Austro-Hungarian Empire, and was the prelude to the victories of the French, Belgian, British, and American forces in France and Flanders, which ended in the armistice of November 11, 1918; and

Whereas the unshakable faith, tenacious valor, and heroic courage of Italy were vital factors in the war, and through the intense sufferings and privations of Italy, liberty has come not only to the Italians of Trent and Istria, but also to the Czecho-Slavs and Jugo-Slavs, formerly subject to the alien rule of Austria-Hungary: Now, therefore, be it

Resolved, That the Senate, on this fifth anniversary of the entrance of Italy into the war, felicitates the Government and people of Italy upon the splendid accomplishments of Italy for the defense of civilization and the liberation of subject peoples, congratulates Italy upon the reintegration of her ancient national territories and the complete national unity of the Italian people, and extends its good will for the continued prosperity and glory of Italy in the community of the free nations of the world.

Mr. BORAH. Mr. President——

Mr. KING. If there is to be objection to the resolution, let it be referred to the Committee on Foreign Relations.

Mr. BORAH. I do not see why it should not be adopted.

Mr. KING. Very well; I ask for its adoption at this time.

The resolution was considered by unanimous consent and agreed to.

ACTIVITIES AND ACCOMPLISHMENTS OF WAR DEPARTMENT.

Mr. THOMAS. Mr. President, on Thursday next, at the close of the routine morning business, I shall address the Senate upon the subject of the activities and accomplishments of the War Department during the war.

OLYMPIC GAMES.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 179) authorizing use of Army transports by teams, individuals, and their equipment representing the United States in Olympic games and international competitions, which was to strike out all after the resolving clause and insert:

That authority be, and is hereby, given to the Secretary of War, under such rules and regulations as he may prescribe, to use such Army transports as may be available for the transportation of teams, individuals, and their equipment representing the United States in Olympic games and other international competitions during the present year.

Mr. WADSWORTH. Mr. President, the language adopted by the House as a substitute and the language used by the Senate is so nearly alike that there is no objection at all to it. I therefore move that the Senate concur in the amendment of the House.

The motion was agreed to.

HOUSE BILL REFERRED.

H. R. 13500. An act to amend an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended, to establish an Hawaiian homes commission, and for other purposes, was read twice by its title and referred to the Committee on Pacific Islands, Porto Rico, and the Virgin Islands.

THE BONUS IN POLITICS.

Mr. THOMAS. Mr. President, I desire to read into the RECORD a very timely and pertinent editorial from yesterday's Washington Post, entitled "The bonus in politics."

"If the Republicans of the House of Representatives were actually moving to impose an additional tax of $1,276,500,000 on the people at this time for the purpose of giving a bonus to soldiers and sailors, the move could not be ascribed to anything but madness. But as the House Republicans know very well that no such tax will be imposed, their proposal to impose it may be set down for what it really is—a hypocritical and disreputable attempt to hoodwink the soldier boys for purposes of political advantage in the forthcoming campaign.

"The House Republicans are trying to make it appear that they favor the imposition of another billion-dollar tax upon the people; that the soldier and sailor boys must have this bonus; that the Democrats are opposing the plan, and the Democratic President is intent upon vetoing the bill, and therefore that the Republican Party is the only friend of the soldiers and sailors. Hence, if the soldiers and sailors have any gratitude they will be expected to vote the Republican ticket from President to dog catcher.

"The Republicans of the House would not pass the bonus bill if they knew it would pass the Senate and be approved by the President, for they know that the people would relegate all of them to private life for incompetence in swelling the public debt at a time when the public back is bending under an excessive load. The House Republicans rely upon the Senate and the President to block the bill. Thus these 'statesmen' hope to fool the soldiers and sailors and yet avoid the wrath of the taxpayers.

"Such is the quality of statesmanship exhibited by the majority of the once great Committee on Ways and Means and seemingly approved by the Republican majority of the House.

"No more humiliating spectacle has ever been witnessed in the Capitol than that which will occur this week if a majority of the House shall vote in favor of the bonus bill. The proposal is so offensive to decency, when stripped of its hypocrisy, that no individual Member of the House would dare to champion it in the presence of self-respecting soldiers and sailors of the recent war. It is an indictment of the good faith of its supporters, and the roll call will be used against them, individually, by their rivals in their districts. These rivals will not fail to tell the people how their Congressmen voted for an additional tax of $1,276,500,000. They will fully explain to all soldiers and sailors how the vote was cast in the knowledge that the bill could not pass—that it was, bluntly speaking, a swindle disguised as a bribe, intended to deceive them into voting the Republican ticket. How can any Congressman voting for this bill successfully cope with a rival who thrusts these deadly facts into the campaign?

"The Congressmen engineering this fraudulent measure confidently count upon the ignorance of the soldiers and sailors. They seem to regard these young men as too simple to understand the intricacy of the scheme that has been hatched. They expect to convince the fighting men that a Democratic minority in Congress, or the Democratic President, as the case may be, blocked the bonus which a grateful Republican Party was anxious to give them. But the soldiers and sailors will not be misled. The truth will be conveyed to them before the bill is voted down in the Senate or vetoed by the President.

"Should the House pass this bill, a storm of protest will arise from the taxpayers. They will speedily rip off all the pretense that now covers the proposal. The Senate debate, if held before the recess, will expose the hypocritical action of the House majority and will place before the two great elements concerned—taxpayers and fighters—the full truth. Thus the Congressmen who vote for the bill will be impaled upon one horn or the other.

"In the meantime it behooves the soldiers and sailors to understand clearly what is being attempted in the name of patriotism and gratitude. The protests which are coming in from former soldiers and sailors reveal that many of them detect the unwisdom of imposing extra taxation upon the people for the purpose of giving the fighters a bonus. Everyone knows that a tax is not only collected from the consumer, but is usually made the excuse for an extra charge. The bonus would amount to $1,276,500,000, which is staggering enough in itself; but by the time the consumers paid the tax it would have grown to $2,000,000,000 or more. The fighters and their relatives would pay this tax and its profiteering trailer. All patriotic families have Liberty bonds, and the value of these bonds would depreciate if they were dumped upon the market, as they would be if taxpayers were squeezed by a bonus bill. Thus the fighters' families would be doubly out of pocket.

"But there is no danger of committing the folly of enacting the bonus bill. Congress is about to adjourn. The campaign will be on. Business conditions are changing. Extra taxes must be laid to carry on the Government. The people will know more about the Government than they know now. If the House, before adjourning, should pass the bonus bill, its action will have become a hissing and a byword before the Senate, next winter, will be called upon to discuss it."

This editorial, Mr. President, indulges in very plain and, I think, truthful expression. I do not think it goes far enough, however, because I believe that many of the members of my own party are quite as much concerned for political reasons in preparing and enacting this measure as are the Republicans. But if it be true, and I do not question it, that, as here stated, the Republicans of the House would not pass a bonus bill if they knew it would pass the Senate and be approved by the President, then I feel justified, both for the purpose of relieving those gentlemen of the apprehensions they are said to entertain, and to assure them that they can accomplish their desire by accepting my statement, that four of us on this side of the Senate propose, if the bill comes from the House, to oppose it to the best of our ability. If any political advantage can be drawn from this statement, I am perfectly willing to add that every one of us is a Democrat. Whether there be others, I do not know.

We are pressed for time, and only for that reason do I make the statement, for, assuming the correctness of this editorial that the sole basis for the proposed legislation is politics, if its sponsors can be assured that their end can be reached without indulging in so much useless work, it will be mutually beneficial to declare it.

THE MEAT-PACKING INDUSTRY.

Mr. SHERMAN. I ask unanimous consent to read into the RECORD a statement by the Institute of American Meat Packers.

The VICE PRESIDENT. Is there any objection? The Chair hears none.

Mr. SHERMAN. It reads:

In reference to that part of Senator WALSH'S speech in the United States Senate yesterday—

Referring to the day after the delivery of the speech—

which referred to the packing industry, the Institute of American Meat Packers to-day issued the following statement:

"Senator WALSH evidently has been misled by the old charges of the Federal Trade Commission, which has been disproved in detail. What the consumer wishes to know is, How much profit does the manufacturer receive when he sells a pound or a dollar's worth of product? In the case of the packers the answer is that the average profit is a fraction of a cent a pound or less than 2 cents on a dollar's worth of product. This is doubtless the smallest rate of profit received by any industry in the world.

"The packers' profit in 1919 cost the average American family only about 5 cents a week. These facts often have been cited publicly and they never have been denied. No amount of prejudice and erroneous accounting calculations will obscure them. Moreover, the consumer is not unaware that according to the United States Bureau of Labor Statistics, meat has decreased substantially in price since last spring, while most commodities have continued on their upward trend. The consumer is beginning to realize that the campaign of abuse and misrepresentation which has been directed at packing companies has damaged the industry, thereby affecting the interest of public adversely and working serious injury to live-stock producers. No industry can serve the public with its maximum efficiency when constantly harassed by deliberate organized vilification. All the packing industry asks is to be judged on the facts, and it is now high time for the facts to rule.

"It has been demonstrated time and time again on the basis of Government figures that the profits of packing companies play only a negligible part in meat prices—a fraction of a cent a pound. The United States census figures show that in the packing industry the cost of raw materials constitutes 87.2 per cent of the value of finished products. The packing industry has given the consumer and the Government a square deal. On that account it now deserves to be considered on its merits and not as a convenient political target."

THE SUGAR SITUATION.

Mr. CURTIS. Mr. President, I ask unanimous consent to have printed a letter written by the junior Senator from Oregon [Mr. MCNARY] to a constituent of his on the sugar situation. I will not ask to have it read, but merely printed in the RECORD.

Mr. SMOOT. I understand it is a communication from the Senator from Oregon.

Mr. CURTIS. Yes; from the Senator.

There being no objection, the communication was ordered to be printed in the RECORD, as follows:

LETTER OF UNITED STATES SENATOR CHARLES L. MCNARY WRITTEN APRIL 26 TO AN OREGON CONSTITUENT.

"In the summer of 1918 the United States Sugar Equalization Board was incorporated under the laws of the State of Delaware, the stock being entirely held by the President as trustee for the American people. This corporation was based upon the food-control bill passed by the Congress in 1917.

"This board, following its organization, entered into contract with the Cuban sugar board, through the instrumentality of the Cuban Government, and acquired Cuban raw sugar at the price

of 4½ cents a pound at northern ports and 4 cents a pound at southern ports. The sugar was then transported to the United States where it was refined.

"The Sugar Equalization Board entered into agreement with the refiners for a charge of $1.54 per hundred pounds for refining, so that the sugar was sold by the refiner at 9 cents per pound less 2 per cent for cash. This brought refined sugar to the home of the consumer at from about 10 cents to 10½ cents per pound.

"This arrangement worked satisfactorily. In fact, at the hearings held by the subcommittee, of which I was chairman, no complaint was made by producers, refiners, or distributors to this plan.

"PRESIDENT REFUSED TO ACT.

"In the summer of 1919 the Sugar Equalization Board petitioned the President to again acquire the Cuban crop of sugar. He refused to act. In the early fall they again renewed their petition to the President to buy this sugar at a price not agreed upon but thought to be about 5½ cents, a rate in increase of 1 cent above the 1918–19 price.

"Again the President refused to take any action. Therefore a resolution was introduced in Congress setting forth the President's position and anticipating the condition which now exists—namely, conscienceless prices.

"The Agriculture Committee was asked to look into the matter. I was chairman of the subcommittee. I held hearings. Later I framed a bill authorizing the President to buy the crop and to license refiners and dealers in sugar. Again he refused to act, and a statement to that effect was issued from the White House. This is the history of the transaction.

"Now I shall present the consequences. The Attorney General, acting, in my opinion, without authority of the law, told Louisiana refiners of cane sugar that they might charge 18 cents for their product and it would not be considered profiteering.

"Naturally the Cubans, realizing that the price of 18 cents had been placed on the product here, began to raise the price for their product until the last information I have had from the President of the Cuban Republic is that Cuban raw sugar is being sold for 14 cents a pound in Cuba, whereas we bought it for 4½ cents last year.

"Not only that, but as stated and stated by me on the floor of the Senate, foreign nations have entered the Cuban market and from statistics supplied me by the Cuban people they have taken almost one-third of the crop.

BIG PROFITS FROM SUGAR.

"The refiner is charging more for refining than he did last year by practically 100 per cent. I suppose the broker and retailer are taking a big profit, until now sugar is being sold from a wide spread of from 20 to 30 cents per pound. Our beet-sugar crop does not come in until October, and I am afraid during the canning season that sugar will go up higher.

"I do not know what Congress can do. The President has the old food-control bill which he can act under, and which he did in 1918. He has what is called the McNary bill, passed in 1919, again reciting his power, giving him power to purchase, and power to license, and power to control, and power to set prices, but he does not act. I have given up a tremendous lot of time in the hope that something might be done, and worked days to get the bill through Congress, only to have it overthrown by a stubborn and short-sighted Executive.

"More money has been wasted by reason of the excessive price on sugar for this year than it cost to run the Government before the war, and that was in excess of $1,000,000,000."

RECLASSIFICATION OF SALARIES.

Mr. JONES of New Mexico. Mr. President, I have listened with a good deal of interest to the discussion which has been going on here with regard to the postal employees. I am hopeful that in the near future something may be done to readjust the salaries of those servants of the people. I am inclined to believe that something will be done regarding the postal employees, and I sincerely hope so. One reason for my hope is that those employees as a rule vote, and there is an election coming on, and that may be some spur to activity in regard to them. I hope it will prove such a spur.

I wish, however, to call attention to another class of employees who generally do not vote, and see if I can not in some way arouse some interest in their behalf.

On the 12th of March the Joint Commission on the Reclassification of Salaries of Federal Employees in the District of Columbia made its report and at the same time reported a bill for the purpose of putting its work into operation. There is no question that the Federal employees in the District of Columbia are unfairly treated. There is no question that the service of the Government in the District is suffering because of this unfair treatment. Hundreds and thousands of these employees are leaving the service because they can not support themselves on the meager salaries which they are receiving. The result of it is that these active, progressive employees who can find employment elsewhere are seeking it and the Government service is suffering accordingly.

This is a matter of prime importance. The commission has made its report. It reported a bill at the same time and, so far as I am advised, neither has received the slightest consideration.

I desire to state also that there are other thousands of employees throughout the country to whose interest no attention is being paid by anyone connected with Congress, so far as I know. The Joint Commission on the Reclassification of Salaries of Federal Employees in the District of Columbia related only to those employees and the other commission related only to postal employees throughout the country, but there are the other thousands from whom I am receiving letters from all sections of the country who are pleading that something may be done for their relief. I think there is not a Senator here who does not believe that they are justly entitled to some relief, and I trust while this matter is being brought to the attention of the Senate something may be done regarding the postal employees, something with respect to Federal employees in the District of Columbia, and that we may then take up this other great army of employees who demand, and justly demand, relief. They are not making an assault upon the Treasury of the United States, but they are simply asking for justice, that they may serve their country faithfully and efficiently.

Mr. PHELAN. May I ask the Senator from New Mexico if the report of the commission has been filed?

Mr. JONES of New Mexico. The commission's report was filed on the 12th of March. It also presented a bill at the same time, which the commission hoped might be acted upon by Congress; and it reported a scheme of reclassification and readjustment of salaries that it was hoped might be put into operation.

Mr. PHELAN. That is in relation to the postal employees?

Mr. JONES of New Mexico. It relates to the Federal employees in the District of Columbia.

Mr. PHELAN. Not the postal employees?

Mr. JONES of New Mexico. Not the postal employees. There has been considerable discussion this morning regarding the postal employees, and the hope has been expressed that something will be done regarding them before the close of this session of Congress.

Mr. PHELAN. The Senator from Colorado [Mr. THOMAS] made the remarkable observation that the Federal Government is suffering by reason of the fact that the Federal service is no longer attractive to energetic and active men, and that he would advise those now in the service, since there is an opportunity to find employment elsewhere, to leave the service.

Mr. THOMAS. Mr. President, I think the Senator unintentionally misquotes me. I did not say the Government was no longer responsive to the needs of the public service. I think the Government is as responsive now as it ever was. What I said was that the average man and woman is better off in private life than in public service.

Mr. PHELAN. I understood the Senator to say that he would advise his friends in the service to abandon it for these reasons.

Mr. THOMAS. Yes; every man and woman who writes me asking my advice gets that reply. I think they owe it to themselves, especially if they have initiative, to develop it in private life because it is difficult to do so in the public service.

Mr. PHELAN. I am sure the Senator has no serious intention of trying to break down the Federal service.

Mr. THOMAS. Certainly not. There is always an army of applicants ready for the places which become vacant.

Mr. PHELAN. If the Senator seeks to obtain good service for the Federal Government, one of the means by which the service could be improved would be by making it more attractive and increasing the pay, for instance, of deserving employees of the Post Office Department.

Mr. THOMAS. What advance would the Senator suggest?

Mr. PHELAN. I have been waiting for the report of the commission, not desiring to anticipate it; but I know, and the Senator knows, that the service is demoralized, because men are seeking and accepting employment elsewhere.

Mr. THOMAS. The Senator knows, too, that the advance will only be to meet the high cost of living, and will remain at about that level. Does the Senator think that an improvement which would prove attractive to the ordinary man or woman endowed with ordinary American initiative?

Mr. PHELAN. Whereas there is great call for men in all branches of work, I suppose those who are attached to the service of the Post Office Department would like to remain if the conditions of life were made tolerable for them by the Federal Government.

Mr. SMITH of Georgia. Following the thought suggested by the Senator, is it not undoubtedly true that a large number of these men are hunting for other work and are wanting to get out because they simply can not live on the present pay, the Government pay now being below the pay for similar work in private life?

Mr. PHELAN. That is true, Mr. President.

Mr. SMITH of Georgia. I have just returned from my own home and I find that the same kind of work, work requiring the same capacity, is receiving in private occupations 50 per cent more than these people are getting.

Mr. PHELAN. Mr. President, I should like to put myself in the position of one in common with my colleagues who are seeking a means and a method by which we can keep these people in the Government service. We are charged with the duty of making employment sufficiently attractive to hold experienced men in the service. So it is more than a question of meeting the high cost of living. That is a temporary matter. We can reach that by a bonus, perhaps; but the Federal Government does not adequately compensate its employees in both the high positions and the low positions. A commission should seriously consider readjusting salaries.

During the war many were attracted to the service of the Government for patriotic reasons. Now, when there is no great emergency which calls upon them to sacrifice their private interests, we should be able to hold in the Shipping Board, for instance, and in the great departments men capable and experienced. The whole service has deteriorated since the war, which during the war showed great efficiency.

The postal employees, I know of my own knowledge, are inadequately compensated. I consider that they are the connecting link between the manufacturer and the customer, between the producer and the consumer. It is an agency of the highest value to the people, and I think the administration will stand the highest in history—as the most efficient—which carefully maintains its Postal Service as among its most useful activities.

We have just provided for speed by making an appropriation of $1,400,000 for conveying letters across the country by airplane. We must not in this age of speed forget the necessary work of distribution in the great cities by carriers, and maintain a standard of adequate pay and living conditions just and fair to the rank and file alike.

EUROPEAN FOOD CONDITIONS.

The VICE PRESIDENT. Is there further morning business?

Mr. BORAH. Mr. President, I will occupy the attention of the Senate for a moment if I may be permitted to do so.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. BORAH. A few days ago I called attention to a statement of one of our leading financiers, who is advising the Congress to appropriate $500,000,000 with which to do charity work in Europe. I was of the opinion then that the necessity for such an appropriation was greatly exaggerated, to say nothing of the constitutional difficulties. Since that time I have received a letter from the president of the Baldwin Locomotive Works, of Philadelphia, Mr. Samuel M. Vauclain, who has just returned from a 10 or 12 weeks' trip in Europe, during which he traveled throughout central Europe, visiting most of the countries which were most directly affected by the recent war. In this letter he says:

> I have just returned from an extensive tour of this district and take pleasure in sending you a printed copy of a confidential letter in connection therewith which I sent to my works.
>
> I am opposed to appropriating any more money for relief purposes and am in favor of removal from Europe of all our various representatives excepting those which of necessity must remain for military or governmental purposes.
>
> The manufacturers of the United States should be placed in a position that will enable them to extend credit for a period of years to the various industries of central and southeastern Europe to assist these wonderful peoples by their own effort and industry to rehabilitate their countries and assume their rightful places among nations.

In an interview which he gave to the Public Ledger, of Philadelphia, upon his return home, he said:

> "Prices on all foodstuffs will come down after a while," said Mr. Vauclain. "Wages will have to come down, too. Wheat prices will come down fast when grain can be imported from Europe. When the seven or eight years' crop that is being stored in Siberia can be exported the effect on the prices here will be something awful. Wheat, I think, will be one of the first things to drop in price."
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> "Crop conditions are wonderful all over Europe. In Serbia I saw some of the most beautiful fields of grain and herds of cattle that I have ever seen in my life. The outlook for good crops is excellent in every country in Europe."
>
> The political aspect in Poland, according to Mr. Vauclain, is excellent. In his opinion it will be only a matter of a few years when that country will have paid its debts to the outside world.
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> * * * * * * *
>
> The sugar shortage, judging from Mr. Vauclain's remarks, is confined almost solely to the United States. In every European country, except England, he said, sugar is plentiful.
>
> Mr. Vauclain did not visit Russia on account of "diplomatic reasons." From what he could learn, however, he does not believe that the conditions in that country are as black as they are painted, and is confident that Russia will recover its stability soon.

Since receiving that letter I have had the pleasure of an interview with Mr. Vauclain, and it is exhilarating to talk with a man who sees Europe as it really is, who has been on the ground and actually observed, and is faithfully reporting, in my judgment, the conditions that there obtain. I repeat what I said the other day, that what we need is to restore business relations as rapidly as practicable with all of the countries of Europe.

There is a plentiful food supply in Europe. There is, of course, a breakdown in their transportation system, which prevents the distribution of the food supply as effectually as desired, and as it ought to be had; but, outside of that, the conditions in Europe are by no means so bad as they have been supposed to be.

Dr. Alonzo Engelbert Taylor, of the University of Pennsylvania, upon May 16 said:

> Americans are largely wasting their sympathy when they talk of destitute, hungry women and children in Europe. There are not any. We might save our sympathy for America, where the food situation is not much better than abroad. Either Americans are becoming hysterical in their desire to aid everyone or else the people here are being imposed upon.
>
> Europe is producing more foodstuffs to-day than ever before in its history. There is an abundance of food on hand to last until October, when, according to the present outlook, food will be more plentiful there than in America.

I have no doubt, Mr. President, that there are places in Europe where there is a lack of a proper supply of food; in the districts where contention and strife are still going on and in those districts which it is difficult to reach by transportation, I have no doubt there is a want of food; but the conditions which have been presented to the Senate by some of those who feel so desirous of appropriating money for the purpose of taking care of the situation, in my judgment, do not exist. If we can restore our business relations and connect up the commercial lines between those countries and the United States, there will be no necessity for our appropriating $500,000,000 to be used for charitable purposes. Mr. Vauclain told me of an interview which he had with the Queen of Roumania, which I do not feel entirely at liberty to repeat, but it would seem that the people of Europe who are responsible as its rulers and governors are not asking for charity. They are asking for a restoration of business relations and for a certain amount of confidence until they can demonstrate their capacity to take care of themselves.

HIGH PRICES AND CONCENTRATION OF WEALTH.

Mr. WALSH of Massachusetts. I move that the Senate proceed to the consideration of Senate resolution 366. I do not think there is any opposition to it, and it certainly should not take a very long time to act upon it.

The VICE PRESIDENT. The Chair will state that the resolution is one coming over from a preceding day, and the Senator from Massachusetts is entitled to have it taken up under the rule.

Mr. SMOOT. I ask that the resolution be read.

The VICE PRESIDENT. The Secretary will read the resolution.

The Secretary read the resolution (S. Res. 366) submitted by Mr. WALSH of Massachusetts, on the 18th instant, as follows:

> *Resolved*, That the President of the Senate is hereby authorized and directed to appoint a select committee of five Senators, three from the majority and two from the minority, to investigate and report to the Senate the relation between high prices for necessaries and the concentration of wealth, and for this purpose the President is hereby requested to permit such committee to inspect the tax returns of any corporation, association, or partnership in accordance with section 257 of the revenue act of 1913.

Mr. SMOOT. Mr. President, it seems to me that if the proposed investigation for which the resolution provides is to amount to anything, of necessity it would call for the expenditure of some money; and if that is the case the resolution would have to go to the Committee to Audit and Control the Contingent Expenses of the Senate under the law before it could be acted upon by the Senate. Does the Senator have any objection to having the resolution referred to that committee?

Mr. WALSH of Massachusetts. Certainly not; because I can well appreciate that any investigation would be useless if money were not furnished with which to conduct it.

Mr. SMOOT. The law itself, not the rule of the Senate, requires wherever there is to be an expenditure of money from the

contingent fund of the Senate that the resolution calling for such expenditure shall go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. WALSH of Massachusetts. May I urge upon the chairman of the committee to give the matter as early attention as possible?

Mr. SMOOT. I am a member of the committee, and I shall call it to the attention of the Chairman.

The VICE PRESIDENT. The resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

THE CALENDAR.

The VICE PRESIDENT. Morning business is closed.

Mr. JONES of Washington. I ask unanimous consent that the call of the calendar may be dispensed with. I will say that I make the request in order that the conference report on the water-power bill may be considered.

Mr. PHELAN. I object.

The VICE PRESIDENT. Objection is made. The calendar under Rule VIII is in order.

Mr. PHELAN. My objection arises from the fact that, the session being limited, we will not reach the bills on the calendar if we abandon the morning hour on Monday, which is set aside for their consideration.

RESTORATION OF PEACE WITH GERMANY.

The VICE PRESIDENT. The Secretary will state the first business on the calendar.

The resolution (S. Res. 76) defining a peace treaty which shall insure to the people of the United States the attainment of the ends for which they entered the war, and declaring the policy of our Government to meet fully obligations to ourselves and to the world, was announced as first in order.

Mr. SMOOT. I ask unanimous consent that the resolution be transferred on the calendar from Rule VIII to Rule IX.

The VICE PRESIDENT. Is there any objection?

Mr. BRANDEGEE. Mr. President, before that is done I desire to say that I am not sure about the wishes of the Senator from Pennsylvania [Mr. KNOX] in regard to the resolution, whether he might want to call it up and possibly offer amendments to it in case his other resolution shall meet with an Executive veto. I should rather have him on the floor when the request is made.

Mr. SMOOT. Then I withdraw the request. I thought that the so-called Knox resolution having passed the Senate there was no real necessity for having Senate resolution 76 remain on the calendar under Rule VIII.

Mr. BRANDEGEE. If this were the same resolution, there would not be any such necessity, but the Senator from Pennsylvania introduced several resolutions on the same subject, and the Senator from Utah will remember that the one which was passed was amended in the committee, and I am not sure of the identity of the resolution.

Mr. SMOOT. Then I withdraw my request, and merely ask that the resolution go over.

The VICE PRESIDENT. The resolution will be passed over.

BUSINESS PASSED OVER.

The bill (S. 529) for the relief of the heirs of Adam and Noah Brown was announced as next in order.

Mr. KING. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 600) for the relief of the heirs of Mrs. Susan A. Nicholas was announced as next in order.

Mr. KING. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

STEAMER "MAYFLOWER."

The bill (S. 1223) for the relief of the owner of the steamer *Mayflower* and for the relief of passengers on board said steamer was announced as next in order.

Mr. WALSH of Massachusetts. Mr. President, this bill is similar to other bills which have already been passed. It is permissive only, and merely allows the parties interested to file claim for damages in the United States district court.

Mr. SMOOT. It does not make a direct appropriation?

Mr. WALSH of Massachusetts. It does not, I will say to the Senator, but is only permissive. Several bills of a similar character have been passed, but for some reason this one has been held up.

Mr. SMOOT. Then I will not object.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The VICE PRESIDENT. The Chair will call the attention of the Senator from Massachusetts to the fact that the bill provides that if there shall be a decree finding the sum due, the money is appropriated by the bill to pay it.

Mr. SMOOT. Then, of course, the Senator from Massachusetts must either allow that provision to be stricken from the bill or else let the bill go over. I will say to the Senator from Massachusetts that in the case of all the bills of a similar character which have been passed the provision for an appropriation to meet whatever judgment might be obtained has been stricken out, and it must be stricken out of this bill if it is to pass.

Mr. WALSH of Massachusetts. I see no objection to that provision being stricken out, and I move an amendment to that effect.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. In section 1, page 2, after line 10, it is proposed to strike out "*Provided further*, That should damages be found to be due from the United States to the owner of said steamer *Mayflower* and her passengers, or any or either of them, the amount of the final decree or decrees therefor shall be paid out of any money in the United States Treasury not otherwise appropriated," and, on the same page, on line 16, after the word "*Provided*," to insert the word "*further*," so as to make the section read:

That the claim of the owner of the steamer *Mayflower* and the claims of the passengers on board said steamer rising out of a collision between said steamer and the U. S. submarine *L–10* in President Roads, Boston Harbor, on the 11th day of August, 1917, for and on account of the losses alleged to have been suffered in said collision by the owner of said steamer *Mayflower* through damage to and detention of said steamer *Mayflower*, and by the passengers on said steamer by reason of personal injuries sustained in said collision, may be submitted to the United States court for the district of Massachusetts, the district in which said collision occurred, under and in compliance with the rules of said court sitting as a court of admiralty: *Provided*, That the said court shall have jurisdiction to hear and determine the whole controversy and to enter a judgment or decree for the amount of the legal damages sustained by reason of said collision, if any shall be found to be due, either for or against the United States, upon the same principle and measure of liability with costs as in like cases in admiralty between private parties with the same rights of appeal: *Provided further*, That such suit shall be brought and commenced within four months after the passage of this act.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS, ETC., PASSED OVER.

The bill (S. 174) for the relief of Emma H. Ridley was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1722) for the relief of Watson B. Dickerman, administrator of the estate of Charles Backman, deceased, was announced as next in order.

Mr. SMOOT and Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 168) to create a commission to investigate and report to Congress a plan on the questions involved in the financing of house construction and home ownership and Federal aid therefor was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2224) to incorporate the Recreation Association of America was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1660) to provide a division of tuberculosis in, and an advisory council for, the United States Public Health Service, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 41) proposing an amendment to the Constitution of the United States was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

LIBRARY INFORMATION SERVICE.

The bill (S. 2457) to provide for a library information service in the Bureau of Education was announced as next in order.

Mr. SMOOT and Mr. KING. Let that go over.

Mr. WALSH of Massachusetts. Mr. President, I should like to ask the Senator from Utah if he has not concluded that he can now remove his objection to this bill?

Mr. SMOOT. I will say to the Senator that as the bill is drawn it simply requires a duplication of work which is absolutely unnecessary. I have talked to a number of persons interested in this bill, and have called their attention to that fact. They have left my office, many of them, stating that they would study the bill, and if they found it to be as I suggested they would either send me a proposed amendment to the bill or they would say nothing more about it. Up to the present time I have not received any suggestions as to how the duplication of work would be done away with.

I recognize that there is a necessity for this class of legislation, but we do not want to pass legislation that will interfere with the Superintendent of Documents at the Government Printing Office and bring about the duplication of work that would follow from the passage of this particular bill, and it is for that reason that I ask that it go over.

Mr. WALSH of Massachusetts. I am glad to get the Senator's suggestions. It seems to me that the bill has a great deal of merit. It proposes to make every public library in the country an information bureau to the citizens about the activities of their Government, and I am sure that if that is done the Members of Congress will be relieved of a great many inquiries that are made of them from time to time at present and about which people could be informed by going to the library. I hope the Senator will agree that the action of the committee, which was unanimous in this matter, is in the public interest, and will support the measure after the proposed amendment is suggested.

Mr. SMOOT. I am perfectly aware that a few of the principal libraries of the United States would be greatly benefited by the passage of a bill of this character, even though the duplication of work were taken out of the bill; but I will say that under the law the great majority of the libraries of the United States now receive every public document that is printed, and I have been appealed to by many of them to stop having them sent, because they have not the room for them.

I have not any doubt but that the libraries in Boston and New York and some of the larger centers could make use, and have made use, of the information that has been sent to them in the past. I want to assure the Senator from Massachusetts that I recognize that fact, and I recognize the wisdom of passing a bill of this kind perhaps, if we confine it to the libraries that make application for the documents, or if we confine it to such documents and publications as are not sent them under existing law.

Mr. WALSH of Massachusetts. The trouble now is that this information is not catalogued or indexed. A pamphlet is sent to-day and another one to-morrow. The purpose of this bill is to inform the librarians of just what these documents are, how useful they can be made to the patrons of the library, and direct them in disseminating the information they contain.

Mr. SMOOT. If we pass the printing bill, which I hope will be passed at some time or other, almost all of the reasons for the passage of this bill will be eliminated. I recognize, however, that that bill has not become a law, and really I do not know when it is going to become a law, because I find that it is a mighty hard thing to pass a law through Congress if it is going to save any money to the Treasury of the United States; and if we can pass that bill it will save about a million dollars a year to the Treasury.

Mr. KING. Mr. President, I should like to suggest to the Senator from Massachusetts that a number of persons have been to see me in regard to this bill, and have suggested that the duty should devolve upon the Congressional Library here in the city of Washington. I have no opinion on the subject, but I merely invite the Senator's attention to it. They say that they have the personnel fully equipped to discharge the duties which this bill would impose upon another department of the Government.

I have no opinion on the matter myself, and I merely challenge the attention of the Senator to the suggestions which have been made to me.

The VICE PRESIDENT. Objection having been made, the bill will be passed over.

BILLS, ETC., PASSED OVER.

The bill (S. 131) to provide that petty officers, noncommissioned officers, and enlisted men of the United States Navy and Marine Corps on the retired list who had creditable Civil War service shall receive the rank or rating and the pay of the next higher enlisted grade was announced as next in order.

Mr. KING. Let that go over. The matter has been cared for in other bills.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1448) for the relief of Jacob Nice was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The resolution (S. Res. 172) for the selection of a special committee to investigate the administration of the office of the Alien Property Custodian was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 2785) to provide aid from the United States for the several States in prevention and control of drug addiction and the care and treatment of drug addicts, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 51) directing the Court of Claims to investigate claims for damages growing out of the riot of United States negro soldiers at Houston, Tex., was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 2672) to carry into effect the findings of the Court of Claims in favor of Elizabeth White, administratrix of the estate of Samuel N. White, deceased, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2444) to create the commission on rural and urban home settlement was announced as next in order.

Mr. SMOOT and Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3201) fixing the salary of the district attorney for the eastern district of New York was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3224) relating to the creation in the Army of the United States of the grade of lieutenant general was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The resolution (S. Res. 215) providing that whenever the United States becomes a member of the League of Nations this Government should present to the council or the assembly of the league the state of affairs in Ireland and the right of its people to self-government was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 3090) to repeal the espionage act was announced as next in order.

Mr. SMOOT. Let that go over. It is adversely reported, as I understand.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2707) for the relief of Ellen M. Willey, widow of Owen S. Willey, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 848) to reimburse Isaiah Stephens, postmaster at McMechen, Marshall County, W. Va., for money and postage stamps stolen, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3109) to amend section 26 of the act approved July 17, 1916, known as the Federal farm loan act, was announced as next in order.

Mr. SMOOT. I ask that that may go over to-day, as the whole subject is being considered in another bill.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1455) for the relief of John L. O'Mara was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2954) to remove the charge of desertion from the military record of Albert F. Smith, deceased, was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3152) for the relief of George W. Mellinger was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1453) for the relief of Adolph F. Hitchler was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 1713) authorizing and directing the Secretary of War to appoint a commission to investigate and report upon the available sources of water supply for the District of Columbia was announced as next in order.

Mr. SMOOT. Mr. President, an appropriation has already been made for that purpose in the water-power bill, and we hope the conference report on that bill will be considered within the next few days. I therefore ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2822) making available additional moneys for the reclamation fund, and for other purposes, was announced as next in order.

Mr. SMOOT. Mr. President, it will be impossible to pass that bill before 2 o'clock. Therefore I ask that it go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 139) repealing the joint resolution of April 6, 1917, declaring a state of war to exist between the United States and Germany, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 3746) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent relatives of such soldiers and sailors was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3747) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and of wars other than the Civil War, and to certain widows and dependent relatives of such soldiers and sailors, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 6639) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War, and to certain widows and dependent children of soldiers and sailors of said war, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 7775) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3395) to discontinue the improvement to provide a channel extending from the sea to the Charleston Navy Yard was announced as next in order.

Mr. DIAL and Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3396) to discontinue the construction of a dry dock at the navy yard, Charleston, S. C., was announced as next in order.

Mr. KING and Mr. DIAL. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 310) for the relief of John Murphy was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

COMPENSATION OF UNITED STATES EMPLOYEES.

The bill (H. R. 5726) to fix the compensation of certain employees of the United States was considered as in Committee of the Whole.

The bill had been reported from the Committee on Education and Labor with amendments, on page 1, line 6, after the word "day," to insert "including any Government bonus"; on line 9, after the word "annum," to insert "including any Government bonus"; and on page 2, line 11, after the words "age of," to strike out "18" and insert "20," so as to make the bill read:

Be it enacted, etc., That after the passage of this act the minimum compensation of any person employed by the United States or by the government of the District of Columbia shall be not less than $3 per day, including any Government bonus; or if employed by the hour not less than 37½ cents per hour; or if employed by the month not less than $90 per month; or if employed by the year not less than $1,080 per annum, including any Government bonus: *Provided*, That persons employed on a monthly or annual salary basis and who regularly perform less than a full day's service shall receive compensation at the rate of not less than 37½ cents per hour: *Provided further*, That the provisions of this act shall not apply to persons enlisted in the military or naval branches of the Government nor to the employees in the Philippine Islands, Porto Rico, the Territory of Hawaii, the Territory of Alaska, and the Panama Canal Zone, nor to persons holding appointments as postmasters, assistant postmasters, rural carriers, postal clerks, carriers in the City Delivery Service, or railway mail clerks: *Provided further*, That the provisions of this act shall apply only to those persons who shall have attained the age of 20 years: *And provided further*, That in the case of an employee receiving quarters and subsistence in addition to his compensation, the value of such quarters and subsistence shall be determined by the head of the department, and the compensation of such employees, plus the value of quarters and subsistence, shall in no event be less than the rate fixed by this act.

The amendments were agree to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILLS, ETC., PASSED OVER.

The bill (S. 2292) for the relief of the William Gordon Corporation was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 151) to permit the payment for certain lands whereon Army supply bases are situated was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 3844) to provide for discontinuing the purchase and sale of grain by the Government, and for other purposes, was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3430) fixing the salaries of certain United States attorneys and United States marshals was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

LANDS IN HAWAII.

The bill (S. 3461) to provide for the exchange of Government lands for privately owned lands in the Territory of Hawaii was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized, when in his opinion the public good demands it, to exchange any land or any interest in land owned by the United States now or hereafter set apart for military purposes in the Territory of Hawaii for privately owned land or any interest therein of equal value located in that Territory and selected by the Secretary of War, and thereafter to set apart for military purposes the lands or interest therein so acquired: *Provided*, That the Attorney General of the United States shall first pass upon and approve the title to the privately owned lands or interest therein to be acquired by the United States before any exchange of lands shall be made under the provisions of this act.

SEC. 2. That the value of the lands or interests to be so exchanged shall be determined by three appraisers, one of whom shall be appointed by the Secretary of War, one by the owner of the private property, and the third shall be chosen by the two appraisers so appointed. The expense necessary to effect the appraisements herein authorized, when approved by the military commander of the Hawaiian Department, may be paid out of the current appropriations for contingencies of the Army.

Mr. SMOOT. Mr. President, the Senator reporting the bill is in the Chamber, and I would like to ask him whether he knows what lands are involved, whether it is a general bill to be passed without a real necessity for it at this time, or whether it is to take care of some particular situation existing in the Hawaiian Islands now?

Mr. WADSWORTH. It is to take care of a situation existing at this time in the Hawaiian Islands. It is to effect an exchange of lands without cost to the Government. The Government will get lands it wants and give up lands it does not want. That is the effect of it.

Mr. SMOOT. I know that is the effect of it, but I was wondering whether it is really intended to take care of a situation at Honolulu or in the Island of Oahu.

Mr. WADSWORTH. It is in the Territory of Hawaii, as the bill describes in line 7, page 1, and it affects lands only which are now or which may hereafter be set apart for military purposes in the Territory of Hawaii. The War Department informed the committee that the exchange would be to the great advantage of the Government. There is some land which the Government owns which is very desirable for private ownership and some lands which private parties own which will be very desirable for Government ownership. The values are about alike, and they want to make a trade.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (H. R. 8078) to regulate the importation of coal-tar products, to promote the establishment of the manufacture thereof in the United States, and, as incident thereto, to amend the act of September 8, 1916, entitled "An act to increase the revenue, and for other purposes," was announced as next in order.

Mr. THOMAS. I presume that had better go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3944) to create a Federal live-stock commission was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3928) relating to the ships acquired from Germany, and for other purposes, was announced as next in order.

Mr. JONES of Washington. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 9281) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 10515) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 1853) to reimburse E. T. Thing and S. A. Thing for losses and damages sustained by them by the negligent dipping of their cattle by the Bureau of Animal Industry, Department of Agriculture, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3725) authorizing the Court of Claims to adjudicate the claim of Capt. David McD. Shearer for compensation for the adoption and use and acquisition by the United States Government of his patented inventions was announced as next in order.

Mr. NUGENT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1391) to add certain lands to the Sequoia National Park, Calif., and to change the name of said park to Roosevelt National Park was announced as next in order.

Mr. NUGENT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 5218) to provide revenue for the Government and to establish and maintain the production of magnesite ores and manufactures thereof in the United States was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 7785) to provide revenue for the Government, to establish and maintain in the United States the manufacture of laboratory glassware, laboratory porcelain ware, optical glass, scientific and surgical instruments was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 10074) to enlarge the jurisdiction of the municipal court of the District of Columbia and to regulate appeals from the judgments of said court, and for other purposes, was announced as next in order.

Mr. MYERS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 7705) to amend section 339 of the tariff act of October 3, 1913, in respect to the tariff on buttons of steel and pearl was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 4437) to provide revenue for the Government and to promote the production of tungsten ores and manufactures thereof in the United States was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

WALTER I. WHITTY.

The bill (S. 2989) for the relief of Walter I. Whitty was announced as next in order.

Mr. THOMAS. Let that go over.

Mr. ROBINSON. Mr. President, may I inquire whether there was an objection made to the consideration of this bill?

Mr. THOMAS. I objected to it; but I will withdraw the objection.

Mr. ROBINSON. It was discussed in the Senate on a former occasion, upon the objection of the Senator from Utah [Mr. KING]. I merely want to say that I would like to have the bill considered, if the Senator will withdraw his objection.

Mr. THOMAS. I will withdraw the objection.

Mr. KING. I would like to say to the Senator that since I objected to the consideration of the bill I have received a communication from the Compensation Board, and likewise a written statement, which was submitted at my request, and from the statements made to me it would seem that the bill ought not to be passed; that it would be a very bad precedent.

Mr. SMOOT. If would involve a great many other cases, I will say to the Senator.

Mr. ROBINSON. I merely want to say, Mr. President, that the bill has a favorable report from the Surgeon General and from the Secretary of War. Of course, the question of policy involved in the bill is one for the determination of the Senate, and I realize that under the rule under which we are proceeding I can not insist upon a further discussion of the matter, if the Senator objects.

Mr. KING. I would like to say to the Senator that I intended to bring that report here this morning. I shall hand it to the Senator, and if he still insists that the bill should be taken up, I shall withdraw objection; but I shall vote against the bill. I shall not object to taking the judgment of the Senate upon it.

Mr. SMOOT. I take it for granted that the junior Senator from Utah has received the same information I have received, and if the information I have is correct, and I get it from the department, of course it will open the door for all sorts of claims, amounting to a greater expenditure than I or anyone else can estimate.

Mr. ROBINSON. Of course, I am not in possession of the information to which the Senators from Utah refer, and I am not in a position to pass upon the value of that information without having seen it. I suggest that it might be well for them to put it in the RECORD, if they care to do so, or furnish me with a copy of it. I do not know of any other way to get it.

The VICE PRESIDENT. There being objection, the bill will be passed over.

BILLS PASSED OVER.

The bill (S. 3139) for the purchase of land adjoining Fort Bliss, Tex., was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 6238) to provide revenue for the Government and to establish and maintain the production of zinc ores and manufactures thereof in the United States, was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 4166) to provide for election contests in the Senate of the United States was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

SALE OF TIMBER ON POWER-SITE LANDS.

The bill (S. 3763) regulating the disposition of lands formerly embraced in the grants to the Oregon & California Railroad Co. and Coos Bay Wagon Road Co. was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That in the administration of the act approved June 9, 1916 (39 Stats. L., p. 218), revesting title in the United States to the lands formerly granted to the Oregon & California Railroad Co. remaining unsold July 1, 1913, and the act approved February 26, 1919 (40 Stats. L., p. 1179), authorizing the United States to accept from the Southern Oregon Co. a reconveyance of the lands granted to the State of Oregon by the act approved March 3, 1869, the Secretary of the Interior is hereby authorized, in his discretion, to sell the timber on lands classified and withdrawn as power-site lands in such manner and at such times as he is now authorized to sell the timber from lands classified as timber lands: *Provided*, That if a valid claim for a preferred right of homestead entry is shown to exist, in accordance with the terms of section 5 of said act of June 9, 1916, or a preference right of purchase or entry under section 3 of said act of February 26, 1919, for lands thus classified and withdrawn, it may be exercised therefor, as provided in section 2 hereof.

SEC. 2. That the lands embraced in homestead entries or sales authorized by the proviso to section 1 hereof shall be subject to disposition as water-power sites upon the compensation of the owner of the land for actual damages sustained by the loss of his improvements thereon, through the use of the land for water-power purposes, such damages to be ascertained and awarded under the direction of the Secretary of the Interior; and the rights reserved under this section shall be expressly stated in the patent,

SEC. 3. That the provisions of the act of Congress approved May 31, 1918 (40 Stats. L., p. 393), entitled "An act to authorize the Secretary of the Interior to exchange for lands in private ownership lands formerly embraced in the grant to the Oregon & California Railroad Co.," as amended in section 4 of this act, shall be extended to the lands reconveyed to the United States under the terms of said act of February 26, 1919, and authorize the exchange of lands embraced therein in like manner and for the same purpose.

SEC. 4. That said act of May 31, 1918, is hereby so amended as to require the applicant for exchange to pay a filing fee of $1 each to the register and receiver for each 160 acres or fraction thereof of the public lands embraced in proposed selections, whether now pending or hereafter tendered.

SEC. 5. That the Secretary of the Interior is hereby authorized to perform any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying the provisions of this act into full force and effect.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (H. R. 13229) to establish in the Department of Labor a bureau to be known as the women's bureau was announced as next in order.

Mr. THOMAS. It will be impossible to consider this bill in the moment of time left of the morning hour, and for that reason I object.

The VICE PRESIDENT. Objection being made, the bill will be passed over.

The bill (S. 64) to establish military justice was announced as next in order.

Mr. MYERS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 2) to pension soldiers of the War with Spain, the Philippine insurrection, and the China relief expedition, was announced as next in order.

Mr. NEW. It is very evident that we can not get anywhere in the consideration of this bill in the one minute of time which remains of the morning hour; that is, if there is anyone who cares to speak further on it. The bill has been twice under consideration in the Senate. I do not know whether anyone cares to speak on the bill. The Senator from Utah [Mr. KING] was interested in it and I think at one time expressed to me a desire to say something further on it before it came up for final passage. I would like to know if he is still of that mind?

Mr. KING. Yes, I will say to the Senator, and I have several amendments to offer to it.

ARMY APPROPRIATIONS.

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is House bill 13587.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13587) making appropriations for the support of the Army for the fiscal year ending June 30, 1921, and for other purposes.

Mr. THOMAS. Mr. President, just prior to adjournment on Saturday last the reading of the bill was completed and the last amendment passed over until this morning. That amendment reads:

That the President be, and he is hereby, authorized to appoint Col. William C. Brown, United States Army (retired), to the position and rank of brigadier general on the retired list.

Of course, if a point of order is made against the amendment, it will go out. I shall occupy a very brief space of time before such point is presented, if it is to be made, addressing myself to the merits of the amendment, although its purpose is obvious from the recital.

Col. Brown is now upon the retired list, and is therefore ineligible for further promotion or official consideration except as provided by this amendment, which, while it might be more appropriate upon some other measure, has been offered and accepted here largely because of my inability to secure its recognition in the omnibus bill of the Senator from New York [Mr. WADSWORTH], which was designed to and did cover other similar cases, and which has recently become a law.

The omnibus bill to which I refer, among others, included the case of Col. William A. Simpson, a case largely similar to that of Col. Brown, and perhaps more analogous to it than any of the other various measures of relief of this sort which have been favorably considered by the Congress. It is thus referred to in the committee report:

Senate bill 2488—

Which was the omnibus bill—

provided that the President should be authorized to promote Col. William A. Simpson to the grade of brigadier general. Col. Simpson entered West Point as a cadet in 1871 and graduated four years later. On February 11, 1918, he was retired, after more than 46 years of active service, but was immediately called into active service and assigned to duty as adjutant of the Eastern Department, serving in that post during the war with Germany. It appears upon the records before the committee that in 1898 Col. Simpson, then a major, was taken from duty with troops and assigned to The Adjutant General's Department. In that department promotion was slow, and although he rendered very valuable service many officers of the line junior to him reached higher rank than he did. It is for the purpose of giving him the rank he would have reached had he not been assigned to The Adjutant General's Department that this is proposed.

Col. Brown was recommended for promotion to the rank of brigadier general immediately prior to his having reached the retirement age, and his misfortune is that he was born a little too soon to receive the full meed of recognition which his service requires. It is also unfortunate that this gentleman, whose record is of the best, should not have received the same distinction which in another bill has been conferred upon an equally gallant and deserving officer.

If the Senate will bear with me for a moment, I will briefly refer to this officer's record, which, I think, will be recognized as exceptional.

He has served continuously upon the active list for over 45 years. He participated in two Indian campaigns, in the Spanish-American War, in the Philippine insurrection, in the Mexican punitive expedition, and was under fire in all of them; he has been brevetted for gallantry in action against hostile Indians. He served in France in the war against Germany for over a year, and has been cited for exceptionally meritorious and conspicuous service in such war. Before retirement he was recommended for promotion to the grade of brigadier general.

Mr. JONES of Washington. Mr. President, I think it was at my suggestion, or upon my inquiry, that this item went over on Saturday.

Mr. THOMAS. Yes.

Mr. JONES of Washington. I desire to say to the Senator that I am entirely satisfied with the statement the Senator has made, and the statement that the Senator has in his hand, which I have examined.

Mr. THOMAS. I am very greatly obliged to the Senator.

Mr. JONES of Washington. I will make no objection to it.

Mr. LENROOT. Mr. President, I would not want the Senator to stop his argument on the strength of the statement of the Senator from Washington. I am satisfied with the merits of the case, but I shall feel constrained to make a point of order, as I am informed that if this goes on without a point of order there are a number of cases that will be offered here on the floor. I have just been informed of one or two of them, and in accordance with what I have done in the past I shall have to make the point of order.

Mr. THOMAS. If there are other cases as meritorious as this I think they ought to be included in the bill. The crowning difficulty with cases of this kind is their unquestioned merit, coupled with the inability of the department to recognize them except by further congressional legislation.

Of course, if the Senator from Wisconsin feels it to be his duty to make the point of order the amendment will be stricken out. There is no question about that. But I appeal to the Senator to consider that this is a case in which 45 or nearly 46 years of constant, active, dangerous, and recognized service has been rendered by one of the finest officers who ever wore the uniform of the United States Army; that he performed the last year of his service in France, and as a result of it his chief, Gen. Harbord, one of the greatest of the officers developed in that greatest of all wars, took occasion to specifically make this recommendation. The recommendation was supported by that of other officers, notably Gen. Kuhn, also thoroughly familiar with the character and the extent of the service rendered. Under these circumstances I venture to appeal to the sense of justice of my friend from Wisconsin and ask him to allow this matter to go to conference.

Mr. LENROOT. Mr. President, it is certainly not an agreeable task for one to make a point of order upon a private bill that is very meritorious. It does not seem to me that it is fair to other cases, which may be equally meritorious, to violate the rules of the Senate by giving preference to one and shutting out others. It is not very long since I made a point of order on a very meritorious bill under similar circumstances, and I think that officer would have very good grounds for complaint against me if I made the point of order in his case, as I did make it, and decline to make it in another case, certainly not any more meritorious, in my judgment.

There is no objection whatever to the passage of the bill as a separate bill, a private bill, and if it is as meritorious as the Senator says—and I do not question that it is—it seems to me there ought not to be any difficulty in securing the passage of the bill through the Senate and through the House as well, without placing it as a rider upon an appropriation bill. If we are going to begin to set a precedent for putting private bills on

appropriation bills, then the Senator can readily see where our appropriation bills are going to come to.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER (Mr. EDGE in the chair.) Does the Senator from Wisconsin yield to the Senator from Colorado?

Mr. LENROOT. Certainly.

Mr. THOMAS. Of course, this is not the precedent. It has many precedents of similar character to justify it. I have no doubt that a special bill would pass this body at once, but I think the Senator is mistaken in his estimate of the possibilities of securing its consideration at this session of Congress by the House.

Mr. LENROOT. I make the point of order.

The PRESIDING OFFICER. The Senator from Wisconsin makes a point of order as against lines 9, 10, 11, and 12, page 75, of the bill under consideration. The presiding officer, under Rule XVI, of the standing rules of the Senate, must decide that the point of order is well taken.

Mr. WADSWORTH. Mr. President, may the deferred amendments be taken up in their order? There were some that were passed over on Saturday.

The READING CLERK. The first amendment passed over is, on page 7, line 14, after the word "records" to insert a comma and the following words:

And for the employment of clerical help required to furnish to the adjutants general of the several States statements of service of all persons from those States who entered the military service during the war with Germany, is hereby reappropriated and made available for the fiscal year 1921, for all expenses, including the employment of clerical and other help in the office of The Adjutant General of the Army, necessary for the completion and preservation of the selective-service records and the completion of the work of furnishing statements of service to adjutants general of States: *Provided*, That this appropriation shall be disbursed by such officer as may be designated by the Secretary of War for the purpose.

Mr. WADSWORTH. Mr. President, the Senator from Utah [Mr. KING] is interested in that amendment, and he informed me a few moments ago that he was compelled to be out of the Chamber for a little while. He will be back in a short time, and I ask that the amendment be temporarily laid aside until his return.

The PRESIDING OFFICER. The amendment will be temporarily laid aside.

Mr. CURTIS. Mr. President, I ask the Senator from New York if he would just as lief turn to page 39 of the bill and take up an amendment at that point in which I am interetsed? I am a member of a conference committee, and I should like to have the amendment disposed of, if that course is agreeable to the Senator from New York, before I am called upon to attend the meeting of the conferees. The amendment to which I refer—on page 39—was passed over on last Saturday. It covers an item which was estimated for by the War Department and which the House accepted after the estimate had been reduced by the House Committee on Appropriations, but the Senate committee has reported to strike it out. The clause reads:

Provided, That not to exceed the following sums may be used in the erection and completion of buildings enumerated at the places named—$404,256 for motor training-school buildings at Fort Leavenworth, Kans.; $600,000 for construction of officers' and noncommissioned officers' quarters and the repair and remodeling of such existing buildings as may be available for such quarters at Fort Leavenworth, Kans.

I may state to the Senate that when the Army appropriation bill was before the Senate for consideration a year ago I was about to offer an amendment providing for the construction of these buildings, when I asked the chairman of the committee the following question:

I desire to ask the chairman a question with reference to an item which was sent up by the War Department. It asks for an appropriation of $383,000 for the building of a mechanical repair shop at Fort Leavenworth, Kans. I ask the chairman if the item requested by the department can be taken care of out of the lump-sum appropriation for barracks and quarters, water supply—

And so forth.

The Senator from New York replied:

It is my opinion that it can be taken care of out of the item for barracks and quarters, water, sewers, roads, walks, and drainage.

So I did not offer the amendment, because, although the department had asked for the appropriation, the opinion was expressed by the chairman of the committee that the sum needed for the purpose indicated would be available from a lump-sum appropriation; but afterwards it was held by The Adjutant General, I think, that under section 1136 of the Revised Statutes the lump-sum appropriation could not be used for that purpose. So this year when the bill was under consideration an appropriation was asked for and was granted by the House of Representatives. For some reason, however, the Senate committee has seen fit to eliminate the provision.

The buildings referred to are greatly needed at Fort Leavenworth. In the construction of the motor training school buildings old material now on hand at the fort may be used, prison labor may be employed, and the buildings can thereby be erected at a saving of several hundred thousand dollars. It seems to me it would be economy to erect the buildings at this time. I think the chairman of the committee will admit that the buildings are greatly needed. The War Department desired the appropriation, and, after careful consideration, the item was inserted in the other House. I hope the Senate committee amendment will not be agreed to. That is all I desire to say at this time.

Mr. WADSWORTH. Mr. President, the Chief of the Construction Division, Gen. Marshall, came before the Committee on Military Affairs of the Senate to defend the items in this bill, his department being interested, and there were also laid before the committee recommendations of a similar character emanating from other branches of the War Department—I mean by that, recommendations involving the erection of permanent buildings at Army posts and cantonments. The list is a very long one, and, if all the recommendations were acceded to, many millions of dollars would be required.

On examining the different recommendations and the different proposed projects, the committee was unable to determine why this particular provision was the only one authorized by the other House. The conditions at Leavenworth with respect to motor training facilities and quarters for officers and noncommissioned officers are not nearly so difficult or inconvenient as at many other places. The Senate will note that the appropriation of $600,000 in this instance is asked for the construction of officers' and noncommissioned officers' quarters at Fort Leavenworth. That is a large sum of money to be spent at this time on permanent construction. We have examined the reasons given, and which the Senator has set forth, for this proposed appropriation, and we found the reasons to be about as follows: Fort Leavenworth is the site of the school of the line or the service school. There are a number of noncommissioned officers stationed there on duty at the school. My recollection is that the total number is about 52; that something over 30 of them have quarters provided now in the post; and there are something like 12 or 15 men who live outside the reservation in town and come in and go out each morning and each afternoon. Their quarters are commuted for them. Of the officers I think something like 50 out of several score have to do the same thing, and their quarters are also commuted for them by the Government under the law. The situation does not constitute an emergency.

It is true that there is a certain degree of inconvenience for the small number of men involved, but the Senate committee thought we might postpone the spending of $600,000, especially as there are many other places at which the Army is stationed where conditions are infinitely worse. I can name one close at hand. At the Army War College in Washington, as Senators know, there are officers' quarters, though there are not many of them. A large number of officers are on duty at the Army War College, but the quarters at the Washington Barracks, next to which the War College is situated, are utterly incapable of housing more than a small percentage of the officers at the Army War College. The result is that those officers have to rent apartments and houses here in the city of Washington at very high rentals. The value of the commutation of quarters which they receive from the Government does not anywhere near pay the rent which they have to pay the owners of the apartments and the houses here in Washington. The percentage of inconvenience at Washington Barracks is infinitely greater than it is at Leavenworth, and yet we do not find anything in this appropriation bill which has been passed by the House which does anything for Washington Barracks. As a matter of fact, in going through these projects proposed by the General Staff and submitted to the committees by the chief of construction it actually seemed to us that the Leavenworth item was the one which ought to be attended to last; but we declined to act upon any of them.

Mr. CURTIS. Mr. President——

Mr. WADSWORTH. I yield to the Senator from Kansas.

Mr. CURTIS. Mr. President, I am aware of the fact that there is a shortage of barracks here in the city of Washington, but I presume additional barracks have not been erected because it is expected that many of the officers now detailed in Washington will leave here.

Mr. WADSWORTH. But others will come in their places; the War College is full all the time.

Mr. CURTIS. They ought not to; there are probably more here now than are needed. However, in view of the Senator's

statement, and in view of the fact that motor training-school buildings, involving an expenditure of $404,256, can be erected at this time by utilizing material on hand and employing prison labor and other available labor at the school, resulting in an estimated saving of about $300,000, I should like to ask if the Senator will not consent to disagree to that part of the amendment ending with the word "Kansas," in line 21, and allow the remainder of the amendment to be agreed to? That would give us $404,000 for the erection and completion of buildings for the motor training school, in connection with which old material on hand could be utilized and the prison and other labor there could be employed. The department states in its letter that there will be a saving, as I recall, of some $300,000 if that can be done.

Mr. WADSWORTH. Do I understand that the $404,000 appropriation is supposed to represent the cost of the proposed construction, even though prison labor is used?

Mr. CURTIS. That would be the cost if prison labor were used, but without prison labor the cost would be over $700,000; and I wondered if the chairman of the committee would not consent to having that item remain in the bill and let the others go out for the present, in view of the policy followed by the committee.

Mr. WADSWORTH. The Senator from Kansas puts me in an embarrassing position.

Mr. CURTIS. I do not desire to do that.

Mr. WADSWORTH. I know, of course, the Senator's interest in this matter, and it is quite a legitimate interest; but the committee struggled hard to save money and to keep these appropriations down.

Mr. CURTIS. I feel more interested in this than the Senator realizes, because of the fact that I was going to offer a similar amendment last year, and it was the statement of the chairman himself that prevented me from doing so.

Mr. WADSWORTH. I had no idea that the Senator was going to ask for over $400,000 for erecting a motor-training school building.

Mr. CURTIS. Three hundred and odd thousand dollars was the amount estimated at that time, but it will cost more now than it would then. I do not blame the Senator, for he thought, as I did at the time, that the buildings could be erected out of a general lump-sum appropriation.

Mr. WADSWORTH. I thought the buildings for a motor-training school could be covered in an item of something like twenty or thirty thousand dollars. My recollection was that there was some rule or perhaps some statute which authorized the erection of buildings under the appropriation for "barracks and quarters," when the amount to be expended was limited, and I thought that the item in which the Senator from Kansas is interested could be taken care of in that way. My recollection is that there are nine motor transport stations over the country. There is no real emergency for this item right now.

Mr. CURTIS. Does the Senator think that the department would have recommended the appropriation if it had not wanted it?

Mr. WADSWORTH. Mr. President, as the Senator knows, the department recommended estimates carrying a billion dollars; they do not care what they recommend; they estimate for and recommend anything they want. The item covered by the amendment is rather desirable, I will admit, and some day they ought to have a moor-raining building a Leavenworh, probably.

Mr. CURTIS. Did not the Senator feel last year that there should be such a building at Leavenworth?

Mr. WADSWORTH. Not at this cost; I had no idea such an amount was involved. I had no idea that the Senator had in mind such an extensive program and elaborate program, involving the expenditure of over $400,000, to erect permament buildings at this time, when the Army is in a state of flux and when the Motor Transport Corps already has a training school at Holabird, in Maryland, in full blast, with 2,500 men there, and has, according to my recollection, although I am not absolutely certain, eight other depots scattered over the country similar to the one which it is proposed shall be erected on a permanent basis at Leavenworth.

Mr. CURTIS. How much does the Senator think ought to be required to erect the necessary buildings at Leavenworth?

Mr. WADSWORTH. That would be a hard question to answer, even if I could be persuaded that the buildings are necessary. I hope the Senator will not insist upon my taking one and leaving the others. They are, as I have said, not emergency items; they are desirable I will admit, but they are not emergencies.

Mr. CURTIS. I ask for a division of the amendment, so that we may have a vote, first, on the part of the amendment ending with the word "Kansas," in line 21, on page 39, which will cover the item appropriating $404,256 for the erection of a motor-training school building or buildings. As I said a moment ago, the labor is to be performed by prison labor and much of the material is old material which now is on the ground.

The PRESIDING OFFICER (Mr. CAPPER in the chair). The Senator from Kansas asks for a division of the question.

Mr. HITCHCOCK. I ask that the amendment be stated; I do not understand it.

The PRESIDING OFFICER. The Secretary will state the amendment as proposed to be divided.

The READING CLERK. The committee amendment proposes to strike out the proviso, beginning with line 17 and ending with line 24, on page 39. It is proposed to divide the question so that the vote may be taken on the first portion of the proviso, which reads as follows:

Provided, That not to exceed the following sums may be used in the erection and completion of buildings enumerated at the places named—$404,256 for motor-training school buildings at Fort Leavenworth, Kans.

Mr. WADSWORTH. I should like to read merely one little paragraph from the memorandum for Gen. Hervey, Director of Operations of the General Staff:

Subject: Repair unit and shop at Fort Leavenworth.
With reference to the memorandum of the Acting Secretary of War, dated April 10, 1919, herewith, it would appear that the Acting Secretary did not thoroughly understand what the plan for building and equipping shop at Fort Leavenworth contemplated. It is recommended that the disapproval of this proposition be reconsidered and that the project be approved, or, if necessary, that it be submitted to Congress recommending approval.

Then the memorandum goes on and makes an argument for it; but it is apparent from that that the War Department itself was not convinced that it was an emergency, as the Acting Secretary of War upon one occasion disapproved it as an estimate.

The PRESIDING OFFICER. Without objection, the first branch of the amendment and the second branch of the amendment will be voted on separately, as requested by the Senator from Kansas.

Mr. HITCHCOCK. Mr. President, I should like to clarify this matter a little. This neither increases nor diminishes the appropriation, as I understand.

Mr. WADSWORTH. Oh, yes, Mr. President; the Senator will note that we decrease——

Mr. HITCHCOCK. Not the amendment as stated. The proviso is that $404,000 may be used for that purpose. That is stricken out. I will say to the Senator from Kansas that I have had some experience with an amendment of that sort. I succeeded in securing the insertion of such an amendment at one time upon a bill of this sort, and I found afterwards that it was merely permissive, and that it did not require the department to make the appropriation.

Mr. WADSWORTH. The Senator from Nebraska need not worry about it; they will spend it.

Mr. HITCHCOCK. I did worry about the other, and they did not spend it.

Mr. WADSWORTH. The Senator wanted it spent on that occasion.

Mr. HITCHCOCK. I feel reasonably satisfied that the Senator from Kansas will not secure his appropriation by securing the elimination of this amendment. I inquire again of the chairman of the committee whether this changes in any way the total amount appropriated for these items?

Mr. WADSWORTH. The Senator will notice that on line 17 the House had appropriated $10,000,000 for barracks and quarters. The Senate committee has reduced it to $7,500,000 and has stricken out a million dollars for the special purposes. Now, if the Senate is going to defeat the Senate amendment and restore those two Leavenworth items, we will have to raise that $7,500,000 by a million dollars.

Mr. CURTIS. Mr. President, I have not asked for any such amendment. I am asking for a separate vote on the one matter.

Mr. WADSWORTH. Yes; I was grouping them together. I was simply explaining the parliamentary situation.

Mr. HITCHCOCK. I think, then, in view of what the chairman states, that I am in favor of the amendment. I believe in holding the appropriations down.

The PRESIDING OFFICER. The question is on agreeing to the first branch of the committee amendment.

On a division, the first branch of the committee amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the second branch of the committee amendment.

The second branch of the committee amendment was agreed to.

The PRESIDING OFFICER. The Secretary will state the first amendment passed over.

The READING CLERK. The first amendment passed over is on page 14, in lines 20, 21, 22, and 23, which reads as follows:

And provided further, That hereafter the Army Air Service shall control all aerial operations from land bases, and that naval aviation shall have control of all aerial operations attached to a fleet.

Mr. LODGE obtained the floor.

Mr. WADSWORTH. Mr. President, will the Senator permit me to perfect the Senate committee amendment?

Mr. LODGE. Certainly; I am not opposing the amendment.

Mr. WADSWORTH. I had it printed on Saturday.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 14, line 23, after the word "fleet," it is proposed to insert:

Including shore stations whose maintenance is necessary for operations connected with the fleet, for construction and experimentation, and for the training of personnel.

Mr. LODGE. Mr. President, I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

Mr. POINDEXTER. Mr. President, I understand that this is for the purpose of perfecting the original amendment?

Mr. WADSWORTH. Yes.

Mr. LODGE. Mr. President, as I have just stated, I have no objection to the amendment. It makes the clause better. My objection is to the clause put in by the House, and even with the amendment I object to it.

The House provided:

That hereafter the Army Air Service shall control all aerial operations from land bases, and that naval aviation shall have control of all aerial operations attached to a fleet.

That, of course, as it stood, as it came from the House, made it simply absolutely impossible for the Navy to carry on an air service. All they were permitted to do was to command their own ships, and when they were using airships in connection with the other ships they would have control of them. It is utterly impossible to carry on naval aviation without land bases. We have six provided for in the appropriation bill. We must have bases for the hydroplanes, for the training of the men, and for all that goes with the maintenance of an air squadron.

Mr. President, I think such an arrangement can lead to nothing but dissension and trouble. If you attempt to put the men and officers of the Navy under the control of Army officers in connection with everything on shore, you create a situation which seems to me utterly impossible. I can not imagine running the military and naval departments on such a basis as that. If all the air services are to be consolidated into one, as proposed by the Senator from Indiana, that is another and very different question. This, as it stands, as it came to us from the House, simply transfers the Naval Aviation Service to the control of the Army, except while the hydroplanes are in absolute use with the fleet at sea. It did not put the ships and the hydroplanes, when at sea, under the control of the Army, but it did everything else.

That I can not conceive to be a good working arrangement. I think to put the sailors of the Navy and the officers of the Navy under the command of Army officers at all the land bases could not possibly lead to good service. I know, of course, that the Navy Department is strongly opposed to it, and I am also assured that the War Department is opposed to it. The two departments have made an arrangement between themselves, which is printed on a little leaflet that I have not here at the moment, for cooperation in air service.

I can not extend particularly the argument upon this subject, because it seems to me to argue itself. I hope that the Senate will strike out the whole provision, and let it go back to the House for reconsideration.

Mr. PAGE. Mr. President, I have taken some little pains to ascertain the views of both the War Department and the Navy Department touching this amendment; and as they are very brief I think I will have them appear in the RECORD.

The first is a letter from the Secretary of the Navy. He says:

MY DEAR SENATOR: I thank you very much for your kind letter of April 20, regarding the clause appearing in the Army appropriation bill. Your communication reached me to-day just as I was directing a letter to the President of the Senate regarding this matter.

There can be no doubt of the impropriety of inserting such a clause as this in the Army bill. Necessarily, all naval operations must primarily start from a land base. While we hope to give naval aviation the mobility which belongs to other naval units, nevertheless in certain activities aviation will be compelled to make its start from the land. Manifestly it would be confusing, and therefore undesirable, to have such activities controlled or interfered with by another service than the Navy.

I trust that the Senate will see fit to eliminate this clause which is included in the Army bill as it passed the House.

Attached herewith is a copy of the letter above mentioned regarding this matter, which has been addressed to the President of the Senate.

Very truly, yours, JOSEPHUS DANIELS.

This letter was written in April, but the matter has been the subject of a good deal of discussion in the Navy Department as well as in the War Department; and Assistant Secretary Roosevelt, under date of May 19, wrote me another letter in which he expresses substantially the same view. I will read it:

I have to acknowledge the receipt of your letter of May 18, 1920, regarding a measure which has been inserted in the Army appropriation bill, and which is objectionable to the Navy.

The impropriety of including in an appropriation bill for one branch of the Government anything involving the policies of other branches of the Government would seem manifest.

And that is what they do in this case. This is a matter pertaining to the Navy. The amendment does not originate with the Naval Affairs Committee either in the House or in the Senate, but is a matter put on by the Committee on Military Affairs in the House. It seems to me that they are overstepping their particular bounds of propriety in seeking to regulate the Navy from the Army end.

Where the interests of both services have not been previously investigated, the insertion of such a clause would seem particularly objectionable.

I have invited the attention of Senator LODGE to this point, and he is in agreement regarding the impropriety of inserting the clause proposed in the Army bill. I have also discussed the matter with Secretary Baker—

I want to call especial attention to this fact, because I understand that Secretary Baker has written a letter which, it seems to me, ought to be given to us by the Senator from New York. Am I right about that? Has the Senator from New York a letter from the Secretary of War touching this matter?

Mr. WADSWORTH. I have.

Mr. PAGE. I understand that both the Army and the Navy are agreed.

Mr. POINDEXTER. Has the Senator from New York any objection to supplying us with that letter from the Secretary of War?

Mr. WADSWORTH. Not the slightest. I was going to describe, when my turn came, just how everybody felt about it. I am not attempting to conceal what the Secretary of War feels and says. There are occasions, however, when the Committee on Military Affairs has not followed the advice of the Secretary of War.

Mr. POINDEXTER. I would like very much to have the letter available, so that we can see exactly what his attitude is.

Mr. PAGE. I commence again:

I have also discussed the matter with Secretary Baker, who informs me that the clause was inserted without his knowledge, and that he is in agreement that the enactment of this legislation is undesirable.

Thanking you for your interest in this matter, and trusting that the clause in question may be eliminated from the Army appropriation act,

I am, very truly, yours,

FRANKLIN D. ROOSEVELT,
Acting Secretary.

Senator C. S. PAGE,
Chairman Committee on Naval Affairs,
United States Senate, Washington, D. C.

The man who perhaps knows more about this matter of aviation than any other—at any rate he is in a position to know—is Capt. Craven, director of naval aviation. It is true that Capt. Craven has had a long conference with the Senator from New York, and they have agreed in regard to this amendment, which Capt. Craven and the Senator from New York drew. It provides:

Including shore stations whose maintenance is necessary for operations connected with the fleet, for training of personnel, and for construction and experimentation.

It is true that that very much improves the bill as presented to us originally, but it does not remove the objection which I think exists properly to transferring, without the knowledge or consent of either the Secretary of War or the Secretary of the Navy, something which pertains to the naval side of this matter, and ought not to have been introduced on the military side, from my point of view. I ask to have the letter of Capt. Craven read by the Secretary.

The PRESIDING OFFICER (Mr. SMITH of Georgia in the chair). Is there any objection? The Chair hears none, and the Secretary will read.

The Reading Clerk read as follows:

NAVY DEPARTMENT,
OFFICE OF NAVAL OPERATIONS,
Washington, May 15, 1920.

MY DEAR SENATOR: My attention has been drawn to a clause appearing in the Army appropriation bill, as agreed to recently by the Senate Military Affairs Committee, which is very detrimental to the best interests of the Navy.

This clause reads as follows:

"*And provided further*, That hereafter the Army Air Service shall control all aerial operations from land bases, and that naval aviation shall have control of all aerial operations attached to a fleet, including fleet shore naval air-station bases."

I deem it my duty to bring to your notice the following results of such a measure, if it should be enacted into a law:

(a) The definition of a base at once becomes an important point at issue, and the exact meaning of the law as written in the above clause, if it should be enacted, is not evident. Possibly the committee had no intention of restricting naval operations, but a rigid interpretation of the clause might prevent the Navy from projecting aviation operations from the land, which in preparation for war or in time of war would materially and improperly interefere with naval activities.

(b) If the bill is passed as framed by the committee, the future of the station now being created by the Navy at great expense in Lakehurst, N. J., for the purpose of erecting rigid dirigibles, is immediately changed. The work is now progressing under appropriations for the Navy, the rigid having been shown to be essentially a naval unit. By recent arrangements between the Army and the Navy, to avoid duplication, the development of rigids in this country has been placed in the hands of the Navy. If the only station at which erection of these large craft can be undertaken is taken out of the hands of the Navy, confusion, delay, and expense to the Government must result.

(c) The status of the Naval Aviation School, at Pensacola, becomes uncertain with the enactment of a measure such as that proposed. The reasons would seem compelling for the Navy to retain a school for teaching flying in seaplanes and the operation of these craft in connection with ships. At this school Army fliers designated to fly seaplanes are instructed. Aside from merely piloting a machine, many other details of a professional and highly technical nature and necessary for a naval aviator are taught at this place.

(d) With the enactment of this legislation, the naval air stations at Chatham, Rockaway, Cape May, Anacostia, and Coco Solo would immediately pass into the hands of the Army. These stations have been maintained by and for the Navy, and are in neighborhoods where it is deemed important that such stations should exist for naval purposes, though they may not be considered as naval bases.

Chatham is on Cape Cod, and is the only naval air station in New England. It is convenient to the naval rendezvous and to the area in which the Navy is accustomed to exercise in Cape Cod Bay.

Rockaway is off the entrance of the port of New York. It would seem unnecessary to point out the responsibility of the Navy in guarding this region, in the event of hostilities, and of the necessity for training and preparing for this work in normal times of peace in this region.

Cape May is an important station, where aviation would work in connection with submarines and other small naval craft, for guarding the entrance of the Delaware.

Anacostia is a small station for seaplanes on the edge of Bolling Field, at Washington, D. C., from which important experimental work is carried on. This work is in connection with the development of radio communication, direction finding, engineering, and ordnance features of naval aviation.

Coco Solo is a small air station in the Canal Zone, from which naval aviation projects its operations for assisting in the guarding of this important region.

At all of the above-named stations, training and development operations are carried on, essential at this time, in order to make the art of aviation useful for naval purposes.

(e) With these stations taken from the Navy, the only aviation bases remaining would be at Hampton Roads and at San Diego.

A clause of this kind, having such a wide effect upon the military and naval policies of the country, it would seem should not be enacted into legislation, without a full consideration of its results from every point of view, and therefore I deem it my duty to bring this matter to your careful attention at this time.

Very truly, yours,

THOMAS T. CRAVEN,
Captain, United States Navy,
Director of Naval Aviation.

Senator C. S. PAGE,
Chairman Naval Affairs Committee,
United States Senate, Washington, D. C.

Mr. PAGE. Mr. President, I want to say simply, in connection with the matter, that it has been before us now for something more than a month, and the protests which come to me from all branches of the Navy Department with whom I have been in contact are uniformly opposed to this legislation. They think it is so wrong that it is surprising that anybody should try, from the military end of the matter, to regulate the Navy, as is sought to be done by this amendment.

Mr. WADSWORTH. Mr. President, the letter put into the RECORD by the Senator from Vermont [Mr. PAGE], from Capt. Craven, which has just been read, is completely out of date. It might just as well have not been read. It does not apply to the question before the Senate at all, for since that letter was written Capt. Craven and myself prepared the amendment to the committee amendment which the Senate a few moments ago adopted.

It may be that the captain at the head of naval aviation is not in favor of any legislation at all. I think it is true that he is not in favor of any legislation. It may be that the Secretary of the Navy is opposed to any legislation. It may be that the Secretary of War, on being requested by the Secretary of the Navy, replies that he, too, thinks that legislation is undesirable. But the fact is that this committee amendment as now presented to the Senate does not do to the Navy any of the things which it is alleged the House of Representatives or the Senate Committee on Military Affairs intended to do.

The House language was clearly faulty. The House language, as the Senator from Massachusetts has said, would probably have confined naval aviation entirely to the carrying of airplanes on battleships or airplane carriers, and would have prevented the Navy from maintaining any naval aviation base or station on shore. Such a proposal as that was clearly impossible. When it came before the Military Affairs Committee of the Senate we recognized that situation, and our first amendment, which we intended as a cure to the fault which we believed existed in the House provision, provided for adding the words, after the House language, "including fleet shore bases." On consultation with Capt. Craven we learned that the term "fleet shore bases" would not include several of the activities of naval aviation which it was absolutely necessary for them to carry on upon shore, for example, the training schools, the aircraft factory at Philadelphia, the new dirigible base at some point in New Jersey, and two or three other of the naval stations which could not be called "fleet shore bases."

So this language was drafted in my office by Capt. Craven and myself. We had already stricken out, at the end of line 23, the first committee amendment, which read "including fleet shore bases," and we had substituted this language:

Including shore stations whose maintenance is necessary for operations connected with the fleet, for training of personnel, and for construction and experimentation.

I am assured that that language covers every naval aviation activity on shore which is a legitimate part of naval aviation on shore; that it covers everything they intend to do in the future. It is true, however, that it would not permit them to do in the future some of the things which they have done in the past, and those things which they have been doing in the past which the committees of both the House and the Senate want stopped are things which duplicate what the Army must do anyway.

I refer, especially, Mr. President, to aviation patrol of the coasts. I am informed now that the Navy intends no longer to continue coast patrol with its aviation. It has been doing that in the past. We do not want to see it resumed in the future, because the Army must do it anyway. We want to see it understood that naval aviation should not be used to patrol forest areas. We want to see it understood that naval aviation should not be used to patrol, for example, inundated areas on the Sacramento River. We know that those things have been proposed. We know that there has been a great deal of duplication in the past and a good deal of it has been eliminated. As I said before, the chief of naval aviation tells me that this does not do the naval aviation any harm whatsoever, but where we can stick a pin in without doing any harm to either service we propose to do it in order to save the taxpayers' money.

This whole question of aviation, of course, is a mighty difficult one, because, try as they will, Mr. President, there is bound to be some duplication. We are trying to reduce the duplication. Even under this amendment there will be duplication, because both services are training fliers to do exactly the same kind of thing in the elemental courses. The Army trains part of the Navy fliers and the Navy trains a part of its own fliers. The day will come some time when one service will train all fliers.

The Senator from Indiana [Mr. NEW] and myself argued that to the Senate at the time his aviation department bill was being considered. We proved to our own satisfaction, but not to that of the Senate, that it would be to the interest of the taxpayer to cut down overhead. There is an example right here at Bolling Field. There is one Government flying field. The Army has a repair shop there, the Army has hangars there, and the Army has officers and enlisted men. Four hundred yards away from that the Navy has a repair shop, the Navy has its hangars, and the Navy has officers and enlisted men, and when the naval aviators want to indulge in their prescribed flying in order that they may be entitled to flying pay they go over to the Army and ask them to let them fly their machines in order to qualify to get the advanced pay of a flier.

As a matter of fact, Mr. President, while it is a pretty thing to have around, there is no more use from the taxpayers' standpoint, there is no more use from a tactical standpoint that I can think of, for having a naval aviation station equipped with a fleet of boats here at Washington than there would be of having it at the top of Pikes Peak. It is not operated in conjunction with the fleet. It is not used as a training school to teach the personnel in the first instance, so far as I know, and it is not used to construct airplanes or flying boats.

Our attempt in this matter is not to injure anyone. Not one of the letters that have been put in the RECORD asserts that the amendment which has been agreed upon injures the Navy. But it will prevent the Navy from establishing a coast patrol up and down the Atlantic coast, running on exactly parallel lines with the Army coast patrols which must operate between the several coast-defense stations of the Army. The Army avia-

tion is compelled to assist the Coast Artillery posts up and down the coast where the fixed emplacements and the big guns are located. The Army aviation perform their reconnaissance duties for them. They patrol out from the Coast Artillery stations, and wireless or telephone back the signals to the forts who are members of the Army. They start out from these posts and go up and down the coast in time of war, keeping in constant touch with the Army that has control of the Coast Artillery stations and the mine fields.

There is no reason whatsoever in having another coast patrol and this amendment in part is to stop that duplication. It has been given up at this moment. The Navy is giving up its coast patrol under regulations, but it is astonishing how easy it is to amend regulations in order to permit two people to do the thing which one person alone can do.

The amendment will also stop what I think that the Navy does not want to do; it will stop the naval aviation from being used as a patrol for the forests. There is a provision in the Army reorganization bill which authorizes the Secretary of War to use the Army aviation to patrol the forest reserves for the next year. We simply want it so that if it has to be used to patrol the forest reserves the work will be done by the Army aviation, and that the naval aviation will not be used. That is the purpose of the amendment. There is nothing mysterious or dangerous or destructive about it. Neither of the Secretaries is apparently enthusiastic about it, and neither has pointed out what harm will be done the Navy.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from New York yield to the Senator from Colorado?

Mr. WADSWORTH. In just a moment.

Mr. THOMAS. I merely wish to ask that the amendment may be read again, so that we may be able to understand it.

Mr. WADSWORTH. I have assured the Senator from Washington that I would put in the RECORD a letter received from the Secretary of War by myself, dated May 21, on this question.

Mr. POINDEXTER. I would like to have the letter read at the desk.

The PRESIDING OFFICER. Without objection, the letter will be read.

The Reading Clerk read as follows:

WAR DEPARTMENT,
Washington, May 21, 1920.

MY DEAR SENATOR WADSWORTH: I venture to inclose a letter which has just come to me from Secretary Daniels with regard to the provision in the pending Army appropriation bill on the subject of air bases. I fully concur with Secretary Daniels in believing that an Army appropriation bill ought not to contain provisions of any sort with regard to naval operations, since naval authorities are not heard by the Military Affairs Committee, and their views are not, therefore, consulted. As I understood from our telephone conversation, you also agree to this view, and I supposed that you had accomplished the entire object of the Navy in the amendment worked out with Capt. Craven. I assume, however, from Secretary Daniels's statement that the Navy Department would still desire the entire elimination of my reference to the Navy, and for the reasons above stated I take pleasure in concurring in the Secretary's views.

Cordially, yours,
NEWTON D. BAKER,
Secretary of War.

Hon. JAMES W. WADSWORTH, Jr.,
United States Senate.

Mr. PAGE. Mr. President, the Senator from New York very kindly stated that the letter from Capt. Craven is entirely a back number, that it has no particular force after adding the few words that have been added by the amendment at the bottom of page 14.

The facts are that Capt. Craven, speaking for the Navy, accepted this amendment as possibly the best thing that could be done under the circumstances, but I wish to say that the amendment is not satisfactory to the Navy Department, that the amendment does not meet with the approval of the Secretary of War, as is shown by this letter, and that it does not meet the approval of the Secretary of the Navy. All I can say is that the department which seems to control on the part of the Army has stepped in and said not that this or that thing must be done, but let me read it so you can see how sweeping it is:

That hereafter the Army Air Service shall control all aerial operations from land bases, and that naval aviation shall have control of all aerial operations attached to a fleet, including—

And so forth.

If it is true that this is a duplication of work, instead of having this passed over to the Army, as is done by the bill, why do not the Army and the Navy Departments say that the Navy shall have control, as in my judgment they ought to have charge, of all matters pertaining to naval aviation? It is so objectionable to everyone with whom I have talked from the Navy Department that I think there must be some mistake on the part of the Senator from New York in insisting that everything is cared for by these three or four lines. That is not the view of the Navy Department.

Mr. WADSWORTH. Will the Senator point out what is not cared for in this perfected amendment?

Mr. PAGE. The burden of proof is put upon the Navy to show that everything except the little matter mentioned in those three lines has been passed over to the Army.

Mr. WADSWORTH. It certainly did not alarm the head of naval aviation. He almost guided my pencil as I wrote it.

Mr. POINDEXTER. I understood the Senator a moment ago to state that Capt. Craven desired this entire provision to be eliminated.

Mr. WADSWORTH. He expressed that as a preference, but he certainly assured me and other members of the committee that if this perfected amendment in the bill were agreed to it would not hurt the Navy at all.

Mr. PAGE. I was present when Capt. Craven and the Senator from New York, the chairman of the committee, got together and tried to improve the provision, but the fact is that after they had improved it to the extent that they could, and had gone on to their different departments and sat down and studied it in cool blood, those representing naval aviation said they did not believe that we ought by one sweep to pass over everything beyond recall to a department that ought not to have taken consideration of naval aviation affairs at all.

Mr. SWANSON. Mr. President, I have listened to this discussion, and I have listened very carefully to the Senator from New York. Of course, the amendment offered by him does clarify the situation very much indeed and eliminates three-fourths of the objections contained in the amendment as it came to the House. But I wish to call to his attention the reason why the men in the Navy think this amendment will interfere with some of their operations.

During the war the Army and the Navy had a specific agreement as to aviation—as to what part the Army should do and what part the Navy should do and what they should do jointly. I will not refer to the Army part of the aviation, as this provision certainly could not under any circumstances interfere with that. This was the agreement during the war, or rather a memorandum of the understanding as to what they should do:

Naval forces: Operation from mobile floating bases or naval air stations on shore (a) as an arm of the fleet—

The provision as amended could not interfere with that part that was given to the Navy—

(b) for overseas scouting—

It could not interfere with that—

(c) against enemy establishments on shore when such operations——

Mr. POINDEXTER. Why does the Senator say it would not interfere with overseas scouting?

Mr. SWANSON. Because the Army would not do the scouting outside of the 3-mile limit.

Mr. POINDEXTER. We are speaking about what the situation would be. If the Army would not do it and the Navy is prohibited from doing it, then it is not done at all.

Mr. SWANSON. It is not prohibited from overseas scouting, but I will point out where it does seriously interfere.

Mr. POINDEXTER. I am not going to interfere with the course of the Senator's argument, except to point out at this particular juncture his statement that the amendment as now proposed by the Senator from New York would not interfere with overseas scouting. In my opinion it would interfere with it, because the amendment proposed by the Senator from New York limits the aviation service of the Navy to the stations that are connected with the operations of the fleet. Overseas scouting is not necessarily connected with the operations of the fleet.

Mr. SWANSON. In that way it might be, under that narrow construction, if that narrow view was taken.

Mr. WADSWORTH. I had assumed, as apparently had the author of the memorandum from which the Senator was reading——

Mr. SWANSON. This is my interpretation of the memorandum that was furnished to me.

Mr. WADSWORTH. Overseas scouting is a part of the operations of the fleet.

Mr. SWANSON. The third duty given the Navy, which a literal, narrow construction of this amendment would seriously interfere with, is the following:

(c) Against enemy establishments and on shore when certain operations are conducted in cooperation with other types of naval forces, or alone when their mission is primarily naval.

At the Navy Department those who have read this amendment tell me that if they endeavor to establish on shore a naval

base that they are afraid it would be so construed that they could not do scouting work in connection with it. The Comptroller of the Treasury might construe it that no money could be utilized for the purpose because it was given as a part of the naval functions during the war.

I can readily see when I read it that the establishment of a base which might be used for Army or naval purposes is not connected with operations of the fleet. If that is true, under a strict legal construction of this amendment as amended, the naval aviation would be powerless and could not be utilized for that purpose.

When we have this naval aircraft what is the use of putting in amendments to the effect that it can not be used for this purpose, which under a strict construction of it might so confine it that in time of war it could not be used? The Navy is compelled to build aircraft for that purpose, and if they should put the naval base down in Cuba in time of war, which was friendly to us, or on St. Thomas, and if an effort was made by the enemy, under a literal construction and if they did not broaden this construction, naval aircraft could not be utilized. That is a very serious objection to it.

The next is to protect coastal sea communications. Under that the Navy was given the right to patrol the coastal sea. We prohibit the Navy from doing any patrol on the coast. It is the function of the Navy. We make no appropriations for it and it has been abandoned. There is no duplication of work there. But supposing during a war submarines of the enemy would come inside the 3-mile limit, it ought to be the right of the aircraft to follow them and destroy them. They tell me that under a literal construction, unless a very broad construction was given to it, not connected with the operations of the fleet, if a submarine of the enemy was to come within the 3-mile limit and this amendment as perfected was in effect they could not utilize the Navy aviation. We have no desire to do that. We do not want a duplication of the patrol of the coast, and Senators felt that way about it, and they made no appropriation for that purpose.

Why should money appropriated and its use be limited so that if a submarine should come inside the 3-mile limit naval aircraft could not be employed for the purpose of its destruction?

(II) Convoy operations.

The Navy during the war had aircraft and vessels for convoying ocean vessels through and outside the 3-mile limit. The convoy was not conducted as a part of the operations of the fleet; it was an independent service.

Mr. WADSWORTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from New York?

Mr. SWANSON. I do.

Mr. WADSWORTH. Was not the convoy a part of the fleet?

Mr. SWANSON. A considerable portion of the fleet was in Hampton Roads; but why adopt an amendment to an Army appropriation bill which, if construed literally, would prevent naval aircraft convoying vessels for a certain distance at sea?

Mr. WADSWORTH. The Senator knows that the fleet includes all the vessels of the Navy?

Mr. SWANSON. But some of these convoys were armed merchant vessels.

Mr. WADSWORTH. But were they not naval vessels?

Mr. SWANSON. To some extent they were.

Mr. WADSWORTH. Were they not actually commanded by naval officers?

Mr. SWANSON. But what is the use of adopting any such legislation as that here proposed? Under the law that now exists the Army does all of the mining within the 3-mile limit; the Navy's mine operations are outside the 3-mile limit. When it is provided that the Army shall control the air service from land bases and that the naval air service shall be limited to specific operations, it might be construed as prohibiting the Navy from operating within the 3-mile limit.

(III) Attacks on enemy submarines, aircraft, or surface vessels engaged in trade prevention or in passage through the sea area.

If an enemy vessel should come within the 3-mile limit on the coast of the United States and naval aircraft were available, they ought to be permitted to destroy it, or at least to attack it; they should not be compelled to remain idle and await the action of the Army, because, after all, naval aircraft are, perhaps, better adapted to that purpose than are the Army aircraft. I think under a strict construction of the amendment that such action could hardly be taken by the Navy.

(e) Alone or in cooperation with other arms of the Navy, or with the Army, against enemy vessels engaged in attacks on the coast.

If an enemy vessel were to come to our shores, whether a war vessel or any other kind of a vessel, if it comes within the 3-mile limit, I see no reason why Navy aircraft should not be permitted to attack it, and why they should not be permitted to engage in scouting work and be on the lookout for such enemy vessels. A literal construction of this amendment, in my opinion, would prohibit such activity on the part of the Navy, while a broad construction of it might not. The Navy has requested that its activities be not restricted in the manner proposed.

I think Gen. Mitchell, when he made the statement to which reference has been made in the hearings had before the House, was entirely unaware of some of the facts and aspects of the situation. If the Navy feels that the Comptroller of the Treasury in interpreting the provisions of the appropriation bill will decide along the lines indicated, I think it would be most unfortunate to add such a provision to the bill.

The Navy must develop aircraft so as to meet the submarines within the 3-mile limit, and to attack other vessels of the enemy that come within the 3-mile limit both here and in the Philippines; and it seems to me to put in a prohibition here to prevent their performing that useful service is not wise. It seems to me the right thing to do, if it is desired to prevent duplication, is to strike out this amendment; let the matter go to conference; and if there is any duplication which it is desired to get rid of, eliminate that duplication. In that event I will be with you; but it does seem to me unwise, in general terms, to put a limitation on the aerial activities of the Navy.

Mr. WADSWORTH. Mr. President, a parliamentary inquiry? What is before the Senate?

Mr. LODGE. I move to strike out the proviso on page 14, beginning in line 20.

The PRESIDING OFFICER. The pending question is on the amendment proposed by the Senator from Massachusetts, which will be stated.

The READING CLERK. On page 14, line 20, after the word "appropriation," it is proposed to strike out the following proviso:

And provided further, That hereafter the Army Air Service shall control all aerial operations from land bases, and that naval aviation shall have control of all aerial operations attached to a fleet, including shore stations whose maintenance is necessary for operations connected with the fleet, for construction and experimentation and for the training of personnel.

AGRICULTURAL APPROPRIATIONS—CONFERENCE REPORT.

Mr. NORRIS. Mr. President, I desire to ask the Senator from new York [Mr. WADSWORTH], who is in charge of the pending bill, if he will agree to lay aside the unfinished business temporarily so that I may submit the conference report on the Agricultural appropriation bill? I should like to say to the Senator from New York in making this request that there is only one amendment in dispute, but it will be an amendment that will perhaps involve some debate, though I do not think very much. I shall also want a roll call on the final disposition of the report. I understand under the rule I can present the conference in any event, but that I can not have it taken up except by unanimous consent under the existing parliamentary situation.

Mr. WADSWORTH. Mr. President, I have every sympathy with the Senator from Nebraska in his desire to secure quick action on the conference report on the Agricultural appropriation, but it is my duty and the duty of the other members of the Committee on Military Affairs to secure quick action on the military appropriation bill, which has not yet reached conference. I understand that the matter in disagreement between the two Houses on the Agricultural appropriation bill is the famous matter of the free distribution of seeds, and I anticipate that the debate to which the Senator from Nebraska has referred may last a little longer perhaps than he thinks.

Mr. NORRIS. As representing the conferees on the part of the Senate, I desire to say to the Senator from New York that I do not expect to debate the amendment further than to state the question and to obtain a vote of the Senate thereon. There may be, however, other Senators who will desire to debate it.

Mr. WADSWORTH. But the Senator says there will be a roll call, which will probably involve the calling for a quorum. We are just about to vote on the amendment of the Senator from Massachusetts [Mr. LODGE], and after that I think there are only a couple of other amendments left to the bill, which may be disposed of in a short time. If the Senator will let me get the Army appropriation bill out of the way, I shall be glad to have the conference report to which he refers considered.

Mr. HARRISON. Mr. President, I merely wish to say to the Senator from New York that I expect to make a motion to recede from the Senate amendment. I do not intend to debate it at all, but merely desire a vote, in order to get the matter out of the way, unless some other Senator desires to speak.

Mr. WADSWORTH. Is it the intention of the Senator from Nebraska to ask for the yeas and nays on the adoption of the report?

Mr. NORRIS. Yes; there will be a record vote. Of course, I am not going to attempt to secure action on the report without the consent of the Senator from New York.

The PRESIDING OFFICER. As the Chair understands, the Senator from Nebraska has not submitted a request for unanimous consent for the present consideration of the conference report?

Mr. NORRIS. No. I submit the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate numbered 93 to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921.

The PRESIDING OFFICER. The conference report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate numbered 93 to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921, having met, after full and free conference have been unable to agree.

A. J. GRONNA,
G. W. NORRIS,
Managers on the part of the Senate.
G. N. HAUGEN,
J. C. MCLAUGHLIN,
GORDON LEE.
Managers on the part of the House.

Mr. WADSWORTH. Mr. President, I shall have to deny unanimous consent on that question, although I regret to do so.

The PRESIDING OFFICER. The Senator from Nebraska does not need to ask unanimous consent to submit the report.

Mr. NORRIS. The Senator from New York does not object to my presenting the report, does he?

Mr. LODGE. That is a privileged question.

Mr. NORRIS. That is a privileged question.

Mr. WADSWORTH. I do not object to that. I object to taking up the report for consideration.

Mr. NORRIS. If the Senator feels that way about it, I shall not insist on the report being considered at this time; but I give notice that to-morrow after the morning hour, or immediately after the disposition of the morning business, I shall call up the conference report for consideration.

Mr. SMITH of South Carolina. May I ask the Senator before he takes his seat if the report presented by him is a final report on the Agricultural bill?

Mr. NORRIS. I can not say that it is. It is a report of disagreement on the only amendment that is left in conference.

Mr. WARREN. The bill has been sent back to conference and there is only one amendment in disagreement. The bill went back to conference, and the conferees now submit another report.

Mr. NORRIS. The last report submitted by the conferees embraced two other amendments, which have been disposed of.

Mr. WARREN. A report was made as to those items and it was accepted; but one item was left in disagreement, so that conferees were again appointed, and they have met again.

Mr. NORRIS. We have met again and present another report.

Mr. WARREN. The conferees have met, tried out the case, and find they can not agree, so they now report the disagreement to the Senate.

Mr. NORRIS. Yes; that is right.

ARMY APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13587) making appropriations for the support of the Army for the fiscal year ending June 30, 1921, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Massachusetts.

Mr. THOMAS. Mr. President, the object sought to be obtained by this amendment was too clearly stated by the Senator having charge of the bill to need any further elaboration. It appears to me that the objections made to his statement are founded upon conditions which are largely, if not entirely, imaginary, certainly under conditions which have any existence in time of peace. If we should be so unfortunate as to encounter another war in the near or the distant future and any embarrassments resulting from this measure should confront the Navy Department, it would be the easiest thing in the world to remove them.

The fundamental object of the amendment is economy, unity, and efficiency in service. I can conceive of nothing more incongruous in legislation than the possibility of such a duplication of the Air Service as to give the Navy Department jurisdiction over the forests of the interior. However, the point I wish to emphasize, Mr. President, is that this discussion has, to my mind, clearly demonstrated the need for placing the Air Service in a separate department authorized to take jurisdiction of and to administer it in all its branches. I think it demonstrates the wisdom of the bill which is now pending, offered by the Senator from Indiana [Mr. NEW], to which he has devoted a great deal of thought, and regarding which he at one time addressed the Senate. Of course, nothing of that kind is at present possible. The suggestion has encountered the combined opposition of both departments, and probably always will; but the ultimate solution of the problem will come when its vast importance is duly appreciated and the conflict of authority and the duplication of administration indicate the necessity of an independent air service, as in years gone by the need was indicated for the separation of the Navy from the War Department.

Mr. LODGE. Mr. President, will the Senator yield for a moment?

Mr. THOMAS. I am through.

Mr. LODGE. I merely wish to say to the Senator in connection with what he has just said that I specifically stated that I was not discussing the question of consolidation.

Mr. THOMAS. I am aware of that.

Mr. LODGE. The consolidation proposed by the Senator from Indiana is a wholly different question.

Mr. THOMAS. The Senator so stated, and I understood him fully.

Mr. NEW. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Indiana?

Mr. THOMAS. I yield the floor.

Mr. NEW. Mr. President, if I may trespass for a few moments on the time of the Senate, I should like to add just a word or two to what the Senator from Colorado [Mr. THOMAS] has said. I think this whole discussion ought to be an object lesson to the Senate itself, but I am pessimistic enough to doubt that that will be its effect.

It is perfectly apparent here that there is involved here the same old question of a difference of opinion between the Army and the Navy. The Senator from Vermont cites a letter from the Secretary of the Navy in which that official refers to this whole matter from the standpoint of the Navy, while the Secretary of War has written another letter, which has been presented here and is now a part of the record in this case, in the course of which the Secretary of War speaks of the objection to the consideration of a naval matter by the Committee on Military Affairs.

I should like to ask the Secretary of War, or the Secretary of the Navy, or any Senator here present, how you are going to refer a matter affecting the aviation service to any given committee of the Senate without in some degree trespassing upon the function of some particular department with which that committee is not in any way connected, and which it does not represent.

If this subject had been referred to the Committee on Naval Affairs, some objection would have been raised by the Army, as it has now been raised by the Navy, because of its consideration by the Committee on Military Affairs, and the Senator from Vermont would find himself and his Naval Affairs Committee assailed for having trespassed upon the functions and affairs of the Army; and so it is, and so it will ever be, until there is a separate department of aviation and a separate committee of each House to consider these questions as they very properly should be considered.

The Secretary of the Navy, Capt. Craven, and the others who have appeared here and who have spoken or written of this subject, speak of it from the Navy standpoint as it affects the question——

Mr. PAGE. Mr. President, may I ask the Senator a question right there?

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Vermont?

Mr. NEW. Yes.

Mr. PAGE. Is it not true that the Army and the Navy are both in absolute accord about this matter, and are not both opposed to the amendment offered by the Senator from New York?

Mr. NEW. Oh, yes; they are in absolute accord on what? They are in absolute accord on the one fact that neither one of them wants to give up anything that his particular department has. That is all. That is the extent to which they are agreed.

Mr. PAGE. But in this case the Secretary of War declines to interfere with the action of the Secretary of the Navy in matters which pertain purely to the Navy.

Mr. NEW. Yes. That is, as the Senator from New York suggested, a case of secretarial reciprocity. That is senatorial courtesy in the Cabinet.

It is exactly true, however, that the Secretary of the Navy and those officers connected with the Navy who have testified on this subject are viewing it from the standpoint of the interests of the Navy, if you please; those who come to speak from the Army are representing the interests of the Army, and neither one of them is speaking from the standpoint of the interests of aviation. They are each considering the whole subject as an adjunct of his particular department, his particular line, and neither of them is regarding the thing from the standpoint from which it should be regarded, and that is as a thing separate and distinct from either of their departments.

Mr. PAGE. Mr. President, may I ask the Senator another question?

The PRESIDING OFFICER. Does the Senator from Indiana further yield to the Senator from Vermont?

Mr. NEW. Yes; I yield.

Mr. PAGE. I should like to ask the Senator what he thinks about the courtesies he suggests when he proposes to take a matter that is very vital to the Navy, and, without a single reference on the part of the Committee on Military Affairs to the Navy, proposes to take away the functions of the Navy and transfer them to the Army without their consent?

Mr. NEW. Mr. President, this does not take away anything, and so far as that is concerned, I want to say now that for months and months I have been endeavoring here to get, just as a matter of agreement, a committee composed of members of the Committee on Military Affairs, the Committee on Naval Affairs, and the Committee on Post Offices and Post Roads, which might sit down and just as a matter of common agreement consider this whole question as one appertaining to aviation, as it concerns and affects all three of these services, and see if we could not agree among ourselves upon some kind of a program, some suggestion that we could make to Congress; and I have not yet been able to get that committee appointed. I never have been able to get it together. Months ago a request was made for the appointment of a committee on aviation, which should deal with this whole subject as it should be dealt with, as one pertaining to aviation and aviation alone. It has been impossible to get such a committee, and here we find ourselves, after months of consideration of this question, right up against the old proposition, the Navy objecting to the consideration of a question by the Committee on Military Affairs. I have no possible doubt that the Army would be quite as vociferous in its objection to a reference to the Committee on Naval Affairs and I think the Post Office Department probably would resent anything that might be decided by either of the other committees, and certainly they would object to anything that might be suggested by the Committee on Post Offices and Post Roads; and there you are.

Congress is perhaps as much to blame for the lack of progress by this country in this most important matter as is anybody else through our failure to apply the only remedy that I think can be applied, and that is by the appointment of a separate committee which can consider this thing independent of the interests of any particular branch of the service and to deal with it on its own merits.

Mr. POINDEXTER. Mr. President, the argument that has just been made by the Senator from Indiana [Mr. NEW] in favor of the unification of aviation control is a very strong argument for the adoption of the amendment proposed by the Senator from Massachusetts [Mr. LODGE] to strike this clause out of this bill and to leave this subject for consideration in a more fundamental way until there is an opportunity by the Senate to determine the question of whether or not there shall be a department of aviation independent of either the Army or the Navy.

It certainly is very inconsistent, if one believes in an independent aviation control, to proceed in the meantime, and before that control has been established, to give the Army jurisdiction over branches of the service which are now controlled by the Navy. That is no advance toward independent control. The Senator from Indiana has just said it should be independent of the Army and should be independent of the Navy. How are we arriving at any such independent control by giving the Army an extended jurisdiction over a service which is now part naval and part military?

There is another suggestion made by the Senator from Indiana to which I want to call attention. It was also made by the Senator from New York [Mr. WADSWORTH]. In fact, I think it was made first by the Senator from New York. He said, in response to the Senator from Vermont [Mr. PAGE], that this amendment would not take anything from the Navy. Well, if it would not take anything from the Navy, why is it proposed? If it does not take anything from the Navy, if it leaves the naval service just as it was before, then we are engaged in a futile discussion, and the amendment of the Senator from Massachusetts ought to be adopted, because the provision, if passed, according to both of its sponsors here, would have no effect. It would simply add to the uncertainty and confusion of this controversy between the two departments.

So far as the duplication of work is concerned, the Senator from New York called attention to Bolling Field, the hangars and machine shops of the Army and of the Navy on this same field, and the cadets in the aviation service of the Navy asking permission to fly the airplanes of the Army at this field.

The adoption of this amendment would not change that situation in any way. There is nothing in the amendment, even though it should have the effect that is apprehended, that would prevent the Navy from still maintaining the aviation service at Bolling Field in connection with the fleet of vessels which are gathered at the navy yard and in connection with the operation of naval vessels to and from the navy yard up and down the Potomac.

Mr. WADSWORTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from New York?

Mr. POINDEXTER. I yield to the Senator.

Mr. WADSWORTH. I had not meant to have it understood that I thought this amendment would prevent naval aviators from doing their service flying in Army machines. I merely indicated that as one of the forms of duplication, and indicated Bolling Field as a duplication of overhead which I hoped some day would all be stopped by having one service; that is all.

Mr. POINDEXTER. I think there is a great deal to be said in favor of the object that the Senator from New York has just stated; but the point I am making is that we are making no progress toward attaining that object by the provision which is now sought to be stricken out. The Senator from New York has repeated, in his last utterance here on the floor, that these conditions that he has used as an illustration would not be improved by the adoption of this provision.

Mr. WADSWORTH. Oh, I think they would be vastly improved. I think they would not be entirely eliminated.

Mr. POINDEXTER. I understood the Senator to say that they would not be changed in any way at all.

Mr. WADSWORTH. Just as to the specific thing which the Senator had mentioned a few minutes before. That would not be changed, but there are many other things which would be prevented.

Mr. POINDEXTER. Now I want to point out just what effect it seems to me this provision would have upon the naval aviation service.

There has already been established between the War Department and the Navy Department a committee called the Joint Army and Navy Aeronautical Board for the purpose of coordinating the air service of the Navy and of the Army and avoiding duplication. That was referred to by the Senator from New York a moment ago when he said that a good deal of this duplication had been eliminated. He stated, I believe, that the coast patrol which heretofore had been maintained by the Navy had now been turned over, by voluntary agreement between the Army and the Navy, to the Army; so that no legislation is necessary to accomplish that, and all other duplication has been eliminated by this board that I have just named.

I have here the division of the branches of the Air Service which has been agreed upon by this board between the two departments. The program is as follows:

Army aircraft: Operations from bases on shore:
(a) As an arm of the mobile Army.
(b) Against enemy aircraft in defense of all shore establishments.
(c) Alone or in cooperation with other arms of the Army or with the Navy against enemy vessels engaged in attacks on the coast, such as—
(I) Bombardment of the coast;
(II) Operations preparatory to or of landing troops;
(III) Operations such as mine laying or attacks on shipping in the vicinity of defended ports.

All of that program of the Air Service, by the voluntary agreement of the joint Army and Navy Board, has been turned over to the Army. No legislation is necessary in order to accomplish that.

In this same program the following has been allotted to the Navy:

Navy aircraft: Operations from mobile floating bases or from naval air stations on shore—
(a) As an arm of the fleet;
(b) For overseas scouting;
(c) Against enemy establishments on shore when such operations are conducted in cooperation with other types of naval forces or alone when their mission is primarily naval;

(d) To protect coastal sea communications by—
(I) Reconnaissance and patrol of coastal sea areas;
(II) Convoy operations;
(III) Attacks on enemy submarines, aircraft, or surface vessels engaged in trade prevention or in passage through the sea area.
(e) Alone or in cooperation with other arms of the Navy or with the Army against enemy vessels engaged in attacks on the coast.

All that is entirely without regard to the operations of a fleet. The fleet might be a thousand miles away, and yet these services would be allowed under this program of the allotment to the branches of the service to be performed by the Navy. I continue reading:

Marine aircraft: The functions normally assigned to Army aircraft shall be performed by the marine aircraft when the operations are in connection with an advance base in which operations of the Army are not represented. When Army and marine aircraft are cooperating on shore, the control of their operations shall be governed by the one hundred and twentieth article of war, United States Army.

If there is to be an independent air service, whether under a board or an independent director or under a department, that is one thing, and it is a very different thing from transferring the powers of one department to the other department. If the functions of one department are to be transferred to the other department, why transfer the naval service to the War Department? Why not reverse it and transfer the Army service to the Navy? You would secure just as much unity of control in that way as you would by transferring the naval air service to the Army. Is there anything in the aviation records of the War Department which would lead to a selection of the War Department in preference to the Navy Department, if you are going to give either one the predominance in the air service of the country?

Mr. NEW. Yes.

Mr. POINDEXTER. The Senator from Indiana says "yes." I suppose he has in mind the fact that the War Department expended a large part of over a billion dollars appropriated and did not get a battle plane of our own make in France. We are somewhat familiar with that record. There is no doubt that the personnel of the Aviation Service of the Army acted in a most creditable way. The training of the men in certain respects was very commendable and the qualifications of our trained flyers were very fine. But the trouble was that under the War Department management they did not have any American battle planes to fly in, and hundreds of them who had been trained at great expense by the Government spent months waiting in France for an opportunity to fly, but the War Department furnished them with no American planes in which to fly.

Mr. NEW. Mr. President, if the Senator from Washington will permit me, of course, I had no reference whatever to the disastrous program for the manufacture of planes which we carried on here during the war; but in answer to the Senator's query as to whether there is a greater reason for giving the control to the War Department or to the Navy Department, if it is to be given to either, I would say that the reason is found in the fact that the Army employs a great many more men and the Army service is several times bigger than the Navy service. The Army can do practically everything that the Navy does, and the Navy can do very little that the Army does. The argument, if it is to be given to either one as against the other, is altogether with the Army.

Mr. POINDEXTER. It is, so far as numbers of men and amount of money appropriated are concerned, but otherwise, so far as the quality of the service is concerned, I do not think the argument is altogether with the Army.

Mr. NEW. I do not think it should be with either.

Mr. POINDEXTER. I do not think necessarily the decision ought to depend on mere size or mere numbers of men.

But that is really aside from the question, as I think this whole provision is aside from the question of the unification of the air-service control. The Navy is not asking that any part of the Army service be transferred to the control of the Navy.

The peculiar situation exists that although the Secretary of War and the Secretary of the Navy are both opposed to this amendment, by some influence, some representations that were made to the committee in the House of Representatives which put this provision in, and which I may say is very much improved, I think, from the standpoint of fairness to the Navy, by the amendments proposed by the chairman of the Senate committee—it is a peculiar situation, that so far from the Navy asking any extension of control of the air service, it is only asking to be let alone, and the head of the War Department is asking the same thing, but nevertheless some influence was exerted upon the House committee, without calling any representative of the Navy Department and giving that department an opportunity to be heard, to present that phase of the question, an amendment has been brought here which if adopted as originally passed by the House and sent to the Senate would revolutionize the relations between these two departments of the Government, and would do so without giving an opportunity for presenting the essential and vital facts upon which the entire matter ought to be decided.

I am told that the head of the Army Air Service has been engaged for a considerable time in agitating this question of a unification of the control of the Air Service, and that it was through his activity and his testimony that this provision for extending the Army control was inserted by the House.

To show the unreliable character of the information upon which, apparently, this provision was inserted, I have here the following statement, furnished to me by an officer of the Navy Air Service, and which I submit on his authority, and not upon mine, which shows that Gen. Mitchell's testimony before the House committee contained a great many errors as to important facts.

Gen, Mitchell, so it is asserted here, argued before that committee that there were a number of unnecessary stations under the control of the Navy in which the Army work was duplicated, and he named Rockaway; Yorktown; Hampton Roads; Coco Solo, Canal Zone; Anacostia, D. C.; New London, Conn.; Dutch Flats, Calif.; Boston, Mass.; Narragansett Bay; Culebra, Canal Zone; Portsmouth, N. H.; Hawaii; and Philadelphia.

Mr. NEW. Mr. President——

The VICE PRESIDENT. Does the Senator yield to the Senator from Indiana?

Mr. POINDEXTER. I yield.

Mr. NEW. I merely wish to inquire of the Senator from Washington if he does not think that that in itself argues a rather remarkable state of facts, that those naval aeronautic stations should have been discontinued and the head of the Army aeronautical service not advised of the fact? Is not that of itself proof conclusive that there is an utter lack of cooperation and coordination between the Army and the Navy?

If the Senator will permit me just one further word, I think, in justice to Gen. Mitchell, it ought to be said that the Senator does not accurately represent his contention. His argument is in favor of a separate service altogether, not definitely locating it with the Army, but a separate service altogether.

Mr. POINDEXTER. In response, apparently, to his information and his testimony, it was to be located, according to this provision, with the Army and put under the Army control. That is the express provision which is the subject of this discussion.

The Senator asked me if this statement on the part of Gen. Mitchell as to the existence of stations which had been abandoned did not indicate a lack of coordination of the services. It certainly indicates a lack of information on the part of the Army of the aviation service of the country, and it certainly does not afford any argument in favor of conferring upon a department which displays such an astounding lack of information about the condition of the aviation service this extended authority which would be given to it by this amendment, even as it is modified by the Senator from New York [Mr. WADSWORTH].

It may be, and I accept the correction, that Gen. Mitchell proposes to have an independent service and does not urge that the services be consolidated in the War Department. All that I say is that apparently upon his testimony the War Department was given this jurisdiction.

Quoting from a letter from the Naval air service addressed to the Senator from Virginia [Mr. SWANSON], it is said:

It may be noted that the Culebra that the Navy has in mind is not the Culebra of the Canal Zone, but the island of Culebra in the Danish West Indies, to the east of Porto Rico. The general then goes on to show a saving due to reduction in personnel necessary to operate these stations. He stated that this saving amounted to $1,625,000. This statement is entirely incorrect and misleading, for at certain of the above-named places no complement of personnel is intended by the Navy. Therefore I fail to see what right Gen. Mitchell has to assign a complement of personnel to these stations and to claim that they are a duplication because of the presence of such personnel. The Navy has no air stations at the following above-named places: New London, Boston, Yorktown, Narragansett Bay, Culebra, and Portsmouth. The Navy has intended to have at these places facilities only for hauling out boats when aviation is cooperating with surface craft.

Mr. President, the Senator from New York stated, I think, at one time, that this proviso would not take from the control of the Navy any branch of the service which it is now conducting, but I think at other times in his argument, rather in conflict with that, he pointed out certain branches of the service which it would take from the Navy. It is either one or the other. If it takes none, then it is useless; if it takes any, then it is making an important change without a hearing.

Mr. WADSWORTH. Of course, the Senator knows I meant legitimate uses of naval aviation.

Mr. POINDEXTER. I accept that statement of the Senator and, of course, what are the legitimate uses is a matter of conflicting opinion.

If we accept the judgment of the joint board which was established as the representative of the two departments, then this provision takes away a number of the legitimate functions of naval aviation. For instance, in this program which has just been marked out by the board, as I have stated, operations "against enemy establishments on shore when such operations are conducted in cooperation with other types of naval forces, or alone when their mission is primarily naval," would not necessarily be in connection with the operations of a fleet. This proviso limiting the Navy control to such services as are in connection with operations of a fleet would prevent the Navy from carrying out this program.

Quoting further from the naval program agreed upon by the joint board—

Reconnaissance and patrol of coastal areas.

That has been allotted to the Navy, exclusively to the Navy, under the voluntary arrangement between the two departments, and yet the amendment, even as amended by the Senator from New York, would deprive the Navy of that control.

So as to convoy operations, unless they were in connection with the operations of a fleet. It might be considered that the escort of a convoy constituted a fleet, but there could very readily be a construction contrary to that, as has been pointed out here by the Comptroller of the Treasury, who might hold that such service was not in connection with the operations of a fleet.

Mr. WADSWORTH. The Senator must know that the term "fleet" includes every vessel in the Navy.

Mr. POINDEXTER. I do not understand that at all. Suppose we have a couple of vessels engaged in escorting a convoy, or a single vessel, even; I do not understand that that would be considered necessarily as a fleet.

Mr. WADSWORTH. Not a fleet, but it is a part of a fleet. The Senator can not mention a naval vessel by name that does not belong to the fleet.

Mr. POINDEXTER. That is a very broad construction and would not necessarily be the definition that would be given by the accounting officers of the Government. I do not think that it is the ordinary definition, and if the Senator will pardon me, I do not think it is an accurate definition of the word "fleet." According to that, any tugboat, isolated as it might be in some port, would be a part of a fleet.

It is only a part of a fleet when it is operating with a fleet. We might have a number of fleets. We have vessels in the Pacific that might properly be designated the Pacific Fleet. We have vessels operating together in the Atlantic described as a fleet, but I do not accept the definition of the Senator from New York that every detached vessel of our naval equipment, of whatever size or character, or whatever work it may be engaged in, that is under the control of the Navy Department, constitutes a fleet or a part of a fleet.

Here is another division of Air Service allotted to the Navy by the joint board:

Attacks on enemy submarines, aircraft, or service vessels engaged in trade prevention, or in passage through the sea area.

Our fleet might be in the south seas. The enemy submarines might be in the north Atlantic. The only recourse, the only defense, the only means of protection that might be available might be by naval airplanes; and if they could not operate under the law except in connection with operations of the fleet, when the fleet was a thousand miles away, it seems to me it would be a somewhat strange state of the law which by this provision would forbid the Navy from engaging in that proper naval operation.

So it seems that the amendment of the Senator from Massachusetts [Mr. LODGE] ought to be adopted, and the provision ought to be eliminated, and the matter ought to be left for consideration upon the proposal of the Senator from Indiana [Mr. NEW], supported by the Senator from New York [Mr. WADSWORTH], for the consolidation of all of the various aerial services of the Government under one head, and until that time has come that we should not complicate the situation by allowing the Army to invade the field of the naval service.

Mr. WADSWORTH. Before the question is put I should like to offer an amendment by way of a perfecting amendment, though perhaps that is not exactly an accurate description of it. I call it to the attention of the Senator from Washington. In line 21, on page 14, after the word "hereafter," I move to insert the words "in time of peace."

Mr. LODGE. There is no objection to that.

The amendment to the amendment was agreed to.

Mr. WADSWORTH. In line 21, same page, after the word "all," I move to insert the word "military." That is to prevent any conflict with the coastal department.

Mr. LODGE. There is no objection to that amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. POINDEXTER. I should like to have the proviso read as now amended.

The VICE PRESIDENT. The Secretary will read the proviso as amended.

The Assistant Secretary read as follows:

And provided further, That hereafter in time of peace the Army Air Service shall control all military aerial operations from land bases, and that Naval Aviation shall have control of all aerial operations attached to a fleet, including shore stations whose maintenance is necessary for operations connected with the fleet, for construction and experimentation, and for the training of personnel.

The VICE PRESIDENT. The question is on the motion of the Senator from Massachusetts to strike out the proviso as amended.

On a division, the motion was agreed to.

The ASSISTANT SECRETARY. The next amendment passed over will be found on page 15, where the Senate committee proposes to strike out lines 20 to 25, inclusive, as follows:

For the acquisition, by purchase, condemnation, or otherwise, of 640 acres of land, more or less, and the appurtenances thereunto belonging, situate in Macomb County, State of Michigan, now occupied by the Air Service of the Army as an aviation station, and known as Selfridge Field, not to exceed $190,000.

Mr. TOWNSEND. Mr. President, I hope that the amendment will not be agreed to. This provision was adopted by the Senate at one time and failed to receive consideration in the House. The House Committee on Military Affairs incorporated it in the bill and the Senate committee disagreed to it. It was not considered by the Senate committee, as I understand the matter, but went out on the theory that it properly should be considered by the Committee on Appropriations in connection with the sundry civil appropriation bill.

I paid no attention to it myself, because when the House adopted it, knowing that the Senate had agreed to it heretofore, I took no further interest and did not notify the committee that I hoped it would be retained. When I learned that the Senate committee had stricken it out, I then went to the committee. I went to the Committee on Appropriations, which was then in session, thinking that it would be placed in the sundry civil appropriation bill, if true that the objection to it was that it properly belonged there. I was then told that inasmuch as it had passed the House and was on the Army appropriation bill it would be better to bring it up here and ask the Senate to disagree to the committee amendment.

I will briefly state the facts in the case. This item proposes an appropriation of $190,000 to purchase Selfridge Field, between Mount Clemens and Detroit, Mich. It is a field consisting of 640 acres of land, upon which the Government has already expended something over $2,300,000. It has an option from the owner of the property to purchase it at $190,000. It was not purchased at that time, but condemnation proceedings were instituted. When I asked the department why condemnation proceedings were instituted, I was told that they did not wish to be subjected to any criticism in the purchase of any property of this kind, and therefore they thought it best to institute the proceedings, because if a jury should find that it was worth more than $190,000 the option would compel the owner to sell for that sum anyway.

Mr. President, this property is worth a great deal more than $190,000. The owner of the property is not insisting at all that the appropriation shall be made, although he is perfectly willing that the Government should have the field, which was prepared for this particular service. I am satisfied myself that if the Government did not intend to use the property as a flying field it would still be the duty of the Government to buy it and dispose of it for a larger sum than the cost price. I am told that the property would sell to-day for at least half a million dollars and probably for a larger sum.

I repeat that the Government expended over $2,300,000 on the field. If we are to embark in the flying business in this country, if we are to conduct aircraft experiment and conduct an aircraft division under the Government, it seems to me we need this field near Detroit.

Mr. THOMAS. May I ask the Senator what the distance is from Detroit to this field?

Mr. TOWNSEND. I have never been to it.

Mr. THOMAS. Approximately?

Mr. TOWNSEND. I should think perhaps 12 or 15 miles. It is between Mount Clemens and Detroit. It is on the Lake front. It is a very valuable piece of property as it has now been arranged. It is in the north central region of the country. The aircraft department believes that we need an aerodrome there and that we need the field for the purpose of training

fliers. It is in the very center of aircraft production. There is opportunity there for constructing planes, for training men, and the public interest is very great indeed. I believe it is conceded, at least from all the information I can obtain on the subject, that it is one of the best located fields in the United States. May I just read a letter that was submitted to me in the form of a memorandum of this subject? It is directed to me, and is as follows:

1. The Air Service is desirous of acquiring Selfridge Field and the fundamental considerations still exist and point particularly to the necessity for its retention, owing to its strategic location, both from a military and an aircraft producing standpoint. The following are some pertinent facts relating to Selfridge Field:

(a) Acreage, 640; cost of construction, $2,385,770.53; cost to acquire, $190,000.

That is the option price; that is what it will cost the Government to obtain it.

Annual rental—

We do not own it—

$13,500.

(b) This field was one of the group selected by the General Staff of the War Department for retention by the Air Service.

(c) The subcommittee of the House Military Committee which investigated the purchase of fields for the Air Service recommended Selfridge Field for retention. A bill for the purchase of this field was passed by the House recently and several months ago was passed by the Senate.

(d) Selfridge Field is the only field in the north central section of the United States, and it is very essential that an aerodrome be maintained in this locality on account of its strategic value. This field is a terminus of a chain of Air Service stations for aerial communication through the east Central States, north and south.

(e) The Air Service desires to use Selfridge Field for the organization, training, and maintenance of aero squadrons in pursuit and aerial gunnery. This field is located on Lake St. Clair, and due to the fact that the water is very shallow in that vicinity the Air Service would be able to carry on aerial target practice without danger to the civil population and without any additional expense to the Government in providing facilities for such training.

(f) There are a large number of reserve military aviators in the north Central States; and, in order that these reserve pilots may keep up their flying training with a minimum of expense to themselves and a maximum of result to the Government, it is necessary that a flying field be retained in this part of the country. Should the War Department organize reserve aero squardons at some future date a field would be needed in this locality, and it is believed that Selfridge Field fully meets all the requirements for such purposes.

(g) In view of the cost of construction of this flying field and the investment of the Government, it is believed that it will be economical to the Government to acquire this field for permanent use.

2. The above reasons, although previously presented to the Committees on Military Affairs, both of the Senate and House, in connection with H. R. 8819, are in no way modified by any conditions which have arisen since that time.

W. E. GILLMORE,
Colonel, A. S. A., Chief, Supply Group.

Mr. President, I repeat if I had known that there was any question in reference to the favorable consideration of this item by the Committee on Military Affairs, I should have appeared before the committee; but assuming that what the Senate having done they would do again, especially as the House had passed it, and recognizing the fact that the property itself is now worth much more than the Government is called upon to pay for it, I have felt that it was entirely proper that the Senate should understand the situation, and, understanding it, I had hoped that they would agree to this amendment and permit this item to be retained in the bill as the House has inserted it.

Mr. WADSWORTH. Mr. President, the Committee on Military Affairs has had a most difficult time keeping track of these purchases of land. The Committee on Appropriations has had an equally difficult task. The time was when permanent investments on the part of the Government for the use of the Army were handled, as I understand, by the Committee on Appropriations. Especially was that true when any matter involving the purchase of real estate was concerned.

It is true, of course, that the Military Affairs Committee has often reported appropriations for the erection of buildings upon land already owned by the Government. Some of the members of the Committee on Appropriations have been complaining during the last year that the practice of the Committee on Military Affairs of giving consideration to questions affecting land purchases ought to stop or else the Committee on Military Affairs ought to take over the whole subject. During the war, of course, when hurry calls came from the War Department, their first and easiest channel of approach was through the Military Affairs Committee, and we abandoned, as most of the other committees of the Senate abandoned, all previous customs and divisions of functions. So the Committee on Appropriations appropriated money for the purchase of land for the Government to be used by this or that department, and the Committee on Military Affairs reported appropriations to enable the Government to purchase land for the Army. Of course, that procedure can not go on; it is utterly impossible to do business in that way. Some one committee has got to know how much land the Government is buying for all purposes.

So, as I have said, there has been a good deal of impatience expressed, notably by the chairman of the Committee on Appropriations, who is also a member of the Committee on Military Affairs. He has said many times in the Committee on Military Affairs that it is utterly impossible for him to keep track of both committees at the same time, as very often they meet at the same hour, and different conferences are going on at the same time, all involving purchases of this kind.

Accordingly the Committee on Military Affairs, so far as it is able to do such a thing, agreed to go back to the old policy of refusing to appropriate money for the purchase of land and allowing such matters to be taken care of by the Appropriations Committee. Therefore, we struck out of the pending bill the provision for the purchase of Selfridge Field; we struck out of the bill the item for the purchase of land at Leon Springs, Tex.; and we struck out of the bill the appropriation for the purchase of a little piece of land in Boston, on the theory that those matters should be taken care of in the sundry civil bill. I think we would not have done so in any one of those three cases had there really been a great emergency connected with the proposals for the purchases, but, as we understand, there is no real emergency in the matter of Selfridge Field or Leon Springs or Boston. I understood the Senator from Michigan to say that a bill for the purchase of Selfridge Field had gone through both Houses of Congress.

Mr. TOWNSEND. The letter which I have just read from Col. Gillmore states:

A bill for the purchase of this field was passed by the House recently—

Mr. WADSWORTH. Yes.

Mr. TOWNSEND. The letter continues:

And several months ago was passed by the Senate.

I assume that Col. Gillmore knows what he is talking about.

Mr. WADSWORTH. If the bill passed the House recently, how could it have been passed by the Senate several months ago?

Mr. TOWNSEND. It passed the Senate first, I take it, without receiving any consideration by the other House, or some similar bill passed, or a bill in some other form. I have not looked the matter up, but the House has now passed the legislation and it comes to the Senate for action on the pending bill.

Mr. WADSWORTH. I think Col. Gillmore is mistaken as to that. The only bill of which I have any recollection that has had to do with the purchase of fields or the completion of construction at fields is one a copy of which I hold in my hand, Public No. 151, Sixty-sixth Congress, which was originally House bill 8819, which was approved February 28, 1920—last winter. That carries an item of $35,000 for some general construction at Selfridge Field, but it does not provide for buying the field. It is that bill, a copy of which I have, which contains the appropriations for the purchase or the completion of the purchase of the fields which the War Department stated they must have. After much discussion, both in the House and in the Senate, with which, so far as the Senate is concerned, the Senator from Wisconsin [Mr. LENROOT] is thoroughly familiar, the bill was made up, and Selfridge Field was not included as one of the fields the purchase of which should be completed. The General Staff in their recommendations for appropriations to be given by Congress carry Selfridge Field to-day as one of those fields awaiting the declaration of the policy of Congress with respect to it. So Selfridge Field has been in the balance, so to speak; the department has been waiting to see what Congress was going to do, and Congress has not thus far pledged itself or declared its policy in connection with its purchase.

Mr. TOWNSEND. Mr. President, I recall very well when the so-called emergency bill was before the Senate. I raised the question at that time when the Senator from Missouri [Mr. SPENCER], as I recall, had charge of the bill. I think the committee was then favorable to the purchase of Selfridge Field, but that was a sort of emergency bill. They appropriated $35,000 to complete some improvements on this particular piece of land, but I have never known, from any source, anything but approval of the proposition to purchase Selfridge Field. I have called up the department, and they are all favorable to it. I have presented the proposition largely from a business standpoint. There can be no denial, in my judgment, of what I have stated with reference to the value of this property.

I desire, however, to speak concerning the parliamentary situation for just a moment. Perhaps there will be no virtue in so doing, but I wish to repeat what I have said before, that I first took this matter up with the committee headed by the Senator from Missouri, but I was told that only emergency matters were to be considered and that it must wait until the general military appropriation bill was before the Senate.

That bill came to the Senate from the House with this item in it; it was referred to the committee, and the Senator from Indiana stated he would take care of it, as he was very much in favor of it, and I paid no more attention to it. When I learned the other day that objection had been made by the Senator from Wyoming [Mr. WARREN] that this was not a proper subject to go on the military appropriation bill but should find a place in a bill coming from the Appropriations Committee, I went to that committee immediately, as they were in session, and presented the situation just as it had been presented to me. I was told that the Senator from Wyoming was not there when this item was passed upon, but that it had been generally agreed to that items of purchase should go on the appropriation bill. I then suggested that we put it on the bill which was being considered at that time, namely, the sundry civil bill, but was told inasmuch as it had been placed on the Army appropriation bill in the House and objection would not be raised, that it had better be left on that bill and allow the Senate itself to pass upon the question whether or not the committee amendment should be agreed to. So I did not urge upon the committee having in charge the sundry civil bill the consideration of the item, because I was discouraged from so doing.

The Senator from New York says it is not an emergency matter. Possibly not, although I presume that in years to come that field or some other property will be purchased; but I am wondering if it is not the part of good business to retain a piece of property upon which the Government has expended $2,380,000 or thereabouts by paying the option price of $190,000, for which it can be obtained now, rather than allow it to go back to those who own it, and who are perfectly willing to take it back. It is a lake-front piece of property consisting of 640 acres and is worth from $500,000 to $1,000,000 at least to-day, without any regard as to whether it is used for military purposes or otherwise. It is, as I have said, a valuable piece of property, and I think the Government ought to buy it by paying the option price of not to exceed $190,000 and take it. Of course, under condemnation proceedings if a jury should find that it was worth less than $190,000 the Government would not pay any more than the jury should find; but a jury, in my opinion, would find it to be worth probably a million dollars, although the Government will not have to pay more than the option price of $190,000. So the Government stands to win and not lose on a proposition of this kind. For these reasons I feel that this property ought to be purchased.

Mr. LENROOT. Mr. President, I was a member of the subcommittee of the Committee on Military Affairs that considered the purchase of a very large number of these aviation fields purely from an emergency standpoint. At that time our subcommittee found that although the War Department had leases and options upon practically every one of these fields, running in many instances to as late as 1923, and in some cases for an annual rental as low as $1 a year, nevertheless in the face of all that, after the signing of the armistice they proceeded in many cases to exercise the option and to bind the Government to purchase this property—a case where they clearly had the legal right to do that which they did do, but, like many other things that have been done by the War Department, a very clear violation of the trust reposed in them in using the appropriations made for the purpose of carrying on the war to undertake by themselves to establish a future military policy for the Government without any action of Congress. This subcommittee in the consideration of these various matters undertook to take care of those cases where, on the one hand, the War Department had legally obligated the Government for the purchase price, and, in the second place, where the Government, having expended a very large amount of money and not being protected by options running into the future, would suffer a loss unless this real estate was purchased.

There were so many of these cases that my recollection as to Selfridge Field may not be entirely accurate; but it is my recollection that as to Selfridge Field we have an option on the purchase price of $190,000 running to 1921 or 1922. Perhaps the Senator from Michigan can tell me more accurately as to that.

Mr. TOWNSEND. The option expires the last part of next month.

Mr. LENROOT. But in the lease there is a provision for a renewal of the option and the lease, is there not?

Mr. TOWNSEND. I have not seen the option, but that is not my understanding.

Mr. LENROOT. I think that is the fact—that in each one of these cases there is the option upon the part of the War Department to renew both the lease and the option, I think in most cases running for five years from the date of the original lease; and I feel very certain that the Government is protected in this way in Selfridge Field.

In view of the present condition of the Treasury, and in view also of the fact that neither the Committee on Military Affairs nor any other committee of Congress thus far, as far as I know, has undertaken either to establish or to approve a policy with reference to permanent aviation fields in the country, I think we ought not to be making appropriations now, if the Government is protected, without that investigation being made by some committee of the Senate. The subcommittee to which I have referred did not make that investigation because I think all the members of the subcommittee—at least, all the Republican members, and I think the same was true of the Democratic members—were new Members of the Senate, who were not familiar with the aviation question; and I personally felt that when it came to the establishment of a policy as to how many aviation fields should be permanently established in the country that was a matter that should be passed on by Senators who were familiar with the entire question, and our subcommittee was not, and that the province of our subcommittee was merely to treat these matters as emergency matters so as to protect the Government in the expenditure that had already been made.

If I understand the situation correctly, the Government will not lose any rights if this property is not purchased now. If I understand the situation correctly, the original lease was to provide for a renewal of the lease and the option; and if that be true, this is no time for expending large amounts of money out of the Treasury of the United States for the purchase of real estate which can as well be purchased later on.

Mr. WARREN. Mr. President, as a member of the Military Affairs Committee I have not been able to attend as constantly as I should the meetings of the committee when preparing this appropriation bill. As to aviation, that, as we all know, is of comparatively late date before the Congress, and I have not taken it up as one of those things concerning which I expected to perfect my information or education.

As to this particular item, I did not hear all that the Senator from Michigan [Mr. TOWNSEND] said, but he involved somewhat the Committee on Appropriations. I wish to say, first, that until the confusion of war and the abrogation of peace-time rules and, I might almost say, principles, the purchase of land by the Government for new Army posts, for the extension of posts, and for new buildings, as well as other public buildings in the way of courthouses, post offices, and so forth, was always taken care of in the sundry civil bill. In cases of great emergency such items have at times been inserted in deficiency bills. I think I have stated that before the Committee on Military Affairs. I have done it without any desire to take anything from that committee over on to any one of the general appropriation bills, because I am not jealous of the joys that may come from enlarging the duties of other committees through absorption of certain appropriation items from sundry civil bills. At the present time, however, I think the Committee on Military Affairs, without so much reference to what had been the rule of peace times as to what the committee had immediately before it, did take into consideration the shunning of all expenses for land except what were considered emergency cases.

As to the particular field in question, I do not know whether it is an emergency case or not. I am not opposed to it, nor do I want to favor it or any other bill until we have a little more information about what the particular terms of the contract are; but in framing the sundry civil bill, which is now ready for calling up for consideration, the House has almost entirely failed to cover matters of public buildings and land, and, in fact, has granted nothing for rivers and harbors except what is in the nature of continuation of contracts, and so forth. The House went on record—not only the House committee but the House itself—with a good deal of emphasis on a rule of no appropriations for land or new buildings, so that when the matter was brought to me as chairman of the Appropriations Committee I stated very frankly that we did not have the information we should have, and I did not believe we had any chance to get it through conference if we put it on the pending sundry civil bill, and that if it could not be considered by the Military Affairs Committee the only hope for this year would be to have it follow, as many another thing has followed during war times, for consideration in the deficiency bill which is now being considered in the House committee, where any new matter should be presented.

I doubt very much whether they are going to provide for buying lands in that bill; but the matter could be and would be, if estimated for and presented with proper evidence, a subject for

consideration in the next annual sundry civil bill. I understand from the Senator from Wisconsin [Mr. LENROOT]—and I assume that he is correct about it—that this option may rest for another year; so, without undertaking to oppose or to urge this proposition, I want to set the matter right before the Senate and before the Senator from Michigan.

The VICE PRESIDENT. The question is on agreeing to the committee amendment, which the Secretary will state.

The ASSISTANT SECRETARY. On page 15, the committee report to strike out lines 20 to 25, inclusive, in the following words:

For the acquisition, by purchase, condemnation, or otherwise, of 640 acres of land, more or less, and the appurtenances thereunto belonging, situate in Macomb County, State of Michigan, now occupied by the Air Service of the Army as an aviation station and known as Selfridge Field, not to exceed $190,000.

On a division, the amendment was rejected.

The VICE PRESIDENT. The Secretary will state the next amendment passed over.

The ASSISTANT SECRETARY. On page 34 the Senator from New York [Mr. WADSWORTH] proposes as an amendment, on line 1, after the word "receipts," to insert the following:

Provided further, That authority is hereby granted the Secretary of War to sell or otherwise dispose of, in accordance with law and regulations, the United States Army transports *Sherman, Sheridan, Thomas, Logan, Buford, Kilpatrick, Crook,* and *Warren: And provided further,* That $2,400,000 of the sum derived from such sale may be used for the purpose of reimbursing the United States Shipping Board for necessary improvements and alterations to the 12 transports now being constructed by the United States Shipping Board for the use of the War Department, as permanent transports to replace the aforementioned United States Army transports of which the sale is authorized herein.

Mr. JONES of Washington. I did not hear clearly the reading of the amendment. Has the Senator a provision in it under which these boats might be used in the coastwise trade?

Mr. WADSWORTH. It is the same amendment that I offered on Saturday, which the Senator from Washington wanted a chance to examine, and it went over.

Mr. JONES of Washington. I merely made the suggestion. I have no objection to the amendment, but I thought it would help in the sale of these ships if we had a provision similar to that.

Mr. WADSWORTH. Let it go to conference, and if there is any trouble about it we can amend it in conference.

Mr. JONES of Washington. The conferees might not be able to put in such a provision. I suggest the following amendment to the amendment:

And provided further, That if sold to citizens of the United States such vessels may engage in the coastwise trade so long as they remain wholly the property of citizens of the United States.

Mr. WADSWORTH. I have no objection to that amendment to the amendment.

Mr. JONES of Washington. I think that probably would assist in getting a better price for the vessels.

The VICE PRESIDENT. The Secretary will state the amendment to the amendment.

The ASSISTANT SECRETARY. Add at the end of the proposed amendment the following proviso:

And provided further, That if sold to citizens of the United States such vessels may engage in the coastwise trade so long as they remain wholly the property of citizens of the United States.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The VICE PRESIDENT. The Secretary will state the next amendment passed over.

The ASSISTANT SECRETARY. It will be found on page 44. The committee report to strike out the proviso beginning after the numerals "$50,000," in line 13, in the following words:

Provided, That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $88,880 for the acquisition of land as an addition to the Leon Springs Military Reservation in Texas, heretofore authorized, and now in use as a target range for Camp Travis, Tex.

Mr. SHEPPARD. I trust this committee amendment, striking out the provision inserted by the House, will be disagreed to. It would be the worst sort of business judgment not to purchase the land in question. It is not even the case of land obtained through the exercise of options that were taken during the war. It is the case of land authorized by the Army appropriation bill of June 30, 1919. While purchase was in process the act of July 11, 1919, containing restrictions on the purchase of real estate, was passed, and further procedure was suspended. The act of July 11, 1919, was not aimed at purchases like this. It was aimed at purchases on options taken during the war in connection with war emergencies, but its terms were held by the comptroller to embrace land purchases of all descriptions which had not been completed on July 11, 1919.

Let me quote what the War Department says about this particular property:

There has already been constructed on the land in question, at a cost of $70,000, a target range which has been in use by the troops stationed in the vicinity of Fort Sam Houston, Tex. A target range in this vicinity is a vital necessity for the proper training of the troops. The land on which this target range is already erected is held on options which expire on June 30, 1920, and at prices ranging from one-half to one-third the prices now asked for ground in this vicinity. The target range already built on this land could not be rebuilt at the present time for less than $120,000. In addition, if the land is returned to its owners it will be necessary to restore it to its original condition or pay damage claims. It is estimated that this will be equal to or in excess of the present option prices to purchase.

In view of the fact that the failure to buy will involve the Government in a financial loss, it would seem the part of good business to make the purchase now. I hope that the committee amendment will be disagreed to. The construction of a new target range will be a far more expensive proposition than the purchase of this land and the retention of the present range.

Mr. WADSWORTH. This item falls in the same category as the one discussed by the Senator from Michigan.

Mr. SHEPPARD. The Senator from New York knows that I did not further insist on this target range item when the committee announced its policy of not incorporating purchases of this kind in the bill, but since the Senate has taken the position it has with regard to land in Michigan, I believe it but proper that this purchase should be also authorized.

Mr. WADSWORTH. There are only a few Senators here and I suppose what I have to say will not have much weight with the Senate. The Senator from Texas has expressed it exactly right. If you do it for one, you had better do it for everyone else. The Senate has seen fit to put Selfridge Field back in the bill, and therefore Boston must go back in the bill; and when we get to other things I think we might as well go back and include the item of the Senator from Kansas [Mr. CURTIS] at Leavenworth, and have all of the Senators who stay here and attend to business get what they want, and not the other Senators who have paid no attention to the bill.

Mr. SMOOT. Before we take a vote on this question, I think we had better have more Senators here than we have now.

Mr. WADSWORTH. I am not in opposition to Leon Springs, I am not in opposition to Boston, and I am not in opposition to the Selfridge item. The committee made a sincere effort to reestablish consistency in the management of the finances of the Government, and we find, after carefully explaining it to the Senate, that all the Senators who have any items in the bill affecting their own States have left the Chamber, and the Senators who have no items affecting their own States stay in the Chamber and change the policy of the committee.

Mr. KING. I should like to inquire of the chairman of the committee whether there will be an opportunity for another vote on the amendment which was voted upon a few moments ago? Will an opportunity be given later on to reconsider that matter?

Mr. WADSWORTH. I am only speaking for myself, of course.

Mr. KING. If not, I shall move to reconsider the vote by which the amendment of the committee was rejected. I came into the Chamber after having been called out, and I voted——

Mr. WADSWORTH. My opposition is not to these items as such, on their merits especially. It is just as I said a moment ago, I am opposed to their being placed on this bill. The Committee on Military Affairs reached an agreement with the chairman of the Committee on Appropriations that we would not do it. That is the truth of it. It may be that members of the Committee on Military Affairs, when they learn that one exception has been made, will decide that we might as well make exceptions of them all, but I am not going to change; I am going to stand by the agreement that the committee made when it was in solemn session in the room of the Committee on Military Affairs. I do not know whether it will be incumbent upon me to reserve a separate vote on all these little items in the Senate. I do not know that much is to be gained by that.

Mr. KING. If the Senator will permit me, I reserve the right for a separate vote on that last item.

Mr. WADSWORTH. That is, of course, the right of the Senator from Utah.

Mr. SHEPPARD. In order that the Senate may have a full opportunity to again pass on the policy of the committee, and in view of the fact that the question is to be raised again in the Senate when the bill is reported from Committee of the Whole to the Senate, I shall not move this disagreement at present, but will await further action of the Senate on the other proposition.

Mr. WADSWORTH. The Senator will have to reserve something.

Mr. SMOOT. If the Senator wants a separate vote he will have to have the matter voted on in Committee of the Whole, because if the amendment of the committee is agreed to when it comes into the Senate the Senator will have it reserved for a separate vote.

Mr. SHEPPARD. Then I ask the Senate to take at least tentative action on my proposition now.

Mr. SMOOT. I am going to ask the Senator from New York, inasmuch as it is after 5 o'clock now, if it would not be best to take a recess at this time and leave the amendment pending, and then we shall have a quorum to vote upon it in the morning.

Mr. SHEPPARD. I understood the Senator to say it would be necessary to take a vote on it before we went into the Senate.

Mr. SMOOT. It will be pending, and the vote will come up to-morrow morning.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had approved and signed the following acts:

On May 21, 1920:

S. 2448. An act for the relief of certain officers of the United States Army, and for other purposes.

On May 22, 1920:

S. 1699. An act for the retirement of employees in the classified civil service, and for other purposes.

MANDATE OVER ARMENIA (H. DOC. NO. 791).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Foreign Relations, and ordered to be printed:

GENTLEMEN OF THE CONGRESS:

On the fourteenth of May an official communication was received at the Executive Office from the Secretary of the Senate of the United States conveying the following preambles and resolutions:

"Whereas the testimony adduced at the hearings conducted by the subcommittee of the Senate Committee on Foreign Relations have clearly established the truth of the reported massacres and other atrocities from which the Armenian people have suffered; and

"Whereas the people of the United States are deeply impressed by the deplorable conditions of insecurity, starvation, and misery now prevalent in Armenia; and

"Whereas the independence of the Republic of Armenia has been duly recognized by the Supreme Council of the Peace Conference and by the Government of the United States of America: Therefore be it

"*Resolved*, That the sincere congratulations of the Senate of the United States are hereby extended to the people of Armenia on the recognition of the independence of the Republic of Armenia, without prejudice respecting the territorial boundaries involved; and be it further

"*Resolved*, That the Senate of the United States hereby expresses the hope that stable government, proper protection of individual liberties and rights, and the full realization of nationalistic aspirations may soon be attained by the Armenian people; and be it further

"*Resolved*, That in order to afford necessary protection for the lives and property of citizens of the United States at the port of Batum and along the line of the railroad leading to Baku, the President is hereby requested, if not incompatible with the public interest, to cause a United States warship and a force of marines to be dispatched to such port with instructions to such marines to disembark and to protect American lives and property."

I received and read this document with great interest and with genuine gratification, not only because it embodied my own convictions and feelings with regard to Armenia and its people, but also, and more particularly, because it seemed to me the voice of the American people expressing their genuine convictions and deep Christian sympathies, and intimating the line of duty which seemed to them to lie clearly before us.

I cannot but regard it as providential, and not as a mere casual coincidence that almost at the same time I received information that the conference of statesmen now sitting at San Remo for the purpose of working out the details of peace with the Central Powers which it was not feasible to work out in the conference at Paris, had formally resolved to address a definite appeal to this Government to accept a mandate for Armenia. They were at pains to add that they did this, "not from the smallest desire to evade any obligations which they might be expected to undertake, but because the responsibilities which they are already obliged to bear in connection with the disposition of the former Ottoman Empire will strain their capacities to the uttermost, and because they believe that the appearance on the scene of a power emancipated from the prepossessions of the Old World will inspire a wider confidence and afford a firmer guarantee for stability in the future than would the selection of any European power."

Early in the conferences at Paris it was agreed that to those colonies and territories which as a consequence of the late war have ceased to be under the sovereignty of the States which formerly governed them and which are inhabited by peoples not yet able to stand by themselves under the strenuous conditions of the modern world there should be applied the principle that the well being and development of such peoples form a sacred trust of civilization, and that securities for the performance of this trust should be afforded.

It was recognized that certain communities formerly belonging to the Turkish Empire have reached a stage of development where their existence as independent nations can be provisionally recognized, subject to the rendering of administrative advice and assistance by a mandatory until such time as they are able to stand alone.

It is in pursuance of this principle and with a desire of affording Armenia such advice and assistance that the statesmen conferring at San Remo have formally requested this Government to assume the duties of mandatory in Armenia. I may add, for the information of the Congress, that at the same sitting it was resolved to request the President of the United States to undertake to arbitrate the difficult question of the boundary between Turkey and Armenia in the Vilayets of Erzerum, Trebizond, Van, and Bitlis, and it was agreed to accept his decision thereupon, as well as any stipulation he may prescribe as to access to the sea for the independent State of Armenia. In pursuance of this action, it was resolved to embody in the treaty with Turkey, now under final consideration, a provision that "Turkey and Armenia and the other high contracting parties agree to refer to the arbitration of the President of the United States of America the question of the boundary between Turkey and Armenia in the Vilayets of Erzerum, Trebizond, Van and Bitlis, and to accept his decision thereupon as well as any stipulation he may prescribe as to access to the sea for the independent State of Armenia"; pending that decision the boundaries of Turkey and Armenia to remain as at present. I have thought it my duty to accept this difficult and delicate task.

In response to the invitation of the council at San Remo, I urgently advise and request that the Congress grant the Executive power to accept for the United States a mandate over Armenia. I make this suggestion in the earnest belief that it will be the wish of the people of the United States that this should be done. The sympathy with Armenia has proceeded from no single portion of our people, but has come with extraordinary spontaneity and sincerity from the whole of the great body of Christian men and women in this country by whose free-will offerings Armenia has practically been saved at the most critical juncture of its existence. At their hearts this great and generous people have made the cause of Armenia their own. It is to this people and to their Government that the hopes and earnest expectations of the struggling people of Armenia turn as they now emerge from a period of indescribable suffering and peril, and I hope that the Congress will think it wise to meet this hope and expectation with the utmost liberality. I know from unmistakable evidences given by responsible representatives of many peoples struggling towards independence and peaceful life again that the Government of the United States is looked to with extraordinary trust and confidence, and I believe that it would do nothing less than arrest the hopeful processes of civilization if we were to refuse the request to become the helpful friends and advisers of such of these people as we may be authoritatively and formally requested to guide and assist.

I am conscious that I am urging upon the Congress a very critical choice, but I make the suggestion in the confidence that I am speaking in the spirit and in accordance with the wishes of the greatest of the Christian peoples. The sympathy for Armenia among our people has sprung from untainted consciences, pure Christian faith, and an earnest desire to see Christian people everywhere succored in their time of suffering, and lifted from their abject subjection and distress and enabled to stand upon their feet and take their place among the free nations of the world. Our recognition of the independence of Armenia will mean genuine liberty and assured happiness for her people, if we fearlessly undertake the duties of guidance and assistance in-

volved in the functions of a mandatory. It is, therefore, with the most earnest hopefulness and with the feeling that I am giving advice from which the Congress will not willingly turn away that I urge the acceptance of the invitation now formally and solemnly extended to us by the council at San Remo, into whose hands has passed the difficult task of composing the many complexities and difficulties of government in the one-time Ottoman Empire and the maintenance of order and tolerable conditions of life in those portions of that Empire which it is no longer possible in the interest of civilization to leave under the government of the Turkish authorities themselves.

WOODROW WILSON.

THE WHITE HOUSE,
24 May, 1920.

CONFIRMATION OF ROBERT R. CARMAN.

Mr. NELSON. I ask unanimous consent, as in open executive session, to report favorably from the Committee on the Judiciary the nomination of Robert R. Carman, of Baltimore, Md., to be United States attorney. The Senator from Maryland is very anxious to have Mr. Carman confirmed, and I ask that that may be done.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will state the nomination:

The ASSISTANT SECRETARY. As in open executive session, from the Committee on the Judiciary, Robert R. Carman, of Baltimore, Md., to be United States attorney for the district of Maryland, vice Samuel K. Dennis, resigned, effective May 31, 1920.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and the nominee is confirmed, and the President of the United States will be notified of the confirmation.

CONFIRMATION OF ALEXANDER C. KING.

Mr. SMITH of Georgia. I ask the Senator from New York if he will not allow us to have an executive session to consider the nomination of a circuit judge for the fifth circuit of Georgia, which was unanimously reported from the Committee on the Judiciary.

Mr. SMOOT. Let the nomination be considered as in open executive session.

Mr. SMITH of Georgia. If there is not to be an executive session, with closed doors, I ask that the nomination be confirmed in open executive session.

Mr. WADSWORTH. I have no objection.

The VICE PRESIDENT. The Chair hears no objection, and the nomination will be stated.

The ASSISTANT SECRETARY. As in open executive session, from the Committee on the Judiciary, Alexander C. King, of Atlanta, Ga., to be United States circuit judge, fifth circuit, vice Don A. Pardee, deceased.

The VICE PRESIDENT. Is there objection? The Chair hears none, the nomination is confirmed, and the President of the United States will be notified of the confirmation.

CONFIRMATION OF STEPHEN T. LOCKWOOD.

Mr. KING. As in open executive session, I report from the Committee on the Judiciary the nomination of Stephen T. Lockwood, of Buffalo, N. Y., to be United States attorney for the western district of New York, a reappointment, his term having expired, and I ask for action upon it.

The VICE PRESIDENT. Is there objection? The Chair hears none. The nomination is confirmed, and the President of the United States will be notified of the confirmation.

RECESS.

Mr. SMOOT. Mr. President, I move that the Senate stand in recess until 11 o'clock a. m. to-morrow.

The motion was agreed to; and (at 5 o'clock and 8 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, May 25, 1920, at 11 o'clock a. m.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 24, 1920.

UNITED STATES CIRCUIT JUDGE.

Alexander C. King, to be United States circuit judge, fifth circuit.

UNITED STATES ATTORNEYS.

Stephen T. Lockwood to be United States attorney, western district of New York.

Robert B. Carman to be United States attorney, district of Maryland.

HOUSE OF REPRESENTATIVES.

MONDAY, *May 24, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer.

O Thou God and Father of us all, infinite in wisdom, power, and goodness, who hast placed within our reach a portion of these qualities; for we realize that there is something finer in every man than anything he says or does.

When I was a child, I spake as a child, I understood as a child, I thought as a child; but when I became a man, I put away childish things.

For now we see through a glass, darkly; but then face to face: now I know in part; but then shall I know even as also I am known.

It is writ:

Be ye therefore perfect, even as your Father which is in heaven is perfect.

Help us to develop out of the strenuous duties of life those qualities which we know are eternal. In the precious example of Jesus Christ our Lord. Amen.

The Journal of the proceedings of Saturday, May 22, 1920, was read and approved.

DEATH OF FORMER REPRESENTATIVE JOSEPH J. GILL, OF OHIO.

Mr. MURPHY. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. MURPHY. Mr. Speaker and gentlemen, my purpose in asking to address the House this morning is to inform you of the death of Hon. Joseph J. Gill, of Steubenville, Ohio, who represented the sixteenth congressional district of Ohio in the Fifty-sixth, Fifty-seventh, and Fifty-eighth Congresses of the United States. In the passing of Mr. Gill our district loses one of its outstanding men—a man whose liberality made possible the building of the first modern hospital in the city of Steubenville. Mr. Gill was a large employer of labor, and in more than 40 years in the factories which he controlled there never was a strike or any serious labor disturbance, because he believed in collective bargaining and always gave a square deal to those whom he employed.

As the present Member from the eighteenth district, which district is largely made up of the old sixteenth, I feel specially grieved at the passing of this splendid citizen, for it was by him that I was given my first employment and from him I received my first dollar, and I am proud to say that from my boyhood until the present time I have had the helpful influence of this splendid man, and in his passing all eastern Ohio is conscious of a real loss, and may the God that tempers the wind to the shorn lamb bring peace and comfort to the friends and relatives of one of nature's noblemen, Hon. Joseph J. Gill.

CONSOLIDATION OF FOREST LANDS, SIERRA NATIONAL FOREST.

Mr. SINNOTT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2789) for the consolidation of forest lands in the Sierra National Forest of California, and for other purposes, with House amendments, insist on the House amendments, and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from Oregon asks unanimous consent to take from the Speaker's table Senate bill 2789, with House amendments, insist on the House amendments, and agree to the conference asked by the Senate. Is there objection?

Mr. GARNER. Mr. Speaker, reserving the right to object, has the gentleman spoken to the ranking minority member who will be on the conference concerning sending this bill to conference at this time?

Mr. SINNOTT. The minority member will be on the conference.

Mr. GARNER. I know there will be a minority Member on the conference committee, but has the gentleman from Oregon discussed with the ranking minority Member the question of agreeing to the conference asked for by the Senate on this bill?

Mr. SINNOTT. I have not spoken to him about it.

Mr. GARNER. Mr. Speaker, I serve notice upon the majority side at this time that while I am in the House, if I happen to be present when such requests are made, I shall insist upon the request being accompanied with the statement that the majority has consulted with the minority Members. Therefore I object.

Mr. SINNOTT. Mr. Speaker, then I move to take from the Speaker's table the bill (S. 2789) for the consolidation of forest lands in the Sierra National Forest of California, and for other purposes, with House amendments thereto, insist upon the House amendments, and agree to the conference asked for by the Senate.

Mr. GARNER. Mr. Speaker, all I ask is the courtesy of considering the minority.

Mr. SINNOTT. The gentleman who will be upon the conference committee on the minority side agreed to these amendments in the committee.

Mr. GARNER. Mr. Speaker, with the indulgence of the House just for a statement, I desire to repeat what I have said two or three times on the floor of the House, that I do think the majority Members having control of bills from the respective committees owe the courtesy to the minority to at least consult with them when they ask for unanimous consent. I am going to withdraw my objection and agree that this bill shall be sent to conference, but I give notice to the majority side now that it seems to me a reasonable courtesy and a reasonable consideration that the minority Members shall be consulted when the majority Members ask unanimous consent to send a bill to conference.

Mr. SINNOTT. I will state to the gentleman that I know the attitude of the ranking minority Member upon these amendments.

Mr. GARD. What are the amendments?

Mr. SINNOTT. They are House amendments to a Senate bill.

The SPEAKER. The gentleman from Oregon asks unanimous consent to take this bill from the Speaker's table, insist upon the House amendments, and agree to the conference asked. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. SINNOTT, Mr. SMITH of Idaho, and Mr. TAYLOR of Colorado.

AGRICULTURAL APPROPRIATION BILL—CONFERENCE REPORT.

Mr. HAUGEN. Mr. Speaker, I call up the conference report upon the bill H. R. 12272, making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921.

The SPEAKER. The gentleman from Iowa calls up the conference report, which the Clerk will read.

The Clerk read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses, as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 116, and agree to the same.

Amendment numbered 249: That the House recede from its disagreement to the amendment of the Senate numbered 249, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert: "*Provided*, That the amendments relating to cotton provided for in section 6 of the act known as the wheat guaranty act approved March 4, 1919, are hereby recognized and declared to be permanent legislation"; and the Senate agree to the same.

On the amendment of the Senate numbered 93 the committee of conference has been unable to agree.

G. N. HAUGEN,
J. C. MCLAUGHLIN,
GORDON LEE,
Managers on the part of the House.

A. J. GRONNA,
G. W. NORRIS,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report as to each of the amendments of the Senate, namely:

Amendment No. 93 strikes out an appropriation of $239,416 for the purchase and distribution of valuable seeds. The conferees have been unable to agree as to this amendment.

Amendment No. 116 decreases the appropriation for ascertaining and appraising timber on the national forests from $105,000 to $80,000 and strikes out the following proviso:

"*Provided*, That $25,000 may be used by the Secretary of Agriculture for the purpose of ascertaining the appraised value of pasturage upon the national forests, which appraised value, when determined, may, in the discretion of the Secretary of Agriculture, be made the basis of the charge for grazing permits upon such forests."

The House recedes.

Amendment No. 249 adds to the paragraph appropriating for the enforcement of the United States cotton futures act the following language:

"*Provided*, That the amendments relating to cotton provided for in section 6 of the act known as the wheat guaranty act, approved March 4, 1919, are hereby recognized and declared to be permanent legislation. That hereafter each lot of cotton classified as tenderable in whole or in part on a section 5 contract of said act as amended shall give to the buyer the right to demand that one half of the contract shall be delivered in the official cotton-standard grades of the United States from the grades of middling fair, strict good middling, good middling, strict middling, and middling, and that the seller shall have the option of delivering the other half of said contract from any of the official cotton-standard grades as established in said act."

The House recedes and agrees with an amendment accepting the proviso declaring the amendment relating to cotton provided for in the wheat guaranty act to be permanent legislation and eliminating the remainder of the amendment.

G. N. HAUGEN,
J. C. MCLAUGHLIN,
GORDON LEE,
Managers on the part of the House.

Mr. LANGLEY. Mr. Speaker, I desire to ask the gentleman from Iowa if it is his purpose to ask for any debate upon this report.

Mr. HAUGEN. I have no intention of asking for it, but if any time is desired, it can be granted. My understanding is that no time is desired with respect to the report proper.

Mr. CANDLER. Mr. Speaker, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. CANDLER. As I understand this, the Senate receded from what is known as the "Comer amendment"?

Mr. HAUGEN. Yes.

Mr. CANDLER. That goes out of the bill?

Mr. HAUGEN. The House recedes with an amendment making the cotton-futures act permanent law. All of the other features are stricken from the bill.

Mr. CANDLER. The "Comer amendment" goes out of the bill?

Mr. HAUGEN. Yes.

Mr. CANDLER. And the bill makes the cotton-standards law permanent law?

Mr. HAUGEN. Yes.

Mr. CANDLER. On the grading proposition, I understand that the House recedes?

Mr. HAUGEN. Yes.

Mr. CANDLER. Then the only question of difference now is Senate amendment No. 93, which is in reference to the distribution of seed?

Mr. HAUGEN. That is correct.

Mr. BLANTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. There is only one amendment in disagreement between the House conferees and the Senate conferees. At this time would not a motion to recede and concur in that Senate amendment in disagreement be in order?

The SPEAKER. The first thing in order would be to dispose of the report and then the other matter will come up.

Mr. HAUGEN. If there is no time desired, I move the adoption of the conference report.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken, and the conference report was agreed to.

Mr. BLANTON. Mr. Speaker, I desire to offer a preferential motion.

The SPEAKER. The gentleman from Iowa is recognized.

Mr. HAUGEN. Mr. Speaker, I move that the House insist upon its disagreement to the Senate amendment No. 93 and ask for a further conference.

Mr. BLANTON. Mr. Speaker, I offer a preferential motion.

The SPEAKER. The gentleman will be recognized in due time. The gentleman from Iowa moves that the House further insist upon its disagreement to the Senate amendment and ask for a conference.

Mr. CANDLER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CANDLER. Would it be in order to move that the conferees on the part of the House be instructed to adhere to the House provision in the House bill as it passed the House?

The SPEAKER. Well, the gentleman from Texas wishes first to make a preferential motion.

Mr. BLANTON. Mr. Speaker, I make the motion that the House recede from its position and concur in Senate amendment No. 93.

The SPEAKER. The gentleman from Texas moves that the House recede and concur in Senate amendment No. 93.

Mr. HAUGEN. Is there any request for time? If anybody desires time I would be glad to yield briefly.

Mr. CHINDBLOM. Could amendment No. 93 be read for information?

Mr. HAUGEN. It is the vegetable-seed amendment, with which we are all familiar, and carries an appropriation of $239,000 for the purpose of purchasing vegetable seed.

Mr. CHINDBLOM. What was the Senate amendment?

Mr. HAUGEN. The Senate amendment struck it out.

Mr. LAYTON. Mr. Speaker, what is this amendment?

Mr. HAUGEN. It is the vegetable-seed amendment, and carries an appropriation of $239,000. The Senate struck it out.

Mr. LAYTON. And what is the gentleman's proposition?

Mr. HAUGEN. My motion is to insist upon the House's disagreement to the Senate amendment.

Mr. CHINDBLOM. Will the gentleman yield for a question?

Mr. HAUGEN. Yes, sir.

Mr. CHINDBLOM. If this Senate amendment striking out this provision is agreed to, will there be a provision by which the Agricultural Department may distribute seed to those who desire them?

Mr. HAUGEN. No; there will be no appropriation made for vegetable seed. It carries a small appropriation for the rare seed.

Mr. BLANTON. If the chairman will yield, it leaves in the bill all the appropriation for field seed and rare seed——

Mr. HAUGEN. I was stating that.

Mr. BLANTON. Which is quite a large item.

Mr. LANGLEY. But not for vegetable seed?

Mr. HAUGEN. No.

Mr. MILLER. Will the gentleman yield for a question? There is so much confusion we can not hear the gentleman and understand what is taking place. What about garden seed?

Mr. HAUGEN. If my motion is agreed to, we will go to conference and the matter will be in conference. If the motion of the gentleman from Texas carries, why that would dispose of the seed question and strike out the seed entirely.

Mr. CANDLER. What should be done is to vote down the motion of the gentleman from Texas and vote up the motion of the gentleman from Iowa. Those who favor the seed distribution will vote against the pending motion of the gentleman from Texas [Mr. BLANTON], and when his motion is defeated, as it will be, then vote for the motion of the gentleman from Iowa [Mr. HAUGEN] and carry it, and the result will be to continue the seed. Is that not correct?

Mr. HAUGEN. Yes; if you want the seed.

The SPEAKER. The question is on the motion of the gentleman from Texas to recede and concur in the Senate amendment.

Mr. RUBEY. Mr. Speaker, just a moment, if the gentleman will yield.

Mr. HAUGEN. I will.

Mr. RUBEY. As I understand the situation, it is this: The Agricultural bill has been agreed to in every particular except the pending amendment?

Mr. HAUGEN. Exactly.

Mr. RUBEY. The only thing now before the House is the question of garden seed, and the gentleman from Iowa has moved that the House adhere to its disagreement to the Senate amendment——

Mr. HAUGEN. And ask for a conference.

Mr. RUBEY. And ask for a further conference. The gentleman from Texas has moved as a preferential motion that the House recede and concur in the Senate amendment and the only question is the seed question, and those who are in favor of seed will vote against the motion of the gentleman from Texas, and those who are against seed will vote the other way?

Mr. HAUGEN. Mr. Speaker——

Mr. RUBEY. Just a moment. I want to get this thing clear. If you are for free seed distribution, and I believe you are, you vote against the motion of the gentleman from Texas and the Senate will recede, and the thing will be ended.

Mr. HAUGEN. Mr. Speaker, I yield 5 minutes or 10 minutes to the gentleman from Illinois [Mr. JUUL]. [Cries of "Vote!"]

The SPEAKER. The gentleman from Illinois is recognized for seven minutes.

Mr. JUUL. Now, Mr. Speaker, I think the gentlemen on this floor can afford to be fair with me in the matter of time. I never object to anybody speaking. [Applause.] I do not often ask for your indulgence.

Mr. Speaker, sometimes I have felt sorry for the brain children—both bills and resolutions—that are resting, forgotten and chloroformed, in the various committees, but I do not feel so sorry now.

Not long ago this House passed the Agricultural appropriation bill and we all bid it Godspeed on its way to the upper legislative branch of the Government at the other end of this building. It looked like a wonderful legislative child, its future seemed bright and cheerful, sponsored, as it was, by 21 gentlemen of the Committee on Agriculture. There were gentlemen on that committee from North and South, from East and West, even from far off Hawaii came its sponsors. After two months of daily committee work this legislative child was considered property gotten up to stand the necessary ordeal of passage or ratification in the other end of the building, but what has happened?

The other day it came back to us, not even its closest relatives, the gentleman from Iowa [Mr. HAUGEN], the gentleman from Michigan [Mr. MCLAUGHLIN], nor the gentleman from Georgia [Mr. LEE], would be able to recognize their mutilated offspring. The golden curly hair of the child had been torn off, its snappy blue eyes had been blackened, it had been kicked, or amended, as the legislative term is, in 282 places. I have often seen bills amended, but this bill as it reaches us now from conference is possibly the most amended document for its size ever before a legislative body.

It is particularly remarkable for the amount of receding that was done on the part of the conferees. When I had read up to the point where the Senate conferees receded 78 times and the House conferees receded 136 times, I thought I had reached the limit of receding and grew dizzy and my sight was blurred. Then I tried to sum up to see how much the Senate had saved to the taxpayers of the country by this tremendous amount of mutilation, and I found that instead of all these Senate amendments being for the purpose of saving vast sums for the taxpayers the amendments had added approximately two and one-half million dollars to the burdens of the country.

This child of the House comes back to the House unrecognizable, patched in 282 places, arnica and sticking plaster all over it. Not a vestige of its bright cheerful countenance, as it looked when it left the House, is to be visualized. All bandages swathed and crippled this dear love child of ours, H. R. 12272, has come back to us, and the worst of it is that hitting the bill in 282 spots will cost the taxpayers two and one-half million dollars, and one is constrained to ask whether it would not be wise for the House to cease originating appropriation bills until it finds out in the other end of the building what is wanted. One would imagine that 282 straight blows on the frail body of a new bill are too many.

Now, do you gentlemen want to know what has happened to this bill?

Mr. LANGLEY. Will the gentleman yield for a question?

Mr. JUUL. I will be very glad to yield to the gentleman from Kentucky.

Mr. LANGLEY. I am unable to determine so far which side of the question the gentleman is on, whether he is in favor of putting another piece of plaster on this child of the House or——

Mr. JUUL. Will the gentleman state what piece of plaster he wants on?

Mr. LANGLEY. I do not want any on; I want the garden seed to remain in the bill, and——

Mr. JUUL. I want the garden seed to remain in the bill. I want to tell my friend from Kentucky that just day before yesterday I received a letter, which is simply a sample letter of a number of letters I have received from school principals through whom I distribute my seed, and they seem to think it is the best money the Government of the United States ever spends. [Applause.]

Mr. LANGLEY. I am very glad to hear that.

Mr. JUUL. One principal, Miss Agnes I. Kerns, speaking for the Schley School, in Chicago, wrote me as late as May 19, 1920:

> I wish to thank you for the consignment of seeds sent to the Schley School this spring. We gave the seeds to the children who brought notes from their parents asking for seeds. The children are happy at the prospect of having gardens.

Now, do you want to know what has happened to this bill? The bill as it left the House was the result of careful, conscientious work by a congressional committee. After spending months on hearings and deliberations it comes back as a vehicle for departmental demands. It departed from this Hall as a piece of carefully constructed congressional legislation and returns what to me looks like a piece of departmental—or, rather, bureaucratic—interference with legislative functions.

I stated in the beginning of my talk on this subject that I sometimes feel sorry for the bills and resolutions that are resting, forgotten and chloroformed, in the various committees, and I know how it feels to have the chloroforming process applied.

In the early days of the war I introduced a resolution providing:

That neutral ships having had their cargoes examined in American harbors should not again be examined by the nations at war with nations with whom we were at war.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. JUUL. Mr. Speaker, I would like one minute more.

The SPEAKER. The gentleman from Iowa [Mr. HAUGEN] is in charge of the time.

Mr. JUUL. May I have one minute?

Mr. HAUGEN. I yield one minute more to the gentleman.

Mr. JUUL. This resolution, if passed, would have released hundreds of thousands of tons of shipping. It was chloroformed. Yet I would rather see a bill smothered and forgotten than have it come back to me so unlike its former beautiful self, as this Agricultural appropriation bill has returned to the House. [Applause.]

Mr. HAUGEN. Mr. Speaker, it seems fair that the other side should have a minute or so, and I yield two minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, it is true, as stated by the gentleman from Illinois [Mr. JUUL], that our friends at the other end of the Capitol have added to this bill $2,500,000, and our conferees have agreed almost in every instance to those additions; but when it comes down to the only case within the knowledge of my legislative history where the Senate of the United States has knocked out an appropriation made by the House, when it comes down to where the Senate has seen fit to strike out of this bill $239,000, why, we can not agree with it. I know how hard it is for a Congressman to give up his garden seed. I know just exactly how hard it is. I know just exactly what it means to you. I know just exactly how you love to send your name out to 20,000 constituents on these packages of free garden seed. That is what you are called to stand and deliver on right now, and you are not willing to do it. There are about 20 per cent of us here going to vote for this motion. The balance of you are going to keep on holding to the free garden seed. How are you going to account to your people when you get home? What are you going to say to them? The Secretary of Agriculture has recommended that we save this $239,000. I am going to vote to cut this $239,000 out of this bill and agree to Senate amendment No. 93.

Mr. BLAND of Missouri. Will the gentleman yield?

Mr. BLANTON. I yield.

The SPEAKER. The time of the gentleman has expired.

Mr. HAUGEN. Mr. Speaker, I yield two minutes to the gentleman from Washington, and then I intend to move the previous question.

Mr. JOHNSON of Washington. Mr. Speaker, I hope the House will embrace this opportunity to end this petty congressional seed distribution. Neither the time of the House nor of the Members should be used in this way. The question comes up every year. Most of those who receive the seeds in the districts are willing to forego the gift, particularly if the House will busy itself with other matters. Many misunderstand the seed distribution. I have a letter from a constituent which I wish to read:

DEAR SIR:

1. Will you please send me any set law books you have and the following:

2. 1 package of onion seed, 1 package of cabbage seed, 1 package of squash seed, 1 package of cucumbers, 7 peach trees, 6 English walnut trees, 2 snowball trees, 1 package of carrot seed, 1 package of lettuce seed, 1 package of summer squash, 5 grape cuttings, 3 sweet apple trees, 2 butternut trees, 95 strawberry plants, 3 chestnut trees, 4 lilac bushes, 8 rose cuttings.

If you have got any carpenter books and tools, send them, and any typewriter please send it, and the farm account book from the Department Agriculture, and any gasoline tractor.

Yours, truly, ——— ———.

I omit the name.

Now, my friends, in all earnestness, is it not about time to cut out a practice that leads to such misunderstandings?

Mr. LANGLEY. Has the gentleman endeavored to comply with the request? [Laughter.]

Mr. JOHNSON of Washington. Not yet.

Mr. HAUGEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Texas [Mr. BLANTON], that the House recede and concur in the Senate amendment.

Mr. BLANTON. Division, Mr. Speaker.

The House proceeded to divide.

Mr. SNELL. Mr. Speaker, I ask for the yeas and nays.

Mr. BLANTON. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The yeas and nays are demanded.

Mr. WALSH. Mr. Speaker, I make the point of no quorum.

Mr. BLANTON. I will wait until after the vote is had.

The division was completed, and there were—ayes 47, noes 60.

Mr. BLANTON. Mr. Speaker, the House having divided, I make the point of no quorum.

The SPEAKER. Evidently no quorum is present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees. Those in favor of the motion of the gentleman from Texas will, as their names are called, answer "yea," and those opposed will answer "nay," and the Clerk will call the roll.

The question was taken; and there were—yeas 108, nays 203, not voting 116, as follows:

YEAS—108.

Ackerman	Esch	Kinkaid	Randall, Wis.
Anderson	Evans, Mont.	Kleczka	Reavis
Andrews, Nebr.	Evans, Nebr.	Kraus	Rogers
Babka	Fairfield	Lehlbach	Rose
Baer	Fess	Lonergan	Sanford
Barbour	Foster	Luce	Scott
Black	Frear	McArthur	Sherwood
Bland, Va.	Freeman	McKinley	Sinclair
Blanton	French	McLane	Smith, Mich.
Browne	Fuller, Mass.	McLaughlin, Mich.	Snell
Buchanan	Gallivan	McLaughlin, Nebr.	Strong, Kans.
Butler	Goodall	Magee	Summers, Wash.
Campbell, Kans.	Graham, Ill.	Mansfield	Sumners, Tex.
Cannon	Green, Iowa	Mapes	Tilson
Chindblom	Hamilton	Michener	Tinkham
Christopherson	Hersman	Minahan, N. J.	Towner
Cooper	Hickey	Montague	Treadway
Cramton	Hicks	Mooney	Volstead
Currie, Mich.	Hill	Moore, Ohio	Walsh
Dallinger	Holland	Nelson, Wis.	Walters
Dempsey	James	Parish	Watson
Dickinson, Iowa	Jefferis	Pell	Welling
Dowell	Johnson, Wash.	Peters	Wheeler
Dunn	Jones, Tex.	Platt	White, Me.
Eagle	Kelley, Mich.	Pou	Winslow
Elliott	Kelly, Pa.	Radcliffe	Yates
Emerson	Kennedy, Iowa	Ramseyer	Young, N. Dak.

NAYS—203.

Almon	Focht	McClintic	Sells
Ashbrook	Fordney	McDuffie	Sims
Aswell	Fuller, Ill.	McGlennon	Sinnott
Ayres	Gallagher	McKeown	Sisson
Bankhead	Gandy	MacGregor	Smith, Idaho
Barkley	Gard	Madden	Steagall
Bee	Garner	Major	Stedman
Begg	Glynn	Mann, Ill.	Steenerson
Bell	Goodwin, Ark.	Martin	Stephens, Miss.
Benham	Greene, Mass.	Mays	Stephens, Ohio
Benson	Griffin	Mead	Stevenson
Blackmon	Hadley	Miller	Stiness
Bland, Ind.	Hardy, Colo.	Milligan	Strong, Pa.
Bland, Mo.	Hardy, Tex.	Monahan, Wis.	Sweet
Box	Harreld	Mondell	Swope
Brand	Harrison	Moon	Tague
Briggs	Hawley	Moore, Va.	Taylor, Ark.
Brooks, Ill.	Hays	Moores, Ind.	Taylor, Colo.
Burdick	Heflin	Morgan	Taylor, Tenn.
Burroughs	Hersey	Mott	Temple
Byrnes, S. C.	Hoey	Mudd	Thomas
Byrns, Tenn.	Houghton	Murphy	Thompson
Campbell, Pa.	Howard	Nelson, Mo.	Timberlake
Candler	Huddleston	Newton, Minn.	Tincher
Cantrill	Hudspeth	Newton, Mo.	Upshaw
Caraway	Hull, Iowa	O'Connor	Vaile
Carss	Hull, Tenn.	Ogden	Venable
Clark, Mo.	Igoe	Oldfield	Vestal
Classon	Jacoway	Oliver	Vinson
Cleary	Johnson, Ky.	Overstreet	Voigt
Coady	Johnson, Miss.	Park	Ward
Collier	Juul	Parker	Wason
Connally	Kearns	Porter	Watkins
Crago	Keller	Quin	Weaver
Crisp	Kendall	Rainey, Ala.	Webster
Crowther	Kincheloe	Rainey, H. T.	Welty
Dale	King	Rainey, J. W.	Whaley
Darrow	Knutson	Raker	White, Kans.
Davis, Minn.	Lampert	Ramsey	Williams
Davis, Tenn.	Langley	Randall, Calif.	Wilson, Ill.
Denison	Lanham	Rayburn	Wilson, La.
Dent	Layton	Ricketts	Wilson, Pa.
Dewalt	Lazaro	Robinson, N. C.	Wingo
Dickinson, Mo.	Lea, Calif.	Robsion, Ky.	Wise
Dominick	Lee, Ga.	Rodenberg	Wood, Ind.
Doremus	Linthicum	Romjue	Woods, Va.
Doughton	Little	Rouse	Woodyard
Dupré	Longworth	Rubey	Wright
Dyer	Lufkin	Sabath	Young, Tex.
Ferris	Luhring	Sanders, La.	Zihlman
Flood	McAndrews	Schall	

NOT VOTING—116.

Andrews, Md.	Boies	Brinson	Brumbaugh
Anthony	Booher	Britten	Burke
Bacharach	Bowers	Brooks, Pa.	Caldwell

Carew	Godwin, N. C.	Kitchin	Reber
Carter	Goldfogle	Kreider	Reed, N. Y.
Casey	Good	Lankford	Reed, W. Va.
Clark, Fla.	Goodykoontz	Larsen	Rhodes
Cole	Gould	Lesher	Riddick
Copley	Graham, Pa.	McCulloch	Riordan
Costello	Greene, Vt.	McFadden	Rowan
Cullen	Griest	McKenzie	Rowe
Curry, Calif.	Hamill	McKinley	Rucker
Davey	Hastings	McPherson	Sanders, Ind.
Donovan	Haugen	MacCrate	Sanders, N. Y.
Dooling	Hayden	Maher	Scully
Drane	Hernandez	Mann, S. C.	Sears
Drewry	Hoch	Mason	Shreve
Dunbar	Hulings	Merritt	Siegel
Eagan	Humphreys	Morin	Slemp
Echols	Husted	Neely	Small
Edmonds	Hutchinson	Nicholls	Smith, Ill.
Ellsworth	Ireland	Nolan	Smith, N. Y.
Elston	Johnson, S. Dak.	O'Connell	Smithwick
Evans, Nev.	Johnston, N. Y.	Olney	Snyder
Fields	Jones, Pa.	Osborne	Steele
Fisher	Kahn	Padgett	Stoll
Ganly	Kennedy, R. I.	Paige	Sullivan
Garland	Kettner	Phelan	Tillman
Garrett	Kiess	Purnell	Vare

So the motion to concur in the Senate amendment was rejected.

The Clerk announced the following pairs:

Until further notice:

Mr. RHODES with Mr. TILLMAN.

Mr. GRAHAM of Pennsylvania with Mr. STEELE.

Mr. SNYDER with Mr. CARTER.

Mr. CURRY of California with Mr. EVANS of Nevada.

Mr. COLE with Mr. HAYDEN.

Mr. ELSTON with Mr. DRANE.

Mr. HERNANDEZ with Mr. HASTINGS.

Mr. ANDREWS of Maryland with Mr. STOLL.

Mr. MASON with Mr. PADGETT.

Mr. KENNEDY of Rhode Island with Mr. SCULLY.

Mr. REED of West Virginia with Mr. SULLIVAN.

Mr. VARE with Mr. BRINSON.

Mr. KIESS with Mr. O'CONNELL.

Mr. GARLAND with Mr. DONOVAN.

Mr. REBER with Mr. CAREW.

Mr. MCKENZIE with Mr. FIELDS.

Mr. SLEMP with Mr. SMALL.

Mr. GOOD with Mr. GARRETT.

Mr. SIEGEL with Mr. GOLDFOGLE.

Mr. IRELAND with Mr. KITCHIN.

Mr. SANDERS of New York with Mr. MAHER.

Mr. GREENE of Vermont with Mr. CALDWELL.

Mr. ANTHONY with Mr. HUMPHREYS.

Mr. EDMONDS with Mr. CASEY.

Mr. SANDERS of Indiana with Mr. NEELY.

Mr. GOULD with Mr. ROWAN.

Mr. JONES of Pennsylvania with Mr. SMITHWICK.

Mr. ROWE with Mr. BOOHER.

Mr. HUSTED with Mr. NICHOLLS.

Mr. RIDDICK with Mr. RIORDAN.

Mr. HOCH with Mr. DREWRY.

Mr. DUNBAR with Mr. FISHER.

Mr. REED of New York with Mr. CULLEN.

Mr. MCCULLOCH with Mr. LANKFORD.

Mr. PURNELL with Mr. SMITH of New York.

Mr. GRIEST with Mr. PHELAN.

Mr. PAIGE with Mr. MANN of South Carolina.

Mr. ECHOLS with Mr. DOOLING.

Mr. MERRITT with Mr. EAGAN.

Mr. MCPHERSON with Mr. LESHER.

Mr. KAHN with Mr. RUCKER.

Mr. MCFADDEN with Mr. DAVEY.

Mr. MORIN with Mr. BRUMBAUGH.

Mr. BOIES with Mr. GODWIN of North Carolina.

Mr. OSBORNE with Mr. GANLY.

Mr. KREIDER with Mr. OLNEY.

Mr. JOHNSON of South Dakota with Mr. LARSEN.

Mr. HUTCHINSON with Mr. KETTNER.

Mr. BACHARACH with Mr. SEARS.

Mr. BURKE with Mr. JOHNSTON of New York.

Mr. BOWERS with Mr. CLARK of Florida.

Mr. BROOKS of Pennsylvania with Mr. MCKINLEY.

Mr. COPLEY with Mr. HAMILL.

Mr. LANGLEY. Mr. Speaker, I have a general pair with the gentleman from Florida, Mr. CLARK. If he were present, he would vote the same way as I would. I will let my vote "no" stand.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors.

Mr. HAUGEN. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from Iowa moves that the House insist on its disagreement to the Senate amendment and agree to the conference asked for by the Senate. The question is on agreeing to that motion.

The motion was agreed to; and the Speaker announced as the conferees on the part of the House Mr. HAUGEN, Mr. MCLAUGHLIN of Michigan, and Mr. LEE of Georgia.

Mr. LANGLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on Senate amendment No. 92.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to extend his remarks on Senate amendment No. 92 to the Agricultural bill. Is there objection?

There was no objection.

EULOGIES ON THE LATE REPRESENTATIVE VAN DYKE, OF MINNESOTA.

Mr. DAVIS of Minnesota. Mr. Speaker, pursuant to resolution heretofore adopted, the House of Representatives, on Sunday, May 16, 1920, convened for the purpose of having delivered eulogies upon the life, character, and conduct of our recently deceased beloved colleague, CARL CHESTER VAN DYKE, of St. Paul, Minn. On that occasion a number of Members who desired to pay tribute to Mr. VAN DYKE were unavoidably absent. Recently I have received from some of them addresses which they desire to have incorporated in the RECORD concerning Mr. VAN DYKE.

I therefore, Mr. Speaker, ask unanimous consent to extend my remarks in the RECORD by inserting an address of Hon. FRANKLIN F. ELLSWORTH, of Minnesota, and of Hon. EVERETT SANDERS, of Indiana.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to extend his remarks in the RECORD for the purpose indicated. Is there objection?

Mr. GARD. Did not the RECORD contain at the time of the exercises an order that the Members had the right to extend their remarks on that subject?

Mr. DAVIS of Minnesota. It did; but I, having charge of the publication of the book, have been asked to make this request and have these addresses inserted in the RECORD. I desire to extend my remarks.

The SPEAKER. The gentleman has that right.

DISTRICT OF COLUMBIA BUSINESS—ROOSEVELT MEMORIAL ASSOCIATION.

Mr. MAPES. Mr. Speaker, this is District day; but before making the motion that the House resolve itself into Committee of the Whole House on the state of the Union to consider legislation reported by the District Committee, I wish to submit a unanimous-consent request. The District Committee of the House reported a bill to incorporate the Roosevelt Memorial Association. The Senate has reported and passed a bill of similar nature, although not identical. A bill identical with the one that the Senate passed was introduced in the House by the gentleman from New York [Mr. HICKS]. The only difference between the Senate bill and the bill reported by the House committee is that the Senate bill contains some names among the incorporators not in the House bill and has eliminated about half a dozen of the names that were in the House bill. Those who are especially interested and who have been especially active in this proposed association desire to have the bill passed as it passed the Senate. I therefore ask, before going into committee, that when the committee takes up that legislation the Senate bill may be substituted in place of the House bill on the calendar.

The SPEAKER. The gentleman from Michigan asks unanimous consent that when the House goes into Committee of the Whole House on the state of the Union for the purpose referred to, it may consider the Senate bill instead of the House bill. Is there objection?

Mr. MANN of Illinois. But, Mr. Speaker, this is not a Union Calendar bill. It is a House Calendar bill. Both would be considered in Committee of the Whole House on the state of the Union. As I understand the situation, the Senate bill is on the Speaker's table. I do not know what the Speaker or other Members would think, but I think it is in order to take it off the Speaker's table and take it up for consideration now, since the bill is substantially the same as the bill on the House Calendar. The change of a few names in a long list of names does not affect its being substantially similar.

The SPEAKER. Had the House committee reported before the Senate bill came over?

Mr. MANN of Illinois. Yes.

The SPEAKER. The Chair thinks the gentleman from Michigan can call it up if he wishes; but the Chair is informed that the Senate bill has been referred to the committee. That would prevent its being considered. But the gentleman could ask unanimous consent to discharge the committee and consider the Senate bill.

Mr. MANN of Illinois. He had better get the bill.

The SPEAKER. That does not need to be done in the House. The Chair thinks that either bill could be considered.

Mr. MAPES. I wanted to get the unanimous consent of the House to consider the Senate bill in committee when the subject is brought up. When the House is in Committee of the Whole House on the state of the Union for the consideration of bills reported by the District Committee it considers not only bills on the Union Calendar but bills on the House Calendar also.

Mr. MANN of Illinois. Oh, no.

The SPEAKER. The Chair was not aware of any such rule. Can the gentleman cite the Chair to any rule which either requires or authorizes that?

Mr. MANN of Illinois. That has not been the practice, Mr. Speaker.

The SPEAKER. The gentleman from Michigan is recognized.

Mr. MAPES. I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of bills on the calendar reported by the District Committee.

Mr. LANGLEY. Mr. Speaker, will the gentleman yield for a request for a change of reference to which there is no objection?

Mr. MAPES. I yield to the gentleman for that purpose.

CERTAIN PROPERTY OF THE UNITED STATES IN SAN FRANCISCO.

Mr. LANGLEY. Mr. Speaker, the bill (S. 3995) providing for the relinquishment of certain described property by the United States to the city and county of San Francisco, State of California, was erroneously referred to the Committee on the Public Lands. The chairman of that committee has requested me to ask that the reference be changed to the Committee on Public Buildings and Grounds. I have consulted him, and also the minority leader.

Mr. MANN of Illinois. Mr. Speaker, there is no use of the gentleman from Kentucky getting down in front and talking quietly to make his request. We want to hear what he says.

Mr. WALSH. I make the point of order that that request is not in order at this time.

Mr. LANGLEY. There is no objection at all to it.

Mr. MANN of Illinois. We could not hear what the gentleman's request was.

The SPEAKER. The gentleman submits a request for unanimouse consent for a change of reference.

Mr. WALSH. I object.

The SPEAKER. Objection is made.

DISTRICT OF COLUMBIA BUSINESS.

Mr. MANN of Illinois. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MANN of Illinois. Under the form of the motion of the gentleman from Michigan [Mr. MAPES], can bills on the House Calendar be considered in Committee of the Whole?

The SPEAKER. The Chair knows of no rule that either requires or allows that.

Mr. MANN of Illinois. The motion in the form in which it was made was not in order. The proper motion is that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of business reported from the District Committee in order.

The SPEAKER. The Chair will hear the gentleman from Michigan, if he has any authorities on the subject.

WEIGHTS AND MEASURES FOR THE DISTRICT OF COLUMBIA.

Mr. MAPES. It will take me some time to refer to the rule, but I am certain that that is the rule.

I will change the form of my motion, so as to save time.

I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of House bill 8067, to establish standard weights and measures for the District of Columbia, to define the duties of the superintendent of weights, measures, and markets of the District of Columbia, and for other purposes, and other business in order.

The SPEAKER. The gentleman from Michigan moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of House bill 8067 and other business in order.

Mr. LANGLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LANGLEY. What was the ruling of the Chair upon my request for a change of reference?

The SPEAKER. Objection was made to the gentleman's request.

Mr. LANGLEY. I did not so understand it, but if so it is all right.

The SPEAKER. The question is on the motion of the gentleman from Michigan [Mr. MAPES].

The motion was agreed to.

The SPEAKER. The gentleman from Kansas [Mr. CAMPBELL] occupied the chair when this bill was last under consideration, but in his temporary absence the Chair will ask the gentleman from Massachusetts [Mr. WALSH] to take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 8067) to establish standard weights and measures for the District of Columbia, to define the duties of the superintendent of weights, measures, and markets of the District of Columbia, and for other purposes, with Mr. WALSH in the chair.

The Clerk read the title of the bill.

Mr. MAPES. Mr. Chairman, when this bill was up for consideration, before section 15 had been read and at the time the committee rose, there were two amendments pending to that section, one to strike out the entire section and one to strike out paragraph (a) of the section. The motion to strike out paragraph (a) was made by the gentleman from Massachusetts [Mr. WALSH] and the motion to strike out the whole section was made by the gentleman from Illinois [Mr. MADDEN].

My understanding of the reason for the motion to strike out paragraph (a) was that this paragraph is already a national law. That is true; but the District authorities tell me that in order to make it so the corporation counsel and his office can have charge of the prosecutions under it, and in order to make it possible for the police court of the District of Columbia to have jurisdiction of the cases which arise under it we must reincorporate this provision in this bill; otherwise complaints would have to be made through the office of the United States district attorney and go into the United States district court.

Mr. GARD. Will the gentleman from Michigan yield?

Mr. MAPES. I yield to the gentleman from Ohio.

Mr. GARD. Do I understand the gentleman's statement to be that it is reported to him that if we reenact this bill in this form it operates practically as a city ordinance would operate in any other city?

Mr. MAPES. Yes; practically.

Mr. GARD. Thereby taking the cases into the municipal court and not compelling them to be brought in the United States district court.

Mr. MAPES. That is the fact. By reenacting this paragraph in this bill, which applies only to the District of Columbia, the cases arising under it can be brought in the police court; otherwise they have to go to the United States district court.

Mr. BEE. May I ask the gentleman from Michigan, is there now a law similar in import to this, or is this a brand-new proposition for the District of Columbia?

Mr. MAPES. There is a national law which is in substance the same as paragraph (a) of this section.

Mr. BEE. I am speaking of the District of Columbia.

Mr. MAPES. But it does not apply specifically to the District of Columbia.

Mr. BEE. What I was seeking to ascertain was, is there now in the District of Columbia such a law as would govern and cover the matters involved in this bill, the effect of which would be merely an amendment under this bill, or is it an original and brand-new proposition?

Mr. MAPES. This is new as far as the District of Columbia is concerned.

Mr. GARD. Will the gentleman yield for a question?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MANN of Illinois. Mr. Chairman, I appreciate the reasons given by the gentleman from Michigan and by the District Commissioners for putting these provisions in the bill. I think myself there ought to be an opportunity for the police officers of the District to bring to trial cases before the police court for violations of the law. But allow me to suggest to the gentleman from Michigan, although I take it that this bill was prepared by the District Commissioners, that it would have been much wiser and so much easier to have put a provision in the bill authorizing violations of the general law with reference to these matters to be tried as though they were District offenses in the District court, and I am surprised that they did

not adopt that method. Here we will have in the end a general law and then a specific law for the District, and they are not the same. The definitions and descriptions are not just the same, and there will be two laws in force in the District of Columbia on the same subject which do not agree. I am sorry that the District Commissioners in preparing this bill were not wise enough to have inserted a provision authorizing offenses under the general law relating to these matters to be tried in the District court as though they were District offenses.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. SANFORD having taken the chair as Speaker pro tempore, a message in writing was received from the President, by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed bill of the following title:

On May 21, 1920:

H. R. 13555. An act making appropriations for fortifications and other works of defense, for the armament thereof, and for the procurement of heavy ordnance for trial and service, for the fiscal year ending June 30, 1921, and for other purposes.

WEIGHTS AND MEASURES FOR THE DISTRICT OF COLUMBIA.

The committee resumed its session.

Mr. WINGO. Mr. Chairman, I move to strike out the last word. This bill is similar to other bills which we have had from time to time before the House. The gentleman from Illinois [Mr. MANN] has correctly called attention to the fact that if this bill should become a law you would have one law applying to Maryand and Virginia and the adjoining territory, and another law that applies to the District of Columbia.

Now, if there is any place in the Union where that would be vicious in the practical working, it certainly is here in this small territory of the District of Columbia.

Why, gentlemen, the very argument that is made in support of the general law and fixing a Federal standard for all baskets and everything of that kind is that then you would have a uniform standard for the whole country, while now all States do not have the same standard.

What do you propose to do? You propose here at the central market for two or three States—because the District of Columbia has to depend for its fruits and vegetables on nearby States—you propose to penalize a farmer for selling goods in the District of Columbia which would be lawful in a State to sell under Federal statute. You would penalize him if he brings in fruit in a hamper or container to the District of Columbia that is the lawful container under a general statute that controls in Virginia, Maryland, and Pennsylvania.

Mr. MAPES. Will the gentleman yield?

Mr. WINGO. Certainly.

Mr. MAPES. Is the gentleman discussing this bill, this section, or a hypothetical case?

Mr. WINGO. I am very sorry that my limited capacity is such that I can not express myself so that the gentleman can comprehend me. I believed that I was discussing this section and the whole bill. I may not be, and I am sorry that I can not express myself in language that the gentleman can comprehend as being directed to the bill and the section under discussion.

Mr. MAPES. If I understood the gentleman correctly, I do not think he is discussing the amendment before the House.

Mr. WINGO. I am discussing section 15.

Mr. MAPES. The motion is to strike out paragraph (a) of the section, which in substance is the same as a national law.

Mr. WINGO. Paragraph (a) is not the general law. You have no such provision in the general law. You have one good provision in section (a). It reads as follows:

Provided, That any barrel of a different form having a capacity of 7,056 cubic inches should be a standard barrel.

That is the only practicable provision I have seen in any of these bills, because there it undertakes to say that you are going to protect the farmer by saying that whatever may be the type of the container, how long or big the staves may be, he is protected, provided that the consumer gets the contents. In other words, he gets full measure. That is practical. If you did not have that, if a farmer had one barrel of apples coming off of a little tree, and he put them in a flour barrel or some other barrel, and brought them into town and said he wanted to sell his barrel of apples, he would be violating the law unless you have this provision in the bill. It violates section (a) if it happens to have 1 inch less or 1 inch more.

But let me get down to page 17, section 15, where you provide:

All kale, spinach, and other similar leaf vegetables shall be sold at retail by net weight.

That is thrown in for good measure in this bill. That is not fixing a standard container. It says that if I go to market, as I do, twice a week to buy turnip greens—because I am fond of hog jowl and turnip greens—I must have them weighed, although I do not want them weighed or buy them by net weight. I want to buy them in the customary way that you buy them on the curb from the old negro woman who brings them in or from the farmer. You tell me that you have to weigh up a mess of turnip greens that a farmer has, and that he must have a pair of scales! How on earth would I tell how many pounds I wanted?

Mr. LAYTON. Oh, the gentleman would soon learn.

Mr. WINGO. That is the trouble. Whenever the Federal Government—whenever Congress—undertakes to say that a man must learn how to measure his appetite and to buy his turnip greens by net weight, contrary to lifelong custom and common sense, then you present what I said once before on a bill of this kind—it is damned foolishness gone to seed.

Mr. LAYTON. I think the gentleman will find that turnip greens are being sold now by weight.

Mr. WINGO. Who ever heard of turnip greens being sold by weight? The gentleman does not know turnip greens from jimson weed.

Mr. LAYTON. Oh, we had jowl and turnip greens before the gentleman's state was settled.

Mr. MAPES. Practically every State in the Union has that requirement.

Mr. WINGO. There is not a single State in the Union that requires you to buy and sell turnip greens by weight. Name one. The gentleman's own State of Michigan does not. The gentleman would not know turnip greens if he were to see them. When you require turnip greens to be sold by weight you offer an inducement for fraud by watering them.

Mr. BEE. Mr. Chairman, I move to strike out the last word. I am very anxious to do anything that will help the District of Columbia, even though I must say to the gentleman from Michigan [Mr. MAPES] that I completely despair when I have to pay 8 cents to ride on a street car here in Washington, and I sometimes wonder whether the people are deserving of any help or not as long as it continues. I am very loath, however, to go to the length this bill contemplates and say to the farmers and other people who trade in the city of Washington that they must have baskets and containers of a certain size. I notice, for instance, on page 15, that a one-peck hamper shall contain 537.6 cubic inches. It may be that some man who has a basket hamper has one that does not contain the exact number of tenths of cubic inches, and that man is made a criminal under the laws of this land.

I differ with the gentleman from Arkansas [Mr. WINGO] in that. Unfortunately for me I do not keep house in the city of Washington, and therefore I am not directly affected, but I am rather inclined to favor the old-time system of going to your market and taking your chance, buying from the dealer the apples or the berries or anything else that you have in mind, taking your chance that he has not filled the bottom of the basket with straw and put the strawberries on top. Gentlemen talk about these hampers. The only hamper that I see connected with this bill is in the absolute tendency of Congress to continue to hamper individual efforts, to turn into penal offenses everything on earth that a man has to do. I can not reconcile myself with a bill of this kind, constantly fixing measures and telling the people how they shall buy spinach or cabbage, and how they shall sell it, or how much shall be in an onion crate. The average man who is selling apples or onions does not know any more about a cubic inch than a hog does about side pockets. Yet the Congress of the United States, with great questions pending, in the midst of its deliberations when the people are crying out for relief, is asked to pause and send word to a lot of men and women in the Center Market that if they do not build their baskets and hampers just exactly as Congress says they shall, they shall become criminals. I do not believe there is any demand for a measure of this kind, and I do not believe any good purpose is going to be served by it. For that reason I want to register my very earnest protest against this kind of legislation.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike out the last three words. Everyone who has to buy anything in the District of Columbia knows that in one way or another he has to pay too much for it. He has either to pay too high a price or accept short weight or short measure. The farmer has been brought into this argument for the weight that reference to him always carries with it. Those who undertake to deceive themselves into thinking that this is a law made against the farmer are mistaken. If it were made against the farmer who is giving short weight or short measure I would still be for the bill. The farmer brings his produce into the District of Columbia in bulk, and down at the Center Market and all

of the other markets, the stall masters subdivide that bulk into containers. The farmer does not make the basket or the container in which it is sold to the public. That is made by the manufacturer of those articles who engages in that business, and the stall masters buy from those manufacturers. When a manufacturer has been told that the container to be used in the District of Columbia must be of certain dimensions, then that basket or container will be made to conform to those dimensions.

If I am correctly advised, the difference between the national law and this one which is proposed as a local law is inconsequential. There can be no conflict between the two in the District of Columbia, for the reason that it is accepted by all that a special law takes precedence over a general one. In addition to that, this special act comes along later than the general one, which is national, and, therefore, would take precedence.

Mr. BEE. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. BEE. Is it not true that every time you pass restrictive measures of this kind you add to the price of the article sold, because you put the additional burden upon the man and he comes back on the consumer at last, who must pay the additional expense?

Mr. JOHNSON of Kentucky. No; I do not think so. I do say, however, that every time you fail to pass a bill of this kind you place additional obligations upon the consumer by permitting the dishonest merchants to cheat the consumer. I hope that all amendments to this section will be voted down. I withdraw the pro forma amendment.

Mr. MAPES. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MAPES. Mr. Chairman, this debate has taken a very wide range. I directed my remarks to the motion to strike out paragraph (a) of this section, but the discussion has been so general that I desire to say a word in addition to what I said before. I fail to understand the attitude of mind of those who have objections to making a law that only requires a man to deliver what he receives pay for. The purpose of this bill is to provide that dealers in the District of Columbia who sell commodities shall deliver what they are paid for. That is all there is to it. There is not an honest dealer in the District who has any objection to this legislation. This bill is based upon the national law as it applies generally and upon the State laws where there is no Federal law.

It has the indorsement, I would like to say, of the Retail Dealers' Association of the District. I have in my hand here a letter written early in January by the Retail Grocers' Protective Association of the District of Columbia indorsing the bill generally, and calling attention especially to two separate provisions of the bill, and it says:

> Our association, composed of a large number of retail grocers in Washington who believe in fair dealing and upright business methods, wishes to go on record as approving the provisions of the bill in question as a whole, and we wish to emphasize our approval of what appear to be the two most important provisions of the bill.
>
> 2. The provision relating to the establishment of standard containers for fruits and vegetables—

And that is this section 15:

> While it may not be realized by persons not familiar with the situation it is a fact, nevertheless, that with no standardization of containers for these commodities, the retail merchant who is compelled to buy fruits and vegetables daily to supply his customers, does not have proper assurance that he will receive the quantity for which he pays. Retail merchants often purchase produce of the kind mentioned in what appear to be containers that hold definite and standard quantities only to find after the commodities have been delivered to them that containers that readily deceive the eye of even the experienced buyers have been delivered. When a merchant has thus been deceived, he must either sell at a loss or advance the price to the consumer.

And the argument they advance applies with so much greater force to the people who buy at retail, who buy only in small quantities, and who do not have the same experience as the retail dealers have. It is said that it is the practice of some dealers here in the District of Columbia to buy in containers which provide full measure and dump the products out of those containers and put them into containers which deceive the eye and appear to hold a half bushel or a bushel when they do not, and in that way they get pay for a greater quantity than they buy. Now, I do not believe there is any Member of Congress who if he understood this situation would have a particle of objection to the attempt to pass a law which enables the superintendents of weights, measures, and markets to get at this thing and control it, and that is all this legislation attempts to do.

Mr. BEE. Will the gentleman yield?

Mr. MAPES. I will.

Mr. BEE. Does not the gentleman from Michigan believe that under the statement of facts just submitted by him, the general charge and indictment of theft under a false pretext would lie and obviate the necessity of this law?

Mr. MAPES. It might if you could make out a case, but why make it necessary to go to that extent. The gentleman as a lawyer knows how difficult it is to establish that a container does not hold a half bushel or a peck, and why not make it impossible to use any but standard containers? It is made impossible in almost every jurisdiction in the United States.

Mr. WINGO. Will the gentleman yield?

Mr. MAPES. I will.

Mr. WINGO. The gentleman says that as a lawyer the gentleman from Texas knows how difficult it is to make proof that a man is guilty on a false-pretense indictment. Would he not have to make the same identical proof on the same facts to prove a man guilty under the criminal section of this bill?

Mr. MAPES. No. The inspectors could go and see that the containers which were used were proper containers and had the proper measurements. I will say to the gentleman from Arkansas these provisions are in force in almost every jurisdiction of the United States. There is nothing new about this bill. Why do we leave the people of the District of Columbia helpless——

Mr. WINGO. On that point will the gentleman permit me to ask him a question?

Mr. MAPES. Why is the thing allowed in the District of Columbia and not allowed elsewhere? They are allowed in the District of Columbia to sell potatoes in quarter-peck measures. You can not measure potatoes in a quarter-peck measure. They are allowed in the District of Columbia to use these lug baskets as hampers. They get bent out of shape and are drawn up together, and they get so they do not contain nearly the quantity they are expected to hold, but still they are allowed to use them as containers.

Mr. WINGO. Will the gentleman yield for a question?

Mr. MAPES. Now, I do not believe the gentleman from Arkansas wants to countenance any such thing as that.

Mr. WINGO. As I understand, the gentleman says this is identical with the general statute——

Mr. MAPES. No; I did not say it is identical——

Mr. WINGO. Oh, it is not; all right. Now, what is the necessity for having one law for the market in Washington and another law for the market of the city of Alexandria?

Mr. MAPES. We are not applying it to the market of Alexandria.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GARD. Mr. Chairman, I desire to make a parliamentary inquiry as to the status of any preceding amendment.

The CHAIRMAN. The Chair is informed there is an amendment pending to strike out from line 8, page 12, down to line 5, page 13, of paragraph A, section 15, and that there is also an amendment pending to strike out the entire section 15.

Mr. GARD. The entire section?

The CHAIRMAN. The entire section.

Mr. GARD. Mr. Chairman, I move——

Mr. MAPES. Will the gentleman withhold that for a moment to see if we can reach an agreement as to time?

Mr. GARD. I will yield.

Mr. MAPES. Mr. Chairman, I ask unanimous consent that debate on this section and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that debate on this section and all amendments thereto close in five minutes. Is there objection?

Mr. BANKHEAD. Mr. Chairman, reserving the right to object, does the gentleman mean on this paragraph?

Mr. MAPES. On the section.

Mr. GARD. There may be some gentlemen who desire to discuss the matter, and I hope the gentleman will make it 10 minutes.

Mr. MAPES. I will modify my request.

The CHAIRMAN. The gentleman modifies his request that debate on this section and all amendments thereto close in 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. GARD. Mr. Chairman, in the matter of this section 15, I beg leave to bring the attention of the chairman of the committee to it so we may all understand just what this section 15 is. It seems to me that the statement of the gentleman from Illinois, with reference to the general law being applied in the District of Columbia, is probably a correct statement, and yet I concede possibly there may be cases where the general law, in so far as special jurisdiction in the District of Columbia is concerned, should be supplemented by a particular statute;

therefore it seems from my observation of the bill and the comparison I make with the general law, the first part, known as section (a), is identical with section 6507, which is the standard barrel for fruit and other dried commodities. Now, if I may have the attention of the gentleman long enough to ask him this question, I made the statement that subdivision (a) is identical with the general law in section 6507. Was that correct?

Mr. MAPES. I think there are some verbal changes, but in substance it is the same.

Mr. GARD. Then I find that section (b) relates to the standardization for climax baskets, 2 quarts, 4 quarts, and 12 quarts, and is absolutely identical with section 6516 of the general law.

Mr. MAPES. The standard container act.

Mr. GARD. The standard for climax baskets. When we leave that we take up what seems new legislation, and if it be not new, I would like the gentleman to advise us, but I do not see in the general law provisions about the six-basket crate or the four-basket crate. And what about the standard box for berries, cherries, shelled peas, shelled beans, and about standard lug boxes or one-half bushel lug box, or hampers for fruits and vegetables in their proper dimensions? These all seem to me to be new.

Mr. MAPES. If the gentleman will permit, paragraphs (c), (d), and (e) are practically the same as in the standard container act. Paragraph (f), relating to lug boxes, is new, so far as Federal legislation is concerned, but it is the same as the law in several States.

Mr. GARD. It is new in so far as the general law is concerned?

Mr. MAPES. Yes. That is true as to paragraph (f).

Mr. GARD. What is the difference in paragraph (i)? We passed a law some time ago about standard apple boxes. Is that the same law that we have here on page 16? We have apple boxes and pear boxes and onion crates.

Mr. MAPES. That is new as far as the District is concerned, although it is a very common provision in other jurisdictions.

Mr. GARD. I am in favor of having the greatest accuracy in weights and measures. I think the people that buy are entitled to that. But what I wanted particularly to have the gentleman's word about was as to whether there will be any conflict between this bill, if we enact it, and the general law which applies to Maryland, Virginia, and Pennsylvania, and the other States which send produce here?

Mr. MAPES. None at all. I am very glad to have the gentleman make that inquiry.

Mr. WOODS of Virginia. Mr. Chairman, I want to say that the officials having charge of the enforcement of this business were very earnest and insistent upon Congress providing some remedy that would give them the power to regulate the conditions dealt with by act in the District. There has been a great deal of complaint, as they tell us, in regard to fraud and deception in the sale of fruits and vegetables. And you will notice, gentlemen of the committee, that this bill is not drastically drawn, but it has for its aim the accomplishment of that which I think we ought to have in mind in trying to arrive at a standard of weights and measures—to reach the end by processes which are evolutionary rather than revolutionary. After providing what shall be the standard of a barrel, for instance, of apples, it says that any other barrel that contains the necessary number of cubic inches shall be considered as standard. I think it wise that we attempt to reach some standard, and for that reason I was in favor of the bill that was before the House some time ago, notwithstanding the fact that some of my colleagues from the South were very much opposed to it. I believe if we pass this measure we will put the enforcement of the law in the hands of those who have charge of its enforcement, who have presented to us a practical measure, and which the committee, I believe, has unanimously recommended. And I hope it will be the pleasure of the committee to vote down the proposed amendment striking out section (a).

The CHAIRMAN. The question is on agreeing to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. WALSH: Page 12, line 8, strike out lines 8 to 25, inclusive, and lines 1 to 4 on page 13.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment by Mr. MADDEN: Page 12, line 5, strike out all of section 15.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 16. That nothing in this act contained shall be construed as permitting the use as a dry measure or substituting for a dry measure any of the following containers: Barrels, boxes, lug boxes, crates, hampers, baskets, or climax baskets; and the use of any such container as a measure is hereby expressly prohibited, and the user shall be fined or imprisoned as herein provided for other violations of this act.

The following committee amendment was read:

Insert a new section as follows:

"SEC. 16½. That no person shall sell, offer, or expose for sale in the District of Columbia any food in package form unless the quantity of contents is plainly and conspicuously marked on the outside of each package in terms of weight, measure, or numerical count. The commissioners are authorized to establish and allow reasonable variation, tolerances, and exemptions as to small packages."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read:

The Clerk read as follows:

SEC. 17. That a cord of wood shall contain 128 cubic feet. Wood more than 8 inches in length shall be sold by the cord or fractional part thereof, and when delivered shall contain 128 cubic feet per cord when evenly and compactly stacked. Split wood, 8 inches or less in length, may be sold by such standard loads as shall be fixed by the commissioners.

That a barrel of flour shall contain 196 pounds avoirdupois, net weight, and fractional parts thereof shall contain proportionate net weight.

A standard sack or bag of potatoes shall contain 90 pounds of potatoes at the time of sale, and potatoes shall not be sold by the sack or bag in other than standard sacks or bags.

Mr. MAPES. Mr. Chairman, I move to strike out, on page 18, lines 5 and 6, "196" and insert "200."

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. MAPES: Page 18, lines 5 and 6, strike out the words "one hundred and ninety-six" and insert in lieu thereof the words "two hundred."

Mr. MAPES. Mr. Chairman, that is for the purpose of making this comply with the language of the bill which was passed some time ago.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MANN of Illinois. Mr. Chairman, I move to strike out the last word.

The committee just agreed to an amendment called "section 16½," which provides that the commissioners are authorized to establish and allow reasonable variation, tolerances, and exemptions as to small packages. I do not know whether that ought to be "variations" or not. In the pure-food law we provided that there should be reasonable variations allowed, and what they should be should be fixed by the Department of Agriculture. In other words, the theory of that was that Congress by legislation provides that there shall be reasonable variation, leaving the detail of fixing what the variations shall be through an administrative officer. We went on the theory that we had enacted railroad legislation, providing, for instance, that railroad rates should be reasonable, giving to the Interstate Commerce Commission the authority to say as a matter of detail what reasonable rates were. That goes to the whole question of the legislative functions of Congress, namely, how far you can confer legislative authority upon executive or administrative officials.

Courts have held that Congress can not confer or delegate its legislative authority. It could delegate to administrative officers the fixing of details under a legislative act of Congress. I am not sure whether this form of this legislation is constitutional or not. It may be held to be so. It is, in fact, legislation. I think it would have been far wiser if in drawing this bill we would say that reasonable variations, and so forth, shall be allowed. That is a legislative function allowing reasonable variations. Then the administrative officers fix the details. But here as it stands is the proposition allowing the commissioners to legislate as to whether they will allow reasonable variations or not. I thought I would not let it pass without calling attention to that fundamental distinction between legislative and administrative authority.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Clerk read as follows:

SEC. 25. That the commissioners are hereby authorized and empowered to establish tolerances and specifications for scales, weights, measures, weighing or measuring instruments or devices, and containers used in the District of Columbia, not inconsistent with the provisions of this act, and such as conform thereto shall be approved.

Mr. GARD. Mr. Chairman, I move to strike out section 25.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARD: Page 21, line 6, strike out all of section 25.

Mr. GARD. Mr. Chairman and gentlemen of the committee, section 25, as it appears on page 21, is going much further even than the matter to which the gentleman from Illinois [Mr. MANN] very pertinently called attention a moment ago. My recollection is that in the writing of the pure-food law the question of tolerances was written in the general law. Of course, everybody realizes that there may be times when a slight variation is necessary; that it would be impossible to preserve an absolute equality of measures at all times. But the tolerance is a thing in itself. In section 25 we provide that—

The commissioners are hereby authorized and empowered to establish tolerances and specifications for scales, weights, measures, weighing or measuring instruments or devices, and containers used in the District of Columbia, not inconsistent with the provisions of this act, and such as conform thereto shall be approved.

Now, if that means anything, the ordinary acceptance of it would be that the Commissioners of the District of Columbia would be authorized and empowered to say what these baskets shall contain, what these measures shall be, what the scales shall be, what the weights are, when in reality we are legislating in this act as to what they should be in the District of Columbia. I call the attention of the chairman of the committee to this, because it really seems to me that in section 25 you are practically undoing what you are affirmatively doing in the remainder of the act.

Mr. PARRISH. Mr. Chairman, will the gentleman yield?

Mr. GARD. Yes.

Mr. PARRISH. In section 28, on page 22 of the bill, it is provided that these powers and duties that are granted to the superintendent may be delegated to any of his assistants or inspectors, and it seems to me that that provision, taken with the one that the gentleman refers to, would leave it to the assistants to do away with this law.

Mr. GARD. Yes. I have not read that section, but it does seem to me true that when we say in the different sections what the measure shall be, and then come along in section 25 and provide that the commissioners may say that that measure shall be something else "that is not inconsistent with the provisions of this act and such as conforms thereto shall be approved," we are attempting to say, not in very accurate language, that the commissioners may make a different standard than that which Congress makes by legislative enactment.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. GARD. Yes; very gladly.

Mr. MAPES. My information is that section 25 is the same as the law to which the gentleman refers, with the addition of the words "and specifications." The existing law does take care of the tolerances, but not the specifications.

Mr. GARD. My idea is that the law would take care of tolerances. My contention in brief is, if I may make it to the gentleman, that I think it is very proper that the law should take care of tolerances, but I do not believe we should go so far as to legislate that the commissioners are empowered to make specifications.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GARD. Mr. Chairman, I ask leave to proceed for five minutes.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for five additional minutes. Is there objection?

There was no objection.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. GARD. Yes.

Mr. MAPES. It seems to me that the specifications and tolerances that the commissioners make here for the District of Columbia should be the same as the Bureau of Standards or the Agricultural Department, or whatever it is that makes them under the general law. I have an amendment of that kind which I thought of offering, requiring the commissioners to make the same specifications and tolerances.

Mr. GARD. I would be very glad if the gentleman would suggest it. I have no interest except in seeing that the law is made a workable law.

Mr. MAPES. I will offer a section later.

Mr. GARD. If the gentleman would at this time suggest what his amendment is, we might be able to understand the purpose of this section.

Mr. MOORE of Virginia. Mr. Chairman, while the gentleman is getting ready to furnish that information I suggest that the language used in the general statute might be employed. It is to this effect: "Reasonable variations may be permitted and tolerances established by rules and regulations made," and so forth. If the officials who are to make those under the general law would be different in the District of Columbia, they would be the Commissioners of the District instead of the Director of the Bureau of Standards, in connection with the Secretary of Commerce.

The CHAIRMAN. Does the gentleman from Ohio yield?

Mr. GARD. I yield to the gentleman from Michigan.

Mr. MAPES. If the gentleman will permit, I will offer my proposed amendment at this place.

Mr. GARD. I shall be glad if the gentleman would.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

Mr. MAPES. It is to be inserted at the end of section 25.

Mr. GARD. Does the gentleman include all of the language in section 25 and then insert this? Is that the idea?

Mr. MAPES. Yes.

The Clerk read as follows:

Amendment offered by Mr. MAPES: Page 21, line 11, after the word "approved," insert: "The commissioners shall prescribe and allow for barrels, containers, and packages provided for in this act the same specifications, variances, or tolerances that have been prescribed or established, or that may hereafter be prescribed or established for like barrels, containers, or packages by any official of the United States in accordance with the requirements of any act of Congress."

Mr. GARD. Will the gentleman pardon me a moment?

Mr. MAPES. Yes.

Mr. GARD. The question was asked me by the gentleman from Kentucky [Mr. JOHNSON], a member of the committee, if it was the gentleman's intention to strike out section 25 and insert what the gentleman has offered by way of amendment? It seems to me that it would probably take care of the situation with the other language in section 25 eliminated.

Mr. MAPES. I will say to the gentleman that this amendment, at my suggestion, was prepared by the superintendent of weights, measures, and markets. He intended to have it inserted after section 25.

Mr. GARD. It would seem to me better if you would leave out section 25, but the gentleman knows more about the construction of the bill than I do.

Mr. MANN of Illinois. I will say to the gentleman from Ohio, if he will permit me——

Mr. GARD. Surely.

Mr. MANN of Illinois. Here is the situation. We fix a certain standard, and define what it shall be.

Mr. GARD. Yes.

Mr. MANN of Illinois. The standard of a barrel, for instance. Now, two barrels that were identically the same were never made, and never will be probably, but we specify what the barrels shall contain. It is necessary to provide that there may be tolerances. I think the proper way to do is to say that reasonable tolerances shall be allowed, and then provide that somebody shall fix them. However, you can not entirely strike out section 25 without putting something in the place of it, because that is the only place where you allow tolerances.

Mr. GARD. The gentleman has offered an amendment which, I think, covers the case.

Mr. MANN of Illinois. No; the amendment does not say that tolerances shall be allowed. The amendment provides what they shall be, but you must first either provide that tolerances shall be allowed, which, I think, is the proper form, or else provide that the commissioners may establish tolerances. Now, the amendment only provides what those tolerances shall be. In other words, that the commissioners shall establish the same tolerances that the Agricultural Department or the Department of Commerce have established in cases covering the same matter.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. BEE. Mr. Chairman, I rise in support of the motion of the gentleman from Ohio [Mr. GARD]. I am going to say the last word I have got to say on this subject. I realize by the temper of the committee that they are going to pass this bill. However, I wish to suggest this thought: I think it was very unfair to the distinguished gentleman from Massachusetts [Mr. WALSH] to put him in the chair when his amendment was up a while ago, and leave nobody to plead for his amendment when it came up.

This section 25, which we now have under consideration, presents to my judgment a curious situation. I have always understood that penal laws were to be strictly construed. Here is an act of Congress that proposes to make criminals out of men who do not build a hamper or a crate or basket of certain proportions. Yet in the same law it is intended to insert a clause that the commissioners shall sit down in their offices

and say to John Smith, "We will give you a tolerance to violate the law on this subject; but you, Bill Jones, have not spoken to us in the proper way, and you get no tolerances. You must obey the law." It is the first time in my life that I have ever heard of a criminal law carrying propositions of tolerance to be decided by some individual in favor of the lawbreaker.

But, as I say, I realize that this law is going to be enacted. The temper of the committee has indicated that. But once more I want to enter my protest against the modern tendency, in Congress and elsewhere, to create offenses, to make criminals out of men for things that the law already covers, under the doctrine of theft by a false pretext, or any offense of that kind.

Mr. MAPES. Will the gentleman yield?

Mr. BEE. I yield to the gentleman from Michigan.

Mr. MAPES. Of course, the commissioners would not make tolerances which would apply to individual cases only. They would make the tolerances apply generally and publish them so that the public would know what they were.

Mr. BEE. In other words, do I understand the gentleman from Michigan, then, to contend that a criminal statute which provides criminal punishment for the offender is also to provide that the men whose duty it is to enforce it may sit in their offices and send out notices broadcast that certain offenses against the law will be permitted and not each individual come to present his claim to the commissioners? Do I so understand the gentleman from Michigan?

Mr. MAPES. Oh, no; it is similar to the law. If this bill is passed and the tolerances are provided for by the commissioners, they become an amplification of the law; then dealers and others must abide by them.

Mr. BEE. I have practiced law in a limited way in the past. If there was one doctrine of criminal law that I thought was well established it was that criminal statutes, which make criminals out of citizens of this country, should be strictly construed and that they should be enforced; but here, even under the explanation of the gentleman from Michigan, we propose to pass a law by which when people go to market, if some fellow manages to sell them a dozen strawberries less than they ought to have received, that man is made a criminal unless the commissioners give him a tolerance and say to him that he shall go ahead under such regulations as they prescribe.

I say I recognize the futility of my protest, but I want to register it.

Mr. MOORE of Virginia. Mr. Chairman, I move to strike out the last word, simply for the purpose of submitting my view to my friend, the chairman of the committee [Mr. MAPES].

Section 25, which is under consideration, authorizes tolerances, and so forth, "not inconsistent with the provisions of this act." Let us test the operation of that authorization with reference, for instance, to what is provided on page 18, lines 8 to 11, inclusive. There it is provided that—

A standard sack or bag of potatoes shall contain 90 pounds of potatoes at the time of sale, and potatoes shall not be sold by the sack or bag in other than standard sacks or bags.

Now, as I understand, under section 25 the commissioners would have no right at all to interfere with that requirement and prohibition.

Mr. MAPES. No.

Mr. MOORE of Virginia. All that the commissioners can do under section 25 is to do something not inconsistent with the terms of the act.

Mr. MAPES. Certainly.

Mr. MOORE of Virginia. So this act would restrict the standard sack or bag of potatoes absolutely to 90 pounds, which is not a practical thing. Potato raisers who are here on the floor can tell you that. I am informed that at this time there is no potato sack which contains 90 pounds. There are potato sacks that contain less than 90 pounds and there are many sacks that contain more than 90 pounds. So if we adopt this bill as it stands, there is that limitation. We fix the potato sack at 90 pounds and section 25 does not give any opportunity to get away from it where potatoes are sold by the sack.

Mr. MAPES. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. MAPES. The gentleman's statement is not in accord with the information which I have received when he says that there are no sacks containing 90 pounds of potatoes. My information is that that is the customary sack that is used here in the District of Columbia, and that it is in very general use. Of course, this could not apply to potatoes that are sold otherwise than in sacks, or that are shipped in interstate commerce and are sold in the original packages.

Mr. MOORE of Virginia. As a matter of fact, the truckers of Maryland and Virginia bring potatoes here in sacks, in their own vehicles, and sell them in sacks, and the sacks are not 90-pound sacks.

Mr. MAPES. My colleague from Rhode Island suggests that these are sold by the sack and not in the sack. This proposed legislation is trying to remedy this situation, for example, which exists in the District to some extent: Certain men travel around in the residence portions of the District in the fall of the year representing themselves to be farmers, selling potatoes in the sack. A great many housewives buy potatoes of these men, and after the potatoes are sold the men disappear and nobody knows where they come from or where they go to.

The CHAIRMAN (Mr. HICKS). The time of the gentleman from Virginia has expired.

Mr. MOORE of Virginia. I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. MAPES. The superintendent of weights and measures tells me that it is a frequent practice on the part of these men to take a few pounds out of each sack, so that they really sell 85 pounds or less. They are representing to the housewives that the sacks contain 90 pounds. As soon as they get their money they are gone and nobody can locate them. They go around imposing on the housewives in the District. The superintendent recommends some such legislation as this so that he can better cope with this situation and stop such practices.

Mr. WELLING. May I interrupt the gentleman to say that in the markets of this city the potatoes shipped in by carload lots from the gentleman's own State and all over the Northwest come here not in 90-pound bags but come in 150-pound bags? I do not believe that the gentleman can find anywhere in Washington, except what are sold by the farmers, a 90-pound sack.

Mr. MAPES. Does not the gentleman see that this legislation would not interfere with that in any way?

Mr. WELLING. I think it would.

Mr. MAPES. There is such a substantial difference between 90 and 150 pound sacks.

Mr. WELLING. But you make 150-pound sacks unlawful.

Mr. MAPES. Potatoes shipped in interstate commerce in 150-pound sacks can be sold, but the retailers could not sell from those sacks by the sack. Retailers could not sell potatoes by those sacks in the District of Columbia if this bill becomes a law. This is for the protection of the purchaser from the retailer, for the protection of the consuming public, and is not designed to interfere in any way with the shipment of potatoes in interstate commerce.

Mr. WELLING. I have grown potatoes all my life, and a sugar sack will hold approximately 90 pounds. A wheat sack such as the farmer has on his farm will hold 110 pounds. You forbid these men who are bringing potatoes into this market on their wagons from selling potatoes unless they put them in a 90-pound bag and do not use up the vacant space.

Mr. MOORE of Virginia. Let me ask the gentleman whether the weight of potatoes varies according to the season at which they are sold?

Mr. WELLING. Not so very much.

Mr. MOORE of Virginia. But to some extent?

Mr. WELLING. Yes; this bill makes it mandatory on every person to put his potatoes in a 90-pound sack. I will wager that if you go into the market to-day, down into the truck regions, you can not find a container having 90 pounds of potatoes in it ready for sale. They will have 60 pounds or considerable more than 90 pounds.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

The CHAIRMAN. The question now is on the motion to strike out.

The question was taken, and the amendment was rejected.

Mr. GARD. Mr. Chairman, I move to strike out, on page 21, line 10, after the word "Columbia," the comma and insert a period, and then strike out the balance of the language in lines 10 and 11.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. GARD: Page 21, line 10, strike out the comma after the word "Columbia" and insert a period. Strike out the remainder of lines 10 and 11.

Mr. MAPES. Mr. Chairman, I have no objection to that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was agreed to.

The Clerk read as follows:

SEC. 27. That no person shall, within the District of Columbia, upon any freight bill, express bill, or other bill for transportation, indicate the weight of any commodity upon which weight the freight, express, or other transportation charge or charges is or are based except the true gross weight of such commodity, and every bill for freight, express, or other transportation charge or charges shall have legibly written or

printed thereon the name of the person indicating such weight on same; and no person shall collect or attempt to collect in the District of Columbia any bill for freight, express, or other transportation charge or charges unless the same is prepared in accordance with the provisions of this section. The word "bill" as used in this section shall be construed to mean any printed or written or printed and written evidence of charge or charges for freight, express, or other transportation.

Mr. MANN of Illinois. Mr. Chairman, I move to strike out the section. The section does not belong in this bill.

Mr. MAPES. Mr. Chairman, in anticipation of this motion being made, I discussed the matter with the superintendent of weights, measures, and markets, who prepared the bill. He recognized the fact that this provision was somewhat foreign to the general purpose of the bill, and he has no objection to its going out.

The CHAIRMAN. The question is on the motion of the gentleman from Illinois to strike out the section.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. MOORE of Virginia. Mr. Chairman, may I ask the gentleman from Michigan to consider further the provisions with reference to potato sacks? I would not wish to embarrass the gentleman with respect to this legislation, even if I were able to do so, but I think this is a time when we ought to consider the producer and facilitate him as much as possible. I doubt whether there is much of the abuse in the District of Columbia referred to by the gentleman; and even if there is some abuse, on the other hand, as has been stated here by those having great practical experience, to retain this provision may hinder the producer in marketing his product here. I think, as a rule, it is rather dangerous for government to act upon mere theory, to act without the development of facts by the people who know best. There was no appearance before the committee of a single man engaged in the business of production. The only person who appeared was the official in the District of Columbia who is immediately connected with this subject, and perhaps, in addition, some of his assistants. They have their views, of course, but it seems to me we ought to know something more in a practical way about this particular provision to which I am alluding before we pass it into legislation. The theorist is all right in his way, but perhaps we would be paying for sugar to-day but 11 cents a pound instead of 20 or 25 cents if somebody had not acted upon the judgment of a theorist, a most excellent gentleman, a man of wide information, but a man whose opinion was accepted without inquiry beyond him.

Mr. MAPES. Mr. Chairman, I will say to the gentleman that I discussed this particular matter with the superintendent of weights, measures, and markets, and he said frankly that in his opinion it was not essential to have the 90-pound sack, as distinguished from the sack of 100 pounds or some other definite weight, but he thought it was necessary in order to properly take care of conditions here in the District to fix some standard of weight for the sale of potatoes that were sold in sacks. I have a statement here that he gave me in which he says:

The provision regarding the weight of a bag of potatoes conforms to the general custom in the District and in Maryland among farmers who bring potatoes to the market here for sale. The bags usually contain 90 pounds, and when one buys a bag of potatoes he expects to get 90 pounds. It is the practice, however, among some unscrupulous dealers, hucksters, to take some potatoes out of each bag of a lot they buy, and in that way increase the number of bags and sell the entire lot for a certain price per bag. The purchaser believes he is getting 90 pounds when, in fact, he gets about 75 or 80 pounds.

I will say to the gentleman from Virginia that we have passed this section, as the gentleman knows, and I think it would be better for him to take the matter up with the superintendent of weights, measures, and markets and perhaps the Senate committee before the bill is finally enacted into law. I dislike to go back to this, inasmuch as we have already passed over it.

Mr. WELLING. Mr. Chairman, will the gentleman yield?

Mr. MAPES. Yes.

Mr. WELLING. I have just talked with Golden & Co., one of the largest handlers of potatoes in the Washington market, and they say they never have heard and do not now know or recognize any container for potatoes of 90 pounds. It would be an outrage on every shipper who sends potatoes into this market as well as upon the local dealers.

Mr. MAPES. It is hard to reconcile that statement with the statement of the superintendent of weights, measures, and markets that that is the common standard in the District of Columbia.

Mr. MOORE of Virginia. I know we are not entitled, as a matter of right, to return to the section in question, and if the gentleman is disinclined to do that I shall not further urge it.

Mr. MAPES. We have several other bills that we desire to get up this afternoon.

Mr. MOORE of Virginia. I think the gentleman's suggestion is fair. It gives me the opportunity to ascertain the facts and there will be a chance to modify this provision if it turns out that it would work an injustice.

Mr. MANN of Illinois. Mr. Chairman, in my innocence I had supposed that people bought potatoes by the bushel, the half bushel, the peck, the half peck, and that sort of thing, and by the pound. Certainly if people buy potatoes by the bag and the gentleman says that one of the chief handlers of potatoes does not know of 90-pound bags, and the sealer of weights does not know of any other sized bag of potatoes, there is a woeful lot of ignorance on the part of some one. No one can tell how much a bag of potatoes contains just by looking at it.

Mr. WELLING. I understand that there is no such sack as will hold 90 pounds. There are sacks that hold 110 pounds or 150 pounds, and they come into this market by the carload, containing 150 pounds in each sack, from all over the Northwest.

Mr. MANN of Illinois. Unless the gentleman knows a great deal more about it than I do, he does not know what the size of a potato sack is.

Mr. WELLING. Oh, this is a matter that I know a great deal about.

Mr. MANN of Illinois. I do not undertake to dispute the gentleman.

The CHAIRMAN. The Chair would suggest to the gentleman from Michigan that inasmuch as section 27 was stricken out, there should be a renumbering of the sections following.

Mr. MANN of Illinois. That is the duty of the Clerk in engrossing the bill.

Mr. MAPES. Mr. Chairman, I move that the bill be laid aside temporarily with a favorable recommendation.

The motion was agreed to.

BONUS LEGISLATION.

Mr. JOHNSON of Mississippi. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an editorial from the Washington Post.

Mr. CHAIRMAN. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD by inserting therein an editorial. Is there objection?

Mr. DOWELL. Upon what subject?

Mr. JOHNSON of Mississippi. On the subject of the bonus to ex-service men.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

The editorial is as follows:

[From the Washington Post, Sunday, May 23, 1920.]

THE BONUS IN POLITICS.

If the Republicans of the House of Representatives were actually moving to impose an additional tax of $1,276,500,000 on the people at this time for the purpose of giving a bonus to soldiers and sailors, the move could not be ascribed to anything but madness. But as the House Republicans know very well that no such tax will be imposed, their proposal to impose it may be set down for what it really is—a hypocritical and disreputable attempt to hoodwink the soldier boys for purposes of political advantage in the forthcoming campaign.

The House Republicans are trying to make it appear that they favor the imposition of another billion-dollar tax upon the people; that the soldier and sailor boys must have this bonus; that the Democrats are opposing the plan, and the Democratic President is intent upon vetoing the bill, and therefore that the Republican Party is the only friend of the soldiers and sailors. Hence, if the soldiers and sailors have any gratitude they will be expected to vote the Republican ticket from President to dog catcher.

The Republicans of the House would not pass the bonus bill if they knew it would pass the Senate and be approved by the President, for they know that the people would relegate all of them to private life for incompetence in swelling the public debt at a time when the public back is bending under an excessive load. The House Republicans rely upon the Senate and the President to block the bill. Thus these "statesmen" hope to fool the soldiers and sailors and yet avoid the wrath of the taxpayers.

Such is the quality of statesmanship exhibited by the majority of the once great Committee on Ways and Means and seemingly approved by the Republican majority of the House.

No more humiliating spectacle has ever been witnessed in the Capitol than that which will occur this week if a majority of the House shall vote in favor of the bonus bill. The proposal is so offensive to decency when stripped of its hypocrisy that no individual Member of the House would dare to champion it in the presence of self-respecting soldiers and sailors of the recent war. It is an indictment of the good faith of its supporters, and the roll call will be used against them individually by their rivals in their districts. These rivals will not fail to tell the people how their Congressmen voted for an additional tax of $1,276,500,000. They will fully explain to all soldiers and sailors how the vote was cast in the knowledge that the bill could not pass—that it was, bluntly speaking, a swindle disguised as a bribe, intended to deceive them into voting the Republican ticket. How can any Congressman voting for this bill successfully cope with a rival who thrusts these deadly facts into the campaign?

The Congressmen engineering this fraudulent measure confidently count upon the ignorance of the soldiers and sailors. They seem to regard these young men as too simple to understand the intricacy of the scheme that has been hatched. They expect to convince the fighting men that a Democratic minority in Congress or the Democratic President, as the case may be, blocked the bonus which a grateful

Republican Party was anxious to give them. But the soldiers and sailors will not be misled. The truth will be conveyed to them before the bill is voted down in the Senate or vetoed by the President.

Should the House pass this bill, a storm of protest will arise from the taxpayers. They will speedily rip off all the pretense that now covers the proposal. The Senate debate, if held before the recess, will expose the hypocritical action of the House majority and will place before the two great elements concerned—taxpayers and fighters—the full truth. Thus the Congressmen who vote for the bill will be impaled upon one horn or the other.

In the meantime it behooves the soldiers and sailors to understand clearly what is being attempted in the name of patriotism and gratitude. The protests which are coming in from former soldiers and sailors reveal that many of them detect the unwisdom of imposing extra taxation upon the people for the purpose of giving the fighters a bonus. Everyone knows that a tax is not only collected from the consumer, but is usually made the excuse for an extra charge. The bonus would amount to $1,276,500,000, which is staggering enough in itself; but by the time the consumers paid the tax it would have grown to $2,000,000,000 or more. The fighters and their relatives would pay this tax and its profiteering trailer. All patriotic families have liberty bonds, and the value of these bonds would depreciate if they were dumped upon the market, as they would be if taxpayers were squeezed by a bonus bill. Thus the fighters' families would be doubly out of pocket.

But there is no danger of committing the folly of enacting the bonus bill. Congress is about to adjourn. The campaign will be on. Business conditions are changing. Extra taxes must be laid to carry on the Government. The people will know more about the Government than they know now. If the House before adjourning should pass the bonus bill, its action will have become a hissing and a byword before the Senate, next winter, will be called upon to discuss it.

WASHINGTON MARKET CO.

Mr. MAPES. Mr. Chairman, I call up the bill (H. R. 9036) to repeal and annul certain parts of the charter and lease granted and made to the Washington Market Co. by act of Congress entitled "An act to incorporate the Washington Market Co.," approved May 20, 1870, and ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN (Mr. WALSH). The gentleman from Michigan calls up the bill H. R. 9036, and asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. MAPES. Mr. Chairman, I do not wish to delay the passage of this bill in discussing it unnecessarily. The bill was introduced in the last Congress by the gentleman from Kentucky [Mr. JOHNSON] and passed the House of Representatives. It was reintroduced in this Congress and was gone over very thoroughly by the committee, and, as far as I know, no one, not even those interested in the market company, oppose the legislation. On the part of the Government it is purely a business proposition. We have leased property for which the lessor under the existing conditions pays a fraction of 1 per cent per year. This bill proposes to cancel or annul the lease of the Washington Market Co. and take back the property upon paying to the company the value of the buildings and improvements erected thereon by the company, as the charter provided might be done. Unless there are some questions, I ask that the bill be read for amendment.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

No one shall be appointed on said commission if he be either a Member of Congress or an ex-Member thereof; nor if he be an officer or employee of the United States, nor if he be a stockholder in, or the owner or pledgee of any bond of the market company; nor if he be a creditor or debtor of the said market company or of any officer or stockholder thereof; nor if he be an officer or stockholder of any corporation which is either a creditor or debtor of any officer or stockholder of the market company; nor if he be, directly or indirectly, interested financially in the market company, any of its officers, stockholders or bondholders; nor if he be a tenant, lessee, bailee, or bailor of the market company; nor if he be the owner or pledgee of any bond or of any of the capital stock of the market company; nor if he be an officer, agent, employee, tenant, bailee, or bailor of any firm, copartnership or corporation which is a tenant, bailee, or bailor of the market company, nor if he be attorney for any of the aforesaid.

The committee amendments were read, as follows:

Page 5, line 21, strike out the comma and insert a semicolon.
Page 6, line 10, after the word "company," strike out the comma and insert a semicolon.

The question was taken, and the amendments were agreed to.

The Clerk read as follows:

If either party be dissatisfied with the amount of the award, such dissatisfied party may take an appeal to the Court of Appeals of the District of Columbia by noting in the office of the clerk of the court of appeals an appeal therefrom within 30 days after the filing of said award, and perfect the said appeal within 60 days thereafter by filing the entire record, or a copy thereof, certified by the chairman or any two members of said commission, and filing it in the office of the clerk of the Court of Appeals of the District of Columbia, which court is hereby vested with jurisdiction to hear and determine such appeal, and may revise the amount of the award as shall be just; and the judgment rendered by said court shall be final.

The committee amendment was read, as follows:

Page 7, line 21, correct the spelling of the word "dissatisfied."

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 8. That if, at any time, the Secretary of Agriculture, or his successor in charge of said reservation, should become satisfied that any lessee of said reservation, or any part thereof, or any person having property stored thereon, is guilty of overcharging, extortion, profiteering, or making any unconscionable bargain or sale he is hereby empowered and directed to cause such person, together with his goods and wares, to be ejected therefrom; and, further, forever afterwards denied the privilege of trading or being employed therein in any capacity whatever. The right or authority of the Secretary of Agriculture, or his successor in control of said reservation, to summarily and forthwith eject therefrom, as aforesaid, and to cancel the lease or contract of storage—either or both—without recourse to any judicial tribunal, of any person so offending is hereby made specific and mandatory. And no contract of lease or for storage shall be made or entered into by the said Secretary, or his successor, without such a provision being incorporated therein and agreed to by the lessee or bailor. If any such offending lessee or bailor be a firm, joint-stock company, copartnership, or corporation, no member of, or stockholder in, any such concern shall be permitted thereafter to trade in said reservation or to store any article of merchandise or commerce therein.

The committee amendments were read as follows:

Page 10, line 4, after the word "copartnership," strike out the comma; and in line 11, after the word "company," strike out the comma.

The question was taken, and the amendments were agreed to.

The Clerk finished the reading of the bill.

Mr. MAPES. Mr. Chairman, I move that the bill be temporarily laid aside with a favorable recommendation.

The motion was agreed to.

REDISTRIBUTION OF GENERAL TAXES, ETC.

Mr. MAPES. Mr. Chairman, I call up the bill (H. R. 8535) to provide for a redistribution of general taxes, and so forth.

The CHAIRMAN. The gentleman from Michigan calls up the bill, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 8535) to provide for the redistribution of general taxes and special assessment due and payable on real estate in the District of Columbia in cases of subdivision or sales of land therein.

Mr. MAPES. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MAPES. Mr. Chairman, I ask that the Clerk read the bill.

The CHAIRMAN. The Clerk will read the bill under the five-minute rule.

The Clerk read as follows:

SEC. 3. That whenever application is made in writing to the assessor of the District of Columbia by the owner of any tract of land in said District not subdivided into lots and of record as a subdivision in the office of the surveyor of said District, for the redistribution of any general or special taxes or assessments then due thereon, or whenever such application is made by the owner of any parcel of such tract for such redistribution, any such general or special taxes or assessments due against the entire tract of which such parcel is a part shall be redistributed so that the owner of any such parcel may pay the proportion of such entire taxes or assessments equitably chargeable thereon.

The committee amendment was read, as follows:

Page 3, line 1, after the word "then," insert the words "levied or."
Page 3, line 4, after the word "assessments," insert the words "levied or."

The question was taken, and the amendments were agreed to.

The Clerk read as follows:

SEC. 5. That the board of assistant assessors charged with the assessment of real estate in the District of Columbia is hereby authorized and directed to reassess or redistribute any such general or special assessment or tax due and unpaid in accordance with the provisions of laws for the assessment and equalizations of the valuations of real estate in the District of Columbia for taxation, after notice to owners of record of the land to be assessed, with right of appeal within 10 days to the board of equalization and review, as prescribed in section 9 of "An act to provide an immediate revision and equalization of real estate values in the District of Columbia; also to provide an assessment of real estate in said District in the year 1896 and every third year thereafter, and for other purposes," approved August 14, 1894; and the assessor of said District is hereby authorized and directed to promptly reassess or redistribute any general or special assessment of any kind due and unpaid, as hereinbefore provided.

The committee amendments were read, as follows:

Page 3, line 20, after the word "tax," insert the words "levied or."
Page 4, line 8, after the word "kind," insert the words "levied or."

The question was taken, and the amendments were agreed to.

The Clerk finished the reading of the bill.

Mr. MAPES. Mr. Chairman, I move that the bill be laid aside temporarily with a favorable recommendation.

The question was taken, and the motion was agreed to.

WIDENING GEORGIA AVENUE.

Mr. BURDICK. Mr. Chairman, on behalf of the Committee on the District of Columbia, I call up the bill H. R. 10004.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 10004) authorizing the widening of Georgia Avenue between Fairmont Street and Gresham Place NW.

Mr. BURDICK. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

Mr. GARD. Mr. Chairman, reserving the right to object, what is this bill?

Mr. BURDICK. This bill authorizes the widening of Georgia Avenue and Fairmont Street and Gresham Place about a distance of two blocks in the city of Washington.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BURDICK. Mr. Chairman, I would say that this bill was submitted to the Commissioners of the District of Columbia, and it authorizes the widening of Georgia Avenue for a distance of two blocks to conform with the other portions of Georgia Avenue. I would ask the Clerk to read the bill.

The Clerk read as follows:

Be it enacted, etc., That under and in accordance with the provisions of subchapter 1 of chapter 15 of the Code of Law for the District of Columbia, within six months after the passage of this act, the Commissioners of the District of Columbia be, and they are hereby, authorized and directed to institute in the Supreme Court of the District of Columbia a proceeding in rem to condemn the land that may be necessary for widening of Georgia Avenue between Fairmont Street and Gresham Place NW., with a width of not less than 90 feet, in accordance with maps on file in the office of the surveyor of the District of Columbia: *Provided, however*, That the entire amount found to be due and awarded by the jury in said proceedings as damages, for, and in respect of, the land to be condemned for said widening, plus the costs and expenses of the proceedings hereunder, shall be assessed by the jury as benefits.

The committee amendment was read as follows:

Page 2, line 8, after the word "benefits," insert the words "against the property which the jury shall find to be benefited."

The question was taken, and the amendment was agreed to.

The Clerk finished the reading of the bill.

Mr. BURDICK. Mr. Chairman, I move that the bill be laid aside temporarily with a favorable recommendation.

The motion was agreed to.

SALE OF CERTAIN LANDS IN THE DISTRICT OF COLUMBIA.

Mr. MAPES. Mr. Chairman, I call up the bill H. R. 11329.

The CHAIRMAN. The gentleman from Michigan calls up the bill which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 11329) to provide for the sale by the Commissioners of the District of Columbia of certain land in the District of Columbia acquired for a school site, and for other purposes.

Mr. MAPES. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

Mr. GARD. I think the bill should be read, Mr. Chairman.

Mr. MAPES. Then I ask that the Clerk read the bill.

Mr. GARD. What is it—a long bill?

Mr. MAPES. No; only two pages. I will explain it in a minute.

Mr. GARD. If the gentleman will explain it, I will withdraw the request.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MAPES. Mr. Chairman, as the report accompanying this bill shows, the property involved in this bill was included in a tract purchased in 1869 for a school site, but was never used for that purpose. The entire parcel, except the two small strips involved here, was absorbed when Twentieth and Jackson Streets were opened in the Northeast. There are two small strips between the street and the adjoining property that are still in the possession of the District, and this bill authorizes the sale of those two strips. The owner of the property abutting one of them desires to erect a building on the corner and hesitates to build until the property can be properly developed to the new street line. The Commissioners of the District recommend the enactment of this legislation, and they think it is for the public interest to have it enacted.

Mr. GARD. Will the gentleman yield?

Mr. MAPES. I do.

Mr. GARD. I have not heard what the legislation is expected to accomplish; we do not have the opportunity of knowing what bills are going to be brought up——

Mr. MAPES. It authorizes——

Mr. GARD. Does it give power to purchase anything or authorize the commissioner to sell it?

Mr. MAPES. It authorizes the commissioners to sell those two small strips of land either at public or private sale and to sell at not less than the valuation based upon the assessment.

Mr. GARD. Does it provide for any appraisement of the property before they sell it?

Mr. MAPES. No; except it can not be sold for less than the valuation as fixed by the assessor.

Mr. WOODS of Virginia. Will the gentleman allow me?

Mr. MAPES. Yes.

Mr. WOODS of Virginia. I think it might be helpful if the chairman would state that they are very small strips. He did not give the dimensions. As I recall, they are very small.

Mr. GARD. What is the value of the land?

Mr. MAPES. I really can not answer that question.

Mr. GARD. I mean as assessed.

Mr. MAPES. I can not answer that.

Mr. GARD. It says they are authorized to sell at public or private sale, at a price not less than the true value of the abutting property, based on the assessment.

Mr. MAPES. The gentleman asks a very pertinent question, but I am not able to answer it.

Mr. PARRISH. Will the gentleman from Michigan yield?

Mr. MAPES. I will yield.

Mr. PARRISH. Does that mean on the assessed value? There is no claim that they assess any property above a two-thirds value here. Does it mean that the property shall be sold at not less than two-thirds of the value?

Mr. MAPES. No. It is based upon the assessment. The commissioners explained to the committee that that meant it could not be sold for less than the valuation as found by the assessors. The valuation is based upon the assessed valuation.

Mr. JOHNSON of Kentucky. The gentleman is mistaken in saying that the true value is not ascertained in making the assessment. The true value is ascertained and two-thirds taken off for assessment purposes.

Mr. PARRISH. I did not know whether the assessed value was two-thirds of 100 per cent. Will the gentleman yield for another question?

The CHAIRMAN. Does the gentleman from Michigan yield to the gentleman from Texas.

Mr. MAPES. I yield to the gentleman.

Mr. PARRISH. Has the gentleman any information as to how this property is going to be sold—whether it will be sold at public or private sale?

Mr. MAPES. I have no further information than what the bill provides. The bill provides it may be sold at either public or private sale. The committee considered that proposition, but concluded that the strips were so small that it might be left to the discretion of the commissioners to sell it either at public or private sale.

Mr. GARD. Will the gentleman yield for a question?

Mr. MAPES. Yes.

Mr. GARD. This may be a small matter; I do not know; but in this instance it seems to me to be something that the committee ought to consider, for these strips have never been assessed for taxation. There has been no order of appraisal for this sale. The sale price is based upon this language:

At a price not less than the true value of the abutting property based on the assessment.

Does not the gentleman think when we sell property or authorize the sale of it that we should authorize the appraisement of the property where there has been no assessment? My understanding, from what the gentleman has said—the chairman of the committee—is that these are strips of land and unused, I suspect, and therefore have never been assessed for taxation. But unless they are very minor in their value, unless they are of little consequence from a financial standpoint, it would seem to me we are establishing a bad precedent here when we sell property without knowing what it is worth, without appraisement or assessment to indicate what the Government ought to get for it.

Mr. MAPES. They are of small consequence, I will say to the gentleman. I have a chart here showing the strips in question, and they lie between the street and the property of certain adjoining property owners.

Mr. GARD. The gentleman knows, probably, that the men who want these strips are the people who own the abutting property, so as to make their own lots bigger?

Mr. MAPES. They are the only men, I suppose, who will desire to have the strips at all.

Mr. GARD. They are responsible for this legislation from the gentleman's committee, I have no doubt.

Mr. MAPES. I presume they requested the commissioners to recommend the legislation, although I have no information about it.

Mr. GARD. It would be natural to suspect that. But I do think that we are tending to establish a dangerous principle here when we sell property, even a very small amount, if we do not provide the determination of its value by some legally recognized procedure, so that the sale, either public or private, may be based upon an assessed appraised value found.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized to sell at public or private sale, at a price not less than the true value of the abutting property based on the assessment, all that part of the subdivision of Granby acquired by the commissioners of primary schools of Washington County by deed from George H. Baer and wife dated the 25th day of June in the year 1869, excepting that part of said land lying within the lines of Twentieth and Jackson Streets as recorded in book 52, page 174, of the records of the office of the surveyor of the District of Columbia, the land herein authorized to be so conveyed being assessed among the records of the office of the assessor of the District of Columbia as parcel 156 sub sub 38 and parcel 156 sub 39, reserving, however, so much of said land as is in the judgment of said commissioners necessary for alley purposes, the portion of land so reserved not to be included in said sale: *Provided*, That the entire proceeds of such sale by the said Commissioners of the District of Columbia shall be covered into the Treasury of the United States to the credit of the revenues of the District of Columbia.

Mr. GARD. Mr. Chairman, I move to strike out the last word for the purpose of getting a little information. The bill refers to the commissioners of primary schools of Washington County. What is that?

Mr. JOHNSON of Kentucky. Washington County was all that part of the District of Columbia outside of the old city of Washington and the old city of Georgetown. There were three subdivisions of the District when this property was acquired.

Mr. GARD. Mr. Chairman, I made inquiry of the gentleman who was chairman of the committee, for the purpose of identification for the purpose of value, regarding the subdivision of Granby, and where and what that is, and what was the county of Washington.

Mr. MAPES. This property is out in the northeast section of the city at Twentieth and Jackson Streets. Washington County, as the gentleman knows, is the old municipal designation of that part of the District. I have a chart here which will show the location.

Mr. GARD. Is Granby an existing subdivision in the District of Columbia?

Mr. MAPES. I think not.

Mr. GARD. It still refers to it in this bill by saying:

All that part of the subdivision of Granby.

Mr. MAPES. As the gentleman knows, these old descriptions are often referred to in describing land in conveyances as a means of identification. The square number is also given. It is 156 sub 38 and parcel 156 sub 39.

The CHAIRMAN. The Chair desires to direct the attention of the gentleman from Michigan to line 6, page 2, to inquire if the word "sub" should be there twice before the word "thirty-eight"?

Mr. MAPES. Mr. Chairman, I ask unanimous consent that one of those be eliminated.

The CHAIRMAN. The gentleman from Michigan moves to amend by striking out the word "sub" where it first appears in line 6, page 2. Without objection, it is so ordered.

There was no objection.

Mr. MAPES. Mr. Chairman, I move that the committee do now rise and report to the House the several bills that have been temporarily laid aside, with the recommendation that the amendments be agreed to and that the bills as amended do pass.

Mr. GARD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GARD. Did the gentleman move to lay aside the last bill with the necessary recommendation?

Mr. MAPES. If that is necessary, I will make that motion first.

The CHAIRMAN. The gentleman from Michigan moves that the bill H. R. 11329 as amended be laid aside with favorable recommendation. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. It is moved that the committee do now rise and report the several bills favorably to the House, with the recommendation that the amendments be agreed to and that the bills as amended do pass. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WALSH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bills H. R. 8067, H. R. 9036, H. R. 8535, H. R. 10004, and H. R. 11329, respectively, all with amendments, had directed him to report the same back to the House with the recommendation that the amendments be agreed to and that the several bills as amended do pass.

The SPEAKER. The Clerk will report the first one.

STANDARD WEIGHTS AND MEASURES.

The Clerk read as follows:

A bill (H. R. 8067) to establish standard weights and measures for the District of Columbia; to define the duties of the superintendent of weights, measures, and markets of the District of Columbia; and for other purposes.

Mr. MAPES. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next one.

WASHINGTON MARKET CO.

The Clerk read as follows:

A bill (H. R. 9036) to repeal and annul certain parts of the charter and lease granted and made to the Washington Market Co. by act of Congress entitled "An act to incorporate the Washington Market Co.," approved May 20, 1870.

Mr. MAPES. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put the amendments in gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next one.

GENERAL TAXES AND SPECIAL ASSESSMENTS.

The Clerk read as follows:

A bill (H. R. 8535) to provide for the redistribution of general taxes and special assessments due and payable on real estate in the District of Columbia in cases of subdivision or sales of lands therein.

Mr. MAPES. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put the amendments in gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next one.

WIDENING OF GEORGIA AVENUE.

The Clerk read as follows:

A bill (H. R. 10004) to authorize the widening of Georgia Avenue between Fairmont Street and Gresham Place NW.

Mr. MAPES. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put the amendments in gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next one.

SALE OF LAND ACQUIRED FOR A SCHOOL SITE.

The Clerk read as follows:

A bill (H. R. 11329) to provide for the sale by the Commissioners of the District of Columbia of certain land in the District of Columbia acquired for a school site, and for other purposes.

Mr. MAPES. Mr. Speaker, I move the previous question on the bill and the amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. MAPES, a motion to reconsider the votes whereby the several bills were passed was laid on the table.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bill and joint resolution:

H. J. Res. 327. Joint resolution repealing the joint resolution of April 6, 1917, declaring that a state of war exists between the United States and Germany, and the joint resolution of December 7, 1917, declaring that a state of war exists between the United States and the Austro-Hungarian Government; and

H. R. 12626. An act for the relief of certain persons to whom, or their predecessors, patents were issued to public lands along the Snake River in the State of Idaho under an erroneous survey made in 1883.

MANDATE FOR ARMENIA.

The SPEAKER laid before the House the following message from the President, which was referred to the Committee on Foreign Affairs and ordered to be printed:

GENTLEMEN OF THE CONGRESS:

On the fourteenth of May an official communication was received at the Executive Office from the Secretary of the Senate of the United States conveying the following preambles and resolutions:

"Whereas the testimony adduced at the hearings conducted by the subcommittee of the Senate Committee on Foreign Relations have clearly established the truth of the reported massacres and other atrocities from which the Armenian people have suffered; and

"Whereas the people of the United States are deeply impressed by the deplorable conditions of insecurity, starvation, and misery now prevalent in Armenia; and

"Whereas the independence of the Republic of Armenia has been duly recognized by the Supreme Council of the Peace Conference and by the Government of the United States of America: Therefore be it

"*Resolved*, That the sincere congratulations of the Senate of the United States are hereby extended to the people of Armenia on the recognition of the independence of the Republic of Armenia, without prejudice respecting the territorial boundaries involved; and be it further

"*Resolved*, That the Senate of the United States hereby expresses the hope that stable government, proper protection of individual liberties and rights, and the full realization of nationalistic aspirations may soon be attained by the Armenian people; and be it further

"*Resolved*, That in order to afford necessary protection for the lives and property of citizens of the United States at the port of Batum and along the line of the railroad leading to Baku, the President is hereby requested, if not incompatible with the public interest, to cause a United States warship and a force of marines to be dispatched to such port with instructions to such marines to disembark and to protect American lives and property."

I received and read this document with great interest and with genuine gratification, not only because it embodied my own convictions and feelings with regard to Armenia and its people, but also, and more particularly, because it seemed to me the voice of the American people expressing their genuine convictions and deep Christian sympathies, and intimating the line of duty which seemed to them to lie clearly before us.

I cannot but regard it as providential, and not as a mere casual coincidence that almost at the same time I received information that the conference of statesmen now sitting at San Remo for the purpose of working out the details of peace with the Central Powers which it was not feasible to work out in the conference at Paris, had formally resolved to address a definite appeal to this Government to accept a mandate for Armenia. They were at pains to add that they did this, "not from the smallest desire to evade any obligations which they might be expected to undertake, but because the responsibilities which they are already obliged to bear in connection with the disposition of the former Ottoman Empire will strain their capacities to the uttermost, and because they believe that the appearance on the scene of a power emancipated from the prepossessions of the Old World will inspire a wider confidence and afford a firmer guarantee for stability in the future than would the selection of any European power."

Early in the conferences at Paris it was agreed that to those colonies and territories which as a consequence of the late war have ceased to be under the sovereignty of the States which formerly governed them and which are inhabited by peoples not yet able to stand by themselves under the strenuous conditions of the modern world there should be applied the principle that the well being and development of such peoples form a sacred trust of civilization, and that securities for the performance of this trust should be afforded.

It was recognized that certain communities formerly belonging to the Turkish Empire have reached a stage of development where their existence as independent nations can be provisionally recognized, subject to the rendering of administrative advice and assistance by a mandatory until such time as they are able to stand alone.

It is in pursuance of this principle and with a desire of affording Armenia such advice and assistance that the statesmen conferring at San Remo have formally requested this Government to assume the duties of mandatory in Armenia. I may add, for the information of the Congress, that at the same sitting it was resolved to request the President of the United States to undertake to arbitrate the difficult question of the boundary between Turkey and Armenia in the Vilayets of Erzerum, Trebizond, Van, and Bitlis, and it was agreed to accept his decision thereupon, as well as any stipulation he may prescribe as to access to the sea for the independent State of Armenia. In pursuance of this action, it was resolved to embody in the treaty with Turkey, now under final consideration, a provision that "Turkey and Armenia and the other high contracting parties agree to refer to the arbitration of the President of the United States of America the question of the boundary between Turkey and Armenia in the Vilayets of Erzerum, Trebizond, Van and Bitlis, and to accept his decision thereupon as well as any stipulation he may prescribe as to access to the sea for the independent State of Armenia"; pending that decision the boundaries of Turkey and Armenia to remain as at present. I have thought it my duty to accept this difficult and delicate task.

In response to the invitation of the council at San Remo, I urgently advise and request that the Congress grant the Executive power to accept for the United States a mandate over Armenia. I make this suggestion in the earnest belief that it will be the wish of the people of the United States that this should be done. The sympathy with Armenia has proceeded from no single portion of our people, but has come with extraordinary spontaneity and sincerity from the whole of the great body of Christian men and women in this country by whose free-will offerings Armenia has practically been saved at the most critical juncture of its existence. At their hearts this great and generous people have made the cause of Armenia their own. It is to this people and to their Government that the hopes and earnest expectations of the struggling people of Armenia turn as they now emerge from a period of indescribable suffering and peril, and I hope that the Congress will think it wise to meet this hope and expectation with the utmost liberality. I know from unmistakable evidences given by responsible representatives of many peoples struggling towards independence and peaceful life again that the Government of the United States is looked to with extraordinary trust and confidence, and I believe that it would do nothing less than arrest the hopeful processes of civilization if we were to refuse the request to become the helpful friends and advisers of such of these people as we may be authoritatively and formally requested to guide and assist.

I am conscious that I am urging upon the Congress a very critical choice, but I make the suggestion in the confidence that I am speaking in the spirit and in accordance with the wishes of the greatest of the Christian peoples. The sympathy for Armenia among our people has sprung from untainted consciences, pure Christian faith, and an earnest desire to see Christian people everywhere succored in their time of suffering, and lifted from their abject subjection and distress and enabled to stand upon their feet and take their place among the free nations of the world. Our recognition of the independence of Armenia will mean genuine liberty and assured happiness for her people, if we fearlessly undertake the duties of guidance and assistance involved in the functions of a mandatory. It is, therefore, with the most earnest hopefulness and with the feeling that I am giving advice from which the Congress will not willingly turn away that I urge the acceptance of the invitation now formally and solemnly extended to us by the council at San Remo, into whose hands has passed the difficult task of composing the many complexities and difficulties of government in the one-time Ottoman Empire and the maintenance of order and tolerable conditions of life in those portions of that Empire which it is no longer possible in the interest of civilization to leave under the government of the Turkish authorities themselves.

WOODROW WILSON.

THE WHITE HOUSE,
24 May, 1920.

ROOSEVELT MEMORIAL.

Mr. WALTERS. Mr. Speaker, on behalf of the Committee on the District of Columbia, I call up H. R. 12908 and ask to discharge the Committee on the District of Columbia from further consideration of S. 4163, and that it be substituted for H. R. 12908.

The SPEAKER. The gentleman from Pennsylvania calls up from the District of Columbia Committee H. R. 12908 and asks unanimous consent to discharge the Committee on the District of Columbia from further consideration of S. 4163, and that the same be substituted for the House bill.

Mr. MANN of Illinois. That it be considered in lieu of the House bill?

The SPEAKER. Yes. Is there objection.

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill (S. 4163) to incorporate the Roosevelt Memorial Association was read, as follows:

Be it enacted, etc., That Lawrence F. Abbott, Lyman Abbott, Carl E. Akeley, Earl Akers, Henry J. Allen, Joseph W. Alsop, Charles W. Anderson, Jacob L. Babler, Charles S. Barrett, John Barrett, E. C. Bartlett, R. Livingston Beeckman, Albert J. Beveridge, William C. Bobbs, Charles J. Bonaparte, Evangeline Booth, Desha Breckinridge, Henri Brown, J. A. A. Burnquist, John Burroughs, Marion LeRoy Burton, Kenyon L. Butterfield, William P. Bynum, Thomas E. Campbell, Robert D. Carey, Irving A. Caswell, Thomas L. Chadbourne, Robert R. Church, jr., Ernest F. Cochran, William W. Cocks, Henry Waldo Coe, Russell J. Coles, Austen Colgate, Frederick L. Collins, E. C. Converse, Willis C. Cook, George B. Cortelyou, O. W. Coursey, William H. Cowles, John S. Cravens, Thomas J. Crittenden, H. P. Cross, Walter Damrosch, S. C. Dell, Cleveland H. Dodge, T. Coleman du Pont, Milton H. Esberg, Albert B. Fall, Sylvanus M. Ferris, Simeon D. Fess, John H. Finley, William S. Fleming, Charles W. Folds, Rufus E. Foster, Lyman J. Gage, Thomas Frank Gailor, James A. Gillivan, Halbert P. Gardner, James R. Garfield, Arthur L. Garford, Nelson H. Gay, James W. Gerard, James Gibbons, Mary A. Gibson, Will H. Gibson, William Ball Gilbert, William A. Glasgow, jr., Martin H. Glynn, George W. Goethals, Frank R. Gooding, James P. Goodrich, Theodore F. Green, John C. Greenway, Lloyd C. Griscom, Frank W. Gunsaulus, Hermann Hagedorn, Grant P. Hall, Edward J. Hanna, Ole Hanson, Chester Harding, Judson Harmon, B. F. Harris, Albert Bushnell Hart, George Harvey, James H. Hawley, Will H. Hays, George C. Hazelett, A. T. Hert, Frederick C. Hicks, Frank J. Hogan, Elon H. Hooker, O. K. Houck, Clark Howell, R. B. Howell, William Dean Howells, Charles E. Hughes, Arthur M. Hyde, Harold L. Ickes, William P. Jackson, Alfred J. Johnson, Hiram W. Johnson, Lewis Y. Johnson, Otto H. Kahn, Frank B. Kellogg, George N. Keniston, William S. Kenyon, Henry W. Kiel, John T. King, Paul H. King, Earle S. Kinsley, Irwin R. Kirkwood, Frank Knox, Philander C. Knox, Florence Bayard La Farge, Alexander Lambert, Franklin K. Lane, Albert D. Lasker, John N. Lightbourn, Curtis H. Lindley, Henry D. Lindsley, Colin H. Livingstone, Henry Cabot Lodge, William Loeb, jr., Pierre Lorillard, jr., S. H. Love, Frank O. Lowden, A. Lawrence Lowell, Anna Maud Lyon, William McAdoo, C. N. McArthur, Charles Wylie McClure, J. M. McCormick, Ruth Hanna McCormick, Henry B. McCoy, W. N. McGill, James J. McGraw, Gavin McNab, C. H. McNider, Henry F. MacGregor, Norman E. Mack, Clarence H. Mackay, William T. Manning, T. Frank Manville, Thomas A. Marlow, Victor H. Metcalf, Herman A. Metz, Charles R. Miller, C. P. J. Mooney, J. H. Morron, Dwight W. Morrow, Robert R. Moton, Guy Murchie, Michael J. Murray, Truman H. Newberry, Samuel D. Nicholson, Lewis Nixon, John I. Nolan, Peter Norbeck, Alton B. Parker, John M. Parker, Thomas Patterson, F. S. Peabody, George Wharton Pepper, Leroy Percy, George W. Perkins, Gifford Pinchot, Samuel Platt, Miles Poindexter, Jeter C. Pritchard, Mason F. Prosser, William H. Putnam, R. Lansing Ray, C. F. Reavis, Elisabeth Mills Reid, H. L. Remmel, Rush Rhees, Raymond Robins, Prescott W. Robinson, Elihu Root, John C. Rose, Julius Rosenwald, Erskine M. Ross, John A. Sargent, Charles Scribner, Mary Frances Severance, William W. Sewall, John C. Shaffer, Leslie M. Shaw, Louis P. Sheldon, Harry F. Sinclair, Thomas F. Smith, M. P. Snyder, William C. Sproul, William Spry, Frank C. Steinhart, William D. Stephens, Percy S. Stephenson, Philip B. Stewart, Henry L. Stimson, Marshall Stimson, Warren S. Stone, Oscar S. Strauss, Mark Sullivan, Patrick Sullivan, J. T. Swift, William Howard Taft, Joseph O. Thompson, William Boyce Thompson, John W. Towle, Wallace Townsend, William J. Tully, George Turner, R. E. Twitchwell, Grace Vanderbilt, George H. Vincent, Harriet E. Vittum, Aug. H. Vogel, Henry C. Wallace, Zeb V. Walser, T. H. Wannamaker, David Warfield, Charles B. Warren, Henry Watterson, Benjamin Ide Wheeler, Henry J. Whigham, Wallace H. White, jr., Albert H. Wiggin, James Wilson, Leonard Wood, Luke E. Wright, William Wrigley, jr., and Robert J. Wynne, their associates and successors, are hereby created a body corporate and politic in the District of Columbia.

SEC. 2. That the name of this corporation shall be Roosevelt Memorial Association, and by that name it shall have perpetual succession, with power to sue and be sued in courts of law and equity within the jurisdiction of the United States; to hold such real and personal estate as shall be necessary for its corporate purposes, and to receive real and personal property by gift, devise, or bequest; to give and dedicate such property to public agencies and purposes; to adopt a seal and the same to alter at pleasure; to hold its corporate meetings within or without the District of Columbia, as the board of trustees of the corporation shall determine; to have offices and conduct its business affairs within or without the District of Columbia, and in the several States, Territories, and possessions of the United States; to make and adopt a constitution, by-laws, rules, and regulations not inconsistent with the laws of the United States of America, or any State thereof, and generally to do all such acts and things as may be necessary to carry into effect the provisions of this act and promote the purposes of said corporation.

SEC. 3. That the purpose of this corporation shall be to perpetuate the memory of Theodore Roosevelt for the benefit of the people of the United States of America and of the world, and to that end, but without restriction to the objects enumerated below, to solicit, receive, hold, and maintain a fund or funds, and to apply the principal thereof and income therefrom to any one or more of the following objects:

(1) The erection and maintenance of a suitable and adequate monumental memorial in the city of Washington, D. C., to the memory of Theodore Roosevelt;

(2) The acquisition, development, and maintenance of a public park in memoroy of Theodore Roosevelt in the town of Oyster Bay, N. Y.; and

(3) The establishment and maintenance of an endowment fund to promote the development and application of the policies and ideals of Theodore Roosevelt for the benefit of the American people.

SEC. 4. That the property and affairs of the corporation shall be managed and directed by a self-perpetuating board of trustees. The following-named persons shall constitute the first board of trustees: Lawrence Abbott, Henry J. Allen, Joseph W. Alsop, Charles W. Anderson, R. Livingston Beeckman, Austen Colgate, E. C. Converse, John S. Cravens, T. Coleman du Pont, John H. Finley, James R. Garfield, Mrs. Frank A. Gibson, James P. Goodrich, Lloyd C. Griscom, Hermann Hagedorn, Judson Harmon, George Harvey, Will H. Hays, A. T. Hert, Frederick C. Hicks, Elon H. Hooker, Charles E. Hughes, Hiram W. Johnson, Otto H. Kahn, Frank B. Kellogg, Irwin R. Kirkwood, Mrs. C. Grant La Farge, Franklin K. Lane, Henry D. Lindsley, Henry Cabot Lodge, William Loeb, jr., Mrs. Medill McCormick, James J. McGraw, Clarence H. Mackay, Dwight W. Morrow, George W. Perkins, Gifford Pinchot, Mrs. Whitelaw Reid, Raymond Robins, Elihu Root, Julius Rosenwald, Mrs. C. A. Severance, Harry F. Sinclair, Philip B. Stewart, Henry L. Stimson, Warren S. Stone, Oscar S. Straus, Mark Sullivan, William Boyce Thompson, Henry C. Wallace, Albert H. Wiggin, Luke E. Wright, William Wrigley, jr., and Leonard Wood.

The board of trustees shall have the power to adopt from time to time a constitution, by-laws, rules, and regulations for the selection of their successors, for the admission to membership in the corporation, for the election of officers of the corporation, and in general for the conduct of the affairs of the corporation, and may alter, amend, or repeal the same.

SEC. 5. That said coroporation will have no power to issue certificates of stock or to declare or pay dividends, but it is organized and shall be operated exclusively for educational purposes, and no part of its earnings, income, or funds will inure to the benefit of any member or individual.

SEC. 6. That Congress shall have the right to repeal, alter, or amend this act at any time.

Mr. WALTERS. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. WALSH] five minutes.

Mr. WALSH. Will the gentleman state in reference to subsection (3) on page 5 what is intended to be covered by that?

Mr. WALTERS. If the gentleman will permit, I will yield to the gentleman from New York [Mr. HICKS].

Mr. HICKS. Mr. Speaker, if the gentleman from Massachusetts will allow me to make a little statement, I think I can clear up that point and some others.

I think the purpose of the bill is self-evident. It is to incorporate an association to perpetuate the memory of the late Theodore Roosevelt, and it has in the main three general purposes. One is to erect here in Washington a great monumental building, in which will be relics and exhibits of the life of Roosevelt. The second is to have a building or a park at his home town in Oyster Bay, where there will also be preserved relics of the late President; then, third, to have an institution which shall teach the ideals and policies for which Roosevelt stood, so that all the people of the country may have the benefit of the sterling Americanism for which Roosevelt was known not only in this country but throughout the earth. [Applause.] To properly perform this work the association will ask for funds and donations of personal articles to carry forward these three projects. There is no profit to be derived from the undertaking. By the express provisions of the act no dividends can be declared. The only money that will be expended will be expended in obtaining the fund, erecting the buildings, and in meeting such expenses as are incident to these monuments and to this institution, which will keep alive the policies and ideals with which the name of Roosevelt is forever linked in grateful, patriotic reverence. [Applause.]

This association is not incorporated for financial profit nor for the aggrandizement of those connected with it. The American people will be the beneficiaries and the glory of perpetuating the name of Roosevelt will belong to every citizen of our Republic. The purpose of the association can best be expressed in Roosevelt's own words:

I speak of the men of the past partly that they may be honored by our praise of them, but more that they may serve as examples for the future.

[Applause.]

Mr. WALSH. I wish the gentleman would give me some information with respect to subparagraph (3) of section 3.

Mr. HICKS. It states the purpose of it. It is to receive funds and hold objects of interest, relics and things of that kind, in perpetuity for the benefit and profit and interest of the people of the United States.

Mr. WALSH. It says:

To promote the development and application of the policies and ideals of Theodore Roosevelt for the benefit of the American people.

Mr. HICKS. Their idea is to have publications issued, lectures given, and so forth, so that people who read may know the things Roosevelt stood for, breathing Americanism and patriotism to his country.

Mr. WALSH. Does that mean the simple life, the big stick, and similar ideals?

Mr. HICKS. I do not know that the absolute details of every word that this institution will utter have been formulated, but in general and in large it means that the great principles which my friend from Massachusetts knows about and appreciates, and for which President Roosevelt stood, shall not die, but shall go on to future generations, teaching the sterling Americanism which my friend from Massachusetts has also always stood for.

Mr. WALSH. Oh, yes; we all understand about the sterling Americanism; but I want to know about these policies and ideals. Of course, the great President stood for political principles as well. Is there anything of that sort to be included?

Mr. HICKS. There is no idea at all to make this Federal institution a great political power in the sense of partisan politics. The only thing contemplated is to make it a broad-gauged institution which will embrace the very best of all political principles, whether it be Democratic or Republican or Progressive principles, so long as it is American.

Mr. WALSH. The purposes of this subsection (3) are to be attained through the establishment of an educational institution—is that the idea?

Mr. HICKS. That is correct, in a general way.

Mr. WALSH. Where is it intended that this educational institution is to be located?

Mr. HICKS. I do not think that has been determined upon. The other two objects are stated—one a monument in Washington and one in Oyster Bay. As far as the educational institution is concerned, I do not think that has yet been determined upon.

Mr. WALSH. Does the gentleman think the language of subsection (3) will permit the maintenance of an educational institution?

Mr. HICKS. I should imagine it would in the sense in which I have used the term, because the men who drew it probably had that in mind and were confident of what they were doing before they drew the provision. I may say that this bill has already passed the Senate. It was drawn by able men, and I presume will cover the points that they desired to have covered.

Mr. WALSH. Of course, the House bill was drawn by a Member of the House.

Mr. WALTERS. I yield to the gentleman from Illinois [Mr. MANN].

Mr. MANN of Illinois. Mr. Speaker, it has been customary in bills of this kind to insert a limitation of the amount which the corporation might raise and the value of the property which it might own. I notice that there is no such limitation in this bill. Was that left out advisedly or by inadvertence?

Mr. HICKS. That was left out advisedly, because they are unable to tell, until they get this thing under way, the amount that they will need for these purposes, and therefore they did not limit the amount to be raised.

Mr. MANN of Illinois. Subsection (3) of section 3, which has already been referred to, provides for a fund to promote the development and application of the policies, and so forth, of Theodore Roosevelt. I take it that that would authorize this corporation to engage upon a political propaganda. Does the gentleman know whether that is the thought of any of the promoters of the corporation?

Mr. HICKS. I will say that I can not speak for the other incorporators; but speaking for myself, who happens to be among the number, I can say that nothing is further from my mind than that this association shall be used in promoting partisan politics.

Mr. MANN of Illinois. Of course, the gentleman from New York and everyone else can readily see the danger of granting a corporation the right to raise money and expend it in supporting candidates or certain policies in a political campaign. It is bad enough as we have campaigns now, but if we start to create corporations without any limit on the amount they may raise to conduct campaigns, I do not know how much worse it might be.

Mr. HICKS. I can say to my friend from Illinois that I do not think it is contemplated for a moment that this association will be used in the sense to which he has just referred.

Mr. GARD. Will the gentleman yield?

Mr. WALTERS. I will yield to the gentleman.

Mr. GARD. What I want to call the attention of the gentleman to in this bill is that it is provided, on page 4, lines 22 and 23, that this corporation may have offices and conduct its business affairs within or without the District of Columbia and in the several States, Territories, and possessions in the United States.

It is always customary in legislation of this kind to require that the corporation have an office in the place where the corporation is created. Here it provides that they may have offices within or without the District of Columbia and in the several States, Territories, and possessions of the United States. I call attention to this because of the inaccuracy of the legal proceedings, and especially to call attention to the fact that there is a bill drafted for a Federal incorporation which comes from a committee which has the management of the affairs of the District of Columbia. There can not be the slightest excuse for the assumption of jurisdiction by this committee except the acquiescence of the committee which really has jurisdiction. This does not belong to the Committee on the District of Columbia.

Mr. MAPES. Will the gentleman yield?

Mr. GARD. I will.

Mr. MAPES. There is some conflict in precedents as to whether the Committee on the District of Columbia or the Committee on the Judiciary has jurisdiction of bills of this kind. Several bills incorporating corporations similar to this have been reported by the Committee on the District of Columbia in former Congresses.

Mr. GARD. I know there has been some conflict in jurisdiction, but the consensus of opinion must be that these laws creating a legal entity, creating corporations, belong to the Committee on the Judiciary and do not belong to the Committee on the District of Columbia.

To illustrate what is done by a committee of this kind: Here we have a bill brought in which permits the incorporation in the District of Columbia and does not even require an office or a representative of the corporation in the district where it is created. It would seem to me that even in the ordinary construction of corporations certainly you would have to have an office of the corporation in the place where the corporation was created. In this case they can have an office in the District of Columbia or out of the District. You could have it in Hawaii if you wanted to, or any outlying possession of the United States. I think everyone would be in accord with the provisions of the bill. The bill has for its purpose a great and noble idea, but being crowded into the committee it is not given the consideration which it should have, and now it comes with certain amendments, made by the Senate, I suspect; but, at any rate, the bill is not given the right kind of consideration. While I am not finding fault at all as to the means by which the bill got there it does seem to me that it should have gone to the committee which would have given it the consideration which a legal corporation should have.

I want to call the attention of the chairman to this matter and ask him whether it is intended to remedy this omission.

Mr. MOORE of Virginia. If the gentleman will yield, I submit that it is quite customary to create a corporation without providing that it shall maintain an office in the place of its creation. Very frequently a corporation is established with a provision that an agent shall be maintained within the jurisdiction where the charter is granted, but frequently it is allowed to have its office wherever it pleases, no requirement being made that it shall be kept in any particular place, and even no requirement that an agent shall be maintained anywhere.

Mr. CHINDBLOM. Is not there always a provision for the service of process?

Mr. MOORE of Virginia. Not a specific provision. That is a matter that falls under general statutes. It is altogether within the discretion of Congress whether anything shall be stipulated about the location and maintenance of an office or the maintenance of an agent.

Mr. GARD. I have no fault to find with what the gentleman says. It is entirely within the power of Congress to determine what are the essential elements of incorporation, and it should, to my mind, provide for an office or place of business in the place where that corporation was created. Second, you should have some representative of the corporation in the place of its creation; and third, you should provide some means for the service of process against the corporation, none of which provisions are in this bill.

Mr. MANN of Illinois. The gentleman from Ohio knows that the law now provides how process shall be served on this corporation or any other corporation.

Mr. GARD. The gentleman means corporations generally.

Mr. MANN of Illinois. The general law would cover this. The law provides for the service on corporations. It is not in the law that authorizes the creation of the corporation at all. That is not where it belongs.

Mr. GARD. The gentleman understands that the general law of service on corporations would apply. I was referring to the fact that there is no reference to that in this bill, either of that or any other essentials.

Mr. MANN of Illinois. We ought not to deceive ourselves. It has been the policy of Congress for years not to create a Federal corporation except corporations in the District of Columbia. Sometimes that has been varied.

We provide in the District of Columbia for incorporation here under the general law, and this association could be incorporated in the District of Columbia except for the fact that the incorporation law here requires one-half of the incorporators to be residents of the District. This could be incorporated exactly as they propose the provisions now if one-half of the incorporators were residents of the District.

Mr. GARD. The gentleman appreciates why they want an incorporation in the District of Columbia, or why they want this incorporation. It is because it carries with it the prestige of having been incorporated by the Congress of the United States.

Mr. MANN of Illinois. I assume that is the case. That is the case with all of these incorporations that we grant.

Mr. GARD. Surely.

Mr. WALTERS. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. WALTERS, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. MANN of Illinois. Mr. Speaker, I suggest that the House bill of similar title be laid on the table.

The SPEAKER. Without objection the House bill will lie on the table.

There was no objection.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that on May 22 they had presented to the President of the United States for his approval the following bills and joint resolution:

H. R. 14100. An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes;

H. R. 13666. An act granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River in section 18, township 12 north, range 21 east, in the State of Oklahoma;

H. R. 13665. An act granting the consent of Congress to Muskogee County, Okla., to construct a bridge across the Arkansas River between sections 16 and 21, township 15 north, range 19 east, in the State of Oklahoma;

H. R. 12044. An act to accept the cession by the State of California of exclusive jurisdiction of the lands embraced within the Yosemite National Park, Sequoia National Park, and General Grant National Park, respectively, and for other purposes;

H. R. 10072. An act to provide for the punishment of officers of United States courts wrongfully converting moneys coming into their possession, and for other purposes;

H. R. 7629. An act to amend the penal laws of the United States;

H. R. 5163. An act authorizing certain tribes of Indians to submit claims to the Court of Claims, and for other purposes; and

H. J. Res. 351. Joint resolution extending the provisions of an act amending section 32 of the Federal farm-loan act approved July 17, 1916, to June 30, 1921.

LIABILITY OF HOTEL PROPRIETORS IN THE DISTRICT OF COLUMBIA.

Mr. BURDICK. Mr. Speaker, I call up the bill (H. R. 12887) establishing the liability of hotel proprietors and innkeepers in the District of Columbia, which I send to the desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That whenever the proprietor of any hotel or inn in the District of Columbia shall provide in such hotel or inn a suitable safe or vault for the safekeeping of any money, jewelry, or other articles of value, other than wearing apparel, belonging to or in the custody of guests, and shall notify the guests thereof by keeping conspicuously posted in the office and on the inside of the entrance door of the sleeping rooms of said hotel or inn a notice printed in distinct English type, such proprietor shall not be liable for the loss of or injury to any such property by theft or otherwise sustained by any guest unless such guest has offered to deliver the same to such proprietor for custody in such safe or vault and such proprietor has omitted or refused to receive it and deposit it in such safe or vault and to give such guest a receipt therefor: *Provided*, That in no case shall such proprietor be liable for the loss or injury to property so deposited in an amount exceeding the sum of $500, except by special contract in writing, stating the kind and value of property received, the kind and extent of the liability of said proprietor, and the reasonable consideration to be paid for such safekeeping, not in excess of the customary insurance charge or premium, and which said contract shall be signed by said guest and said proprietor or his clerk: *Provided further*, That nothing herein contained shall apply to such an amount of money and such jewelry or other articles of value as is usual, common, or prudent for guests to retain in their rooms.

SEC. 2. That whenever the proprietor of any hotel or inn shall keep posted in a conspicuous manner on the inside of the entrance door to the sleeping rooms of said hotel or inn a notice printed in distinct English type requiring the guests occupying said rooms to lock or bolt the door of said room and upon leaving said rooms to lock the door and deposit the key at the office, the proprietor shall not be liable for any baggage stolen from said room if it shall appear that said room was left by the guest unlocked or unbolted, or that the key was not so deposited at the office at the time of the loss of said baggage, unless the loss is directly or indirectly caused by or attributable to the proprietor or his employee or employees.

Mr. BURDICK. Mr. Speaker, this bill is the committee's substitute for a bill introduced by the gentleman from Massachusetts [Mr. TREADWAY], and it seeks to limit the liability of hotel proprietors within the District of Columbia. In substance, it follows the law that is in force in about every other State in the Union, with possibly six exceptions. The committee had a hearing upon the bill and the bill was indorsed by all of the hotel proprietors within the District. The reasons urged by the proponents of the bill appealed very strongly to the committee. The bill limits the common-law liability in just two respects. First, it provides that if the proprietor of a hotel shall provide a safe or vault for safe-keeping of money or valuables and shall give notice to his guests that such is the fact, he shall not be liable for loss of such money or valuables if they are not deposited in the safe. In other words, when he takes them into his possession he becomes liable, but if the guest does not see fit to take advantage of the offer that he had made to care for them and the guest leaves them in his room, the proprietor is not responsible if they are stolen.

Mr. GARD. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. GARD. I do not desire to interrupt the gentleman's statement. I have been reading with much interest the two provisos. Is it intended in the first proviso on page 2 to limit the liability of the innkeeper in any event to the sum of $500 unless a special contract is signed?

Mr. BURDICK. Yes; that is what we find is the law in most of the States.

Mr. GARD. In other words, if a man had property valued at $1,000 and goes into a hotel late at night and wants to put that property in a supposedly burglar-proof safe, and he does put it in the safe, in the event it is lost in any way the hotel keeper is responsible for only $500, unless the guest can wake up the hotel keeper and get him to sign a contract to pay him the full thousand dollars in case of loss. Is that right?

Mr. BURDICK. It is right in part; yes. The limitation is $500 unless there is an agreement with the hotel proprietor or his clerk.

Mr. GARD. In this particular it says that the limitation is $500 except where a special contract is signed.

Mr. BURDICK. Yes.

Mr. GARD. It would impose upon anyone having any amount of money in his possession—assuming that some people have more than $500 at one time, which is a violent assumption on my part—who goes to a hotel and who wants to put it in the hotel safe, to wake up the hotel proprietor and get him to sign a special contract, if he went there late at night, if he wanted to be sure of getting the $1,000 back in case it was lost.

Mr. BURDICK. He would have to offer it for deposit either to the proprietor or his clerk.

Mr. GARD. He would have to offer it for deposit and have a special contract in writing.

Mr. BURDICK. That is correct.

Mr. GARD. This seems to be a very ingenious insertion by some hotel proprietor.

Mr. BLANTON. Mr. Speaker, right there, does not the gentleman from Ohio [Mr. GARD] think it is a reasonable provision for a man who seeks to have a hotel proprietor take charge of more than $500 and safely keep it and be responsible for its loss, to pay a reasonable insurance charge? I think that is very reasonable.

Mr. GARD. Oh, yes; that would give some of these Washington hotel keepers an insurance business.

Mr. BLANTON. I do not think many guests in Washington hotels will have more than $500——

Mr. GARD. Not when they go out. [Laughter.]

Mr. BURDICK. Cases were illustrated before us where guests had $10,000 worth of jewelry in their rooms, in trunks unlocked.

Mr. GARD. Of course, that would be a great risk. Is it the intention of this bill to limit the liability to $500 in any event, unless there be a special contract in writing?

Mr. BURDICK. Yes; that is with respect to money and jewelry, but not for wearing apparel. It is for articles of value other than wearing apparel.

Mr. TREADWAY. Mr. Speaker, will the gentleman from Rhode Island permit me to explain to the gentleman from Ohio?

Mr. BURDICK. Certainly; I yield to the gentleman from Massachusetts.

Mr. TREADWAY. Mr. Speaker, there has come about everywhere in hotels a very great abuse of the privilege secured by guests other than the providing of room and board. This very feature is intended to cover that point in connection with valuables. As a guest at a hotel, you pay for your room, meals, and service. There are many other things that have gradually crept into the dealings between a hotel and guest furnished without charge. One is that hotels are to-day expected to provide safe-deposit boxes and become responsible either for large sums of money, securities, or jewelry.

I could call the attention of the gentleman to a case in New York a few months ago where very valuable jewelry was stolen from the hotel vault—afterwards recovered—but which had been left there by the owner, not a guest of the hotel at the time of the loss. The hotel was obliged to offer a reward of $10,000 to endeavor to secure the return of that jewelry. This item to which the gentleman refers in this bill is intended simply to protect the hotel to the extent when the guest asks the hotel to assume an undue liability. If the gentleman will read the first paragraph he will see there is no limit to the clothing and the actual traveling and wearing apparel which the guest at a hotel can have.

Mr. GARD. A man in a hotel would not have very much of that. The gentleman, I know, is the proprietor of a magnificent hotel and, of course, conversant with all the needs of hotels and the relations with their guests, and their business relations as well; but it seems to me that this is entirely new, to write in that the hotel having a safe-deposit vault or burglar-proof safe, and that there is no liability unless the guest deposits the valuables in that safe, and then we can limit the liability, except for clothing and traveling essentials, which, of course, do not amount to a great deal to the average person, to $500 of money and expensive jewelry unless the man can get a special contract with the hotel keeper that he will take these valuables and be accountable for more than $500.

Mr. BURDICK. I will say to the gentleman from Ohio, in Arkansas there is a provision for $300, in California for $250, in Louisiana for $100, and in Ohio for $500.

Mr. GARD. Well, I know these provisions relate to the general liability of the innkeeper, but there is no provision about a special contract.

Mr. BURDICK. Yes; there is a special contract in those cases to which I have called attention under existing law, and I believe I have 25 States that have this provision with reference to a special contract.

Mr. TREADWAY. I think, if the gentleman will permit me to interject this remark, the gentleman from Ohio will agree with me that there is no occasion to expect the hotel to provide undue protection for something not necessary in the transaction between the guest and the hotel. In other words, where the guests are carrying large sums of money about, the hotel should not be liable. We had an illustration in the hearings before the committee of a man carrying $10,000 in bonds around in his trunk and expecting that the hotel would assume the liability for the loss, whereas the real agreement between the hotel and guest merely covered the room and food.

Mr. GARD. Well, suppose this case: Suppose a man comes from New York, say, for illustration, to the New Willard Hotel in Washington. He comes with a thousand dollars in his pockets for the purpose of buying something here in Washington. He lands at the New Willard at 11 or 12 o'clock at night. He wants to put that $1,000 in the safe in the office. He tenders it to the clerk, and the clerk says that they could not take any liability for that unless there is a special contract. He says, "We will pay $500 if it is lost or we will pay nothing."

Mr. TREADWAY. The assumption the gentleman is going on is impossible. The fact is that at no time would a hotel in this city or any other be without some responsible representative of the proprietor in the office, and when a guest arrives with a thousand dollars and deposits $500 of it in the safe, or the whole $1,000 for that matter, the representative of the proprietor will receive it and give a receipt for it, the hotel itself making no profit out of it but simply asking you as a guest to pay for the protection the hotel itself must pay. There can not be anything unfair about such a contract as that.

Mr. GARD. But when they accept that $1,000 under this bill they accept it with the liability for $500 and not for the $1,000?

Mr. TREADWAY. It is expected that a person would have probably on a tour or traveling $500 in value in currency or in jewelry or other form of security. The hotel should assume that responsibility without charge; but when it comes into these large sums which ladies traveling with little jewelry boxes, as the gentleman is well aware, containing thousands and thousands of dollars in value, why should the hotel be asked to assume the responsibility of keeping that package when it has nothing whatever to do with the rate the guests are paying for their board or their room? It is an unfair request, and one which I say has gone beyond the limit, putting an additional burden on the hotel beyond the point of what the guest is expected to pay for accommodations.

Mr. GARD. None of these hotels are compelled to take large bunches of jewelry of which the gentleman speaks or park a Pomeranian or anything of that kind.

Mr. BURDICK. I will say to the gentleman from Ohio I have the Ohio law here, and it provides a limit of $500:

> Innkeepers shall not be obliged to receive from the guest for deposit in such safe or vault property described in the preceding section exceeding the value of $500, and shall not be liable for such value, whether received or not. Such innkeepers, by special arrangement with the guest, may receive for deposit upon written terms, as agreed upon——

Mr. GARD. Now, you go beyond that. We make no liability except by a special contract in writing.

Mr. BURDICK. Oh, no; I do not so understand it at all.

Mr. GARD. That is in the bill—making the liability $500.

Mr. BURDICK. The same way in Ohio and in 25 other States.

Mr. GARD. I am not familiar just at this time with what the Ohio enactment is, and I will not state advisedly. Doubtless the gentleman is more familiar than I am, having recently studied this matter, but I question if it is drawn in reference to how the innkeeper should get paid.

Mr. BLANTON. If the gentleman will yield, I think the gentleman from Ohio has found a bugaboo in this bill that does not amount to so much. Is it not a fact, I will ask the gentleman, that these hotels, under such a law as he proposes—that the man they have in the office is prepared to sign this contract, which is printed, and he can sign it in half a minute, if a guest has valuables and wants to put them in the safe, and when the guest leaves he charges him this little premium?

Mr. TREADWAY. What the hotel itself has paid.

Mr. BLANTON. Yes. And the hotel is thereby helped to pay the kind of a man they have to have in order to take care of the business of protecting these valuables. It is not a great, big business transaction, where you would have to hunt the proprietor up and get him out of bed and bring him down in his night clothes to sign the contract. The man is in the office who has authority to sign the contract.

Mr. MANN of Illinois. I understand that this bill is to limit the liability of the hotel keeper. I suppose there is no way to limit the liability of the hotel guest?

Mr. BURDICK. None at all.

Mr. MANN of Illinois. There are some people who have put up at hotels in the last few years, or even the last few days, who would like to have some method of limiting their liability to hotels.

Mr. GARD. I will state there is such liability, if the gentleman will yield. It is all that the man who comes in has. It is everything he has.

Mr. TREADWAY. Is not that matter in the Attorney General's hands?

Mr. MANN of Illinois. I was not sure. The gentleman from Ohio [Mr. GARD] says there is a limit to liability; that they take all he has. I have been told by some gentlemen who are more experienced in hotels than I am, that they were not even satisfied with taking all they have.

Mr. BURDICK. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. WALSH. Division, Mr. Speaker.

The House divided, and there were—ayes 23, noes 13.

So the bill was passed.

On motion of Mr. BURDICK, a motion to reconsider the vote by which the bill was passed was laid on the table.

AGRICULTURAL APPROPRIATIONS.

Mr. HAUGEN, from the Committee on Agriculture, submitted a conference report on the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921, and for other purposes, for printing in the RECORD under the rule.

The conference report is as follows:

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate No. 93 to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year 1921, having met, after full and free conference have been unable to agree.

G. N. HAUGEN,
J. C. MCLAUGHLIN,
GORDON LEE,
Managers on the part of the House.

A. J. GRONNA,
G. W. NORRIS,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 12272) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1921, and for other purposes, submit the following statement in explanation of the effect of the action by the conference committee, and submitted in the accompanying conference report, as to the amendment of the Senate, namely:

On amendment No. 93 strikes out an appropriation of $239,416 for the purchase and distribution of valuable seeds. The conferees have been unable to agree as to this amendment.

G. N. HAUGEN,
J. C. MCLAUGHLIN,
GORDON LEE,
Managers on the part of the House.

CHANGE OF NAME OF DISTRICT OF COLUMBIA CORPORATIONS.

Mr. MAPES. Mr. Speaker, I call up the bill H. R. 5416, a bill to authorize corporations organized in the District of Columbia to change their names.

The SPEAKER. The gentleman from Michigan calls up a bill which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 5416) to authorize corporations organized in the District of Columbia to change their names.

Be it enacted, etc., That the Code of Law for the District of Columbia be, and the same is hereby, amended by inserting another section, to be known as section 639a, which shall read as follows:

"SEC. 639a. That any corporation organized under the laws of the District of Columbia may change its name in the manner following:

"The board of directors shall pass a resolution declaring that such change is advisable and calling a meeting of the stockholders to take action thereon. Such a meeting shall be called upon such notice as the by-laws provide, and in the absence of such provision upon 10 days' notice given personally to each stockholder as his address is contained in the records of such corporation, a notice deposited in the United States mail, postage prepaid, at least 10 days prior to such meeting to be considered sufficient notice under this act. If two-thirds in interest of each class of stockholders having voting powers and of other persons having like powers shall vote in favor of such a change, a certificate thereof shall be signed by the president and secretary, under the corporate seal, and acknowledged as in the case of deeds of real estate, and such certificate shall be filed in the office of the recorder of deeds of the District of Columbia, and upon the filing of the same the certificate of incorporation shall be deemed to be amended and the name changed accordingly; and the filing of said certificate in conformity with this act shall have the same force and effect as to all future proceedings as if said certificate of incorporation or organization had been originally drafted in conformity with the amendment so made.

"That a certified copy of such certificate shall be taken and accepted as evidence in all courts and places of all matters legally stated therein; and the recorder of deeds shall keep an index in his office showing the new name and the change from the old name, and the old name showing the change to the new name; and no fees shall be required by the recorder of deeds for filing and recording any such certificate, except that ordinarily required for deeds of real estate of like length.

"That a corporation under its new name shall have the same rights, powers, and privileges, and shall be subject to the same duties, obligations, and liabilities as before, and may sue and be sued by its new name, but no action brought against it or by it under its former name shall be abated on that account, and on motion of either party the new name may be substituted therefor in the action.

"That upon the filing of said certificate for record a copy thereof shall be inserted, by the corporation whose name has been changed as hereinabove provided, once each week for four consecutive weeks, in two daily papers published in the District of Columbia."

Mr. MAPES. Mr. Speaker, there is no law in the District of Columbia now authorizing corporations to change their names. I think that is a very unusual condition. The stockholders or those interested in corporations in most of the States, if not all, I believe have the right to amend their charters so as to change the names of their corporations at any time they see fit.

Mr. GARD. Will the gentleman yield for a question?

Mr. MAPES. I yield.

Mr. GARD. Will the gentleman advise me where the Committee on the District of Columbia acquires jurisdiction to amend the code of law for the District of Columbia? This is a bill providing:

That the code of law for the District of Columbia be, and the same is hereby, amended by inserting another section, to be known as section 639a, which will read as follows:

And it is reported by the Committee on the District of Columbia.

Mr. MAPES. I think, if the gentleman will permit, that the Committee on the District of Columbia has jurisdiction of this legislation. I have not contested, so far as I am concerned, the right of the Committee on the Judiciary, of which the gentleman is a member, to recommend certain legislation which I have had some question about that committee having jurisdiction of. It is true that it reported a bill to revise the code in the District of Columbia. Those who were interested in that proposed legislation consulted with me about it before it was introduced. It contained some things, I will say to the gentleman, which I think the Committee on the Judiciary ought not to have reported, and which should have come to the District Committee. However, I think there is no question about the right of the District Committee to report this legislation.

Mr. GARD. I have no desire to abridge the jurisdiction of the Committee on the District of Columbia, but when it had authority given to it to amend codes of law I do not know.

Mr. MAPES. Of course this only applies to the code in the District of Columbia.

Mr. MANN of Illinois. What committee would have jurisdiction over it?

Mr. GARD. The Committee on the Judiciary.

Mr. MANN of Illinois. Where does the Committee on the Judiciary get its jurisdiction over the revision of codes of law, and since when have they exercised it?

Mr. GARD. Any committee gets jurisdiction by reason of assignments, of course.

Mr. MANN of Illinois. They never have had that jurisdiction; the rules do not confer it, and practice has not conferred it, and they do not have such bills referred to it.

Mr. GARD. Oh, yes. They reported out the District Code bill the other day from the Committee on the Judiciary, a new District Code.

Mr. MANN of Illinois. I know, but the codification of the law does not go to the Committee on the Judiciary. That bill belonged to the Committee on the District of Columbia. It has not been the practice of the Judiciary Committee to have these bills.

Mr. GARD. I do not desire to dispute the gentleman. It seems to me it has always been the practice, not only with bills of this kind but all incorporation bills, to go to the Judiciary Committee, at least since I have been connected with it.

Mr. MANN of Illinois. Some of them.

Mr. GARD. No; all.

Mr. MANN of Illinois. No; I beg the gentleman's pardon. Probably it has been about half and half in the incorporations in the District of Columbia.

Mr. GARD. Does the gentleman contend that this District of Columbia Committee has jurisdiction to amend the Code of the District of Columbia?

Mr. MANN of Illinois. Certainly it has. It is a District matter. The rules specifically confer the jurisdiction, and the practice has followed the rule.

Mr. GARD. This is the first evidence I have seen coming from the committee.

Mr. MANN of Illinois. The gentleman has not been watching bills so closely until recently. There have not been bills coming from the committee recently. I have been watching them for a long time. I am glad those gentlemen are doing that work so efficiently. As a matter of fact the District of Columbia Committee does have the jurisdiction, in my opinion, of bills of this class, and not the Committee on the Judiciary, and that has been the practice.

Mr. GARD. My observation was that not only the complete bill that we passed the other day on the last calendar day that the Committee on the Judiciary had—not only did not that complete code come from the District of Columbia, but practically every other law, including the code law of the District of Columbia, had been submitted to the Committee on the Judiciary for its action.

Mr. WALSH. The only uniformity about this whole business of reference of bills, the only thing that has been uniform, has been the lack of uniformity in the references. It has been a uniform lack of——

Mr. GARD. Uniformity. [Laughter.]

Mr. WALSH. Mr. Speaker, will the gentleman from Michigan yield to me for another question?

Mr. MAPES. Yes.

Mr. WALSH. Do I understand this will not permit a corporation, such as the measure we passed recently provided for, to change its name, as outlined in this bill, but only corporations formed under the general laws of the District?

Mr. MAPES. That is my understanding of it.

Mr. WALSH. If that is so, why could not the association that wanted to be incorporated and which was provided for in this bill a little while ago have been incorporated under the general laws of the District?

Mr. MAPES. I do not know.

Mr. Speaker, I move the previous question.

Mr. MOORES of Indiana. Mr. Speaker, will the gentleman yield?

Mr. MAPES. Yes; I yield to the gentleman from Indiana.

Mr. MOORES of Indiana. I have never been able to get hold of the code of the District of Columbia. It is not contained in the two sets of statutes that I have. I want to ask a question about it. Is there any provision in the code of the District of Columbia forbidding or regulating the adoption by a corporation of a name similar to or identical with that of another corporation of either the District or some State? Is there any law of the District forbidding that sort of thing?

Mr. MAPES. I will say to the gentleman that I do not know any statutory law forbidding that. I do not know whether there is any such law in the District of Columbia or not. Does not the general law prevent it, without an express statutory provision?

Mr. MOORES of Indiana. No; it does not.

Mr. GARD. Mr. Speaker, in reply to the gentleman's inquiry, I have in my hand a code of the laws of the District of Columbia. If the gentleman from Indiana would like to see it, he can.

Mr. MOORES of Indiana. I would like to get it, but let us go ahead. This bill ought not to permit a corporation to change its name without some restriction in the bill to the effect that the name shall not be similar to or identical with that of some other corporation of the District of Columbia or the State of Maryland or the State of Virginia or any other State.

Mr. MAPES. I will say to the gentleman that I do not recall whether there is anything in the statute prohibiting that or not.

Mr. Speaker, I move the previous question.

Mr. MANN of Illinois. Mr. Speaker, will the gentleman yield to me two or three minutes?

Mr. MAPES. Yes; I yield to the gentleman from Illinois five minutes.

Mr. MANN of Illinois. Mr. Speaker, I do not think we are in a great hurry. Gentlemen were discussing the code of the District of Columbia. The gentleman from Indiana [Mr. MOORES] said he had not seen a copy of it recently.

Mr. MOORES of Indiana. And I tried mighty hard to get it.

Mr. MANN of Illinois. My reference to that is only incidental and just an excuse. I have a copy of the code, and a copy of the laws of the District of Columbia besides, and this morning, picking up a bill reported from the Committee on the Public Lands relating to some land in the District of Columbia, I found a reference in the bill to a statute said to have been passed in 1822, and the bill recited it as having been printed in volume 21 of the statutes, page 45, or whatever it was. I turned to my cpoy of the laws of the District of Columbia, thinking I would find the statute, but did not find it. I went to the law library on the floor above and found that they knew nothing about it. I went to the law library of the Supreme Court of the United States and could get no information there. I telephoned to the Library of Congress and got the man at the head of the law department there, and he looked up everything he could find, and he said there was no such thing. I do not know whether there is or not, and I wonder where the Committee on the Public Lands got the information upon which they drew the bill. I do not see any member of that committee here, but I wish some brilliant genius on that committee would tell us where we could find this citation, Twenty-first Statutes, covering the acts of the Seventeenth Congress.

Mr. MAPES. I would like to say to the gentleman from Illinois that that is one of the bills that I think was improperly taken away from the District Committee.

Mr. MANN of Illinois. I think myself that it belongs to the District Committee.

Mr. MAPES. And I have been watching for the report. I had not noticed that the bill had been reported.

Mr. MANN of Illinois. I hope the gentleman will examine the bill. He will see that there may be some interesting inquiries to be made concerning it.

Mr. MAPES. Mr. Speaker, I move the previous question on the bill to the final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. MAPES, the motion to reconsider the vote by which the bill was passed was laid on the table.

REQUEST TO EXTEND REMARKS.

Mr. EMERSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a short letter written to me by the chairman of the Committee on Rivers and Harbors—a letter about five lines long.

The SPEAKER. The gentleman asks unanimous consent to extend his remarks in the RECORD by printing a letter from the chairman of the Committee on Rivers and Harbors. Is there objection?

Mr. WALSH. Reserving the right to object, the chairman of the Committee on Rivers and Harbors writes a great many letters. What is this one about?

Mr. EMERSON. I will read it to the gentleman.

Mr. WALSH. What is it about?

Mr. EMERSON. It is just a letter written to me stating the order of seniority in the assignments to that committee in the next Congress.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. GARD. I did not hear what the gentleman said.

Mr. EMERSON. It is a letter written to me by Chairman KENNEDY, of the Rivers and Harbors Committee, stating that I would be the second man on the Rivers and Harbors Committee in the next Congress.

Mr. GARD. Does the gentleman desire to inform his constituents?

Mr. MOORES of Indiana. I object.

Mr. EMERSON. I hope the gentleman will not object.

Mr. MOORES of Indiana. I certainly shall object. It is a purely personal matter.

The SPEAKER. Is there objection?

Mr. MOORES of Indiana. I object.

ADJOURNMENT.

Mr. MAPES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 41 minutes p. m.) the House adjourned until Tuesday, May 25, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting a deficiency estimate of appropriation required by the Public Health Service for the fiscal year ending June 30, 1920 (H. Doc. No. 783); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting estimate of appropriation for inclusion in the general deficiency bill for the completion of the post-office buildjng at Columbia, S. C. (H. Doc. No. 784); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of War, submitting an estimate of appropriation required by the War Department during the fiscal year 1920 for the payment to Ragsdale, Corbett, and Hart, reporters to Committees on Expenditures in the War Department (H. Doc. No. 785); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation reqnired to cover estimated deficit in operation of waterway transportation systems (H. Doc. No. 786); to the Committee on Appropriations and ordered to be printed.

5. A letter from the Secretary of the Treasury, transmitting estimate of appropriation required by the Treasury Department for relief of certain employees in the office of the Assistant Treasurer of the United States (H. Doc. No. 787); to the Committee on Appropriations and ordered to be printed.

6. A letter from the Secretary of the Treasury, transmitting estimate of appropriation required by the War Department for the employment of civilian employees in the office of the Director of Finance, fiscal year 1921 (H. Doc. No. 788); to the Committee on Appropriations and ordered to be printed.

7. A letter from the Secretary of the Treasury, transmitting alternative supplemental estimate of appropriation required by the Post Office Department, fiscal year 1920 (H. Doc. No. 789); to the Committee on Appropriations and ordered to be printed.

8. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the War Department for the care of insane Filipino soldiers, fiscal year 1920 (H. Doc. No. 790); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. LANGLEY, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 2328) relating to the title to lands to be acquired as a site for a post-office building at Spring Valley, Ill., reported the same without amendment, accompanied by a report (No. 1031), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. JONES of Pennsylvania, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 13962) to amend an act approved February 27, 1919, entitled "An act granting the consent of Congress to the county of Allegheny, Pa., to construct, maintain, and operate a bridge across the Monongahela River at or near the borough of Wilson, in the county of Allegheny, in the Commonwealth of Pennsylvania," reported the same with amendments, accompanied by a report (No. 1032), which said bill and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. KELLY of Pennsylvania, from the Committee on Claims, to which was referred the bill (H. R. 12174) to reimburse Clarence J. Vaughan, of Marquette, Mich., for money lost in registered letter, reported the same without amendment, accompanied by a report (No. 1030), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. GOULD: A bill (H. R. 14207) to amend the revenue act of 1918, approved February 24, 1919; to the Committee on Ways and Means.

By Mr. ESCH: A bill (H. R. 14208) to amend section 9 of an act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. KELLY of Pennsylvania: A bill (H. R. 14209) to provide increase in compensation of employees in the Postal Service; to the Committee on the Post Office and Post Roads.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DALE: A bill (H. R. 14210) granting a pension to Ella K. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14211) granting a pension to Frances Ann Sherlaw; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14212) for the relief of Charles J. Hilliard; to the Committee on Military Affairs.

By Mr. ELSTON: A bill (H. R. 14213) granting an increase of pension to Elsie Gillett; to the Committee on Invalid Pensions.

By Mr. EMERSON: A bill (H. R. 14214) to pay Silas McElroy, of Cleveland, Ohio, the sum of $600 for injuries received while in the service of the Treasury Department; to the Committee on Claims.

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 14215) granting an increase of pension to Ada L. Kinsey; to the Committee on Invalid Pensions.

By Mr. LITTLE: A bill (H. R. 14216) granting a pension to Benjamin J. Close; to the Committee on Pensions.

By Mr. HENRY T. RAINEY: A bill (H. R. 14217) granting a pension to Hannah Lovell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14218) granting a pension to Peter L. Brown; to the Committee on Invalid Pensions.

By Mr. ROSE: A bill (H. R. 14219) granting an increase of pension to Mary V. Benton; to the Committee on Invalid Pensions.

By Mr. SELLS: A bill (H. R. 14220) granting a pension to Jane Coleman; to the Committee on Invalid Pensions.

By Mr. VENABLE: A bill (H. R. 14221) authorizing the Secretary of the Interior to sell and patent to Frank Russell, of Newton County, Miss., certain lands; to the Committee on the Public Lands.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3857. By the SPEAKER (by request): Farmers' views on the national strike questions; to the Committee on the Judiciary.

3858. Also (by request), petition of New York Produce Exchange, protesting against the proposed bonus and the method of taxation for same; to the Committee on Ways and Means.

3859. Also (by request), petition of former citizens of White Russia, Ukrainia, and Lithuania at a meeting at St. Louis, Mo., favoring the freedom and self-determination of said countries; to the Committee on Foreign Affairs.

3860. By Mr. ASHBROOK: Petition of 68 ex-service soldiers of the State of Ohio, favoring bonus legislation; to the Committee on Ways and Means.

3861. By Mr. DARROW: Petition of Philadelphia Board of Trade, opposing the passage of House bill 12397, levying a tax on real estate; to the Committee on Ways and Means.

3862. By Mr. ESCH: Petition of American Medical Association, favoring publishing of a medical history of the war; to the Committee on Appropriations.

3863. By Mr. JOHNSTON of New York: Petition of Bakers' Union, Local No. 163, Brooklyn, N. Y., favoring the passage of Senate joint resolution 171 and Senate bill 1233; to the Committee on the Judiciary.

3864. By Mr. McGLENNON: Petition of Peter O'Neill Crowley Branch, Frends of Irish Freedom, supporting House resolution 520; to the Committee on Foreign Affairs.

3865. Also, petition of board of commissioners of the city of Newark, N. J., asking immediate settlement of railroad strikes; to the Committee on Interstate and Foreign Commerce.

3866. By Mr. O'CONNELL: Petition of Bakers' Union, Local No. 163, New York, N. Y., favoring the passage of Senate joint resolution 171 and Senate bill 1233; to the Committee on the Judiciary.

3867. Also, petition of sundry small packers in the United States, protesting to Congress and the American people against the charges of profiteering; to the Committee on the Judiciary.

3868. Also, three petitions of associations favoring increase in salaries of postal employees; to the Committee on the Post Office and Post Roads.

3869. Also, three petitions of individuals and corporations in connection with the bonus legislation; to the Committee on Ways and Means.

3870. By Mr. ROSE: Petition of Ancient Order of Hibernians, Division No. 3, of Patton, Pa., favoring speedy action on the Mason resolution; to the Committee on Foreign Affairs.

3871. By Mr. SNYDER: Petition of Betson Plastic Fire Brick Co., of Rome, N. Y., favoring tax on advertising and against increases of income and business taxes; to the Committee on Ways and Means.